

SPECIAL, 4/27/2015 9:30:00 AM

BE IT REMEMBERED that on April 27, 2015, there was begun and holden a SPECIAL session of the Commissioners Court of Jefferson County, Texas, with the following members and officers present and participating except those absent as indicated:

Honorable Jeff Branick, County Judge

Commissioner Eddie Arnold, Commissioner Pct. No. 1

Commissioner Brent Weaver, Commissioner Pct. No. 2

Commissioner Michael Sinegal, Commissioner Pct. No. 3

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

Honorable G. Mitch Woods, Sheriff

Honorable Carolyn L. Guidry , County Clerk

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

Notice of Meeting and Agenda and Minutes
April 27, 2015

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



**NOTICE OF MEETING AND AGENDA
OF COMMISSIONERS' COURT
OF JEFFERSON COUNTY, TEXAS
April 27, 2015**

Notice is hereby given that the Commissioners' Court of Jefferson County, Texas, will meet at **9:30 AM**, on the **27th** day of **April 2015** at its regular meeting place in the Commissioner's Courtroom, 4th Floor, Jefferson County Courthouse, 1149 Pearl Street, Beaumont, Texas.

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

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

Please note time change for Commissioners Court will be @ 9:30 a.m.

INVOCATION: Everette "Bo" Alfred, Commissioner, Precinct Four

PLEDGE OF ALLEGIANCE: Eddie Arnold, Commissioner, Precinct One

PURCHASING:

1. Execute, receive and file a contract for (IFB 15-008/JW), Road Improvements for Jefferson County (County Transportation Infrastructure Fund) with APAC-Texas, Inc. in the amount of \$1,027,608.37. This project is funded by County Energy Transportation Reinvestment Zone (CERTZ).

SEE ATTACHMENTS ON PAGES 9 - 11

Motion by: Commissioner Weaver

Second by: Commissioner Sinegal

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

Action: APPROVED

2. Reject all proposals for (RFP 15-005/JW), Operations Assessment for Ford Park Event Center (Jefferson County).

Action: TABLED

3. Consider and approve, execute, receive and file Change Order No. 1 for (IFB 13-019/KJS), Jefferson County Drainage District No. 7 Ditch Improvements Rhodair Gully Lateral 3 A with MK Constructors for the installation of (2) catch basins at the end of 9th Ave; installation of 58 linear feet of guardrail on the culvert crossing of 11th Street and Lateral 3A; and installation of (2) 12' gates at 9th Street, for an increase of \$20,090.00, bringing the total contract amount from \$988,083.00 up to \$1,008,173.00. This change order does not increase the number of contract working days. This project is funded by Round 1 TDRA Grant Administered by The General Land Office of the State of Texas.

SEE ATTACHMENTS ON PAGES 12 - 14

Motion by: Commissioner Weaver

Second by: Commissioner Sinegal

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

Action: APPROVED

Notice of Meeting and Agenda and Minutes
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4. Consider and approve, execute, receive and file Change Order No. 4 for (IFB 13-022/KJS), Re-bid Drainage District No. 7 of the County of Jefferson, Texas, Hurricane Ike/Dolly Round 1 Critical Infrastructure Project Disaster Recovery Division, Drainage District No. 7 Ditch Main B Diversion (funded by Round 1 TDRA Grant Administered by The General Land Office of the State of Texas) with MK Constructors for the installation of 80 tons of 18” rock riprap around the TxDOT culvert and northeast wall end section; installation of 15 tons of 3”- 5” rock riprap to place on top of the large rock riprap around the northeast wall end section; and installation of approximately 166 linear feet of timber post cable fence along the concrete retaining walls on the east side of the bridge, for an increase of \$15,340.00 and (2) additional contract working days, bringing the total contract amount from \$3,116,071.00 up to \$3,131,411.00 and from 262 contract working days to 264 contract working days.

SEE ATTACHMENTS ON PAGES 15 - 17

Motion by: Commissioner Weaver

Second by: Commissioner Sinegal

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

Action: APPROVED

COUNTY AUDITOR:

5. Regular County Bills – check #406235 through check #406547.

SEE ATTACHMENTS ON PAGES 18 - 27

Motion by: Commissioner Arnold

Second by: Commissioner Alfred

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

Action: APPROVED

COUNTY CLERK:

6. Consider and approve programming and leasing rates for political subdivisions contracting with Jefferson County Clerk to administer their elections with the new Hart Voting System.

SEE ATTACHMENTS ON PAGES 28 - 28

Motion by: Commissioner Sinegal

Second by: Commissioner Weaver

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

Action: APPROVED

COUNTY COMMISSIONERS:

7. Consider, possibly approve and authorize the County Judge to execute a Grant of Easement from Jefferson County, Texas to the Texas Historical Commission regarding the Texas Historic Courthouse Preservation Program and the Round VIII Grant funding.

SEE ATTACHMENTS ON PAGES 29 - 35

Motion by: Commissioner Sinegal

Second by: Commissioner Arnold

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

Action: APPROVED

8. Consider and possibly approve a Proclamation for Motorcycle Month.

SEE ATTACHMENTS ON PAGES 36 - 36

Motion by: Commissioner Sinegal

Second by: Commissioner Arnold

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

Action: APPROVED

9. Consider and possibly approve a resolution of the Gulf Coast Community Protection and Recovery District, Inc. (GCCPRD) to authorize amendment of the professional services between GCCPRD and Dannenbaum Engineering Corporation.

SEE ATTACHMENTS ON PAGES 37 - 44

Motion by: Commissioner Sinegal

Second by: Commissioner Arnold

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

Action: APPROVED

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10. Consider, possibly approve, authorize the County Judge to execute and receive and file Change Order No. 4 for the Main B Diversion Project and Change Order No. 1 for the Rodair Gully Lateral 3A Project with the Texas General Land Office Disaster Recovery Program. (Jefferson County Drainage District No. 7 will provide additional funds for these changes.)

SEE ATTACHMENTS ON PAGES 45 - 51

Motion by: Commissioner Sinegal

Second by: Commissioner Arnold

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

Action: APPROVED

11. Consider and possibly approve a Tax Abatement Agreement between Jefferson County, Texas and Emerald Biofuels pursuant to Section 312.401, Texas Tax Code.

SEE ATTACHMENTS ON PAGES 52 - 147

Motion by: Commissioner Sinegal

Second by: Commissioner Arnold

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

Action: APPROVED

12. Discuss 2015/16 anticipated revenues and budget worksheets.

Action: NONE

COUNTY TREASURER:

13. Award RFP 15-006/DC, Jefferson County Bank Depository Contract to Wells Fargo Bank, N.A.

SEE ATTACHMENTS ON PAGES 148 - 148

Motion by: Commissioner Weaver

Second by: Commissioner Arnold

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

Action: APPROVED

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14. Award RFP 15-007/DC, Jefferson County District and County Clerk's Trust Funds Depository Contract to Wells Fargo Bank, N.A.

SEE ATTACHMENTS ON PAGES 149 - 149

Motion by: Commissioner Weaver

Second by: Commissioner Arnold

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

Action: APPROVED

RISK MANAGEMENT:

15. Consider and possibly approve Brokerage Service Agreement renewal with McGriff, Seibels and Williams of Texas, Inc., effective 2/24/2015, at a flat annual renewal premium of \$24,000.00, for 2015 Property and Casualty placement.

SEE ATTACHMENTS ON PAGES 150 - 153

Motion by: Commissioner Sinegal

Second by: Commissioner Alfred

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

Action: APPROVED

SHERIFF'S DEPARTMENT:

16. Consider and accept the donation of a historical picture plaque of several former Sheriffs of Jefferson County from the year 1877 to 1947. This historical plaque is being donated to the Jefferson County Sheriff's Office by the former Sheriff, and County Judge of Jefferson County, Carl Griffith, Jr.

SEE ATTACHMENTS ON PAGES 154 - 154

Motion by: Commissioner Weaver

Second by: Commissioner Alfred

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

Action: APPROVED

Other Business:

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

Notice of Meeting and Agenda and Minutes
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***DISCUSSION ON ANY OTHER ITEM NOT ON AGENDA WITHOUT
TAKING ACTION.

Jeff R. Branick
County Judge

CONTRACT

This agreement made this 27th day of April, 2015, by and between the County of Jefferson, Texas represented by the County Judge, party of the first part, and APAC-Texas, Inc. his/their executors, administrators, heirs, successors or assigns, the Contractor, party of the second part.

WHEREAS, the County desires to enter into a contract for **Road Improvements for Jefferson County (County Transportation Infrastructure Fund)** as shown and described in the Contract Documents (to include plans, drawings, specifications, addenda, special provisions, and this Contract documents itself) included herein, and

WHEREAS, the Contractor has been engaged in and now does such work and represents that he is fully equipped, competent and capable of performing the desired and outlined work as per bid specifications and is ready and willing to perform such work in accordance with the unit prices listed within the Contractor's bid submission and the provisions included in the Contract Documents, and special provisions now

WITNESSETH: That for and in consideration of the unit prices listed herein, a part of this contract, the Contractor agrees to do, at his own proper cost and expense, all the work necessary for project completion as shown and described in the plans and in accordance with the provisions of the plans, drawings, specifications, addenda, and special provisions which are a part of this contract.

CONTRACTOR'S REPRESENTATIONS:

In order to induce Jefferson County to enter into this Agreement, Contractor makes the following representations:

Contractor has examined and carefully studied the Contract Documents (including plans, drawings, specifications, addenda, special provisions) identified in the Bidding Documents.

Contractor has visited the Site and/or become familiar with and is satisfied as to the general, local, and site conditions that may affect cost, progress, and performance of the Work.

Contractor is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.

Contractor does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.

Contractor is aware of the general nature of any work to be performed by Jefferson County and the others at the Site that relates to the Work as indicated in the Contract Documents.

Contractor has given Jefferson County written notice of all conflicts, errors, ambiguities, or discrepancies that contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer or Purchasing Department is acceptable to the Contactor.

IFB 15-008/JW
Road Improvements for Jefferson County
(County Transportation Infrastructure Fund)

The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

LIQUIDATED DAMAGES:

Contractor and Jefferson County recognize that time is of the essence of this Agreement and that Jefferson County will suffer financial loss if the Work is not completed within the times specified in the bid specifications and this above, plus any extensions thereof allowed in accordance with bid specifications. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Jefferson County if the Work is not completed on time. Accordingly, instead of requiring any such proof, Jefferson County and Contractor agree that as liquidated damages for delay (but not as a penalty), Contractor shall pay Jefferson County **\$100.00** for each day that expires after the time specified in Notice to Proceed.

CONTRACT PRICE:

Jefferson County shall pay Contractor the amount of **\$ 1,027,608.37** for completion of the Work in accordance with Contract Documents including plans, specifications, addenda, and special provisions for Project: **Road Improvements for Jefferson County (County Transportation Infrastructure Fund)**.

All specific cash allowances are included in the above price and have been calculated in accordance with bid specifications and addenda (if applicable).

CONTRACT TIMES:

Time for completion of this contract shall be calculated beginning on the effective date given in the Notice to Proceed.

The work to be constructed under this contract shall be completed in 120 working days.

The County, in consideration of the full and true performance of said work by the Contractor, hereby agrees and binds itself to pay the Contractor for the quantities of work performed in compliance with this contract at the respective unit prices set forth herein, subject to adjustment as herein provided. The following items of work and respective unit prices are those contained in the original proposal and are a part of this contract. The County limits its obligation hereunder to the funds available.

The Contractor expressly warrants that he has employed no third person to solicit or obtain this contract in his behalf, or to cause or procure the same to be obtained upon compensation in any way contingent, in whole or in part, upon such procurement, or in compensation for services in connection therewith, any brokerage commission or percentage upon the amount receivable by him hereunder; and that he has not in estimating the contract

price demanded by him, included any sum by reason of any such brokerage, commission or percentage; and that all moneys payable to him hereunder are free from all obligation of any other

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(County Transportation Infrastructure Fund)

person for services rendered, or supposed to have been rendered, in the procurement of this contract. He further agrees that any breach of this warranty shall constitute adequate cause for the annulment of this contract by the County or for deduction from any sum due or to become due thereunder an amount equal to any brokerage commission or percentage so paid or agreed to be paid or both.

In the employment of labor in the performance of this contract, preference shall be given, other conditions being equal, to honorably discharged service personnel, but no other preference or discrimination among citizens of the United States shall be made.

It is acknowledged and agreed by the parties hereto that this contract is the full and complete contract for the construction of the work called for and described herein.

IN WITNESS WHEREOF, the parties hereto have set their hands the date herein named.

COUNTY OF JEFFERSON

Party of the First Part

Certified as being executed for the purpose and effect of activating and/or carrying out the orders, established policies, or work programs hereto approved and authorized by the Commissioners' Court of Jefferson County:

By: _____
Jeff R. Branick, County Judge

RECOMMENDED FOR EXECUTION:

Don Rao, Director of Engineering

CONTRACTOR

Party of the Second Part

By: SCOTT BLANCHARD ASST. SECRETARY
Printed Name & Title


Signature

APAC-TEXAS, INC.
Firm/Company Name

ATTEST: _____ DATE: _____
Carolyn L. Guidry, County Clerk

IFB 13-019/KJS
PO# 008477



Texas General Land Office Disaster Recovery

Construction Contract Change Order Request Form

Engineer: Carroll & Blackman, Inc 3120 Fannin Street Beaumont, Texas 77701 Phone No.: 409-833-3363	Owner (Contractor Locality): Jefferson County 1149 Pearl Street Beaumont, Texas 77701 Phone No.: 409-835-8500	Contractor: MK Constructors 2485 N. Street Vidor, Texas 77662 Agreement Date: 12/09/13 Phone No.: 409-769-0089
Date: Project Code No.: P00940B-5 Bid Package No.: 10402-1_BID7	Contract For (Project Description): Drainage District No. 7 Ditch Improvement, Lateral 3A	GLO Contract No.: DRS010219 Change Order No.: 1

You are hereby requested to comply with the following changes from the contract plans and specifications:

Item No.	Description of Changes: Quantities, Units, Unit Prices, Change in Completion Scheduled, Etc.	Decrease In Contract Price	Increase In Contract Price
1	Installation of two (2) catch basins at end of 9 th Street at \$5,330.00 each.		\$10,660.00
2	Installation of 58 LF of guardrail on the culvert crossing of 11 th Street and Lateral 3A.		\$5,420.00
3	Installation of two (2) 6' gates, one at each ramp and two (2) 12' gates at 9 th Street.		\$4,010.00

JUSTIFICATION FOR CHANGE

1. Will this Change Order increase or decrease the number of beneficiaries?	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input checked="" type="checkbox"/> No Change
If there is a change, how many beneficiaries will be affected?	Total _____ L/M _____		
2. Effect of this change on scope of work:	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input checked="" type="checkbox"/> No Change
3. Effect on operation and maintenance costs:	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input checked="" type="checkbox"/> No Change
4. Are all prices in the change order dependent upon unit prices found in the original bid?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
If "No", explain: Change order is to cover items not anticipated in the original bid and found in field once construction began.			
5. Has this change created new circumstances or environmental conditions which may affect the project's impact, such as concealed or unexpected conditions discovered during actual construction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
If "Yes", is an Environmental Re-assessment required?			
6. Is the Texas Commission on Environmental Quality (TCEQ) clearance still valid? (if applicable)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
7. Is the TCEQ permit approval still valid? (sewer projects only)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
8. Are the handicapped access requirements/approval still valid? (if applicable)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
9. Are other Disaster Recovery contractual special condition clearance still valid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(if no, specify):			

NOTE:

- * Generally, a cumulative change in the contract price in excess of 25% cannot be reviewed (18% **decrease** for counties).

<u>Change in Contract Price</u>		<u>Change in Contract Time (Calendar Days)</u>	
Original Contract Price:	\$988,083.00	Original Contract Time:	180 working days
Previous Change Order(s): No. to No.	\$0.00	Net Change From Previous Change Orders:	0 days
Contract Price Prior to this Change Order:	\$988,083.00	Contract Time Prior to this Change Order:	180 working days
Net Increase/Decrease of this Change Order:	\$20,090.00	Net Increase/Decrease of this Change Order:	0 days
Contract Price With all Approved Change Orders:	\$1,008,173.00	Contract Time With all Change Orders:	180 working days
Cumulative Percent Change in Contract Price (+/-): +1.99%		Grantee Contract End Date: (mm/dd/yy)	12 / 31 /15
Construction Contract Start Date: (mm/dd/yy)	11 06 /14	Construction Contract End Date: (mm/dd/yy)	06 / 12 /15

Reimbursements of costs included in this change order are subject to review by the GLO-DR program.
 * This document may be executed prior to submission for GLO-DR program review, but all parties involved will be held responsible if the change order or the amendment warranted as a result of this change order is not in compliance with CDBG or HUD requirements.

RECOMMENDED:

By: 

ENGINEER

Date: 4/15/15

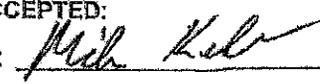
APPROVED:

By: Jeff R. Brančić, County Judge

OWNER

Date: April 27, 2015

ACCEPTED:

By: 

CONTRACTOR

Date: 4-14-15

ATTEST
DATE _____



Texas General Land Office Disaster Recovery

Construction Contract Change Order Request Form

Engineer: Carroll & Blackman, Inc 3120 Fannin Street Beaumont, Texas 77701 Phone No.: 409-833-3363	Owner (Contractor Locality): Jefferson County 1149 Pearl Street Beaumont, Texas 77701 Phone No.: 409-835-8500	Contractor: MK Constructors 2486 N. Street Vidor, Texas 77692 Agreement Date: 11/12/13 Phone No.: 409-769-0089
Date: Project Code No.: P00939 Bid Package No.: 10402-1_BID4	Contract For (Project Description): Drainage District No. 7 Ditch Improvement, Main "B" Diversion	GLO Contract No.: DRS010219 Change Order No.: 4

You are hereby requested to comply with the following changes from the contract plans and specifications:

Item No.	Description of Changes: Quantities, Units, Unit Prices, Change in Completion Scheduled, Etc.	Decrease in Contract Price	Increase in Contract Price
1	Installation of 80 tons of 18" rock riprap @ \$82/ton around the TxDOT culvert and northeast wall end section.		\$6,560.00
2	Installation of 15 tons of 3"-5" rock riprap @ \$53/ton to place on top of the large rock riprap around the northeast wall end section.		\$795.00

3	Installation of approximately 166 LF of timber post cable fence along the concrete retaining walls on the east side of the bridge. 7" x 7' 3" domed posts will be spaced at 12' 6" apart with a double run of 1/2" steel cable.		\$7,985.00
<u>Change in Contract Price</u>		<u>Change in Contract Time (Calendar Days)</u>	
Original Contract Price: \$2,961,035.00		Original Contract Time: 200 working days	
Previous Change Order(s): No. 1 to No. 3 \$136,131.03		Net Change From Previous Change Orders: 17 days	
Contract Price Prior to this Change Order: \$3,116,071.00		Contract Time Prior to this Change Order: 217 ^{262 gw} working days	
Net Increase/Decrease of this Change Order: \$15,340.00		Net Increase/Decrease of this Change Order: 2 days	
Contract Price With all Approved Change Orders: \$3,131,411.00		Contract Time With all Change Orders: 264 working days	
Cumulative Percent Change in Contract Price (+/-): +5.75%		Grantee Contract End Date: (mm/dd/yy) 12 / 31 /15	
Construction Contract Start Date: (mm/dd/yy) 12 / 02 /13		Construction Contract End Date: (mm/dd/yy) 04 / 12 /15	

Reimbursements of costs included in this change order are subject to review by the GLO-DR program.
 * This document may be executed prior to submission for GLO-DR program review, but all parties involved will be held responsible if the change order or the amendment warranted as a result of this change order is not in compliance with CDBG or HUD requirements.

RECOMMENDED:

By: 
ENGINEER

Date: 4/15/15

APPROVED:

By: Jeff R. Branick, County Judge
OWNER

Date: April 27, 2015

ACCEPTED:

By: Kenneth D. Stewart
CONTRACTOR

Date: 4.15.15

ATTEST _____
DATE _____

JUSTIFICATION FOR CHANGE

1. Will this Change Order increase or decrease the number of beneficiaries?	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input checked="" type="checkbox"/> No Change
If there is a change, how many beneficiaries will be affected?	Total _____	L/M _____	
2. Effect of this change on scope of work:	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input checked="" type="checkbox"/> No Change
3. Effect on operation and maintenance costs:	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input checked="" type="checkbox"/> No Change
4. Are all prices in the change order dependent upon unit prices found in the original bid?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
If "No", explain: Change order is to cover items not anticipated in the original bid and found in field once construction began.			
5. Has this change created new circumstances or environmental conditions which may affect the project's impact, such as concealed or unexpected conditions discovered during actual construction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
If "Yes", is an Environmental Re-assessment required?			
6. Is the Texas Commission on Environmental Quality (TCEQ) clearance still valid? (if applicable)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
7. Is the TCEQ permit approval still valid? (sewer projects only)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
8. Are the handicapped access requirements/approval still valid? (if applicable)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
9. Are other Disaster Recovery contractual special condition clearance			

NAME	AMOUNT	CHECK NO.	TOTAL
JURY FUND			
WARREN'S DO-NUTS	84.46	406429	84.46**
ROAD & BRIDGE PCT.#1			
BEN'S ALTERNATOR SERVICE	85.00	406280	
M&D SUPPLY	86.29	406319	
MUNRO'S	33.00	406328	
SEABREEZE CULVERT, INC.	5,927.04	406342	
AT&T	61.88	406346	
TRI-CON, INC.	3,498.02	406363	
ROLLINS TRUCK & TRAILER REPAIR	513.90	406376	
EDDIE ARNOLD	587.28	406423	10,792.41**
ROAD & BRIDGE PCT.#2			
RITTER @ HOME	144.46	406338	
DEPARTMENT OF INFORMATION RESOURCES	.03	406384	
CENTERPOINT ENERGY RESOURCES CORP	40.97	406424	185.46**
ROAD & BRIDGE PCT. # 3			
HILO / O'REILLY AUTO PARTS	123.93	406267	
AUDILET TRACTOR SALES	225.00	406276	
FARM & HOME SUPPLY	12.59	406293	
ENTERGY	199.66	406303	
HARBOR FREIGHT TOOLS	92.94	406304	
MODICA BROTHERS	363.93	406325	
MUNRO'S	34.13	406328	
PHILPOTT MOTORS, INC.	178.96	406336	
TEXAS WORKFORCE COMMISSION	3,967.13	406361	
AUTO ZONE	292.04	406375	
SOUTHERN TIRE MART, LLC	1,621.80	406377	
HOWARD'S AUTO SUPPLY	21.03	406381	
DEPARTMENT OF INFORMATION RESOURCES	.07	406384	
CENTERPOINT ENERGY RESOURCES CORP	27.90	406424	
TASCO	186.94	406427	
GCR TIRES & SERVICE	38.00	406529	7,386.05**
ROAD & BRIDGE PCT.#4			
ABLE FASTENER, INC.	153.59	406266	
HILO / O'REILLY AUTO PARTS	98.15	406267	
M&D SUPPLY	171.83	406319	
MUNRO'S	72.93	406328	
OIL CITY TRACTORS, INC.	104.51	406332	
SMART'S TRUCK & TRAILER, INC.	75.00	406345	
TEXAS WORKFORCE COMMISSION	331.05	406361	
TRIANGLE AIR CARE, INC.	197.00	406362	
WAUKESHA-PEARCE IND., INC.	420.50	406370	
ACORN STEEL	15.00	406380	
DEPARTMENT OF INFORMATION RESOURCES	.14	406384	
SIERRA SPRING WATER CO. - BT	53.78	406398	
EVERETT D ALFRED	653.74	406413	
BELT SOURCE	38.31	406435	
ON TIME TIRE	155.00	406498	
SOUTHEAST TEXAS PARTS AND EQUIPMENT	446.35	406521	
A-1 MAIDA FENCE COMPANY	50.00	406536	
COPE'S TRAILERS	6,680.48	406540	9,717.36**
ENGINEERING FUND			
WHITE REPROGRAPHICS	30.00	406372	
UNITED STATES POSTAL SERVICE	1.60	406395	31.60**
GENERAL FUND			
TAX OFFICE			
ACE IMAGEWEAR	21.01	406343	
TAX ASSESSOR-COLLECTOR ASSOCIATION	170.00	406352	
TAC - TEXAS ASSN. OF COUNTIES	260.00	406353	

NAME	AMOUNT	CHECK NO.	TOTAL
DEPARTMENT OF INFORMATION RESOURCES	.42	406384	
UNITED STATES POSTAL SERVICE	1,049.59	406395	1,501.02*
COUNTY HUMAN RESOURCES			
MOORMAN & ASSOCIATES, INC.	1,500.00	406327	
UNITED STATES POSTAL SERVICE	2.10	406395	1,502.10*
AUDITOR'S OFFICE			
CASH ADVANCE ACCOUNT	693.66	406311	
OFFICE DEPOT	80.47	406331	
UNITED STATES POSTAL SERVICE	4.06	406395	
RHONDA BRODE	245.75	406401	
THOMSON REUTER TAX & ACCNTG INC R&G	307.25	406454	1,331.19*
COUNTY CLERK			
UNITED STATES POSTAL SERVICE	345.08	406395	
BUSINESS INK	944.50	406457	
KOFILE INC	358.80	406495	1,648.38*
COUNTY JUDGE			
FED EX	40.67	406295	
JAN GIROUARD & ASSOCIATES	400.00	406299	
MANNINGS SCHOOL SUPPLY	76.75	406320	
UNITED STATES POSTAL SERVICE	2.81	406395	
MICHELLE R BRISTER	500.00	406434	
JEFF R BRANICK	125.00	406439	
HUBERT OXFORD IV	500.00	406456	
GRACE NICHOLS	1,600.00	406465	
NORMAN DESMARAIS JR.	500.00	406471	
HARVEY L WARREN III	2,000.00	406475	
WILLIAM FORD DISHMAN	500.00	406517	6,245.23*
RISK MANAGEMENT			
UNITED STATES POSTAL SERVICE	19.20	406395	19.20*
COUNTY TREASURER			
UNITED STATES POSTAL SERVICE	215.02	406395	215.02*
PRINTING DEPARTMENT			
OFFICE DEPOT	350.25	406331	
OLMSTED-KIRK PAPER	102.00	406333	452.25*
PURCHASING DEPARTMENT			
OFFICE DEPOT	21.02	406331	
PORT ARTHUR NEWS, INC.	4,086.09	406337	
UNITED STATES POSTAL SERVICE	6.02	406395	4,113.13*
GENERAL SERVICES			
GUARDIAN FORCE	36.00	406268	
CURTIS 1000, INC.	459.16	406289	
SPINDLETOP MHMR	32,990.75	406317	
OLMSTED-KIRK PAPER	2,935.00	406333	
TIME WARNER COMMUNICATIONS	486.54	406354	
TIME WARNER COMMUNICATIONS	192.23	406356	
TEXAS WORKFORCE COMMISSION	36,293.98	406361	
PATTILLO BROWN & HILL LLP	5,000.00	406488	
DYNAMEX INC	406.60	406518	78,800.26*
DATA PROCESSING			
SOUTHERN COMPUTER WAREHOUSE	371.20	406275	
GRAYBAR ELECTRIC COMPANY, INC.	327.60	406301	
OFFICE DEPOT	130.33	406331	
CDW COMPUTER CENTERS, INC.	61,922.05	406382	62,751.18*
VOTERS REGISTRATION DEPT			

NAME	AMOUNT	CHECK NO.	TOTAL
UNITED STATES POSTAL SERVICE ELECTIONS DEPARTMENT	102.98	406395	102.98*
HART INTER CIVIC CUMULUS BROADCASTING, INC.	193.50 3,992.00	406305 406387	
UNITED STATES POSTAL SERVICE SIERRA SPRING WATER CO. - BT	100.17 14.44	406395 406397	4,300.11*
DISTRICT ATTORNEY			
FAST SIGNS, INC. OFFICE DEPOT	228.00 611.03	406294 406331	
UNITED STATES POSTAL SERVICE PACER SERVICE CENTER	288.40 45.50	406395 406402	
MISTY CRAVER RECALL TOTAL INFORMATION MANAGEMENT	31.18 637.77	406412 406415	
MCM ELEGANTE HOTEL ASHLEY MOLFINO	293.25 649.36	406428 406431	
LUKE NICHOLS SUMMER TANNER	584.29 441.96	406436 406440	
RACHEL GROVE SCANSTAT TECHNOLOGIES	584.29 59.91	406463 406478	
KOBY HOFFPAUIR HEALTHPORT	584.29 526.72	406486 406515	5,565.95*
DISTRICT CLERK			
MAVERICK COMMUNICATIONS, INC. OFFICE DEPOT	3,359.40 240.60	406321 406331	
TRI-CITY COFFEE SERVICE UNITED STATES POSTAL SERVICE	443.45 456.60	406364 406395	
TEXAS STATE LIBRARY AND ARCHIVES INTERSTOR DESIGN ASSOCIATES	90.00 1,650.00	406414 406490	6,240.05*
CRIMINAL DISTRICT COURT			
GAYLYN COOPER DAVID GROVE	11,017.73 2,800.00	406269 406271	
TRAVIS EVANS OFFICE DEPOT	900.00 257.40	406291 406331	
TEXAS COURT REPORTERS ASSOCIATION KEVIN S. LAINE	325.00 1,025.00	406359 406379	
UNITED STATES POSTAL SERVICE CAROLYN WIEDENFELD	27.10 800.00	406395 406407	17,152.23*
60TH DISTRICT COURT			
UNITED STATES POSTAL SERVICE	.41	406395	.41*
136TH DISTRICT COURT			
UNITED STATES POSTAL SERVICE	5.28	406395	5.28*
252ND DISTRICT COURT			
UNITED STATES POSTAL SERVICE SHEIGH SUMMERLIN	251.66 8,333.33	406395 406432	
ALEX BILL III SAMUEL & SON LAW FIRM PLLC	800.00 900.00	406485 406530	
LINDSEY SCOTT	8,277.23	406542	18,562.22*
279TH DISTRICT COURT			
SHI GOVERNMENT SOLUTIONS, INC. KIMBERLY PHELAN, P.C.	656.40 825.00	406400 406430	
RONALD PLESSALA STEFANIE L. ADAMS, ATTORNEY AT LAW	325.00 225.00	406458 406483	
MELANIE AIREY	75.00	406535	2,106.40*
JUSTICE COURT-PCT 1 PL 1			
OFFICE DEPOT	277.28	406331	

NAME	AMOUNT	CHECK NO.	TOTAL
UNITED STATES POSTAL SERVICE	26.69	406395	303.97*
JUSTICE COURT-PCT 1 PL 2			
UNITED STATES POSTAL SERVICE	229.92	406395	229.92*
JUSTICE COURT-PCT 4			
DEPARTMENT OF INFORMATION RESOURCES	.11	406384	.11*
JUSTICE COURT-PCT 6			
UNITED STATES POSTAL SERVICE	41.73	406395	41.73*
JUSTICE COURT-PCT 7			
DEPARTMENT OF INFORMATION RESOURCES	.33	406384	.33*
COUNTY COURT AT LAW NO.1			
TEXAS COLLEGE OF PROBATE JUDGE	350.00	406358	350.00*
COUNTY COURT AT LAW NO. 2			
TEXAS COURT REPORTERS ASSOCIATION	325.00	406360	
UNITED STATES POSTAL SERVICE	19.97	406395	
RYAN GERTZ	1,750.00	406474	2,094.97*
COUNTY COURT AT LAW NO. 3			
BRUCE W. COBB	250.00	406287	
UNITED STATES POSTAL SERVICE	42.63	406395	
LEXIS-NEXIS	55.43	406396	
NORMAN DESMARAIS JR.	300.00	406471	648.06*
COURT MASTER			
LEONARD J. GIBLIN, JR.	2,800.00	406298	
UNITED STATES POSTAL SERVICE	2.31	406395	2,802.31*
MEDIATION CENTER			
OFFICE DEPOT	311.70	406331	
UNITED STATES POSTAL SERVICE	10.12	406395	321.82*
ALTERNATIVE SCHOOL			
KOMMERCIAL KITCHENS	719.82	406316	
OFFICE DEPOT	479.88	406331	
UNITED COMMUNICATIONS, INC.	40.00	406386	
MATERA PAPER COMPANY INC	997.22	406512	2,236.92*
SHERIFF'S DEPARTMENT			
FAST SIGNS, INC.	9.00	406294	
FED EX	114.45	406295	
JEFFERSON CTY. SHERIFF'S DEPARTMENT	1,514.00	406309	
KAY ELECTRONICS, INC.	70.00	406315	
MOORMAN & ASSOCIATES, INC.	750.00	406327	
OFFICE DEPOT	234.33	406331	
DEPARTMENT OF INFORMATION RESOURCES	.39	406384	
VERIZON WIRELESS	3,153.19	406393	
UNITED STATES POSTAL SERVICE	1,111.84	406395	
CODE BLUE	200.00	406418	
INTERSTATE ALL BATTERY CENTER - BMT	160.00	406467	
EAR PHONE CONNECTION	1,046.97	406473	
BEST BUY BUSINESS ADVANTAGE ACCOUNT	69.95	406520	8,434.12*
CRIME LABORATORY			
OFFICE DEPOT	128.17	406331	
MIRELES TECHNOLOGIES, INC.	354.00	406406	482.17*
JAIL - NO. 2			

NAME	AMOUNT	CHECK NO.	TOTAL
HILO / O'REILLY AUTO PARTS	112.56	406267	
BOB BARKER CO., INC.	185.20	406277	
BEAUMONT TRACTOR COMPANY	679.41	406278	
CITY OF BEAUMONT - WATER DEPT.	15,768.44	406282	
ECOLAB	399.90	406290	
GT DISTRIBUTORS, INC.	143.70	406296	
W.W. GRAINGER, INC.	136.87	406300	
HERNANDEZ OFFICE SUPPLY, INC.	141.31	406306	
INTERNATIONAL GALVANIZER, INC.	153.00	406307	
JACK BROOKS REGIONAL AIRPORT	978.79	406310	
JOHNSON SUPPLY	2,193.16	406314	
KOMMERCIAL KITCHENS	3,420.32	406316	
M&D SUPPLY	77.78	406319	
MOORE SUPPLY, INC.	346.08	406326	
OFFICE DEPOT	427.47	406331	
OLMSTED-KIRK PAPER	245.00	406333	
PETTY CASH - SHERIFF'S OFFICE	434.00	406334	
RALPH'S INDUSTRIAL ELECTRONICS	34.54	406339	
SANITARY SUPPLY, INC.	3,016.14	406340	
SCOTT EQUIPMENT, INC.	255.65	406341	
SHERWIN-WILLIAMS	226.99	406344	
STAR GRAPHICS SHARP	706.67	406347	
SUTHERLAND LUMBER CO.	17.88	406350	
WASTE MGT. GOLDEN TRIANGLE, INC.	5,666.67	406367	
WESCO DISTRIBUTION, INC.	122.14	406371	
WORTH HYDROCHEM	327.00	406373	
CDW COMPUTER CENTERS, INC.	361.69	406382	
DEPARTMENT OF INFORMATION RESOURCES	4.01	406384	
UNITED COMMUNICATIONS, INC.	2,591.40	406386	
LOWE'S HOME CENTERS, INC.	180.02	406405	
LONE STAR UNIFORMS, INC.	237.55	406408	
TRIDENT PETROLEUM EQUIPMENT	246.66	406433	
BELT SOURCE	68.77	406435	
ICS	1,048.00	406450	
AIRGAS SOUTHWEST	479.58	406455	
ACT PIPE AND SUPPLY	35.70	406460	
FIRETROL PROTECTION SYSTEMS, INC.	5,106.00	406462	
WORLD FUEL SERVICES	1,457.92	406470	
FIVE STAR CORRECTIONAL SERVICE	86,343.47	406476	
3 L PRINTING	50.00	406479	
ORALINE INC	2,772.00	406480	
A1 FILTER SERVICE COMPANY	737.60	406494	
INDUSTRIAL & COMMERCIAL MECHANICAL	3,646.00	406499	
TROOP INDUSTRIAL	58.00	406501	
CONMED INC	30,378.83	406507	
MATERA PAPER COMPANY INC	7,812.77	406512	
THOMSON REUTERS-WEST	4,909.53	406513	
CLEAR HANDBAGS & MORE	2,595.00	406537	
JUVENILE PROBATION DEPT.			187,337.17*
HERNANDEZ OFFICE SUPPLY, INC.	21.50	406306	
UNITED STATES POSTAL SERVICE	35.04	406395	
JUVENILE DETENTION HOME			56.54*
CITY OF BEAUMONT - WATER DEPT.	2,889.88	406282	
OAK FARM DAIRY	515.80	406378	
FLOWERS FOODS	184.31	406416	
CENTERPOINT ENERGY RESOURCES CORP	463.92	406424	
WASTEWATER TRANSPORT SERVICES LLC	918.00	406528	
CONSTABLE PCT 1			4,971.91*
OFFICE DEPOT	151.94	406331	
UNITED STATES POSTAL SERVICE	69.52	406395	
SILSBEE FORD INC	152.22	406519	
CONSTABLE-PCT 4			373.68*
CASH ADVANCE ACCOUNT	423.89	406311	
DEPARTMENT OF INFORMATION RESOURCES	.04	406384	
SHI GOVERNMENT SOLUTIONS, INC.	328.20	406400	

NAME	AMOUNT	CHECK NO.	TOTAL	
DISH NETWORK	45.19	406445	797.32*	
CONSTABLE-PCT 6				
CASH ADVANCE ACCOUNT	753.85	406311	846.27*	
STRATTON HATS	74.57	406349		
UNITED STATES POSTAL SERVICE	17.85	406395		
CONSTABLE PCT. 7				
CASH ADVANCE ACCOUNT	389.89	406311	419.71*	
AT&T	29.82	406346		
CONSTABLE PCT. 8				
THOMSON REUTERS-WEST	114.00	406513	114.00*	
AGRICULTURE EXTENSION SVC				
GQF MANUFACTURING COMPANY	65.79	406441	65.79*	
HEALTH AND WELFARE NO. 1				
NSO - NURSES SERVICE ORGANIZATION	218.00	406265	8,885.27*	
BROUSSARD'S MORTUARY	1,480.00	406281		
CLAYBAR FUNERAL HOME, INC.	1,402.75	406284		
GABRIEL FUNERAL HOME, INC.	1,500.00	406297		
PETTY CASH - N C WELFARE	163.39	406335		
AUSTIN CECIL WALKES MD PA	3,245.08	406366		
UNITED STATES POSTAL SERVICE	85.05	406395		
DRUG ENFORCEMENT ADMINISTRATION	731.00	406466		
HEB FOOD DRUG	60.00	406506		
HEALTH AND WELFARE NO. 2				
CLAYBAR FUNERAL HOME, INC.	2,499.00	406285		7,322.21*
CLAYTON THOMPSON FUNERAL HOME	1,500.00	406286		
TIME WARNER COMMUNICATIONS	78.13	406357		
AUSTIN CECIL WALKES MD PA	3,245.08	406366		
NURSE PRACTITIONER				
GEORGE V. ZUZUKIN, M.D.	1,000.00	406273	1,000.00*	
CHILD WELFARE UNIT				
PUBLICDATA.COM.AI	500.00	406399		
J.C. PENNEY'S	3,168.82	406403		
SEARS COMMERCIAL CREDIT	1,722.52	406404		
KEYANA HAILEY PAYEE	20.00	406410		
TYMER WILSON PAYEE	20.00	406437		
CHUMARI WILSON PAYEE	20.00	406438		
TAYLOR SAVOY PAYEE	20.00	406442		
TYLER SAVOY PAYEE	20.00	406443		
DEVIN KASPAR	20.00	406449		
SIDNEY SCYPION	20.00	406472		
JAYLISHA ARDOIN	20.00	406477		
ANDREW REISNER	40.00	406481		
DIAMOND DELFIERRO PAYEE	20.00	406484		
KRISTIN SIMONS PAYEE	20.00	406487		
ANTHONY DISOMBA PAYEE	20.00	406489		
AARON VINSON	50.00	406491		
CONNOR BELDEN	20.00	406492		
WILLIAM GILBERT	20.00	406493		
ALYJAH HALEY	20.00	406496		
RHONDA PRUDHOMME	50.00	406497		
LAFRONIA BATISTE	20.00	406500		
ROBIN FRANK PAYEE	20.00	406505		
ARIANNA HALEY	50.00	406508		
QUINN DIXON PAYEE	20.00	406509		
TA'NAY SMITH PAYEE	30.00	406510		
MAKAYLEE ANDERSON	20.00	406514		
ABBIE BLANDFORD	20.00	406522		

NAME	AMOUNT	CHECK NO.	TOTAL
BRYCE GREEN	15.00	406523	
ASHANTI M MCCRAY	50.00	406524	
FATIMA ZAVALA	20.00	406525	
AAYARRII CEASAR	20.00	406526	
TRELIN FARR	20.00	406527	
SKYLAR DANIELS PAYEE	20.00	406532	
DONALD ORCHID	20.00	406534	
AALIYAH J EMERSON	20.00	406538	
JLYNN J HENDRIX	20.00	406539	
JORDY CELIS FC	15.00	406545	
KADEN ANDERSON FC	15.00	406546	
ZACKARIA T SMITH	15.00	406547	
ENVIRONMENTAL CONTROL			6,241.34*
OFFICE DEPOT	339.20	406331	
AT&T	48.70	406346	
DEPARTMENT OF INFORMATION RESOURCES	.88	406384	
INDIGENT MEDICAL SERVICES			388.78*
DANA JOHNSON	450.00	406531	
MAINTENANCE-BEAUMONT			450.00*
AAA LOCK & SAFE	145.75	406264	
JOHNSTONE SUPPLY	127.08	406272	
CITY OF BEAUMONT - WATER DEPT.	28.29	406282	
COBURN'S, BEAUMONT BOWIE (1)	52.47	406288	
W.W. GRAINGER, INC.	75.44	406300	
MCCOWN PAINT & SUPPLY OF TEXAS	152.50	406322	
NEWTON'S TOOL & HARDWARE, INC.	108.13	406329	
RALPH'S INDUSTRIAL ELECTRONICS	293.58	406339	
SANITARY SUPPLY, INC.	909.30	406340	
ACE IMAGEWEAR	156.81	406343	
AT&T	4,679.62	406346	
DEPARTMENT OF INFORMATION RESOURCES	6,905.71	406384	
AI FILTER SERVICE COMPANY	732.70	406494	
MAINTENANCE-PORT ARTHUR			14,367.38*
CITY OF PORT ARTHUR - WATER DEPT.	476.64	406283	
DEPARTMENT OF INFORMATION RESOURCES	2.95	406384	
MAINTENANCE-MID COUNTY			479.59*
JIFFY TROPHIES	12.50	406313	
DEPARTMENT OF INFORMATION RESOURCES	.06	406384	
CENTERPOINT ENERGY RESOURCES CORP	72.54	406424	
SERVICE CENTER			85.10*
GULF COAST SCREW & SUPPLY	452.52	406302	
INTERSTATE BATTERIES OF BEAUMONT/PA	78.95	406308	
JERRY'S AUTOMOTIVE	930.54	406312	
MEINEKE	35.00	406324	
PHILPOTT MOTORS, INC.	202.89	406336	
TRI-CON, INC.	11,217.49	406363	
WASTE MGT. GOLDEN TRIANGLE, INC.	162.36	406368	
DEPARTMENT OF INFORMATION RESOURCES	.06	406384	
JEFFERSON CTY. TAX OFFICE	16.75	406389	
JEFFERSON CTY. TAX OFFICE	16.75	406390	
JEFFERSON CTY. TAX OFFICE	7.50	406391	
FIRST CALL	60.06	406409	
PETROLEUM SOLUTIONS, INC.	209.50	406419	
BUMPER TO BUMPER	51.82	406421	
AMERICAN TIRE DISTRIBUTORS	446.12	406459	
UNIFIRST HOLDINGS INC	21.97	406469	
TEXAS DEPARTMENT OF MOTOR VEHICLES	7.50	406543	
VETERANS SERVICE			13,917.78*
UNITED STATES POSTAL SERVICE	4.27	406395	

NAME	AMOUNT	CHECK NO.	TOTAL
HILARY GUEST	123.94	406411	
			128.21*
			478,809.07**
MOSQUITO CONTROL FUND			
SUPERIOR TIRE & SERVICE	19.90	406274	
JACK BROOKS REGIONAL AIRPORT	10.80	406310	
MUNRO'S	101.70	406328	
TEXAS WORKFORCE COMMISSION	1,585.00	406361	
DEPARTMENT OF INFORMATION RESOURCES	.07	406384	
WESTPORT AG	1,499.90	406385	
CENTERPOINT ENERGY RESOURCES CORP	35.75	406424	
			3,253.12**
LAW LIBRARY FUND			
THOMSON REUTERS-WEST	6,170.20	406513	
			6,170.20**
COMMUNITY SUPERVISION FND			
OFFICE DEPOT	168.63	406331	
OLMSTED-KIRK PAPER	293.50	406333	
PAMELA G. STEWART	38.93	406348	
DEPARTMENT OF INFORMATION RESOURCES	2.41	406384	
UNITED STATES POSTAL SERVICE	202.52	406395	
LOCAL GOVERNMENT SOLUTIONS LP	6,965.00	406452	
JCCSC	18.00	406482	
EXCEL MEDICAL WASTE LLC	354.15	406541	
JORDAN SIMON	140.00	406544	
			8,183.14**
JEFF. CO. WOMEN'S CENTER			
ALLIED ELECTRIC, INC.	733.88	406270	
BELL'S LAUNDRY	910.24	406279	
ECOLAB	82.95	406290	
LUBE SHOP	41.24	406318	
M&D SUPPLY	26.26	406319	
KIM MCKINNEY, LPC, LMFT	225.00	406323	
SANITARY SUPPLY, INC.	1,467.25	406340	
AT&T	128.22	406346	
SYSCO FOOD SERVICES, INC.	814.63	406351	
TEXAS WORKFORCE COMMISSION	1,887.48	406361	
BURT WALKER PARTNERS, LTD	4,500.00	406365	
WASTE MGT. GOLDEN TRIANGLE, INC.	88.28	406369	
PETTY CASH - RESTITUTION I	115.32	406374	
DEPARTMENT OF INFORMATION RESOURCES	.42	406384	
TEXAS FIRE & COMMUNICATIONS	85.00	406388	
BEN E KEITH FOODS	741.99	406417	
REDWOOD TOXICOLOGY LABORATORY	690.00	406448	
ATTABOY TERMITE & PEST CONTROL	50.00	406468	
SAM'S CLUB DIRECT	186.42	406503	
WASTEWATER TRANSPORT SERVICES LLC	248.00	406528	
			13,022.58**
DRUG DIVERSION PROGRAM			
CASH ADVANCE ACCOUNT	451.64	406311	
			451.64**
REGIONAL COMM. SAVNS			
DEPARTMENT OF INFORMATION RESOURCES	533.28	406384	
			533.28**
DEPUTY SHERIFF EDUCATION			
CASH ADVANCE ACCOUNT	1,848.06	406311	
TEXAS DARE OFFICER ASSOC	300.00	406426	
			2,148.06**
HOTEL OCCUPANCY TAX FUND			
FIELD TURF USA INC	12,805.78	406255	
ENERGY	1,060.07	406303	
MUNRO'S	118.25	406328	
SUTHERLAND LUMBER CO.	67.87	406350	
TIME WARNER COMMUNICATIONS	110.72	406355	
TRI-CITY COFFEE SERVICE	51.05	406364	

NAME	AMOUNT	CHECK NO.	TOTAL
DEPARTMENT OF INFORMATION RESOURCES	6.20	406384	
DISH NETWORK	100.62	406446	
TEXAS TRAVEL COUNSELORS CONFERENCE	45.00	406464	
SAM'S CLUB DIRECT	144.00	406503	
B&G POPCORN INC	259.91	406504	14,769.47**
COUNTY CLERK ELECTION CON			
A. RIFKIN COMPANY	5,520.95	406420	5,520.95**
CAPITAL PROJECTS FUND			
BAILEY'S ARCHITECTS INC	9,780.71	406444	
BASCO CONSTRUCTION INC	19,315.80	406511	29,096.51**
AIRPORT FUND			
DEPARTMENT OF INFORMATION RESOURCES	1.25	406384	
CENTERPOINT ENERGY RESOURCES CORP	452.74	406424	453.99**
SETEC FUND			
SWEET SOUTHERN SOUND	13,403.87	406516	13,403.87**
WORKER'S COMPENSATION FD			
TRISTAR RISK MANAGEMENT	22,974.41	406425	22,974.41**
SHERIFF'S FORFEITURE FUND			
FALCON CREST AVIATION SUPPLY, INC.	134.48	406292	134.48**
PAYROLL FUND			
JEFFERSON CTY. - FLEXIBLE SPENDING	12,157.00	406235	
CLEAT	306.00	406236	
JEFFERSON CTY. TREASURER	18,770.09	406237	
RON STADTMUELLER - CHAPTER 13	1,917.50	406238	
INTERNAL REVENUE SERVICE	300.00	406239	
JEFFERSON CTY. ASSN. OF D.S. & C.O.	5,140.00	406240	
JEFFERSON CTY. COMMUNITY SUP.	11,048.01	406241	
JEFFERSON CTY. TREASURER - HEALTH	424,174.30	406242	
JEFFERSON CTY. TREASURER - PAYROLL	1,631,195.53	406243	
JEFFERSON CTY. TREASURER - PAYROLL	654,059.89	406244	
JEFFERSON CTY. TREASURER	110.61	406245	
MONY/MLOA	231.74	406246	
POLICE & FIRE FIGHTERS' ASSOCIATION	3,179.61	406247	
UNITED WAY OF BEAUMONT& N JEFFERSON	54.77	406248	
JEFFERSON CTY. TREASURER - TCDRS	620,737.54	406249	
OPPENHEIMER FUNDS DISTRIBUTOR, INC	1,856.65	406250	
JEFFERSON COUNTY TREASURER	2,668.35	406251	
JEFFERSON COUNTY - TREASURER -	6,136.44	406252	
NECHES FEDERAL CREDIT UNION	61,200.57	406253	
JEFFERSON COUNTY - NATIONWIDE	51,584.12	406254	
TENNESSEE CHILD SUPPORT	115.38	406256	
SBA - U S DEPARTMENT OF TREASURY	168.49	406257	
CALIFORNIA STATE DISBURSEMENT UNIT	117.23	406258	
ECMC	260.60	406259	
WILLIAM E HEITKAMP	720.72	406260	
JOHN TALTON	2,367.69	406261	
IL DEPT OF HEALTHCARD AND FAMILY SER	49.85	406262	
COLLEGE ASIST	164.95	406263	3,510,793.63**
GUARDIANSHIP FEE			
KIMBERLY PHELAN, P.C.	300.00	406430	
JOSHUA C HEINZ	2,000.00	406502	2,300.00**
APPELLATE JUDICIAL SYSTEM			
9TH COURT OF APPEALS	2,205.00	406453	2,205.00**
MARINE DIVISION			

NAME	AMOUNT	CHECK NO.	TOTAL
RITTER @ HOME	39.92	406338	
DEPARTMENT OF INFORMATION RESOURCES	202.24	406384	
VERIZON WIRELESS	341.91	406392	
SIERRA SPRING WATER CO. - BT	47.92	406397	
DAVID KELLEY	140.00	406447	
THE DINGO GROUP-PETE JORGENSEN MARI	1,901.80	406451	
C & I OIL COMPANY INC	9,522.91	406461	
APPLIED SECURITY TECHNOLOGIES INC	105.00	406533	
SHERIFF-SPINDLETOP GRANT			12,301.70**
TASER INTERNATIONAL	2,145.73	406422	
SHERIFF SPINDLETOP MENTAL			2,145.73**
TASER INTERNATIONAL	992.49	406422	
			992.49**
			4,157,860.66***

Hart Voting System Billing and Leasing Rates

EQUIPMENT	ORIGINAL COST	10% LEASE RATE
Judge's Booth Controller	\$3,300.00	\$330.00
eSlate	\$3,300.00	\$330.00
Disable Access Unit (DAU)	\$3,960.00	\$396.00
Privacy Booth	\$245.00	\$25.00
EA Tablet + WIFI	\$1,195.00	\$119.50
Ballot Box	\$50.00	\$5.00

PROGRAMMING	SERVICE BUREAU COST	COUNTY COST
1 - 5 RACES	\$1,500.00	\$1,050.00
6 - 10 RACES	\$2,530.00	\$1,771.00
11-20 RACES	\$3,300.00	\$2,310.00
21-40 RACES	\$4,180.00	\$2,926.00
41-75 RACES	\$5,280.00	\$3,696.00
76-100 RACES	\$6,272.00	\$4,390.40

BALLOT PRINTING	PER 1,000	ANY QUANTITY
8.5 X 11	\$0.32	\$0.25
8.5 X 14	\$0.32	\$0.25
8.5 X 17	\$0.41	\$0.25

**STATE OF TEXAS
COUNTY OF JEFFERSON**

GRANT OF EASEMENT

The County of Jefferson (“Grantor”), a political subdivision of the State of Texas, owner of property described as Jefferson County Courthouse and Grounds (“Property”), as more fully described in Attachment ”A” to this document, which is incorporated herein for all purposes as if it were set forth fully herein, in consideration of the grant award to Grantor under the Texas Historic Courthouse Preservation Program, receipt of which is acknowledged, does hereby grant, bargain, sell, and convey to the Texas Historical Commission (“Grantee”), an agency of the State of Texas, the following easement (“Easement”).

Grantor has legal and equitable fee simple title to the Property, and has the right and power to grant this easement. Grantee has the legal authority to accept this easement. Grantee considers the Property and the improvements thereon to represent a significant example of a historic, architectural, or cultural site important to the State of Texas. Grantor desires to grant to Grantee, and Grantee desires to accept, the easement on the terms and conditions set forth below.

TERMS AND CONDITIONS

1. GRANT

In consideration of the grant award to Grantor under the Texas Historic Courthouse Preservation Program (“Program”), Grantor hereby grants and conveys to Grantee an interest and easement in the Property, for the preservation of historic, architectural, scenic and open space values, of the nature and character and to the extent set forth in this Easement, to constitute a servitude upon the Property running with the land, for the benefit of and enforceable by the Grantee, to have and to hold the said interest and easement subject to and limited by the provisions of this Easement, to and for Grantee’s proper uses.

2. SCOPE OF GRANTEE’S INTEREST AND EASEMENT

The easement herein granted conveys to the Grantee an interest in the Property consisting of the benefits of the following covenants and undertakings by Grantor.

- a. Without the prior written consent of Grantee, which shall not unreasonably be withheld, Grantor shall not cause or permit any construction, alteration, remodeling, dismantling, destruction, or other activity that would adversely affect or alter in any material way the appearance or the historic architectural integrity of the Property, except for routine maintenance.
- b. Grantor shall maintain and repair the Property in a good and sound state of repair and maintain the subject Property according to the Secretary of the Interior’s Standards for the Treatment of Historic Properties so as to prevent deterioration and preserve the architectural and historical integrity of the Property in ways that protect and enhance those qualities that make the Property eligible for listing in the National Register of Historic Places.
- c. The Significant changes in use to the building that may effect how the public spaces are used and/or preserved must receive prior approval in writing from the Grantee.

Grant of Easement

Page 1

3. LEVEL OF PRESERVATION

In order to make more certain the full extent of Grantor's obligations and the restrictions on the subject Property, and in order to document the nature and condition of the Property, including significant interior elements in spatial context, a list of character-defining materials, features and spaces is incorporated as Attachment "B" at the end of this agreement together with a narrative describing the condition of these features. The Grantor has provided to the Grantee architectural drawings of the floor plans. To complement Attachment "B", Grantor personnel have compiled a current photographic record of identified features and areas where work will occur including, black and white photographs and/or color digital prints, photograph logs, and a keyed location map. The Grantor agrees that the nature and condition of the Property on the date of execution of this easement is accurately documented by the architectural drawings and photographic record, which shall be maintained for the life of this easement in the Grantee's conservation easement file for the Property.

The Scope of Work to be performed under the grant to restore the Property is as outlined in Attachment "C", although that Scope of Work may be modified if Commission approves of such modification in writing during the course of planning and/or construction. Once the Scope of Work has been completed, Grantor shall provide revised architectural drawings of the floor plans to the Grantee, and shall compile a revised photographic record, including black and white photographs and/or color digital prints, a revised narrative describing the condition of any elements that were included in the project, photograph logs and a keyed location map that will be attached to the Grantor's Completion Report. The Grantor agrees that the nature and condition of the Property on the date of submission of the Completion Report will be accurately documented by the revised architectural drawings and revised photographic record attached to the Completion Report, which shall also be maintained for the life of this easement in the Grantee's conservation easement file for the Property. This shall become the level of preservation to which the Property shall be maintained in accordance with this agreement.

4. RESPONSIBILITIES OF GRANTOR IF PROPERTY IS DAMAGED OR DESTROYED

In the event that the building located on the Property is damaged or destroyed, by reason of fire, flood, earthquake, or other disaster or casualty of any kind whatsoever, Grantor's responsibilities shall be as follows:

- a. Partially damaged. If the Property is partially damaged (i.e., damaged to such an extent or of such nature that the historic architectural integrity of the Property can reasonably be restored to its prior condition), then Grantor shall restore the historic architectural integrity of the Property to the condition that existed just prior to the damage, to the extent possible consistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties, 1995.
- b. Totally destroyed. If the property is totally destroyed (i.e., destroyed to such an extent that it is not possible to reasonably repair or restore the historic architectural integrity of the Property), Grantee and Grantor shall work together to determine whether it is economically and otherwise feasible to reconstruct the Property in a substantially similar manner. If the Property is reconstructed in a substantially similar design, this easement shall continue in force and apply to the reconstructed Property. If the Property is not reconstructed in a substantially similar design, this easement shall terminate upon agreement by the Grantee that reconstruction in a substantially similar design will not take place.

5. RIGHT TO INSPECT

The Grantor agrees that the Grantee, its employees, agents and designees shall have the right to inspect the Property at all reasonable times, with twenty-four hours written notice, in order to ascertain whether the terms and conditions of this easement agreement are being observed.

6. REMEDIES OF GRANTEE

Grantee shall have all remedies available to it at law or equity and Grantor agrees that money damages shall be insufficient compensation to Grantee for any breach by Grantor.

The Grantee shall have the right to prevent and correct violations of the terms of this easement. If the Grantee, upon inspection of the property, finds what appears to be a violation, it may exercise its discretion to seek injunctive relief in a court having jurisdiction. Except when an ongoing or imminent violation will irreversibly diminish or impair the cultural, historical and architectural importance of the Property, the Grantee shall give the Grantor written notice of the violation and allow thirty (30) days to correct the violation before taking any formal action, including, but not limited to, legal action. If a court, having jurisdiction, determines that a violation exists or has occurred, the Grantee may obtain an injunction to stop the violation, temporarily or permanently. A court may also issue a mandatory injunction requiring the Grantor to restore the Property to a condition that would be consistent with preservation purposes of the grant from the Texas Historic Courthouse Preservation Program. In any case in which a court finds that a violation has occurred, the court may require the Grantor to reimburse the Grantee and the Texas Attorney General for all the State's expenses incurred in stopping, preventing, or correcting the violation, including but not limited to reasonable architect's and attorneys' fees and court costs. The failure of the Grantee to discover a violation or to take immediate action to correct a violation shall not bar it from doing so at a later time.

7. ASSIGNMENT, SUCCESSORS AND ASSIGNS

- a. This Easement shall extend to and be binding upon Grantor and all persons hereafter claiming by, under or through Grantor, and the word "Grantor" when used herein shall include all such entities or persons whether or not such entities or persons have signed this instrument or had any interest in the Property at the time it was signed. Anything contained herein notwithstanding, a person shall have no obligation, pursuant to this Easement, if and when such person shall cease to have any (present, partial, contingent, collateral or future) interest in the Property or any portion thereof by reason of a bona fide transfer for value.
- b. On any sale, other conveyance of any type, or lease of any interest in the Property by the Grantor to a stranger to this Easement, Grantor shall notify Grantee of such sale, other type of conveyance or lease, and shall provide to Grantee all of the information in Grantor's possession that can be used to contact such stranger to this Easement not less than thirty (30) days prior to the contemplated transfer, in writing, by certified mail with postage prepaid and return receipt requested, addressed to the Grantee as follows:

Texas Historical Commission
Post Office Box 12276
Austin, Texas 78711

Or to such other address as Grantee may from time to time designate in writing to the Grantor. A copy shall also be sent to the chairman of the Jefferson County Historical Commission. Upon receipt of notice of the contemplated transfer, the Grantee shall consider the purpose and effect of the proposed transfer and may approve or disapprove the transfer, if it is determined that the transfer would be inconsistent with the purposes of this Easement. This provision shall expire when this Easement expires or fifty years from the date this easement takes effect (whichever occurs first).

- c. Grantee agrees that it will hold this Easement exclusively for conservation purposes: that is, it will not transfer this Easement for money, other property or services.

8. RESERVATION

- a. Grantor reserves the free right and privilege to the use of the Property for all purposes not inconsistent with the grant made herein.
- b. Nothing contained in this Easement shall be interpreted to authorize, require or permit Grantor to violate any ordinance relating to building materials, construction methods or use. In the event of any conflict between any such ordinance and the terms hereof, Grantor shall promptly notify Grantee of such conflict and Grantor and Grantee shall agree upon such modifications consistent with sound preservation practices, the Secretary of the Interior's Standards for the Treatment of Historic Properties, 1995 and consistent with the requirements of such ordinance

9. ACCEPTANCE

Grantee hereby accepts the right and interest granted to it in this Easement.

10. GRANTOR'S INSURANCE

- a. Except as provided in subsection b below, Grantor shall maintain, at its own cost, insurance against loss from the perils commonly insured under standard fire and extended coverage policies and comprehensive general liability insurance against claims for personal injury, death and property damage in such amounts as would normally be carried on a property such as that subject to this Easement, it being agreed that as of the date of this Easement, Grantor's present coverage in the amount of the estimated replacement cost of the building located on the Property (fire and extended coverage insurance). Such insurance shall include Grantee's interest and name Grantee as an additional insured and shall provide for at least thirty (30) days notice to Grantee before cancellation and that the act or omission of one insured will not invalidate the policy as to any other insured. Furthermore, Grantor shall deliver to Grantee certificates or other such documents evidencing the aforesaid insurance coverage at the commencement of this grant and a new certificate at least ten (10) days prior to the expiration of each such policy.
- b. For counties that are self-insured, there must be evidence of financial ability to repair or reconstruct the courthouse in the event of any potential loss. Counties claiming to be self-insured may be required to provide evidence supporting that claim.

- c. In the event that the Property or any part of it shall be damaged or destroyed by fire, flood, windstorm, earth movement, or other casualty, the Grantor shall notify the Grantee in writing within 14 days of the damage or destruction, such notification including what, if any, emergency work has already been completed. No repairs or reconstruction of any type, other than temporary emergency work to prevent further damage to the Property and to protect public safety, shall be undertaken by the Grantor without the Grantee's prior written approval indicating that the proposed work will meet the Standards. The Grantee shall give its written approval, if any, of any proposed work within 60 days of receiving the request from the Grantor. If the damage of or destruction to the Property is deliberately caused by the gross negligence of the Grantor or a future owner, then the Grantee will initiate the requisite legal action to recover, at a minimum, the Program funds applied to the Property.

11. RELEASE AND INDEMNIFICATION

To the extent allowed by the Constitution and laws of the State of Texas, Grantor shall be responsible for and does hereby release and relieve Grantee, its officers, directors, agents and employees, and will defend and hold Grantee, its officers, directors, agents and employees, harmless of, from and against any and all liabilities, obligations, damages, penalties, claims, costs, charges and expenses which may be imposed upon or incurred by Grantee by reason of loss of life, personal injury and/or damages to property occurring in or around the Property occasioned in whole or in part by the negligence of Grantor, its agents or employees.

12. REVIEW, APPROVAL AND ADDITIONAL COSTS

Whenever the consent or approval of Grantee is required, it shall not be unreasonably withheld or delayed. In any event, Grantee shall respond to any request for consent within thirty (30) days (except under extraordinary circumstances) or such consent shall be deemed to have been given. The provisions of this paragraph shall apply to any request of Grantor for consent to and approval of plans and specifications by Grantee in the event of proposed restorations or alteration pursuant to the terms of this Easement.

13. NO THIRD PARTY BENEFICIARY

Anything to the contrary notwithstanding in this Agreement, all rights, privileges and benefits are for the exclusive use of the parties hereto, and there shall be no third party beneficiary hereof.

14. WORK DONE AS A CONDITION OF ACCEPTING THE GRANT

Grantee acknowledges that substantial corrective and restoration work has been done or will be done by the Grantor to preserve the historic architectural integrity of the Property. The corrective and restoration work shall be completed by Grantor in accordance with the grant, the Funding Agreement, and this Easement.

15. TERM OF AGREEMENT

This Easement shall become valid on the date of the last signature included herein and remain in effect in perpetuity unless terminated earlier by agreement of the parties. Notwithstanding, this Easement shall

Grant of Easement

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terminate if either the Funding Agreement, or Grantee's participation in the Program, are terminated prior to the receipt of any amount of the grant award.

16. SUPERSEDING CLAUSE

This Easement and the provisions contained herein shall supersede all previous easements granted by the Grantor to the Grantee on the Property described herein. Any previous easement shall hereafter be null and void as of the date this Easement is filed in the deed records of Jefferson County.

17. SEVERANCE CLAUSE

In the event any provision of this Easement is found to be invalid, the remaining provisions of the Easement shall remain in force and effect as if such invalid provision had not been a part of the Easement.

This Easement is for the benefit of and appurtenant to the land, or any portion of the land, in the County of Jefferson, State of Texas, described as follows:

In witness, this GRANT is executed on the _____ day of _____, in the year _____.

Grantor: Jefferson County

By: _____
Jefferson County Judge

STATE OF TEXAS:

On this the ___ day of _____, in the year _____, before me, a Notary Public in and for the State of Texas, _____, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the Grant of Easement acknowledged that they executed the same for the purposes therein contained.

In witness whereof, I here unto set my hand and official seal.

Notary Public

Grantee: Texas Historical Commission

By: _____
Mark Wolfe
Executive Director

STATE OF TEXAS:

On this the ___ day of _____, in the year _____, before me, a Notary Public in and for the State of Texas, the undersigned officer, personally appeared Mark Wolfe, who acknowledged himself to

Grant of Easement

be Executive Director of the Texas Historical Commission, a state agency organized under the laws of the State of Texas, and that he as such Executive Director, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the Texas Historical Commission by himself as Executive Director.

In witness whereof, I here unto set my hand and official seal.

Notary Public



PROCLAMATION

STATE OF TEXAS	§	COMMISSIONERS COURT
	§	
COUNTY OF JEFFERSON	§	OF JEFFERSON COUNTY, TEXAS

BE IT REMEMBERED at a meeting of Commissioners' Court of Jefferson County, Texas, held on the ____ day of _____, 2015, on motion made by _____, Commissioner of Precinct No. ____, and seconded by _____, Commissioner of Precinct No. ____, the following Proclamation was adopted:

MOTORCYCLE SAFETY AND AWARENESS MONTH

WHEREAS, today's society is finding more citizens involved in motorcycling on the roads of our country; and

WHEREAS, motorcyclists are roughly unprotected and much more likely to be injured or killed in a crash than other vehicle drivers; and

WHEREAS, campaigns have helped inform riders and motorists alike on motorcycle safety issues to reduce motorcycle related risks, injuries, and most of all fatalities, through a comprehensive approach to motorcycle safety; and

WHEREAS, it is the responsibility of all who put themselves behind the wheel, to become aware of motorcyclists, regarding them with the same respect as any other vehicle traveling the highways of this country; and

WHEREAS, urging all of our community to become aware of the inherent danger involved in operating a motorcycle and give the operator the respect on the road they deserve.

NOW, THEREFORE, the Commissioners' Court of Jefferson County, Texas, does hereby proclaim the month of May, 2015 as **MOTORCYCLE SAFETY AND AWARENESS MONTH** in Jefferson County Texas and we urge all citizens to remain aware of motorcyclists and afford them the courtesies they deserve while utilizing our highways.

SIGNED this ____ day of _____, 2015.

JUDGE JEFF R. BRANICK
 County Judge

COMMISSIONER EDDIE ARNOLD
 Precinct No. 1

COMMISSIONER MICHAEL S. SINEGAL
 Precinct No. 3

COMMISSIONER BRENT A. WEAVER
 Precinct No. 2

COMMISSIONER EVERETTE D. ALFRED
 Precinct No. 4

**AGENDA ITEM****April 27, 2015**

Consider and possibly approve a Resolution of the Gulf Coast Community Protection and Recovery District, Inc. (GCCPRD) to authorize amendment of the professional services between GCCPRD and Dannenbaum Engineering Corporation.

COUNTY OF JEFFERSON COUNTY**RESOLUTIONS**

WHEREAS, Gulf Coast Community Protection and Recovery District, Inc. (the "Corporation") was incorporated by the Counties of Brazoria, Chambers, Galveston, Harris, Jefferson and Orange (collectively, the "Sponsors") to aid the upper gulf coast region in the development of a regional plan to protect the region from future storm surge; and

WHEREAS, the Corporation and Dannenbaum Engineering Corporation ("Dannenbaum") entered into that certain professional services agreement effective December 3, 2013, as amended by that certain First Amendment thereto effective February 25, 2014 (as previously amended, the "Agreement"); and

WHEREAS, the Board of Directors of the Corporation desires to amend the Agreement as provided in that certain Second Amendment attached hereto as Exhibit "A" (the "Second Amendment") for the purposes of (i) replacing the current Basic Fee (as defined in the Agreement) paid to Dannenbaum with a firm maximum not-to-exceed fee of \$757,000.00, and (ii) increasing the aggregate amount that may be paid to Dannenbaum for services performed through its authorized subcontractors to \$2,796,008.00; and

WHEREAS, the Articles of Incorporation of the Corporation require that the Commissioners Court of each sponsoring County approve any agreement of the Corporation that exceeds \$600,000.00; and

WHEREAS, it is necessary that the Commissioners Court of Jefferson County, Texas authorize its appointed director of the Corporation, to authorize the President of the Corporation to negotiate, execute and deliver the Second Amendment.

NOW THEREFORE, BE IT RESOLVED, that the form, terms and provisions of the Second Amendment are hereby in all respects approved by the Commissioners Court of Jefferson County, Texas; and

BE IT FURTHER RESOLVED, that the Commissioners Court of Jefferson County, Texas hereby grants the authority necessary to County Judge, Jeff R. Branick, as a director of the Corporation, to authorize the President of the Corporation to negotiate, execute and deliver the Second Amendment.

SIGNED this ____ day of _____, 2015

JUDGE JEFF R. BRANICK
County Judge

COMMISSIONER EDDIE ARNOLD
Precinct No. 1

COMMISSIONER MICHAEL SINEGAL
Precinct No. 3

COMMISSIONER BRENT A. WEAVER
Precinct No. 2

COMMISSIONER EVERETTE D. ALFRED
Precinct No. 4

**SECOND AMENDMENT
TO AGREEMENT BETWEEN
GULF COAST COMMUNITY PROTECTION AND RECOVERY DISTRICT, INC.
AND
DANNENBAUM ENGINEERING CORPORATION**

This SECOND AMENDMENT (this "Amendment") is entered effective as of the Second Amendment Effective Date (as defined below), by and between GULF COAST COMMUNITY PROTECTION AND RECOVERY DISTRICT, INC. ("Gulf Coast"), a corporation incorporated under the Texas Transportation Corporation Act, Texas Local Government Code and the Texas Non-Profit Corporation Act, with Brazoria County, Chambers County, Galveston County, Harris County, Jefferson County and Orange County, Texas as "Sponsors" and DANNENBAUM ENGINEERING CORPORATION ("Dannenbaum"), a corporation organized under the laws of the State of Texas. Gulf Coast and Dannenbaum are referred to herein collectively as the "Parties" and individually as a "Party."

RECITALS:

WHEREAS, the Parties entered into that certain agreement titled *Agreement between Gulf Coast Community Protection and Recovery District, Inc. and Dannenbaum Engineering Corporation*, effective as of December 3, 2013 (the "Original Agreement"), and that certain First Amendment to Original Agreement, effective February 25, 2014 (the "First Amendment," together with the Original Agreement, the "Agreement");

WHEREAS, Dannenbaum provides professional engineering, planning and consulting to Gulf Coast (the "Services") pursuant to the Agreement;

WHEREAS, the Basic Fee (as defined in the Agreement) paid to Dannenbaum for the Services is \$550,000.00;

WHEREAS, Gulf Coast desires to replace the Basic Fee paid to Dannenbaum with a firm maximum not-to-exceed fee of \$757,000.00;

WHEREAS, the Services may be performed by one or more subcontractors if approved by Gulf Coast;

WHEREAS, Gulf Coast previously approved Dannenbaum performing Services through certain authorized subcontractors in an amount not to exceed \$2,000,000.00 in the aggregate; and

WHEREAS, Gulf Coast desires to increase the aggregate amount that may be paid to Dannenbaum for services performed through its authorized subcontractors.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below and other good and valuable consideration, the receipt and sufficiency of which consideration is acknowledged and confessed by each of the Parties, the Parties do hereby agree as follows:

1. Amendment to Section 4.A. of the Original Agreement. Section 4.A. of the Original Agreement is hereby deleted in its entirety and replaced with the following:

"4. DANNENBAUM'S COMPENSATION

A. Gulf Coast agrees to pay to Dannenbaum, a firm maximum not-to-exceed fee of \$757,000.00, according to the hourly rate schedule as set forth on **Exhibit "A"** attached hereto and made a part hereof. Such fee includes any authorized reimbursements or additional services. The Parties contemplate from time to time during the term of this agreement that Dannenbaum may change those Dannenbaum employees holding the positions as set forth on **Exhibit "A"** and any such changes in either the position or the hourly rate must receive the prior written consent of the President of Gulf Coast before any such change shall become effective."

2. Amendment to Section 1 of the First Amendment. Section 1 of the First Amendment is hereby deleted in its entirety and replaced with the following:

"1. Gulf Coast shall pay Dannenbaum up to \$2,796,008.00 for the work performed by the subcontractors listed below in accordance with Section 5 of the Agreement; provided, however, in no event shall the aggregate amount paid to Dannenbaum's subcontractors exceed the amounts listed next to each subcontractor below:

- a. Klotz Associates, Inc. – \$600,000.00
- b. Carroll & Blackman, Inc. – \$317,120.00
- c. Arcadis U.S., Inc. – \$1,417,587.00
- d. Capstar Program Consulting LLC – \$53,018.00
- e. David Hagy – \$155,600.00
- f. Crouch Environmental Services, Inc. – \$189,893.00
- g. Copano Communications, LLC – \$18,900.00
- h. Moca Systems, Inc. – \$43,890.00"

3. Dannenbaum, itself and through its approved subcontractors, shall furnish the Services. Dannenbaum acknowledges and agrees that neither Dannenbaum nor its subcontractors shall receive any payments in excess of those listed in Section 1 and Section 2 of this Amendment.

4. The **Exhibit "A"** attached to the Original Agreement is hereby deleted in its entirety and replaced with the **Exhibit "A"** attached to this Amendment.
5. "Second Amendment Effective Date" shall mean the date that this Amendment has been approved by order of the Commissioners Courts of all of the Sponsors.
6. Terms defined in the Agreement and delineated herein by initial capital letters shall have the same meaning ascribed thereto in the Agreement, except to the extent that the meaning of such term is specifically modified by the provisions hereof. In addition, other terms not defined in the Agreement but defined herein will, when delineated with initial capital letters, have the meanings ascribed thereto in this Amendment. Terms and phrases which are not delineated by initial capital letters shall have the meanings commonly ascribed thereto.
7. Except as expressly amended herein, the Agreement remains in full force and effect. This Amendment and the Agreement shall be construed as one instrument.
8. The Agreement as amended by this Amendment contains all of the terms, covenants, conditions and agreements between the Parties relating to the subject matter hereof. No prior or other agreements or understanding pertaining to such matters are valid or of any force and effect.

[The remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, Gulf Coast and Dannenbaum have executed this Amendment as of the date set forth below each Party's signature.

**GULF COAST COMMUNITY
PROTECTION AND RECOVERY
DISTRICT, INC.**

By: _____
Robert A. Eckels
President

Date: _____

**DANNENBAUM ENGINEERING
CORPORATION**

By: _____
James D. Dannenbaum
President

Date: _____

Exhibit "A"

**AGENDA ITEM****April 27, 2015**

Consider, possibly approve, authorize the County Judge to execute and receive and file Change Order No. 4 for the Main B Diversion Project and Change Order No. 1 for the Rodair Gully Lateral 3A Project with the Texas General Land Office Disaster Recovery Program. (Jefferson County Drainage District No. 7 will provide additional funds for these changes.)



Texas General Land Office Disaster Recovery

Construction Contract Change Order Request Form

Engineer: Carroll & Blackman, Inc 3120 Fannin Street Beaumont, Texas 77701 Phone No.: 409-833-3363	Owner (Contractor Locality): Jefferson County 1149 Pearl Street Beaumont, Texas 77701 Phone No.: 409-835-8500	Contractor: MK Constructors 2485 N. Street Vidor, Texas 77662 Agreement Date: 12/09/13 Phone No.: 409-769-0089	
Date: Project Code No.: P00940B-5 Bid Package No.: 10402-1_BID7	Contract For (Project Description): Drainage District No. 7 Ditch Improvement, Lateral 3A	GLO Contract No.: DRS010219 Change Order No.: 1	
You are hereby requested to comply with the following changes from the contract plans and specifications:			
Item No.	Description of Changes: Quantities, Units, Unit Prices, Change in Completion Scheduled, Etc.	Decrease in Contract Price	Increase in Contract Price
1	Installation of two (2) catch basins at end of 9 th Street at \$5,330.00 each.		\$10,660.00
2	Installation of 58 LF of guardrail on the culvert crossing of 11 th Street and Lateral 3A.		\$5,420.00
3	Installation of two (2) 6' gates, one at each ramp and two (2) 12' gates at 9 th Street.		\$4,010.00

<u>Change in Contract Price</u>	<u>Change in Contract Time (Calendar Days)</u>
Original Contract Price: \$988,083.00	Original Contract Time: 180 working days
Previous Change Order(s): No. to No. \$0.00	Net Change From Previous Change Orders: 0 days
Contract Price Prior to this Change Order: \$988,083.00	Contract Time Prior to this Change Order: 180 working days
Net Increase/Decrease of this Change Order: \$20,090.00	Net Increase/Decrease of this Change Order: 0 days
Contract Price With all Approved Change Orders: \$1,008,173.00	Contract Time With all Change Orders: 180 working days
Cumulative Percent Change in Contract Price (+/-): +1.99%	Grantee Contract End Date: (mm/dd/yy) 12 / 31 /15
Construction Contract Start Date: (mm/dd/yy) 1 / 06 /14	Construction Contract End Date: (mm/dd/yy) 06 / 12 /15

Reimbursements of costs included in this change order are subject to review by the GLO-DR program.
 * This document may be executed prior to submission for GLO-DR program review, but all parties involved will be held responsible if the change order or the amendment warranted as a result of this change order is not in compliance with CDBG or HUD requirements.

RECOMMENDED:

By: 

ENGINEER

Date: 4/15/15

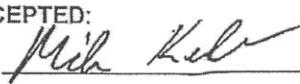
APPROVED:

By: _____

OWNER

Date: _____

ACCEPTED:

By: 

CONTRACTOR

Date: 4-14-15

JUSTIFICATION FOR CHANGE

1. Will this Change Order increase or decrease the number of beneficiaries?	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input checked="" type="checkbox"/> No Change
If there is a change, how many beneficiaries will be affected?	Total _____	L/M _____	
2. Effect of this change on scope of work:	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input checked="" type="checkbox"/> No Change
3. Effect on operation and maintenance costs:	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input checked="" type="checkbox"/> No Change
4. Are all prices in the change order dependent upon unit prices found in the original bid?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
If "No", explain: Change order is to cover items not anticipated in the original bid and found in field once construction began.			
5. Has this change created new circumstances or environmental conditions which may affect the project's impact, such as concealed or unexpected conditions discovered during actual construction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
If "Yes", is an Environmental Re-assessment required?			
6. Is the Texas Commission on Environmental Quality (TCEQ) clearance still valid? (if applicable)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
7. Is the TCEQ permit approval still valid? (sewer projects only)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
8. Are the handicapped access requirements/approval still valid? (if applicable)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
9. Are other Disaster Recovery contractual special condition clearance still valid?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
(If no, specify):			

NOTE:

- * Generally, a cumulative change in the contract price in excess of 25% cannot be reviewed (18% **decrease** for counties).



Texas General Land Office Disaster Recovery

Construction Contract Change Order Request Form

Engineer: Carroll & Blackman, Inc 3120 Fannin Street Beaumont, Texas 77701 Phone No.: 409-833-3363	OWNER (Contractor Locality): Jefferson County 1149 Pearl Street Beaumont, Texas 77701 Phone No.: 409-835-8500	Contractor: MK Constructors 2485 N. Street Vidor, Texas 77662 Agreement Date: 11/12/13 Phone No.: 409-769-0089
Date: Project Code No.: P00939 Bid Package No.: 10402-1_BID4	Contract For (Project Description): Drainage District No. 7 Ditch Improvement, Main "B" Diversion	GLO Contract No.: DRS010219 Change Order No.: 4

You are hereby requested to comply with the following changes from the contract plans and specifications:

Item No.	Description of Changes: Quantities, Units, Unit Prices, Change in Completion Scheduled, Etc.	Decrease in Contract Price	Increase in Contract Price
1	Installation of 80 tons of 18" rock riprap @ \$82/ton around the TxDOT culvert and northeast wall end section.		\$6,560.00
2	Installation of 15 tons of 3"-5" rock riprap @ \$53/ton to place on top of the large rock riprap around the northeast wall end section.		\$795.00

3	Installation of approximately 166 LF of timber post cable fence along the concrete retaining walls on the east side of the bridge. 7" x 7' 3" domed posts will be spaced at 12' 6" apart with a double run of 1/2" steel cable.		\$7,985.00
<u>Change in Contract Price</u>		<u>Change in Contract Time (Calendar Days)</u>	
Original Contract Price:	\$2,961,035.00	Original Contract Time:	200 working days
Previous Change Order(s): No. 1 to No. 3	\$136,131.03	Net Change From Previous Change Orders:	17 days
Contract Price Prior to this Change Order:	\$3,116,071.00	Contract Time Prior to this Change Order:	217 working days
Net Increase/Decrease of this Change Order:	\$15,340.00	Net Increase/Decrease of this Change Order:	2 days
Contract Price With all Approved Change Orders:	\$3,131,411.00	Contract Time With all Change Orders:	264 working days
Cumulative Percent Change in Contract Price (+/-): +5.75%		Grantee Contract End Date: (mm/dd/yy)	12 / 31 /15
Construction Contract Start Date: (mm/dd/yy)	12 / 02 /13	Construction Contract End Date: (mm/dd/yy)	04 / 12 /15

Reimbursements of costs included in this change order are subject to review by the GLO-DR program.
*** This document may be executed prior to submission for GLO-DR program review, but all parties involved will be held responsible if the change order or the amendment warranted as a result of this change order is not in compliance with CDBG or HUD requirements.**

RECOMMENDED:

By: 

ENGINEER

Date: 4/15/15

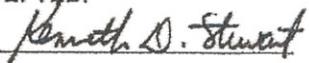
APPROVED:

By: _____

OWNER

Date: _____

ACCEPTED:

By: 

CONTRACTOR

Date: 4.15.15**JUSTIFICATION FOR CHANGE**

1. Will this Change Order increase or decrease

the number of beneficiaries?

 Increase Decrease No Change

If there is a change, how many beneficiaries will be affected?

Total ____ L/M ____

2. Effect of this change on scope of work:

 Increase Decrease No Change

3. Effect on operation and maintenance costs:

 Increase Decrease No Change

4. Are all prices in the change order dependent upon unit prices

found in the original bid?

 Yes No

If "No", explain: Change order is to cover items not anticipated in the original bid and found in field once construction began.

5. Has this change created new circumstances or environmental

conditions which may affect the project's impact, such as

concealed or unexpected conditions discovered during actual

construction?

 Yes No

If "Yes", is an Environmental Re-assessment required?

6. Is the Texas Commission on Environmental Quality (TCEQ)

clearance still valid? (if applicable)

 Yes No

7. Is the TCEQ permit approval still valid? (sewer projects only)

 Yes No

8. Are the handicapped access requirements/approval

still valid? (if applicable)

 Yes No

9. Are other Disaster Recovery contractual special condition clearance

**AGENDA ITEM****April 27, 2015**

Consider and possibly approve a Tax Abatement Agreement between Jefferson County, Texas and Emerald Biofuels pursuant to Section 312.401, Texas Tax Code.



STATE OF TEXAS

§

COUNTY OF JEFFERSON

§

§

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

Pursuant to Section 312.401 of the Texas Tax Code, this Tax Abatement Agreement (hereinafter referred to as the “AGREEMENT”) is made and entered into by and between Jefferson County (hereinafter sometimes referred to as “the COUNTY”, and EMERALD BIOFUELS, LLC. (hereinafter sometimes referred to as EMERALD BIOFUELS the “OWNER”.

1. RECITALS

WHEREAS, OWNER possesses interests in taxable real property located within the Project Weldon Reinvestment Zone, the designation of which was implemented by the COUNTY by an Order dated MARCH 23, 2015 (hereinafter referred to as the “REINVESTMENT ZONE”

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

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

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

County agrees to take the steps necessary to amend the Reinvestment Zone boundary upon request of EMERALD BIOFUELS Company.

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

2. AUTHORIZATION

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

3. DEFINITIONS

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

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

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

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

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

“Ineligible Property” is fully taxable and ineligible for tax abatement and includes land, supplies, inventory, housing, vehicles, improvements for the generation or transmission of electrical energy not wholly consumed by a new facility or expansion; any improvements, including those to produce, store or distribute natural gas, fluids or gasses, which are not integral to the operation of the facility; deferred maintenance, property to be rented or leased, property which has a productive life of less than ten years, or any other property for which abatement is not allowed by state law.

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

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

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

The maximum dollar value for equipment that OWNER intends to claim to the TCEQ as exempt from taxation is 10% of cost (“Intended Maximum”), though that number could change as current estimated project costs are refined. It is understood that the COUNTY would not have agreed to this abatement percentages if it were known that the actual exempt property claimed by OWNER would exceed the Intended Maximum. In the event OWNER ultimately claims an amount in excess of the Intended Maximum (such amount the “Exempt Property Excess”), the percentage of abatement described in the “Abatement Schedule” shall be reduced pro rata so as to reimburse the COUNTY for the total decrease in County tax revenue during the abatement period beginning on January 1, 2018 which is expected to result from the Exempt Property Excess. It is understood and agreed that EMERALD BIOFUELS will not seek a tax exemption for any equipment or portion of the facility which merely reduces the pollution characteristics of the finished product produced by the facility and that an exemption will only be sought for equipment and technology utilized to reduce pollution at or around the facility.

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

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

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

4. TERM OF ABATEMENT

This AGREEMENT shall be effective and enforceable upon execution by both parties (which date is herein referred to as the "Effective Date"). The Term of the Abatement pursuant to this AGREEMENT shall begin on January 1, 2018 and shall terminate on December 31, 2023, unless sooner terminated pursuant to other provisions of this AGREEMENT. Should OWNER not begin the construction of the PROJECT by December 31, 2016, this AGREEMENT shall be null and void.

5. OWNER REPRESENTATIONS/OBLIGATIONS

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

- a. As a result of the PROJECT, and upon its Completion (currently estimated to be not later than the first quarter, 2018, maintain a level of not less than 50 new full-time jobs, using headcount as of January 1, 2018 as the starting point, relating to the PROJECT during the remaining term of this AGREEMENT; provided, however that OWNER may reduce employment levels due to improved efficiencies or changing economic conditions during the term of this AGREEMENT as long as such employment levels do not fall below 50 full-time jobs for total on site employment by owner during said term.. In the event that such employment falls below 50 full-time jobs for total on site employment, Abatement shall be reduced proportionate to such employment decline beginning with the tax year in which the decline occurs and each tax year thereafter per the example calculation cited below where:

A1 = initial Abatement \$s
 A2 = revised Abatement \$s
 E1 = 50 full-time jobs
 E2 = revised employee count
 $A2 = A1 \times (E2/E1)$

- b. Report and certify the requisite job levels to the COUNTY, annually during each tax year under this AGREEMENT;
- c. Construct the PROJECT with an estimated investment in excess of \$315,000,000;
- d. Make available to the COUNTY information concerning the details of contractor bids, every quarter, during the construction phase of the PROJECT under the express understanding that COMPANY is providing the COUNTY such contractor bid information on a strictly confidential basis so as to maintain the integrity of the competitive bid process;
- e. Report and certify to the COUNTY the requisite cost of the PROJECT within 120 days after the completion of the PROJECT (or 120 days after the Effective Date, whichever is later);
- f. Ensure that qualified local labor, vendors, suppliers, and sub-contractors are given a timely opportunity to bid on contracts for the provision of supplies, goods and services (including engineering and construction services, *e.g.*, piping, electrical, civil, fabrication) in connection with construction of the PROJECT and any turnaround project which is undertaken as part of or in connection with the PROJECT during the term of the abatement period. Such consideration shall be made in good faith without discrimination. For purposes of the foregoing:
 - (i) Local labor” is defined as those qualified laborers or craftsmen who are residents and domiciliaries of the nine county regions comprised of Jefferson, Orange, Hardin, Jasper, Newton, Liberty, Tyler and Chambers Counties, as well as the Bolivar Peninsula area of Galveston County. “Local vendors” and “local suppliers” shall include only those located or having a principal office in Jefferson County. “Local subcontractors” shall include only those located or having a principal office in Jefferson County.
 - (ii) OWNER agrees to give preference and priority to local manufacturers, suppliers, vendors, contractors and labor, except where not reasonably possible to do so without significant added expense, substantial inconvenience, or sacrifice in operating efficiency. For any such exception in cases involving purchases over \$1 million, a justification for such purchase shall be included in OWNER’S annual letter of compliance. OWNER further acknowledges that it is a contractual obligation, under this agreement, of persons receiving property tax abatements to favor local manufacturers, suppliers, contractors, and labor, all other factors being

equal. In the event of a breach of this “buy local” provision, OWNER agrees that the percentage of abatement shall be proportionately reduced in an amount equal to the amount the disqualified contract bears to the total construction cost for the PROJECT.

- ii) OWNER agrees to provide bidding information to local qualified contractors, vendors, manufacturers and labor to allow them to have sufficient information and time to submit their bids, and pre-bid meetings shall be held between OWNER and potential local bidders and suppliers of services and materials.
- g. Report and certify to the COUNTY, quarterly the total number of dollars spent on local labor, local subcontractors and local vendors/suppliers in connection with the PROJECT;
- h. Not in any way discriminate against or treat disparately union contractors who choose to participate in the competitive bid process relating to work on the PROJECT, nor discriminate against or treat disparately union members who seek employment on the PROJECT; and
- i Encourage and promote the utilization of Historically Underutilized Businesses (HUBs) (also known as Disadvantaged Business Enterprises, or DBEs) by the general contractor engaged by OWNER to construct the PROJECT and any turnaround project which is undertaken as part of or in connection with the PROJECT during the term of the abatement period by ensuring qualified HUB/DBE vendors and contractors are given a timely opportunity to bid on contracts for supplies and services. For purposes of the foregoing:
 - (i) A HUB/DBE is a business owned or controlled by Socially and Economically Disadvantaged Individuals as defined by all applicable federal or state laws and local policies, including Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Asian Indian Americans, women, and individuals with disabilities.
 - (ii) A HUB/DBE is one that is at least 51 percent owned or controlled by one or more women or Socially and Economically Disadvantaged Individuals or, in the case of a publicly-owned business, one that at least 51 percent of the stock of which is controlled by one or more women or Socially and Economically Disadvantaged Individuals.
 - (iii) A business that has been certified as a HUB/DBE by an agency of the federal government or the State of Texas is presumed to be a HUB/DBE for purposes of Agreement.
 - (iv) Only a HUB/DBE with its principal office in the State of Texas will be recognized as a HUB/DBE for purposes of this Agreement. A list of HUB/DBE vendors/suppliers is maintained in the COUNTY office and a list of same is attached

hereto as Exhibit D. As to the use of qualified local and HUB/DBE vendors, suppliers and sub-contractors, OWNER will, at a minimum:

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

6. VALUE OF ABATEMENT

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

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

7. QUARTERLY MONITORING MEETINGS

With respect to the quarterly monitoring meetings referenced in Section 5(d) above, the County Judge, County Commissioners, or their designee(s) shall be allowed to attend such quarterly monitoring meetings, on the express condition that they execute a confidentiality agreement prepared by OWNER so as to protect confidential information

which may be disclosed to them during or as a result of such monitoring meetings. OWNER agrees to reimburse the COUNTY in an amount not to exceed to \$4,000.00 annually for the costs or expenses actually incurred by the COUNTY in monitoring the status of the bidding process every quarter during the construction phase of the PROJECT.

8. TAXABILITY

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

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

9. ADJUSTMENTS TO ABATEMENT FOR BASE YEAR VALUE DECLINE

The Jefferson County Appraisal District will establish the certified values of Eligible Property as of January 1, 2018, as set forth on attached Exhibit "B," and such values shall be the values used to calculate the Base Year Value as herein defined. If on January 1st of any tax year listed on the "Tax Abatement Schedule" the Taxable Value is less than the Base Year Value, then the abatement of value otherwise available shall be reduced by one dollar for each dollar that the Taxable Value of realty improvements is less than the Base Year Value, except that no such reduction of Owner's abatement shall be made should any reduction to Taxable Value of Owner's Eligible Property result from a Force Majeure event.

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

It is understood and agreed that if, with respect to any tax year during the abatement, the Owner prevails in an action to contest the appraised value of any and all industrial realty improvement accounts that pertain to this agreement on the basis of unequal appraised value as defined by Property Tax Code Section 42.26, the following will occur:

- a. the abatement will be recalculated for any adjustments due to the contract floor; and,

- b. the abatement will be further reduced dollar for dollar for any amount that the value of the industrial realty improvements as determined by the Court is reduced from the value as set by the Appraisal Review Board for the tax year under contest.

10. POLLUTION CONTROL EXEMPTION

The COUNTY understands that OWNER plans (i) to request from the TCEQ a determination under Section 11.31 of the Texas Tax Code that certain property included in the New Eligible Property is pollution control property, and (ii) to apply for an exemption from ad valorem taxes under Section 11.31 of the Texas Tax Code with respect to all or a portion of such property determined by the TCEQ to be pollution control property. OWNER represents that the exempt value of such pollution control property will not exceed ten percent (10%) of the value of the Project in any year of Abatement under this AGREEMENT. OWNER agrees that in the event the exempt value of such pollution control property exceeds ten percent (10%) of the value of the Project in any year of Abatement under this AGREEMENT, the abated value will be reduced accordingly.

11. EVENT OF DEFAULT

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

claiming relief as a consequence thereof; provided, however, that "Force Majeure Event" does not include the inability to make payment or financial distress.

12. ASSIGNMENT

OWNER may assign this AGREEMENT, in whole or in part, to a new owner or lessee of the same PROJECT, or a portion thereof, or to an Affiliate of OWNER upon written approval by resolution of the COMMISSIONERS COURT of such assignment, and approval shall not be unreasonably withheld or delayed. It shall not be unreasonable for the COURT to withhold approval if OWNER or the proposed assignee is liable to the COUNTY for outstanding taxes or other obligations.

13. ENTIRE AGREEMENT

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

14. SUCCESSORS AND ASSIGNS

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

15. NOTICE

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

Emerald Biofuels

By: _____

Title: _____

Address: _____

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

With a copy to: Ms. Kathleen Kennedy, Chief Civil Attorney
Criminal District Attorney
1149 Pearl Street, 3rd Floor
Beaumont, Texas 77701
(409) 835-8550
(409) 835-8573 (facsimile)

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

16. MERGER

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

17. INTERPRETATION

The Parties acknowledge that both have been represented by counsel of their choosing in the negotiation and preparation of the AGREEMENT. Regardless of which party prepared the initial draft of this AGREEMENT, this AGREEMENT shall, in the event of any dispute over its meaning or application, be interpreted without reference to the

principle of construction favoring the party who did not draft the AGREEMENT under construction.

18. APPLICABLE LAW AND VENUE

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

19. SEVERABILITY

In the event any provision of this AGREEMENT is illegal, invalid, or unenforceable under present or future laws, then, and in that event, it is the intention of the Parties hereto that the remainder of this AGREEMENT shall not be affected thereby, and it is also the intention of the Parties to this AGREEMENT that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable, a provision be added to this AGREEMENT which is legal, valid, and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

Executed in duplicate this the __ day of _____, 2015.

FOR THE COUNTY:

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

FOR EMERALD BIOFUELS

By: _____

Title:

EXHIBIT A “Description of Project”

The proposed project is a facility to CONSTRUCT A NEW RENWEABLE DIESEL MANUFACTURING FACILITY. The ability to construct this plant will enable EMERALD BIOFUELS to produce ultra-low sulphur diesel fuel.

The facility would be constructed on approximately 15 acres of land (the defined boundary of the proposed Reinvestment Zone).

Any additional description you desire:

“Tax Abatement Schedule”

Tax Year		Abatement Percentage
1.	2018	90 %
2.	2019	90 %
3.	2020	90 %
4.	2021	90 %
5.	2022	90 %
6.	2023	90 %

EXHIBIT C – “Reinvestment Zone”

”

**AGENDA ITEM****March 23, 2015**

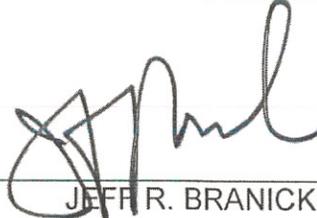
Conduct a public hearing, consider, possibly approve and receive and file an Order creating the Emerald Biofuels Reinvestment Zone.

benefit the Zone after the expiration of the agreement

Section 6. The Commissioners Court finds that creation of the Zone is likely to contribute to the retention or expansion of primary employment in the area and/or would contribute to attract major investments that would be a benefit to the property and that would contribute to the economic development of the community

Section 7. That this Order shall take effect from and after its passage as the law in such cases provides.

Signed this 23rd day of March, 2015.



JEFF R. BRANICK
County Judge


COMMISSIONER EDDIE ARNOLD
Precinct No. 1
COMMISSIONER MICHAEL S. SINEGAL
Precinct No. 3
COMMISSIONER BRENT A. WEAVER
Precinct No. 2
COMMISSIONER EVERETTE D. ALFRED
Precinct No 4

Exhibit A – Plat and Field Notes

**8.182 ACRES OF LAND
PART OF BLOCK 7, RANGE "R",
PORT ARTHUR LAND COMPANY SUBDIVISION,
JEFFERSON COUNTY, TEXAS**

BEING 8.182 acres of land, part of Block 7, Range "R", Port Arthur Land Company Subdivision, recorded in Volume 1, Page 22, Map Records, Jefferson County, Texas; being part of a (Called 1116.39) acre tract of land conveyed to Golden Triangle Properties, L.L.C., recorded in File No. 2010015746, Official Public Records, Jefferson County, Texas; said 8.182 acre tract of land being more fully described by metes and bounds as follows, to wit:

COMMENCING at a ½" steel rod, capped and marked "SOUTEX", found on the West line of a 100' wide Union Pacific Railroad right of way, recorded in Volume Y, Page 459, Deed Records, Jefferson County, Texas for the most Northerly corner of a tract of land conveyed to Texaco Downstream Properties Inc., recorded in File No. 2007011535, Official Public Records, Jefferson County, Texas and the most Easterly corner of the (Called 1116.39) acre tract having a State Plane Coordinate Value of N: 13897941.81, E: 3556031.34; from which a ½" steel rod, capped "SOUTEX", found for the most Westerly corner of said Texaco Downstream Properties Inc., tract an interior corner of the (Called 1116.39) acre tract bears South 36 deg., 37 min., 44 sec., West, a distance of 2716.19' (Called 2716.64');

THENCE, North 54 deg., 31 min., 01 sec., West, a distance of 1103.22' to a point for corner being the **POINT OF BEGINNING** of the herein described tract having a State Plane Coordinate of N: 13898582.19, E: 3555133.00;

THENCE, South 36 deg., 24 min., 07 sec., West, a distance of 1226.07' to a point for corner being the most Southerly corner of the herein described tract;

THENCE, North 52 deg., 22 min., 07 sec., West, a distance of 237.74' to a point for corner being the most Westerly corner of the herein described tract;

THENCE, North 37 deg., 38 min., 05 sec., East, a distance of 536.93' to a point for corner;

THENCE, North 25 deg., 29 min., 05 sec., East, a distance of 170.92' to a point for corner;

THENCE, North 34 deg., 14 min., 35 sec., West, a distance of 37.43' to a point for corner;

THENCE, North 40 deg., 01 min., 18 sec., East, a distance of 309.36' to a point for corner;

THENCE, North 37 deg., 56 min., 39 sec., East, a distance of 458.92' to a point for corner being the most Northerly corner of the herein described tract;

THENCE, South 21 deg., 18 min., 50 sec., East, a distance of 244.57' to a point for corner;

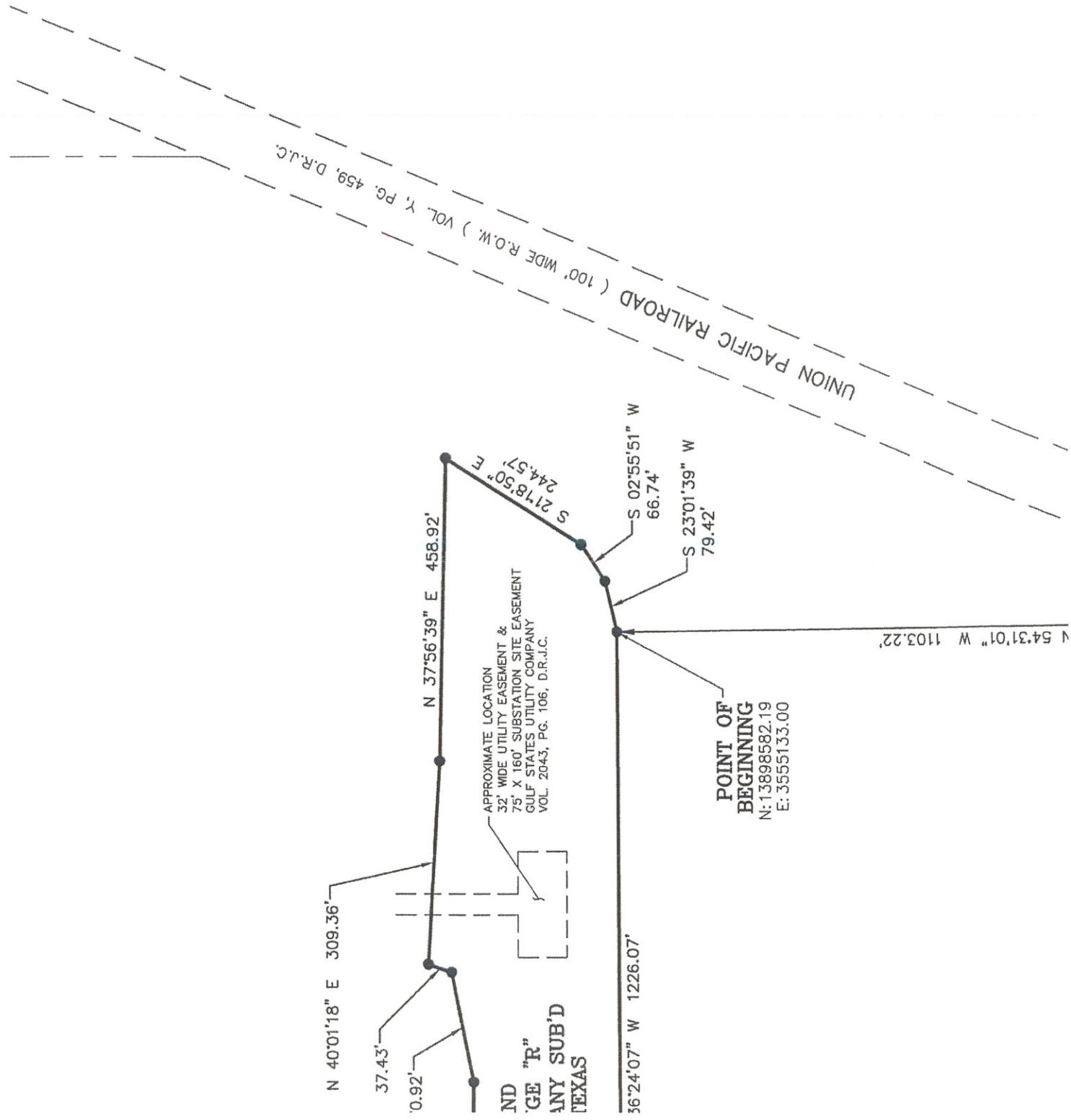
THENCE, South 02 deg., 55 min., 51 sec., West, a distance of 66.74' to a point for corner being the most Easterly corner of the herein described tract;

THENCE, South 23 deg., 01 min., 39 sec., West, a distance of 79.42' to the **POINT OF BEGINNING** and containing 8.182 acres of land, more or less.

Note: Bearings, distances, coordinates and acreage are based on State Plane Coordinate Grid System, Texas South-Central Zone, NAD 83. Epoch 2011 US Survey Feet having a Convergence Angle of 02 deg., 27 min., 17 sec., a Scale Factor = 0.999906737, and a Reference to NGS Monument AJ8221.

This description is based on the Land Survey made by Anthony M. Leger, Registered Professional Land Surveyor No. 5481, on February 17, 2015.

GOLDEN TRIANGLE PROPERTIES, L.L.C.
LS-15-0129



UNION PACIFIC RAILROAD (100' WIDE R.O.W.) VOL. X, PG. 459, D.R.J.C.

N 40°01'18" E 309.36'

37.43'

0.92'

N 37°56'39" E 458.92'

S 21°18'50" E 244.57'

S 02°55'51" W 66.74'

S 23°01'39" W 79.42'

N 54°31'01" W 1103.22'

36°24'07" W 1226.07'

APPROXIMATE LOCATION
32' WIDE UTILITY EASEMENT &
75' X 160' SUBSTATION SITE EASEMENT
GULF STATES UTILITY COMPANY
VOL. 2043, PG. 106, D.R.J.C.

POINT OF BEGINNING
N: 13898582.19
E: 3555133.00

ND
'GE "R"
ANY SUB'D
TEXAS

Exhibit B - Lease

**GROUND LEASE
(PORT ARTHUR, TEXAS)**

BETWEEN

**GOLDEN TRIANGLE PROPERTIES, LLC,
as Lessor**

AND

**EMERALD BIOFUELS, LLC,
as Lessee**

**GROUND LEASE
(PORT ARTHUR, TEXAS)**

This Ground Lease (Port Arthur, Texas) (the "*Lease*") is made and entered into effective as of the ____ day of _____, 2015 (the "*Effective Date*"), by and between GOLDEN TRIANGLE PROPERTIES, LLC, a Texas limited liability company ("*Lessor*"), and EMERALD BIOFUELS, LLC a Delaware limited liability company ("*Lessee*").

WITNESSETH

WHEREAS, Lessor owns certain real property located in Port Arthur, Jefferson County, Texas, as more particularly described in Exhibit A (the "*Leased Premises*").

WHEREAS, Lessee desires to lease from Lessor, and Lessor desires to lease to Lessee, the Leased Premises.

NOW, THEREFORE, in consideration of the mutual obligations and undertakings contained herein, Lessor and Lessee hereby agree as follows:

**ARTICLE 1
DEFINITIONS; INTERPRETATION**

1.1 Definitions. The following capitalized terms, when used in this Lease, shall have the following meanings:

"*Affiliate*" means any Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by or is under common Control with the Person specified.

"*Bankruptcy Event*" means with respect to the Person in question: (a) the application for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of such Person of all or a substantial part of its property; (b) such Person admitting in writing its inability, or being generally unable, to pay its debts as such debts become due; (c) such Person making a general assignment for the benefit of its creditors; (d) such Person commencing a voluntary case under, or filing any other petition seeking to take advantage of, any Bankruptcy Law; (e) such Person acquiescing in writing to any petition filed against such Person in an involuntary case under any Bankruptcy Law; (f) such Person taking any action for the purpose of effecting any of the foregoing; or (g) a proceeding or case being commenced without the application or consent of such Person in any court of competent jurisdiction, seeking: (i) the liquidation, reorganization, dissolution, winding-up, composition or adjustment of debts of such Person; (ii) the appointment of a trustee, receiver, custodian, liquidator or the like of such Person or of all or any substantial part of its assets; or (iii) similar relief in respect of such Person under any Bankruptcy Law and, in the case of this subpart (g) only, such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of sixty (60) days from commencement of such proceeding or case.

"*Bankruptcy Law*" means any Law relating to bankruptcy, insolvency, reorganization, winding up or composition or readjustment of debts.

“Casualty” means any damage, destruction or loss of property resulting from a sudden, unexpected or unusual cause, including a fire, earthquake, tornado, hurricane, storm (including thunderstorm, windstorm, ice storm and cyclonic storm), flood, rising waters, volcanic eruption, tremor, tsunami, blizzard, solar flare, drought, landslide, falling snow, freezing rain, lighting or hailstorm.

“Change in Ownership” of any Person means the occurrence of any one of the following: (i) the consolidation with or merger into any other Person by such Person; (ii) a sale, assignment, conveyance, transfer, lease, exchange, conversion or other disposition of any equity interests in such Person or the voting rights with respect thereto; or (iii) the issuance of any equity interests in such Person.

“Claim” means any demand, claim, suit, charge, complaint, request for information, grievance, action, investigation, legal proceeding (whether at law or in equity) or arbitration.

“Control”, “Controlling” or “Controlled by” means, with respect to a Person, (i) the ownership of fifty percent (50%) or more of the equity securities or partnership interests of such Person, (ii) the possession, directly or indirectly, of the power to vote fifty percent (50%) or more of the securities or interests having ordinary voting power for the election of directors (or other comparable controlling body) of such Person, or (iii) the possession, directly or indirectly, of the power to direct or cause the direction of the actions, management or policies of such Person, whether through the ownership of voting securities or interests, by contract or otherwise, excluding in each case, any lender of such Person or any Affiliate of such lender.

“Dispute” has the meaning set forth in Section 11.1(a).

“Effective Date” has the meaning set forth in the preamble hereto.

“Environmental Law” means all Laws relating to the protection of human health or the environment, the release of hazardous materials or substances, or the pollution of air, soil, groundwater or surface water (including, without limitation, the Clean Air Act, the Toxic Substance Control Act, the Clean Water Act, the Comprehensive Environmental Response, Compensation and Liability Act, and the Resource Conservation and Recovery Act, or their state and local counterparts or analogues).

“Financing Assignment” has the meaning set forth in Section 12.2.

“Force Majeure” means any act or event that (i) delays the affected Party’s performance of its obligations (other than any obligation to pay money) in accordance with the terms of this Lease, (ii) is beyond the reasonable control of the affected Party, (iii) is not due to the affected Party’s fault or negligence, (iv) is not reasonably foreseeable and (v) could not have been prevented or avoided by the affected Party through the exercise of due diligence, including the expenditure of any reasonable sum of money, which may include acts of God, wars, sabotage, riots, actions of the elements, civil disturbances, strikes, labor disturbances, the binding order of any Government Authority, changes in applicable Law (but not any Bankruptcy Law or Environmental Law), failure or want of any necessary supplies or products caused by any circumstances that would otherwise constitute a Force Majeure.

“Governmental Authority” means any nation, state, sovereign or government, any federal, regional, state, local or political subdivision, or any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including those issued, given or made by or with such governmental authorities under Environmental Laws.

“GTP Property” means that portion of the Overall Property not including the Leased Premises.

“Hazardous Substance” means any substance presently listed, defined, designated or classified as a pollutant, contaminant, hazardous substance, toxic substance, petroleum (including crude oil or any fraction thereof), hazardous waste, solid waste or special waste, or that is otherwise regulated, under any Environmental Law.

“Improvements” means any and all buildings, improvements and fixtures currently or which may hereafter be constructed upon the Leased Premises, including all modifications or alterations thereto.

“Indemnified Persons (Lessee)” mean Lessee, its Affiliates and each of their respective directors, officers, employees, shareholders, members, partners, agents and representatives, and **“Indemnified Person (Lessee)”** means any of the foregoing individually.

“Indemnified Persons (Lessor)” means Lessor, its Affiliates and each of their respective directors, officers, employees, shareholders, members, partners, agents and representatives, and **“Indemnified Person (Lessor)”** means any of the foregoing individually.

“Indemnitee” means any Indemnified Person (Lessee) or any Indemnified Person (Lessor).

“Indemnitor” means the Party which has indemnification, defense or hold harmless obligations hereunder to an Indemnitee.

“Initial Term” has the meaning set forth in Section 4.1.

“Law” means any law, ordinance, statute, regulation, judicial decision, order, injunction, writ, ruling, interpretation, rule, permit or certificate of any Governmental Authority, including Bankruptcy Laws and Environmental Laws.

“Lease” has the meaning set forth in the preamble hereto.

“Leased Premises” has the meaning set forth in the recitals hereto.

“Leased Premises Land Percentage” means, a percentage, the numerator of which is the number of acres contained in the Leased Premises and the denominator is the total number of acreage included in any Tax bill that is assessed against the Overall Property and includes the Leased Premises (e.g., if the Tax bill covers 1,116 acres, then the percentage shall be 1/1,116, or 0.089%).

“Lessee” has the meaning set forth in the preamble hereto.

“Lessee Party” means any or all of (i) Lessee, its Affiliates or any of its or their contractors (of any tier), (ii) the respective agents, representatives or employees of each Person specified in clause (i), or (iii) any Person (other than Lessor) acting on behalf of, or under the direction or supervision of, any Person specified in clause (i) or clause (ii).

“Lessor” has the meaning set forth in the preamble hereto.

“Lessor Party” means any or all of (i) Lessor, its Affiliates or any of its or their contractors (of any tier), (ii) the respective agents, representatives or employees of each Person specified in clause (i), or (iii) any Person (other than Lessee) acting on behalf of, or under the direction or supervision of, any Person specified in clause (i) or clause (ii).

“Lien” mean all mortgages, deeds of trust, deeds to secure debt, liens, pledges, security interests, charges, claims, restrictions and encumbrances of any nature whatsoever, including any (i) lien for taxes or assessments, builders’, mechanics’, warehousemen’s, materialmen’s, contractors’, workmen’s, repairmen’s or carriers’ lien, or (ii) lease, license, tenancy, right of occupancy, covenant, condition, restriction, easement, rights-of-way, roadway (public or private), royalty, mineral interest or right, right of first refusal, encroachment agreement, option agreement, dedication, reversionary interest, future interest, air or water rights, riparian rights, drainage rights, access rights or any other property right, encumbrance obligations, or restriction on transfer of any nature whatsoever.

“Loss” means any liability, judgment, loss, damage, cost or expenses of any nature, including reasonable attorneys’ and consultants’ fees and costs and costs of any environmental audit, investigation or remediation.

“Major Contractor” means a contractor of any tier retained directly or indirectly by Lessee, pursuant to one or a series of agreements, to perform services or provide materials or both, that are reasonably anticipated to cost in excess of \$2,500,000 in the aggregate.

“Non-Realty” means any improvements, trade fixtures, furnishings, equipment or other personal property not constituting real property.

“Notice of Claim” has the meaning set forth in Section 7.3(a).

“Overall Property” means that certain 1,116 acre tract of real property located in Port Arthur, Jefferson County, Texas, which Overall Property includes the Leased Premises and the GTP Property.

“Party” means either Lessor or Lessee and **“Parties”** mean Lessor and Lessee collectively.

“Permitted Encumbrance” means: (a) any encumbrance in the nature of a zoning restriction, building or land-use Law, restriction or other condition imposed by any Governmental Authority or (b) all matters identified on the title commitment for the Leased Premises.

“*Person*” means any natural person, corporation, general partnership, limited partnership, limited liability company, proprietorship, other business organization, trust, union, association, entity or Governmental Authority.

“*Pollution Liability Policy*” has the meaning set forth in Section 7.5(a)(iv).

“*Premises Vacation Date*” means the date upon which this Lease expires or terminates.

“*Rent*” has the meaning set forth in Section 3.1.

“*Restoration of the Leased Premises*” or “*Restore the Leased Premises*” means: (a) dismantling and removing all Improvements; (b) removing any equipment, materials, supplies and any other Non-Realty of Lessee; and (c) clearing and removing all above-ground structures, facilities and equipment and all rubbish and capping all piping connections on the Leased Premises; *provided, however*, that Restoration of the Leased Premises shall not include any Foundation Removal or any other removal of below-ground improvements, fixtures or equipment (other than capping the pipes at the point they exit grade level).

“*Restricted Payment*” means any (a) dividend or other distribution (whether in cash, securities or other property) with respect to any equity interests in Lessor, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such equity interests in Lessor or any option, warrant or other right to acquire any such equity interests in Lessor, or (b) any payment, prepayment, defeasance, redemption or other distribution (whether in cash, securities or other property and including, without limitation, by way of reimbursement, subrogation or contribution) by Lessor to any Affiliate, or any officer or director of Lessor or any Affiliate thereof, under one or more agreements or instruments relating to any obligation (whether present or future, contingent or otherwise, as principal or surety or otherwise) in respect of, or in connection with, borrowed money.

“*Tax*” means any sales, use, ad valorem, excise, value added, gross receipts, license, real property, property or other tax or assessment of any kind whatsoever.

“*Term*” means the Initial Term and any Renewal Term(s).

“*Third Party Liability*” means a Claim or Loss of any Person other than a Party to this Lease, their Affiliates or any of their respective employees, agents, representatives, invitees or contractors (of any tier) including: (a) any such Claim or Loss related to bodily injury or death of an individual or damage to, or destruction of, property; or (b) any fine, penalty or assessment by any Governmental Authority.

“*Transfer*” has the meaning set forth in Section 12.1.

1.2 Interpretation. The following rules of construction shall apply when interpreting this Lease:

- (a) all references in this Lease to Articles, Sections and Exhibits refer to Articles, Sections and Exhibits of this Lease unless expressly provided otherwise;
- (b) the terms “this Lease,” “herein,” “hereby,” “hereunder,” “hereof” and terms of similar import refer to this Lease as a whole and not to any particular subdivision unless expressly so limited and the term “this Section” refers only to the Section hereof in which such words occur;
- (c) the word “including” (in its various forms) means “including without limitation”;
- (d) references to “days” as a time period for performance shall mean calendar days unless otherwise indicated;
- (e) unless the context otherwise requires, all defined terms contained herein shall include the singular and plural;
- (f) references to any applicable Law shall be deemed to refer to such Law as it may be amended and in effect from time to time;
- (g) each Exhibit hereto is incorporated into this Lease by reference as if such Exhibit were set forth in its entirety herein;
- (h) no term of this Lease shall be construed in favor of, or against, a Party as a consequence of one Party having had a greater role in the preparation or drafting of this Lease, but shall be construed as if the language were mutually drafted by both Parties with full assistance of counsel; and
- (i) the word “or” will have the inclusive meaning represented by the phrase “and/or.”

ARTICLE 2 DEMISED PROPERTY

2.1 Leasehold. As more particularly set forth herein, Lessor hereby leases the Leased Premises to Lessee, and Lessee hereby leases the Leased Premises from Lessor, in each case subject to all Permitted Encumbrances. Lessee hereby accepts the Leased Premises, the Improvements and the Non-Realty “AS IS”, “WHERE IS” and “WITH ALL FAULTS”. LESSOR MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, UNDER THIS LEASE AS TO THE PHYSICAL CONDITION OF THE LEASED PREMISES, IMPROVEMENTS OR NON-REALTY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, HABITABILITY, CONDITION, FITNESS, OR SUITABILITY FOR ANY PARTICULAR USE OR PURPOSE.

2.2 Easements.

- (a) Lessor hereby agrees to grant to Lessee a nonexclusive easement for vehicular and pedestrian access to and from Highway 73 on and over the existing paved road across GTP Property.
- (b) Lessee agrees that its use of any easement granted to it hereunder shall not unreasonably interfere in any material respect with Lessor's, or Lessor's affiliates, operations and shall comply with Lessor and Lessor's affiliate's rules and procedures governing safety and security.

ARTICLE 3 RENT

3.1 Rent. During the Term, Lessee shall pay Lessor "**Rent**" consisting of [] Dollars (\$) per month. The Rent for any month that begins or ends on other than the first or last day of a calendar month shall be prorated based on actual days elapsed.

3.2 Net Lease. Except as otherwise expressly provided in this Lease, (a) this is an absolute net lease, (b) Lessor shall not at any time be required to pay any costs, provide any services or do any act or thing with respect to the Leased Premises, Improvements and Non-Realty and (c) without limiting the generality of the foregoing, Lessee is obligated and hereby covenants and agrees to pay, prior to delinquency, all costs, fees and expenses of any and every nature whatsoever with respect to the Leased Premises, Improvements and Non-Realty, including, without limitation, (i) all taxes, assessments, license fees and other governmental charges levied or imposed upon the Leased Premises and/or Lessee's business operations conducted thereon; (ii) all costs for insuring the Leased Premises; (iii) all charges for utilities provided to the Leased Premises; and (iv) all costs for maintenance, repair, alteration, or replacement of any and all Improvements and Non-Realty. Lessee hereby agrees to indemnify, defend and hold Lessor harmless from and against any cost, expense, loss, claim, damage, judgment or court order, and any and all actual and reasonable attorney's fees incurred, as a result of or in connection with Lessee's failure to meet its obligations under this Section 3.2.

ARTICLE 4 TERM

4.1 Term. The initial term of this Lease (the "**Term**") shall commence on the Effective Date and terminate on [], unless sooner terminated in accordance with the terms and provisions of this Lease.

4.2 Rights and Obligations upon Termination. Upon the expiration of this Lease for any reason, Lessee shall: (i) immediately discontinue all operations at the Leased Premises and shall restore the Leased Premises and Improvements to the existing condition as of the Effective Date of this Lease.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of Lessor. Lessor hereby represents and warrants to Lessee as follows as of the Effective Date:

- (a) Lessor is a limited liability company duly organized and existing in good standing under the Law of the State of Texas;
- (b) Lessor possesses all requisite power and authority to enter into and perform this Lease and to carry out the transactions contemplated herein;
- (c) Lessor's execution, delivery and performance of this Lease have been duly authorized and are in accordance with its organic instruments; this Lease has been duly executed and delivered for it by the signatories so authorized; and this Lease constitutes Lessor's legal, valid and binding obligation, except as the enforceability of this Lease may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditor's rights generally and by general principles of equity;
- (d) neither Lessor's execution or delivery of this Lease nor its consummation of the transactions contemplated hereby results in any breach of or constitutes any default under any material agreement to which Lessor is bound or causes Lessor to be in violation of any law, regulation, administrative or judicial order or process or decision to which Lessor is a party or by which it or its properties are bound or affected, in each case that would have a material adverse effect on Lessor's ability to perform its obligations hereunder;
- (e) no suit, action, arbitration or other legal or administrative proceeding is pending or, to Lessor's knowledge, is threatened against Lessor that would affect the validity or enforceability of this Lease or the ability of Lessor to fulfill its commitments hereunder, or that could result in any adverse change in the business or financial condition of Lessor; and
- (f) Lessor has fee simple title to the Leased Premises.

5.2 Representations and Warranties of Lessee. Lessee hereby represents and warrants to Lessor as follows as of the Effective Date:

- (a) Lessee is a limited liability company duly organized and existing in good standing under the Law of the State of Delaware;
- (b) Lessee possesses all requisite power and authority to enter into and perform this Lease and to carry out the transactions contemplated herein;
- (c) Lessee's execution, delivery and performance of this Lease have been duly authorized and are in accordance with its organic instruments; this Lease has been duly executed and delivered for it by the signatories so authorized; and this Lease constitutes Lessor's legal, valid and binding obligation, except as the enforceability of this Lease may be limited by the effect of any applicable bankruptcy, insolvency, reorganization,

moratorium or similar laws affecting creditor's rights generally and by general principles of equity;

- (d) neither Lessee's execution or delivery of this Lease nor its consummation of the transactions contemplated hereby results in any breach of or constitutes any default under any material agreement to which Lessee is bound or causes Lessee to be in violation of any law, regulation, administrative or judicial order or process or decision to which Lessee is a party or by which it or its properties are bound or affected, in each case that would have a material adverse effect on Lessee's ability to perform its obligations hereunder;
- (e) all governmental and other authorizations, approvals, consents, notices and filings that are required to have been obtained or submitted by Lessee with respect to this Lease or other document relating hereto or thereto to which Lessee is a party have been obtained or submitted and are in full force and effect and all conditions of any such authorizations, approvals, consents, notices and filings have been complied with; and
- (f) no suit, action, arbitration or other legal or administrative proceeding is pending or, to Lessee's knowledge, is threatened against Lessee that would affect the validity or enforceability of this Lease or the ability of Lessee to fulfill its commitments hereunder, or that could result in any adverse change in the business or financial condition of Lessee.

ARTICLE 6 ADDITIONAL RIGHTS AND OBLIGATIONS

6.1 Right of Entry. Lessee shall, upon reasonable prior notice (which may be oral so long as it is provided in accordance with such access or security protocols as adopted by Lessee for all third parties entering the Leased Premises), and during normal business hours, permit Lessor and the agents and employees of Lessor to enter into and upon the Leased Premises for the purpose of inspecting the same and performing any obligations or exercising any rights of Lessor under this Lease, or pursuant to a corrective action, remediation, or other cleanup action under Environmental Law. Any entry by Lessor, its agents or its employees shall be at Lessor's sole risk, responsibility and expense, except for harm or damages caused by the sole negligence, gross negligence or willful misconduct of Lessee, its agents or employees. During any and all such entries, Lessor shall cause its agents and employees to comply in all respects with all applicable Law as well as Lessee's safety and security procedures at the Leased Premises.

6.2 Environmental Compliance.

- (a) Lessee shall provide prompt notification to Lessor of: (i) any discharge or release of Hazardous Substances at, on or under the Leased Premises, including any discharge or release from the Improvements, of which Lessee has actual knowledge; (ii) the presence at, on or under the Leased Premises of any uncontrolled Hazardous Substance of which Lessee has

actual knowledge, including but not limited to the use, processing, storage, transport or management of such Hazardous Substance by Lessee or any of its Affiliates or any other Person which poses a threat of a discharge or release; and (iii) the receipt by Lessee or any of its Affiliates of written notice of a currently pending Claim from any Governmental Authority alleging that Lessee or any of its Affiliates is in violation of, or has liability under, any Environmental Law with respect to its operation at the Leased Premises, or the disposal or transportation of Hazardous Substances from the Leased Premises

- (b) Upon any release or unauthorized discharge of Hazardous Substances at, on, or under the Leased Premises, including any discharge or release from the Improvements, Lessee shall promptly notify any Governmental Authorities required by any Environmental Law to be notified of such occurrence.
- (c) As soon as reasonably practicable in light of the circumstances but in all events in compliance with the time period required under any Environmental Laws, Lessee shall remediate any discharge or release of Hazardous Substances at, on or under the Leased Premises to the extent that such discharge or release is (i) caused in whole or in part by any Lessee Party or (ii) results from or is caused in whole or in part by any Lessee Party's excavation, improvement or use of the Leased Premises. Lessee shall perform such remediation in accordance with Environmental Law and Section 6.2(e) and shall provide Lessor with copies of all plans, correspondence, and other written materials associated with such remediation. Any remediation plan shall be subject to Lessor's prior written approval, which approval shall not be unreasonably withheld. If Lessee fails to satisfy its obligations pursuant to this Section 6.2(c) on or before the date which is thirty (30) days after receipt of written notice from Lessor of Lessee's failure, Lessor may (but shall not be obligated to) perform Lessee's obligations pursuant to this Section 6.2(c) and Lessee shall reimburse Lessor for all reasonable out-of-pocket costs incurred by Lessor with respect to such remediation. All such costs shall be due and payable by Lessee within ten (10) days after written demand by Lessor accompanied by reasonable supporting documentation. Without limiting the generality of any other provision in this Lease, this Section 6.2(c) shall survive the expiration or earlier termination of this Lease regardless of whether either Party had knowledge of the existence of such discharge or release as of the expiration or termination of this Lease.

6.3 Maintenance and Repair. Lessee shall be solely responsible for all maintenance, repair and replacement of the Leased Premises, the Improvements and the Non-Realty, and Lessor shall have no maintenance, repair or replacement obligations of any nature whatsoever with respect to the Leased Premises, the Improvements or the Non-Realty. Lessee shall have sole and absolute discretion in determining whether to operate or idle Lessee's operations on the Leased Premises; provided, however, that Lessee shall at all times during the Term: (i) maintain

the Leased Premises, the Improvements and the Non-Realty in a safe condition and in accordance with prudent industry standards, and (ii) unless the operations at the Leased Premises are properly idled in accordance with prudent industry practice, maintain the Improvements and Non-Realty in good working order.

6.4 Permits and Government Approvals. Lessee shall obtain all permits and government approvals required by Law to lease and conduct its operations on the Leased Premises. Lessor shall cooperate to the extent reasonably necessary in obtaining any such permits and government approvals, negotiating agreements with governmental or quasi-governmental entities, or providing any records or documents pertaining to the Leased Premises for any such purposes; provided, however, Lessee shall promptly reimburse Lessor on demand for all reasonable, actual, out-of-pocket costs, fees and expenses incurred by any Lessor Party in connection therewith so long as Lessor provides Lessee with reasonable documentation for any such costs, fees or expenses. All such sums shall bear interest at the rate of eight percent (8%) per annum from the date which is thirty (30) days following Lessor's request for reimbursement until paid.

6.5 Utilities. Lessee will, at its own cost and expense, pay for all water, gas, heat, electricity and other utilities used in the Leased Premises. No interruption or malfunction of any utility services shall constitute an eviction or a disturbance of Lessee's use and possession of the Leased Premises or a breach by Lessor of any of its obligations hereunder or render Lessor liable for damages or entitle Lessee to be relieved from any of its obligations hereunder (including, without limitation, the obligation to pay Rent) or grant Lessee any right of off-set or recoupment.

6.6 Compliance with Law. Lessee shall operate and maintain the Leased Premises, the Improvements and the Non-Realty in compliance with all applicable Laws.

ARTICLE 7 INDEMNIFICATION; INSURANCE

7.1 General Indemnities.

- (a) LESSOR SHALL INDEMNIFY, DEFEND AND HOLD EACH INDEMNIFIED PERSON (LESSEE) HARMLESS FROM AND AGAINST: (I) ANY THIRD PARTY LIABILITY RESULTING FROM, ARISING OUT OF OR ATTRIBUTABLE TO (A) THE GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR NEGLIGENCE OF LESSOR, ITS AFFILIATES AND THEIR RESPECTIVE DIRECTORS, OFFICERS, SHAREHOLDERS, MEMBERS, PARTNERS, EMPLOYEES, AGENTS, REPRESENTATIVES, INVITEES OR CONTRACTORS OF ANY TIER, OR (B) THE BREACH BY LESSOR OF THE TERMS OR CONDITIONS OF THIS LEASE; AND (II) ANY CLAIM BY OR LOSS OF ANY EMPLOYEE, AGENT, REPRESENTATIVE, INVITEE OR CONTRACTOR (OF ANY TIER) OF LESSOR OR ITS AFFILIATES EXCEPT TO THE EXTENT SUCH CLAIM OR LOSS RESULTS FROM, ARISES OUT OF OR IS ATTRIBUTABLE

TO THE SOLE NEGLIGENCE, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LESSEE. Lessor's indemnification obligations with respect to any Claims or Losses made by the employees of Lessor or its Affiliates or the employees of any of their contractors of any tier shall not be affected by any limitation on the amount or type of damages, compensation or benefits payable by or for Lessor or any such contractor under any applicable workers' compensation, disability benefit, employee benefit or other similar Law. With respect only to any Claim for indemnification hereunder, Lessor hereby expressly, specifically and knowingly waives: (x) the application of any workers' compensation, disability benefit, employee benefit or other similar Law; and (y) its statutory and constitutional workers' compensation immunity under any applicable state Law.

- (b) **LESSEE SHALL INDEMNIFY, DEFEND AND HOLD EACH INDEMNIFIED PERSON (LESSOR) HARMLESS FROM AND AGAINST: (I) ANY THIRD PARTY LIABILITY RESULTING FROM, ARISING OUT OF OR ATTRIBUTABLE TO (A) THE GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR NEGLIGENCE OF LESSEE, ITS AFFILIATES AND THEIR RESPECTIVE DIRECTORS, OFFICERS, SHAREHOLDERS, MEMBERS, PARTNERS, EMPLOYEES, AGENTS, REPRESENTATIVES, INVITEES OR CONTRACTORS OF ANY TIER, OR (B) THE BREACH BY LESSEE OF THE TERMS OR CONDITIONS OF THIS LEASE; AND (II) ANY CLAIM BY OR LOSS OF ANY EMPLOYEE, AGENT, REPRESENTATIVE, INVITEE OR CONTRACTOR (OF ANY TIER) OF LESSEE OR ITS AFFILIATES, EXCEPT TO THE EXTENT SUCH CLAIM OR LOSS RESULTS FROM, ARISES OUT OF OR IS ATTRIBUTABLE TO THE SOLE NEGLIGENCE, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LESSOR.** Lessee's indemnification obligations with respect to any Claims or Losses made by the employees of Lessee or its Affiliates or the employees of any of their contractors of any tier shall not be affected by any limitation on the amount or type of damages, compensation or benefits payable by or for Lessee or any such contractor under any applicable workers' compensation, disability benefit, employee benefit or other similar Law. With respect only to any Claim for indemnification hereunder, Lessee hereby expressly, specifically and knowingly waives: (x) the application of any workers' compensation, disability benefit, employee benefit or other similar Law; and (y) its statutory and constitutional workers' compensation immunity under any applicable state Law.

7.2 Environmental Indemnities.

- (a) Lessor shall indemnify, defend and hold each Indemnified Person (Lessee) harmless from and against any Claims or Losses to the extent arising from

any of the following acts or omissions: (i) any discharge or release by any Lessor Party of any Hazardous Substance on, at or under the Leased Premises on or after the Effective Date; (ii) the failure of any Lessor Party to comply with any Environmental Law on or after the Effective Date; or (iii) any discharge or release of any Hazardous Substance on, at or under the Leased Premises prior to the Effective Date.

- (b) Lessee shall indemnify, defend and hold each Indemnified Person (Lessor) harmless from and against any Claims or Losses to the extent arising from any of the following acts or omissions on or after the Effective Date: (i) any discharge or release of any Hazardous Substance on, at or under the Leased Premises, other than any such discharge or release caused in whole or in part by (A) any Lessor Party or (B) migration of any Hazardous Substance from off the Leased Premises which is not caused by any Lessee Party; (ii) any other discharge or release of any Hazardous Substance caused in whole or in part by any Lessee Party; (iii) the transportation of Hazardous Substances to or from the Leased Premises by any Lessee Party; (iv) the failure to properly dispose of any Hazardous Substance brought onto or removed from the Leased Premises or generated, in either case by any Lessee Party; (v) the failure of any Lessee Party to comply with any Environmental Law; or (vi) any release or discharge caused by any excavation, improvement or use of the Leased Premises by any Lessee Party under Section 10.2 or Section 10.3.
- (c) In the event a Party intends to seek indemnification pursuant to Section 7.2 for any loss incurred for remediation work, prior to such Party incurring any expense that the other Party is obligated to reimburse pursuant to Section 7.2(a) or Section 7.2(b), the Party incurring such expense shall provide the other Party with ten (10) days prior written notice setting forth a description of the work to be performed and a reasonably detailed estimate of the cost of such work, unless such remediation is required by Environmental Law to commence sooner, in which case such written notice shall be provided as soon as reasonably practicable.

7.3 Indemnification Procedures.

- (a) An Indemnitee shall provide the Indemnitor with written notice (a "*Notice of Claim*") promptly (and in no event later than seven (7) days) after discovering or receiving notice of any Claim or Loss for which such Indemnitee may have a right to indemnification hereunder. Such Notice of Claim shall describe the Claim or Loss for which indemnity is being sought and shall include a reasonable estimate of such liability. Notwithstanding the foregoing, failure by an Indemnitee to provide a Notice of Claim in accordance herewith shall not relieve the Indemnitor of its obligations under this Lease except to the extent the Indemnitor is prejudiced by such failure.

- (b) An Indemnitor shall assume and control the defense (with counsel of its choice and at its sole cost and expense) of any Claim or Loss for which it has indemnification, defense and hold harmless obligations hereunder; *provided, however, that:*
- (i) an Indemnitee shall be entitled (with counsel of its choice and at its sole cost and expense) to participate in the defense of any such Claim or Loss and, with the Indemnitor's consent (such consent not to be unreasonably withheld, conditioned or delayed), to assert any mandatory cross claim or counterclaim to such Claim or Loss (to the extent such cross claim or counterclaim has not already been asserted);
 - (ii) the Indemnitor agrees to afford the Indemnitee and its counsel the opportunity to be present at, and to participate in, conferences with all Persons (including Governmental Authorities) asserting any Claim or Loss against the Indemnitee covered by the indemnity contained in Section 7.1 or Section 7.2, as applicable, and representatives of, or counsel for, such Persons;
 - (iii) the Indemnitor may only settle any Claim or Loss with the prior written consent of the Indemnitee, which consent shall not be unreasonably withheld, conditioned or delayed, unless such settlement is a monetary settlement that provides an unconditional and permanent release of the Indemnitee with respect to such Claim or Loss, in which case the Indemnitor may enter into such a settlement in its sole and absolute discretion; and
 - (iv) if an Indemnitor fails to acknowledge in writing its obligation to provide indemnification hereunder with respect to any Claim or Loss within ten (10) days of receipt of a Notice of Claim pertaining thereto, an Indemnitee may assume the defense of such Claim with counsel of its choice, including entering into any reasonable settlement thereof, at Indemnitor's cost.
- (c) An Indemnitee shall fully and timely cooperate with the Indemnitor in connection with any Claim or Loss, including making relevant files and records available for inspection by, and making its employees available to, the Indemnitor (with all reasonable out-of-pocket costs, excluding costs of employees' time, to be borne by the Indemnitor).
- (d) Notwithstanding any other provision of this Lease, a Party's obligation to provide indemnification hereunder shall survive the expiration or earlier termination of this Lease.

7.4 Limitation of Liability. NOTWITHSTANDING ANY OTHER PROVISION OF THIS LEASE, IN NO EVENT SHALL ANY PARTY BE ENTITLED TO RECEIVE ANY

SPECIAL, CONSEQUENTIAL, PUNITIVE, INDIRECT, INCIDENTAL OR EXEMPLARY DAMAGES (INCLUDING FOR LOST PROFITS OR BUSINESS INTERRUPTION), WHETHER BASED ON CONTRACT, TORT, STRICT LIABILITY, OTHER LAW OR OTHERWISE AND WHETHER OR NOT ARISING FROM ANY OTHER PARTY'S SOLE, JOINT OR CONCURRENT NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT, EXCEPT TO THE EXTENT ANY SUCH DAMAGES ARE OWED TO A THIRD PARTY PURSUANT TO A PARTY'S INDEMNIFICATION OBLIGATIONS HEREUNDER.

7.5 Lessee's Insurance.

- (a) Lessee shall procure and maintain in full force and effect from the Effective Date until the Premises Vacation Date the following insurance coverage:
- (i) statutory workers' compensation and occupational disease insurance, including employer's liability insurance with a limit of no less than \$2,000,000 and, if applicable, coverage under the Longshoremen and Harbor Workers' Compensation Act and the Jones Act and other maritime employer's liability coverage as required to comply with applicable Law; *provided, however*, that if maritime employer's liability coverage is required, it shall have a limit of no less than \$2,000,000 each occurrence;
 - (ii) commercial general liability insurance, including all premises and operations, contractual liability, products-completed operations liability, legal liability, fire, explosion, collapse and underground damage liability, broad form property damage liability and, if applicable, watercraft and aircraft liability insurance, as well as coverage on all of Lessee's mobile equipment (other than motor vehicles licensed for highway use) owned, hired or used in the performance of this Lease, with limits of no less than \$5,000,000 for bodily injury, personal injury and property damage combined each occurrence and in the aggregate;
 - (iii) commercial automobile liability insurance, including contractual liability, covering all motor vehicles licensed for highway use and employed by Lessee, with limits of no less than \$5,000,000 for bodily injury, personal injury and property damage combined each occurrence and in the aggregate; and
 - (iv) pollution liability insurance covering the Leased Premises and its operations including coverage for gradual, sudden and accidental third party property damage, bodily injury and clean-up costs for new conditions occurring during the Term with limits of no less than \$3,000,000 each occurrence (the "*Pollution Liability Policy*").

- (b) Any insurance coverage required to be maintained by Lessee hereunder shall be placed with an insurer reasonably acceptable to Lessor and written on an occurrence basis.
- (c) Any deductible or self-insured retention under any insurance coverage required to be maintained by Lessee hereunder shall not exceed \$1,000,000 each occurrence, except for the pollution liability coverage required pursuant to Section 7.5(a)(iv) which may have a deductible of \$3,000,000 each occurrence or be self-insured by the Lessee. As between the Parties, Lessee shall be solely responsible for satisfying any such deductibles and self-insured retentions.
- (d) On or prior to the Effective Date and thereafter, within thirty (30) days after written request from Lessor, which request shall not be made more than once each calendar year (but failure to provide such certificates shall not be a default by Lessee hereunder), Lessee shall deliver to Lessor a certificate, in form and substance reasonably acceptable to Lessor, from each of the insurance providers issuing the insurance policies required to be provided hereunder (other than workers' compensation insurance) certifying to Lessor that: (i) none of such insurance policies shall be suspended, voided, canceled, reduced in scope or limits or otherwise amended without providing Lessor with thirty (30) days' advance written notice; and (ii) all such insurance coverage shall apply separately to each insured and additional insured against whom a Claim is made or suit is brought, provided, however, that in the event Lessee is unable to provide a certificate with respect to any of the matters described in clause (i) of this Section 7.5(d), Lessee may, in lieu thereof, cause any such insurance policy to include an endorsement that it will not be suspended, voided, canceled, reduced in scope or limits or otherwise amended without Lessor being provided with thirty (30) days' advance written notice thereof.
- (e) The commercial general liability, automobile liability and pollution liability coverage required to be maintained by Lessee hereunder shall be endorsed to: (i) include each Indemnified Person (Lessor) as an additional insured; (ii) provide that the coverage afforded to such Persons as an additional insured shall be primary to any other coverage available to any such Person; and (iii) provide blanket contractual coverage for written (but not oral) contracts.
- (f) Lessee shall cause all of Lessee's Major Contractors to procure and maintain insurance coverage equal to that required of Lessee pursuant to Section 7.5(a)(i) through Section 7.5(a)(iii) inclusive and that satisfies the conditions set forth in Section 7.5(b), Section 7.5(d) and Section 7.5(e); *provided, however*, that: (i) no such Major Contractor may satisfy such obligations through self-insurance, without Lessor's consent, such consent not to be unreasonably withheld, conditioned or delayed; and (ii) if a Major Contractor does not regularly retain or is unable to obtain on

commercially reasonable terms such insurance coverage as necessary to comply with such requirements, Lessee may request that Lessor waive or modify all or any part of such insurance requirements and Lessor shall reasonably consider (but shall not be obligated to grant) such request. Lessee shall require all of Lessee's contractors (of any tier) that are not Major Contractors to procure and maintain insurance that is commercially reasonable in accordance with prudent industry practice for the work being performed by such contractor.

- (g) The insurance requirements set forth in this Lease shall not in any way limit Lessee's liability arising out of this Lease, or otherwise, and shall survive the termination or cancellation of this Lease; *provided, however*, that any such liability may be satisfied out of insurance proceeds.

7.6 Lessor's Insurance. Lessor shall not be required to maintain insurance under this Lease or with respect to the Leased Premises.

7.7 Waiver of Subrogation; Duty to Mitigate.

- (a) Lessee, for itself and on behalf of any Indemnified Person (Lessee), waives and releases any Claim that Lessee or any other Indemnified Person (Lessee) may have against Lessor and each Indemnified Person (Lessor) for any Loss to the extent it is: (i) covered, or required to be covered, by the insurance policies required hereunder to be procured by Lessee; or (ii) covered by any other third party insurance carried by Lessee, regardless of whether the negligence of Lessor or any Indemnified Person (Lessor) caused such Loss. Lessee hereby waives on behalf its insurance carriers any right of subrogation such carriers may have against Lessor and each Indemnified Person (Lessor) and shall cause its insurance carriers to include in all policies required hereunder, by endorsement or otherwise, a waiver of any rights of subrogation.
- (b) Lessor, for itself and on behalf of any Indemnified Person (Lessor), waives and releases any Claim that Lessor or any other Indemnified Person (Lessor) may have against Lessee or each Indemnified Person (Lessee) for any Loss to the extent it is covered by any third party insurance carried by Lessor, regardless of whether the negligence of Lessee or any Indemnified Person (Lessee) caused such Loss. If Lessor carries any such insurance, Lessor hereby waives on behalf of its insurance carriers any right of subrogation such carriers may have against Lessee and each Indemnified Person (Lessee).
- (c) Each Party shall have a duty to use commercially reasonable efforts to mitigate any Loss suffered by such Party in connection with this Lease for which the other Party would be liable under this Lease pursuant to an indemnification obligation or otherwise.

ARTICLE 8 CASUALTY; CONDEMNATION

8.1 Casualty Loss. Lessee shall be responsible, and shall bear the full risk of loss, with respect to: (i) the use, operation and maintenance of the Leased Premises and all Improvements, (ii) any loss of or damage to the Leased Premises and all Improvements, and (iii) any personal injury or death or loss of or damage to any other property arising out of the operation or use of the Leased Premises. In the event of a Casualty to the Leased Premises or any Improvements, this Lease shall continue in full force and effect and shall not terminate, the Term shall not change and there shall be no abatement of Rent.

8.2 Participation in Proceedings. In the event that all or any portion of the Leased Premises or the Improvements is condemned or appropriated during the Term, both Lessor and Lessee may participate in proceedings to recover compensation for such condemnation or appropriation of their respective interests.

8.3 Effect of Condemnation.

- (a) If a condemnation or appropriation of the Leased Premises or the Improvements does not render the continued operation of the Leased Premises commercially impracticable, this Lease shall continue in full force and effect.
- (b) If a condemnation or appropriation of the Leased Premises or the Improvements renders the continued operation of the Leased Premises commercially impracticable, Lessee may terminate this Lease as of the date such condemnation or appropriation becomes effective by giving written notice of such termination within thirty (30) days following the effectiveness of the condemnation or appropriation.
- (c) In the event of a condemnation or appropriation of all or any material part of the Leased Premises, regardless of whether this Lease is terminated, Lessor and Lessee may, in their respective individual and separate capacities and unless otherwise required by applicable Law, pursue such remedies and make such Claims as they may have against the Governmental Authority or other Person exercising such right of condemnation or appropriation. For the purpose of determining the respective rights and remedies of the Parties or an equitable apportionment of any condemnation award, whether such award is made to Lessor and Lessee jointly or to Lessor or Lessee individually: (i) Lessor shall be deemed to be the owner of the remainder interest in the land constituting the Leased Premises; (ii) Lessee shall be deemed to be the owner of the leasehold estate created by this Lease and the Improvements; and (iii) Lessor and Lessee shall apportion any condemnation award in accordance with the value of their respective interests.

**ARTICLE 9
COVENANT AGAINST LIENS**

9.1 Liens of Lessee's Creditors.

- (a) If, because of any act or omission of Lessee, any Lien or order for the payment of money is filed against any portion of the Leased Premises, Lessee shall, without limiting its right to contest the validity thereof in accordance with Section 9.2: (i) at its own cost and expense, cause the same to be discharged of record no later than the earlier to occur of (A) sixty (60) days after the filing of any such Lien or order, (B) ten (10) days prior to the consummation of any foreclosure action based on such Lien or order or (C) twenty (20) days after entry of any judgment in favor of the holder thereof from which no further appeal can be taken; and (ii) indemnify, defend and save harmless Lessor from any Losses arising therefrom. If requested by Lessor, based on a determination that such Lien or order has or may have a material adverse effect upon Lessor, Lessee shall bond or provide additional security reasonably acceptable to Lessor for such contested Lien or order.
- (b) If Lessee fails to cause any such Lien or order to be discharged of record as required pursuant to Section 9.1(a), Lessor shall have the right (but shall not be obligated) to cause the same to be discharged and Lessee shall reimburse Lessor for all reasonable out-of-pocket costs incurred by Lessor to discharge such Lien or order, together with an administrative charge equal to fifteen percent (15%) of such amount, within ten (10) days after written demand therefor.

9.2 Right to Contest. Lessee may contest, by appropriate proceedings, the amount, validity or application of any imposition, legal requirement or any Lien arising therefrom on or applicable to the Leased Premises or the Improvements; *provided, however*, that: (a) unless such proceedings suspend the collection thereof, Lessee shall pay the full amount of such Lien and seek reimbursement for the contested portion thereof or provide Lessor with a payment bond in form and substance reasonably acceptable to Lessor; (b) no part of the Leased Premises shall be subject to loss, sale or forfeiture before determination of any such contest; and (c) Lessee shall conduct any such contest in good faith and with due diligence and shall, promptly after the determination of such contest, pay and discharge all amounts which shall be determined to be payable with respect thereto.

**ARTICLE 10
QUIET ENJOYMENT; USE OF PROPERTY**

10.1 Covenant of Quiet Enjoyment. Lessor covenants that Lessee shall and may at all times peaceably and quietly have, hold and enjoy the Leased Premises from and after the Effective Date through the expiration of the Term, subject in each case to all Permitted Encumbrances, the provisions of this Lease and the matters referred to herein.

10.2 Permitted Use. Lessee shall use the Leased Premises for office trailer and passenger vehicle parking.

10.3 Improvements. Lessee shall have the right, as it may desire during the Term from time to time and in its sole and absolute discretion, to construct, alter, modify or remove any Improvements and Non-Realty on the Leased Premises.

ARTICLE 11 DISPUTE RESOLUTION

11.1 Settlement By Mutual Agreement.

- (a) In the event any dispute, controversy or claim between Lessee and Lessor arises under this Lease or is connected with or related in any way to this Lease or any right, duty or obligation arising hereunder or the relationship of Lessor and Lessee hereunder (a "*Dispute*"), including a Dispute relating to the effectiveness, validity, interpretation, implementation, termination, cancellation or enforcement of this Lease, Lessor and Lessee shall first attempt in good faith to settle and resolve such Dispute by mutual agreement in accordance with the terms of this Section 11.1. In the event a Dispute arises, a Party shall have the right to notify the other Party that it has elected to implement the procedures set forth in this Section 11.1. Within fifteen (15) days after delivery of any such notice by a Party to the other Party regarding a Dispute, Lessor and Lessee shall meet at a mutually agreed time and place to attempt, with diligence and good faith, to resolve and settle such Dispute. Should a mutual resolution and settlement not be obtained at the meeting of Lessor and Lessee for such purpose or should no such meeting take place within such fifteen (15) day period, then either Party may by notice to the other Party, as the case may be, refer the Dispute to senior management of the Parties for resolution. Within fifteen (15) days after delivery of any such notice by a Party to the other referring such Dispute to senior management of the Parties for resolution, representatives of senior management of each of the Parties shall meet at a mutually agreed upon time and place to attempt, with diligence and good faith, to resolve and settle such Dispute.
- (b) Should mutual resolution and settlement not be obtained at the meeting of representatives of senior management of each of the Parties for such purposes as contemplated in Section 11.1(a) or should no such meeting take place within such fifteen (15) day period as contemplated in Section 11.1(a) (unless extended by mutual agreement), then the Dispute shall be submitted to non-binding mediation in accordance with the provisions of Section 11.2.
- (c) If a demand for payment is made to a Party in good faith under this Lease, then such Party shall be required to make such payment notwithstanding any Dispute it may have asserted or may intend to assert regarding such

payment; provided, however, that the making of such payment shall not in any way limit such Party's rights under this Article 11 in respect of such Dispute.

11.2 Mediation. Lessor and Lessee hereby agree that any Dispute which is not resolved pursuant to the provisions of Section 11.1 shall be submitted to non-binding mediation under the Commercial Mediation Rules of the American Arbitration Association. Should mutual resolution and settlement not be obtained through the mediation process within sixty (60) days after appointment of the mediator, then any Party shall be entitled to submit the dispute to a court of competent jurisdiction, subject to the terms of Section 11.3.

11.3 Submission to Jurisdiction. To the extent permitted by applicable Law, any legal action or proceeding against any of the Parties under this Lease or with respect to this Lease shall be brought exclusively in any court of competent jurisdiction located in Jefferson County, Texas and, by execution and delivery of this Lease, each of the Parties hereby irrevocably accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of the aforesaid courts.

11.4 Waiver of Trial by Jury. Each Party hereby waives trial by jury in any judicial proceeding involving, directly or indirectly, any matter (whether sounding in tort, contract or otherwise) arising out of or related to this Lease.

11.5 Emergency Relief. Without affecting the Parties' agreement to mediate a Dispute, either Party may seek injunctive relief or other form of emergency relief at any time from any state court of competent jurisdiction in Jefferson County, Texas or the federal court for such district.

11.6 Survival. The provisions of this Article 11 shall survive expiration or earlier termination of this Lease.

ARTICLE 12 ASSIGNMENT, SUBLEASE OR ENCUMBRANCE

12.1 Restriction on Transfer. Lessee may not directly or indirectly sell, assign, transfer, pledge, mortgage or encumber its leasehold interest or grant any concession or license within the Leased Premises (each, a "*Transfer*") or its rights or obligations hereunder without the prior written consent of the Lessor, which consent shall not be unreasonably withheld, conditioned or delayed. Any Transfer in violation of this Section 12.1 shall be null and void.

ARTICLE 13
TAXES

13.1 Lessee Obligation. Lessee shall be solely responsible for, and shall pay prior to any delinquency, any and all Taxes that may be imposed on the Leased Premises, the Improvements, Lessee's operations on the Leased Premises or any Non-Realty owned by Lessee on or used in connection with the Leased Premises for the period commencing on the Effective Date and continuing through and including the Premises Vacation Date.

13.2 Right to Cure. If Lessee fails, refuses or neglects to make any Tax payment in accordance with this Article 13: (a) Lessor shall have the right, but not the obligation, to pay all or any portion of such amount; and (b) Lessee shall be liable to Lessor for any such amount paid, together with interest thereon at the rate of eight percent (8%) per annum, plus reasonable attorneys' fees and expenses incurred because of, or in connection with, any such delinquency. The election by Lessor to pay any Tax for which Lessee is responsible pursuant to this Lease shall not constitute a waiver of any breach hereunder.

13.3 Apportionment. The parties recognize that the Leased Premises has not been separately assessed for Tax purposes and that Taxes imposed on the Leased Premises for the year in which the Term commences may be included with Taxes imposed on the Overall Property. Therefore, for the year in which the Term commences, the parties shall apportion Taxes as follows:

- (a) With respect to Taxes assessed against any land included in the Leased Premises (but not Improvements), the parties shall prorate Taxes related to the Leased Premises Land Percentage of such Taxes as of the Effective Date, with Lessor being responsible for the period on and prior to the Effective Date, and Lessee being responsible for the period after the Effective Date (it being acknowledged that Lessor shall remain responsible for any such Taxes not included within the Leased Premises Land Percentage of such Taxes, whether related to the period prior to or after the Effective Date).
- (b) With respect to Taxes related to any Improvements on the Overall Property (all of which, Lessor represents, are located on the Leased Premises as of the Effective Date), the parties shall prorate such Taxes as of the Effective Date, with Lessor being responsible for the period on and prior to the Effective Date, and Lessee being responsible for the period after the Effective Date.

13.4 Subdivision. On or prior to the end of the calendar year in which the Term commences, Lessor shall, at its sole cost and expense, obtain a subdivision of the Overall Property in accordance with all applicable Laws to create separate tax parcels and accounts for the Leased Premises and the GTP Property. Lessee agrees to reasonably cooperate with Lessor in connection with obtaining such subdivision.

13.5 Exceptions. Notwithstanding any other provision in this Article 13, Lessee shall not be required to pay any franchise, income or excess profit taxes that may be payable by Lessor or Lessor's legal representative, successors or assigns, nor shall Lessee be required to pay any Tax that might become due on account of ownership of property other than the Leased Premises which may become a Lien on the Leased Premises or which may be collectible out of the same.

13.6 No Deduction for Lessor. Lessor shall not take deductions or credits on its federal, state or local Tax returns with respect to the Improvements constructed the Leased Premises.

ARTICLE 14 FORCE MAJEURE

14.1 Burden of Proof. The burden of proof as to whether a Force Majeure has occurred shall be upon the Party claiming the Force Majeure.

14.2 Effect of Force Majeure. If either Party is rendered wholly or partly unable to perform its obligations under this Lease because of Force Majeure, that Party shall be excused from whatever performance is affected by the Force Majeure (excluding an obligation to make payments due, including Rent) to the extent so affected; *provided, however*, that:

- (a) the non-performing Party, as soon as reasonably practicable after the occurrence of the claimed Force Majeure event, gives the other Party prompt oral notice followed by a written notice fully describing the particulars of the occurrence;
- (b) the suspension of performance is of no greater scope and of no longer duration than is required by the Force Majeure; and
- (c) the non-performing Party uses its best efforts to remedy its inability to perform as soon as possible, provided that neither Party shall be required to prevent or settle any strike, walkout or other industrial labor dispute.

ARTICLE 15 MISCELLANEOUS

15.1 Governing Law. This Lease shall in all respects be governed by and construed in accordance with the Laws of the State of Texas, without regard to its conflict of laws principles.

15.2 No Partnership. Nothing contained in this Lease shall be construed to create an association, trust, partnership or joint venture or impose a trust or partnership duty, obligation or liability, or an agency relationship, on or with regard to either Party. Each Party shall be individually liable for its own obligations under this Lease.

15.3 Entire Agreement. This Lease contains the entire understanding of Lessor and Lessee with respect to the matters covered hereby and supersedes and cancels any and all oral or written prior agreements, understandings, statements and representations between the Parties with respect thereto.

15.4 No Waiver. The failure of either Party to insist upon or enforce in any instance strict performance of any of the terms of this Lease or to exercise any right, power or remedy hereunder conferred, shall not be construed as a waiver or relinquishment to any extent of its rights to assert or rely upon such terms or any such right, power or remedy on any future occasion.

15.5 Amendments. No amendment or modification of the terms of this Lease shall be binding on either Lessor or Lessee unless reduced to writing and signed by both Parties.

15.6 Captions. All captions, titles, subject headings, section titles and similar items are provided solely for the purpose of reference and convenience and are not intended to be inclusive, definitive or to affect the meaning, content or scope of this Lease.

15.7 Notice and Service. Any notice, demand, request, consent, approval, confirmation, communication or statement that is required or permitted under this Lease shall be in writing and shall be made by hand delivery, certified mail or a nationally recognized overnight courier, addressed to the Party at the address set forth below. Changes in such address shall be made by notice similarly given. Notice delivered by hand or by nationally recognized overnight courier shall be deemed received when delivered to the address as specified herein, and notice mailed in the manner provided above shall be deemed received upon the earlier to occur of (i) actual receipt as indicated on the signed return receipt, or (ii) three (3) days after posting as herein provided.

Lessor: Steven R. Birdwell
Golden Triangle Properties, LLC
10 Oaklawn
Houston, TX 77024
(713) 875-9111

Lessee: Emerald Biofuels, LLC
Attention:

(xxx) xxx-xxxx

15.8 Maintenance of Records. Any documents or other records required to be maintained pursuant to this Lease shall be maintained for the lesser of: (a) five (5) years; or (b) twelve (12) months following expiration or termination of this Lease.

15.9 Severability and Renegotiation.

- (a) Should any part of this Lease, for any reason, be declared invalid, such decision shall not affect the validity of the remaining portions, which remaining portions shall remain in force and effect as if this Lease has been executed with the invalid portion thereof eliminated, and it is hereby declared the intention of the Parties that they would have executed the remaining portion of this Lease without including therein any such part, parts or portion which may for any reason be hereafter declared invalid.

- (b) Notwithstanding the provisions of Section 16.9(a), should elimination of any invalid portions of this Lease render the continuation of this Lease impossible or if any term or provision of this Lease be found invalid by any court or regulatory body having jurisdiction thereof, the Parties shall immediately renegotiate in good faith such term or provision of this Lease to eliminate such invalidity.

15.10 Further Assurances. If either Lessor or Lessee reasonably determines that any further instruments or any other acts are necessary or desirable to carry out the terms of this Lease, the other Party shall promptly execute and deliver all such instruments and assurances and do all things reasonably necessary and proper to carry out the terms of this Lease; *provided, however*, that no such instruments or assurance shall change the terms and conditions of this Lease.

15.11 Independent Obligations. The obligation of Lessee to pay all Rent and other sums hereunder provided to be paid by Lessee and the obligation of Lessee to perform Lessee's other covenants and duties hereunder constitute the joint and several, independent, unconditional obligations to be performed at all times provided for hereunder by Lessee.

15.12 Time of the Essence. In all instances where Lessee is required hereunder to pay any sum or do any act at a particular indicated time or within an indicated period, it is understood that time is of the essence.

15.13 No Merger. Neither this Lease nor the leasehold estate created hereby shall terminate or be terminated by merger of title, operation of law, or otherwise, unless expressly agreed in writing signed by the Parties.

15.14 No Third Party Beneficiaries. Except as otherwise herein expressly provided, this Lease inures to the sole and exclusive benefit of the Parties and confers no benefit on any third party whomsoever.

15.15 Lease Remains in Effect. Notwithstanding a failure of the obligations of either Party hereunder, the rights of the Parties under this Lease shall not lapse, be suspended or forfeited, and the Lease shall remain in full force and effect.

[Signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Lease to be signed by their respective authorized officers as of the Effective Date.

LESSOR:

GOLDEN TRIANGLE PROPERTIES, LLC,
a Texas limited liability company

By: _____
Name: _____
Title: _____

LESSEE:

EMERALD BIOFUELS, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT A
Leased Premises

Cushman & Wakefield of Texas, Inc.

If the foregoing is acceptable, please evidence the Lessee's acceptance by executing a copy of this letter and returning it to us by email or other method of delivery by November 1, 2014, or this offer to sell shall expire. We look forward to working with you to successfully complete this transaction.

Very truly yours,

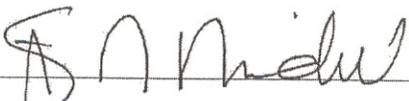
B. Kelley Parker, III

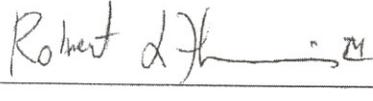
BKP/mh
Attachments

ACCEPTED:

LESSOR: Golden Triangle Properties, LLC

LESSEE: Emerald Biofuels, LLC

By: 

By: 

Name: Steven R. Birdwell

Name: Robert Fleming

Its: President / CEO

Its: Vice President of Engineering & Technology

Date: 10/28/14

Date: 10/29/14

EXHIBIT B “Base Year Property”

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

EXHIBIT D – “List of HUB/ DBE Companies”

Minority Business Directory

*** Indicates certification as a HUB/DBE has been obtained**

Accountants/ Certified Public

ComPRO Tax
Denise White
2720 N. 11th Street
Beaumont, TX 77703
Tel: 409-924-7777
Fax: 409-924-0610
Website: www.comprotax.com

Fedric Zeno, Sr.
ComPRO Tax, Inc.
2905 Laurel Ave.
Beaumont, TX 77703
Tel: 409-832-1099
Fax: 409-832-2108
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Gayle Botley
Botley & Associates, CPA's
Tel: 409-833-8757

Joanne Spooner
South Park ComPRO Tax
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Tel: 409-832-8299
Fax: 409-832-1661
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*Stephanie Clark
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Fax: 409-813-3404
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ComPRO Tax
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Beaumont, TX 77701
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Ms. Margaret Bostic
That Too
Tel: 409-842-6966

Advertising & Public Relations

Jessie Haynes & Associates
P.O. Box 22577
Beaumont, TX 77720
Tel: 409-838-2222
Website: www.haynespr.com

Texas Black Pages
P.O. Box 22577
Beaumont, TX 77720
Tel: 409-838-2222
Website: www.texasblackpages.com

Agricultural

Lloyd J. Hebert
Cooperative Extension Program
1295 Pearl St
Beaumont, TX 77701
Tel: 409-835-8461
Cell: 409-351-1331

Air Conditioning Repair

Big-O Air Conditioning & Heating
1370 Lavaca
Beaumont, TX 77705
Tel: 409-833-4817
Cell: 409-656-0827

J&W A/C Heating
Ivory Joe Harris
5465 Emerald Dr.
Beaumont, TX 77705
Tel: 409-842-2389

Jon D. Welch
Coushatta
P.O. Box 13071
Beaumont, TX 77726
Tel: 409-899-2552
Email: jon@coushatta-services.com
Website: www.coushatta-services.com

LanLos Appliance & Air Conditioning Repair
P.O. Box 5513
Beaumont, TX 77726
Tel: 409-724-4101

Villery's
Refrigeration & Air Conditioning Service
Tel: 409-838-2233

Barbecue/ Caterers

Charlie Dean
Dean's Bar-B-Q & Catering
805 Magnolia
Beaumont, TX 77701
Tel: 409-835-7956

Eugene Sam
Tillmans Barbecue Pit
1104 Sherman St
Beaumont, TX 77701
Tel: 409-838-5592

Gerard's Barbecue Diner
3730 Fannett Rd
Beaumont, TX 77705
Tel: 409-842-9135

Jack Patillo Barbecue
2775 Washington Blvd.
Beaumont, TX 77705
Tel: 409-833-3154

Leonard Broussard
Broussard's Bar-B-Q
2930 S. 11th Street
Beaumont, TX 77701
Tel: 409-842-1221

*Mouton's Catering
3845 Washington Blvd
Beaumont, TX 77705
Tel: 409-842-4933

Carpet/ Flooring

*Alton & Michelle Babineaux
Bab's Carpet
4940 Highland Ave.
Beaumont, TX 77705
Tel: 409-833-7484
Fax: 409-790-4218

Delores Fruge
Power Stretch Carpet
502 S. 4th St.
Beaumont, TX 77701
Home: 409-832-8626
Cell1: 409-617-1862
Cell2: 409-338-9907
Fax: 409-833-3230

Raymon and Sharonne Morris
Morris and Morris Floor Covering
4515 Ironton
Beaumont, TX 77703
Home: 409-833-5011
Tel: 409-553-9861

Computer Service & Repair

Chris Martin
601 Woodworth
Port Arthur, TX 77642
Tel1: 409-982-3528
Tel2: 409-982-3529

David Leaven / Marcus Frank
F & L Computer Solutions
P.O. Box 328-A
Winnie, TX 77665
Tel: 409-351-1256

Consultant

Felicia Young, Owner
Five Star Business Solutions
Tel: 409-466-6038

**Contractors /Construction Services/Community Development/
Home Builders**

Al Armstrong
SEATECH
3227 Highland Ave
Beaumont, TX 77701
Tel: 409-350-5620

Albert Ceaser
CMM Construction
Tel 409-842-1250

Arthur Limbrick, Sr.
Lim Construction, Inc.
Commercial & Residential Building
4935 Fannett Road
Beaumont, TX 77705
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Fax: 409-842-9141
Cell: 409-338-0832

Celestine's Construction
510 Palm St.
Beaumont, TX 77705
Tel: 409-832-1342

*Christene Sonnier Coastal Industrial Services, Inc. P.O. Box 158 Port Neches, TX 77651 Tel: 409-736-3797 Cell: 409-728-5072	205 West Hwy 365, Ste. A Port Arthur, TX 77640 Fax: 409-736-2270 Email: www.coastaltxs@aol.com
---------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------

Cornelius Harris
Alamo Contractors

Don LaFleur
Don LaFleur Construction & Homes
5681 Eastex Freeway
Beaumont, TX 77708
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Donald Ray Wise
Wise Barricades
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Senigaur Home Builder & General Contractor
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Jerry Ball- VP
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Joe Wheaton Construction Co.

Johnny Casmore
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7295 Ellen Lane
Beaumont, TX 77708
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DEZ-TEX Construction, Inc.
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Southeast TX Community Development
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Ories Holmes
Ories Holmes Construction
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Paul Buxie
Buxie Builders
Tel: 409-833-2028

Perkins brown
Brown Fencing & construction
Tel: 409-833-1533

R. Anthony Lewis II
Custom Home Design & Building
Tel: 409-839-4735

Ray Marsh
RAM Contracting Services
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Richard Gilbert / Bruce Dunbar
Owner / Superintendent
GP Realty Building Co.
648 Orleans
Beaumont, TX 77701
Richard Tel: 281-895-7773
Bruce Tel: 409-454-6356
Fax: 409-835-6775

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GP Industrial Contractors, Inc.
rpetry@gpic2000.com
Port Arthur, TX 77640
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Andrus Construction
Beaumont, TX 77703
Home: 409-835-4397
Work: 409-835-8629
Cell: 409-466-1860

William Kenebrew, Sr.
Kenebrew Masonary
Tel: 409-866-3310

Commodities

*Loma George
LG Supplies
9545 Riggs Street
Beaumont, TX 77707
lomageorge@att.net
Tel: 409-782-4086

Copy Services

Jeanette Rideau
Reliable Copy Service
2498 Washington Blvd -B
Beaumont, TX 77705
Tel: 409-835-1218
Fax: 409-838-0064
Email: jeanetteRCS@sbcglobal.net

Council

Beverly L. Hatcher- President
Golden Triangle Minority Council, Inc.
P.O. Box 21664
Beaumont, TX 77720-1664
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Fax: 409-898-8077
Email: gtmbc@ih2000.net
Website: www.gtmbc.com

Electrical/ Mechanical Contractors

Calvin Walker
Walker's Electric Company
2916 Magnolia Street
Beaumont, TX 77703
Tel: 409-212-9244
Fax: 409-212-9245

*Gregory T. Johnson, Sr.
GJETCO
P.O. Box 22735
Beaumont, TX 77720
Tel: 409-866-3829
Fax: 409-866-6962

*Joseph C. Ledet, III
Ledet Electrical Services
Tel: 409-896-5471
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Ray Marsh
RAM Electrical & Mechanical Contractors
3467 Elinor
Beaumont, TX 77705
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Fax: 972-539-2422
Email: ray@ram4mep.com

Employment Services

Imogene Chargois
 Texas Workforce Centers of Southeast Texas
 304 Pearl Street
 Beaumont, TX 77701
 Tel: 409-839-8045
 Fax: 409-835-0774
 Email: imogene.chargois@setworks.org

*Luis G. Silva
 Silva Employment Network
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 Port Arthur, TX 77642
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Energy

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 Fax: 713-541-5535
 Website: www.syed@apexgroupofcompaines.com

Engineers

*Andy Chica
 Chica & Associates Inc.
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 Beaumont, TX 77701
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Sina K. Nejad, P.E.
 Sigma Engineers, Inc.
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Environmental

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Florists- Retail

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Clinton Ford
 Clint's Maintenance and Repairs
 8345 Lawrence Drive
 Beaumont, TX 77708
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Industrial Consultant

B.D. Belvin and Assoc.
 Consulting Business Development
 9692 Westhiemer Rd., Suite 83
 Houston, TX 77063
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 Email: david@bdbelvin.com
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 Fax: 813-994-9557
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 Email: mrcharlestaylor@cs.com

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 A & M Marketing
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 Email: odharm21@yahoo.com
 Website: www.coloniallife.com

Lora Brooks Francis
 Insurance Medical Services, Inc.
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 Tel & Fax: 409-722-0077
 Cell: 409-289-0945

Mark A. Williams
 Protectors Insurance & Financial Services
 2600 South Loop West, Suite 520
 Houston, TX 77054
 Tel: 832-347-6080
 Fax: 713-660-9977

Email: mwilliams@protectorinsurance.com

Mr. Lawrence Evans
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 Beaumont, TX 77720
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 Fax: 409-842-8304
 Email: levansinsurance@msn.com

Tarik Cooper
 Frank and Cooper, Inc.
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 Tel: 409-284-5341
 Cell: 409-939-0247

Thelma Jefferson
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 Beaumont, TX 77706
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 Tel2: 409-4661822
 Email: cautiousscenery@aol.com

Investment

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 EdwardJones
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 Beaumont, TX 77706
 Tel1: 409-896-5852
 Toll Free1: 888-368-2620
 Toll Free2: 888-898-7188
 Website: www.edwardjones.com

Lawn Care

Ava S. Hamilton
 B & A Lawn Care Service
 P.O. Box 22855
 Tel1: 409-866-9399
 Tel2: 409-651-9955
 Tel3: 409-651-9954

*Michael Alfred
The Garden of Gethsemane
Tel: 409-842-2773

Logistic

*Ray Deshotel
Beaumont Warehouse-Transportation
P.O. Box 20477
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Fax: 409-883-4208
Cell: 409-299-0053
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Maintenance

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Misc.

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Delois Roy
Art World
Tel: 409-892-7638

J.M. Kaufman
J.M. Kaufman Materials Co.
Tel: 409-985-4906

James Holmes
James Holmes Enterprises, Inc.
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Area Impressions Caps & T's
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Select Business Products
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Fax: 409-866-1401

Pest Control

Colton (Bubba) Moore, Owner
Moore Superior Pest Control, Inc.
Tel: 409-899-1799

Photography

Harold's Photography
2705 S. Fourth St
Beaumont, TX 77705
Tel: 409-794-5376
Fax: 409-842-4143
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Johnny Beatty Barry
Photographer & Videographer
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Beaumont, TX 77701
Tel: 409-842-3903

Sonny Perkins
Sonny's Video
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Beaumont, TX 77701
Tel: 409-832-9380

Plumbing

A.J.
Martha's Sewage and Drainage Service
2370 Columbia Street

Beaumont, TX 77701
Tel: 409-833-2796

Charles chevis
Joe Simon Plumbing & Heating
Tel: 409-842-0490

News/ Media/ Publications

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KFDM 6 & WB 10 KWBB
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Email: angels@kfdm.com

Helen Hunter Tubbs
Spotlight Magazine
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Beaumont, TX 77725
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Fax: 409-832-6171

Jesse Samuels, Sr.
Cumulus
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Fax: 409-833-9296
Home: 409-983-5404

Jessie Haynes
NAC Publishing- 10 Stupid Things
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Beaumont, TX 77720
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Mr. A. B. Bernard
BGI Enterprise
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Beaumont, TX 77720-2077
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Fax: 409-833-0744

Ms. Vicke Frank
KZZB Radio

2531 Calder Ave.
 Beaumont, TX 77702
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 Fax: 281-424-7588

Tracie Payne
 CUSH Magazine
 P.O. Box 22197
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 Website: www.cush.com

Purchasing/ Procurement

Odell Wynn
 WGN Procurement
 2626 South Loop West, Suite 545
 Houston, TX 77054
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Real Estate

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 Email: drvinnie@sbcglobal.net

Kim Fenner
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 Cell: 409-893-0735
 Email: kim.fenner@era.com
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Mrs. Dee Richard Chavis
Dee Richard Real Estate
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Email: kyles@aol.com

Restaurants

Floyd & Carol Dixon
 Southern Delight Restaurant
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 Beaumont, TX 77705
 Tel: 409-840-5025

Frank Owens, Proprietor
 Dairy Queen
 3755 College St.
 Beaumont, TX 77701
 Tel: 409-838-4723

Nolan Hines, Jr.
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 Tel: 409-833-9460
 Cell: 409-553-4632
 Fax: 409-833-9470
 Website: www.tasteoforleansonline.com

Roofing

John & Lawrence
 Norman & Norman Roofing
 Beaumont, TX
 John Tel: 409-454-8586
 Lawrence Tel: 409-838-4266

Sanitary Supply

Armstead Price, Owner
 MVP Janitorial Inc.
 5430 Concord Road, Suite A
 P.O. Box 22961-2961
 Beaumont, Tx 77720
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 Cell: 409-454-5100

*S and S – Enterprises
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 Tel: 409-842-0594
 Fax: 409-842-0594
 Pager: 409-726-3624

The Invisible Armor
 Tammy Powell
 P.O. Box 22492
 Beaumont, TX 77720
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 Fax: 409-840-9815
 Email: www.iarmor.net

Trophies

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 AAA Trophy Shop & Etc.
 4570 Highland Ave
 Beaumont, TX 77705
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Trucking/Heavy Hauling

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 J&J Trucking
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Erwin Charles
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Delisa Bean
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 2005 Broadway, Suite 113
 Beaumont, TX 77702
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Frank Patillo
 Frank Patillo Trucking
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Gerald Castille
 G&S Trucking & Mowing
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Chris Gobert
 Gobert Trucking Company
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Jerry P. Bernard

Bernard's Trucking
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Joseph Charles
J&P Trucking
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Mrs. Shelia M. Mire
W&S Mire Trucking

Roland Eaglin
Roland Eaglin Trucking
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Wrecker Services

Mr. Chuck Guillory
Chuck's Wrecker Service
2945 Blanchette Service
Beaumont, TX 77701
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Tommy Guillory
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4020 Fannett Rd
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Tel: 409-842-5106
Bernard Simon
Mirror Shine & Shoe Repair
657 Park
Beaumont, TX 77701
Tel: 409-835-5722

Exhibit "E"

Jefferson County Abatement Policy

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



JEFFERSON COUNTY AMENDED UNIFORM TAX ABATEMENT POLICY-2014

ADMONITORY PROVISIONS

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

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

STATEMENT OF PURPOSE

SECTION I

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

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

DEFINITIONS

SECTION II

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

(b) “**Agreement**” means a contractual agreement between a property owner and/or lessee and the County.

(c) “**Base Year**” means the calendar year in which the abatement contract is executed (signed).

(d) “**Base Year Value**” means the taxable value of eligible industrial realty improvements of the owner within Jefferson County on January 1 preceding the execution of the abatement agreement and which property is owned by the owner, co-owner and/or its parent companies, subsidiaries, partner or joint ventures or any entity exercising legal control over the owner or subject to control by the owner. Owner will attach as Exhibit “F-Affiliates” those properties which are co-owned or which are parent companies, partnerships, joint-ventures or other entities in Jefferson County over which the Owner herein exercises legal control.

(e) “**Deferred Maintenance**” means improvements necessary for continued operation which that do not improve productivity, or alter the process technology, reduce pollution or conserve resources.

(f) “**Distribution Center**” means buildings and structures, including fixed machinery and equipment, used or to be used primarily to receive, store, service or distribute goods or materials owned by the Facility operator where a majority of the goods or services are distributed to points beyond Jefferson County.

(g) “**Eligible Facilities**” or “Eligible Projects” means new, expanded or modernized buildings and structures, as defined in the Texas Property Tax Code, including fixed machinery and equipment, which is reasonably likely as a result of granting abatement to contribute to the retention or expansion of primary employment or to attract major investment in the reinvestment or enterprise zone that would be a benefit to the property and that would contribute to the economic development within the County, but does not include facilities which are intended primarily to provide goods or services to residents or existing businesses located in the County such as, but not limited to, restaurants and retail sales establishments. Eligible facilities may include, but shall not be limited to, industrial buildings and warehouses. Eligible facilities may also include facilities designed to serve a regional population greater than the County for medical, scientific, recreational or other purposes.

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

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

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

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

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

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

WHEN ABATEMENT AUTHORIZED

SECTION III

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

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

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

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

(e) **Ineligible Property.** The following types of property shall be fully taxable and ineligible for tax abatement: land, supplies, inventory, vehicles, vessels, housing, improvements for the generation or transmission of electrical energy not wholly consumed by a new facility or expansion; any improvements, including those to produce, store or distribute natural gas, fluids or gases, which are not integral to the operation of the facility; deferred maintenance, property to be rented or leased (except as provided in Section III(f)), property which has a productive life of less than ten years, or any other property for which abatement is not allowed by state law.

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

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

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

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

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

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

Factors Considered By County In Considering Abatement Requests

Section IV

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

(1) Existing improvements, if any;

(2) Type and value of proposed improvements;

(3) Productive life of proposed improvements;

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

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

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

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

(8) The amount of local taxes to be generated directly;

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

- (10) The amount of economic impact the Eligible Facility will provide to the local community;
- (11) The costs to be incurred by the County to provide facilities or services directly resulting from the new improvements;
- (12) The amount of ad valorem taxes to be paid to the County during the abatement period considering (a) the existing values; (b) the percentage of new value abated; (c) the abatement period; and (d) the value after expiration of the abatement period;
- (13) The population growth of the County projected to occur directly as a result of new improvements;
- (14) The types and values of public improvements, if any, to be made by the applicant seeking abatement;
- (15) Whether the proposed improvements compete with existing businesses to the detriment of the local economy;
- (16) The impact of the proposed project on the business opportunities of existing businesses;
- (17) The attraction of other new businesses to the area as a result of the project;
- (18) The overall compatibility with the zoning ordinances and comprehensive plan for the area;
- (19) Whether the project is environmentally compatible with no negative impact on quality of life perceptions; Each application for tax abatement shall be reviewed on its merits utilizing the factors provided above. After such review, abatement may be denied entirely or may be granted to the extent deemed appropriate after full evaluation.

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

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

(c) Each recipient of a property tax abatement must also provide bidding information to local contractors, manufacturers and labor to allow them to have sufficient information and time to submit their bids and pre-bid meetings must be held between the owner and potential local bidders and suppliers of services and materials.

(d) Historically Underutilized Businesses/Disadvantaged Business Enterprises.

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

1. A Historically Underutilized Business (HUB) is a business owned or controlled by Socially and Economically Disadvantaged Individuals as defined by all applicable federal or state laws and local policies, including Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Asian-Indian Americans, women and individuals with disabilities. A HUB is one that is at least 51 percent owned or controlled by one or more women or Socially and Economically Disadvantaged Individuals who actively participate in the conduct of the business or, in the case of a publicly owned business, one in which at least 51 percent of the stock is controlled by one or more women or Socially and Economically Disadvantaged Individuals. A business that has been certified as a HUB/DBE by an agency of the federal government or the State of Texas is presumed to be a HUB/DBE for purposes of this policy. Only a HUB/DBE with its principal office in Jefferson, Hardin, and Orange, County will be recognized as a HUB/DBE for purposes of this policy. Jefferson County will supply a Minority Business Directory to each applicant.

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

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

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

litigation between the individual or entity requesting the creation of the reinvestment or enterprise zone and the County.

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

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

APPLICATION PROCESS

SECTION V

(a) Any present owner, potential owner or Lessee of taxable property in the County may request the creation of a reinvestment or enterprise zone and tax abatement by filing a written request with the County Judge.

(b) The application shall consist of a completed application form which shall provide detailed information on the items described in Section III(h) hereof; a map and property description with specific metes and bounds; a time schedule for undertaking and completing the planned improvements. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form may require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant. The County shall also require a non-refundable application fee in the amount of \$1,000.00 to be submitted with the application.

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

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

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

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

AGREEMENT

SECTION VI

(a) Not later than the seventh (7th) day before the date on which the County enters into the abatement agreement, the County shall deliver to the presiding officer of the governing body of each other taxing unit in which the property is located a written notice that the County intends to enter into the agreement. The notice shall include a copy of the prepared agreement.

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

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

RECAPTURE

SECTION VII

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

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

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

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

(e) It is understood and agreed by the owner that, if at any time during the abatement, the owner prevails in an action to contest the taxable value of the property of owner that is the subject of the abatement for Unequal Appraisal or revision thereof pursuant to Section 42.26, Texas Tax Code, the County shall reduce the amount of abatement dollar for dollar for each dollar that the taxable value is reduced as a result of that contest.

ADMINISTRATION

SECTION VIII

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

agreement. Once value has been established, the Chief Appraiser will notify the County of the amount of the assessment.

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

(c) Upon completion of construction, the designated representative of the Owner shall annually evaluate each facility receiving abatement to insure compliance with the agreement, and a formal report shall be made to the County.

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

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

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

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

AGREEMENT

SECTION IX

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

SUNSET PROVISION

SECTION X

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

DISCRETION OF THE COUNTY

SECTION XI

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

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

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

General:

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

Opening Paragraph:

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

Economic Impact Analysis:

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

Maps and Plats

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

Questions to be Answered

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

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

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

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

(5) Present Appraisal District value of land and any EXISTING improvements owned by the

OWNER:

(Answer this question based on Appraisal District records for the specific site you select.)

Cost of Land (If you are purchasing): \$_____

Number of Acres: _____ or Square Feet: _____

(6) Type and value of proposed improvements:

Type of construction:

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

Value of Construction:

Value of Equipment:

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

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

(8) Number of existing jobs to be retained by proposed improvements:

(Answer only if the location is already in or near Jefferson County and now employs Jefferson residents.)

(9) Number and types of new jobs to be created by proposed improvements: _____

Include in this answer the number of Jefferson County residents that will be employed.

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

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

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

During term of abatement: _____

After term of abatement: _____

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

EXHIBIT "A"

JEFFERSON COUNTY APPRAISAL DISTRICT PROCEDURE FOR CALCULATING ABATEMENTS

Purpose

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

Calculation of "Base Year Value"

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

Calculation of "Current Year Market Value"

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

Calculation of "Taxable Value"

"Taxable Value" for each taxing entity executing an abatement agreement is determined by deducting from the Market Value of all industrial realty improvements of a property

owner and/or its affiliates the amount of any applicable exemptions and abatements granted for that Tax Year.

Calculation of Abated Value

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

VALUE POTENTIALLY ELIGIBLE FOR ABATEMENT:

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

VALUE AVAILABLE FOR ABATEMENT:

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

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

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

VALUE SUBJECT TO ABATEMENT:

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

ABATED VALUE:

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

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

EXHIBIT "F" - AFFILIATES OF OWNER

None



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 Chief Deputy
 e-mail
joleen@co.jefferson.tx.us

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County Treasurer
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 Beaumont, Texas 77701

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April 15, 2015

Judge Jeff R. Branick
 Commissioners' Court
 1149 Pearl Street
 Beaumont, TX 77701

Dear Judge and Commissioners:

The Committee selected to review and evaluate the depository bank contract proposals has met and makes the following recommendation for the funds of Jefferson County and the Jefferson County District and County Clerk's Trust Funds. The Committee proposes and recommends awarding both contracts to Wells Fargo Bank, N.A.

Please place this on the agenda for Monday, April 27, 2015.

Sincerely,

Tim Funchess, CCT, CIO
 County Treasurer

Agenda should read:

Award RFP 15-006/DC, Jefferson County Bank Depository Contract to Wells Fargo Bank, N.A.

Award RFP 15-007/DC, Jefferson County District and County Clerk's Trust Funds Depository Contract to Wells Fargo Bank, N.A.



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April 15, 2015

Judge Jeff R. Branick
 Commissioners' Court
 1149 Pearl Street
 Beaumont, TX 77701

Dear Judge and Commissioners:

The Committee selected to review and evaluate the depository bank contract proposals has met and makes the following recommendation for the funds of Jefferson County and the Jefferson County District and County Clerk's Trust Funds. The Committee proposes and recommends awarding both contracts to Wells Fargo Bank, N.A.

Please place this on the agenda for Monday, April 27, 2015.

Sincerely,

Tim Funchess, CCT, CIO
 County Treasurer

Agenda should read:

Award RFP 15-006/DC, Jefferson County Bank Depository Contract to Wells Fargo Bank, N.A.

Award RFP 15-007/DC, Jefferson County District and County Clerk's Trust Funds Depository Contract to Wells Fargo Bank, N.A.

Brokerage Service Agreement

THIS BROKERAGE SERVICE AGREEMENT (this "Agreement") is between **MCGRIFF, SEIBELS & WILLIAMS** ("MSW") and ***Jefferson County*** (the "Client").

The Client and MSW agree as follows:

1. MSW will solicit, negotiate and service insurance policies for the Client for the coverages described on Exhibit A hereto (Insurance Placement) and provide the risk management services described on Exhibit B hereto (Risk Management Services).
2. The Client will provide MSW with all information necessary to enable MSW to provide Insurance Placement and Risk Management Services.
3. Remuneration:
 - A. The Client will pay MSW a fee in the amount of \$ 24,000.00 (the "Fee") for Risk Management Services.
 - B. The Fee will be payable upon receipt of an invoice by the Client.
 - C. MSW's compensation for Insurance Placement will be in the form of commissions from the insurance carriers and/or intermediaries with which the insurance policies are placed. Any such commission compensation is in addition to and separate from the Fee paid to MSW for the Risk Management Services. MSW will make information regarding compensation available to the Client upon request.
 - D. With respect to Insurance Placements and/or Risk Management Services undertaken on behalf of the Client that are not contemplated by this Agreement, MSW may be compensated pursuant to a separate Broker Service Agreement or by the insurance companies and/or intermediaries utilized in such Insurance Placements. MSW will make information regarding such Agreements and compensation available to the Client upon request.
4. With respect to any insurance placement or risk management services for which MSW's compensation is fee-based in whole or part, MSW will not execute or accept any monetary compensation pursuant to any (1) market service agreement, (2) placement service agreement, or (3) agreement providing for any bonus, override or contingency that would be received from any type of intermediary or insurance company. Further, MSW will instruct all insurance companies to exclude insurance policies from any contingency agreements, bonuses and overrides if MSW receives a fee for placement of such policies. This does not

preclude MSW from accepting non-monetary awards, including trips and other prizes, which MSW believes are important for professional and business development.

- 5. MSW reserves the right to engage business partners and service providers owned by, or under the control of, MSW or BB&T Corporation in connection with the execution of Brokerage Services Agreements. Use of these business partners and service providers, including but not limited to CRC Insurance Services, Inc.; American Coastal Insurance Company; AmRisc, LP; Prime Rate Premium Finance Corporation or affiliates; or BB&T Assurance Company, Ltd., could result in the accrual of additional income to BB&T Corporation.
- 6. This Agreement and the respective rights and obligations of the parties hereto shall be construed in accordance with and governed by the laws of the state of **Texas**.
- 7. This Agreement commences on **02/24/2015** and ends on **02/24/2016**, with an automatic annual renewal unless terminated prior to that date by either party hereto on 30 days' notice to the other party.

IN WITNESS WHEREOF, the Client and MSW have executed this Agreement.

MCGRIFF, SEIBELS & WILLIAMS, INC.

CLIENT

By: _____

By: _____

Name: **Johnny Fontenot**

Name: _____

Title: **Executive Vice-President**

Title: _____

Manager's Initials: _____

EXHIBIT A

The Client has requested Insurance Placement for the following lines of coverage:

Property Coverage
Excess Property Coverage
Boiler and Machinery Coverage
Crime Coverage
Excess Workers' Compensation Coverage
Excess Public Officials Liability Coverage
Mosquito Control Liability
Storage Tank Liability

MSW will negotiate the pricing and terms of the coverages with selected insurance companies and/or intermediaries. At the end of the marketing process and upon the Client's request, MSW will provide the Client with a report summarizing the results of such negotiations.

In connection with the coverages listed above, MSW will provide the following services during the term of this Agreement:

- a. Confirmation of evidence of insurance (binders, cover notes) or the status of a placement will be provided and delivered to Client prior to the renewal date;
- b. Arrangement of periodic meetings with Client at mutually agreed upon times to discuss pertinent topics;
- c. Timely issuance of certificates of insurance.
- d. Provision of claim status reports upon reasonable request;
- e. Provision of loss runs upon reasonable request; and
- f. Check insurance policies for accuracy.

EXHIBIT B

MSW will provide the following Risk Management Services for the Client:

- A. Work with the Client to assess the Client's risks;
- B. Work with the Client to design and develop the Client's insurance program;
- C. Keep the Client informed of significant changes and/or trends in the insurance marketplace and provide the Client with an annual forecast of market conditions;
- D. Meet regularly, on a prescheduled basis with the Client's key people designated by the Client to discuss strategy and open items;
- E. Executive Risk Program
 - (i) Provide general consulting on all executive risk insurance matters for Client.
 - (ii) Provide executive risk insurance marketing, implementation and ongoing management services.
 - (iii) Continuously update and advise Client on executive risk market issues and trends.

**JEFFERSON COUNTY SHERIFF'S OFFICE****SHERIFF G. MITCH WOODS**CHIEF TIM SMITH
*LAW ENFORCEMENT*CHIEF GEORGE MILLER
*CORRECTIONS*CHIEF MARK DUBOIS
*SERVICES*CHIEF RON HOBBS
NARCOTICS

TO: Honorable Judge – Jeff R. Branick
Commissioner - Eddie Arnold
Commissioner - Brent Weaver
Commissioner - Michael Sinegal
Commissioner - Everette Alfred

FROM: G. Mitch Woods, Sheriff

SUBJECT: Historical Picture Plaque
Agenda item for Monday - April 27, 2015

DATE: April 21, 2015

Consider and accept the donation of a historical picture plaque of several former Sheriffs of Jefferson County from the year 1877 to 1947. This historical plaque is being donated to the Jefferson County Sheriff's Office by the former Sheriff, and County Judge of Jefferson County, Carl Griffith, Jr.

Thank you for your consideration.

Sincerely,

G. Mitch Woods, Sheriff
Jefferson County, Texas

Special, April 27, 2015

There being no further business to come before the Court at this time,
same is now here adjourned on this date, April 27, 2015