

**AGREEMENT BETWEEN THE CITY OF TOMBALL AND THE TOMBALL
ECONOMIC DEVELOPMENT CORPORATION FOR THE CONSTRUCTION OF
IMPROVEMENTS AND PAYMENT OBLIGATIONS ISSUED FOR AUTHORIZED
TOMBALL ECONOMIC DEVELOPMENT CORPORATION PROJECTS**

THE STATE OF TEXAS §
COUNTIES OF HARRIS AND MONTGOMERY §

This Agreement (the "Agreement") is entered into as of the ____ day of _____, 2025, by and between the CITY OF TOMBALL, TEXAS, a home-rule municipality (the "City"), and the TOMBALL ECONOMIC DEVELOPMENT CORPORATION, a Type B economic development corporation (the "TEDC"), collectively referred to as the "Parties," pursuant to the provisions of Chapters 501 and 505, Texas Local Government Code, as amended (the "Act").

RECITALS

WHEREAS, at an election held within the City on January 15, 1994, the voters approved a proposition authorizing the levy and collection of a sales and use tax within the City at the rate of one-half of one percent (the "Additional Sales Tax") as authorized by the Act for economic development purposes

WHEREAS, the Corporation was formed pursuant to the Act for the purpose, among others, of financing projects authorized by the Act. Pursuant to the provisions of the Act, the City collects the Additional Sales Tax and pays it to the Corporation.

WHEREAS, the City and TEDC previously entered into agreements related to the funding and construction of certain public improvements, including those outlined in Resolutions 2013-12 and 2016-25; and

WHEREAS, the Parties desire to supersede and consolidate those prior agreements into this Agreement, incorporating the terms and obligations set forth therein while also establishing new terms for the TEDC's participation in funding improvements to the South Wastewater Treatment Plant expansion; and

WHEREAS, the TEDC recognizes that the improvements to the City's wastewater infrastructure will promote economic development by supporting current and future business and commercial growth in the City; and

WHEREAS, pursuant to the Act, the TEDC Board of Directors has determined the City's South Wastewater Treatment Plant Expansion Project is an authorized project of the TEDC under the Act that will promote or develop new or expanded business enterprises that create or retain primary jobs; and

WHEREAS, the TEDC has agreed to provide annual payments to the City to assist in funding the construction of the expansion of the South Wastewater Treatment Plant; and

WHEREAS, the TEDC hereby finds that this Agreement is for the benefit of the Corporation and that all payments made hereunder are for authorized project costs under the Act.

WHEREAS, the City and the Corporation hereby find, determine, and declare that the respective meetings of the City Council of the City and the Board of Directors of the Corporation at which this Agreement was approved were open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Agreement, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code, as amended.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein, the City and TEDC agree as follows:

SECTION 1: PRIOR AGREEMENTS

- A. All terms, conditions, and obligations set forth in prior agreements as adopted by Resolution 2013-12 (**EXHIBIT A**) AND 2016-15 (**EXHIBIT B**) are incorporated into this Agreement unless expressly modified herein.
- B. In the event of a conflict between this Agreement and those prior agreements adopted by Resolutions 2013-12 and 2016-15, this Agreement supersedes the prior agreements.

SECTION 2: TEDC ANNUAL PAYMENT TO THE CITY

- A. TEDC agrees to contribute an annual payment to the City as outlined in the TEDC Payment Schedule (**EXHIBIT C**). The TEDC Payment Schedule includes payments previously agreed to in Resolutions 2013-12 and 2016-25, and an additional payment for the South Wastewater Treatment Plant Expansion.
- B. TEDC agrees to make the annual payments no later than September 30 of each year a payment is due beginning with the payment due in 2025 in accordance with the TEDC Payment Schedule.

SECTION 3: RESPONSIBILITIES OF THE CITY

- A. The City shall oversee the design, permitting, and construction of the South Wastewater Treatment Plant expansion.
- B. The City shall provide TEDC with periodic reports on the progress of the project, including financial statements detailing the application of funds provided by TEDC.
- C. The City shall ensure that all improvements funded under this Agreement comply with applicable laws and regulations.

SECTION 4: RESPONSIBILITIES OF THE TEDC

- A. The TEDC shall provide the payments specified in Section 2 in accordance with the terms of this Agreement.
- B. TEDC shall have the right to request financial and project progress reports from the City to ensure that funds are being used in accordance with the intended purpose.

SECTION 5: TERM AND TERMINATION

- A. This Agreement shall remain in effect until all obligations under Section 2 have been fulfilled unless earlier terminated by mutual written agreement of the Parties.
- B. In the event of a material breach of this Agreement by either Party, the non-breaching Party shall provide written notice to the breaching Party specifying the nature of the breach. The breaching Party shall have thirty (30) days to cure the breach. If the breach is not cured within such time, the non-breaching Party may terminate this Agreement upon written notice.

SECTION 6: GENERAL PROVISIONS

- A. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.
- B. Severability: If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.
- C. Entire Agreement: This Agreement constitutes the entire agreement between the Parties and supersedes any prior agreements or understandings, whether written or oral, relating to its subject matter.
- D. Amendments: This Agreement may not be amended except by a written instrument executed by both Parties.

[Signature Page Follows]

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

CITY OF TOMBALL, TEXAS

Lori Klein Quinn, Mayor

ATTEST:

City Secretary

TOMBALL ECONOMIC DEVELOPMENT
CORPORATION

President, Board of Directors

ATTEST:

Secretary, Board of Directors

EXHIBIT A

RESOLUTION NO. 2013-12

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL,
TEXAS APPROVING AN AGREEMENT REGARDING THE
CONSTRUCTION OF IMPROVEMENTS BETWEEN THE CITY OF
TOMBALL, TEXAS AND THE TOMBALL ECONOMIC
DEVELOPMENT CORPORATION**

**THE STATE OF TEXAS §
COUNTIES OF HARRIS AND MONTGOMERY §
CITY OF TOMBALL §**

WHEREAS, the City of Tomball, Texas (the “City”) and the Tomball Economic Development Corporation (the “Corporation”) wish to proceed with the following: the construction and equipment of streets and traffic signals, the construction of storm sewer and drainage improvements, including improvements to the M-118 drainage channel and detention pond, and the construction of improvements to the City’s water, sewer, and gas utility facilities, all of which infrastructure improvement projects will serve the Tomball Business and Technology Park (collectively, the “Project”); and

WHEREAS, the City and Corporation have determined that the most economical means of financing the costs of the Project is for the City to issue its Certificates of Obligation (the “Certificates”) and for the Corporation to make the principal and interest payments on the Certificates associated with the Project;

WHEREAS, the City and the Corporation wish to enter into an agreement to set forth the terms and conditions for the City’s issuance of the Certificates and the Corporation’s payments of principal and interest on the Certificates; Now Therefore,

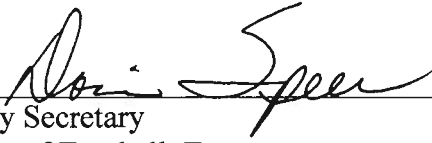
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:

Section 1: The City Council hereby approves the Agreement Regarding the Construction of Improvements between the City and the Corporation in substantially the form attached hereto as **Exhibit A** (the “Agreement”), with such changes as may be approved by the City Manager, and authorizes the Mayor to execute and the City Secretary to attest such Agreement.


Section 2: This resolution shall take effect immediately from and after its passage by the City Council of the City.

[Execution Page to Follow]

PASSED, APPROVED AND EFFECTIVE on the 18th day of February, 2013.



City Secretary
City of Tomball, Texas



Mayor
City of Tomball, Texas

[SEAL]

Exhibit A

**AGREEMENT REGARDING THE
CONSTRUCTION OF IMPROVEMENTS**

THE STATE OF TEXAS §
COUNTIES OF HARRIS AND MONTGOMERY §

This Agreement Regarding the Construction of Improvements (the "Agreement") is entered into as of the 18th day of February, 2013, between the CITY OF TOMBALL, TEXAS, a home rule municipality situated in Harris and Montgomery Counties, Texas (the "City") and the TOMBALL ECONOMIC DEVELOPMENT CORPORATION, a non-profit economic development corporation (the "Corporation") created and operating as a Type B corporation pursuant to the provisions of Chapters 501 and 505, Texas Local Government Code, as amended (formerly Article 5190.6, Vernon's Texas Revised Civil Statutes) (the "Act").

RECITALS

At an election held within the City on January 15, 1994, the voters approved a proposition authorizing the levy and collection of a sales and use tax within the City at the rate of one-half of one percent (the "Additional Sales Tax") as authorized by the Act for economic development purposes.

The Corporation was formed pursuant to the Act for the purpose, among others, of financing projects authorized by the Act. Pursuant to the provisions of the Act, the City collects the Additional Sales Tax and pays it to the Corporation.

The City is a home rule municipality with a population of less than 20,000.

Having complied with the legal prerequisites for undertaking the following project under the Act, the City and the Corporation now wish to proceed with: the construction and equipment of streets and traffic signals, the construction of storm sewer and drainage improvements, including improvements to the M-118 drainage channel and detention pond, and the construction of improvements to the City's water, sewer, and gas utility facilities, all of which infrastructure improvement projects will serve the Tomball Business and Technology Park (collectively, the "Project").

The Corporation hereby finds, determines and declares that the Project is an authorized project of the Corporation under the Act that is for the creation or retention of primary jobs and required or suitable for the development, retention and expansion of manufacturing facilities, recycling facilities, distribution centers, small warehouse, regional and corporate headquarters facilities, and primary training facilities for use by institutions of higher education, and that the expenditures on the Project are required or suitable for infrastructure necessary to promote new or expanded business enterprises.

The City and the Corporation have determined that the most economical means of financing the costs of the Project is for the City to issue its Certificates of Obligation, Series 2013 (the "Certificates") in the aggregate principal amount of approximately \$8,500,000 for the

purpose of the Project, and with the agreement of the Corporation to make payments to the City from the Additional Sales Tax in amounts sufficient to pay the debt service on the Certificates as and when it becomes due, all as more specifically detailed in the schedule described in Section 1.04(b) of this Agreement.

The Corporation hereby finds that this Agreement is for the benefit of the Corporation and that all payments made hereunder are for authorized project costs under the Act.

The City and the Corporation hereby find, determine, and declare that the respective meetings of the City Council of the City and the Board of Directors of the Corporation at which this Agreement was approved were open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Agreement, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code, as amended.

AGREEMENT

For and in consideration of the respective promises and mutual covenants and benefits hereinafter set forth, the City and the Corporation agree as follows:

ARTICLE I

THE PROJECTS

Section 1.01 Definitions, Declarations, Findings and Determinations. The definitions, declarations, determinations and findings contained in the recitals to this Agreement are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.02 Construction of the Project.

(a) The Corporation in consultation with the City agrees to prepare or cause to be prepared all plans and specifications required for the construction of the Projects, which costs shall be payable from funds to be paid by the Corporation. Copies of all such plans and specifications shall be provided to the City for review and approval prior to the commencement of the procurement process.

(b) The City agrees to contract with all individuals or entities necessary to complete the Projects in accordance with the plans, specifications and other construction documents. The Corporation and the City will jointly provide all construction and contract management services in connection with the construction of the Project. The public infrastructure improvements being financed with the Certificates will be owned by the City.

(c) To the extent allowed by law, drainage impact fees will be waived for the entire 120.8081 acre Tomball Business and Technology Park site as depicted on the Final Plat of Tomball Business and Technology Park.

(d) The costs of constructing the Project shall be payable from Certificate proceeds or other funds to be paid by the Corporation. The Corporation shall be responsible for and pay any

and all costs associated with the Project in excess of the Certificate proceeds allocated to the Project.

Section 1.03 Issuance of the Certificates. Subject to applicable legal restrictions, the City agrees to issue and sell the Certificates and to use the applicable portion of the proceeds from the sale of the Certificates to pay the costs of the Project and the costs of issuing the Certificates.

Section 1.04 Use of Additional Sales Tax. (a) The Corporation agrees to use the Additional Sales Tax, and any interest earned thereon, to make payments to the City in amounts sufficient to pay the principal of and interest on the Certificates and any bonds issued to refund the Certificates when due. Unless it receives the prior written consent of the City, the Corporation shall make such payments to the City prior to using the Additional Sales Tax, and any interest earned thereon, for any other lawful purposes of the Corporation.

(b) The City will provide the Corporation with a schedule of the principal and interest payments due on the Certificates issued for the Project upon the pricing of the Certificates. The Corporation agrees to pay to the City amounts sufficient to make each such principal and interest payment at least fifteen (15) days before such payment is due. Upon delivery of such schedule to the Corporation, which receipt shall be acknowledged by the Corporation, the schedule shall be considered incorporated into this Agreement. Upon the issuance of any bonds refunding the Certificates, the City will provide the Corporation with a revised schedule of principal and interest payments.

(c) The Corporation agrees that it will maintain an unencumbered fund balance of not less than \$2,000,000 at all times during the term of this Agreement.

(d) The Corporation agrees that during the term of this Agreement it will not borrow any money, issue any bonds or notes without the written approval of the City.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01 Representations and Warranties of the City. (a) The City hereby confirms the earlier levy by the City of the Additional Sales Tax, and hereby warrants and represents that the City has duly and lawfully ordered the imposition and collection of the Additional Sales Tax upon all sales, uses and transactions as are permitted by and described in the Act throughout the boundaries of the City as such boundaries existed on the date of said election and as they may be expanded from time to time pursuant to applicable law.

(b) The City agrees to take and pursue all action permissible under applicable law to cause the Additional Sales Tax to be collected and remitted and deposited with the Corporation as required by the Act, at the earliest and most frequent times permitted by applicable law.

(c) The City agrees to do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the City under this Agreement.

Section 2.02 Representations and Warranties of the Corporation. (a) The Corporation represents and warrants that it is and will be authorized by applicable law and by its articles of incorporation and bylaws to enter into this Agreement and make the payments to the City in the manner and to the extent provided in this Agreement.

(b) The Corporation represents and warrants that the Project is an authorized project of the Corporation under the Act, and that the Corporation has taken all action and obtained all approvals required by law and the Corporation's bylaws in order to proceed with this Project and to undertake its obligations under this Agreement.

(c) The Corporation agrees to do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Corporation under this Agreement.

(d) The Corporation represents and warrants that this Agreement constitutes a valid, legal and binding obligation of the Corporation enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting creditors' rights, and that the execution and delivery of this Agreement will not conflict with or constitute a material breach of or a default under any agreement or instrument to which the Corporation is a party.

ARTICLE III

MISCELLANEOUS PROVISIONS

Section 3.01 Term. This Agreement shall be in force and effect from the date of execution hereof until the date on which the Certificates or bonds issued to refund the Certificates are paid in full.

Section 3.02 Amendments and Supplements. This Agreement may be amended, supplemented or extended by mutual agreement of the parties hereto.

Section 3.03 Merger. This Agreement embodies the entire understanding between the parties hereto and there are no prior effective representations, warranties, or agreements between the parties hereto.

Section 3.04 Multiple Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original instrument and each will have the force and effect of an original and all of which together constitute, and will be deemed to constitute, one and the same instrument.

Section 3.05 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

Section 3.06 Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application hereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any

reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons or circumstances shall not be affected thereby.

[Execution Page Follows]

Exhibit A

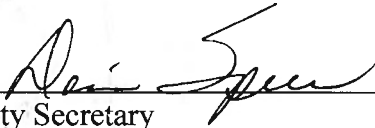
EXECUTED in multiple counterparts as of the date first written above.

CITY OF TOMBALL, TEXAS

By: 

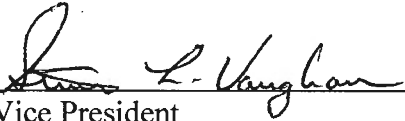
Mayor

ATTEST:

By: 


City Secretary

TOMBALL ECONOMIC
DEVELOPMENT CORPORATION

By: 

Vice President

ATTEST:

By: 

Secretary

Exhibit A

SCHEDULE I

DEBT SERVICE SCHEDULE FOR THE CERTIFICATES

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTIES OF HARRIS AND MONTGOMERY §
CITY OF TOMBALL §

I, the undersigned officer of the City Council of City of Tomball, Texas, hereby certify as follows:

1. The City Council of City of Tomball, Texas convened in a special meeting on the 18th day of February, 2013, at the regular meeting place thereof within said City, and the roll was called of the duly constituted officers and members of said City Council, to wit:

- | | |
|----------------------|--|
| Gretchen Fagan | Mayor |
| F.S. "Field" Hudgens | Council Member, Position #1 |
| Mark Stoll | Council Member, Position #2 |
| Rick Brown | Council Member, Position #3, Mayor Pro-Tem |
| Derek Townsend Sr. | Council Member, Position #4 |
| Preston L. Dodson | Council Member, Position #5 |

and all of said persons were present, except the following absentee(s): None, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

RESOLUTION NO. 2013-12

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL,
TEXAS APPROVING AN AGREEMENT REGARDING THE
CONSTRUCTION OF IMPROVEMENTS BETWEEN THE CITY OF
TOMBALL, TEXAS AND THE TOMBALL ECONOMIC DEVELOPMENT
CORPORATION

was duly introduced for the consideration of said City Council and read in full. It was then duly moved and seconded that said resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said resolution, prevailed and carried by the following vote:

AYES: 5

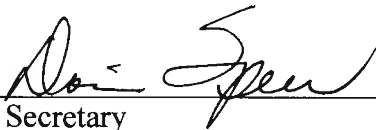
NOES: 0

ABSTENTIONS: 0

2. A true, full and correct copy of the aforesaid resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said resolution has been duly recorded in said City Council's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council's minutes of said meeting pertaining to the adoption of said resolution; that the persons named in

the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by the Texas Open Meetings Act.

SIGNED AND SEALED the 18th day of February, 2013.



City Secretary
City of Tomball, Texas

[SEAL]

EXHIBIT B

RESOLUTION NO. 2016-25

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TOMBALL, TEXAS APPROVING AN AGREEMENT REGARDING THE
CONSTRUCTION OF IMPROVEMENTS BETWEEN THE CITY OF
TOMBALL, TEXAS AND THE TOMBALL ECONOMIC
DEVELOPMENT CORPORATION**

**THE STATE OF TEXAS §
COUNTIES OF HARRIS AND MONTGOMERY §
CITY OF TOMBALL §**

WHEREAS, the City of Tomball, Texas (the “City”) and the Tomball Economic Development Corporation (the “Corporation”) wish to proceed with the following: the acquisition of land for and the construction and equipment of an extension of Persimmon Street and Medical Complex Drive, including related storm sewer, drainage and water, sewer and gas utility improvements (collectively, the “Project”); and

WHEREAS, the City and Corporation have determined that the most economical means of financing the costs of the Project is for the City to issue its Certificates of Obligation (the “Certificates”), with the agreement of the Corporation to make payments to the City in amounts sufficient to pay \$4,000,000 in principal amount of the Certificates allocated to the Corporation’s portion of the Project; and

WHEREAS, the City and the Corporation wish to enter into an agreement to set forth the terms and conditions for the City’s issuance of the Certificates and the Corporation’s payment of \$4,000,000 in principal amount of the Certificates; **Now Therefore,**

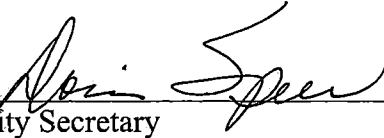
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:

Section 1: The City Council hereby approves the Agreement Regarding the Construction of Improvements between the City and the Corporation in substantially the form attached hereto as **Exhibit A** (the “Agreement”), with such changes as may be approved by the City Manager, and authorizes the Mayor to execute and the City Secretary to attest such Agreement.


Section 2: This resolution shall take effect immediately from and after its passage by the City Council of the City.

[Execution Page to Follow]

PASSED, APPROVED AND EFFECTIVE on the 21st day of November, 2016.



City Secretary
City of Tomball, Texas



Mayor
City of Tomball, Texas

[SEAL]

EXHIBIT A

**AGREEMENT REGARDING THE
CONSTRUCTION OF IMPROVEMENTS**

THE STATE OF TEXAS §
COUNTIES OF HARRIS AND MONTGOMERY §

This Agreement Regarding the Construction of Improvements (the "Agreement") is entered into as of the 21st day of November, 2016, between the CITY OF TOMBALL, TEXAS, a home rule municipality situated in Harris and Montgomery Counties, Texas (the "City") and the TOMBALL ECONOMIC DEVELOPMENT CORPORATION, a non-profit economic development corporation (the "Corporation") created and operating as a Type B corporation pursuant to the provisions of Chapters 501 and 505, Texas Local Government Code, as amended (formerly Article 5190.6, Vernon's Texas Revised Civil Statutes) (the "Act").

RECITALS

At an election held within the City on January 15, 1994, the voters approved a proposition authorizing the levy and collection of a sales and use tax within the City at the rate of one-half of one percent (the "Additional Sales Tax") as authorized by the Act for economic development purposes.

The Corporation was formed pursuant to the Act for the purpose, among others, of financing projects authorized by the Act. Pursuant to the provisions of the Act, the City collects the Additional Sales Tax and pays it to the Corporation.

The City is a home rule municipality with a population of less than 20,000.

In accordance with the Act, the City and the Corporation now wish to proceed with the acquisition of land for and the construction and equipment of an extension of Persimmon Street and Medical Complex Drive, including related storm sewer, drainage and water, sewer and gas utility improvements (collectively, the "Project").

The Corporation hereby finds, determines and declares that the Project is an authorized project of the Corporation under the Act that will promote or develop new or expanded business enterprises that create or retain primary jobs.

The City and the Corporation have determined that the most economical means of financing the costs of the Project is for the City to issue its Tax and Revenue Certificates of Obligation, Series 2016 (the "Certificates"), with the agreement of the Corporation to make payments to the City from the Additional Sales Tax in amounts sufficient to pay the \$4,000,000 in principal amount of the Certificates allocated to the EDC's portion of the Project as and when it becomes due, all as more specifically detailed in the schedule described in Section 1.04(b) of this Agreement.

The Corporation hereby finds that this Agreement is for the benefit of the Corporation and that all payments made hereunder are for authorized project costs under the Act.

The City and the Corporation hereby find, determine, and declare that the respective meetings of the City Council of the City and the Board of Directors of the Corporation at which this Agreement was approved were open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Agreement, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code, as amended.

AGREEMENT

For and in consideration of the respective promises and mutual covenants and benefits hereinafter set forth, the City and the Corporation agree as follows:

ARTICLE I

THE PROJECTS

Section 1.01 Definitions, Declarations, Findings and Determinations. The definitions, declarations, determinations and findings contained in the recitals to this Agreement are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.02 Construction of the Project.

(a) The City agrees to prepare or cause to be prepared all plans and specifications required for the construction of the Project.

(b) The City agrees to contract with all individuals or entities necessary to complete the Project in accordance with the plans, specifications and other construction documents. The City will provide all construction and contract management services in connection with the construction of the Project. The public infrastructure improvements being financed with the Certificates will be owned by the City.

(c) The costs of constructing the Project shall be payable from Certificate proceeds or other funds to be paid by the Corporation.

Section 1.03 Issuance of the Certificates. Subject to applicable legal restrictions, the City agrees to issue and sell the Certificates and to use the applicable portion of the proceeds from the sale of the Certificates to pay the costs of the Project and the costs of issuing the Certificates.

Section 1.04 Use of Additional Sales Tax. (a) The Corporation agrees to use the Additional Sales Tax, and any interest earned thereon, to make payments to the City in amounts equal to the principal amount of the portion of the Certificates issued for the Project and any bonds issued to refund such portion of the Certificates when due as provided in Schedule I of this Agreement, which is incorporated herein for all purposes. Unless it receives the prior written consent of the City, the Corporation shall make such payments to the City prior to using the Additional Sales Tax, and any interest earned thereon, for any other lawful purposes of the Corporation.

(b) The Corporation agrees to pay to the City amounts sufficient to make each Project payment described in Schedule I at least fifteen (15) days before each principal payment on the Certificates or any bonds issued to refund the Certificates is due.

(c) The Corporation agrees that it will maintain an unencumbered fund balance of not less than \$2,000,000 at all times during the term of this Agreement.

(d) The Corporation agrees that during the term of this Agreement it will not borrow any money, issue any bonds or notes without the written approval of the City.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01 Representations and Warranties of the City. (a) The City hereby confirms the earlier levy by the City of the Additional Sales Tax, and hereby warrants and represents that the City has duly and lawfully ordered the imposition and collection of the Additional Sales Tax upon all sales, uses and transactions as are permitted by and described in the Act throughout the boundaries of the City as such boundaries existed on the date of said election and as they may be expanded from time to time pursuant to applicable law.

(b) The City agrees to take and pursue all action permissible under applicable law to cause the Additional Sales Tax to be collected and remitted and deposited with the Corporation as required by the Act, at the earliest and most frequent times permitted by applicable law.

(c) The City agrees to do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the City under this Agreement.

Section 2.02 Representations and Warranties of the Corporation. (a) The Corporation represents and warrants that it is and will be authorized by applicable law and by its articles of incorporation and bylaws to enter into this Agreement and make the payments to the City in the manner and to the extent provided in this Agreement.

(b) The Corporation represents and warrants that the Project is an authorized project of the Corporation under the Act, and that the Corporation has taken all action and obtained all approvals required by law and the Corporation's bylaws in order to proceed with this Project and to undertake its obligations under this Agreement.

(c) The Corporation agrees to do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Corporation under this Agreement.

(d) The Corporation represents and warrants that this Agreement constitutes a valid, legal and binding obligation of the Corporation enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting creditors' rights, and that the execution and delivery of this Agreement will not conflict with or constitute a material breach of or a default under any agreement or instrument to which the Corporation is a party.

ARTICLE III

MISCELLANEOUS PROVISIONS

Section 3.01 Term. This Agreement shall be in force and effect from December 20, 2016 until the date on which the Certificates or bonds issued to refund the Certificates are paid in full.

Section 3.02 Amendments and Supplements. This Agreement may be amended, supplemented or extended by mutual agreement of the parties hereto.

Section 3.03 Merger. This Agreement embodies the entire understanding between the parties hereto and there are no prior effective representations, warranties, or agreements between the parties hereto.

Section 3.04 Multiple Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original instrument and each will have the force and effect of an original and all of which together constitute, and will be deemed to constitute, one and the same instrument.

Section 3.05 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

Section 3.06 Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application hereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons or circumstances shall not be affected thereby.

[Execution Page Follows]

EXECUTED in multiple counterparts as of the date first written above.

CITY OF TOMBALL, TEXAS

By: 

Mayor

ATTEST:

By: 

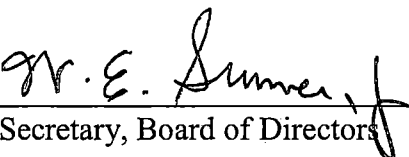
City Secretary

TOMBALL ECONOMIC
DEVELOPMENT CORPORATION

By: 

Vice President, Board of Directors

ATTEST:

By: 

Secretary, Board of Directors

SCHEDULE I

Project Payment Schedule

<u>Principal Maturity Date (February 15)</u>	<u>Project Payments</u>
2020	\$ 222,222
2021	222,222
2022	222,222
2023	222,222
2024	222,222
2025	222,222
2026	222,222
2027	222,222
2028	222,222
2029	222,222
2030	222,222
2031	222,222
2032	222,222
2033	222,222
2034	222,222
2035	222,222
2036	222,222
2037	222,226
<hr/> Total	<hr/> \$ 4,000,000

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTIES OF HARRIS AND MONTGOMERY §
CITY OF TOMBALL §

I, the undersigned officer of the City Council of City of Tomball, Texas, hereby certify as follows:

1. The City Council of City of Tomball, Texas convened in a regular meeting on the 21st day of November, 2016, at the regular meeting place thereof within said City, and the roll was called of the duly constituted officers and members of said City Council, to wit:

Gretchen Fagan	Mayor
F.S. "Field" Hudgens	Council Member, Position #1
Mark Stoll	Council Member, Position #2
Chad Degges	Council Member, Position #3
Derek Townsend Sr.	Council Member, Position #4
Lori Klein Quinn	Council Member, Position #5, Mayor Pro Tem

and all of said persons were present, except the following absentee(s): None, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

RESOLUTION NO. 2016-25

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS APPROVING AN AGREEMENT REGARDING THE CONSTRUCTION OF IMPROVEMENTS BETWEEN THE CITY OF TOMBALL, TEXAS AND THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION

was duly introduced for the consideration of said City Council and read in full. It was then duly moved and seconded that said resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said resolution, prevailed and carried by the following vote:

AYES: 5

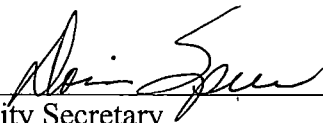
NOES: 0

ABSTENTIONS: 0

2. A true, full and correct copy of the aforesaid resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said resolution has been duly recorded in said City Council's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council's minutes of said meeting pertaining to the adoption of said resolution; that the persons named in

the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by the Texas Open Meetings Act.

SIGNED AND SEALED the 21st day of November, 2016.



City Secretary
City of Tomball, Texas

[SEAL]

**EXHIBIT C
TEDC DEBT SERVICE PAYMENT SCHEDULE**

YEAR	PAYMENTS OBLIGATED IN RES. 2013-12 SERIES 2013 BUSINESS PARK INFRASTRUCTURE	PAYMENTS OBLIGATED IN RES. 2016-25 SERIES 2016 MEDICAL COMPLEX DRIVE SECTION 4B & PERSIMMON ST.	SOUTH WASTEWATER TREATMENT PLANT EXPANSION	ANNUAL PAYMENT
2025	\$547,312.50	\$222,222.00	\$1,000,000.00	\$1,769,534.50
2026	\$548,412.50	\$222,222.00	\$1,000,000.00	\$1,770,634.50
2027	\$548,737.50	\$222,222.00	\$1,000,000.00	\$1,770,959.50
2028	\$548,275.00	\$222,222.00	\$1,000,000.00	\$1,770,497.00
2029	\$551,925.00	\$222,222.00	\$1,000,000.00	\$1,774,147.00
2030	\$549,056.25	\$222,222.00	\$1,000,000.00	\$1,771,278.25
2031	\$549,600.00	\$222,222.00	\$1,000,000.00	\$1,771,822.00
2032	\$549,075.00	\$222,222.00	\$1,000,000.00	\$1,771,297.00
2033	\$548,100.00	\$222,222.00	\$1,000,000.00	\$1,770,322.00
2034		\$222,222.00	\$1,000,000.00	\$1,222,222.00
2035		\$222,222.00	\$1,000,000.00	\$1,222,222.00
2036		\$222,222.00	\$1,000,000.00	\$1,222,222.00
2037		\$222,226.00	\$1,000,000.00	\$1,222,226.00
2038			\$1,000,000.00	\$1,000,000.00
2039			\$1,000,000.00	\$1,000,000.00
2040			\$1,000,000.00	\$1,000,000.00
2041			\$1,000,000.00	\$1,000,000.00
2042			\$1,000,000.00	\$1,000,000.00
2043			\$1,000,000.00	\$1,000,000.00
2044			\$1,000,000.00	\$1,000,000.00