

**LUBBOCK REESE REDEVELOPMENT AUTHORITY (LRRRA)  
REGULAR MEETING AGENDA OF THE BOARD OF DIRECTORS**

*The Board of Directors will convene in-person and via video and/or teleconference.  
You may join the meeting by video here: <https://us02web.zoom.us/j/2405318564> or dial in using this  
telephone number (346) 248-7799.*

Date: Wednesday, March 23, 2022

Time: 8:00 a.m.

Place: Reese Technology Center, LRRRA Board Room, 9801 Reese Blvd, Suite 200, Lubbock, TX 79416

AGENDA ITEMS	TAB	SPEAKER
Call the Meeting to Order		Steve Verett
1. Citizen Comments - Any citizen wishing to appear before a regular meeting of the Lubbock Reese Redevelopment Authority Board of Directors, regarding any matter posted on the Board Agenda, shall complete the sign-up form provided at the meeting, no later than 7:45 a.m.	TAB 1	Steve Verett
2. Discussion Item – KBR Presentation	TAB 2	Mark Dieter Eric Nardo
3. a. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.072, regarding certain matters concerning real property. Discussions regarding interest in the lease, sale, or value of buildings and property.  b. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.074(a), Deliberations Regarding Personnel Matters: <ul style="list-style-type: none"> <li>• Executive Director</li> <li>• Manager of Business Development</li> <li>• Manager of Accounting</li> <li>• Manager of Operations</li> <li>• Operations Lead</li> <li>• Service Technician</li> <li>• Service Technician</li> <li>• Administrative Coordinator</li> <li>• Administrative Assistant</li> <li>• Board of Directors</li> </ul> c. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.071, Consultation with Attorney.	TAB 3	John Tye Murvāt Musa Don Provost  Steve Verett Murvāt Musa  Darrell Guthrie
4. Action Item – Consider the Minutes of the February 23, 2022, Board of Directors Meeting	TAB 4	Steve Verett

5. Action Item – Consider City of Lubbock Interlocal Wholesale Wastewater Contract	TAB 5	Murvat Musa
6. Action Item – Consider Awarding Bid for Partial Roof Replacement, Building 210	TAB 6	Chris Evans
7. Discussion Item – Financial Reports	TAB 7	Sandy Hamilton
8. Discussion Item – Reese Events & Activities	TAB 8	Murvat Musa
Adjourn the Meeting		Steve Verett

Lubbock Reese Redevelopment Authority (LRRRA) will post this meeting agenda on its front doors and on its website at <http://www.reesetechnologycenter.com/agendas/> by 5:00 p.m., Friday, March 18, 2022.

by:   
 Lacy Elliott, Administrative Coordinator

The LRRRA Board meetings are available to all persons regardless of disability. To notify the LRRRA of your attendance or if you require special assistance, please contact them at (806) 885-6592 or write Reese Technology Center, 9801 Reese Blvd., Suite 200, Lubbock, Texas 79416 at least 48 hours in advance of the meeting.

ITEM 1

# Citizen Comments

ITEM 2

# KBR Presentation

ITEM 3

# EXECUTIVE SESSION

Information to be provided at  
meeting  
(if applicable)

**Lubbock Reese Redevelopment Authority**

**Board Meeting Minutes**

February 23, 2022

The Lubbock Reese Redevelopment Authority held a regular meeting at 8:00 a.m. Wednesday, February 23, 2022, at the Reese Technology Center, LRRRA Board Room, 9801 Reese Boulevard, Suite 200, Lubbock, TX 79416.

These are the minutes of the Board of Directors of the Lubbock Reese Redevelopment Authority, a State of Texas Political Subdivision.

**MEMBERS PRESENT:**

Steve Verett	Todd McKee	Tim Pierce
John Tye	Tim Collins	John Hamilton
George McMahan		

**MEMBERS ABSENT:**

None

**OTHERS PRESENT:**

**Reese Staff:**

Murvat Musa-Executive Director, Don Provost-Manager of Business Development, Sandy Hamilton-Manager of Accounting, Chris Evans-Manager of Operations, Lacy Elliott-Administrative Coordinator, Cecilia Davila-Administrative Assistant.

**Legal Counsel:**

Darrell Guthrie via video conference

**Others:**

Mitchell Burt of KBR, Jonathan Phillips of Lubbock CFO and Tommy Sheen, Investor

**Call the meeting to order.**

Steve Verett called the meeting to order at 8:02 a.m.

**ITEM 1      Citizen Comments.** Steve Verett called for any citizen comments. There were none.

**ITEM 2      Hold an Executive Session.** Steve Verett called the Executive Session to order at 8:03 a.m.

- a. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.072, regarding certain matters concerning real property. Discussions regarding interest in the lease, sale, or value of buildings and property.

- b. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.074(a), Deliberations Regarding Personnel Matters.

Executive Director  
Manager of Business Development  
Manager of Accounting  
Manager of Operations  
Operations Lead  
Service Technician  
Service Technician  
Administrative Coordinator  
Administrative Assistant  
Board of Directors

- c. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.071, Consultation with Attorney.

No action was taken in the Executive Session.

**Reconvene the Board of Directors Meeting**

Steve Verett adjourned the Executive Session at 9:40 a.m. and reconvened Open Session at 9:52 a.m.

**ITEM 3**

**Consider the Minutes of the January 26, 2022, Board of Directors Meeting**

**Action Item** – Tim Collins moved to approve the minutes of January 26, 2022, and John Hamilton seconded; the motion passed 7-0.

**ITEM 4**

**Consider the following:**

1. **Compromise, Settlement, and Release Agreement for NIRE Lease LLC and NIRE Holdings Corporation**
2. **Ground Lease for 2 Acres for NIRE Holdings Corporation a/k/a Group NIRE**
3. **Release of Ground Lease for NIRE Lease LLC**
4. **Bill of Sale and Assignment for Tractor for NIRE Holdings Corporation a/k/a Group NIRE**

**Action Item** – Todd McKee moved to approve the documents listed above and John Tye seconded; the motion passed 7-0.

**ITEM 5**

**Consider New Lease for Nomi Health for B1111**

**Action Item** – Todd McKee moved to approve the New Lease for Nomi Health for B1111, and Tim Pierce seconded; the motion passed 7-0.

- ITEM 6**      **Consider Awarding Bid for EDA Runway 17C-35C Concrete Joint Resealing Project**  
**Action Item** – John Tye moved to approve awarding bid for EDA Runway 17C-35C Concrete Joint Resealing and John Hamilton seconded; the motion passed 7-0.
- ITEM 7**      **Consider Awarding Bid for Firing Range Baffle Project**  
**Action Item** - Tim Collins moved to approve awarding bid for Firing Range Baffle Project and John Tye seconded; the motion passed 6-0. Tim Pierce recused himself from the vote and his affidavit of recusal will be made a part of these minutes.
- ITEM 8**      **City of Lubbock Wholesale Wastewater Interlocal Contract**  
**Discussion Item** – No action required. Murvat Musa presented and discussed our wholesale wastewater interlocal contract with the City of Lubbock
- ITEM 9**      **Financial Reports**  
**Discussion Item** – No action required. Sandy Hamilton presented the January financial reports.
- ITEM 10**     **Reese Events and Activities**  
**Discussion Item** – No action required. Murvat Musa presented Reese activities and upcoming events to the Board.

**Adjournment**

Steve Verett adjourned the meeting at 10:37 a.m.

Content of minutes agreed to and approved by:

Approved by \_\_\_\_\_  
Steve Verett, President

ATTEST:

\_\_\_\_\_  
LRRR Board Member

**AGENDA ITEM 5**  
**EXECUTIVE SUMMARY**  
**CITY OF LUBBOCK WHOLESALE WASTEWATER INTERLOCAL CONTRACT**

The LRRA interlocal agreement with the city of Lubbock for wastewater services will expire April 25, 2022. Attached for your review and consideration is a new interlocal agreement for five years.

As part of the negotiations on installing a new manhole and metering system, the agreement has been changed to reflect that we, Reese and the City, will agree on the installation and payment of the manhole and meter outside of this contract. Aubrey and I are having ongoing discussions on who will pay how much. The cost of the manhole is estimated to be \$50,000 and based on my conversations with Aubrey, I expect the city will pay for a majority of that and we will pay for the meter.

The other important issue with the contract is the City Council giving Reese an exception to paying the wholesale rate which is 1.27 times the rate charged for in-city commercial customers. At the February 21, 2022, Water Advisory Commission meeting, the Commission approved making a recommendation to the City Council for Reese to receive the commercial rate. This will require an amendment to the City's wastewater ordinance like the exception we receive in the City's water ordinance.

We expect this agreement to be presented to the Lubbock City Council at the April 26, 2022, council meeting where at that time, the council will make a motion to amend the ordinance.

Staff recommends Board approval for this agreement.

## **INTERLOCAL WHOLESALE WASTEWATER CONTRACT**

**STATE OF TEXAS** §

**CITY OF LUBBOCK** §

This contract made and entered into this, the \_\_\_\_ day of \_\_\_\_ 2022, by and between the City of Lubbock, Texas, a Texas home rule municipal corporation, hereinafter referred to as "Lubbock," and Lubbock Reese Redevelopment Authority, a political subdivision of the State of Texas, hereinafter referred to as "Customer."

### **WITNESSETH**

WHEREAS, the Consumer is an independent and locally governed political subdivision of the State of Texas located adjacent to the city limits west of the City of Lubbock;

WHEREAS, there is considerable commercial, research, construction, and education activity between both these entities due to the close proximity;

WHEREAS, the public health, welfare, and safety of the residents of Lubbock and tenants and residents of the Customer require the development of adequate systems of sewage collection and disposal, the elimination of water pollution and the preservation of the water resources of the State of Texas; and

WHEREAS, Lubbock is required to comply with standards and treatment methods for wastewater as set forth in federal, state and local laws and regulations and permits; and

WHEREAS, Lubbock and Customer have an interest in maintaining and restoring integrity of waters and the chemical, physical and biological integrity of waters and water resources and ensuring the reduction of pollution in said waters and water resources and planning the use, development, restoration, preservation, and enhancement of said waters and water resources; and

WHEREAS, Customer desires to enter into a contract for wastewater collection, treatment, and disposal/reuse services and Lubbock desires to provide these wastewater services to Customer; and

WHEREAS, Chapter 791 of the Government Code, authorizes Lubbock and Customer to enter into this Contract for goods and services;

WHEREAS, Section 22.04.041 of the Code of Ordinances of the City of Lubbock permits the wholesale wastewater services outside of its municipal boundaries to federal, state, or local governments pursuant to appropriate intergovernmental contracts;

NOW, THEREFORE, Lubbock and Customer, in consideration of the terms, covenants and conditions herein contained, hereby agree as follows:

## **ARTICLE 1 PROVISIONS OF WASTEWATER**

### **1.1 TERMS, PROVISIONS, AND CONSIDERATIONS**

Lubbock agrees to collect, treat, and reuse or dispose of wholesale wastewater received from the Customer, subject to the conditions precedent and under and pursuant to the terms, provisions, and conditions of this Contract.

### **1.2 DEFINITIONS**

When used in this Contract, these terms shall be defined as follows:

**Act** – The Clean Water Act, as amended. (33 U.S.C. 1251, et seq.)

**Biochemical Oxygen Demand (BOD)** – The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure, as specified in “Standard Methods” in five (5) days at twenty (20) degrees Centigrade expressed as milligrams per liter (mg/l).

**Calibration** – Verification of primary measuring device and secondary instrumentation accuracy utilizing standard primary device procedures and calibration signals and/or a separate flow measurement instrument.

**Customer System** – The facilities of Customer used for pretreatment, collection and transportation of wastewater to the point of entry.

**Delivery Facilities** – All facilities necessary for the transmission of wastewater to the Lubbock System that are on the Customer’s side of the point of entry that are constructed specifically to allow Lubbock to serve Customer.

**Director** – The Director of Water Utilities of the City of Lubbock.

**Lubbock System** – Lubbock’s wastewater collection and treatment system, also defined as “publicly owned treatment works” as provided in Title 40 of the Code of Federal Regulations.

**Industrial User** – Any industry that discharges industrial processing wastewater, including sanitary wastewater in the City of Lubbock’s sanitary sewer system.

**Industrial Wastes** – All water-borne solids, liquids or gaseous substances resulting from any commercial, industrial, manufacturing or food processing operations, or from the development of an natural resource, or any mixture of these with water or domestic sewage.

**Infiltration** – Water that has migrated from the ground into the wastewater system.

**Inflow** – Water other than wastewater that enters a sewerage system (including sewer service connections) from sources such as, but not limited to, roof leaders, cellar drains, yard drains, area drains, drains from springs and swampy areas, manhole covers, cross connections between storm sewers, and sanitary catch basins, cooling towers, storm waters, surface runoff, street wash waters of drainage. Inflow does not include, and is distinguished from, infiltration water.

**Liquid Waste** – The water-borne solids, liquids, and gaseous substances derived from certain sources including, but not limited to, grease trap, septic tank, chemical toilet waste, and sand trap waste.

**Metering and Sampling Facility** – The meter, meter vault, and all metering and telemetry equipment required to measure and/or sample wastewater flows of the Customer at the point of entry or other such locations, as may be mutually agreed upon in writing.

**Non-metered Area** – Areas within the Customer’s statutory boundaries that generate wastewater that do not drain into a part of the Customer System for which wastewater flow is measured by an approved metering and sampling facility.

**Point of Entry** – Collectively, the metering facilities or, where no metering facilities are utilized, the points of connection to the Lubbock System, as set forth in Section 2.2, below, unless otherwise mutually agreed upon in writing.

**Pretreatment or Treatment** – The reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater to a less harmful state prior to or in lieu of discharging or otherwise introducing such pollutants into a Publicly Owned Treatment Works (“POTW”). The reduction or alteration can be obtained by physical, chemical, or biological processes, or process changes by other means, except as prohibited by 40 CFR Section 403.6(d). Pretreatment or treatment shall also include, without limitation, such devices as grease, oil, or sand interceptors, and hydrocarbon removal units.

**Pretreatment Requirements** – Any substantive or procedural requirement related to pretreatment, other than a national pretreatment standard, imposed on an industrial user.

**Significant Industrial User** - Any user which discharges industrial wastes directly or indirectly into the Customer System or Lubbock System that:

- (1) Is subject to National Pretreated Standards or categorical pretreatment Standards of the U.S. Environmental Protection Agency or Texas Commission on Environmental Quality, or the successors thereof; or
- (2) Discharges an average of twenty-five thousand (25,000) gallons per day or more of process wastewater (excluding sanitary, non-contact cooling, and boiler blowdown wastewater);

- (3) Contributes a process waste stream which makes up five percent (5%) or more of the average dry weather hydraulic or organic capacity of the Lubbock System treatment plant;  
or
- (4) Has a reasonable potential, in the opinion of the Director, for adversely affecting the Lubbock System due to discharge or wastewater or for violating any pre-treatment standard or requirement.

**Standard Methods** – The examination and analytical procedures set forth in the latest edition of “Standard Methods for the Examination of Water and Wastewater,” as prepared, approved and published jointly by the American Public Health Association, The American Water Works Association, and the Water Pollution Control Federation.

**System Access Fee** – A capital contribution (impact fee, capital recovery fee, system development charge) which represents a proportional capital cost of the capacity of Lubbock facilities that provide utility services and benefits common to all customers, less depreciation, outstanding debt, and appropriate contributions paid to Lubbock, required to provide service for new connections, whether located within the jurisdictional limits of Lubbock or Customer.

**Total Suspended Solids (TSS) or Suspended Solids** – The solids that either float on the surface of, or in suspension in water, sewage, or other liquids, and which are largely removable by laboratory filtration. Quantitative determination of suspended solids shall be made in accordance with procedures set forth in “Standard Methods.”

**Wastewater** – Liquid or water-carried waste products and sewage from whatever source, including without limitation, residential dwellings, commercial buildings, industrial and manufacturing facilities, and institutions, whether treated or untreated, which are discharged into or permitted to enter the Lubbock System. The terms wastewater and sewage are interchangeable.

**ARTICLE 2**  
**CONDITIONS OF SALE OF WASTEWATER SERVICES**

**2.1 CONNECTION TO THE LUBBOCK SYSTEM**

Subject to the terms hereof, Lubbock hereby grants to Customer, upon compliance with the terms and conditions contained herein, permission to connect its System to the Lubbock System.

Lubbock agrees to accept all wastewater from Customer at the point of entry as designated on Exhibit “A,” attached hereto and incorporated herein.

The cost of all delivery facilities necessary to convey wastewater to the designated point of entry, whether shown on Exhibit “A” or mutually agreed upon at a later date, together with the cost of connection of the Customer System to the Lubbock System, including metering and sampling facilities, shall be the responsibility of the Customer. All such metering and delivery facilities shall be approved by Lubbock. In the event Lubbock requires Customer to increase the size of any such delivery facility, the difference in the cost of the delivery facility of Customer previously approved by Lubbock and the cost of the delivery facility as requested by Lubbock shall be at Lubbock’s expense and may be allocated as a system cost if so determined in future cost-of-service studies.

Customer shall be responsible for the design and construction of additional delivery facilities. All designs, materials and specifications shall conform to Lubbock’s requirements. Plans and specifications for any additional delivery facility which actually connects to the Lubbock System shall be submitted to the Director for written approval. Such approval shall not be unreasonably withheld. No construction shall begin until such approval has been given. Customer agrees that Lubbock has the right to make periodic inspections during the construction phase of the delivery facilities and final acceptance of same is subject to written approval of Director. Final acceptance of such facility from the point of connection up to and including the metering and sampling facility is subject to the inspection and written approval of the Director.

## **2.2. SERVICE AREA**

The Customer may provide retail sewer service solely to the facilities associated with the following areas:

- (a) The area of land in Section 3501.002(a) of the Texas Special District and Local Law Code;
- (b) The two existing residential structures and the single restaurant facility as depicted in Exhibit “A,” attached hereto. For the purposes hereof, the ”single restaurant facility” shall include the kitchen, service areas, and dining spaces located in the area depicted in Exhibit “A,” known as “Cagle Steakhouse.” No other locations or customers on the lands presently owned and operated by John Cagle or the John Cagle family, may be served.

No other customer, geographic area, or premises, of any kind or nature, shall be served by Customer, directly or indirectly.

## **2.3 WASTEWATER SYSTEM MAINTENANCE**

Customer agrees to maintain its system in good condition and to make repairs in a timely manner. Lubbock shall not have any responsibility or liability now or ever for the operation of the Customer’s System.

Lubbock Agrees to maintain its system in good condition and to make repairs in a timely manner. Customer shall not have any responsibility or liability now or ever for the operation of the Lubbock System, except as otherwise provided herein.

## **2.4 METERING AND SAMPLING**

Customer shall be responsible for providing and maintaining metering equipment at the point of delivery in accordance with the Lubbock Code of Ordinances, Sec 22.04.212, as may be amended from time to time. A manhole, metering, and sampling facility shall be constructed at the point of delivery to measure and monitor the quantity and quality of wastewater received by the Lubbock System from the Customer. These facilities will be installed and paid for as agreed upon by both parties in writing.

All flow discharged into the Lubbock System by Customer shall be metered, unless specifically agreed to by both parties in writing. Should both parties agree in writing that metering is not possible, the agreed upon method for determining the volume shall include an adjustment for infiltration and inflow. The City Council of Lubbock hereby delegates the authority to approve such alternative flow measurement to the City Manager of Lubbock, or his or her designee. The Customer and Lubbock may agree to differing methods of volume determination for each point of entry.

All readings of the meter will be maintained by Customer. Lubbock shall have access to such records during reasonable business hours and shall be furnished with monthly totalizer reading for the point of entry metering and sampling facility.

Customer shall calibrate and routinely service the meter not less than once during every one (1) year period. Copies of the results of such calibration and all related information shall be provided to Lubbock. Customer shall notify Lubbock at least seventy-two (72) hours in advance of the date and time for any calibration and Lubbock may observe, if so desired.

Upon any calibration, if it is determined that the accuracy envelope of such meter is found to be lower than ninety-five percent (95%) or higher than one hundred five percent (105%) expressed as a percentage of the full scale of the meter, the registration of the flow as determined by such inaccuracy began, if such time is ascertainable; or, if such time is not ascertainable, then for a period extending back one-half (1/2) of the time elapsed since the date of the last calibration, but in no event further back than a period of six (6) months.

If any meter used to determine volume from Customer is out of service or out of repair so that the amount of wastewater metered cannot be ascertained or computed from the reading thereof, the wastewater delivered through the period such meter is out of service or out of repair shall be estimated and agreed upon by the parties hereto upon the basis of the best data available. This basis for estimating such flow includes, but is not limited to, extrapolation of past patterns of flow for said metering station under similar conditions.

Lubbock may periodically determine the quality of the wastewater at the metering and sampling facilities or other agreed upon sampling points for the purpose of billing for the strength of the wastewater and relating to compliance with pre-treatment requirements. To determine the quality of the wastewater, in the event Lubbock desires to conduct sampling activities, Lubbock shall collect twenty-four (24) hour composite samples or other sampling methods as deemed necessary or advisable by Lubbock. If, at the request of Customer or at the request of the Director, more extensive monitoring is desired, such additional monitoring shall be paid for by the party making the request and shall be done in compliance with Paragraph 2.5.

Lubbock shall analyze the samples collected in accordance with standard methods. Customer may be present during the initial setup of sampling equipment and at the time of pickup for the sample. Lubbock agrees, if requested, to split said wastewater samples with Customer. If in the opinion of the Director, compliance monitoring is required, the Director may order the additional monitoring be performed with or without prior notice to Customer.

Wastewater sampling costs incurred by Lubbock under this section will be the expense of Lubbock.

## **2.5 BILLING PROCEDURES**

Bills for wastewater treatment and disposal service shall be rendered to Customer monthly by Lubbock. All such bills shall be due and payable by the Customer not more than thirty (30) days from the billing date. The bill will show current charges, as well as past-due charges, if any. Current charges shall be the amount due for wastewater collection, treatment and disposal service provided since the prior billing period. Past-due shall be the total amount unpaid from all prior billings as of the current billing date. Payments received by Lubbock shall first be applied to the past-due charges, if any, and thereafter to the current charges.

In the event a payment is not paid as specified in the Agreement, a late charge of four- and one-half percent (4.5%), or the maximum amount allowable by Texas law, per annum will be calculated from the date which the payment was required to be made.

The parties hereto agree that services obtained pursuant to this Contract are essential and necessary to the operation of Customer's waterworks and wastewater facilities and that all payments made by each Customer Hereunder shall constitute reasonable and necessary operating expenses of Customer's waterworks and wastewater systems.

## **2.6 TERMS OF CONTRACT**

The term of this contract shall be five (5) years from date of execution. Customer or Lubbock may terminate this Contract for any reason by providing Lubbock one hundred twenty (120) days prior written notice.

## **ARTICLE 3 CONDITIONS OF RECEIVING SERVICE**

### **3.1 RATES AND PAYMENTS**

Customer shall pay Lubbock, in a timely manner as provided in this Contract, those charges for wastewater services provided to Customer pursuant to the terms of the contract. The base monthly rate for the meters installed at the Point of Delivery shall be equal to the rate established by the City Council of Lubbock for meter of equal size as set forth in Section 22.04.041 of Code of Ordinances of the City of Lubbock, as may be amended from time to time. The volume rate charges for wastewater services provided shall be equal to the rate established by the City Council of the City of Lubbock charged to wholesale customers as set forth in Section 22.04.041 of Code of Ordinances of the City of Lubbock, as may be amended from time to time.

The setting of wastewater rates is a legislative function of Lubbock. To the extent the Customer has any protest to the rates charged pursuant to this Contract, Customer understands and agrees that it has the right to ask to address the City Council of the City of Lubbock as to said rates, but that the City Council of the City of Lubbock ultimately has the legislative authority to determine such rates.

### **3.2 CONNECTIONS AND MONITORING**

Customer agrees that it will not permit any significant industrial user within its jurisdiction to connect directly or indirectly either to its system or to the Lubbock System.

Customer agrees to conduct any and all monitoring, sampling and inspection of Customer System necessary to ensure that industrial waste introduced into the Customer System meets the quality standards. Upon request to Customer, a representative of Lubbock will be permitted to observe Customer's collection of samples, and Customer agrees to furnish Lubbock separate duplicate samples for independent testing, and, upon request, to provide the Director sample analysis results and pretreatment records.

Customer agrees that Lubbock shall have the right to sample wastewater at the point of entry and such other locations as may be needed for the purpose of determining the volume and quality of wastewater entering the Lubbock System. Customer agrees to disconnect from its system any user found to be in violation of allowable discharges or who refuses access to its facilities for the purpose of sampling wastewater being discharged into the Customer System; provided, however, that said disconnected user shall be afforded the same rights privileges of appeal and deficiency cure periods as are industrial users operating within Lubbock's jurisdiction.

Customer grants to Lubbock the right to enter Customer's jurisdiction or property if Lubbock determines that questionable discharges or prohibited discharges are entering the Lubbock System emanating from the Customer System. Customer agrees to assist Lubbock in locating and eliminating such prohibited discharges.

### **3.3 WASTEWATER QUALITY**

Customer agrees that on or before thirty (30) days prior to any Industrial User or Significant Industrial User discharging into their sewer system that the Customer shall enact and cause to be enforced rules, regulations or ordinances at least as stringent as (i) Division 4 and Division 5 of Article 22.04 of Chapter 22 of the Lubbock Code of Ordinances, as may be amended from time to time; and (ii) applicable state and federal regulations relating to (a) discharged substances; (b) prohibited discharges; (c) pretreatment requirements; (d) industrial discharge permitting systems; and (e) industrial self-monitoring reports.

Customer agrees that the quality of the wastewater discharge into the Customer System shall be equal to or better than the quality standards established by Division 3 of Article 22.04 of Chapter 22 of the Lubbock Code of Ordinances, as may be amended from time to time.

### **3.4 INFILTRATION AND INFLOW**

Customer agrees that it has an obligation to prevent infiltration and inflow into its System and then into the Lubbock System. Customer further agrees that all sewer connections within its jurisdiction which ultimately enter into the Lubbock System will be constructed in accordance with applicable specifications and standards at least equal to those of the Lubbock System. Further, Customer covenants and agrees to maintain strict supervision and maintenance of its System to prevent connections through which surface drainage can enter ultimately into the Lubbock System. Customer shall not make, nor shall it permit to be made, any connection which will contribute storm water run-off of any kind, including without limitation, from rainwater spouts, rainwater areas, streets, gutter drain or other source, into its sanitary sewer system.

### **3.5 WASTE HAULER PROHIBITION**

Customer agrees to prohibit the introduction of liquid waste or wastewater from waste haulers into the Customer System, directly or indirectly.

### **3.6 INSPECTION AND AUDIT**

Complete records and accounts required to be maintained by each party hereto shall be kept for a period required by law or five (5) years, whichever is greater. Each party shall at all times, upon notice, have the right at reasonable times to examine and inspect said records and accounts during normal business hours. Further, if required by any law, rule or regulation, make said records and accounts available to federal and/or state auditors.

### **3.7 COMPLIANCE AND PERMIT CONDITIONS**

Customer acknowledges that Lubbock is the holder of discharge permits issued by the United States and/or the State of Texas and is subject to regulations and requirements related to the collection and treatment of wastewater (collectively the "Permit"). Customer agrees that it will

comply with all Permit conditions in any way relating to the collection system and the discharge into the collection system.

### **3.8 REPORTS AND RECORDS**

If requested by the Director, the Customer shall provide quarterly any a data which may assist Lubbock in developing methodology for cost-of-service studies, planning studies for analyzing federal grants, and system access fees.

## **ARTICLE 4 MUTUAL CONDITIONS**

### **4.1 SYSTEM ASSISTANCE**

In the event Customer requests assistance with its System, Lubbock may, at its option, assist Customer. Customer agrees to pay Lubbock its actual costs incurred, including, but not limited to, labor and material expended. Nothing herein shall be construed to require Lubbock to assist Customer. Such costs will be invoiced to Customer and payment made within ten (10) days after receipt of invoice.

### **4.2 NOTICES**

Any notice, communication, request, reply or advice herein provided or permitted to be given, made or accepted by either party to the other party must be in writing to:

#### **LUBBOCK**

City of Lubbock

Attn: Aubrey Spear, Director of Water Utilities

P.O. Box 2000

Lubbock, Texas 79457

Phone: (806) 775-2585

Facsimile: (806) 775-3027

Email: [aspear@mylubbock.us](mailto:aspear@mylubbock.us)

#### **CUSTOMER**

Lubbock Reese Redevelopment Authority

Attn: Murvat Musa, Chief Executive Officer

9801 Reese Blvd., Ste 200

Lubbock, Texas 7941689  
Phone: (806) 885-6592  
Facsimile: (806) 885-6003  
Email: mmusa@reeseccenter.com

The parties hereto shall indicate in writing any change that may occur in such respective addresses from time to time.

#### **4.4 CONSENT**

Whenever, under the terms of this Agreement, Lubbock is permitted to give its written consent or approval, Lubbock, in its discretion, may give or may refuse such written consent or approval and, if given, may restrict, limit or condition such consent or approval in any manner it shall deem advisable.

#### **4.5 WAIVER, REMEDY, SEVERABILITY**

No waiver by either party hereto of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

In addition to any other remedy as may be provided by law, this Agreement shall be specifically enforceable by the parties hereto. Laws of the State of Texas shall govern the terms, performance, and enforcement of the Agreement. Sole and exclusive venue for any action shall be in Lubbock County, Texas.

It is agreed that, in the event any term or provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of such term or provision shall in no way affect any other term or provision contained herein. In such event, this Agreement shall continue as if such invalid term or provision had not been contained herein.

#### **4.6 OWNERSHIP AND LIABILITY**

No provision of this Agreement shall be construed to create any type of joint or equity ownership of any property, any partnership or joint venture nor shall same create any other right or

liabilities and customer payments (whether past, preset, or future) will not be construed as granting Customer partial ownership of, pre-paid capacity in, or equity in the Lubbock System.

CONSUMER SHALL INDEMNIFY, TO THE FULLEST EXTENT PERMITTED BY LAW, AND HOLD HARMLESS AND RELEASE THE CITY OF LUBBOCK FROM AND AGAINST ANY AND ALL CLAIMS, ACTIONS, LOSSES, DAMAGES OR LIABILITIES, OF ANY KIND OR NATURE, WHICH ARISE DIRECTLY OR INDIRECTLY, OR ARE RELATED TO, IN ANY WAY, MANNER, OR FORM, THE ACTIVITIES CONTEMPLATED HEREUNDER OR OMISSION OF SUCH ACTIVITIES, INCLUDING WITHOUT LIMITATION, SUCH LOSSES, DAMAGES. CLAIMS OR LIABILITIES ARISING FROM OR RELATED TO, IN ANY WAY, MANNER, OR FORM, THE NEGLIGENCE OR FAULT OF THE CITY OF LUBBOCK, ITS RESPECTIVE OFFICERS, EMPLOYEES, ELECTED OFFICIALS, AGENTS AND/OR DESIGNEES.

Subject to the terms of this provision, liability for damages arising out of the transportation, delivery, reception, treatment, and/or disposal of all wastewater discharged into the Lubbock System shall remain in the Customer, together with, except as provided herein, title thereto, until such wastewater passes through the point of entry to the Lubbock System, at which time liability for such damage shall pass to Lubbock. Title to any prohibited discharge or contribution to the Lubbock System in contravention or violation of the terms of this contract and any liability therefore shall not pass to Lubbock and shall remain in Customer.

Contracts made and entered into by Customer for the construction, reconstruction or repair of any delivery facility shall include the requirements that the independent contractor(s) must provide adequate insurance protecting both the Customer and Lubbock as insured. Such contract must also provide that the independent contractor covenant to indemnify, hold harmless and defend both the Customer and Lubbock against any and all suits or claims for damages of any nature arising out of the performance of such contract.

#### **4.7 FORCE MAJEURE**

No party hereto shall be considered to be in default in the performance of any of the obligations hereunder (other than obligations of either party to pay costs and expenses) if such failure of performance shall be due to an uncontrollable force beyond the control of the parties, including but not limited to, the failure of facilities, flood, earthquake, tornado, storm, fire, lightening, epidemic, war, riot, civil disturbance or disobedience, labor dispute and action or non-action by a

failure to obtain the necessary authorizations and approvals from any governmental agency or authority of the electorate, labor or material shortage, sabotage, or restraint by a court order or public authority, which by the exercise of due diligence it shall be unable to overcome. Either party rendered unable to fulfill any obligation by reason of an uncontrollable force shall exercise due diligence to remove such inability with all reasonable dispatch.

#### **4.8 DEFAULT AND REMEDIES**

Notwithstanding anything contained herein to the contrary, any material breach, as defined below, by Customer to perform any of the duties or the obligations assumed by Customer hereunder or to faithfully keep and perform any of the terms, conditions, and provisions hereof shall be cause for termination of this Agreement by Lubbock in the manner set forth in this Section.

In addition to the remedy of termination, in the event of material breach of the Agreement by customer, Lubbock may also seek any other remedy available to it by law, equity, contract, or otherwise. The remedies provided to Lubbock, in the event of a material breach of the Agreement by Customer, shall be cumulative in nature and may be exercised concurrently by Lubbock.

Lubbock shall deliver to Customer written notice of the breach or default of Customer and its intention to terminate this Agreement if Customer fails to cure or adjust such material breach, including in such notice a reasonable description of the breach. Upon receipt of said notice, Customer shall have thirty (30) days to cure or adjust such material breach. If Customer shall fail or refuse to cure such default to the satisfaction of Lubbock, by the expiration of this thirty (30) day period, then and in such event, Lubbock shall have the right, without any liability whatsoever on the part of Lubbock, to immediately declare this Agreement terminated and to exercise any and all other rights and remedies it may have, as set forth above. In the event of termination of this Agreement, all rights, powers, and privileges of Customer hereunder shall cease and terminate and Customer shall make no claim of any kind whatsoever against Lubbock, its agents or representatives, by reason of such termination of any act incident thereto. Lubbock shall advise Customer in writing upon acceptance of the cure of and default.

The following breach, default, or failure to perform a duty or obligation by Customer shall be considered to be a material breach:

- a. Failure to adopt and enforce any rule required to be adopted and enforced herein;
- b. Failure to make any payment of any bill, charge or fee as provided for in this Agreement;
- c. Making any connection to the Lubbock System at any point except as provided in Section 2.1 hereof;
- d. Failure to provide Lubbock ingress and egress for purposes of sampling and operation and maintenance of any metering or any sampling facility;
- e. Failure to permit or conduct any sampling of wastewater as provided for herein;
- f. Failure to disconnect industrial users of Customer pursuant to Section 3.2
- g. Failure to maintain the quality of discharge as require in Sections 3.3.
- h. Failure of Customer to comply with Section 3.7 hereof.

In the event of any other nonmaterial breach, default, or failure to perform duties under this Agreement, Lubbock shall deliver to Customer sixty (60) days advance written notice of such default. If Customer fails to cure such breach, default or failure, then Lubbock shall give Customer written notice of such failure to cure and may surcharge Customer five thousand dollars (\$5,000.00) per month until such time as Customer cures such nonmaterial default.

Notwithstanding anything to the contrary herein, and in addition to the other rights and remedies granted to Lubbock hereunder, if the event of a Default by Customer, in the opinion of Lubbock, presents or may present an imminent or substantial endangerment to the health and welfare of persons or to the environment, causes interference to the POTW or contributes to the cause of a violation by Lubbock of its Permit, Lubbock may suspend service hereunder after twelve (12) hours' notice and opportunity to cure to Customer. Such suspension may continue, without liability of any kind or nature to Lubbock, for so long as such imminent or substantial endangerment shall be present up to the date this contract is terminated as provided herein.

Any failure by Lubbock to so terminate this Agreement or the acceptance by Lubbock of any benefits under this Agreement for any period of time after such material breach, default, or failure by Customer shall not be determined to be a waiver by Lubbock of any rights to terminate this Agreement for any subsequent material breach, default, or failure.

In the event Lubbock shall fail to perform under this Agreement, Customer may, as its sole and exclusive remedy, terminate this Agreement, upon providing notice to Lubbock in the same manner Customer is to be provided notice pursuant to the notice provisions provided above regarding notice of material breach of Customer.

#### **4.9 EFFECTIVE DATE**

This Contract, together with all terms and conditions and covenants, shall be effective as of the date of the execution hereof by Lubbock.

#### **4.10 CONDITION PRECEDENT**

The obligation of Lubbock to perform under this Agreement is subject to the condition precedent that, prior to accepting any liquid waste, wastewater or other water pursuant to the terms hereof, Lubbock and Customer shall have received written approval and authorization to perform hereunder by the Environmental Protection Agency of the United States of America, the Texas Commission of Environmental Quality and any other governmental or regulatory body or authority having jurisdiction over such matters.

#### **4.11 MISCELLANEOUS**

This Agreement is subject to all applicable federal and state laws and any applicable permits, rules, or amendments adopted pursuant to Section 3.3 rules, orders, and regulations of any state of federal governmental authority having or asserting jurisdiction.

The Customer agrees to abide by and comply with any changes in this Agreement made necessary by an amendment or revision to state or federal regulations.

Upon prior notice by Lubbock, any duly authorized employee of Lubbock bearing proper credentials and identification shall notify Customer of need for access to any premises located within Customer's jurisdiction as may be necessary for the purpose of inspections and observation, measurement, sampling and texting and/or auditing, in accordance with the provisions of this Contract. Upon such notice Customer shall immediately allow access to the Lubbock representative. Customer may elect to accompany the Lubbock representative. In each instance herein where reference is made to a federal or state statute regulation or rule, it is the intention of the parties that, at any given time, the current federal or state statute, regulation or rule shall apply.

If a publication or reference work referred to herein is discontinued or ceases to be the general accepted work in its field, or if conditions change, or new methods or processes are implemented by Lubbock, new standards shall be adopted which are in compliance with state and federal laws and any valid rules and regulations pursuant thereto.

Lubbock must comply with all federal, state and local government requirements to obtain grants and assistance for system design, system construction and studies. Customer agrees to assist Lubbock in compliance by setting adequate rates, establishing proper user charges and complying with governmental requirements.

Section headings in this Agreement are for convenience only and do not purport to accurately or completely describe and contents of any section. Such headings are not to be construed as part of this Agreement or any way defining, limiting or amplifying the provision hereof.

#### **4.12 CURRENT REVENUES**

Each party paying for performance under this Agreement shall make all payments from current revenues available to the pay party.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their respective officers thereunto duly authorized.

LUBBOCK:  
City of Lubbock  
BY:

CUSTOMER:  
Lubbock Reese Redevelopment Authority  
BY:

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Daniel M. Pope, Mayor

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Steve Verett, President, Board of Directors

ATTEST:

ATTEST:

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Rebecca Garza, City Secretary

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Tim Pierce, Secretary/Treasurer, Board of Directors

APPROVED AS TO CONTENT:

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Wood Franklin, P.E., Director of Public Works

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Aubrey A. Spear, P.E., Director of Water Utilities

APPROVED AS TO FORM:

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Amy Sims, Assistant City Attorney

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**BOARD ACTION ITEM #2022-0323-107  
COL INTERLOCAL WASTEWATER CONTRACT**

**BOARD OF DIRECTORS  
LUBBOCK REESE REDEVELOPMENT AUTHORITY (LRRA)  
MARCH 23, 2022**

Item to be Considered:

Consider City of Lubbock Interlocal Wholesale Wastewater Contract

Previous Board Action:

The Board has approved these agreements in the past, the most recent, dated April 26, 2012, expires April 25, 2022.

Statement of Pertinent Facts:

- a. Pending a City Council amendment to the city's wastewater ordinance, Reese will be provided an exception to paying the wholesale rate which is 1.27 times the commercial rate.
- b. The agreement also addresses the manhole/new meter negotiations in progress for the installation of a new meter. The City and Reese have agreed to share this cost – with exact amounts to be negotiated later.

Advice, Opinions, Recommendations and Motion:

If the Board of Directors concurs, the following motion is in order:

“Resolved, that the Board of Directors of the Lubbock Reese Redevelopment Authority hereby authorizes the CEO/Executive Director to execute the City of Lubbock Interlocal Wholesale Wastewater Contract, pending negotiation of final terms and conditions, on this 23<sup>rd</sup> day of March 2022.”

\_\_\_\_\_  
Steve Verett, President

ATTEST:

\_\_\_\_\_  
Board Member

**AGENDA ITEM 6**  
**EXECUTIVE SUMMARY**  
**BUILDING 210 PARTIAL ROOF REPLACEMENT**

In the Fiscal Year 2022 budget, we planned for replacement of the lower roof on Building 210, the gym, currently being leased by Premiere. The budgeted cost of the project is \$50,000.

An RFP was issued on February 17, 2022, with bid opening on March 22, 2022. We will provide a bid tabulation sheet with an award recommendation to the Board at the March 23, 2022, meeting.

**BOARD ACTION ITEM #2022-0323-108  
AWARD BID FOR B210 PARTIAL ROOF REPLACEMENT**

**BOARD OF DIRECTORS  
LUBBOCK REESE REDEVELOPMENT AUTHORITY (LRRA)  
FEBRUARY 23, 2022**

Item to be Considered:

- a. Award Bid for Building 210 – Partial Roof Replacement

Previous Board Action:

None

Statement of Pertinent Facts:

- a. Building 210 is the former gym, currently leased by Premier Fitness.
- b. In the FY2022 budget, we planned for replacement of the lower roof at a cost of estimate of \$50,000.
- c. An RFP was issued on February 17, 2022, with bid opening on March 22, 2022. The following bids were received:

Staff recommends awarding the bid to,                      the lowest responsible bidder.

Advice, Opinions, Recommendations and Motion:

If the Board of Directors concurs, the following motion is in order:

“Resolved, that the Board of Directors of the Lubbock Reese Redevelopment Authority hereby awards the bid for Building 210 for partial roof replacement to , the lowest responsible bidder, on this 23<sup>rd</sup> day of March 2022.”

\_\_\_\_\_  
Steve Verett, President

ATTEST:

\_\_\_\_\_  
Board Member

## **AGENDA ITEM 7**

### **FINANCIAL NOTES**

There are a few updates I want you to be aware of in accounting:

1. The fiscal year 2021 audit is progressing, but slowly. We have given the auditors everything they have requested to date, but they are both short staffed and backed up, therefore, the target for having the audit completed is April.
2. I am sure you will recall the many discussions we had around implementing Governmental Accounting Standards Board, Statement No. 87 or GASB 87 which requires governmental entities to recognize certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. GASB 87 establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. What does this mean for us and our financials? They will look slightly different but at the end of the day, it won't affect anything. We had two options in implementing this: 1) to create a spreadsheet with all the needed accounting transactions and maintain and manage it ourselves, or 2) to purchase the software offered by our auditors. We chose option 2 because it was the most efficient option. We did create a spreadsheet that we shared with our auditors. They told us if we used it, they would charge us extra annually to audit it or if we purchased their software, we would not be charged extra for the audit, but we would pay an annual fee for the software; so potato, potato. We are required to implement GASB 87 this fiscal year and the transactions can be recognized on our financials monthly or once per year at the end of the fiscal year.

## CASH BALANCES - FEBRUARY 28, 2022

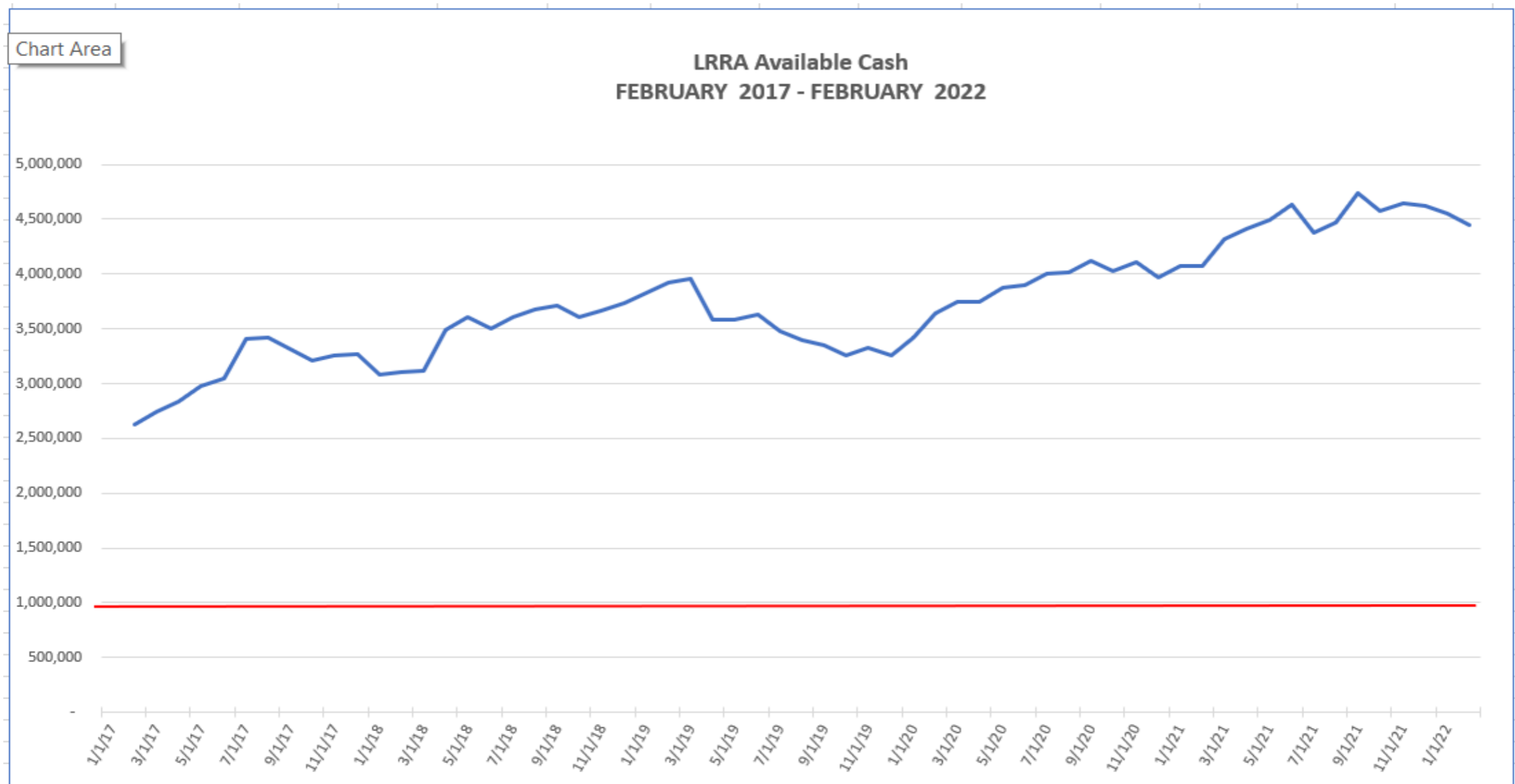
	1/31/2022	2/28/2022	Change
General Fund Bank Accounts	\$ 3,544,304	\$ 3,446,248	\$ (98,056)
Fiber Optic Fund Checking	\$ -	\$ -	\$ -
EDA Grant Checking	\$ 151,262	\$ 146,704	\$ (4,558)
Capital Maintenance - Designated	\$ 855,000	\$ 855,000	\$ -
Petty Cash	\$ 100	\$ 100	\$ -
<b>Total Cash</b>	<b>\$ 4,550,666</b>	<b>\$ 4,448,052</b>	<b>\$ (102,614)</b>
Accounts Receivable - G/F	\$ 195,015	\$ 204,700	\$ 9,685
Accounts Receivable - F/O	\$ 11,819	\$ 7,314	\$ (4,505)
<b>Total Accounts Receivable</b>	<b>\$ 206,834</b>	<b>\$ 212,014</b>	<b>\$ 5,180</b>
<b>Total Cash &amp; Accounts Receivable</b>	<b>\$ 4,757,500</b>	<b>\$ 4,660,066</b>	<b>\$ (97,434)</b>

### Aged Accounts Receivable as of 02/28/2022

CURRENT	1 - 30 Days - Invoices	31 - 60 Days - Invoices	61 > Days - Invoices	Over 90 Days	TOTAL
195,513.50	8,784.31	3,691.68	523.04	2,562.44	211,074.97

### Aged Accounts Receivable as of 03/18/2022

44,928.57	1,973.69	651.47	524.52	(1,250.03)	46,828.22
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## FINANCIAL HIGHLIGHTS - FEBRUARY 2022

DESCRIPTION	Month G/F	Month F/O	Month's Total	YTD	G/F YTD	F/O	YTD Total
Operating Revenue	\$ 233,420	\$ 18,579	\$ 251,999	\$ 1,153,393	\$ 93,807	\$ 1,247,200	
Other Revenue - Usage Fees	\$ 16,038	\$ 1,481	\$ 17,519	\$ 97,065	\$ 7,609	\$ 104,674	
Total Revenue	\$ 249,458	\$ 20,060	\$ 269,518	\$ 1,250,458	\$ 101,416	\$ 1,351,874	
Expenses	\$ 127,672	\$ 12,401	\$ 140,073	\$ 1,254,109	\$ 66,600	\$ 1,320,709	
Net Income BPSID	\$ 121,786	\$ 7,659	\$ 129,445	\$ (3,651)	\$ 34,816	\$ 31,165	
Interest Income - Plus	\$ 830	\$ -	\$ 830	\$ 4,632	\$ -	\$ 4,632	
Depreciation - Less	\$ (45,445)	\$ (2,550)	\$ (47,995)	\$ (227,226)	\$ (12,751)	\$ (239,977)	
Net Income	\$ 77,171	\$ 5,109	\$ 82,280	\$ (226,245)	\$ 22,065	\$ (204,180)	

### EXTRAORDINARY EXPENSES/CAPITAL EXPENSES & OTHER

NONE

\$ -

LUBBOCK REESE REDEVELOPMENT AUTHORITY

Balance Sheet  
As of 2/28/2022

(In Whole Numbers)

	<u>General Fund</u>	<u>EDA Grant Fund</u>	<u>Fiber Optic Oper Fund</u>	<u>Total</u>
<b>ASSETS</b>				
CASH	3,446,348	146,704	-	3,593,052
DESIGNATED-CAPITAL MAINT	610,000	-	-	610,000
WATER INFRASTRUCTURE RESERVE	245,000	-	-	245,000
INVESTMENTS	-	-	-	-
ACCOUNTS RECEIVABLE	204,700	-	7,314	212,014
ALLOWANCE FOR DOUBTFUL ACCOUNTS	-	-	-	-
INTERFUND TRANSFERS	-	-	-	-
NOTES RECEIVABLE	-	-	-	-
CONSTRUCTION IN PROGRESS	35,463	58,756	-	94,218
PROPERTY AND EQUIPMENT, NET	6,577,631	-	162,288	6,739,919
OTHER ASSETS	166,562	-	15,073	181,635
<b>Total ASSETS</b>	<b>11,285,704</b>	<b>205,460</b>	<b>184,674</b>	<b>11,675,838</b>
<b>LIABILITIES</b>				
ACCOUNTS PAYABLE	16,708	4,785	774	22,267
ACCRUED EXPENSES	49,265	-	4,568	53,833
DEFERRED REVENUE	251,810	-	18,883	270,693
NET PENSION LIABILITIES	-	-	-	-
NOTES PAYABLE	6,929	-	-	6,929
INTERFUND TRANSFERS	-	-	-	-
REFUNDABLE DEPOSITS	61,967	-	223	62,190
OTHER LIABILITIES	2,939	-	-	2,939
<b>Total LIABILITIES</b>	<b>389,619</b>	<b>4,785</b>	<b>24,447</b>	<b>418,851</b>
<b>FUND EQUITY</b>				
BEGINNING OF PERIOD	12,242,891	-	(776,884)	11,466,007
YEAR TO DATE EARNINGS	(226,244)	-	22,065	(204,180)
<b>Total FUND EQUITY</b>	<b>12,016,647</b>	<b>-</b>	<b>(754,819)</b>	<b>11,261,828</b>
<b>TOTAL LIABILITY AND FUND BALANCE</b>	<b>12,406,266</b>	<b>4,785</b>	<b>(730,372)</b>	<b>11,680,679</b>

LUBBOCK REESE REDEVELOPMENT AUTHORITY  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY  
 From 10/1/2021 Through 2/28/2022

(In Whole Numbers)

	<u>General Fund</u>	<u>Fiber Optic Fund</u>	<u>Total</u>
OPERATING REVENUES	1,250,458	101,415	1,351,873
OPERATING EXPENSES	1,481,335	79,351	1,560,686
<b>OPERATING INCOME(LOSS)</b>	<b><u>(230,877)</u></b>	<b><u>22,065</u></b>	<b><u>(208,812)</u></b>
NONOPERATING INTEREST INCOME	4,632	-	4,632
NET NONOPERATING REVENUES	4,632	-	4,632
<b>INCREASE (DECREASE) IN FUND EQUITY</b>	<b><u>(226,244)</u></b>	<b><u>22,065</u></b>	<b><u>(204,180)</u></b>
<b>FUND EQUITY, BEGINNING</b>	<b>12,242,891</b>	<b>(776,884)</b>	<b>11,466,007</b>
<b>FUND EQUITY, ENDING</b>	<b>12,016,647</b>	<b>(754,819)</b>	<b>11,261,828</b>

## LUBBOCK REESE REDEVELOPMENT AUTHORITY

## SUPPLEMENTAL SCHEDULE OF REVENUES

From 10/1/2021 Through 2/28/2022

*(In Whole Numbers)*

	<u>General Fund</u>	<u>Fiber Optic Fund</u>	<u>Total</u>
LEASES	828,194	-	828,194
USAGE FEES	97,065	7,609	104,674
PBT CAM FEES	300,120	-	300,120
CONTRACT SERVICES	2,990	-	2,990
FIBER OPTIC/WIRELESS INCOME	-	93,807	93,807
<b>TOTAL OPERATING REVENUE</b>	<b><u>1,228,369</u></b>	<b><u>101,415</u></b>	<b><u>1,329,784</u></b>
UTILITY FRANCHISE FEES	18,114	-	18,114
INSURANCE PROCEEDS	3,975	-	3,975
<b>TOTAL REVENUES</b>	<b><u>1,250,458</u></b>	<b><u>101,415</u></b>	<b><u>1,351,873</u></b>

LUBBOCK REESE REDEVELOPMENT AUTHORITY

Statement of Revenues and Expenditures

From 10/1/2021 Through 2/28/2022

(In Whole Numbers)

	<b><u>General Fund</u></b>	<b><u>Fiber Optic Fund</u></b>	<b><u>Total</u></b>
<b>OPERATING EXPENSES</b>			
SALARIES & TAXES	367,340	-	367,340
BENEFITS - HEALTH, RETIREMENT & WKR'S COMP	47,265	-	47,265
INSURANCE - PROPERTY & GENERAL	78,053	4,108	82,161
ADMINISTRATIVE EXPENSES	4,466	-	4,466
GENERAL OFFICE EXPENSES	27,064	1,571	28,635
ACCTG. & AUDITING SERVICES	5,480	-	5,480
COMPUTER SOFTWARE & MAINT.	-	15,554	15,554
INTERNET	-	8,611	8,611
LEGAL SERVICES	18,492	-	18,492
NETWORK MAINTENANCE CONTRACT	2,818	-	2,818
TRAINING & TRAVEL	6,153	-	6,153
MARKETING EXPENSES	22,888	-	22,888
OPERATIONS - GROUND MAINT. AND ENGINEERING CONTRACTS	559,544	-	559,544
UTILITIES	114,588	27,606	142,154
DEPRECIATION EXPENSE	227,226	12,751	239,977
<b>Total OPERATING EXPENSES</b>	<b><u>1,481,335</u></b>	<b><u>70,201</u></b>	<b><u>1,551,536</u></b>

LUBBOCK REESE REDEVELOPMENT AUTHORITY  
Statement of Revenues and Expenditures  
From 2/1/2022 Through 2/28/2022

## GENERAL FUND

(In Whole Numbers)

	Current Month Actual	Current Month Budget	Current Monthly Actual vs Budget Variance	YTD Actual	YTD Budget	YTD Actual vs Budget Variance
<b>REVENUES</b>						
Leases	168,833	175,000	(6,167)	828,194	875,000	(46,806)
PBT Cam Fees	60,024	60,000	24	300,120	300,000	120
Usage Fees	16,038	20,833	(4,795)	97,065	104,167	(7,101)
Contract Services	-	1,250	(1,250)	2,990	6,250	(3,260)
Utility Franchise Fees	1,588	1,667	(79)	18,114	17,333	781
Insurance Proceeds	2,975	-	2,975	3,975	-	3,975
<b>Total REVENUES</b>	<b>249,458</b>	<b>258,750</b>	<b>(9,292)</b>	<b>1,250,458</b>	<b>1,302,750</b>	<b>(52,292)</b>
<b>EXPENSES</b>						
Salaries & Taxes	52,125	69,917	17,792	367,340	349,583	(17,757)
Benefits - Health, Retirement & Wkr's Comp	10,436	11,346	910	47,265	56,729	9,464
Insurance -Property & General Liabilities	15,611	15,942	331	78,053	79,708	1,656
Administrative Expenses	605	933	328	4,466	6,667	2,201
General Office Expenses	8,320	5,355	(2,965)	27,064	26,775	(289)
Accounting & Auditing Services	131	14,153	14,022	5,480	28,558	23,078
Legal Services	6,008	4,167	(1,841)	18,492	20,833	2,342
Network Maintenance Contract	460	667	207	2,818	3,333	515
Training & Travel	1,619	708	(911)	6,153	3,542	(2,611)
Marketing Expenses	3,147	4,708	1,561	22,888	23,542	653
Operations	35,576	96,083	60,508	559,544	480,417	(79,127)
Utilities	(6,365)	17,908	24,274	114,548	93,542	(21,006)
<b>Total EXPENSES</b>	<b>127,672</b>	<b>241,888</b>	<b>114,215</b>	<b>1,254,109</b>	<b>1,173,229</b>	<b>(80,881)</b>
<b>NIBPSID</b>	<b>121,786</b>	<b>16,862</b>	<b>104,924</b>	<b>(3,651)</b>	<b>129,521</b>	<b>(133,173)</b>
<b>NON OPERATING REVENUE</b>						
Interest Income	830	625	205	4,632	3,125	1,507
<b>Total NON OPERATING REVENUE</b>	<b>830</b>	<b>625</b>	<b>205</b>	<b>4,632</b>	<b>3,125</b>	<b>1,507</b>
<b>DEPRECIATION</b>						
Depreciation Expense	(45,445)	(47,500)	2,055	(227,226)	(237,500)	10,274
<b>Total DEPRECIATION</b>	<b>(45,445)</b>	<b>(47,500)</b>	<b>2,055</b>	<b>(227,226)</b>	<b>(237,500)</b>	<b>10,274</b>
<b>Increase (Decrease) In Fund Equity</b>	<b>77,171</b>	<b>(30,013)</b>	<b>107,183</b>	<b>(226,244)</b>	<b>(104,854)</b>	<b>(121,391)</b>

GENERAL FUND

Explanation of Significant Budget Variances

2022 FEBRUARY

		Month Variance		YTD Variance		Explanations	Projected Outcome at Year End
Expenses, Salaries & Taxes	5100, 5110	\$	17,792 under	\$	(17,757) over	Three payrolls, raises, & bonuses in December	Year End is expected to be on budget
Expenses, General Office Expenses		\$	(2,965) over	\$	(289) over	Annual Maintenance and Support Plan for Accounting Software	Year End is expected to be on budget.
Expenses, Accounting & Auditing Services	5700	\$	14,022 under	\$	23,078 under	Audit costs have not been paid	Year End is expected to be on budget.
Expenses, Operations	5900	\$	60,508 under	\$	(79,127) over	Reese Business Park clean-up - 2 payments totaling to date \$ 359,586.	Year End is expected to be on budget
Expenses, Utilities	5380	\$	24,274 under	\$	(21,006) over	LP&L bill has been caught up for the last 6 months and back to monthly billings	Year End is expected to be on budget.

## ***FIBER OPTIC OPERATING FUND***

*(In Whole Numbers)*

	Current Month Actual	Current Month Budget	Current Monthly Actual vs Budget Variance	YTD Actual	YTD Budget	YTD Actual vs Budget Variance
<b>REVENUES</b>						
Usage Fees	1,481	1,000	481	7,609	5,000	2,609
Fiber Optic/Wireless Income	18,579	16,250	2,329	93,807	81,250	12,557
<b>Total REVENUES</b>	<b>20,060</b>	<b>17,250</b>	<b>2,810</b>	<b>101,415</b>	<b>86,250</b>	<b>15,165</b>
<b>EXPENSES</b>						
Insurance -Property & General Liabilities	822	833	12	4,108	4,167	59
General Office Expenses	314	317	3	1,571	1,583	13
Computer Software & Maintenance	2,941	2,917	(24)	15,554	14,583	(971)
Internet	1,722	1,833	111	8,611	9,167	556
Building Maintenance & Repairs	1,067	833	(234)	9,150	4,167	(4,983)
Utilities	5,535	5,142	(393)	27,606	25,708	(1,897)
<b>Total EXPENSES</b>	<b>12,401</b>	<b>11,875</b>	<b>(526)</b>	<b>66,600</b>	<b>59,375</b>	<b>(7,225)</b>
<b>NIBPSID</b>	<b>7,659</b>	<b>5,375</b>	<b>2,284</b>	<b>34,816</b>	<b>26,875</b>	<b>7,941</b>
<b>DEPRECIATION</b>						
Depreciation Expense	(2,550)	(2,917)	366	(12,751)	(14,583)	1,832
<b>Total DEPRECIATION</b>	<b>(2,550)</b>	<b>(2,917)</b>	<b>366</b>	<b>(12,751)</b>	<b>(14,583)</b>	<b>1,832</b>
<b>Increase (Decrease) In Fund Equity</b>	<b>5,109</b>	<b>2,458</b>	<b>2,651</b>	<b>22,065</b>	<b>12,292</b>	<b>9,773</b>

FIBER OPTIC FUND

Explanation of Significant Budget Variances

2022 FEBRUARY

	Month Variance	YTD Variance	Explanations	Projected Outcome at Year End
EXPENSES, building Maintenance & Repairs	\$ (234)	\$ (4,983)	Large repair expense on the Leibert CRAC system \$ 6,866.	Year End is expected to be on budget

## COMBINED FUNDS

(In Whole Numbers)

	Current Month Actual	Current Month Budget	Monthly Actual vs Budget Variance	YTD Actual	YTD Budget	YTD Actual vs Budget Variance
<b>REVENUES</b>						
Leases	168,833	175,000	(6,167)	828,194	875,000	(46,806)
PBT Cam Fees	60,024	60,000	24	300,120	300,000	120
Usage Fees	17,519	21,833	(4,314)	104,674	109,167	(4,493)
Contract Services	-	1,250	(1,250)	2,990	6,250	(3,260)
Utility Franchise Fees	1,588	1,667	(79)	18,114	17,333	781
Insurance Proceeds	2,975	-	2,975	3,975	-	3,975
Fiber Optic/Wireless Income	18,579	16,250	2,329	93,807	81,250	12,557
<b>Total REVENUES</b>	<b>269,518</b>	<b>276,000</b>	<b>(6,482)</b>	<b>1,351,873</b>	<b>1,389,000</b>	<b>(37,127)</b>
<b>EXPENSES</b>						
Salaries & Taxes	52,125	69,917	17,792	367,340	349,583	(17,757)
Benefits - Health, Retirement & Wkr's Comp	10,436	11,346	910	47,265	56,729	9,464
Insurance -Property & General Liabilities	16,432	16,775	343	82,161	83,875	1,714
Administrative Expenses	605	933	328	4,466	6,667	2,201
General Office Expenses	8,635	5,672	(2,963)	28,635	28,358	(276)
Accounting & Auditing Services	131	14,153	14,022	5,480	28,558	23,078
Computer Software & Maintenance	2,941	2,917	(24)	15,554	14,583	(971)
Internet	1,722	1,833	111	8,611	9,167	556
Legal Services	6,008	4,167	(1,841)	18,492	20,833	2,342
Network Maintenance Contract	460	667	207	2,818	3,333	515
Training & Travel	1,619	708	(911)	6,153	3,542	(2,611)
Marketing Expenses	3,147	4,708	1,561	22,888	23,542	653
Operations	35,576	96,083	60,508	559,544	480,417	(79,127)
Building Maintenance & Repairs	1,067	833	(234)	9,150	4,167	(4,983)
Utilities	(830)	23,050	23,880	142,154	119,250	(22,904)
<b>Total EXPENSES</b>	<b>140,073</b>	<b>253,763</b>	<b>113,690</b>	<b>1,320,709</b>	<b>1,232,604</b>	<b>(88,105)</b>
<b>NIBPSID</b>	<b>129,445</b>	<b>22,237</b>	<b>107,208</b>	<b>31,165</b>	<b>156,396</b>	<b>(125,232)</b>
<b>NON OPERATING REVENUE</b>						
Interest Income	830	625	205	4,632	3,125	1,507
<b>Total NON OPERATING REVENUE</b>	<b>830</b>	<b>625</b>	<b>205</b>	<b>4,632</b>	<b>3,125</b>	<b>1,507</b>
<b>DEPRECIATION</b>						
Depreciation Expense	(47,995)	(50,417)	2,421	(239,977)	(252,083)	12,107
<b>Total DEPRECIATION</b>	<b>(47,995)</b>	<b>(50,417)</b>	<b>2,421</b>	<b>(239,977)</b>	<b>(252,083)</b>	<b>12,107</b>
<b>Increase (Decrease) In Fund Equity</b>	<b>82,280</b>	<b>(27,554)</b>	<b>109,834</b>	<b>(204,180)</b>	<b>(92,562)</b>	<b>(111,618)</b>

## MONTHLY & YTD COMPARISONS OF CURRENT & PRIOR YEAR'S ACTUALS

(In Whole Numbers)

	Current Month Actual	Prior Year's Month Budget	Variance	YTD Actual	Prior Year's YTD Budget	Variance
<b>REVENUES</b>						
Leases	168,833	198,360	(29,527)	828,194	880,633	(52,439)
PBT Cam Fees	60,024	60,024	-	300,120	300,120	-
Usage Fees	17,519	20,708	(3,189)	104,674	111,284	(6,610)
Contract Services	-	-	-	2,990	14,653	(11,663)
Utility Franchise Fees	1,588	1,480	108	18,114	21,651	(3,537)
Insurance Proceeds	2,975	-	2,975	3,975	-	3,975
Fiber Optic/Wireless Income	18,579	15,622	2,957	93,807	75,676	18,131
<b>Total REVENUES</b>	<b>269,518</b>	<b>296,194</b>	<b>(26,676)</b>	<b>1,351,873</b>	<b>1,404,017</b>	<b>(52,144)</b>
<b>EXPENSES</b>						
Salaries & Taxes	52,125	51,273	852	367,340	314,509	52,831
Benefits - Health, Retirement & Wkr's	10,436	9,878	558	47,265	54,924	(7,659)
Insurance -Property & General Liabilities	16,432	14,950	1,482	82,161	74,824	7,337
Administrative Expenses	605	1,227	(622)	4,466	3,777	689
General Office Expenses	8,635	9,997	(1,362)	28,635	30,842	(2,207)
Accounting & Auditing Services	131	80	51	5,480	471	5,009
Computer Software & Maintenance	2,941	2,941	-	15,554	15,504	50
Internet	1,722	1,695	27	8,611	8,474	137
Legal Services	6,008	2,295	3,713	18,492	11,718	6,774
Network Maintenance Contract	460	463	(3)	2,818	2,596	222
Training & Travel	1,619	-	1,619	6,153	947	5,206
Marketing Expenses	3,147	5,540	(2,393)	22,888	26,670	(3,782)
Operations	35,576	46,223	(10,647)	559,544	208,727	350,817
Building Maintenance & Repairs	1,067	1,067	-	9,150	5,410	3,740
Utilities	(830)	25,706	(26,536)	142,154	125,648	16,506
<b>Total EXPENSES</b>	<b>140,073</b>	<b>173,337</b>	<b>(33,264)</b>	<b>1,320,709</b>	<b>885,043</b>	<b>435,666</b>
<b>NIBPSID</b>	<b>129,445</b>	<b>122,857</b>	<b>6,588</b>	<b>31,165</b>	<b>518,973</b>	<b>(487,808)</b>
<b>NON OPERATING REVENUE</b>						
Interest Income	830	777	53	4,632	4,167	465
<b>Total NON OPERATING REVENUE</b>	<b>830</b>	<b>777</b>	<b>53</b>	<b>4,632</b>	<b>4,167</b>	<b>465</b>
<b>DEPRECIATION</b>						
Depreciation Expense	(47,995)	(47,995)	-	(239,977)	(239,977)	-
<b>Total DEPRECIATION</b>	<b>(47,995)</b>	<b>(47,995)</b>	<b>-</b>	<b>(239,977)</b>	<b>(239,977)</b>	<b>-</b>
<b>Increase (Decrease) In Fund Equity</b>	<b>82,280</b>	<b>75,639</b>	<b>6,641</b>	<b>(204,180)</b>	<b>283,164</b>	<b>(487,344)</b>

# MARCH 2022 – EVENTS & ACTIVITIES

	DATE	EVENT
<b>MARCH</b>	March 3, 2022	YWCA Women of Excellence Banquet
	March 22, 2022	LCOC Salute to Ag Luncheon
	March 23, 2022	LRRA Board of Directors Meeting
	March 24, 2022	TML Regional Meeting
	March 28, 2022	Lubbock County ARPA Presentation
<b>LOOKING AHEAD</b>		
<b>APRIL</b>	April 5-6, 2022	Matador UAS Consortium Summit
	April 27, 2022	LRRA Board of Directors Meeting

