

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

Date: Wednesday, January 25, 2023
Time: 8:00 a.m.
Place: Reese Technology Center, LRRRA Board Room, 9801 Reese Blvd, Suite 200, Lubbock, TX 79416

Time: 8:00 a.m.

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. Presentation Item – KBR	TAB 2	Mark Dieter Mitchel Burt
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"> • 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.	TAB 3	John Tye Muvat Musa Steve Verett Muvat Musa Darrell Guthrie
4. Action Item – Consider the Minutes of the November 30, 2022, Board of Directors Meeting	TAB 4	Steve Verett
5. Action Item – Consider a Standard Short-Term Non-Exclusive License and Right of Use Agreement for South Plains College, Truck Driving Course	TAB 5	Muvat Musa
6. Action Item – Consider a Standard Industrial Lease for Clean Energy Services CES, LLC for Office Space in Building 36	TAB 6	Muvat Musa

7. Action Item – Consider Resolution for Adoption of County Hazard Mitigation Plan	TAB 7	Murvat Musa
8. Discussion Item – Financial Reports	TAB 8	Sandy Hamilton
9. Discussion Item – Reese Events & Activities	TAB 9	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, January 20, 2023.

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

November 30, 2022

The Lubbock Reese Redevelopment Authority held a regular meeting at 8:00 a.m. Wednesday, November 30, 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.

<u>MEMBERS PRESENT:</u>	Steve Verett	Todd McKee	Tim Pierce
	Tim Collins	John Hamilton	John Tye

<u>MEMBERS ABSENT:</u>	George McMahan
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<u>OTHERS PRESENT:</u>	
Reese Staff:	Murvat Musa-Executive Director, Chris Evans-Manager of Operations, Sandra Hamilton-Manager of Accounting, Lacy Elliott-Administrative Coordinator, Cecilia Davila-Administrative Assistant.

Legal Counsel:	Darrell Guthrie
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Others:	None
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Call the meeting to order.

Steve Verett called the meeting to order at 8:06 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 8:07 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 8:50 a.m. and reconvened Open Session at 8:52 a.m.

- ITEM 3** **Consider the Minutes of the October 26, 2022, Board of Directors Meeting and November 3, 2022, Compensation Committee Meeting**
Action Item – Todd McKee moved to approve the minutes of the October 26, 2022, Board of Directors meeting and November 3, Compensation Committee Meeting. John Tye seconded; the motion passed 6-0.
- ITEM 4** **Consider Compensation Committee Recommendations for Employee Raises and Bonuses**
Action Item - John Hamilton moved to approve Compensation Committee Recommendations for Employee Raises, Bonuses, and Incentive Pay, Tim Pierce seconded; the motion passed 6-0.
- ITEM 5** **Financial Reports**
Discussion Item – No action required. Sandra Hamilton presented the October financial reports.
- ITEM 6** **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 9:14 a.m.

Content of minutes agreed to and approved by:

Approved by _____
Steve Verett, President

ATTEST:

LRRRA Board Member

AGENDA ITEM 5
Executive Summary
South Plains College (SPC) Truck Driving School

The Lease Review Committee has reviewed and supports the following new lease.

Background:

SPC has always been our partner on the campus and providing them a place for their truck driving school, which has been operating at Reese since 1998, has been a part of Reese's mission for workforce development. In the past, we worked closely with both SPC and LEDA to ensure a place for this program.

In January 2020, the board approved a three-year Right of Usage (RoU) Agreement for SPC that expires January 31, 2023, and is valued at \$39,000 (\$13,000 per year).

In 2022, SPC transferred approximately 1,000 students from their campus at Reese to the downtown campus (formerly Lubbock City Hall) which greatly reduced their presence here. However, they continue to pay us the CAM fees for all their buildings, including those that are currently empty. This amounts to about \$366,000 annually. Given the total sum of our relationship, Staff is proposing keeping the existing terms of this agreement which are:

- ❖ Three-year term at \$13,000 each year
- ❖ The agreement allows for a termination option to be exercised by either party upon 90 days' notice

See attached lease for full details.

Staff is requesting that the Board authorize the Chief Executive Officer/Executive Director to execute this lease subject to negotiation of final terms and conditions.

**STANDARD SHORT TERM NON-EXCLUSIVE LICENSE AND
RIGHT OF USE AGREEMENT**

BETWEEN

**LUBBOCK REESE REDEVELOPMENT AUTHORITY,
a Political Subdivision of the State of Texas**

AS LICENSOR

AND

SOUTH PLAINS COLLEGE, a Texas institution of higher education

AS LICENSEE

FOR PREMISES LOCATED AT

Reese Technology Center

West Runway

Lubbock, Texas 79416

**STANDARD SHORT TERM NON-EXCLUSIVE LICENSE AND
RIGHT OF USE AGREEMENT**

This Standard License and Right of Use Agreement (the “License”) is made this ____ day of January 2023, by and between LUBBOCK REESE REDEVELOPMENT AUTHORITY, a political subdivision of the State of Texas (hereinafter referred to as “Licensor”) and SOUTH PLAINS COLLEGE, a Texas institution of higher education (hereinafter referred to as “Licensee”).

W I T N E S S E T H:

1. BASIC LICENSE PROVISIONS

(a) Licensor: Lubbock Reese Redevelopment Authority, a political subdivision of the State of Texas, whose Federal Taxpayer Identification Number is 75-2713717.

(b) Licensor Address: 9801 Reese Blvd., Suite 200, Lubbock, TX 79416.

(c) Licensee: South Plains College, whose Federal Taxpayer Identification Number is 75-6004667.

(d) Licensee Address: c/o Dr. Robin Satterwhite, 1401 S. College Avenue, Levelland, TX 79336.

(e) Project: means the land, together with the Premises (as defined below) and all other improvements constructed thereon, and all rights, privileges, easements, and appurtenances pertaining thereto, known as Reese Technology Center and located in Lubbock County, Texas.

(f) Premises: means that approximate 50 acres of concrete non-exclusively utilized by Licensee located on the West runway on the Reese airfield in Lubbock, TX 79416, which is commonly known as Runway 35-L and identified as the “Truck Driving Course” on the site plan attached hereto as **Exhibit A** (the “Truck Driving Course Site Plan”).

(g) Initial Term (Years): Three (3) years.

(h) Delivery Date: February 1, 2023.

(i) Commencement Date: February 1, 2023.

(j) Termination Date: January 31, 2026.

(k) Monthly Charge: The parties agree that the Monthly Charge set forth herein does not include Common Area Maintenance fees, grounds keeping-mowing expenses, parking, Licensor’s insurance, and any other charges incurred by Licensor with respect to the Premises, except as otherwise provided in this License. Said Monthly Charge further does not include, and Licensee is solely responsible for any and all charges associated with utilities, dumpsters, telephone service, internet service, Licensee renovations, or general surface cleaning, except as otherwise provided in this License.

<u>Initial Term License Years</u>	<u>Total Annual Charges</u>	<u>Total Monthly Charges</u>
Year 1	\$13,000.00	\$1,083.33
Year 2	\$13,000.00	\$1,083.33
Year 3	\$13,000.00	\$1,083.33

(l) Security Deposit: [NOT APPLICABLE]

(m) Termination: This License is terminable by either party at will by the giving of notice to the other party; provided however that so long as Licensee is not in default on this License, Licensors shall only be permitted to terminate this License with at least 90 days' notice, and provided further that so long as Licensors is not in default on this Agreement, Licensee's termination of this Agreement shall not relieve Licensee of the obligation to pay the Monthly Charges and other charges set forth in this Agreement for the term of the Agreement.

(n) Permitted Use: Licensee may use the Premises solely for the purpose of operating the South Plains College Truck Driving program. Licensee's Permitted Use is non-exclusive, and is conditioned on Licensee contacting and coordinating the scheduled use of the Premises by Licensee with Licensors and the other licensees that use the Premises for similar purposes during the term of this License with the permission of Licensors. Licensee's Permitted Use is confined to the site plan attached hereto as **Exhibit A**. If Licensee's use exceeds the scope of normal operations and Licensee requires additional space (collectively "Additional Premises"), Licensee shall contact and coordinate the scheduled use of the Additional Premises by Licensee with Licensors and the other licensees that use the Premises for similar purposes during the term of this License with the permission of Licensors. Without limiting the foregoing, Licensee recognizes and acknowledges that Licensors has granted similar licenses to use the Premises for similar uses to South Plains College Law Enforcement, South Plains Association of Governments, Lubbock Police Department, and other entities, for driver training courses.

(o) Licensors's Address for Payment of Monthly Charge: Payment of Monthly Charge shall be paid on a Monthly basis, and may be made by check and delivered to Licensors's address, or by electronic funds transfer to Licensors's bank account at:

Plains Capital Bank
5010 University
Lubbock, TX 79413
Routing Number - 111322994
Account Number - 185256
Deposits need to indicate: LUBBOCK REESE REDEVELOPMENT AUTHORITY

2. DEFINITIONS

(a) "Common Areas" means all facilities and areas of the Project that are intended and designated by Licensors from time to time for the common, general, and nonexclusive use of all

Licensees and Tenants of the Project, including parking lots. Licensor has the exclusive control over and right to manage the Common Areas. Licensee shall have the right to use the Common Areas, but shall maintain all responsibility and liability for its conduct, or the conduct of its agents, employees and persons invited onto the Common Areas or Premises by Licensee.

(b) “Injury” means (1) harm to or impairment or loss of property or its use, (2) harm to or death of a person, or (3) “personal and advertising injury” as defined in the form of liability insurance Licensee is required to maintain.

(c) “Licensor” means Licensor and its agents, officers, servants, employees, consultants, invitees, licensees, or visitors.

(d) “Monthly Charge” means all amounts of money payable by Licensee to Licensor.

(e) “Licensee” means Licensee and its assignee, agents, contractors, employees, invitees, licensees, or visitors.

3. GRANT OF LICENSE AND RIGHT TO USE

Subject to the terms and conditions of this License, Licensor hereby grants Licensee the right to use the Premises for the Permitted Use for the Term of this Agreement, and to use the streets, alleys and other portions of the Project necessary to obtain access to the Premises for the Permitted Use.

4. REAL ESTATE TAXES AND OTHER TAXES

Licensee is a Tax exempt entity in the State of Texas. Licensee will provide a Tax Exempt Certificate upon request. Licensee understands and agrees that to maintain Tax Exempt status that it shall remain solely responsible for the payment of the Monthly Charge during the term of the License.

5. LICENSEE COVENANTS

(a) Licensee Agrees to –

(1) Use the Premises for the entire Term beginning on the Delivery Date and ending on the Termination Date.

(2) Accept the Premises in their present condition “AS IS, WHERE IS CONDITION,” the Premises being currently suitable for the Permitted Use.

(3) Obey (i) all applicable federal, state, and local laws relating to the use, condition, and occupancy of the Premises; (ii) any requirements imposed by utility companies serving or insurance companies covering the Premises; and (iii) any rules and regulations for the Premises and Common Areas adopted by Licensor, to include the Reese Technology Center Operations Manual, as amended, to include but not limited to only accessing the Premises through the industrial entry points off of Highway 114 or the Northeast Industrial Entrance.

(4) Pay a late charge of five (5) percent of any Monthly Charge or Additional Monthly Charge not received by Licensor by the fifth day after it is due.

(5) Contact Licensor at least forty-eight (48) hours in advance to schedule, obtain approval, and to reserve the use of the Premises. Licensor shall maintain a Quarterly schedule of use for all Licensees.

(6) Only use the Premises at the designated times when Licensee schedules its use with Licensor.

(7) [BLANK]

(8) Keep the sidewalks, service ways, and loading areas adjacent to the Premises clean and unobstructed.

(9) Vacate the Premises on the last day of the Term, or sooner if the License is terminated by the Licensor prior to the last day of the Term.

(10) [BLANK]

(11) Include language in any agreement with any assignee, sub-contractor or agent for the operation of the Permitted Use on the Premises that is substantially similar to the following:

“Except as prohibited by the Constitution and laws of the State of Texas, and to the fullest extent permitted, Licensee agrees to the following provision concerning its activities, use and occupancy of the Premises: HOLD LICENSOR HARMLESS FROM ANY INJURY (AND ANY RESULTING OR RELATED CLAIM, ACTION, LOSS, LIABILITY, OR REASONABLE EXPENSE, INCLUDING ATTORNEY’S FEES AND OTHER FEES AND COURT AND OTHER COSTS) ARISING FROM LICENSEE’S ACCESS TO, PRESENCE ON, OR USE OF THE PREMISES UNDER THIS AGREEMENT (INCLUDING ANY ACCESS TO, PRESENCE ON, OR USE OF THE PREMISES BY LICENSEE’S ASSIGNEES, AGENTS, CONTRACTORS, EMPLOYEES, INVITEES, LICENSEES, STUDENTS, OR VISITORS). THIS PARAGRAPH (A) IS INDEPENDENT OF LICENSEE’S INSURANCE, (B) WILL NOT BE LIMITED BY COMPARATIVE NEGLIGENCE STATUTES OR DAMAGES PAID UNDER THE WORKERS’ COMPENSATION ACT OR SIMILAR EMPLOYEE BENEFIT ACTS, (C) WILL SURVIVE THE END OF THE TERM, AND (D) WILL NOT APPLY IF AN INJURY IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF LICENSOR OR TO THE EXTENT AN INJURY IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LICENSOR.”

(12) On request of Licensor, move to a different location on the Reese Technology Center campus that is suitable for Licensee’s Permitted Use, provided that Licensee may terminate this License if so moved.

(13) [BLANK]

(b) Licensee agrees not to do any of the following (and agrees to ensure that its Assignee, agents, contractors, employees, invitees, licensees, students, or visitors do not do any of the following) –

- (1) Use the Premises for any purpose other than the Permitted Use.
- (2) Create a nuisance.
- (3) Interfere with any other parties' normal business operations or Licensor's management of the Premises or Project.
- (4) Use the Premises in any way that would increase Licensor's insurance premiums or void Licensor's insurance on the Premises or the Project.
- (5) Assign this License or sublicense any portion of the Premises without Licensor's prior express written consent. This license is personal to the Licensee, and therefore it is not assignable and any attempt to assign this License, without Licensor's prior written permission, will terminate the License. The Licensor acknowledges that Licensee has contracted with ATDS Truck Driving School ("ATDS") to operate the South Plains College Truck Driving program; and, by entering into this agreement, Licensor grants its express written consent to ATDS to operate the South Plains College Truck Driving program, subject to the requirements set forth herein.
- (6) Place any signs on the Premises without Licensor's written consent.
- (7) [BLANK]
- (8) [BLANK]
- (9) [BLANK]
- (10) Take any action that in any way interferes with or impairs Landlord's customer's access to the Project.

6. LICENSOR COVENANTS

(a) Licensor agrees to –

- (1) License to Licensee the Premises, or premises of similar quality, suitable for Licensee's Permitted Use on the Reese Technology Center campus, for the entire Term beginning on the Delivery Date and ending on the Termination Date, unless otherwise terminated sooner by the Licensor pursuant to the other terms and conditions of this Agreement.
- (2) Obey all applicable laws with respect to Licensor's operation of the Premises and Project.

(3) Maintain the runways and taxiways as described in Exhibit A.

(b) Licensor agrees not to—

(1) Interfere with Licensee's use of the Premises, during a period in which Licensee has properly scheduled its use of the Premises in accordance with Licensor's availability and scheduling requirements, and provided further that Licensee is not in default on its payment or other obligations hereunder.

7. COMMON AREAS

(a) Right to Use Common Areas. Licensee will have the nonexclusive right to use the Common Areas subject to any reasonable rules and regulations that Licensor may prescribe.

(b) Maintenance of Common Areas. At all times during the Term, Licensor will maintain the Common Areas.

8. UTILITIES AND TRASH REMOVAL

(a) Payment of Utility Bills. The Premises currently do not have any utilities. In the event that Licensee requires utility services for the Permitted Use on the Premises, then Licensee with Landlord's prior written consent, may obtain utility service from providers of similar services to the other licensees and tenants on the Project to the Premises, at Licensee's sole cost and expense. If so obtained, Licensee will promptly pay all charges for electricity, water, gas, telephone service, sewer service, and other utilities furnished to the Premises in support of the activities described herein, directly to the utility providing such service or to the Licensor, if Licensee is billed by the Licensor.

(b) Trash Removal. Licensee shall be responsible for collection and removal of its own trash or any payments associated therewith.

9. DAMAGE BY CASUALTY

(a) Licensee's Right to Terminate. If more than fifty percent (50%) of the Premises is damaged or destroyed due to Casualty, then Licensee will have the right to terminate this License without penalty or additional payment.

(b) Licensor's Right to Terminate. If more than fifty percent (50%) of the Premises is damaged or destroyed by Casualty, then Licensor may elect to terminate this License effective as of the date of the Casualty, or to attempt to move Licensee to another area on campus that is suitable for Licensee's Permitted Use and as agreed upon by Licensee.

10. HAZARDOUS MATERIALS

(a) Licensor's Obligations. Licensor represents and warrants that on the Delivery Date the Premises and the Project shall be in compliance with all Environmental Laws (as defined below). During the Term, Licensor will not use, generate, place, store, release or otherwise dispose

of, or permit the use, generation, placing, storage, release or disposal of, Hazardous Materials in the Project, except in accordance with all Environmental Laws.

(b) Licensee's Obligations. During the Term, Licensee will not use, generate, place, store, release or otherwise dispose of Hazardous Materials in the Premises or the Common Areas, except in accordance with all Environmental Laws, and subject to the Reservations recorded in the Deed Without Warranty Between the United States of America and Licensors recorded in the Real Property Records of Lubbock County, Texas. In the event of a breach of the foregoing, Licensee will promptly undertake remediation or removal in accordance with all Environmental Laws. Licensee will indemnify, defend and hold Licensors and Licensors' Affiliated Parties harmless from and against, and reimburse Licensors and Licensors' Affiliated Parties for, all Hazardous Materials Liabilities asserted against or incurred by Licensors or Licensors' Affiliated Parties as a result of a breach of Licensee's obligations under this paragraph. Licensee shall provide Licensors a copy of Licensee's plan for responding to hazardous waste, fuel, and chemical spills no later than the Commencement Date.

(c) Definitions. As used herein,

(i) "Hazardous Materials" shall be construed broadly to include any toxic or hazardous substance, material, or waste, and any other contaminant, pollutant or constituent thereof, including without limitation, chemicals, compounds, by-products, petroleum or petroleum products, and polychlorinated biphenyls, the presence of which requires investigation or remediation under any Environmental Laws or which are or become regulated, listed or controlled by, under or pursuant to any Environmental Laws;

(ii) "Environmental Laws" means all federal, state, regional or local statutes, laws, regulations, codes, orders, permits, ordinances, decrees, rulings or judicial or administrative interpretations thereof, or similar laws of foreign jurisdictions where the Licensee conducts business, whether currently in existence or hereinafter enacted or promulgated, any of which govern, or purport to govern, or relate to pollution, protection of the environment, public health and safety, air emissions, water discharges, hazardous or toxic substances, solid or hazardous waste or occupational health and safety, as any of these terms are or may be defined in such statutes, laws, rules, regulations, codes, orders, permits, ordinances, decrees, rulings or judicial or administrative interpretations thereof, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendment and Reauthorization Act of 1986, 42 U.S.C. §9601, et seq. (collectively "CERCLA"); the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and subsequent Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §6901 et seq. (collectively "RCRA"); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. §1801, et seq.; the Clean Water Act, as amended, 33 U.S.C. §1311, et seq.; the Clean Air Act, as amended (42 U.S.C. §7401-7642); the Toxic Substances Control Act, as amended, 15 U.S.C. §2601 et seq.; the Federal Insecticide, Fungicide, and Rodenticide Act as amended, 7 U.S.C. §136-136y ("FIFRA"); the Emergency Planning and Community Right-to-Know Act of 1986 as amended, 42 U.S.C. §11001, et seq. (Title III of SARA) ("EPCRA"); and the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §651, et seq. ("OSHA"); and

(iii) “Hazardous Materials Liabilities” means all claims, damages, losses, forfeitures, expenses or liabilities arising from or caused in whole or in part, directly or indirectly, by a breach by the other party of its representations, warranties or covenants under Section 13(a) or (b), including, without limitation, all costs of defense (including reasonable attorneys’ fees and other costs of litigation), all consultants’ fees, and all costs of investigation, repair, remediation, restoration, cleanup, detoxification or decontamination, and/or preparation and implementation of any closure, remedial action or other required plan.

(d) Survival. The provisions of this Section 10 will survive the expiration or earlier termination of this License.

11. INSURANCE AND WAIVER OF SUBROGATION

Licensor shall not be obligated to insure any furnishings, equipment, trade fixtures, or other personal property, which Licensee may place or cause to be placed upon the Premises. Licensor and Licensee waive any requirement of contents insurance, or property casualty coverage on the Premises. Licensor will maintain a policy or policies of comprehensive general liability insurance insuring Licensor against loss of life, bodily injury and/or property damage with respect to Common Areas, operation of the Premises, parking lots and other improvements associated with the land upon which the Premises are located, and any other losses caused by or related to the duties and obligations of Licensor under this License.

Licensor acknowledges that, because Licensee is an agency of the State of Texas, liability for the tortious conduct of the agents and employees of Licensee (other than medical liability of medical staff physicians) or for injuries caused by conditions of tangible state property is provided for solely by the provisions of the Texas Tort Claims Act (*Texas Civil Practice and Remedies Code*, Chapters 101 and 104), and that Workers' Compensation Insurance coverage for employees of Licensee is provided by Licensee as mandated by the provisions of *Texas Labor Code*, Chapter 503. Licensor further acknowledges that State agencies are prohibited, by the General Appropriations Act, from expending any funds appropriated by that Act for purchasing policies of insurance covering claims arising under the Texas Tort Claims Act. Licensee shall therefore have no obligation under this License to purchase policies of insurance, which cover claims arising under the Texas Tort Claims Act. No insurance carrier of either party shall have a right of subrogation against the other party to this Lease.

Subject to the foregoing, Licensee shall require any assignee, agent, or sub-contractor, to provide a Certificate of Insurance for each coverage identified below and shall submit to Licensor prior to the Delivery Date. Licensee’s assignee, agent, or sub-contractor shall provide to Licensor proof of the required insurance on or before the expiration date of each expiring policy, and cause each required policy to require insurer to give Licensor notice of termination of any policy prior to the expiry of its term. Specifically, Licensee’s assignee, agent, or sub-contractor is required to have:

(a) Commercial General Liability Insurance. Commercial General Liability Insurance covering the assignee, agent, or sub-contractor’s use of the Premises or the conducting of any activity during the use thereof, against claims for bodily injury, death or property damage occurring upon, in or about the Premises, or any area used by the Licensee or its assignee, agent,

or sub-contractor to conduct its Permitted Use, regardless of whether the conduct giving rise to the liability is considered part of the Permitted use (including contractual indemnity and liability coverage), such insurance to provide coverage of not less than \$500,000.00 per occurrence and \$1,000,000.00 annual aggregate. Licensor shall be included as an additional insured against claims for bodily injury, death, or property damage occurring upon, in or about the Premises.

(b) Workers Compensation' and Employer's Liability Insurance. Workers' compensation insurance shall be in an amount meeting applicable state statutory requirement and the employer's liability limits shall be in an amount not less than \$1,000,000.00 per bodily injury by accident and \$1,000,000.00 per employee for bodily injury by disease.

(c) Other Requirements of Insurance. All such insurance will be issued and underwritten by companies with an A.M. Best rating of "A" or better and size rating of "VI" or better and Licensee's assignee, agent, or sub-contractor will use good faith efforts to obtain a policy that will contain endorsements that (1) such insurance may not lapse with respect to Licensor or be canceled with respect to Licensor without the insurance company giving Licensor at least thirty (30) days prior written notice of such cancellation, (2) Licensee's assignee, agent, or sub-contractor will be solely responsible for payment of premiums, and (3) in the event of payment of any loss covered by such policy, this insurance shall apply as primary insurance with respect to any overlapping coverage afforded to the Licensor except for loss arising from Common Areas.

(d) Release of Claims/Subrogation. LICENSOR AND LICENSEE'S ASSIGNEE, AGENT, OR SUB-CONTRACTOR RELEASE EACH OTHER FROM ALL CLAIMS OR LIABILITIES FOR DAMAGE TO THE PREMISES, DAMAGE TO OR LOSS OF PERSONAL PROPERTY WITHIN OR ON THE PREMISES, AND LOSS OF BUSINESS OR REVENUES THAT ARE COVERED BY THE RELEASING PARTY'S PROPERTY INSURANCE OR THAT WOULD HAVE BEEN COVERED BY THE REQUIRED INSURANCE IF THE PARTY FAILS TO MAINTAIN THE PROPERTY COVERAGES REQUIRED BY THIS LICENSE. THE PARTY INCURRING THE DAMAGE OR LOSS WILL BE RESPONSIBLE FOR ANY DEDUCTIBLE OR SELF-INSURED RETENTION UNDER ITS PROPERTY INSURANCE. LICENSOR AND LICENSEE'S ASSIGNEE, AGENT, OR SUB-CONTRACTOR WILL NOTIFY THE ISSUING PROPERTY INSURANCE COMPANIES OF THE RELEASE SET FORTH IN THIS PARAGRAPH AND WILL HAVE THE PROPERTY INSURANCE POLICIES ENDORSED, IF NECESSARY, TO PREVENT INVALIDATION OF COVERAGE. THIS RELEASE WILL NOT APPLY IF IT INVALIDATES THE PROPERTY INSURANCE COVERAGE OF THE RELEASING PARTY. THE RELEASE IN THIS PARAGRAPH WILL APPLY EVEN IF THE DAMAGE OR LOSS IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF THE RELEASED PARTY BUT WILL NOT APPLY TO THE EXTENT THE DAMAGE OR LOSS IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE RELEASED PARTY.

12. ADDITIONAL LICENSOR AND LICENSEE AGREEMENTS

a. Alterations. Any physical additions or improvements to the Premises made by Licensee will become the property of Licensor. Licensor may require that Licensee, at the end of the Term and at Licensee's expense, remove any physical additions and improvements, repair any alterations, and restore the Premises to the condition existing at the Delivery Date, normal wear excepted. All alterations shall require the prior written consent of Licensor. Licensee agrees at its sole cost and expense to comply with all Laws when performing any alterations (when permitted by Licensor to alter the Premises), including obtaining any governmental permits which may be

required in connection therewith.

b. Abatement. Licensee's covenant to pay any Monthly Charge or any other charges due hereunder and Licensor's covenants are independent. Except as otherwise provided, Licensee shall not abate Monthly Charges owed to Licensor for any reason.

c. Condemnation/Substantial or Partial Taking

(1) If the Premises cannot be used for the purposes contemplated by this License because of condemnation or purchase in lieu of condemnation, this License will terminate, and Licensee will have no claim to the condemnation award or proceeds in lieu of condemnation.

d. Uniform Commercial Code. To secure Licensee's obligations to Licensor under this Agreement, Licensee grants Licensor a security interest in Licensee's personal property now or subsequently located on the Premises. This License is a security agreement under the Uniform Commercial Code.

e. Default by Licensor/Events. Defaults by Licensor are failing to comply with any provision of this License within fifteen (15) days after written notice.

f. Default by Licensor/Licensee's Remedies. Licensee's remedies for Licensor's default are to terminate this License without penalty or payment of the full term.

g. Default by Licensee/Events. Defaults by Licensee, to include any assignee, agent, or sub-contractor are:

(1) making an assignment for the benefit of its creditors;

(2) the levying on or against Licensee's property;

(3) the institution in court of competent jurisdiction of proceedings for the reorganization, liquidation, or voluntary dissolution of Licensee, or for its adjudication as a bankrupt or insolvent, or for the appointment of a receiver of the Licensee's property, if the proceedings are not dismissed, and any receiver, trustee, or liquidator appointed therein is not discharged within thirty (30) days after the proceedings are instituted;

(4) the filing of a mechanic's lien against the Premises in connection with work contracted for by Licensee that is not released by payment or bond or otherwise (including indemnification reasonably satisfactory to Licensor) within thirty (30) days of Licensee's receipt of written notice of the existence of such mechanic's lien, provided, however, that Licensee shall have an affirmative duty to notify Licensor of the existence or threat of any such mechanic's lien being filed against the Premises if and when Licensee receives any notice of the threatened mechanic's lien from any claimant;

(5) failing to pay timely Monthly Charge or Additional Monthly Charge;

(6) failure by Licensee to perform or observe any of Licensee's non-monetary covenants contained in this License, to include but limited to the failure of Licensee or its contractor to follow any rules and regulations adopted by Licensors to control (a) access to the Premises and Project, (b) use of the Premises to times coordinated by Licensee, and (c) parking on the Premises and Project; and

(7) failing to comply within ten (10) days after written notice with any provision of this License.

h. Default by Licensee/Licensors Remedies. Licensors remedies for Licensee's default are to (1) immediately terminate this License without further notice to Licensee and in such event, Licensee's right to access the Premises shall be and hereby is automatically revoked; and (2) to sue for damages.

i. Remedies Cumulative. The rights and remedies given to Licensors and Licensee in this License are distinct, separate and cumulative remedies, and the exercise of any one or more of them will not be deemed to exclude Licensors or Licensee's rights to exercise any or all of the others which are given in this License, or at law or in equity, unless such remedies are expressly excluded.

j. Default/Waiver/Mitigation. It is not a waiver of default if the nondefaulting party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this License does not preclude pursuit of other remedies in this License or provided by applicable law. Licensors and Licensee have a duty to mitigate damages.

k. Representations and Indemnities of Broker Relationships. Licensee and Licensors each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder in connection with this License, and that no one is entitled to any commission or finder's fee in connection herewith.

l. Notices. Any notices sent or required to be given hereunder must in writing and sent by certified mail, return receipt requested, or nationally recognized overnight courier to the following addresses:

LICENSOR:

Lubbock Reese Redevelopment Authority
9801 Reese Boulevard
Suite 200
Lubbock, Texas 79416
Attn: Executive Director
Telephone: (806) 885-6592
Email: mmusa@reesecenter.com

LICENSEE:

South Plains College
c/o Dr. Robin Satterwhite
1401 S. College Avenue
Levelland, TX 79336
Telephone: (806) 894-9611
Fax: (806) 897-2800
rsatterwhite@southplainscollege.edu

Notices will be deemed given on the date received (or refused) when addressed to the parties at the addresses set forth above or in either case to such other addresses as Licensor or Licensee may designate to the other by notice. Notice may also be given by regular mail, personal delivery, courier delivery, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein. Without limiting the foregoing, any notice required or permitted to be given under this License may be sent by e-mail at the appropriate e-mail address set forth in this Section 12.1, as the same may be amended, or to such other e-mail address as Licensor or Licensee may from time to time designate in a notice to the other; provided that such e-mailed notice expressly states that it represents a notice under Section 12.1. of this Lease. Any e-mailed notice shall be deemed given on the date of delivery, provided that (i) such delivery is reasonably confirmed as received by the recipient (i.e., no error report is received by the sender); and (ii) if delivery occurs after 5:00 p.m. in the time zone of the recipient or on a non-business day, then such notice shall be deemed received on the first business day after the day of delivery.

m. Attorney's Fees. If either party retains an attorney to enforce this License, the party prevailing in litigation is entitled to recover reasonable attorney's fees and other fees and court and other costs.

n. Governing Law. This License shall be governed in accordance with the laws of the State of Texas, and all obligations of the parties are performable in Lubbock County, Texas.

o. Entire Agreement. This License, together with the attached exhibits and riders, is the entire agreement of the parties with respect to the grant of the license and right to use the Premises for the Permitted Use hereunder, and there are no oral representations, warranties, agreements, or promises pertaining to this License or to any expressly mentioned exhibits and riders not incorporated in writing in this License. The parties acknowledge and agree that they have other leases, licenses and agreements with respect to other premises or property located on or about the Project that continue to remain in force and effect, and that this License does not in any way alter or amend such other agreements.

p. Assignment by Licensee. Subject to Section 5(b)(5), this License is personal to Licensee, and Licensee has no right to assign this License.

q. Assignment by Licensor. Licensor is expressly given the right to assign any or all of its interest under the terms of this License, provided the assignee expressly assumes all obligations of Licensor hereunder.

r. Amendment of License. This License may be amended only by an instrument in writing signed by Licensors and Licensee.

s. Limitation of Warranties. THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LICENSE, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LICENSE.

t. Abandoned Property. Licensors may retain, destroy, or dispose of any personal property left on the Premises at the end of the Term.

u. Heirs, Successors, and Assigns. This License and the covenants, agreements and representations herein contained will be binding upon, and inure to the benefit of, the parties hereto and their respective heirs, executors, administrators, successors, and assigns.

v. Rules of Construction. This License will be construed with equal weight for the rights of both parties, the terms hereof having been determined by fair negotiation with due consideration for the rights and requirements of both parties.

w. Severability. If any term or provision of this License is found to be invalid, illegal or unenforceable, the remaining terms and provisions will not be affected thereby; and each term and provision hereof will be valid and enforceable to the fullest extent permitted by law.

x. Headings. The captions, section numbers and paragraph numbers appearing in this License are inserted only as a matter of convenience and in no way define, amplify, limit, construe or describe the scope or interest of any section of this License.

13. AFFIRMATIVE REPRESENTATIONS CONCERNING FTZ-260 AND OPERATION OF AIRFIELD

a. Free Trade Zone (FTZ). The Lubbock Economic Development Authority (“LEDA”) has applied and previously received approval for eligible tenants of the Project to be able to take advantage of the benefits of its FTZ. Tenants that are eligible to participate must apply through LEDA and pay the application fees and any monthly fees associated with the volume of goods that are transported into and out of the FTZ. Interested tenants should contact the LEDA for specific details regarding the application process and the fees and regulations associated with the program.

b. Airfield. Licensors currently has Federal Aviation Administration approval to operate the airstrips located within the Project. The 6,500-foot north-south runway can accommodate large cargo aircrafts such as a C-130. While Licensors anticipates that there may be changes with respect to the use of the three (3) primary landing strips that are now in operation (including that the westernmost runway is non-operational, except in the case of a federal, state or local emergency), Licensors intends to continue to operate the 6,500-foot north-south runway and will make the use of such runway available to Licensee in accordance with the existing Federal Aviation Administration certification. With regard to the westernmost runway, Landlord has

restricted use of such runway based on the operation of the commercial grade wind turbines that exist on the Project to the west of such runway, and Tenant agrees that it may not have access to such runway. All flight arrangements must be approved through Licensor and any Licensee utilizing the runway for such flights must comply with the daytime Visual Flight Rule. Notwithstanding the foregoing, Licensor agrees that it will not cause or permit any material change in size, location or configuration of any airstrip or runway which will have an adverse affect on Licensee's ability to operate in the Premises or which will adversely affect access to the Premises. If Licensor does, then Licensee shall have the right to terminate this Agreement without penalty.

14. SECURITY CONDITIONS

Licensor and Licensee acknowledge and agree that the Project is located on property formerly owned and operated by the United States Air Force as the Reese Air Force Base, and that certain portions of the Project have been previously utilized by local, state and federal governmental entities (hereinafter, "the Government") in times of state or national emergencies to provide temporary evacuation shelters and other such uses. Additionally, Licensor has other Licensees of the Project that require controlled access to the Airfield during certain operations. Licensor represents that the Government may continue to utilize the Project during the Term of this Lease in times of state or national emergency (with or without Licensor's express consent), and other Licensees of the Project, when approved by the Licensor, may require controlled access to the Airfield, and that such use could adversely affect Licensee's ability to access the Premises and/or use of the Common Areas due to additional security measures; provided, however, that such adverse impact shall only delay and shall not unreasonably deny access by Licensee to the Premises.

Licensee acknowledges and agrees that, in the event that the Government utilizes any portion of the Project in a time of state or national emergency or when the Licensor authorizes other Licensees of the Project to control access to the Airfield, Licensee, its employees, officers, agents, and contractors will comply with all reasonable security regulations imposed by the Licensor or applicable governmental agency, including the requirement to obtain and display security identification cards and to comply with reasonable security procedures.

The execution of this Agreement by Licensor shall not be considered a waiver of Licensor's sovereign immunity to suit.

IN WITNESS WHEREOF, having read and intending to be bound by the terms hereof, the parties have signed this License on the date(s) set forth below.

/SIGNATURE PAGE FOLLOWS/

LUBBOCK REESE
REDEVELOPMENT AUTHORITY
("Licensor")

SOUTH PLAINS COLLEGE
("Licensee")

By: Murvat Musa, Chief Executive Officer

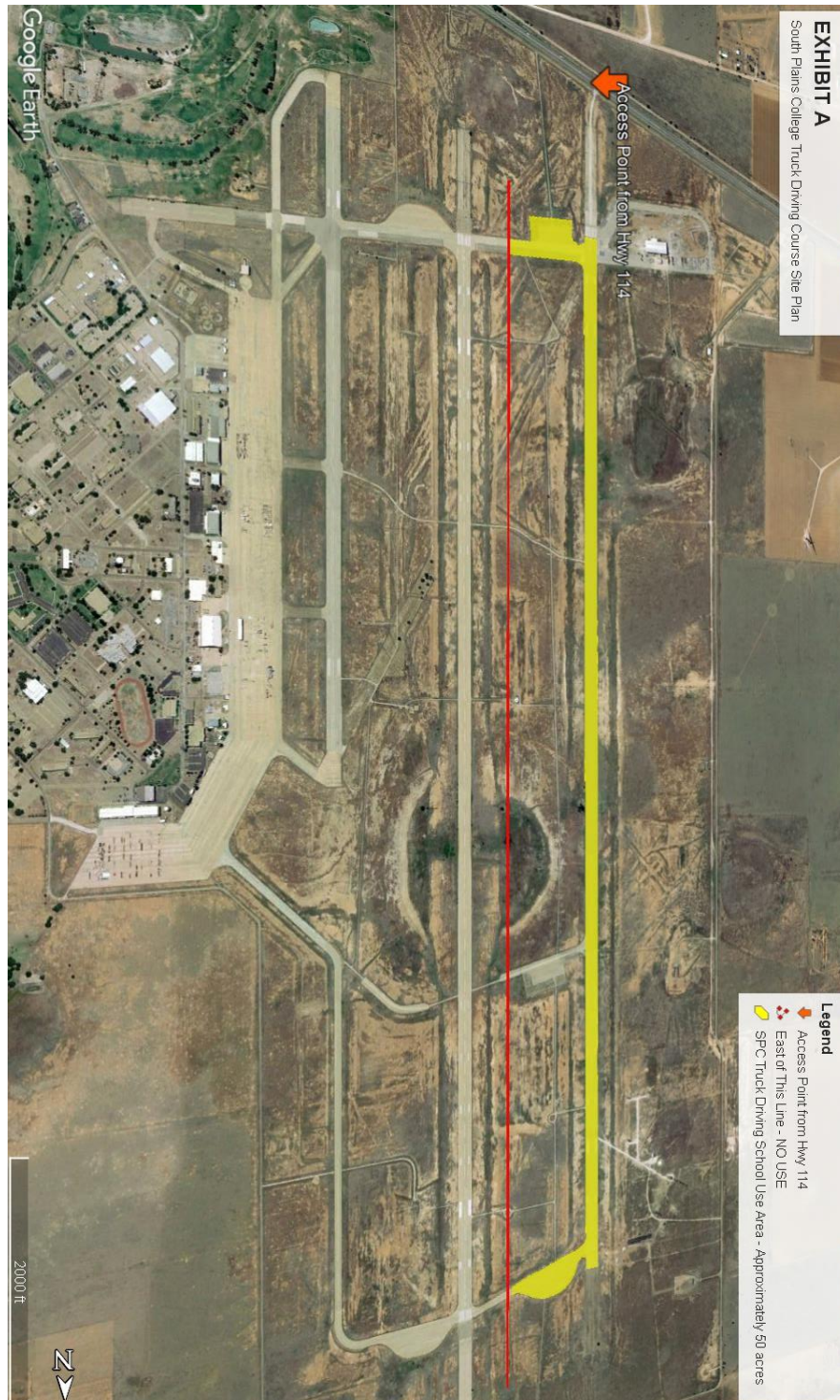
By: Robin Satterwhite, President

Date

Date

EXHIBIT A

Truck Driving Course Site Plan



BOARD ACTION ITEM No. 2023-0125-123

**BOARD OF DIRECTORS
LUBBOCK REESE REDEVELOPMENT AUTHORITY
JANUARY 25, 2023**

Item to be Considered:

Consider a Standard Short-Term Non-Exclusive License and Right of Use Agreement for South Plains College, Truck Driving Course

Previous Board Action:

- a. The Board of Directors has previously approved a 3-year Right of Usage agreement for SPC that expires on January 31, 2023.

Statement of Pertinent Facts:

- a. Term: 3 years
- b. \$13,000 each year for a total of \$39,000 over the life of the lease
- c. Termination option to be exercised by either party upon 90 days' notice

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 Chief Executive Officer/Executive Director to execute a Right of Usage agreement with South Plains College Truck Driving School, subject to negotiation of final terms and conditions, as submitted, on this 25th day of January 2023.”

Steve Verett, President

ATTEST:

LRRA Board Member

AGENDA ITEM 6
Executive Summary
Clean Energy Services CES, Building 36

The Lease Review Committee has reviewed and supports the following new lease.

Clean Energy Services (CES) is a new customer to Reese. CES is a Houston based operations and maintenance provider for the renewable energy industry including wind, solar, and energy storage. They need a Lubbock location to provide services to customers in west Texas.

This lease is for one suite in Building 36, Data Center, with plans for expansion that includes a partnership with South Plains College to develop a hands-on wind turbine maintenance program. The lease terms are for 3 years with two options to renew for two years each. The beginning rent is \$12 per square foot with annual increase of 3% or the CPI-U, whichever is greater.

See attached deal sheet and lease for full details.

We are excited to host this new energy company at Reese and see lots of collaboration opportunities for them with existing customers.

Staff is requesting that the Board authorize the Chief Executive Officer/Executive Director to execute this lease subject to negotiation of final terms and conditions.



January 18, 2023

DEAL SHEET

Building 36, Approximately 588 square feet
Clean Energy Services (CES)
“Subject to Board Approval”

TENANT

Clean Energy Services, CES
Gerrit Van Doornik, President, Wind Solutions
4201 Main Street, Suite 298
Houston, TX 77002

BROKER

None

BACKGROUND

CES, founded in 2022 and located in Houston, Texas, is an operations and maintenance provider for the renewable energy industry including wind, solar, and energy storage. They are capitalizing on the fact that renewable energy operators/investors have focused on growing assets but have lagged in developing dedicated renewable energy services companies. The co-founder and CEO, Ahmad Atwan, has over 25 years’ experience in the energy business. He is partnered with Constantine Triantafyllides who also have many years’ experience in the energy sector. They are well capitalized, and their D&B report classifies them as “low risk”, which is unusual for a start-up.

They are looking for a west Texas location and are interested in Reese for a regional office with plans to grow and stay at Reese. They like all the renewable research that is located at Reese and look forward to collaboration opportunities with other Reese customers and are interested in a partnership with South Plains College to develop a wind turbine maintenance education program that includes an actual field site for hands on training, as they did with the community college in Houston.

PERMITTED USES

Tenant may use premises for office use.

PREMISES

Building 36, 588 square feet, see Exhibit A

TYPE OF LEASE

Modified Gross Lease

9801 REESE BLVD, SUITE 200 • LUBBOCK, TEXAS 79416 • 806.885.6592 • FAX 806.885.6003

www.ReeseCenter.com



PRIMARY TERM

Tenant will pay \$12.00 per square foot for a term of three years with annual increases of 3% or CPI-U, whichever is greater. The chart below assumes 3% increase but will be adjusted annually. Tenant can add additional square footage in Building 36 at any time during the lease at the then per square foot rate.

Rent

Initial Term Lease Years	Total Annual Base Rent	Total Monthly Base Rent	Annual Base Rent Per Square Foot of Floor Area of the Premises (588 sq ft)
Year 1	\$7,056.00	\$588.00	\$12.00
Year 2	\$7,267.68	\$605.64	\$12.36
Year 3	\$7,485.24	\$623.77	\$12.73
Total	\$21,808.92		

RENEWAL OPTIONS

Two options to renew for two years each.

SECURITY DEPOSIT

None

TERMINATION OPTION

Tenant can terminate this lease in order to expand into another space at Reese.

UTILITIES

Due to the nature of the building also being a Data Center, and because the Data Center portion of the building uses the majority of the electricity to operate, and to provide a fair market fee for electric use, Reese will charge Tenant a monthly fee for electric based on 588 square feet (amount of office space being leased) multiplied by the per square foot price for electricity billed for Building 800 (which is a similarly priced property). For example, the per square foot price in B800 for electricity in November was \$.38. Therefore, the bill for November would be \$.38 * 588 square feet for a total of \$223.44 for electric use.

Gas, water, and wastewater will be prorated based on square footage leased.

STANDARD INDUSTRIAL LEASE

BETWEEN

**LUBBOCK REESE REDEVELOPMENT AUTHORITY, a Political
Subdivision of the State of Texas**

AS LANDLORD

AND

CLEAN ENERGY SERVICES CES, LLC, a Texas corporation

AS TENANT

FOR PREMISES LOCATED AT

Reese Technology Center

Building No. 36

Suite No. 120

9924 Reese Boulevard North

Lubbock, Texas 79416

STANDARD INDUSTRIAL LEASE

This Standard Industrial Lease (the "Lease") is made this ____ day of January 2023, by and between LUBBOCK REESE REDEVELOPMENT AUTHORITY, a political subdivision of the State of Texas (hereinafter referred to as "Landlord") and Clean Energy Services CES, L.L.C., a Texas limited liability company (hereinafter referred to as "Tenant").

W I T N E S S E T H:

1. BASIC LEASE PROVISIONS

(a) Landlord: Lubbock Reese Redevelopment Authority, a political subdivision of the State of Texas, whose Federal Taxpayer Identification Number is 75-2713717.

(b) Landlord Address: 9801 Reese Blvd., Suite 200, Lubbock, TX 79416.

(c) Tenant: Clean Energy Services CES, L.L.C., whose Federal Taxpayer Identification Number is _____.

(d) Tenant Address: 4201 Main Street, Suite 298, Houston, TX 77002-4410.

(e) Guarantors: Not applicable.

(f) Guarantors' Addresses: Not applicable.

(g) Project: means the land, together with the Premises (as defined below) and all other improvements constructed thereon, and all rights, privileges, easements, and appurtenances pertaining thereto, known as Reese Technology Center and located in Lubbock County, Texas.

(h) Premises means that approximate 588 square feet of office space occupied by Tenant in Suite # 120 and identified as the "Premises" on the site plan attached hereto as **Exhibit A** (the "Site Plan"), of that certain building located at 9924 Reese Boulevard North, Lubbock, Texas 79416, which is commonly known as Building #36, and containing approximately 8,507 square feet of total floor area ("Building"), respectively.

(i) Initial Term (years): Three (3) years.

(j) Extensions: Two (2) extension periods of two (2) years each, subject to the rights set forth in Section 1(k).

(k) Option to Extend Term: Tenant shall have two (2) renewal options of two (2) years each, such renewal option to be exercised automatically unless Landlord receives written notice from Tenant of its desire not to exercise the option to extend term no less than one hundred eighty days (180) days prior to expiration of the Initial Term. Without receipt of such notice, this Lease shall be extended automatically for the period specified in Section 1(j) without the necessity for the execution of any further instrument and upon the same terms and conditions as are contained in this Lease, except the then existing Base Rent will be increased by a fixed three percent (3%) annually during each year of the Extension Period. The adjustment in the Base Rent will be

determined by multiplying the then existing Base Rent specified in the lease ("Base Rent") by 1.03, which will result in a "Revised Renewal Period Base Rent."

(l) Delivery Date: February 1, 2023.

(m) Commencement Date: February 1, 2023.

(n) Termination Date: January 31, 2026.

(o) Base Rent: The parties agree that the Base Rent set forth herein is what is commonly referred to as a "modified gross lease" and that Base Rent already includes, and Tenant shall not have to pay for Common Area (as defined below) Maintenance fees, grounds keeping-mowing expenses, parking, Landlord's insurance, and any other charges incurred by Landlord with respect to the Premises, except as otherwise provided in this Lease. Said Base Rent does not include, and Tenant is solely responsible for any and all charges associated with utilities, dumpsters, telephone service, internet service, Tenant renovations, Premises maintenance, or housekeeping services, except as otherwise provided in this Lease. Subject to this paragraph, Base Rent shall be no less than set forth below:

Initial Term Lease Years	Total Annual Base Rent	Total Monthly Base Rent	Annual Base Rent Per Square Foot of Floor Area of the Premises (588 sq ft)
Year 1	\$7,056.00	\$588.00	\$12.00
Year 2	\$7,267.68	\$605.64	\$12.36
Year 3	\$7,485.24	\$623.77	\$12.73
Total	\$21,808.92		

If Tenant chooses to add additional office space in Building 36 during the term of the Lease, the Annual Base Rent Per Square Foot of Floor Areas of the Premises existing at that time shall be used to compute a new Total Annual Base Rent and Total Monthly Base Rent.

(p) Security Deposit: \$588.00. If Tenant defaults, Landlord may use the Security Deposit to pay arrears of Rent, to repair any damage or injury, or to pay any expense or liability incurred by Landlord as a result of the default.

(q) Termination: Subject to the provisions of this Lease, Tenant may terminate this Lease in order to expand into another space owned by Landlord.

(r) Early Termination Fee: [NOT APPLICABLE]

(s) Permitted Use: Tenant may use the Premises for the purpose of office space. Tenant will use approximately 588 SF of Building #36 approximately 8,507 SF. The remaining portion of the building not utilized will remain available for use and access by Landlord and Landlord's customers of the Data Center Network Operations Center (collectively, "Permitted Use").

(t) Landlord's Address for Payment of Rent: Payment of Rent may be made by check and delivered to Landlord's address, or by electronic funds transfer to Landlord's bank account at:

Plains Capital Bank

5010 University

Lubbock, TX 79413

Routing Number - 111322994

Account Number - 7260002003

Deposits need to indicate: LUBBOCK REESE REDEVELOPMENT AUTHORITY

2. DEFINITIONS

(a) "Common Areas" means all facilities and areas of the Project that are intended and designated by Landlord from time to time for the common, general, and nonexclusive use of all Tenants and Tenants of the Project, including parking lots. Landlord has the exclusive control over and right to manage the Common Areas. Tenant shall have the right to use the Common Areas but shall maintain all responsibility and liability for its conduct, or the conduct of its agents, employees and persons invited onto the Common Areas or Premises by Tenant. Subject to the terms and conditions of this Lease, Landlord hereby grants Tenant the right to use the Premises for the Permitted Use for the Term of this Agreement, and to use the streets, alleys, and other portions of the Project necessary to obtain access to the Premises for the Permitted Use.

(b) "Injury" means (1) harm to or impairment or loss of property or its use, (2) harm to or death of a person, or (3) "personal and advertising injury" as defined in the form of liability insurance Tenant is required to maintain.

(c) "Landlord" means Landlord and its agents, officers, servants, employees, consultants, invitees, licensees, or visitors.

(d) "Rent" means Base Rent plus any other amounts of money payable by Tenant to Landlord under the terms of this Lease.

(e) "Tenant" means Tenant and its agents, contractors, employees, invitees, licensees, or visitors.

3. RENT AND RENT INVOICES

(a) Rent. Tenant agrees to pay to Landlord the Base Rent set forth in Section 1(o) and Additional Rent, in advance, on the 1st day of each calendar month during the Term, without deduction or setoff, commencing on the Commencement Date (as defined in Section 1(m)).

(b) Rent Invoices. All invoices from Landlord to Tenant for any Rent or Additional Rent due under this Lease will be sent to the address set forth in Section 12(m) or to such other address as Tenant may designate by notice to Landlord.

4. REAL ESTATE TAXES AND OTHER TAXES

(a) Real Estate Taxes. If assessed, Tenant will pay or cause to be paid to the appropriate governmental authorities, prior to delinquency, all Real Estate Taxes. "Real Estate Taxes" means all real property taxes and assessments that become due and payable during the Term and are assessed by the applicable taxing governmental authority against the Premises.

(b) Other Taxes. Tenant shall during the Term be responsible for payment, prior to delinquency, of all taxes assessed against and levied upon the trade fixtures, furnishings, equipment and all other personal property of Tenant contained in the Premises. In addition, Tenant shall during the Term pay to Landlord monthly with the payment of Base Rent all sales or rental taxes assessed by any governmental authority against the Rent payable by Tenant hereunder. Tenant hereby agrees to hold Landlord harmless from all costs, expenses, interest and penalties that Landlord may incur as a result of Tenant's failure to pay the taxes set forth in this Section 4.

5. TENANT COVENANTS

(a) Tenant Agrees to –

(1) Lease the Premises for the entire Term beginning on the Delivery Date and ending on the Termination Date.

(2) Accept the Premises in their present condition "AS IS, WHERE IS CONDITION," the Premises being currently suitable for the Permitted Use. Tenant shall have the right to perform improvements to the Premises, subject to Landlord's approval of the plan and specifications prior to any work being initiated. Furthermore, Tenant agrees and assures that any plans submitted and subsequent work perform for any renovation or alteration to the Premises must comply with the federal Americans with Disabilities Act ("ADA") and the Texas Accessibility Standards ("TAS") requirements and adhere to the International Building Code, as required by the LRRRA Operating Manual.

(3) Obey (i) all applicable federal, state, and local laws relating to the use, condition, and occupancy of the Premises; (ii) any requirements imposed by utility companies serving or insurance companies covering the Premises; and (iii) any rules and regulations for the Premises and Common Areas adopted by Landlord, to include the Reese Technology Center Covenants, Restrictions, and Landscape Standards, as amended.

(4) Pay a late charge of five (5) percent of any Rent or Additional Rent not received by Landlord by the fifth day after it is due.

(5) Allow Landlord to enter the Premises to perform Landlord's obligations, inspect the Premises, and show the Premises to prospective purchasers or tenants.

(6) Repair, replace, and maintain any part of the Premises that Landlord is not obligated to repair, replace, or maintain, reasonable wear excepted, including any improvements thereon, to the satisfaction of the Landlord or, in lieu of such repair or replacement, Tenant shall pay to Landlord an amount sufficient to compensate Landlord for the loss sustained by Landlord

by reason of any damage to or destruction of Landlord's property.

(7) Keep the sidewalks, service ways, and loading areas adjacent to the Premises clean and unobstructed.

(8) Submit in writing to Landlord any request for repairs, replacement, and maintenance that are the obligations of Landlord.

(9) If requested, deliver to Landlord a financing statement perfecting the security interest created by this lease.

(10) Vacate the Premises and return all keys to the Premises on the last day of the Term.

(11) If accessed, pay an additional cleaning fee in the event such cleaning is required as a result of any act of the Tenant or as a result of activities, which are part of the Tenant's use of the Premises. Tenant hereby agrees to pay such fee within ten (10) days of notification of fee assessment.

(12) On request, execute an estoppel certificate that states the Delivery Date, Commencement Date, and Termination Date of the lease, identifies any amendments to the lease, describes any rights to extend the Term or purchase rights, lists defaults by Landlord, and provides any other information reasonably requested.

(13) INDEMNIFY, DEFEND, AND HOLD LANDLORD HARMLESS FROM ANY INJURY (AND ANY RESULTING OR RELATED CLAIM, ACTION, LOSS, LIABILITY, OR REASONABLE EXPENSE, INCLUDING ATTORNEY'S FEES AND OTHER FEES AND COURT AND OTHER COSTS) OCCURRING IN ANY PORTION OF THE PREMISES OR PROJECT, OR ARISING FROM TENANT'S ACCESS TO, PRESENCE ON, OR USE OF THE PREMISES OR PROJECT OR ARISING IN ANY WAY FROM TENANT'S EXERCISE OF THE LEASE GRANTED UNDER THIS AGREEMENT. THE INDEMNITY CONTAINED IN THIS PARAGRAPH (a) IS INDEPENDENT OF TENANT'S INSURANCE, (b) WILL NOT BE LIMITED BY COMPARATIVE NEGLIGENCE STATUTES OR DAMAGES PAID UNDER THE WORKERS' COMPENSATION ACT OR SIMILAR EMPLOYEE BENEFIT ACTS, (c) WILL SURVIVE THE END OF THE TERM, AND (d) WILL APPLY EVEN IF AN INJURY IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF LANDLORD BUT WILL NOT APPLY TO THE EXTENT AN INJURY IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LANDLORD.

(14) On request of Landlord, and at Landlord expense, move to a similar premise, suitable for Tenant's Permitted Use on the Reese Technology Center campus.

(b) Tenant agrees not to—

- (1) Use the Premises for any purpose other than the Permitted Use.
- (2) Create a nuisance.

(3) Interfere with any other tenant's normal business operations or Landlord's management of the Premises or Project.

(4) Use the Premises in any way that would increase insurance premiums or void insurance on the Premises or the Project.

(5) Change Landlord's lock system.

(6) Allow a lien to be placed on the Premises.

(7) Assign this lease or sublease any portion of the Premises without Landlord's prior express written consent.

(8) Use the roof on the Premises, except as may be specifically authorized in writing by the Landlord.

(9) Place any signs on the Premises without Landlord's written consent.

(10) Bring suit against Landlord in connection with any claim or suit arising pursuant to Section 5(a)(13).

(11) Use any portion of the Premises for wind energy development or the installation or use of any facilities related to wind energy development or generation.

(12) [INTENTIONALLY BLANK].

(13) Take any action that shall significantly interfere with or impair the availability, accessibility, flow, frequency or direction of air and wind over and above any portion of the Premises or the Project.

(14) [INTENTIONALLY BLANK].

6. LANDLORD COVENANTS

(a) Landlord agrees to –

(1) Lease to Tenant the Premises, or premises of similar quality, suitable for Tenant's Permitted Use on the Project, for the entire Term beginning on the Delivery Date and ending on the Termination Date.

(2) Obey all applicable laws with respect to Landlord's operation of the Premises and Project.

(3) Repair, replace, and maintain the (i) roof, (ii) foundation, (iii) structural soundness of the exterior walls, excluding windows, window glass, plate glass, and doors, and (iv) Common Areas.

(4) [INTENTIONALLY BLANK].

(b) Landlord agrees not to—

(1) Interfere with Tenant's possession of the Premises as long as Tenant is not in default.

(2) Unreasonably withhold consent to a proposed assignment or sublease.

7. COMMON AREAS

(a) Right to Use Common Areas. Tenant will have the nonexclusive right to use the Common Areas subject to any reasonable rules and regulations that Landlord may prescribe.

(b) Maintenance of Common Areas. At all times during the Term, Landlord will maintain the Common Areas.

8. UTILITIES AND TRASH REMOVAL

(a) Payment of Utility Bills. Tenant will promptly pay all charges for electricity, water, gas, telephone service, sewer service, and other utilities (collectively, the "Utilities") furnished to the Premises directly to the provider of such service, subject to the following Utilities shall be based upon the following calculation:

(i) Electric. The Building is primarily used as a Network Operations Center. The Data Center portion of the Building uses the majority of the electricity to operate. Therefore, to provide a fair market fee for electric use, Landlord will charge Tenant a monthly fee for electric based on 588 square feet multiplied by the per square foot price for electricity billed for Building 800 (which is primarily used for office space). For example, the per square foot price in B800 for electricity in November 2022 was \$0.38. Therefore, the charge of Tenant's Premises would be \$0.38 multiplied by 588 square feet for a total electricity charge of \$223.44 for electric use.

(ii) Other Utilities. Gas, water, and wastewater will be based on a prorated share of square footage leased in the Building by Tenant.

(b) Trash Removal. Tenant shall install, in compliance with applicable Laws at a location on the outside of the Premises, a trash dumpster. Tenant shall pay for collection of its own trash.

9. DAMAGE BY CASUALTY

(a) Notice of Damage and Estimated Repair Time. If the Premises is damaged or destroyed by fire or other casualty ("Casualty"), Landlord will, within thirty (30) days after the date of the Casualty, notify Tenant ("Landlord's Casualty Notice") of the number of days, from the date of the Casualty, that Landlord estimates will be required to complete the repair and restoration. If neither Tenant, nor Landlord, elects to terminate this Lease as set forth below, then the damage or destruction of the Premises will, at the expense of Landlord, be repaired and

restored, unless Casualty is determined to have been caused by intentional or unintentional neglect of the Tenant, at which the damage or destruction will be at the expense of the Tenant.

(b) Tenant's Right to Terminate. If more than fifty percent (50%) of the floor area of the Premises is damaged or destroyed due to Casualty, then Tenant will have the right to terminate this Lease, effective as of the date of Casualty, by notice given to Landlord within fifteen (15) days after Tenant's receipt of Landlord's Casualty Notice.

(c) Landlord's Right to Terminate. If more than fifty percent (50%) of the floor area of the Premises is damaged or destroyed by Casualty during the Term, then Landlord may elect to terminate this Lease effective as of the date of the Casualty by notice given to Tenant not later than fifteen (15) days after Landlord delivers Landlord's Casualty Notice to Tenant.

(d) Landlord's Repair Obligation. Landlord's obligation will be to restore all portions of the Premises and the Common Areas in the immediate vicinity of and surrounding the Premises (including but not limited all parking areas surrounding the Premises and all sidewalks, roadways, driveways and access ways leading to and from the Premises) affected by a Casualty (exclusive of Tenant's fixtures and equipment) to their condition immediately preceding such Casualty, subject to available insurance proceeds. If Landlord for any reason whatsoever fails (1) to commence the repair and restoration work required hereunder within ninety (90) days from the date of the Casualty, (2) to proceed diligently to complete such repair and restoration work, or (3) fails to complete same within the estimated time set forth in Landlord's Casualty Notice, plus the number of days of delay caused by Uncontrollable Events, then, Tenant will have the right to terminate this Lease by giving Landlord notice and upon the giving of such notice, this Lease will terminate and the parties will be liable for their respective obligations to the date of termination and will have no liability for obligations arising after that date, except for those obligations which expressly survive termination.

10. HAZARDOUS MATERIALS

(a) Landlord's Obligations. Landlord represents and warrants that on the Delivery Date the Premises and the Project shall be in compliance with all Environmental Laws (as defined below). During the Term, Landlord will not use, generate, place, store, release or otherwise dispose of, or permit the use, generation, placing, storage, release or disposal of, Hazardous Materials in the Project, except in accordance with all Environmental Laws.

(b) Tenant's Obligations. During the Term, Tenant will not use, generate, place, store, release or otherwise dispose of Hazardous Materials in the Premises or the Common Areas, except in accordance with all Environmental Laws, and subject to the Reservations recorded in the Deed Without Warranty Between the United States of America and Landlord recorded in the Real Property Records of Lubbock County, Texas at Deed Record 2006041652. Notwithstanding anything to the contrary contained in this Lease, Landlord acknowledges and agrees that Tenant shall have the right to use and store in the Premises in Tenant's ordinary course of business Hazardous Materials in accordance with Environmental Laws. In the event of a breach of the foregoing, Tenant will promptly undertake remediation or removal in accordance with all Environmental Laws. Tenant will indemnify, defend and hold Landlord and Landlord's Affiliated Parties harmless from and against, and reimburse Landlord and Landlord's Affiliated Parties for,

all Hazardous Materials Liabilities asserted against or incurred by Landlord or Landlord's Affiliated Parties as a result of a breach of Tenant's obligations under this paragraph. Notwithstanding anything to the contrary contained herein, in no event shall Tenant be liable for Hazardous Materials existing in, on or about the Premises or the Project prior the Tenant's occupancy of the Premises. Tenant shall provide Landlord a copy of Tenant's plan for responding to hazardous waste, fuel, and chemical spills no later than the Commencement Date.

(c) Definitions. As used herein,

(i) "Hazardous Materials" shall be construed broadly to include any toxic or hazardous substance, material, or waste, and any other contaminant, pollutant or constituent thereof, including without limitation, chemicals, compounds, by-products, petroleum or petroleum products, and polychlorinated biphenyls, the presence of which requires investigation or remediation under any Environmental Laws or which are or become regulated, listed or controlled by, under or pursuant to any Environmental Laws;

(ii) "Environmental Laws" means all federal, state, regional or local statutes, laws, regulations, codes, orders, permits, ordinances, decrees, rulings or judicial or administrative interpretations thereof, or similar laws of foreign jurisdictions where the Tenant conducts business, whether currently in existence or hereinafter enacted or promulgated, any of which govern, or purport to govern, or relate to pollution, protection of the environment, public health and safety, air emissions, water discharges, hazardous or toxic substances, solid or hazardous waste or occupational health and safety, as any of these terms are or may be defined in such statutes, laws, rules, regulations, codes, orders, permits, ordinances, decrees, rulings or judicial or administrative interpretations thereof, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendment and Reauthorization Act of 1986, 42 U.S.C. §9601, et seq. (collectively "CERCLA"); the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and subsequent Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §6901 et seq. (collectively "RCRA"); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. §1801, et seq.; the Clean Water Act, as amended, 33 U.S.C. §1311, et seq.; the Clean Air Act, as amended (42 U.S.C. §7401-7642); the Toxic Substances Control Act, as amended, 15 U.S.C. §2601 et seq.; the Federal Insecticide, Fungicide, and Rodenticide Act as amended, 7 U.S.C. §136-136y ("FIFRA"); the Emergency Planning and Community Right-to-Know Act of 1986 as amended, 42 U.S.C. §11001, et seq. (Title III of SARA) ("EPCRA"); and the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §651, et seq. ("OSHA"); and

(iii) "Hazardous Materials Liabilities" means all claims, damages, losses, forfeitures, expenses or liabilities arising from or caused in whole or in part, directly or indirectly, by a breach by the other party of its representations, warranties or covenants under Section 13(a) or (b), including, without limitation, all costs of defense (including reasonable attorneys' fees and other costs of litigation), all consultants' fees, and all costs of investigation, repair, remediation, restoration, cleanup, detoxification or decontamination, and/or preparation and implementation of any closure, remedial action or other required plan.

(d) Survival. The provisions of this Section 10 will survive the expiration or earlier termination of this Lease.

11. INSURANCE AND WAIVER OF SUBROGATION

A Certificate of Insurance for each coverage identified below shall be submitted to Landlord prior to the Delivery Date. Tenant shall provide to Landlord proof of the required insurance on or before the expiration date of each expiring policy, and cause each required policy to require insurer to give Landlord notice of termination of any policy prior to the expiry of its term. Specifically, Tenant is required to have:

(a) Commercial General Liability Insurance. Commercial General Liability Insurance covering the Tenant's use of the Premises or the conducting of any activity during the use thereof, against claims for bodily injury, death or property damage occurring upon, in or about the Premises, or any area used by the Tenant to conduct its Permitted Use, regardless of whether the conduct giving rise to the liability is considered part of the Permitted use (including contractual indemnity and liability coverage), such insurance to provide coverage of not less than \$500,000.00 per occurrence and \$1,000,000.00 annual aggregate. Landlord shall be included as an additional insured against claims for bodily injury, death, or property damage occurring upon, in or about the Premises.

(b) Property Insurance. Property insurance on an all-risk basis (including coverage against fire, wind, tornado, vandalism, malicious mischief, water damage and sprinkler leakage) covering all Tenant owned fixtures, equipment, and leasehold improvements, and other personal property located in the Premises and endorsed to provide one hundred percent (100%) replacement cost coverage. Such policy shall be written in the name of Tenant.

(c) Workers Compensation' and Employer's Liability Insurance. Workers' compensation insurance shall be in an amount meeting applicable state statutory requirement and the employer's liability limits shall be in an amount not less than \$1,000,000.00 per bodily injury by accident and \$1,000,000.00 per employee for bodily injury by disease.

(d) Other Requirements of Insurance. All such insurance will be issued and underwritten by companies with an A.M. Best rating of "A" or better and size rating of "VI" or better and Tenant will use good faith efforts to obtain a policy that will contain endorsements that (1) such insurance may not lapse with respect to Landlord or be canceled with respect to Landlord without the insurance company giving Landlord at least thirty (30) days prior written notice of such cancellation, (2) Tenant will be solely responsible for payment of premiums, and (3) in the event of payment of any loss covered by such policy, this insurance shall apply as primary insurance with respect to any overlapping coverage afforded to the Landlord except for loss arising from Common Areas.

(e) Release of Claims/Subrogation. LANDLORD AND TENANT RELEASE EACH OTHER FROM ALL CLAIMS OR LIABILITIES FOR DAMAGE TO THE PREMISES, DAMAGE TO OR LOSS OF PERSONAL PROPERTY WITHIN OR ON THE PREMISES, AND LOSS OF BUSINESS OR REVENUES THAT ARE COVERED BY THE RELEASING PARTY'S PROPERTY INSURANCE OR THAT WOULD HAVE BEEN COVERED BY THE REQUIRED INSURANCE IF THE PARTY FAILS TO MAINTAIN THE PROPERTY COVERAGES REQUIRED BY THIS LEASE. THE PARTY INCURRING THE DAMAGE OR LOSS WILL BE RESPONSIBLE FOR ANY DEDUCTIBLE OR SELF-INSURED RETENTION UNDER ITS PROPERTY INSURANCE. LANDLORD AND TENANT WILL NOTIFY THE ISSUING PROPERTY INSURANCE COMPANIES OF THE RELEASE SET FORTH

IN THIS PARAGRAPH AND WILL HAVE THE PROPERTY INSURANCE POLICIES ENDORSED, IF NECESSARY, TO PREVENT INVALIDATION OF COVERAGE. THIS RELEASE WILL NOT APPLY IF IT INVALIDATES THE PROPERTY INSURANCE COVERAGE OF THE RELEASING PARTY. THE RELEASE IN THIS PARAGRAPH WILL APPLY EVEN IF THE DAMAGE OR LOSS IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF THE RELEASED PARTY BUT WILL NOT APPLY TO THE EXTENT THE DAMAGE OR LOSS IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE RELEASED PARTY.

12. ADDITIONAL LANDLORD AND TENANT AGREEMENTS

a. Alterations. Any physical additions or improvements to the Premises made by Tenant will become the property of Landlord. Landlord may require that Tenant, at the end of the Term and at Tenant's expense, remove any physical additions and improvements, repair any alterations, and restore the Premises to the condition existing at the Delivery Date, normal wear excepted. All alterations shall require the prior written consent of Landlord. Tenant agrees at its sole cost and expense to comply with all Laws when performing any alterations, including obtaining any governmental permits which may be required in connection therewith. Should Tenant desire to renovate the Premises and such renovations would require alterations to the Premises, then Tenant shall submit plans and specifications for such renovations to Landlord for its approval, such approval not to be unreasonably withheld, delayed or conditioned. Landlord shall have fourteen (14) days from receipt of Tenant's plans and specifications to approve or disapprove same. In the event Landlord fails to disapprove of said plans and specifications within such fourteen (14) day period, then the plans and specifications shall be deemed approved. After completion of any alterations or improvements that require consent of Landlord hereunder, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for such alterations or improvements.

b. Abatement. Tenant's covenant to pay Rent and Additional Rent and Landlord's covenants are independent. Except as otherwise provided, Tenant shall not abate Rent owed to Landlord for any reason.

c. Condemnation/Substantial or Partial Taking

(1) If the Premises cannot be used for the purposes contemplated by this lease because of condemnation or purchase in lieu of condemnation, this lease will terminate.

(2) If there is a condemnation or purchase in lieu of condemnation and this lease is not terminated, Landlord will, at Landlord's expense, restore the Premises, and the Rent payable during the unexpired portion of the Term will be adjusted as may be fair and reasonable.

(3) Tenant will have no claim to the condemnation award or proceeds in lieu of condemnation.

d. Uniform Commercial Code. Tenant grants Landlord a security interest in Tenant's personal property now or subsequently located on the Premises. This lease is a security agreement under the Uniform Commercial Code.

e. Default by Landlord/Events. Defaults by Landlord are failing to comply with any provision of this lease within thirty (30) days after written notice.

f. Default by Landlord/Tenant's Remedies. Tenant's remedies for Landlord's default are to sue for damages.

g. Default by Tenant/Events. Defaults by Tenant are:

(1) making an assignment for the benefit of its creditors;

(2) the levying on or against Tenant's property;

(3) the institution in a court of competent jurisdiction of proceedings for the reorganization, liquidation, or voluntary dissolution of Tenant, or for its adjudication as a bankrupt or insolvent, or for the appointment of a receiver of the Tenant's property, if the proceedings are not dismissed, and any receiver, trustee, or liquidator appointed therein is not discharged within thirty (30) days after the proceedings are instituted;

(4) the filing of a mechanic's lien against the Premises in connection with work contracted for by Tenant that is not released by payment or bond or otherwise (including indemnification reasonably satisfactory to Landlord) within thirty (30) days of Tenant's receipt of written notice of the existence of such mechanic's lien, provided, however, that Tenant shall have an affirmative duty to notify Landlord of the existence or threat of any such mechanic's lien being filed against the Premises if and when Tenant receives any notice of the threatened mechanic's lien from any claimant;

(5) failing to pay timely Rent or Additional Rent;

(6) failure by Tenant to perform or observe any of Tenant's non-monetary covenants contained in this Lease;

(7) abandoning or vacating a substantial portion of the Premises; and

(8) failing to comply within ten (10) days after written notice with any provision of this Lease.

h. Default by Tenant/Landlord's Remedies. Landlord's remedies for Tenant's default are to (1) enter and take possession of the Premises; (2) enter the Premises and perform Tenant's obligations; (3) apply the Security Deposit and Early Termination Fee to pay arrears of Rent, to repair any damage or injury, or to pay any expense or liability incurred by Landlord as a result of the default; and (4) terminate this Lease by written notice and sue for damages. Landlord may enter and take possession of the Premises by self-help, by picking or changing locks if necessary, and may lock out Tenant or any other person who may be occupying the Premises, until the default is cured, without being liable for damages.

i. Remedies Cumulative. The rights and remedies given to Landlord and Tenant in

this Lease are distinct, separate and cumulative remedies, and the exercise of any one or more of them will not be deemed to exclude Landlord's or Tenant's rights to exercise any or all of the others which are given in this Lease, or at law or in equity, unless such remedies are expressly excluded.

j. Default/Waiver/Mitigation. It is not a waiver of default if the nondefaulting party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this lease does not preclude pursuit of other remedies in this lease or provided by applicable law. Landlord and Tenant have a duty to mitigate damages.

k. Representations and Indemnities of Broker Relationships. Tenant and Landlord each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder in connection with this Lease, and that no one is entitled to any commission or finder's fee in connection herewith. Tenant and Landlord do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

l. Holdover. No holding over by Tenant, whether with or without the consent of Landlord, will extend the Term. If Tenant remains in possession of the Premises after the expiration of the Term of the Lease or extension thereof without execution of a new lease extending the Term, Tenant will be deemed to be occupying the Premises as a tenant at will, subject to all of the terms of this Lease as may be applicable to a month to month tenancy and at One Hundred Fifty Percent (150%) of the monthly installment of the Base Rent set forth in Section 1(o) for the twelve (12) month period prior to expiration of the Term plus any Additional Rent due, except that thereafter either Landlord or Tenant may terminate this Lease upon thirty (30) days' notice to the other; provided that Landlord, by the terms hereof, is not deemed to consent to any such holdover by Tenant and may exercise all rights provided by law to remove Tenant from the Premises upon giving Tenant the notice described herein.

m. Notices. Any notices sent or required to be given hereunder must in writing and sent by certified mail, return receipt requested, or nationally recognized overnight courier to the following addresses:

LANDLORD:

Lubbock Reese Redevelopment Authority
9801 Reese Boulevard
Suite 200
Lubbock, Texas 79416
Attn: Executive Director
Telephone: (806) 885-6592

With a copy to:

Darrell J. Guthrie
Law Office of Darrell J. Guthrie, PLLC
4414 82nd Street
Ste 212 PMB #328
Lubbock, TX 79424
Email: djg@djguthrielaw.com

TENANT:

Clean Energy Services, CES
c/o Gerrit Van Doornik, President, Wind Solutions
4201 Main Street, Suite 298
Houston, TX 77002-4410
Telephone: _____
Email: gerrit@cesrenewables.com

Notices will be deemed given on the date received (or refused) when addressed to the parties at the addresses set forth above or in either case to such other addresses as Landlord or Tenant may designate to the other by notice. Notice may also be given by regular mail, personal delivery, courier delivery, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein. Without limiting the foregoing, any notice required or permitted to be given under this Lease may be sent by e-mail at the appropriate e-mail address set forth in this Section 12(m), as the same may be amended, or to such other e-mail address as Landlord or Tenant may from time to time designate in a notice to the other; provided that such e-mailed notice expressly states that it represents a notice under Section 12(m) of this Lease. Any e-mailed notice shall be deemed given on the date of delivery, provided that (i) such delivery is reasonably confirmed as received by the recipient (i.e., no error report is received by the sender); and (ii) if delivery occurs after 5:00 p.m. in the time zone of the recipient or on a non-business day, then such notice shall be deemed received on the first business day after the day of delivery.

n. Attorney's Fees. If either party retains an attorney to enforce this Lease, the party prevailing in litigation is entitled to recover reasonable attorney's fees and other fees and court and other costs.

o. Governing Law. This Lease shall be governed in accordance with the laws of the State of Texas, and all obligations of the parties are performable in Lubbock County, Texas.

p. Entire Agreement. This Lease, together with the attached exhibits and riders, is the entire agreement of the parties, and there are no oral representations, warranties, agreements, or promises pertaining to this lease or to any expressly mentioned exhibits and riders not incorporated in writing in this lease.

q. Assignment and Subletting by Tenant. Tenant may have the right, with the prior written consent of Landlord, which consent shall not be unreasonable withheld, conditioned or delayed, to assign this Lease, and any interest therein, provided each assignee assumes in writing all of Tenant's obligations under this Lease and Tenant shall remain liable for each and every

obligation under this lease. Landlord hereby grants its consent for Tenant to sublet the Premises or any thereof, or any right or privilege pertinent thereto.

r. Assignment by Landlord. Landlord is expressly given the right to assign any or all of its interest under the terms of this Lease, provided the assignee expressly assumes all obligations of Landlord hereunder.

s. Amendment of Lease. This Lease may be amended only by an instrument in writing signed by Landlord and Tenant.

t. Limitation of Warranties. THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.

u. Abandoned Property. Landlord may retain, destroy, or dispose of any property left on the Premises at the end of the Term.

v. Heirs, Successors, and Assigns. This Lease and the covenants, agreements and representations herein contained will be binding upon, and inure to the benefit of, the parties hereto and their respective heirs, executors, administrators, successors, and assigns.

w. Rules of Construction. This Lease will be construed with equal weight for the rights of both parties, the terms hereof having been determined by fair negotiation with due consideration for the rights and requirements of both parties.

x. Severability. If any term or provision of this Lease is found to be invalid, illegal or unenforceable, the remaining terms and provisions hereof will not be affected thereby; and each term and provision hereof will be valid and enforceable to the fullest extent permitted by Laws.

y. Headings. The captions, section numbers and paragraph numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, amplify, limit, construe or describe the scope or interest of any section of this Lease.

z. Trafficking of Persons. Under §2155.0061, Texas Government Code, Tenant certifies that the individual or business entity named in the Agreement is not ineligible to receive the specified Agreement and acknowledges that the Agreement may be terminated if this certification is inaccurate.

aa. Chapter 2270 of the Texas Government Code. Tenant acknowledges that in accordance with Chapter 2270 of the Texas Government Code, the Landlord is prohibited from entering into a contract with a company for goods or services unless the contract contains a written verification from the Tenant that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. The terms “boycott Israel” and “company” shall have the meanings ascribed to those terms in Section 808.001 of the Texas Government Code. ***By signing this Lease, Tenant certifies that Tenant’s signature provides written verification to the Landlord that Tenant: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the Lease.***

bb. Counterparts; Signatures. This Lease may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Lease and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Lease and of signature pages by facsimile transmission, email or other electronic means (including, without limitation, DocuSign or other third party electronic signature verification service) shall constitute effective execution and delivery of this Lease as to the parties and may be used in lieu of the original Lease for all purposes. Signatures of the parties transmitted by facsimile, email or other electronic means (including, without limitation, DocuSign or other third party electronic signature verification service) shall be deemed to be their original signatures for all purposes.

13. AFFIRMATIVE REPRESENTATIONS CONCERNING FTZ-260 AND OPERATION OF AIRFIELD

a. Free Trade Zone (FTZ). The Lubbock Economic Development Authority (“LEDA”) has applied and previously received approval for eligible tenants of the Project to be able to take advantage of the benefits of its FTZ. Tenants that are eligible to participate must apply through LEDA and pay the application fees and any monthly fees associated with the volume of goods that are transported into and out of the FTZ. Interested tenants should contact the LEDA for specific details regarding the application process and the fees and regulations associated with the program.

b. Airfield. Landlord currently has Federal Aviation Administration approval to operate the airstrips located within the Project. The 10,500-foot north-south runway can accommodate large cargo aircrafts such as a C-130. While Landlord anticipates that there may be changes with respect to the use of the two (2) primary landing strips that are now in operation, Landlord intends to continue to operate the 6,500-foot north-south runway and will make the use of such runway available to Tenant in accordance with the existing Federal Aviation Administration certification. All flight arrangements must be approved through Landlord and any tenant utilizing the runway for such flights must comply with the daytime Visual Flight Rule. Notwithstanding the foregoing, Landlord agrees that it will not cause or permit any material change in size, location or configuration of any airstrip or runway which will have an adverse effect on Tenant's ability to operate in the Premises or which will adversely affect access to the Premises.

14. SECURITY CONDITIONS

Landlord and Tenant acknowledge and agree that the Project is located on property formerly owned and operated by the United States Air Force as the Reese Air Force Base, and that certain portions of the Project have been previously utilized by local, state and federal governmental entities (hereinafter, “the Government”) in times of state or national emergencies to provide temporary evacuation shelters and other such uses. Additionally, Landlord has other tenants of the Project that require controlled access to the Airfield during certain operations. Landlord represents that the Government may continue to utilize the Project during the Term of this Lease in times of state or national emergency (with or without Landlord’s express consent), and other tenants of the Project, when approved by the Landlord, may require controlled access to

the Airfield, and that such use could adversely affect Tenant's ability to access the Premises and/or use the Common Areas due to additional security measures; provided, however, that such adverse impact shall only delay and shall not unreasonably deny access by Tenant to the Premises.

Tenant acknowledges and agrees that, in the event that the Government utilizes any portion of the Project in a time of state or national emergency or when the Landlord authorizes other tenants of the Project to control access to the Airfield, Tenant, its employees, officers, agents, and contractors will comply with all reasonable security regulations imposed by the Landlord or applicable governmental agency, including the requirement to obtain and display security identification cards and to comply with reasonable security procedures.

EXCEPT TO THE EXTENT SOVEREIGN IMMUNITY IS WAIVED BY STATUTE OR THE CONSTITUTION OF TEXAS, LANDLORD DOES NOT WAIVE SOVEREIGN IMMUNITY BY ITS EXECUTION OF OR BY ANY CONDUCT OF THEIR REPRESENTATIVES UNDER THIS LEASE.

IN WITNESS WHEREOF, having read and intending to be bound by the terms hereof, the parties have signed this Lease on the date(s) set forth below.

-----SIGNATURE PAGE FOLLOWS-----

LUBBOCK REESE
REDEVELOPMENT AUTHORITY

CLEAN ENERGY SERVICES CES, L.L.C.

By: Murvat Musa
Its: Chief Executive Officer

Date

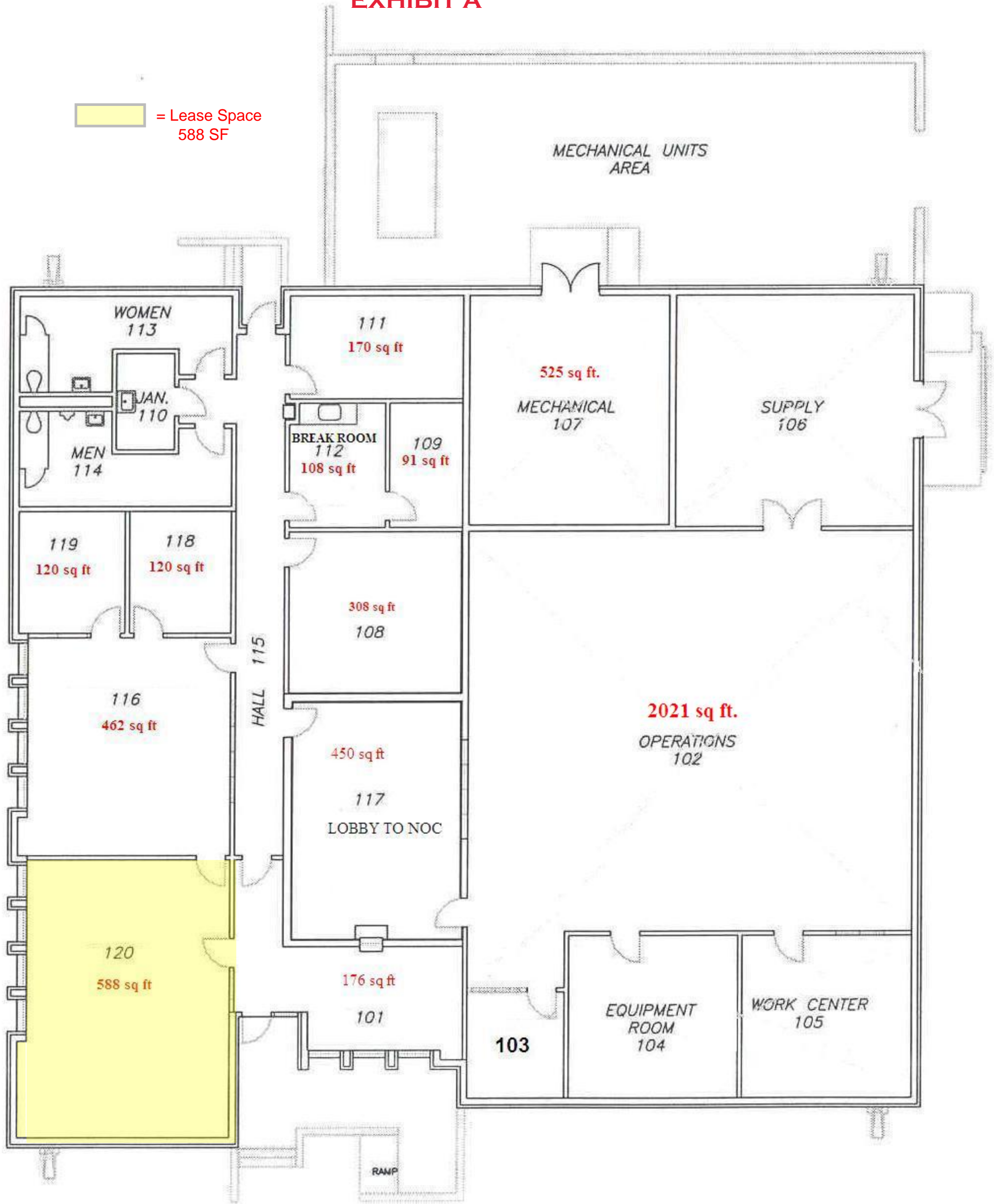
By: Gerrit Van Doornik
Its: President, Wind Solutions

Date

BUILDING 36

8507 Total Square Feet

EXHIBIT A



FLOOR PLAN

SCALE NT5

BOARD ACTION ITEM No. 2023-0125-124

**BOARD OF DIRECTORS
LUBBOCK REESE REDEVELOPMENT AUTHORITY
JANUARY 25, 2023**

Item to be Considered:

Consider a Standard Industrial Lease for Clean Energy Services CES, LLC for Office Space in Building 36

Previous Board Action:

- a. None

Statement of Pertinent Facts:

- a. CES is a new customer who provides maintenance services to the renewable energy industry
- b. One suite in Building 36
- c. Term: 3 years with two 2-year renewal options
- d. Rate: \$12/SF with annual increases of the greater of 3% or the CPI-U

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 Chief Executive Officer/Executive Director to execute a lease for office space in Building 36 for CES Energy Services, subject to negotiation of final terms and conditions, as submitted, on this 25th day of January 2023.”

Steve Verett, President

ATTEST:

LRRA Board Member

AGENDA ITEM 7
EXECUTIVE SUMMARY
Lubbock County
Hazard Mitigation Action Plan

In 2004, Lubbock County participated in a Hazard Mitigation Action Plan for the South Plains Association of Governments (SPAG). The Plan was approved by FEMA in 2005. In 2012, Lubbock County took the lead in sponsoring the development of a new, stand-alone comprehensive Hazard Mitigation Plan for the County and participating jurisdictions, as well as additional entities that wished to join as part of the new Plan. The Plan was approved by FEMA in January 2015.

The Disaster Mitigation Act requires that hazard mitigation plans be reviewed and revised every five years to maintain eligibility for Hazard Mitigation Assistance (HMA) grant funding. Since FEMA approved the Lubbock County Plan in 2015, the County began the process of developing a Hazard Mitigation Action Plan Update to maintain eligibility for grant funding within the five-year window.

For Reese to qualify for any FEMA mitigation grant funding, we need to be part of the County wide plan.

The full Lubbock County Hazard Mitigation Action Plan is provided to you in a separate link.

Staff is requesting Board approval for the attached resolution adopting the County Hazard Mitigation Plan.

RESOLUTION FOR LUBBOCK REESE REDEVELOPMENT AUTHORITY

ADOPTION OF COUNTY HAZARD MITIGATION PLAN

WHEREAS, natural hazards in Lubbock County, Texas, historically have caused significant disasters with losses of life and property and natural resources damage; and

WHEREAS, the Federal Disaster Mitigation Act of 2000 and Federal Emergency Management Agency (FEMA) require communities to adopt a hazard mitigation action plan to be eligible for the full range of pre-disaster and post-disaster federal funding for mitigation purposes; and

WHEREAS, FEMA requires that communities update Hazard Mitigation Action Plans every five years in order to be eligible for the full range of pre-disaster and post-disaster federal funding for mitigation purposes; and

WHEREAS, the Lubbock Reese Redevelopment Authority has assessed the community's potential risks and hazards and is committed to planning for a sustainable community and reducing the long-term consequences of natural and man-caused hazards; and

WHEREAS, the Lubbock County Hazard Mitigation Plan outlines a mitigation vision, goals and objectives; assesses risk from a range of hazards; and identifies risk reduction strategies and actions for hazards that threaten the community.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Lubbock County Hazard Mitigation Plan is adopted in its entirety;
2. The Lubbock Reese Redevelopment Authority will pursue available funding opportunities for implementation of the proposals designated therein, and will, upon receipt of such funding or other necessary resources, seek to implement the actions contained in the mitigation strategies;
3. The Lubbock Reese Redevelopment Authority vests with the Chief Executive Officer the responsibility, authority, and means to inform all parties of this action; assure that the Hazard Mitigation Plan will be reviewed at least annually; and that any needed adjustments will be presented to the Board of Directors consideration; and
4. The Lubbock Reese Redevelopment Authority agrees to take such other action as may be reasonably necessary to carry out the objectives of the Plan and report on progress as required by FEMA and the Texas Division of Emergency Management (TDEM).

ADOPTED this ____ day of _____, 2023.

Approval Signatures

ITEM 8

DECEMBER FINANCIALS

CASH BALANCES - DECEMBER 31, 2022

	11/30/2022	12/31/2022	Change
General Fund Bank Accounts	\$ 2,689,583	\$ 2,900,379	\$ 210,796
Fiber Optic Fund Checking	\$ -	\$ -	\$ -
EDA Grant Checking	\$ 233,060	\$ 53,680	\$ (179,380)
Capital Maintenance - Designated	\$ 855,000	\$ 855,000	\$ -
Petty Cash	\$ 100	\$ 100	\$ -
Total Cash	\$ 3,777,743	\$ 3,809,159	\$ 31,416

Accounts Receivable - G/F	\$ 247,699	\$ 260,107	\$ 12,408
Accounts Receivable - F/O	\$ 9,207	\$ 14,932	\$ 5,725
Total Accounts Receivable	\$ 256,906	\$ 275,039	\$ 18,133

Total Cash & Accounts Receivable	\$ 4,034,649	\$ 4,084,198	\$ 49,549
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Aged Accounts Receivable as of 12/31/2022

CURRENT	1 - 30 Days - Invoices	31 - 60 Days - Invoices	61 > Days - Invoices	Over 90 Days	TOTAL
259,328.91	15,655.38	-	(31.38)	-	274,952.91

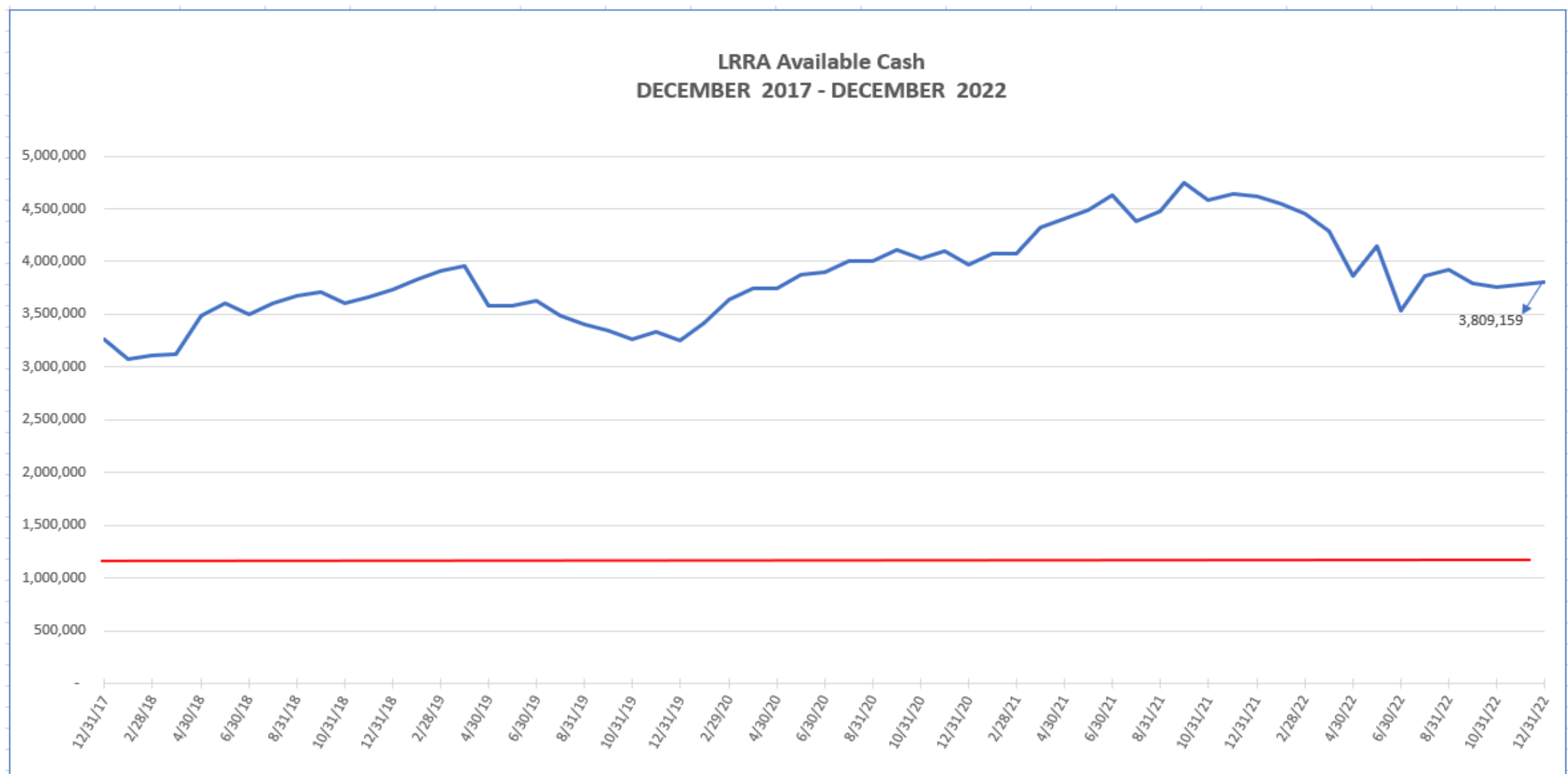
Aged Accounts Receivable as of 01/15/2023

67,003.55	15,655.38	-	(31.48)	-	82,627.45
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EXTRAORDINARY EXPENSES/CAPITAL EXPENSES & OTHER

EDA - CHAIN LINK FENCING 4,380.00 CAPITALIZED

\$ 4,380.00



FINANCIAL HIGHLIGHTS - DECEMBER 31, 2022

DESCRIPTION	Month G/F	Month F/O	Month's Total	YTD	G/F YTD	F/O	YTD Total
Operating Revenue	\$ 283,695	\$ 18,694	\$ 302,389	\$ 813,293	\$ 56,081	\$ 869,374	
Other Revenue - Usage Fees	\$ 16,713	\$ 2,235	\$ 18,948	\$ 57,065	\$ 6,954	\$ 64,019	
Total Revenue	\$ 300,408	\$ 20,929	\$ 321,337	\$ 870,358	\$ 63,035	\$ 933,393	
Expenses	\$ 251,886	\$ 12,295	\$ 264,181	\$ 540,357	\$ 33,315	\$ 573,672	
Net Income BPSID	\$ 48,522	\$ 8,634	\$ 57,156	\$ 330,001	\$ 29,720	\$ 359,721	
Interest Income - Plus	\$ 8,812	\$ -	\$ 8,812	\$ 23,508	\$ -	\$ 23,508	
Depreciation - Less	\$ (49,924)	\$ (3,283)	\$ (53,207)	\$ (149,773)	\$ (9,850)	\$ (159,623)	
Net Income	\$ 7,410	\$ 5,351	\$ 12,761	\$ 203,736	\$ 19,870	\$ 223,606	

LUBBOCK REESE REDEVELOPMENT AUTHORITY

Balance Sheet
As of 12/31/2022

(In Whole Numbers)

	General Fund	EDA Grant Fund	Data Center / Fiber Optic Fund	Total
ASSETS				
CASH	2,900,479	53,680	-	2,954,159
DESIGNATED-CAPITAL MAINT	610,000	-	-	610,000
WATER INFRASTRUCTURE RESERVE	245,000	-	-	245,000
INVESTMENTS	-	-	-	-
ACCOUNTS RECEIVABLE	260,107	-	14,932	275,039
ALLOWANCE FOR DOUBTFUL	-	-	-	-
INTERFUND TRANSFERS	-	-	-	-
NOTES RECEIVABLE	3,777	-	-	3,777
CONSTRUCTION IN PROGRESS	(231,979)	933,541	-	701,562
PROPERTY AND EQUIPMENT, NET	6,614,746	-	130,919	6,745,665
OTHER ASSETS	209,840	-	13,347	223,186
Total ASSETS	10,611,970	987,220	159,198	11,758,389
LIABILITIES				
ACCOUNTS PAYABLE	1,325	-	-	1,325
ACCRUED EXPENSES	13,139	-	4,568	17,707
DEFERRED REVENUE	291,938	-	18,883	310,821
NET PENSION LIABILITIES	(1,713)	-	-	(1,713)
NOTES PAYABLE	4,206	-	-	4,206
INTERFUND TRANSFERS	-	-	-	-
REFUNDABLE DEPOSITS	78,300	-	223	78,523
OTHER LIABILITIES	1,470	-	-	1,470
Total LIABILITIES	388,666	-	23,673	412,339
FUND EQUITY				
BEGINNING OF PERIOD	9,825,264	1,162,220	134,959	11,122,443
TRANSFERS IN (OUT)	194,304	(175,000)	(19,304)	-
YEAR TO DATE EARNINGS	203,736	-	19,870	223,606
Total FUND EQUITY	10,223,304	987,220	135,525	11,346,049
TOTAL LIABILITY AND FUND	10,611,970	987,220	159,198	11,758,389

LUBBOCK REESE REDEVELOPMENT AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
From 10/1/2022 Through 12/31/2022

(In Whole Numbers)

	<u>General Fund</u>	<u>EDA Grant Fund</u>	<u>Data Center / Fiber Optic Fund</u>	<u>Total</u>
OPERATING REVENUES	870,359	-	63,035	933,394
OPERATING EXPENSES	690,130	-	43,165	733,296
OPERATING INCOME(LOSS)	<u>180,228</u>	<u>-</u>	<u>19,870</u>	<u>200,098</u>
NONOPERATING INTEREST INCOME	23,508	-	-	23,508
TRANSFERS IN (OUT)	194,304	(175,000)	(19,304)	-
NET NONOPERATING REVENUES	<u>217,812</u>	<u>(175,000)</u>	<u>(19,304)</u>	<u>23,508</u>
INCREASE (DECREASE) IN FUND	<u>398,565</u>	<u>(175,000)</u>	<u>566</u>	<u>223,606</u>
FUND EQUITY, BEGINNING	9,825,264	1,162,220	134,959	11,122,443
FUND EQUITY, ENDING	10,223,304	987,220	135,525	11,346,049

LUBBOCK REESE REDEVELOPMENT AUTHORITY

SUPPLEMENTAL SCHEDULE OF REVENUES

From 10/1/2022 Through 12/31/2022

(In Whole Numbers)

	General Fund	Data Center / Fiber Optic Fund	Total
LEASES	610,259	-	610,259
USAGE FEES	57,065	6,954	64,019
PBT CAM FEES	183,673	-	183,673
CONTRACT SERVICES	3,308	-	3,308
DATA CENTER / FIBER OPTIC	-	56,081	56,081
TOTAL OPERATING REVENUE	854,305	63,035	917,341
UTILITY FRANCHISE FEES	15,920	-	15,920
OTHER MISCELLANEOUS	133	-	133
TOTAL REVENUES	870,359	63,035	933,394

LUBBOCK REESE REDEVELOPMENT AUTHORITY

Statement of Revenues and Expenditures

From 10/1/2022 Through 12/31/2022

(In Whole Numbers)

	General Fund	Data Center / Fiber Optic Fund	Total
OPERATING EXPENSES			
SALARIES & TAXES	232,302	-	232,302
BENEFITS - HEALTH, RETIREMENT & WKR'S COMP	31,780	-	31,780
INSURANCE - PROPERTY & GENERAL LIABILITY	50,945	2,681	53,626
ADMINISTRATIVE EXPENSES	4,552	-	4,552
GENERAL OFFICE EXPENSES	12,539	943	13,481
ACCTG. & AUDITING SERVICES	248	-	248
COMPUTER SOFTWARE & MAINT.	-	9,817	9,817
INTERNET	-	4,676	4,676
LEGAL SERVICES	10,050	-	10,050
NETWORK MAINTENANCE CONTRACT	2,148	-	2,148
TRAINING & TRAVEL	4,415	-	4,415
MARKETING EXPENSES	18,873	-	18,873
OPERATIONS - GROUND MAINT. AND ENGINEERING	103,032	-	103,032
UTILITIES	69,475	14,130	83,605
DEPRECIATION EXPENSE	149,773	9,850	159,624
Total OPERATING EXPENSES	690,130	42,098	732,229

LUBBOCK REESE REDEVELOPMENT AUTHORITY
Statement of Revenues and Expenditures
From 12/1/2022 Through 12/31/2022

GENERAL FUND

(In Whole Numbers)

	Current Month Actual	Current Month Budget	Current Month Actual vs Budget Variance	YTD Actual	YTD Budget	YTD Actual vs Budget Variance
REVENUES						
Leases	218,031	179,167	38,865	610,259	537,500	72,759
PBT Cam Fees	61,224	61,200	24	183,673	183,600	73
Usage Fees	16,713	22,917	(6,204)	57,065	68,750	(11,685)
Contract Services	2,388	833	1,555	3,308	2,500	808
Utility Franchise Fees	2,052	2,417	(365)	15,920	7,250	8,670
Other-Miscellaneous	-	-	-	133	-	133
Total REVENUES	300,408	266,533	33,875	870,359	799,600	70,759
EXPENSES						
Salaries & Taxes	139,076	71,333	(67,217)	232,302	214,000	(18,302)
Benefits - Health, Retirement & Wkr's	12,912	12,621	(291)	31,780	37,862	6,083
Insurance -Property & General Liabilities	16,982	18,333	1,352	50,945	55,000	4,055
Administrative Expenses	3,882	3,517	(365)	4,552	5,300	748
General Office Expenses	6,016	6,133	117	12,539	18,400	5,861
Accounting & Auditing Services	82	117	35	248	6,350	6,102
Legal Services	-	4,167	4,167	10,050	12,500	2,450
Network Maintenance Contract	513	667	153	2,148	2,000	(148)
Training & Travel	1,328	833	(495)	4,415	2,500	(1,915)
Marketing Expenses	6,268	5,333	(935)	18,873	16,000	(2,873)
Operations	37,477	49,167	11,690	103,032	147,500	44,468
Utilities	27,350	25,267	(2,083)	69,475	78,300	8,825
Total EXPENSES	251,886	197,488	(54,399)	540,357	595,713	55,356
NIBPSID	48,522	69,046	(20,524)	330,002	203,887	126,114
NON OPERATING REVENUE						
Interest Income	8,812	833	7,979	23,508	2,500	21,008
Total NON OPERATING REVENUE	23,508	2,500	21,008	23,508	2,500	21,008
DEPRECIATION						
Depreciation Expense	(49,924)	(50,000)	76	(149,773)	(150,000)	227
Total DEPRECIATION	(49,924)	(50,000)	76	(149,773)	(150,000)	227
Increase (Decrease) In Fund Equity	7,410	19,879	(12,469)	203,736	56,387	147,349

GENERAL FUND

Explanation of Significant Budget Variances

2022 DECEMBER

		Month Variance	YTD Variance	Explanations	Projected Outcome at Year End
Expenses, Salaries & Taxes	5100, 5110	\$ (67,217)	\$ (18,302)	Payroll is split evenly over 12 months. 3 payrolls in December + raises & bonuses	Year End is expected to be under budget
Expenses, Operations	5900	\$ 11,690	\$ 44,468	Difficult to know when repairs are required	Year End is expected to be on budget.
Expenses, Utilities	5380	\$ (2,083)	\$ 8,825		Year End is expected to be on budget.

LUBBOCK REESE REDEVELOPMENT AUTHORITY
Statement of Revenues and Expenditures
From 12/1/2022 Through 12/31/2022

DATA CENTER / FIBER OPTIC FUND

(In Whole Numbers)

	Current Month Actual	Current Month Budget	Current Month Actual vs Budget Variance	YTD Actual	YTD Budget	YTD Actual vs Budget Variance
REVENUES						
Usage Fees	2,235	2,250	(15)	6,954	6,750	204
Fiber Optic/Wireless Income	18,694	17,500	1,194	56,081	52,500	3,581
Total REVENUES	20,929	19,750	1,179	63,035	59,250	3,785
EXPENSES						
Insurance -Property & General Liabilities	894	917	23	2,681	2,750	69
General Office Expenses	314	317	3	943	950	8
Computer Software & Maintenance	2,941	3,833	893	9,817	11,500	1,683
Internet	1,232	1,833	601	4,676	5,500	824
Building Maintenance & Repairs	-	833	833	1,067	2,500	1,433
Utilities	6,914	6,442	(472)	14,130	19,325	5,195
Total EXPENSES	12,295	14,175	1,880	33,315	42,525	9,210
NIBPSID	8,634	5,575	3,059	29,720	16,725	12,995
DEPRECIATION						
Depreciation Expense	(3,283)	(2,917)	(367)	(9,850)	(8,750)	(1,100)
Total DEPRECIATION	(3,283)	(2,917)	(367)	(9,850)	(8,750)	(1,100)
Increase (Decrease) In Fund Equity	5,351	2,658	2,692	19,870	7,975	11,895

FIBER OPTIC FUND

Explanation of Significant Budget Variances

2022 DECEMBER

		Month Variance	YTD Variance	Explanations	Projected Outcome at Year End
EXPENSES, Utilities	5380	\$ 6,230	\$ 19,023	Difficult to know how utilities will be each month	Year End is expected to be on budget

LUBBOCK REESE REDEVELOPMENT AUTHORITY
Statement of Revenues and Expenditures
From 12/1/2022 Through 12/31/2022

COMBINED FUNDS

(In Whole Numbers)

	Current Month Actual	Current Month Budget	Month Actual vs Budget Variance	YTD Actual	YTD Budget	YTD Actual vs Budget Variance
REVENUES						
Leases	218,031	179,167	38,865	610,259	537,500	72,759
PBT Cam Fees	61,224	61,200	24	183,673	183,600	73
Usage Fees	18,948	25,167	(6,219)	64,019	75,500	(11,481)
Contract Services	2,388	833	1,555	3,308	2,500	808
Utility Franchise Fees	2,052	2,417	(365)	15,920	7,250	8,670
Other-Miscellaneous	-	-	-	133	-	133
Fiber Optic/Wireless Income	18,694	17,500	1,194	56,081	52,500	3,581
Total REVENUES	321,337	286,283	35,054	933,394	858,850	74,544
EXPENSES						
Salaries & Taxes	139,076	71,333	(67,743)	232,302	214,000	(18,302)
Benefits - Health, Retirement & Wkr's Comp	12,912	12,621	(291)	31,780	37,862	6,083
Insurance -Property & General Liabilities	17,875	19,250	1,375	53,626	57,750	4,124
Administrative Expenses	3,882	3,517	(365)	4,552	5,300	748
General Office Expenses	6,331	6,450	119	13,481	19,350	5,869
Accounting & Auditing Services	82	117	35	248	6,350	6,102
Computer Software & Maintenance	2,941	3,833	893	9,817	11,500	1,683
Internet	1,232	1,833	601	4,676	5,500	824
Legal Services	-	4,167	4,167	10,050	12,500	2,450
Network Maintenance Contract	513	667	153	2,148	2,000	(148)
Training & Travel	1,328	833	(495)	4,415	2,500	(1,915)
Marketing Expenses	6,268	5,333	(935)	18,873	16,000	(2,873)
Operations	37,477	49,167	11,690	103,032	147,500	44,468
Building Maintenance & Repairs	-	833	833	1,067	2,500	1,433
Utilities	34,264	31,708	(2,555)	83,605	97,625	14,020
Total EXPENSES	264,181	211,663	(52,518)	573,672	638,238	64,565
NIBPSID	57,156	74,621	17,465	359,722	220,612	139,109
NON OPERATING REVENUE						
Interest Income	8,812	833	7,979	23,508	2,500	21,008
Total NON OPERATING REVENUE	8,812	833	7,979	23,508	2,500	21,008
DEPRECIATION						
Depreciation Expense	(53,208)	(52,917)	(291)	(159,624)	(158,750)	(874)
Total DEPRECIATION	(53,208)	(52,917)	(291)	(159,624)	(158,750)	(874)
Increase (Decrease) In Fund Equity	12,761	22,537	(9,777)	223,606	64,362	159,243

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

(In Whole Numbers)

	Current Month Actual	Prior Year's Month Actual	Variance	YTD Actual	Prior Year's YTD Actual	Variance
REVENUES						
Leases	218,031	161,067	56,964	610,259	496,201	114,058
PBT Cam Fees	61,224	60,024	1,200	183,673	180,072	3,601
Usage Fees	18,948	20,938	(1,990)	64,019	67,782	(3,763)
Contract Services	2,388	920	1,468	3,308	2,990	318
Utility Franchise Fees	2,052	1,637	415	15,920	15,003	917
Insurance Proceeds	-	-	-	-	1,000	(1,000)
Other-Miscellaneous	-	-	-	133	-	133
Fiber Optic/Wireless Income	18,694	18,883	(189)	56,081	56,649	(568)
Total REVENUES	321,337	263,469	57,868	933,394	819,697	113,697
EXPENSES						
Salaries & Taxes	139,076	161,168	(22,092)	232,302	263,824	(31,522)
Benefits - Health, Retirement & Wkr's Comp	12,912	5,856	7,056	31,780	26,522	5,258
Insurance -Property & General Liabilities	17,875	16,432	1,443	53,626	49,296	4,330
Administrative Expenses	3,882	2,089	1,793	4,552	3,313	1,239
General Office Expenses	6,331	3,909	2,422	13,481	11,757	1,724
Accounting & Auditing Services	82	101	(19)	248	5,266	(5,018)
Computer Software & Maintenance	2,941	2,941	-	9,817	9,672	145
Internet	1,232	1,722	(490)	4,676	5,166	(490)
Legal Services	-	3,477	(3,477)	10,050	8,779	1,271
Network Maintenance Contract	513	761	(248)	2,148	1,984	164
Training & Travel	1,328	-	1,328	4,415	4,477	(62)
Marketing Expenses	6,268	1,649	4,619	18,873	14,536	4,337
Operations	37,477	33,897	3,580	103,032	125,524	(22,492)
Building Maintenance & Repairs	-	150	(150)	1,067	1,217	(150)
Utilities	34,264	27,843	6,421	83,605	112,239	(28,634)
Total EXPENSES	264,181	261,996	2,185	573,672	643,573	(69,901)
NIBPSID	57,156	1,474	55,682	359,722	176,123	183,599
NON OPERATING REVENUE						
Interest Income	8,812	957	7,855	23,508	2,847	20,661
Total NON OPERATING REVENUE	8,812	957	7,855	23,508	2,847	20,661
DEPRECIATION						
Depreciation Expense	(53,208)	(47,995)	(5,213)	(159,624)	(143,986)	(15,638)
Total DEPRECIATION	(53,208)	(47,995)	(5,213)	(159,624)	(143,986)	(15,638)
Increase (Decrease) In Fund Equity	12,761	(45,564)	58,325	223,606	34,984	188,622

January 25, 2023

LRRA Quarterly Investments and Collatoralization Report

Bank and Account Title	Account Number Ending	Interest Yield	Benchmark Rate (6-Month US T-Bill)	Quarterly		Annual		FDIC Insured or Collatoralization (market value)	
				Interest Earned Oct - Dec 2022	Interest Earned Jan - Dec 2022	Balance as of 12/31/22			
PlainsCapital Operating Account	5256	2.75%	4.60%	\$ 20,691.39	\$ 37,707.68	\$ 1,061,158.55	\$	-	
PlainsCapital Operating Account	2003	2.21%	4.60%	\$ 131.63	\$ 131.63	\$ 46,617.39	\$	-	
Totals				\$ 20,823.02	\$ 37,839.31	\$ 1,107,775.94	\$	3,663,567.00	
Peoples Bank ICS/Sweep Account*	151	3.50%	4.60%	\$ 2,684.80	\$ 2,760.08	\$ 2,697,747.42	\$	250,000.00	
Peoples Bank EDA	575	0.00%	4.60%	\$ -	\$ -	\$ 53,679.51	\$	250,000.00	
Totals				\$ 2,684.80	\$ 2,760.08	\$ 2,751,426.93			
Total of All Accounts				\$ 23,507.82	\$ 40,599.39	\$ 3,859,202.87			
Per our Investment Policy our Weighted Average Maturity (WAM) is 6 months. Our investments are all cash and available immediately									
* The interest earned on this account looks off compared to the balance because \$2.5 million was transferred to it on 12/22/2022									
*No more than \$250,000 (the FDIC insured amount) is invested in each bank as part of this program									



ITEM 8

NOVEMBER FINANCIALS

CASH BALANCES - NOVEMBER 30, 2022

	10/31/2022	11/30/2022	Change
General Fund Bank Accounts	\$ 2,669,685	\$ 2,689,583	\$ 19,898
Fiber Optic Fund Checking	\$ -	\$ -	\$ -
EDA Grant Checking	\$ 233,060	\$ 233,060	\$ -
Capital Maintenance - Designated	\$ 855,000	\$ 855,000	\$ -
Petty Cash	\$ 100	\$ 100	\$ -
Total Cash	\$ 3,757,845	\$ 3,777,743	\$ 19,898
Accounts Receivable - G/F	\$ 161,279	\$ 247,699	\$ 86,420
Accounts Receivable - F/O	\$ 9,185	\$ 9,207	\$ 22
Total Accounts Receivable	\$ 170,464	\$ 256,906	\$ 86,442
Total Cash & Accounts Receivable	\$ 3,928,309	\$ 4,034,649	\$ 106,340

Aged Accounts Receivable as of 11/30/2022

CURRENT	1 - 30 Days - Invoices	31 - 60 Days - Invoices	61 > Days - Invoices	Over 90 Days	TOTAL
249,263.18	7,578.41	(2,143.00)	-	-	254,698.59

Aged Accounts Receivable as of

-	-	-	-	-	-
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EXTRAORDINARY EXPENSES/CAPITAL EXPENSES & OTHER

NONE

\$ -

FINANCIAL HIGHLIGHTS - NOVEMBER 30, 2022

DESCRIPTION	Month G/F	Month F/O	Month's Total	YTD	G/F YTD	F/O	YTD Total
Operating Revenue	\$ 278,485	\$ 18,694	\$ 297,179	\$ 529,598	\$ 37,388	\$ 566,986	
Other Revenue - Usage Fees	\$ 18,499	\$ 2,316	\$ 20,815	\$ 40,352	\$ 4,719	\$ 45,071	
Total Revenue	\$ 296,984	\$ 21,010	\$ 317,994	\$ 569,950	\$ 42,107	\$ 612,057	
Expenses	\$ 151,650	\$ 13,188	\$ 164,838	\$ 288,471	\$ 21,021	\$ 309,492	
Net Income BPSID	\$ 145,334	\$ 7,822	\$ 153,156	\$ 281,479	\$ 21,086	\$ 302,565	
Interest Income - Plus	\$ 7,625	\$ -	\$ 7,625	\$ 14,695	\$ -	\$ 14,695	
Depreciation - Less	\$ (49,924)	\$ (3,283)	\$ (53,207)	\$ (99,849)	\$ (6,567)	\$ (106,416)	
Net Income	\$ 103,035	\$ 4,539	\$ 107,574	\$ 196,325	\$ 14,519	\$ 210,844	

LUBBOCK REESE REDEVELOPMENT AUTHORITY

Balance Sheet
As of 11/30/2022

(In Whole Numbers)

	General Fund	EDA Grant Fund	Data Center / Fiber Optic Fund	Total
ASSETS				
CASH	2,689,583	233,060	-	2,922,643
DESIGNATED-CAPITAL MAINT	610,000	-	-	610,000
WATER INFRASTRUCTURE RESERVE	245,000	-	-	245,000
INVESTMENTS	-	-	-	-
ACCOUNTS RECEIVABLE	247,699	-	9,207	256,906
ALLOWANCE FOR DOUBTFUL	-	-	-	-
INTERFUND TRANSFERS	-	-	-	-
NOTES RECEIVABLE	3,777	-	-	3,777
CONSTRUCTION IN PROGRESS	(231,979)	929,161	-	697,182
PROPERTY AND EQUIPMENT, NET	6,664,670	-	134,203	6,798,873
OTHER ASSETS	227,442	-	14,731	242,173
Total ASSETS	10,456,193	1,162,220	158,141	11,776,554
LIABILITIES				
ACCOUNTS PAYABLE	7,636	-	490	8,126
ACCRUED EXPENSES	18,029	-	4,568	22,597
DEFERRED REVENUE	313,522	-	18,883	332,405
NET PENSION LIABILITIES	(1,713)	-	-	(1,713)
NOTES PAYABLE	4,484	-	-	4,484
INTERFUND TRANSFERS	-	-	-	-
REFUNDABLE DEPOSITS	75,674	-	223	75,896
OTHER LIABILITIES	1,470	-	-	1,470
Total LIABILITIES	419,102	-	24,163	443,266
FUND EQUITY				
BEGINNING OF PERIOD	9,825,264	1,162,220	134,959	11,122,443
TRANSFERS IN (OUT)	15,501	-	(15,501)	-
YEAR TO DATE EARNINGS	196,326	-	14,519	261,228
Total FUND EQUITY	10,037,091	1,162,220	133,977	11,333,289
TOTAL LIABILITY AND FUND	10,456,193	1,162,220	158,141	11,776,554

LUBBOCK REESE REDEVELOPMENT AUTHORITY
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
 From 10/1/2022 Through 11/30/2022

(In Whole Numbers)

	General Fund	EDA Grant Fund	Data Center / Fiber Optic Fund	Total
OPERATING REVENUES	569,950	-	42,107	612,057
OPERATING EXPENSES	388,320	-	27,587	415,907
OPERATING INCOME(LOSS)	181,630	-	14,519	196,150
NONOPERATING INTEREST INCOME	14,695	-	-	14,695
TRANSFERS IN (OUT)	15,501	-	(15,501)	-
NET NONOPERATING REVENUES	30,196	-	(15,501)	14,695
INCREASE (DECREASE) IN FUND	211,826	-	(981)	210,845
FUND EQUITY, BEGINNING	9,825,264	1,162,220	134,959	11,122,443
FUND EQUITY, ENDING	10,037,091	1,162,220	133,977	11,333,289

LUBBOCK REESE REDEVELOPMENT AUTHORITY

SUPPLEMENTAL SCHEDULE OF REVENUES

From 10/1/2022 Through 11/30/2022

(In Whole Numbers)

	General Fund	Data Center / Fiber Optic Fund	Total
LEASES	392,228	-	392,228
USAGE FEES	40,352	4,719	45,071
PBT CAM FEES	122,449	-	122,449
CONTRACT SERVICES	920	-	920
DATA CENTER / FIBER OPTIC	-	37,388	37,388
TOTAL OPERATING REVENUE	555,949	42,107	598,055
UTILITY FRANCHISE FEES	13,868	-	13,868
OTHER MISCELLANEOUS	133	-	133
TOTAL REVENUES	569,950	42,107	612,057

LUBBOCK REESE REDEVELOPMENT AUTHORITY

Statement of Revenues and Expenditures

From 10/1/2022 Through 11/30/2022

(In Whole Numbers)

	General Fund	Fiber Optic Fund	Total
OPERATING EXPENSES			
SALARIES & TAXES	93,226	-	93,226
BENEFITS - HEALTH, RETIREMENT & WKR'S COMP	18,867	-	18,867
INSURANCE - PROPERTY & GENERAL LIABILITY	33,963	1,788	35,751
ADMINISTRATIVE EXPENSES	670	-	670
GENERAL OFFICE EXPENSES	6,522	628	7,151
ACCTG. & AUDITING SERVICES	166	-	166
COMPUTER SOFTWARE & MAINT.	-	6,877	6,877
INTERNET	-	3,444	3,444
LEGAL SERVICES	10,050	-	10,050
NETWORK MAINTENANCE CONTRACT	1,635	-	1,635
TRAINING & TRAVEL	3,087	-	3,087
MARKETING EXPENSES	12,605	-	12,605
OPERATIONS - GROUND MAINT. AND ENGINEERING CONTRACTS	65,555	-	65,555
UTILITIES	42,125	7,217	49,341
DEPRECIATION EXPENSE	99,849	6,567	106,416
Total OPERATING EXPENSES	388,320	26,520	414,840

LUBBOCK REESE REDEVELOPMENT AUTHORITY
Statement of Revenues and Expenditures
From 11/1/2022 Through 11/30/2022

GENERAL FUND

(In Whole Numbers)

	Current Month Actual	Current Month Budget	Current Month Actual vs Budget Variance	YTD Actual	YTD Budget	YTD Actual vs Budget Variance
REVENUES						
Leases	206,141	179,167	26,975	392,228	358,333	33,894
PBT Cam Fees	61,224	61,200	24	122,449	122,400	49
Usage Fees	18,499	22,917	(4,417)	40,352	45,833	(5,481)
Contract Services	-	833	(833)	920	1,667	(747)
Utility Franchise Fees	11,120	2,417	8,703	13,868	4,833	9,035
Other-Miscellaneous	-	-	-	133	-	133
Total REVENUES	296,985	266,533	30,452	569,950	533,067	36,883
EXPENSES						
Salaries & Taxes	46,668	71,333	24,665	93,226	142,667	49,441
Benefits - Health, Retirement & Wkr's	9,983	12,621	2,638	18,867	25,242	6,374
Insurance -Property & General Liabilities	16,982	18,333	1,352	33,963	36,667	2,704
Administrative Expenses	215	1,017	802	670	1,783	1,113
General Office Expenses	3,148	6,133	2,985	6,522	12,267	5,744
Accounting & Auditing Services	82	6,117	6,035	166	6,233	6,067
Legal Services	4,290	4,167	(123)	10,050	8,333	(1,717)
Network Maintenance Contract	1,086	667	(419)	1,635	1,333	(302)
Training & Travel	2,824	833	(1,990)	3,087	1,667	(1,420)
Marketing Expenses	9,797	5,333	(4,464)	12,605	10,667	(1,938)
Operations	30,567	49,167	18,599	65,555	98,333	32,779
Utilities	26,009	25,267	(742)	42,125	53,033	10,909
Total EXPENSES	151,650	200,988	49,337	288,471	398,225	109,754
NIBPSID	145,335	65,546	79,789	281,479	134,842	146,638
NON OPERATING REVENUE						
Interest Income	7,625	833	6,791	14,695	1,667	13,029
Total NON OPERATING REVENUE	7,625	833	6,791	14,695	1,667	13,029
DEPRECIATION						
Depreciation Expense	(49,924)	(50,000)	76	(99,849)	(100,000)	151
Total DEPRECIATION	(49,924)	(50,000)	76	(99,849)	(100,000)	151
Increase (Decrease) In Fund Equity	103,035	16,379	86,656	196,326	36,508	159,818

LUBBOCK REESE REDEVELOPMENT AUTHORITY
Statement of Revenues and Expenditures
From 11/1/2022 Through 11/30/2022

DATA CENTER / FIBER OPTIC FUND

(In Whole Numbers)

	Current Month Actual	Current Month Budget	Current Month Actual vs Budget Variance	YTD Actual	YTD Budget	YTD Actual vs Budget Variance
REVENUES						
Usage Fees	2,316	2,250	66	4,719	4,500	219
Fiber Optic/Wireless Income	18,694	17,500	1,194	37,388	35,000	2,388
Total REVENUES	21,009	19,750	1,259	42,107	39,500	2,607
EXPENSES						
Insurance -Property & General Liabilities	894	917	23	1,788	1,833	46
General Office Expenses	314	317	3	628	633	5
Computer Software & Maintenance	2,941	3,833	893	6,877	7,667	790
Internet	1,722	1,833	111	3,444	3,667	222
Building Maintenance & Repairs	1,067	833	(234)	1,067	1,667	600
Utilities	6,250	6,442	191	7,217	12,883	5,667
Total EXPENSES	13,188	14,175	987	21,021	28,350	7,329
NIBPSID	7,821	5,575	2,246	21,086	11,150	9,936
DEPRECIATION						
Depreciation Expense	(3,283)	(2,917)	(367)	(6,567)	(5,833)	(734)
Total DEPRECIATION	(3,283)	(2,917)	(367)	(6,567)	(5,833)	(734)
Increase (Decrease) In Fund Equity	4,538	2,658	1,879	14,519	5,317	9,203

LUBBOCK REESE REDEVELOPMENT AUTHORITY
Statement of Revenues and Expenditures
From 11/1/2022 Through 11/30/2022

COMBINED FUNDS

(In Whole Numbers)

	Current Month Actual	Current Month Budget	Month Actual vs Budget Variance	YTD Actual	YTD Budget	YTD Actual vs Budget Variance
REVENUES						
Leases	206,141	179,167	26,975	392,228	358,333	33,894
PBT Cam Fees	61,224	61,200	24	122,449	122,400	49
Usage Fees	20,815	25,167	(4,352)	45,071	50,333	(5,262)
Contract Services	-	833	(833)	920	1,667	(747)
Utility Franchise Fees	11,120	2,417	8,703	13,868	4,833	9,035
Other-Miscellaneous	-	-	-	133	-	133
Fiber Optic/Wireless Income	18,694	17,500	1,194	37,388	35,000	2,388
Total REVENUES	317,995	286,283	31,711	612,057	572,567	39,490
EXPENSES						
Salaries & Taxes	46,668	71,333	24,665	93,226	142,667	49,441
Benefits - Health, Retirement & Wkr's Comp	9,983	12,621	2,638	18,867	25,242	6,374
Insurance -Property & General Liabilities	17,875	19,250	1,375	35,751	38,500	2,749
Administrative Expenses	215	1,017	802	670	1,783	1,113
General Office Expenses	3,462	6,450	2,988	7,151	12,900	5,749
Accounting & Auditing Services	82	6,117	6,035	166	6,233	6,067
Computer Software & Maintenance	2,941	3,833	893	6,877	7,667	790
Internet	1,722	1,833	111	3,444	3,667	222
Legal Services	4,290	4,167	(123)	10,050	8,333	(1,717)
Network Maintenance Contract	1,086	667	(419)	1,635	1,333	(302)
Training & Travel	2,824	833	(1,990)	3,087	1,667	(1,420)
Marketing Expenses	9,797	5,333	(4,464)	12,605	10,667	(1,938)
Operations	30,567	49,167	18,599	65,555	98,333	32,779
Building Maintenance & Repairs	1,067	833	(234)	1,067	1,667	600
Utilities	32,259	31,708	(551)	49,341	65,917	16,575
Total EXPENSES	164,839	215,163	50,324	309,491	426,575	117,084
NIBPSID	153,156	71,121	88,213	302,566	145,992	156,574
NON OPERATING REVENUE						
Interest Income	7,625	833	6,791	14,695	1,667	13,029
Total NON OPERATING REVENUE	7,625	833	6,791	14,695	1,667	13,029
DEPRECIATION						
Depreciation Expense	(53,208)	(52,917)	(291)	(106,416)	(105,833)	(582)
Total DEPRECIATION	(53,208)	(52,917)	(291)	(106,416)	(105,833)	(582)
Increase (Decrease) In Fund Equity	107,573	19,037	88,535	210,845	41,825	169,020

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

(In Whole Numbers)

	Current Month Actual	Prior Year's Month Actual	Variance	YTD Actual	Prior Year's YTD Actual	Variance
REVENUES						
Leases	206,141	164,580	41,561	392,228	335,134	57,094
PBT Cam Fees	61,224	60,024	1,200	122,449	120,048	2,401
Usage Fees	20,815	21,647	(832)	45,071	46,843	(1,772)
Contract Services	-	2,070	(2,070)	920	2,070	(1,150)
Utility Franchise Fees	11,120	3,173	7,947	13,868	13,366	502
Insurance Proceeds	-	-	-	-	1,000	(1,000)
Other-Miscellaneous	-	-	-	133	-	133
Fiber Optic/Wireless Income	18,694	18,883	(189)	37,388	37,766	(378)
Total REVENUES	317,995	270,377	47,618	612,057	556,227	55,830
EXPENSES						
Salaries & Taxes	46,668	51,210	(4,542)	93,226	102,656	(9,430)
Benefits - Health, Retirement & Wkr's Comp	9,983	10,600	(617)	18,867	20,666	(1,799)
Insurance -Property & General Liabilities	17,875	16,432	1,443	35,751	32,864	2,887
Administrative Expenses	215	605	(390)	670	1,224	(554)
General Office Expenses	3,462	3,574	(112)	7,151	7,848	(697)
Accounting & Auditing Services	82	5,080	(4,998)	166	5,165	(4,999)
Computer Software & Maintenance	2,941	2,941	-	6,877	6,732	145
Internet	1,722	1,722	-	3,444	3,444	-
Legal Services	4,290	1,853	2,437	10,050	5,302	4,748
Network Maintenance Contract	1,086	866	220	1,635	1,224	411
Training & Travel	2,824	1,648	1,176	3,087	4,477	(1,390)
Marketing Expenses	9,797	3,401	6,396	12,605	12,887	(282)
Operations	30,567	44,549	(13,982)	65,555	91,627	(26,072)
Building Maintenance & Repairs	1,067	1,067	-	1,067	1,067	-
Utilities	32,259	52,342	(20,083)	49,341	84,396	(35,055)
Total EXPENSES	164,839	197,889	(33,050)	309,491	381,578	(72,087)
NIBPSID	153,156	72,488	80,668	302,566	174,649	127,917
NON OPERATING REVENUE						
Interest Income	7,625	916	6,709	14,695	1,890	12,805
Total NON OPERATING REVENUE	7,625	916	6,709	14,695	1,890	12,805
DEPRECIATION						
Depreciation Expense	(53,208)	(47,995)	(5,213)	(106,416)	(95,991)	(10,425)
Total DEPRECIATION	(53,208)	(47,995)	(5,213)	(106,416)	(95,991)	(10,425)
Increase (Decrease) In Fund Equity	107,573	25,408	82,165	210,845	80,549	130,296



JANUARY 2023 EVENTS & ACTIVITIES

	DATE	EVENT
DECEMBER	December 7-9, 2022	PFIA Training – San Antonio (Murvrat & Sandy)
JANUARY	January 11, 2023	TTU NWI / Texas Workforce Commission Grant Announcement
	January 13, 2023	Women Leading Government Meeting
	January 17, 2023	Mayor Tray Payne - Reese Presentation and Tour of Reese
	January 17, 2023	City of Lubbock / AFCEC Water Line Extension Project Meeting
LOOKING AHEAD		
FEBRUARY	February 17-20, 2023	RBL Investors Banquet and Annual Meeting – Coral Springs (Murvrat)
	February 22, 2023	LRRA Board of Directors Meeting
	February 28, 2023	Lubbock Apt. Association State of the City Address
MARCH	March 9, 2023	YWCA Women of Excellence Celebration and Dinner
	March 22, 2023	LRRA Board of Directors Meeting