

**SUBLEASE AGREEMENT
BETWEEN THE CITY OF CROCKETT, TEXAS, AND
TEXAS WORKFORCE SOLUTIONS OF DEEP EAST TEXAS**

This Sublease Agreement (“Sublease”) is entered into as of December 1, 2025, by and between the City of Crockett, Texas, a Texas municipal corporation, as Sublandlord (“Sublandlord” or “City”), and Workforce Solutions Deep East Texas, an entity organized under the laws of the State of Texas, as Subtenant (“Subtenant” or “Workforce Solutions”).

1. Subleased Premises

Subject to the terms of the Master Lease Agreement between the City of Crockett, Texas, as Tenant, and the Crockett Economic and Industrial Development Corporation, as Landlord, Sublandlord hereby subleases to Subtenant approximately 1,750 square feet of office space (the “Subleased Premises”) within the commercial building located at 1505 S. 4th Street, Crockett, TX 75835 (the “Building”). The exact area subleased shall be mutually agreed upon in a separate floor plan attached as Exhibit A.

2. Term

The term of this Sublease shall commence on December 1, 2025 (“Sublease Commencement Date”), and shall expire on November 30, 2026, unless sooner terminated in accordance with this Sublease or the Master Lease, but in no event to extend beyond the term of the Master Lease, including any renewal or extension thereof. This Sublease shall automatically renew for successive one-year terms unless either party provides written notice of non-renewal at least thirty (30) days prior to the expiration of the then-current term.

3. Rent

- a. Subtenant shall pay monthly rent to Sublandlord in the amount of \$ 1,522.00, payable in advance on or before the first day of each month.
- b. Rent shall be delivered to Sublandlord’s address set forth herein, or by electronic transfer as directed by Sublandlord.

4. Use of Premises

The Subleased Premises shall be used exclusively by Subtenant for operating a workforce solutions center and related public employment and training services consistent with Subtenant’s programs and in accordance with applicable law.

5. Compliance with Master Lease

This Sublease is subject and subordinate to the Master Lease. Subtenant will not do or permit anything that would constitute a breach of, or default under, the Master Lease. Subtenant shall

observe and perform all applicable covenants and obligations of Sublandlord as Tenant under the Master Lease regarding the Subleased Premises.

6. Utilities and Maintenance

Subtenant shall be responsible for its proportionate share of all utilities serving the Subleased Premises, including but not limited to electricity, water, wastewater, and communications services, as determined by Sublandlord.

Subtenant shall keep the Subleased Premises in good order subject to the Master Lease, ordinary wear and tear excepted. Sublandlord shall perform maintenance required of Tenant under the Master Lease for the Building's shared areas.

7. Alterations

Subtenant shall not make any alterations, additions, or improvements to the Subleased Premises without the prior written consent of Sublandlord and, where required by the Master Lease, the Landlord.

8. Insurance and Liability

Subtenant, at its sole cost, shall carry commercial general liability insurance in an amount not less than \$1,000,000 per occurrence, naming Sublandlord, Landlord, and any other required parties as additional insureds. To the extent allowed under the laws of the State of Texas and all applicable laws, Subtenant shall indemnify and hold harmless Sublandlord and Landlord as set forth in the Master Lease, except to the extent caused by Sublandlord's negligence or willful misconduct.

9. Assignment and Subletting

Subtenant shall not assign this Sublease or sublet any portion of the Subleased Premises without the prior written consent of Sublandlord and, if required, the Landlord as set forth in the Master Lease and applicable Texas statutes.

10. Notices

Notices required or permitted under this Sublease shall be in writing and delivered to the respective parties at the following addresses, or such address as either party may designate in writing:

Sublandlord: City Administrator - City of Crockett
200 5th Street
Crockett, TX 75835

Subtenant: Site Manager - Workforce Solutions Deep East Texas
1505 S. 4th Street
Crockett, TX 75835

11. Default and Remedies

If Subtenant defaults under this Sublease and fails to cure such default within thirty (30) days of written notice, Sublandlord may terminate this Sublease and pursue all remedies available under Texas law and the Master Lease.

12. Other Provisions

- a. Subtenant acknowledges receipt and review of the Master Lease and agrees to be bound by its applicable terms.
- b. This Sublease shall be governed by the laws of the State of Texas, with venue in Houston County, Texas.
- c. Any matters not addressed herein shall be governed by the Master Lease or, if not addressed, by applicable law.
- d. Exhibit B is hereby incorporated herein by reference as if fully set forth herein.

13. Entire Agreement

This Sublease, together with attached exhibits and the Master Lease, represents the entire agreement between the parties and supersedes all prior discussions relating to the Subleased Premises.

IN WITNESS WHEREOF, the parties have executed this Sublease Agreement as of the date first written above.

CITY OF CROCKETT, TEXAS

Signature: _____
 Name: _____
 Title: _____
 Date: _____

WORKFORCE SOLUTIONS DEEP EAST TEXAS

Signature: _____
 Name: Ty Cauthen, Ed.D.
 Title: Executive Director
 Date: _____

Exhibit A

Workforce Solutions Deep East Texas – Leased Premises

The following is the mutually agreed upon floor plan including approx.. 1,750 square feet of office space within the commercial building located at 1505 S. 4th Street, Crockett, TX 75835.

[ADD FLOOR PLAN]





EXHIBIT B

ADDITIONAL LEASE TERMS

1. **AGENCY BOARD AGREEMENT SECTION 6.4.9:** The purpose of this section is to incorporate the following required language, pursuant to Section 6.4.9 of the Agency Board Agreement (ABA) between the Texas Workforce Commission (TWC) and Workforce Solutions Deep East Texas (Subtenant).

The Subtenant shall ensure that the Workforce Solutions Offices are and remain suitable for their intended purposes in accordance with the requirements detailed below. If the Subtenant leases the space used for the Workforce Solutions Offices, the Subtenant is responsible for ensuring that the agreement requires the Landlord to maintain suitability for the space's intended purposes at the Landlord's expense.

Pursuant to ABA Section 6.4.9, the Subtenant shall ensure that its Workforce Solutions Offices are free of defects and conditions that materially affect health and/or safety.

A space must be free of conditions that materially affect health and/or safety for the space to be considered suitable for its intended purpose. The co-located space must meet the following non-exclusive standards to be considered suitable for its intended purposes:

- There must be clean, hot and cold running water, or tepid running water, at all times;
- The roof must be free of leaks and defects;
- There must be working HVAC that maintains an appropriate temperature during all hours of operation;
- All doors must lock and stay shut as intended. All locks must be in adequate working condition;
- The space must be free from structural damage, faulty wiring, sewage backup, and pest infestation such as rodents, roaches, termites, etc.;
- The space must be free from hazardous materials, toxic fumes, or loud noises that impact provision of normal government functions;

- The space must be in compliance with all applicable federal, state, and local laws and ordinances including building codes.

Unlike residential agreements, landlords do not have an obligation to ensure that a space is suitable for its intended purposes in most cases unless the agreement imposes the requirement on the landlord. TWC expects the Subtenant to ensure that any agreement it enters into with a lessor for co-located Workforce Solutions Office has language obligating the lessor to maintain the space in suitable condition unless the condition is caused by the Subtenant or its customers and other visitors. If the Subtenant fails to include suitability provisions in its agreement, the Subtenant shall be fully liable for any expenses associated with restoring the space to a condition that is suitable for its intended purpose. This section elaborates on the expectation provided in ABA Section 14.2 and thus applies to current, renewal, and newly leased space.

Failure to ensure the space remains suitable for its intended purpose is a breach of both the Infrastructure Support Services and Shared Cost Agreement and the ABA.

2. EQUAL OPPORTUNITY ASSURANCES: As a condition to the award of financial assistance from the Department of Labor under Title I of WIOA, the grant applicant assures that it has the ability to comply with the nondiscrimination and equal opportunity provisions of the following laws and will remain in compliance for the duration of the award of federal financial assistance:

- Section 188 of the Workforce Innovation and Opportunity Act (WIOA), which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, transgender status, and gender identity), national origin (including limited English proficiency), age, disability, or political affiliation or belief, or against beneficiaries on the basis of either citizenship status or participation in any WIOA Title I-financially assisted program or activity;
- Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the bases of race, color and national origin;
- Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;
- The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and
- Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.

The grant applicant also assures that, as a recipient of WIOA Title I financial assistance, it will comply with 29 CFR part 38 and all other regulations implementing

the laws listed above. This assurance applies to the grant applicant's operation of the WIOA Title I-financially assisted program or activity, and to all agreements the grant applicant makes to carry out the WIOA Title I-financially assisted program or activity. The grant applicant understands that the United States has the right to seek judicial enforcement of this assurance.

3. SPECIAL TERMS AND CONDITIONS:

- **Buy American Act**

The provisions at 2 CFR § 200.322 require that “as appropriate and to the extent consistent with law,” subrecipients (including Boards) “should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products).” The UG further specifies that the requirements of 2 CFR § 200.322 must be included in “all subawards including all contracts and purchase orders for work or products under this award.” For purposes of the UG requirement, the UG states that “produced in the United States” means, “for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.” “Manufactured products” means “items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.”

- **Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment**

The provisions at 2 CFR § 200.216 prohibit subrecipients (including Boards) from obligating or expending loan or grant funds to: procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, Section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities). The prohibition also covers the following:

- For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or

Dahua Technology Company (or any subsidiary or affiliate of such entities).

- Telecommunications or video surveillance services provided by such entities or using such equipment.
- Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

The provisions at 2 CFR § 200.216 also require that in implementing the prohibition under Public Law 115-232, Section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained. The UG refers to Public Law 115-232, Section 889, for additional information.

- **Procurement of Recovered Materials**

The provisions at 2 CFR § 200.323 of the UG require that a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

4. **LOSS OF FUNDING**: Landlord agrees that the Subtenant may terminate the Lease without penalty upon thirty (30) days' notice of loss of funding. The clause will only apply for a loss of funding of Workforce Solutions Deep East Texas workforce center services funding. If there is a substantial reduction in government appropriations (but not total loss of funding) and notice is provided by Subtenant, it is further understood that the Landlord will be given the option to adjust the rate of the Subtenant's rent to

facilitate the Subtenant’s ability to pay the rent after the funding reduction but in the event Landlord opts not to adjust the rental rate, the Landlord shall terminate the lease. Such election by Landlord shall occur within thirty (30) days of notice from Subtenant and if Landlord elects to terminate the Lease, Landlord shall provide Subtenant with sixty (60) days’ notice. If Landlord elects to adjust the rent rate, Landlord and Subtenant shall agree upon a new rate within thirty (30) days of Landlord’s election to adjust the rate. If Landlord and Subtenant cannot agree on a new rate within such thirty (30) day window, the parties shall proceed as if Landlord provided notice to terminate as of the date of impasse. A “substantial reduction in government appropriations” is defined to mean fifteen percent (15%) or more of the annual budget of the Subtenant.

5. **CONTACT INFORMATION:** The following people are designated as contacts for this agreement:

Workforce Solutions Deep East Texas	City of Crockett
Dr. Ty Cauthen	Lee Standley
Executive Director	City Administrator
Phone: (936) 631-8630	Phone: (936) 544-5156 ext. 202
Email: tcauthen@detwork.org	Email: standleyl@crocketttxas.org