

**NOTICE OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS**



MONDAY, JUNE 15, 2015

6:00 P.M.

Notice is hereby given of a meeting of the Tomball City Council, to be held on Monday, June 15, 2015 at 6:00 P.M., PUBLIC WORKS BUILDING, 501 JAMES STREET, Tomball, Texas 77375, for the purpose of considering the following agenda items. All agenda items are subject to action. The Tomball City Council reserves the right to meet in a closed session for consultation with attorney on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

1.0 Call to Order

2.0 Invocation

- Led by Pastor Danny Williams, Dominion International

3.0 Pledges to U.S. and Texas Flags

- Led by Members of the Tomball High School Student Council

4.0 Public Comments and Receipt of Petitions *[At this time, anyone will be allowed to speak on any matter other than personnel matters or matters under litigation, for length of time not to exceed three minutes. No Council/Board discussion or action may*

take place on a matter until such matter has been placed on an agenda and posted in accordance with law.]

5.0 Reports and Announcements

- **Tomball City Pool – 2015 Swim Season - Jerry Matheson Park Pool** will close on September 7, 2015. The pool will be closed every Monday during swim season 2015, except Memorial Day and Labor Day. June 9-August 23, 2015 will be regular weekly days and hours. August 29-September 7, 2015, the pool will open weekends only.
- June 16-July 17, 2015 - **TOMBALL KIDS' CLUB** - Every **Tuesday** and **Friday**, 11:00 a.m.-1:00 p.m., at **Tomball Community Center**, 221 Market Street
- June 25, 2015 – **7th Annual Economic Outlook Luncheon** – sponsored by the **Tomball Economic Development Corporation at Lone Star College-Tomball** – 11:30 a.m.-1:30 p.m.
- **June 15 through July 30** – Meetings of the **City Council, Planning and Zoning Commission, Board of Adjustments, Tourism Advisory Committee, and Tomball Municipal Court Sessions** will be held at the **Public Works Building, 501 James Street**, due to renovations at City Hall.
- July 4, 2015 – **Tomball 4th of July Celebration and Street Party** – 5:00 p.m.-10:30 p.m.
- July 6, 2015 – Budget Workshop – Public Works Building – 4:00 p.m.
- July 11, 2015 – **2nd Saturday at the Depot**
- July 20, 2015 – Budget Workshop – Public Works Building – 5:00 p.m.
- August 8, 2015 – **2nd Saturday at the Depot**
- August 29, 2015 – **Texas Music Festival** – 12:00 Noon-6:00 p.m.
- September 12, 2015 – **2nd Saturday at the Depot**
- September 26, 2015 – **5th Annual Bugs, Brew & Barbeque Festival** – 12:00 Noon-6:00 p.m.
- **Walk Tomball!** – Every Saturday at **8:00 a.m.** at the Depot
- Reports by City staff and members of Council about items of community interest on which no action will be taken:

6.0 Approve the Minutes of the June 1, 2015 Regular City Council Meeting.

7.0 Old Business:

- 7.1 Approve, on Second Reading, Resolution No. 2015-12-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Agreement by and between the Corporation and WhiteWater Express, to make direct incentives to, or expenditures for, assistance with infrastructure costs for the promotion of new or expanded business enterprise related to the construction of a new commercial facility to be located on a 0.86 acre tract of land at 14614 FM 2920, Tomball, Texas 77377. The estimated amount of expenditures for such Project is \$19,680.00.

8.0 New Business:

- 8.1 Appoint/Reappoint Members to the Tomball Economic Development Corporation Board of Directors
 - 8.2 Approve Tax Abatement Agreement between City of Tomball and Packers Plus Energy Services (USA), Inc. for Phase I Improvements to be Constructed in Tax Abatement Reinvestment Zone No. 5
 - 8.3 Approve Tax Abatement Agreement between City of Tomball and Packers Plus Energy Services (USA), Inc. for Phase II Improvements to be Constructed in Tax Abatement Reinvestment Zone No. 5
 - 8.4 Approve Tax Abatement Agreement between City of Tomball and Packers Plus Energy Services (USA), Inc. for Phase III Improvements to be Constructed in Tax Abatement Reinvestment Zone No. 5
 - 8.5 Consider Approval of Development Agreement for Construction of Public Improvements within Tomball Industrial Park, LP, in the Amount not to exceed \$40,550.00.
 - 8.6 Approve Resolution No. 2015-13, a Resolution of the City Council of the City of Tomball, Texas, Approving Request by Iglesia Taller del Alfarero (The Potter's Workshop) for City Support/Co-Sponsorship to Conduct a Prayer March/Walk on FM 2920/Main Street on Saturday, July 11, 2015, from 9:00 a.m. to 12:00 p.m.
 - 8.7 Approve Request by The Woodlands Church Tomball Campus (at Concordia Lutheran High School) to block off the Depot Area for the Annual Tomball Family Fest, to be held on Saturday, August 22, 2015 and for In-Kind Services
 - 8.8 Adopt, on First Reading, Ordinance No. 2015-12, an Ordinance of the City of Tomball, Texas Consenting to the Annexation of a 19.0890-Acre Tract of Land by Harris County Municipal Utility District No. 273; and Making Findings Related Thereto
- 9.0 Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, City of Tomball, Texas, a place readily accessible to the general public at all times, on the 12th

day of June 2015 by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

*Doris Speer*_____

Doris Speer

City Secretary, TRMC

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information.

AGENDAS MAY ALSO BE VIEWED ONLINE AT www.ci.tomball.tx.us.

Regular City Council
Agenda Item
Data Sheet

Meeting Date: June 15, 2015

Topic:

- Led by Pastor Danny Williams, Dominion International

Background:

Origination:

Recommendation:

Funding:

Party(ies) responsible for placing this item on agenda:

ACTION TAKEN		
APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1 ST ☐ 2 ND	

Regular City Council
Agenda Item
Data Sheet

Meeting Date: June 15, 2015

Topic:

- Led by Members of the Tomball High School Student Council

Background:

Origination:

Recommendation:

Funding:

Party(ies) responsible for placing this item on agenda:

ACTION TAKEN		
APPROVAL ☐ YES ☐ NO	READINGS PASSED ☐ 1 ST ☐ 2 ND	OTHER

Regular City Council

Agenda Item

Meeting Date: June 15, 2015

Data Sheet

Topic:

- **Tomball City Pool – 2015 Swim Season - Jerry Matheson Park Pool** will close on September 7, 2015. The pool will be closed every Monday during swim season 2015, except Memorial Day and Labor Day. June 9-August 23, 2015 will be regular weekly days and hours. August 29-September 7, 2015, the pool will open weekends only.
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- July 20, 2015 – Budget Workshop – Public Works Building – 5:00 p.m.
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- September 12, 2015 – **2nd Saturday at the Depot**
- September 26, 2015 – **5th Annual Bugs, Brew & Barbeque Festival** – 12:00 Noon-6:00 p.m.
- **Walk Tomball!** – Every Saturday at **8:00 a.m.** at the Depot
- Reports by City staff and members of Council about items of community interest on which no action will be taken:

Background:

Origination:

Various

Recommendation:

N/A

Funding:

Party(ies) responsible for placing this item on agenda:

City Secretary

ACTION TAKEN		
APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1 ST ☐ 2 ND	

ATTACHMENTS:

7th Annual Economic Outlook Luncheon

Tomball 4th of July Celebration and Street Party

★ ★ ★ ★ ★
7TH ANNUAL



ECONOMIC OUTLOOK LUNCHEON

Lone Star College–Tomball • Beckendorf Conference Center

JUNE 25, 2015

★
11:30 A.M. – 1:30 P.M.

FEATURED SPEAKERS:

Commissioner R. Jack Cagle
Harris County Precinct 4

★
Dr. Jim Gaines
*Research Economist,
Real Estate Center at Texas A&M*

RSVP BY:

JUNE 12, 2015

twooten@tomballtxedc.org

281.401.4086

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TOMBALL

ECONOMIC DEVELOPMENT CORPORATION

29201 Quinn Rd., Suite B • Tomball, Texas 77375
281.401.4086 • 888.401.7322 • tomballtxedc.org

CELEBRATE WITH A BANG IN TOMBALL!

SATURDAY, JULY 4TH

*STREET PARTY AT 5 *FIREWORKS AT 8:30

*LIVE MUSIC *KIDS ZONE *FOOD AND MORE!

*FREE ADMISSION AND PARKING

*281-351-5484 OR TOMBALLTX.GOV

*VISIT "TOMBALL TEXAN FOR FUN" ON FACEBOOK



PRESENTED BY



Regular City Council Agenda Item Data Sheet

Meeting Date: June 15, 2015

Topic:

Approve the Minutes of the June 1, 2015 Regular City Council Meeting.

Background:**Origination:**

City Secretary

Recommendation:

N/A

Funding:**Party(ies) responsible for placing this item on agenda:**

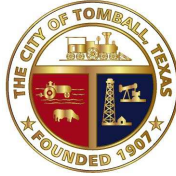
City Secretary

ACTION TAKEN		
APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1 ST ☐ 2 ND	

ATTACHMENTS:

Draft Minutes - June 1, 2015 Regular City Council Meeting

**MINUTES OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS**



MONDAY, JUNE 1, 2015

6:00 P.M.

1.0 Call to Order

The Council meeting was called to order at 6:00 p.m. by Mayor Fagan. Other members present:

Councilman Townsend
Councilman Klein Quinn
Councilman Hudgens
Councilman Degges
Councilman Stoll

Others present:

City Manager – George Shackelford
City Secretary – Doris Speer
City Attorney – Loren Smith
Police Chief – Billy Tidwell
Fire Chief – Randy Parr
Marketing Director – Mike Baxter
Finance Director – Glenn Windsor
Public Works Director – David Esquivel
Director of Community Development – Craig Meyers
City Engineer – Lori Lakatos
City Planner – Harold Ellis
Fire Marshal – Doug Sanguedolce
Building Official – Ken Cole
Community Center Director – Rosalie Dillon
Community Development Coordinator – Amelia Vasquez
Police Detective – Kenneth Yoho
Executive Director-TEDC – Kelly Violette

2.0 The invocation was led by Fire Chief Randy Parr.

3.0 The pledges to U. S. and Texas Flags were led by Eagle Scouts William Lange and Kevin Leger.

4.0 The following public comments were received:

Bruce Hillegeist - Expressed his desire for City support of the 43rd
GTACC Annual Tomball Night.

5.0 Presentations:

- Mayor Fagan presented an Eagle Scout Letter of Congratulations to Eagle Scout, Kevin Leger.

6.0 Reports and Announcements:

- **Tomball City Pool – 2015 Swim Season - Jerry Matheson Park Pool** opens May 23, 2015 and will close on September 7, 2015. May 23-June 7, 2015, the pool will be open only during weekends. The pool will be closed every Monday during swim season 2015, except Memorial Day and Labor Day. June 9-August 23, 2015 will be regular weekly days and hours. August 29-September 7, 2015, the pool will open weekends only.
- June 13, 2015 – **2nd Saturday at the Depot**
- June 16-July 17, 2015 – ***TOMBALL KIDS' CLUB – Every Tuesday and Friday, 11:00 a.m.-1:00 p.m., at Tomball Community Center, 221 Market Street***
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- September 26, 2015 – **5th Annual Bugs, Brew & Barbeque Festival – 12:00 Noon-6:00 p.m.**
- ***Walk Tomball!*** – Every Saturday at **8:00 a.m.** at the Depot
- Reports by City staff and members of Council about items of community interest on which no action will be taken:

- Mike Baxter presented a report on the success of the ***4th Annual Memorial Day Weekend Chili Challenge***.
- Councilmembers Townsend and Hudgens reminded everyone that Tomball High School and Tomball Memorial High School are playing for the right to go to state finals this weekend.
- Mayor Fagan reminded everyone to watch the next showings of “*Daytripper*”, showcasing Tomball.

7.0 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve the Minutes of the May 18, 2015 Regular City Council Meeting.

Motion carried unanimously.

8.0 Old Business:

8.1 Motion was made by Councilman Townsend, second by Councilman Stoll, to adopt, on Second Reading, Ordinance No. 2015-10, an Ordinance Creating City of Tomball, Texas, Reinvestment Zone No. 5; an Approximately 17.38-Acre Tract of Land, Being Part of the Tomball Business and Technology Park and Located Generally at the Northwest Corner of Holderrieth Road and Hufsmith-Kohrville Road, within the City of Tomball, Harris County, Texas; Making Certain Findings; Repealing Ordinances Inconsistent or in Conflict Herewith; and Providing for Severability (Packers Plus Energy Services (USA) Inc.). Vote was as follows:

Councilman Hudgens	<u>Aye</u>
Councilman Stoll	<u>Aye</u>
Councilman Degges	<u>Aye</u>
Councilman Townsend	<u>Aye</u>
Councilman Klein Quinn	<u>Aye</u>

Motion carried unanimously.

9.0 New Business:

9.1 Motion was made by Councilman Townsend, second by Councilman Degges, to approve Resolution No. 2015-11, a Resolution of the City Council of the City of Tomball, Texas, Supporting the 43rd Annual Tomball Night and Parade, to be held in Tomball on Friday, August 7, 2015.

Motion carried unanimously.

9.2 Consideration of the Tax Abatement Agreement with Packers Plus Approve Tax Abatement Agreement between City of Tomball and Packers Plus Energy

Services (USA), Inc. for Improvements to be Constructed in Tax Abatement Reinvestment Zone No. 5 was withdrawn at the request of Packers Plus.

No action taken.

- 9.3 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve, as a Project of the Tomball Economic Development Corporation, an Agreement with Coastal Power Systems to make direct incentives to, or expenditures for, the creation or retention of primary jobs associated with the relocation and development of its corporate headquarters to be located at 1030 South Persimmon, Tomball, Texas. The estimated amount of expenditures for such project is \$30,731.00.

Motion carried unanimously.

- 9.4 Motion was made by Councilman Stoll, second by Councilman Degges, to approve, on First Reading, Resolution No. 2015-12-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Agreement by and between the Corporation and WhiteWater Express, to make direct incentives to, or expenditures for, assistance with infrastructure costs for the promotion of new or expanded business enterprise related to the construction of a new commercial facility to be located on a 0.86 acre tract of land at 14614 FM 2920, Tomball, Texas 77377. The estimated amount of expenditures for such Project is \$19,680.00.

Motion carried unanimously.

- 9.5 Motion was made by Councilman Hudgens, second by Councilman Stoll, to approve, as a Project of the Tomball Economic Development Corporation, an agreement with American National Carbide, to make direct incentives to, or expenditures for, the creation or retention of primary jobs associated with the expansion of its manufacturing facility located at 915 South Cherry Street, Tomball, Texas. The estimated amount of expenditures for such Project is \$46,763.00.

Motion carried unanimously.

- 9.6 Kelly Violette presented the Tomball Economic Development Corporation (TEDC) 2014-2015 Annual Report.

No action necessary.

- 9.7 Motion was made by Councilman Stoll, second by Councilman Hudgens, to approve the Tomball Economic Development Corporation (TEDC) 2015-2016 Strategic Work Plan.

Motion carried unanimously.

- 9.8 Motion was made by Councilman Townsend, second by Councilman Stoll, to award contract for COT Project Bid Number 2015-02, Tomball Business & Technology, Park, Paving, Drainage, Sanitary Sewer, Waterlines, and Gas Lines, E&P Number 2011-10016, to Hassell Construction Company, Inc., in the Amount of \$5,307,748.50.

Motion carried unanimously.

- 9.9 Tony Topping presented information from Texas Masonry Council regarding possible amendments to the Zoning Ordinance pertaining to facade requirements along Main Street, outside the Old Townsite & Mixed Use Zoning District. Councilmembers requested additional information concerning firewalls.

No action necessary.

- 9.10 Motion was made by Councilman Townsend, second by Councilman Klein Quinn, to approve Interlocal Agreement between the City of Tomball and the Tomball Independent School District (TISD), affording the Tomball Police Department the Ability to Assign Four (4) Student Resource Officers (SROs) to TISD Campuses.

Motion carried unanimously.

- 9.11 Motion was made by Councilman Townsend, second by Councilman Klein Quinn, to approve Interlocal Agreement between the City of Tomball and the Tomball Independent School District, Affording the Tomball Police Department the Ability to Provide Police Services on a Contractual Basis for Specialized Events Occurring Before, During and After the Normal Campus Hours, with additional coverage by Police Officers on Quinn Road during high-peak hours.

Motion carried unanimously.

- 9.12 Motion was made by Councilman Townsend, second by Councilman Hudgens, to approve the following plats as recommended by the Planning and Zoning Commission:

- **Reserve at Spring Lake Section Two:** Being a Replat of Unrestricted Reserve "D" of Replat of the Final Plat Reserve at Spring Lake Section

One Located in the Joseph Miller League, A-50 W.H. Clemens Survey, A-1641 Harris County, Texas City of Tomball, Texas.

- **Tomball Townsite Lot 24 Replat:** Being a Subdivision of 0.2755 Acre of Land, Being all of Lots 21, 22, 23 and 24 of Block 80 of Revised Map of Tomball Townsite, Volume 4, Pg. 25 of the Map Records of Harris County, out of the William Hurd Survey, Abstract No. 371, in the City of Tomball, in Harris County, Texas.
- **Tomball Business and Technology Park Lot 4 Partial Replat:** A subdivision of 25.1764 Acres, Being a Replat of Lot 4 of Tomball Business and Technology Park as recorded in Film Code No. 653006 of the Harris County Map Records, in the Elizabeth Smith Survey, Abstract No. 70, City of Tomball, Harris County, Texas.

Motion carried unanimously.

10.0 Motion was made by Councilman Townsend, second by Councilman Stoll, to adjourn.

Motion carried unanimously.

Meeting adjourned.

PASSED AND APPROVED this the 15th day of June 2015.

Doris Speer, TRMC, CMC
City Secretary

Gretchen Fagan
Mayor

Regular City Council

Agenda Item

Meeting Date: June 15, 2015

Data Sheet

Topic:

Approve, on Second Reading, Resolution No. 2015-12-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Agreement by and between the Corporation and WhiteWater Express, to make direct incentives to, or expenditures for, assistance with infrastructure costs for the promotion of new or expanded business enterprise related to the construction of a new commercial facility to be located on a 0.86 acre tract of land at 14614 FM 2920, Tomball, Texas 77377. The estimated amount of expenditures for such Project is \$19,680.00.

Background:

All expenditures of the Tomball Economic Development Corporation (TEDC) sales tax revenue must first be approved as a "Project" of the Corporation. At its regular meeting on May 19, 2015, the TEDC Board of Directors did take formal action to approve, as a Project of the TEDC, an agreement with WhiteWater Express for the promotion of new or expanded business development related to the construction of a new commercial facility (a 4,500 square foot car wash facility on a 0.86 acre tract of land) to be located at 14614 FM 2920, Tomball, Texas 77377). The Tomball City Council has final approval authority over all projects and agreements of the TEDC.

Origination:

Clayton Clark, President - WhiteWater Express

Recommendation:

Approval of Resolution No. 2015-12-TEDC on second reading

Funding: Yes

Account Number: Project Grants

Party(ies) responsible for placing this item on agenda:

Kelly Violette, Executive Director, Tomball Economic Development Corporation

ACTION TAKEN		
APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1 ST ☐ 2 ND	

ATTACHMENTS:

Resolution No. 2015-12-TEDC

TEDC Memo

Request Letter

Draft Agreement

Economic Impact Analysis Report

RESOLUTION NO. 2015-12-TEDC

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, AUTHORIZING AND APPROVING THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION'S PROJECT TO EXPEND FUNDS IN ACCORDANCE WITH AN ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE CORPORATION AND WHITEWATER EXPRESS TO PROMOTE AND DEVELOP A NEW OR EXPANDED BUSINESS ENTERPRISE; CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT; AND PROVIDING FOR SEVERABILITY.

* * * * *

WHEREAS, the Tomball Economic Development Corporation (the "TEDC"), created pursuant to the Development Corporation Act, now Chapter 501 of the Texas Local Government Code, as amended (the "Act"), desires to adopt projects and provide incentives for economic development within the City; and

WHEREAS, the Board of Directors of the TEDC had adopted as a specific project the expenditure of the estimated amount of Nineteen Thousand Six Hundred and Eighty Dollars (\$19,680.00), found by the Board to be required or suitable to promote a new business development by WhiteWater Express; and

WHEREAS, pursuant to the Act, the TEDC may not undertake such project without the approval of Tomball City Council; and

WHEREAS, City Council finds and determines that such project promotes new or expanded business development and is in the best interests of the citizenry; now, therefore,

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

Section 1. The facts and matters set forth in the preamble of this Resolution are hereby found to be true and correct.

Section 2. The City Council hereby authorizes and approves the adoption, by the Board of Directors of the Tomball Economic Development Corporation, as a specific project for the economic development of the City, an expenditure of the estimated amount of Nineteen Thousand Six Hundred and Eighty Dollars (\$19,680.00), to WhiteWater Express in accordance with an economic development agreement by and between the TEDC and WhiteWater Express, to promote and develop a new or expanded business enterprise, to be located at 14614 FM 2920, Tomball, Texas 77377.

Section 3. In the event any clause, phrase, provision, sentence, or part of this Resolution or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Resolution as a whole or any part or provision hereof other than the part declared to

be invalid or unconstitutional; and the City Council of the City of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED AND APPROVED on first reading this 1st day of June, 2015.

PASSED, APPROVED, AND RESOLVED on second and final reading this ____ day of _____, 2015.

Gretchen Fagan, Mayor

ATTEST:

Doris Speer, City Secretary



TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: June 1, 2015

SUBJECT: WhiteWater Express Performance Agreement

The Tomball Economic Development Corporation has received a request from Clayton Clark, President of WhiteWater Express, for assistance with infrastructure costs related to the development of a proposed 4,500 square foot car wash facility on a 0.86 acre tract of land located at 14614 FM 2920, Tomball, Texas 77377.

Mr. Clark is the former Chief Operating Officer of Bubbles Car Wash as well as the former President of Southwest Carwash Association. He has two business partners, Shane Wilson, Owner/President of Louetta Automotive, and Steve Mathis, CEO of Louetta Automotive.

The company is currently under contract to purchase the property located at 14614 FM 2920 in Tomball. Mr. Clark is requesting grant funding assistance with infrastructure costs that are necessary to develop the project. The eligible infrastructure improvements include water and sewer extensions, drainage facilities, electrical service, and related site improvements totaling approximately \$200,000.00.

The project will create 8 full time jobs in the city with average salaries of \$40,000 per employee. The estimated value of the property and improvements is \$2,000,000.00.

Although this project does not create primary jobs, it does promote the development and expansion of business enterprise, which is considered a permissible project as outlined in Texas Economic Development Legislation. If this project is approved, it will go to the Tomball City Council for final approval by resolution at two separate readings.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy.

The attached agreement proposes grant funding in an amount not to exceed \$19,680, based on actual expenditures for the approved Infrastructure Improvements. The incentive was calculated based upon 30 percent of the project's net benefit to the City over a five year term.



16228 Huffmeister Road
Cypress, Texas 77429
281-304-2517

May 4, 2015

Tomball Economic Development Corporation
PO Box 820
Tomball, Texas 77377-0820

Attn: Kelly Viollete

Dear Kelly,

My name is Clayton Clark, I am a Partner and the President of WhiteWater Express. WhiteWater Express is a new business that operates an express car wash with a NAICS code of 811192. Previously I was the Chief Operating Officer at Bubbles Car Wash for 22 years and the former President of The Southwest Car Wash Association. I have 2 partners Steve Mathis and Shane Wilson. Shane is the owner and President of Louetta Automotive. We are scheduled to open WhiteWater Express in Tomball during the 4th quarter of 2015.

I am writing to request your consideration of funding assistance on our expansion into Tomball. The address of our proposed expansion is 14614 FM 2920, Tomball Texas 77377. The location is currently undeveloped and was previously a restaurant. The lot is approximately 37,287 square feet with a current appraised value of \$559,305. We have planned improvements to the property of \$2,000,000 that will include building, land, equipment and landscaping improvements. We anticipate construction to begin in August and take approximately 4 months.

WhiteWater Express is currently under contract for the property with an expected closing date of July 20, 2015. On the property we will build a 4,500 square foot modern building, install first class, state of the art signage and provide extensive landscaping to improve the appearance of the property.

WhiteWater Express will have 8 employees with an average salary of \$40,000 per employee. 6 employees will be hired in 2015 and the other 2 employees will be added in 2016.

WhiteWater is very excited about opening our first location in Tomball and look forward to working with Tomball Economic Development team. Please advise on assistance that can be provided.

My contact details are as follows:

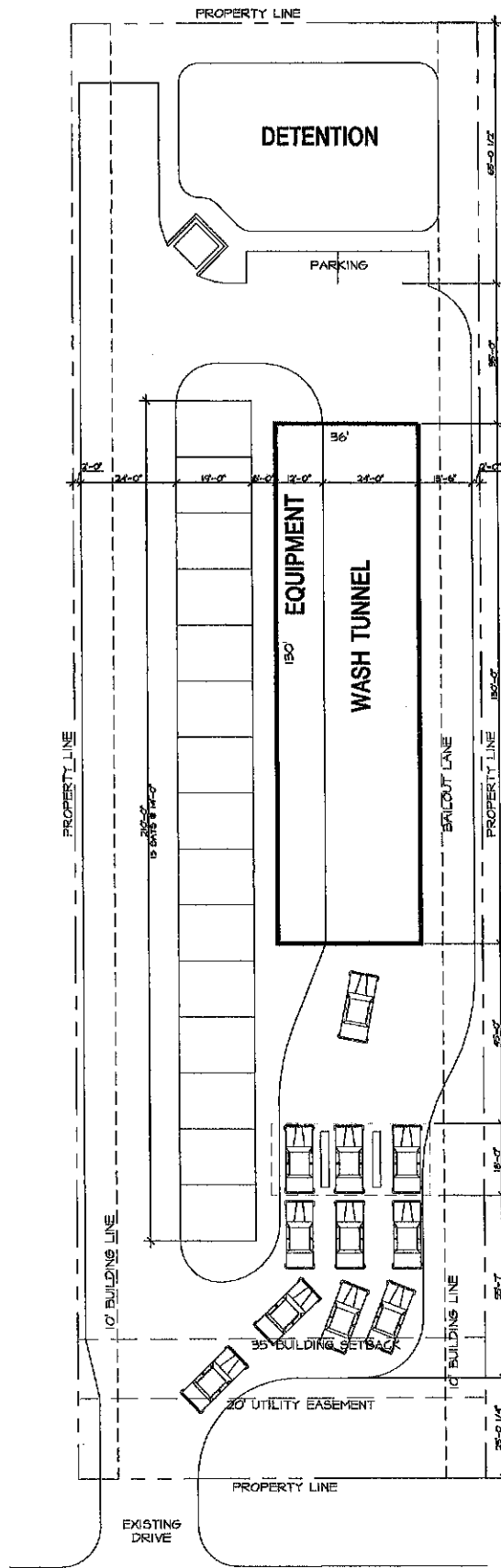
Clayton Clark
President of WhiteWater Express
16228 Huffmeister Road
Cypress, Texas 77429
Tell: 281-304-2517
Cell: 832-731-8031
Email: cclark@whitewatercw.com

Thank you in advance for your consideration and if you need any additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to be "Clayton Clark", written over a horizontal line.

Clayton Clark



F.M. 2920
 WHITEWATER EXPRESS
 OPTION B-2 - 05/04/15



WHITEWATER EXPRESS



January 2015



Partners

Shane Wilson

Owner/President of Louetta Automotive since 1999. Currently 9 locations in the Houston area. President of Louetta Properties, which currently owns and manages 20 properties in the Houston area.

Clayton Clark

Previous COO of Bubbles Car Wash for 22 years with 13 Houston area locations. Bubbles was purchased by Mister Car Wash in June 2013. Currently the President of Southwest Carwash Association.

Steve Mathis

CEO of Louetta Automotive. Previously Executive Vice President of Equivalent Data for 18 years. When Steve started with Equivalent Data it had 1 location and \$1 Million in revenue. In 2012 it had 5 locations and \$22 Million in revenue. Equivalent Data was sold to private equity group Trinity Hunt in May 2012.



Our Story

Whitewater Express was conceived on the belief of building a better, faster, and high quality car wash at an amazing value.

Now an opportunity has been presented to partner with a leader in the automotive service industry, Louetta Automotive, and a leader in the car wash industry with Clayton Clark. Our mission is to build a chain of exterior express car washes in the Cypress, Texas area with continued expansion in local communities and beyond.

After spending 22 years operating the express car washes under the Bubbles Car Wash name, we know we have perfected the ultimate express car wash. We will invest in modern facilities, install the most innovative car wash equipment, and professional landscaping to make a positive impact in our community.

Just like Louetta Automotive, our employees will be our most valuable asset. We will only employ the best people in the service industry and maintain a professional uniformed experience. Our locations will be eco-friendly by using environmentally friendly (GREEN) soaps and waxes while using water savings techniques and equipment.

We are currently opening 3 locations in the Cypress, Texas area within the next 18 months. We will continue growing our model at a substantial rate in the future without sacrificing our commitment to quality and service.



Always Rapidly Clean

Vision

To make a difference in our communities, environment, and the lives of our customers and employees through the most innovative express car wash experience.

Commitment

To use our beliefs, values and standards to create the ultimate car wash experience.

Mission

To deliver the highest quality car wash experience at an amazing value, while continuously exceeding our customer's expectations.

Promise

- Provide safe, clean, modern, and environmentally friendly locations
- Continuously improve and search for innovative technologies
- Our most valuable asset is our employees
- Without loyal, repeat customers nothing else matters
- Never compromise honesty and personal integrity
- Ensure the growth and profitability of our business through customer retention and improving the customer experience
- Provide exceptional customer service
- Help each other grow, personally and professionally
- Provide a fun and exciting way to wash your vehicle



Our Design



AGREEMENT

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

This Agreement (the “Agreement”) is made and entered into by and between the **Tomball Economic Development Corporation**, an industrial development corporation created pursuant to Tex. Rev. Civ. Stat. Ann. Art. 5190.6, Section 4B, located in Harris County, Texas (the “TEDC”), and **WhiteWater Express** (the “Company”), 16228 Huffmeister Road, Cypress, Texas 77429.

WITNESSETH:

WHEREAS, it is the established policy of the TEDC to adopt such reasonable measures from time-to-time as are permitted by law to endeavor to attract industry, create and retain primary jobs, expand the growth of the City of Tomball (the “City”), and thereby enhance the economic stability and growth of the City; and

WHEREAS, the Company proposes to develop an approximately 0.86 acre tract of land within the City, located at 14614 FM 2920, Tomball, TX 77377 (the “Property”), more particularly described in Exhibit “A,” attached hereto and made a part hereof; and

WHEREAS, such development shall include the construction of a 4,500 square foot car wash facility (the “Improvements”) on the site, and more particularly described in Exhibit “B,” attached hereto and made a part hereof; and

WHEREAS, the TEDC agrees to provide to the Company funding in an amount not to exceed Nineteen Thousand Six Hundred and Eighty Dollars (\$19,680.00), to assist in the construction of certain targeted infrastructure necessary to promote and develop a new business

enterprise on the Property. The infrastructure found by the Board of Directors of TEDC to be required to develop the Property are site improvements and utilities including water, sewer, electric, and drainage facilities (the “Infrastructure Improvements”), identified and described in Exhibit “C,” attached hereto and made a part hereof; and

WHEREAS, the Company has agreed, in exchange and as consideration for the funding, to satisfy and comply with certain terms and conditions;

NOW, THEREFORE, in consideration of the premises and the mutual benefits and obligations set forth herein, including the recitals set forth above, the TEDC and the Company agree as follows:

1.

The Company covenants and agrees that it will construct and maintain on the Property a 4,500 square foot car wash facility (the “Improvements”) identified and described in Exhibit “B,” attached hereto and made a part hereof. In conjunction with development of the Property, the Company further agrees to construct the Improvements contemplated by this Agreement, in accordance with the requirements of the ordinances of the City and the plans and specifications approved by the City. The Company further represents and agrees that it will certify the final estimated costs of the construction of such Improvements to the TEDC prior to construction.

2.

Construction of the Improvements on the Property, including construction of the Infrastructure Improvements, must commence within 180 days from the date of this Agreement (the “Start Date”), and the Company shall notify the TEDC of such Start Date. The Development of the Property, including construction of the Improvements shall be completed, and all necessary occupancy permits from the City shall be obtained, within eighteen months of

the Start Date. Extensions of these deadlines, due to extenuating circumstances or uncontrollable delay, may be granted at the sole discretion of the Board of Directors of the TEDC.

3.

The Company further represents and agrees that the Improvements described in Paragraph 1 hereof will be operated and maintained for a term of at least five (5) years.

4.

The Company further covenants and agrees that the Company or any owner or lessee of the Improvements does not and will not knowingly employ an undocumented worker. An “undocumented worker” shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States; or (b) authorized by law to be employed in that manner in the United States.

5.

In consideration of the Company's representations, promises, and covenants, TEDC agrees to reimburse the Company for the actual cost of the Improvements in an amount not to exceed Nineteen Thousand Six Hundred and Eighty Dollars (\$19,680.00), or an amount equal to forty percent (40%) of actual construction costs if less than the sum stated above. The TEDC agrees to reimburse the Company for such amount within thirty (30) days of receipt of a letter from the Company requesting such payment and including: (a) certification of the actual cost of constructing the Infrastructure Improvements; (b) a copy of the City's occupancy permit for the Improvements to the Property; (c) verification from the City acknowledging that all necessary plats, permits, plans, and specifications have been received, reviewed, and approved; (d) verification that the Infrastructure Improvements have been constructed in accordance with the approved plans and specifications; (e) an affidavit stating that all contractors and subcontractors

providing work and/or materials in the construction of the Infrastructure Improvements have been paid and any and all liens and claims regarding such work have been released; and, (f) Proof of payment to all contractors and subcontractors providing work and/or materials in the construction of the Infrastructure Improvements, proof of payment must include copies of canceled checks and/or credit card receipts and copies of paid invoices from all contractors and subcontractors.

6.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90-day Treasury Bill plus one-half percent ($\frac{1}{2}\%$) per annum, within thirty (30) days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company, or any owner or lessee of the Improvements, is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the 90-day Treasury Bill plus one-half percent ($\frac{1}{2}\%$) per annum, within thirty (30) days after the TEDC notifies the Company of the violation.

The Company shall also reimburse the TEDC for any and all reasonable attorney's fees and costs incurred by the TEDC as a result of any action required to obtain reimbursement of such funds. Such reimbursement shall be due and payable thirty (30) days after the Company receives written notice of default. It is understood and agreed by the parties that, in the event of a default by the TEDC on any of its obligations under this Agreement, the Company's sole and exclusive remedy shall be limited to either a) the termination of this Agreement or b) a suit for specific performance.

7.

Personal Liability of Public Officials: To the extent permitted by law, no director, officer, employee or agent of the TEDC, and no officer, employee or agent of the City of Tomball, shall be personally responsible for any liability arising under or growing out of this Agreement.

8.

This Agreement shall inure to the benefit of and be binding upon the TEDC and the Company, and upon the Company's successors and assigns, affiliates, and subsidiaries, and shall remain in force whether the Company sells, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the Property and the agreements herein contained shall be held to be covenants running with the Property for so long as this Agreement, or any extension thereof, remains in effect.

9.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) by delivering the same in person to such party; or (iii) by overnight or messenger delivery service that retains regular records of delivery and receipt; or (iv) by facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the parties for the purpose of notice under this Agreement shall be as follows:

If to City:	Tomball Economic Development Corporation
	401 W. Market Street
	Tomball, Texas 77375
	Attn: President, Board of Directors

If to Company: WhiteWater Express
16228 Huffmeister Road
Cypress, TX 77429
Attn: Clayton Clark, Partner / President

10.

This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas.

11.

Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the parties hereto.

12.

The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance.

13.

This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.

14.

In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or

unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2015 (the “Effective Date”).

WHITEWATER EXPRESS

By: _____

Name: _____

Title: _____

ATTEST:

By: _____

Name: _____

Title: _____

**TOMBALL ECONOMIC DEVELOPMENT
CORPORATION**

By: _____

Name: Gretchen Fagan

Title: President, Board of Directors

ATTEST:

By: _____

Name: _____

Title: Secretary, Board of Directors

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the ____ day of _____
2015, by _____, the _____ of
WhiteWater Express and on behalf of said Company.

Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the ____ day of _____
2015, by _____, President of the Board of Directors of the
Tomball Economic Development Corporation, for and on behalf of said Corporation.

Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

EXHIBIT "A"

Legal Description of Property

0.86 ACRES (37,272 SQ.FT.) ALL OF A CALLED 0.8556 ACRES
RECORDED UNDER C.F. Z417949 O.P.R.R.P. H.C.T.
IN THE JOSEPH HOUSE SURVEY, ABSTRACT 34
HARRIS COUNTY, TEXAS

Being 0.86 acres (37,272 square feet) of land, all of a called 0.8556 acres, conveyed to CL Shores Center, LTD., by deed recorded under County Clerk's File Number (C.F.) Z417949 Official Public Records Real Property of Harris County, Texas (O.P.R.R.P. H.C.T.). said 0.86 acre tract lying in the Joseph House Survey, Abstract 34 and being more particularly described by metes and bounds as follows;

BEGINNING at a found 5/8 inch iron rod with cap in the north right-of-way (R.O.W.) of F.M. 2920, 120' Public R.O.W., marking the southwest corner of Lot 1-A, Tomball 2920 Replat No.1, recorded under Filmcode 647068 Map Records of Harris County. Texas (M.R.H.C.T.) also being the southeast corner of the herein described tract;

THENCE South 87°41'32" West, along said R.O.W., a distance of 102.50 feet to a found 5/8 inch iron rod with cap, marking the southeast corner of the Remainder of a called 37.942 acres, conveyed to Ken D. Parr, by deed recorded under C.F. U499904 O.P.R.R.P. H.C.T., also being the southwest corner of the herein described tract;

THENCE North 02°03'46" West, along the east line of said Remainder, a distance of 363.63 feet to a found 5/8 inch iron rod with cap in the south line of Lot 1-B, of said Tomball 2920 Replat No.1, marking the northeast corner of said Remainder and the northwest corner of therein described tract;

THENCE North 87°41'32" East, along said south line, a distance of 102.50 feet to a found 5/8 inch iron rod with cap, marking an internal corner of said Lot 1-B, also being the northeast corner of the herein described tract;

THENCE South 02°03'46" East, passing at a distance of 132.98 feet a found 5/8 inch iron rod with cap, marking the common corner of said Lots 1-B and 1-A, continuing for a total distance of 363.63 feet to the POINT OF BEGINNING and containing a computed 0.86 acres (37,272 square feet) of land.

EXHIBIT "B"

Description of Improvements

Construction of a 4,500 square foot car wash facility on an approximately 0.86 acre tract of land located at 14614 FM 2920, Tomball, TX 77377.

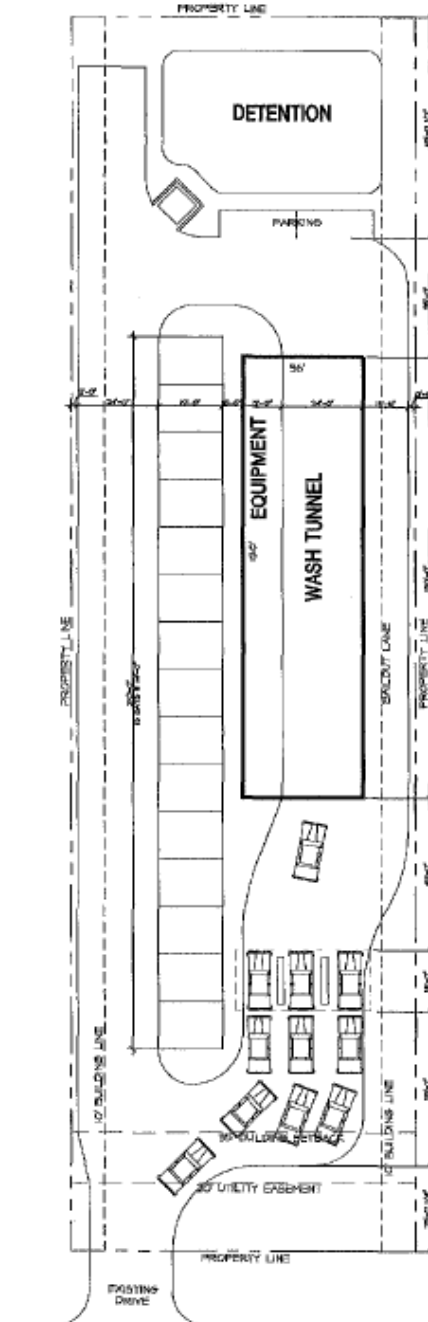


EXHIBIT “C”

Description of Infrastructure Improvements

- Electrical to the site- \$10,000
- Sewer Tap- \$5,000
- Communications- \$5,000
- Site work/Underground drainage- \$75,000
- Detention work- \$75,000
- 2 inch Water Tap - \$30,000

Total: \$200,000

Economic Impact of White Water Express Car Wash in Tomball, TX

Executive Summary

May 13, 2015

Prepared by:

Tomball Economic Development Corporation
29201 Quinn Road
Tomball, TX 77375

This summary was prepared by the Tomball Economic Development Corporation using Quick Impact by Impact DataSource. Please consult the full economic impact report for additional details and assumptions used in this analysis.

ECONOMIC IMPACT EXECUTIVE SUMMARY: WHITE WATER EXPRESS CAR WASH

Project Description

White Water Express desires to construct a 4,500 square foot car wash facility on a 0.86 acre tract of land located at 14614 FM 2920, Tomball, Texas 77377. The facility will include a 130 foot tunnel with of state of the art washing equipment that is safe for all vehicles. White Water Express will also offer free self-service vacuums for customers. The facility will be open 7 days a week and hours of operation will be from 8am to 7pm. The estimated capital investment for the project is \$2,000,000, including land, a new building, site and infrastructure improvements, equipment and landscaping. WhiteWater Express will have 8 employees with an average salary of \$40,000 per employee. 6 employees will be hired in 2015 and the other 2 employees will be added in 2016. The projected opening date will be the 4th quarter of 2015.

Economic Impact Over the First 10 Years

The project will have the following economic impact on the City of Tomball area over the first 10 years:

Economic Impact Over the First 10 Years			
	Direct	Indirect & Induced	Total
Total number of permanent direct and indirect jobs to be created	9	3	12
Salaries to be paid to direct and indirect workers	\$4,321,941	\$2,108,243	\$6,430,184
Taxable sales and purchases expected in the city	\$648,345	\$52,706	\$701,051
The value of new residential property to be built for direct and indirect workers who move to the city by Year 10	\$0	\$0	\$0
The market value the firm's property on local tax rolls in Year 1	\$2,050,000	\$0	\$2,050,000

Fiscal Impact Over the First 10 Years

Over the first 10 years, the City of Tomball and Tomball EDC can expect the following net benefits from the facility, its employees, and workers in spin-off jobs created in the community:

Costs and Benefits for the City Over the First 10 Years			
	Benefits	Costs	Net Benefits
Sales taxes allocated to the City	\$10,516	\$0	\$10,516
Sales taxes allocated to Tomball EDC	\$3,505	\$0	\$3,505
Property taxes	\$64,773	\$0	\$64,773
Utility revenues	\$327,025	\$0	\$327,025
Utility franchise fees	\$9,124	\$0	\$9,124
Hotel occupancy taxes	\$3,095	\$0	\$3,095
Other taxes and user fees	\$0	\$0	\$0
Building permits and fees	\$3,240	\$0	\$3,240
Costs of providing utilities	\$0	\$294,323	(\$294,323)
Costs of providing municipal services for new residents	\$0	\$0	\$0
Total	\$421,278	\$294,323	\$126,955

ECONOMIC IMPACT EXECUTIVE SUMMARY: WHITE WATER EXPRESS CAR WASH

Net Benefits To The City From The Direct and Indirect Sources

The city will receive benefits from direct and indirect economic impacts that result from the project. The benefits, associated costs and net benefits for the first 10 years are shown below, divided between direct and indirect impacts.

Net Benefits to the City from Direct and Indirect Sources			
<i>Benefits/Costs from:</i>			
	<i>Direct</i>	<i>Indirect & Induced</i>	<i>Total</i>
<u><i>Additional revenues:</i></u>			
Sales taxes allocated to the City	\$9,725	\$791	\$10,516
Sales taxes allocated to Tomball EDC	\$3,242	\$264	\$3,505
Property taxes	\$64,773	\$0	\$64,773
Utility revenues	\$327,025	\$0	\$327,025
Utility franchise fees	\$9,124	\$0	\$9,124
Hotel occupancy taxes	\$3,095		\$3,095
Other taxes and user fees	\$0	\$0	\$0
Building permits and fees	\$3,240		\$3,240
Total additional revenues	\$420,223	\$1,054	\$421,278
<u><i>Additional costs:</i></u>			
Costs of providing utilities	\$294,323	\$0	\$294,323
Costs of providing municipal services for new residents	\$0	\$0	\$0
Total additional costs	\$294,323	\$0	\$294,323
Net Benefits	\$125,901	\$1,054	\$126,955
<i>Percent of total net benefits for city</i>	<i>99%</i>	<i>1%</i>	

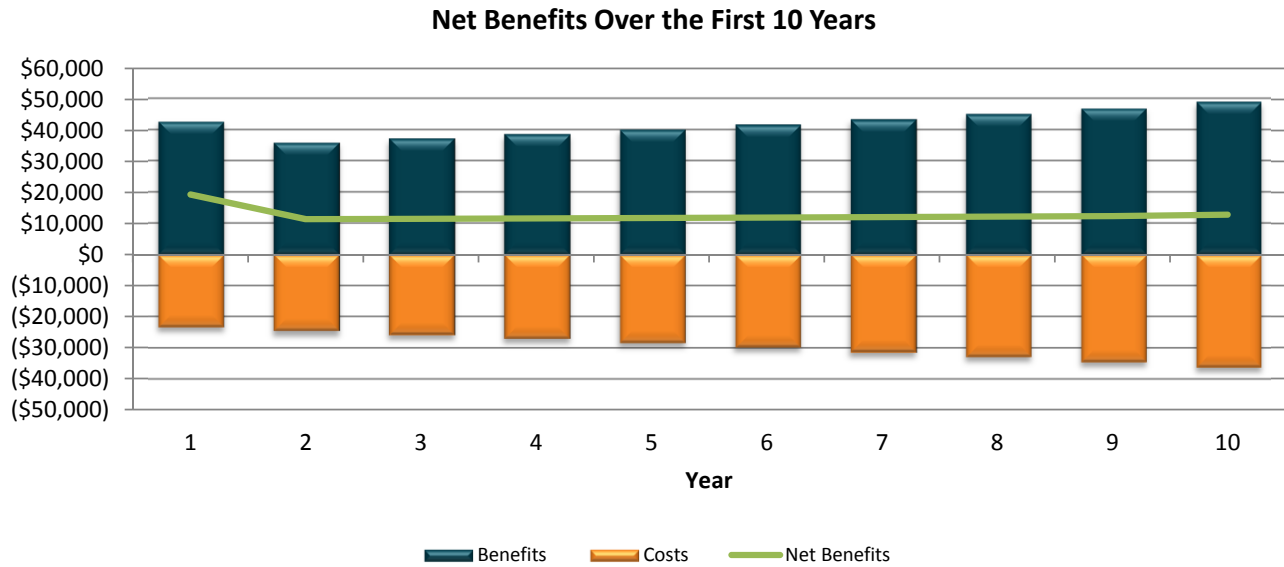
The net benefits to the city over the first 10 years are estimated to accrue as detailed below.

Net Benefits to the City by Year				
	Benefits	Costs	Net Benefits	Cumulative Benefits
Year 1	\$42,742	\$23,400	\$19,342	\$19,342
Year 2	\$35,963	\$24,570	\$11,393	\$30,734
Year 3	\$37,285	\$25,799	\$11,486	\$42,221
Year 4	\$38,717	\$27,088	\$11,628	\$53,849
Year 5	\$40,194	\$28,443	\$11,751	\$65,600
Year 6	\$41,753	\$29,865	\$11,888	\$77,488
Year 7	\$43,399	\$31,358	\$12,041	\$89,529
Year 8	\$45,136	\$32,926	\$12,210	\$101,738
Year 9	\$46,968	\$34,572	\$12,395	\$114,134
Year 10	\$49,122	\$36,301	\$12,821	\$126,955
Total	\$421,278	\$294,323	\$126,955	
<i>Present Value of Net Benefits*</i>			<i>\$99,004</i>	

**The Present Value of Net Benefits is a way of expressing in today's dollars, dollars to be paid or received in the future. A dollar today and a dollar to be received or paid at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or discount rate. This analysis uses a discount rate of 5% to make the dollars comparable.*

Fiscal Impact Over the First 10 Years

The graph below depicts the costs, benefits and net benefits to the city over the first 10 years.



ECONOMIC IMPACT EXECUTIVE SUMMARY: WHITE WATER EXPRESS CAR WASH

Incentives

Tomball EDC may consider the following incentives for the project:

Incentives	
Year 1	\$19,680
Year 2	\$0
Year 3	\$0
Year 4	\$0
Year 5	\$0
Year 6	\$0
Year 7	\$0
Year 8	\$0
Year 9	\$0
Year 10	\$0

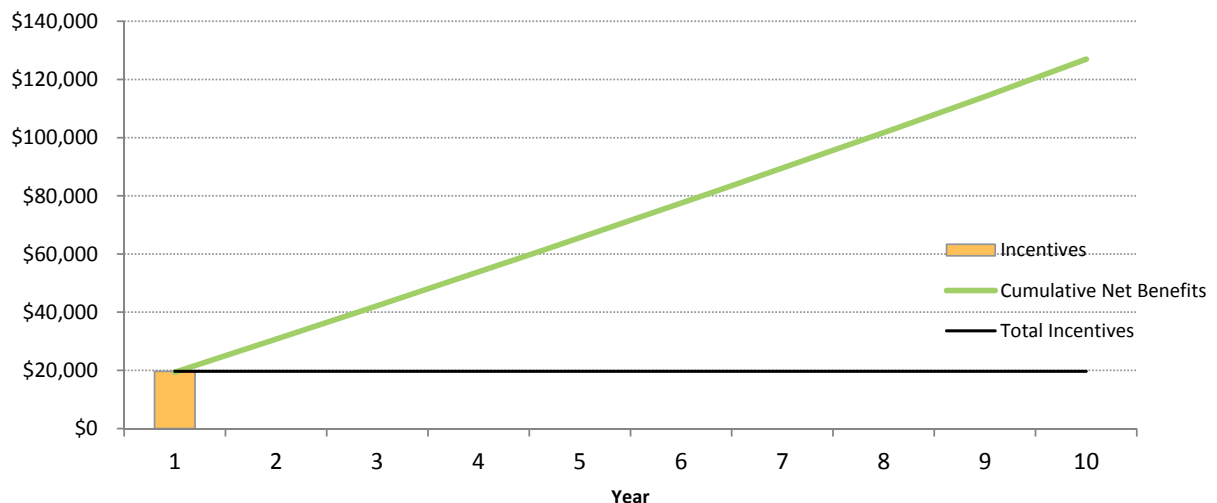
The table below shows an analysis of these incentives, including a calculation of incentives per job, rate of return and payback period.

Analysis of Incentives	
Total Incentives	\$19,680
Incentives Per Job	\$2,187
Rate of Return Over 5 Years	66.7%
Payback period (years)	1.0

* Rate of Return and Payback Period are calculated based on the sum of annual incentives rather than the PV of incentives.

The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to the city. The intersection indicates the length of time until the incentives are paid back.

Incentives vs. Cumulative Net Benefits



Regular City Council Agenda Item Data Sheet

Meeting Date: June 15, 2015

Topic:

Appoint/Reappoint Members to the Tomball Economic Development Corporation Board of Directors

Background:

The Tomball Economic Development Corporation terms for Gretchen Fagan, Steven Vaughan, and Chad Degges are due for appointment/reappointment. Each member has indicated his/her desire to continue serving on the TEDC.

Kelly Violette, Executive Director-TEDC, recommends the reappointment of each member in order to maintain the continuity of the Board, especially as the TEDC continues developing the Business and Technology Park.

I would like to recommend the reappointment of myself, Steven Vaughan, and Chad Degges. Nominations will also be accepted at the Council meeting.

Origination:

Mayor Fagan

Recommendation:

N/A

Funding:**Party(ies) responsible for placing this item on agenda:**

Doris Speer

ACTION TAKEN		
APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1 ST ☐ 2 ND	

Regular City Council

Agenda Item

Meeting Date: June 15, 2015

Data Sheet

Topic:

Approve Tax Abatement Agreement between City of Tomball and Packers Plus Energy Services (USA), Inc. for Phase I Improvements to be Constructed in Tax Abatement Reinvestment Zone No. 5

Background:

The draft Tax Abatement Agreement between the City of Tomball and Packers Plus Energy Services (USA), Inc., covering the Phase I Improvements to be constructed in Reinvestment Zone No. 5, is attached.

The project includes the construction of a 50,000 sq. ft. Research & Development facility (Phase I), a 237,000 sq. ft. manufacturing building (Phase II), and a multi-story 40,000 sq. ft. corporate office building (Phase III) on 17.38 acres within the Tomball Business & Technology Park. The development is proposed to be phased over several years with the Research & Development facility being constructed within the first year of closing, the manufacturing building being constructed in the second year and the corporate office being constructed in the third year. The estimated capital investment for this project is \$21,740,000.

The project is anticipated to create 353 new full-time jobs within the City of Tomball, with 187 of the jobs being created in the first five years of operation.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy. Per the analysis, the estimated five year net benefit to the City is \$874,725 (\$1,964,392 over ten years).

The estimated value of the ten-year 100% Tax Abatement is \$665,503. The agreements have been structured to accommodate the phasing of the project as described above. The Tax Abatement for each improvement shall begin on January 1st of the year following the issuance of a Certificate of Occupancy by the City for each phase.

Origination:

Patrick Maguire, Regional General Manager, USA Packers Plus Energy Services (USA), Inc.

Recommendation:

Approval of the Tax Abatement Agreement for Phase I Improvements

Funding:

Party(ies) responsible for placing this item on agenda:

Kelly Violette - Executive Director Tomball Economic Development Corporation

ACTION TAKEN

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APPROVAL ☐ YES ☐ NO	READINGS PASSED ☐ 1 ST ☐ 2 ND	OTHER
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ATTACHMENTS:

Phase I Draft Tax Abatement Agreement

Economic Impact Analysis Report- Packers Plus

**TAX ABATEMENT AGREEMENT
BETWEEN THE
CITY OF TOMBALL, TEXAS
AND
PACKERS PLUS ENERGY SERVICES (USA), INC.
FOR PHASE I IMPROVEMENTS**

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

THIS TAX ABATEMENT AGREEMENT ("Agreement") is made and entered into by and between the **CITY OF TOMBALL, TEXAS**, a home rule city situated in Harris County, Texas ("City"), and **PACKERS PLUS ENERGY SERVICES (USA), INC.** ("Packers Plus"), the owner of a tract of land with improvements, and the improvements to be constructed thereon, within Reinvestment Zone No. 5 (hereinafter defined).

WHEREAS, Packers Plus is the owner of a 17.38 acre tract of land located in Harris County, Texas (the "Property"), as defined in Section 2 of this Agreement; and

WHEREAS, Packers Plus desires to construct new facilities in phases (the "Improvements" as defined in Section 2 of this Agreement) on the Property; and

WHEREAS, the City and Packers Plus wish to enter into a tax abatement agreement, which will provide for a ten (10) year tax abatement period that will commence on January 1, of the year following the issuance of a Certificate of Occupancy by the City for the Phase I Improvements;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, Packers Plus and the City hereby agree as follows:

1. **Authorization.** This Agreement is authorized by the Property Redevelopment and Tax Abatement Act, Chapter 312, TEXAS TAX CODE, as amended, and the Tax Abatement Policy adopted by the City of Tomball, Texas, adopted by the City Council of the City on April 20, 2015. The City Council has determined that the terms of the Agreement and the property subject to this Agreement meet the provisions of the Tax Abatement Policy adopted by the City.

2. **Defined Terms.** As used in this Agreement, the following terms shall have the meanings set forth below:

 "Packers Plus" shall mean Packers Plus Energy Services (USA), Inc., the entity that owns the Property on the date taxes are abated under this Agreement or any other person or entity to which this Agreement is assigned, in accordance with this Agreement.

"Certified Appraised Value" shall mean the appraised value of the Property and existing improvements as certified by the Harris County Appraisal District.

"City" shall mean the City of Tomball, Texas.

"City Council" shall mean the governing body of the City.

"Improvements" shall mean the buildings and structures (or portions thereof) and other improvements, including fixed machinery, equipment and process units, used for commercial or industrial purposes, which are erected or expanded by Packers Plus on the Property, as contemplated by Section 6 herein, and generally identified and described in Exhibit "A" attached hereto and incorporated herein for all purposes. The Improvements shall be referred to in this Agreement in the following phases:

"Phase I Improvements" shall mean the Improvements on the portion of the Property shown as Phase I on Exhibit "B" attached hereto, the same being the site for a proposed 50,000 square foot RTD facility located in the southeast portion of the Property.

"Phase II Improvements" shall mean the Improvements on the portion of the Property shown as Phase II on Exhibit "B" attached hereto, the same being the site for a proposed 237,000 square foot manufacturing facility located in the northwest portion of the Property.

"Phase III Improvements" shall mean the Improvements on the portion of the Property shown as Phase III on Exhibit "B" attached hereto, the same being the site for a proposed 40,000 corporate office facility located in the northeast portion of the Property.

"Property" shall mean the 17.38 acre tract of land described in Exhibit "C" attached hereto and incorporated herein for all purposes, and all Improvements and Tangible Personal Property currently located thereon, which tract of land is located within Reinvestment Zone No. 5 of the City.

"Reinvestment Zone No. 5" shall mean that certain area qualifying for tax abatement pursuant to the Tax Abatement Policy adopted by the City of Tomball, Texas, and City of Tomball Ordinance No. 2015-10 a copy of which is attached hereto as Exhibit "D" and incorporated herein for all purposes.

"Tangible Personal Property" shall mean tangible personal property classified as such under state law, but excluding tangible personal property that was located on the Property at any time prior to the date of execution of this Agreement, and also excluding tangible personal property taxable by the City while owned by Packers Plus any time prior to the date of execution of this Agreement, and excluding inventory and supplies.

3. **Administration of Agreement.** This Agreement shall be administered by the City Manager or designee of the City.

4. **Term.** This Agreement shall be effective as of the date of execution hereof and shall continue through December 31, 2030, unless terminated earlier, as provided elsewhere herein; provided, however, that the ten-year abatement period herein provided for shall not commence until January 1 on the year following the issuance of a Certificate of Occupancy by the City for the Phase I Improvements. For purposes of clarification, the Tax Abatement shall begin on January 1 of the year following the issuance of a Certificate of Occupancy by the City for such Phase I Improvements. Provided, however, that no tax abatement provided by this Agreement begin after the expiration of five (5) years from the creation of Reinvestment Zone No. 5.

5. **Tax Abatement.** Subject to limitations imposed by law and conditioned on the representations outlined in Section 6 hereinbelow, there shall be granted and allowed hereunder to Packers Plus a property tax abatement equal to one-hundred percent (100%) of the taxable value on the Improvements constructed or expanded hereunder on the Phase I Improvements and the Tangible Personal Property located thereon subsequent to the date hereof; provided, however, if the Certified Appraised Value of the Property is less than the Certified Appraised Value as of January 1, 2016, for any year during the term of this Agreement, such abatement shall not apply to the Improvements and Tangible Personal Property to the extent of the difference between the Certified Appraised Value of the Property for such year and the Certified Appraised Value of the Property as of January 1, 2016. The property tax abatement granted and allowed hereunder shall extend only to all real and personal property ad valorem taxes assessable on the Improvements, as constructed or expanded, and Tangible Personal Property; the Certified Appraised Value of the real property shall be fully taxable.

6. **Representations.**

(a) Packers Plus represents that (1) it has or will have an increased taxable interest with respect to Improvements and Tangible Personal Property placed on the Property; (2) the Improvements and Tangible Personal Property to be constructed and/or placed on the Property pursuant to the Agreement shall be as set forth and described in Packers Plus's letter dated February 15, 2015, attached hereto as Exhibit "A", and incorporated herein for all purposes; (3) all Improvements placed on the Property will be completed in a workmanlike manner and will be completed in accordance with the City building codes in effect at the time such Improvements are erected; (4) the Phase I Improvements will have a Certified Appraised Value of not less than Six Million, Five Hundred Thousand Dollars (\$6,500,000.00), Tangible Personal Property in an amount not less than Two Hundred Thousand Dollars (\$200,000.00), and will establish an increased employment level of not less than 27 full-time employees by January 1 on the year following the issuance of a Certificate of Occupancy for the Phase I Improvements; (5) it will maintain on the Property said Tangible Personal Property or similar Tangible Personal Property of equal or greater value through December 31, 2030; (6) it shall maintain on the Property the increased employment levels through the remainder of the term of this Agreement; (7) it has, as of the effective date of this Agreement, the financial resources to implement the above respective representations; and (8) it will comply with all applicable laws, rules, regulations, and provisions of the Code of Ordinances of the City. In addition to the increased employment level set forth above, Packers Plus will establish an increased employment level in Phase I of not less than 33 full-time employees by the fifth year following the issuance of a

Certificate of Occupancy for the Phase I Improvements and an increased employment level of 45 full-time employees by the ninth year following the issuance of a Certificate of Occupancy for the Phase I Improvements. Packers Plus shall maintain such increased employment level through the remainder of the term of this Agreement; provided, however, that if Packers Plus fails to maintain the increased employment levels for Phase I set forth above, Packers Plus will be deemed to have met this requirement if the total actual employment levels for all three phases, meet or exceed the total increased employment requirements for all three phases combined.

(b) The City represents that (1) Reinvestment Zone No. 5 has been created in accordance with Chapter 312 of the TEXAS TAX CODE and the Guidelines and Criteria for Granting Tax Abatement in Reinvestment and Enterprise Zones created in the City of Tomball, Texas, as both exist on the effective date of this Agreement; (2) the Property is within such Zone; and (3) the Property is located within the corporate limits of the City.

(c) Packers Plus and the City represent that no member of the City Council or Planning Commission owns or leases the Property, Improvements, or Tangible Personal Property.

7. **Administrative.**

(a) Access to and Inspection of Property by Municipal Employees. Packers Plus shall allow the City's employees and/or designated representatives of the City access to the Improvements for the purpose of inspecting any Improvements erected to ensure that such Improvements are completed and maintained in accordance with the terms of this Agreement and to ensure that all terms and conditions of this Agreement are being met. All such inspections shall be made only after giving Packers Plus twenty-four (24) hours advance notice and shall be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the Improvements. All such inspections shall be made with one (1) or more representatives of Packers Plus and in accordance with all applicable safety standards. Upon completion of construction, the designated representative of the City shall evaluate annually each facility receiving abatement to ensure compliance with the Agreement, and a formal report shall be made to the City Council.

(b) On January 1st of each year that this Agreement is in effect, Packers Plus shall certify to the City, and to the governing body of each taxing unit, that Packers Plus is in compliance with each applicable term of this Agreement.

(c) The Chief Appraiser of the Harris County Appraisal District shall determine annually (i) the Certified Appraised Value of the Property, Improvements, and Tangible Personal Property and (ii) the taxable value, pursuant to the terms of abatement under this Agreement, of the Property, Improvements, and Tangible Personal Property. The Chief Appraiser shall record both the abated taxable value and the Certified Appraised Value in the appraisal records. The Certified Appraised Value listed in the appraisal records shall be used to compute the amount of abated taxes that are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. During the term of this Agreement, each year, Packers Plus shall furnish the Chief Appraiser with such information

outlined in Chapter 22, TEXAS TAX CODE, as may be necessary for the administration of the abatement specified herein.

8. **Default.**

(a) The City may declare a default hereunder if Packers Plus (1) fails, refuses, or neglects to comply with any of the terms, conditions, or representations of this Agreement and fails to cure during the cure period; or (2) allows ad valorem taxes owed to the City to become delinquent and fails either to cure during the cure period or to timely and properly follow the legal procedures for their protest or contest.

(b) If the City declares a default of this Agreement, this Agreement shall terminate (after notice and opportunity to cure as provided for herein), and the City, in such event, shall be entitled to recapture any and all property taxes which have been abated as a result of this Agreement. The City shall notify Packers Plus of any default in writing in the manner prescribed herein. The notice shall specify the basis for the declaration of default, and Packers Plus shall have sixty (60) days from the date of such notice to cure any default; provided, however, where fulfillment of any obligation requires more than sixty (60) days, performance shall be commenced within sixty (60) days after the receipt of notice, and such performance shall be diligently continued until the default is cured. If the default cannot be cured, or if Packers Plus fails to cure within the period herein specified, Packers Plus shall be liable for and will pay to the City within sixty (60) days following the termination of this Agreement (1) the amount of all property taxes abated under this Agreement, (2) interest on the abated amount at the rate provided for in the Texas Tax Code for delinquent taxes, and (3) penalties on the amount abated in the year of default at the rate provided for in the Texas Tax Code for delinquent taxes.

(c) Notwithstanding any other provision contained herein to the contrary, in the event of termination of this Agreement due to the default of Packers Plus, Packers Plus' obligation to pay the City any property taxes that have been abated on Improvements and Tangible Personal Property, plus applicable penalty and interest thereon as herein provided, shall not terminate until the abated taxes, plus penalty and interest, are paid.

9. **Changes in Tax Laws.** The tax abatement provided in this Agreement is conditioned upon and subject to any changes in the state tax laws during the term of this Agreement.

10. **Compliance with State and Local Regulations.** Nothing in this Agreement shall be construed to alter or affect the obligations of Packers Plus to comply with any ordinance, rule, or regulation of the City or laws of the State of Texas.

11. **Assignment of Agreement.** This Agreement may not be assigned by Packers Plus without the approval of the City by resolution of the City Council. The approval of any assignment shall be subject to the financial capacity of the assignee and will require that all conditions and obligations in this Agreement shall be assumed by the assignee. No assignment shall be approved if (a) the City has declared a default hereunder that has not been cured, or (b)

the assignee is delinquent in the payment of ad valorem taxes owed to the City. Approval by the City shall not be unreasonably withheld.

12. **Conditions Precedent.** This Agreement is conditioned entirely upon (a) the approval of the City Council by the affirmative vote of a majority of the members present at a regularly scheduled meeting of the City Council; (b) the construction of the Improvements and the location of the Tangible Personal Property on the Property on or before December 31, 2017 within the time periods prescribed herein. The abatement granted herein shall not be effective until the tax year commencing January 1, 2016.

13. **Notice.** All notices shall be in writing. If mailed, any notice or communication shall be deemed to be received three (3) days after the date of deposit in the United States mail, first-class, postage prepaid. Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

To Packers Plus:

Packers Plus Energy Services (USA), Inc.
5825 North Sam Houston Parkway West
Suite 150
Houston, Texas 77086
Attn: Patrick Maguire
Regional General Manager, USA

To City:

City of Tomball
401 Market Street
Tomball, Texas 77375
Attn: City Manager

Either party may designate a different address by giving the other party at least ten (10) days written notice in the manner prescribed above.

14. **Entire Agreement.** This Agreement and the Exhibits attached hereto contain the entire tax abatement agreement between the parties and supersedes all other negotiations and agreements between Packers Plus and the City relating to the grant of tax abatement for the Improvements and Tangible Personal Property located on the Property, whether written or oral. In the event that there is a conflict between any of the Exhibits to this Agreement and this Agreement, the provisions of this Agreement shall control over the provisions in the Exhibits.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties as of the _____ day of _____, 2015.

PACKERS PLUS ENERGY SERVICES (USA), INC.

By: _____

Name: Patrick Maguire

Title: Regional General Manager, USA

THE STATE OF TEXAS §

§

COUNTY OF HARRIS §

This instrument was acknowledged before me on this _____ day of _____
2015, by Patrick Maguire, Regional General Manager, USA for and on behalf of Packers Plus
Energy Services (USA), Inc..

Notary Public in and for the State of Texas

(SEAL)

CITY OF TOMBALL, TEXAS

ATTEST:

Doris Speer, City Secretary

Gretchen Fagan, Mayor

THE STATE OF TEXAS §

§

COUNTY OF HARRIS §

This instrument was acknowledged before me on this _____ day of _____
2015, by Gretchen Fagan, Mayor of the City of Tomball, Texas, for and on behalf of the City.

Notary Public in and for the State of Texas

(SEAL)

EXHIBIT "A"
DESCRIPTION OF IMPROVEMENTS



*Do It Once
Do It Right*

5825 N. Sam Houston Pkwy. West, Suite 150 Houston, TX 77086 Ph: (832)-484-8067 Fax: (832)-484-1556

Tomball City Hall
Attn: Ms. Doris Speer
City Secretary
401 Market Street
Tomball, TX 77375

February 15, 2015

Dear Ms. Speer,

In keeping with Section 5 of the City of Tomball Tax Abatement Policy (CTTAP), Packers Plus Energy Services (USA), Inc. is submitting this letter as application for tax abatement for the proposed campus we are considering in the new Tomball Industrial Park.

As shown on the attached proposed site plan, the campus is to be constructed on 16.40 net acres and will consist of three structures: 1) a 237,000 sq. ft. manufacturing tilt-wall facility; 2) a 50,000 sq. ft. tilt-wall research and development facility and; 3) a 40,000 sq. ft. steel frame and glass corporate office.

Upon completion of the campus we will have approximately 150 employees working out of the combined facility. Attached you will find the Economic Impact Data Sheet that we submitted to Kelly Violette on January 19th of this year addressing, among other things, anticipated increase in headcount moving forward, average salary, the estimated inventory that we will be carrying (all of which will be stored indoors at either the R&D or Manufacturing facility) and our predicted annual sales in the Tomball area. Please note that any additional growth in headcount will be in accordance with section 5c of the CTTAP and that no undocumented workers will be employed by Packers Plus.

Construction of the Packers Plus campus will be staged to accommodate our current lease expirations. The following table provides the anticipated start and completion dates for the three structures.

Structure	Approximate Start	Approximate Completion
R&D Facility	Q2 2015	Q2 2016
MX Manufacturing Facility	Q1 2016	Q2 2017
Corporate Office	Q2 2017	Q2 2018

Packers Plus is a cutting edge oilfield service company that has revolutionized the down-hole completion equipment industry through our state-of-the-art automated manufacturing process.

That being said, the cost of tooling-up for the significant growth we expect to see over the next several years will be substantial. To ensure our success, it is imperative that we carry out an expansion of this magnitude in a suitable tax environment. It is for this reason that we are seeking tax abatement from the City of Tomball.

Your earliest response to this letter would be greatly appreciated.

Yours truly,

A handwritten signature in blue ink, appearing to read 'P. Maguire', with a stylized flourish at the end.

Patrick Maguire
Regional General Manager, USA
Packers Plus Energy Services (USA), Inc.

Economic Impact Data Sheet

Tomball Economic Development Corporation

The information requested on this form will be used by the Tomball Economic Development Corporation to prepare an economic impact analysis of your firm or project. Enter data in the blue cells below. You may also enter additional information or notes in other areas of this worksheet, to the right in column K or insert rows to enter other data.

Some standard defaults are entered in the data sheet already. You may change these defaults as appropriate.

Please enter information in the blue cells below and e-mail this completed survey form to:

Kelly Violette, AICP
Executive Director
Tomball EDC
29201 Quinn Road, Suite B
Tomball, TX 77375

Phone: 281.401.4086
Fax: 281.351.7223
E-mail: kviolette@tomballtxedc.org

Please call if you have any questions.

About the Firm

Name of the firm:	Packers Plus Energy Services (USA) Inc.	
Current Address:	5825 North Sam Houston Parkway West	
	Suite 150	
	Houston, TX 77086	
Phone Number:	832-484-8067	Fax Number: n/a
Person completing this form:	Patrick Maguire, Regional General Manager, USA	
Name of project:	Packers Plus Energy Services US Campus	

Is or will the firm be located in the city limits?

☒ Yes

Description of the firm's plans to startup, expand or relocate to the community:

(Enter any narrative below to describe the firm and its plans to startup, expand or locate in the community. This description will be shown in the report.)

Packers Plus is an oilfield service company that manufactures, assembles and installs downhole completion systems that cater primarily to the multi-stage fracturing business. The company has been in the USA for 8 years and has grown dramatically over that period of time. Given the anticipated future growth for the company it has been decided that a new facility is necessary. Further, the desire is to pull all three facets of the business together on one location, or campus. The new facility will consist of a 237,000 sq. ft. manufacturing building, a 50,000 sq. ft. R&D structure and a multi-storey 20,000 sq. ft. footprint corporate office.

The firm's primary North American Industry Classification System (NAICS)

211111

Example: 221119. A six-digit NAICS code should be entered for the program to correctly calculate indirect and induced benefits from the firm's operations. If the NAICS is unknown enter 0 as a default NAICS allowing the program to use default indirect earnings and employment multipliers.

The Firm's Taxable Assets, Employees and Operations

The Firm's Investments, Assets and Construction:

(New or additional property purchased or constructed each year that will be on local property tax rolls on January 1)

The investments at the firm's facility each year:

Year	Land	Buildings and Other Real Property Improvements	Furniture, Fixtures and Equipment	Total
1	\$1,800,000	\$6,500,000	\$200,000	\$8,500,000
2		\$9,000,000	\$300,000	\$9,300,000
3		\$3,800,000	\$50,000	\$3,850,000
4			\$30,000	\$30,000
5			\$10,000	\$10,000
6			\$10,000	\$10,000
7			\$10,000	\$10,000
8			\$10,000	\$10,000
9			\$10,000	\$10,000
10			\$10,000	\$10,000
Total	\$1,800,000	\$19,300,000	\$640,000	\$21,740,000

Are building and improvements costs above for new construction?

☒ Yes

Percent of construction costs for materials and labor:

Materials

50%

Labor

50%

Percent of construction materials that will be purchased in the city and be subject to sales taxes:

20%

Percent of taxable spending by construction workers in the city and subject to sales taxes:

30%

Percent of furniture, fixtures and equipment to be purchased in the city and subject to sales taxes:

20%

Expected city building permits and other fees to be paid during construction, if applicable:

Year	Total City Permits and Fees
1	\$22,960
2	\$70,660
3	\$0
4	\$16,240
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$109,860

Estimated taxable inventories, at the end of each year:

(Enter an amount in Year 1 and the percent of annual increase or enter appropriate amounts for each year.)

Year	Total Inventories
1	\$25,000,000
2	\$25,500,000
3	\$26,010,000
4	\$26,530,200
5	\$27,060,804
6	\$27,602,020
7	\$28,154,060
8	\$28,717,142
9	\$29,291,485
10	\$29,877,314

Percent of annual increase after Year 1:

The firm's annual utilities:

(Enter an amount in Year 1 and the percent of annual increase or enter appropriate amounts for each year.)

Percent of annual increase after Year 1:

Year	Water	Wastewater	Solid Waste	Electricity	Natural Gas	Cable	Telephone
1	\$2,727	\$1,633	\$28,127	\$176,413	\$36,000	\$5,409	\$17,704
2	\$2,782	\$1,666	\$28,690	\$179,941	\$36,720	\$5,517	\$18,058
3	\$2,837	\$1,699	\$29,263	\$183,540	\$37,454	\$5,628	\$18,419
4	\$2,894	\$1,733	\$29,849	\$187,211	\$38,203	\$5,740	\$18,788
5	\$2,952	\$1,768	\$30,446	\$190,955	\$38,968	\$5,855	\$19,163
6	\$3,011	\$1,803	\$31,054	\$194,774	\$39,747	\$5,972	\$19,547
7	\$3,071	\$1,839	\$31,676	\$198,670	\$40,542	\$6,091	\$19,938
8	\$3,132	\$1,876	\$32,309	\$202,643	\$41,353	\$6,213	\$20,336
9	\$3,195	\$1,913	\$32,955	\$206,696	\$42,180	\$6,338	\$20,743
10	\$3,259	\$1,952	\$33,614	\$210,830	\$43,023	\$6,464	\$21,158
Total	\$29,860	\$17,881	\$307,983	\$1,931,673	\$394,190	\$59,227	\$193,854

Number of telephone lines at the firm:

Percent of the firm's utility usage for manufacturing or processing operations:

The firm's estimated taxable purchases of materials, supplies and services in the community and the firm's estimated taxable sales that will be subject to sales tax in the city:

(Enter an amount in Year 1 and the percent of annual increase or enter appropriate amounts for each year.)

Year	The Firm's Taxable Purchases	The Firm's Taxable Sales
1	\$310,000	\$0
2	\$316,200	\$0
3	\$322,524	\$0
4	\$328,974	\$0
5	\$335,554	\$0
6	\$342,265	\$0
7	\$349,110	\$0
8	\$356,093	\$0
9	\$363,214	\$0
10	\$370,479	\$0
Total	\$3,394,414	\$0
Percent of annual increase after Year 1:		
	2%	2%

Number of new full-time jobs to be added in the city each year:

(Enter only the additional jobs added in the city each year.)

* If the business is relocating from outside of the city, the year 1 value should include jobs transferred to the city in year 1 and new positions hired, if any.

Year	New Jobs added in the city each year
1*	27
2	22
3	26
4	30
5	35
6	40
7	42
8	36
9	43
10	52
Total	353

New employees moving to the city:

(Enter a percent below or enter appropriate amounts for each year.)

Percent of total new
workers moving to the city
10.0%

Year	Number of new employees moving to the city
1	3
2	2
3	3
4	3
5	4
6	4
7	4
8	4
9	4
10	5
Total	36

Average annual salaries of new employees in the first year:	\$60,000
Percent of expected annual salary increases after Year 1:	4.0%
Percent of workers in new indirect and induced jobs that will move to the city for the job:	10%
Estimated percentage of workers moving to the city that will have new residential property built for them the first year that they move to the city:	10%
Household size of a typical new worker moving to the city:	2,500.00
Number of school children in a typical worker's household	0.40
Percent of taxable shopping by a typical new worker that will be in the city:	35%

Expected Out-of-Town Visitors to the Firm:

Number of out-of-town visitors expected at the firm in the first year:	240
Percent of annual increase in the number of visitors:	1%
Average number of days that each visitor will stay in the city:	5
Average daily taxable visitor spending, excluding lodging in the city:	\$75
Average number of nights that a typical visitor will stay in a motel in the city:	5
Average nightly room rate in a local motel:	\$125

Expected Out-of-Town Truckers Loading or Unloading at the Firm

Number of out-of-town truckers expected to load or unload at the firm in the first year:	96
Percent of annual increase in the number of out-of-town truckers:	10%
Average taxable spending in the community by a typical out-of-town trucker loading or unloading at the firm:	\$50.00
Percent of truckers that will stay one night in a local hotel or motel:	15%

SITE PLAN 'I'

DITCH EASEMENT AREA (0.98 AC) 42,781 SF
NET SITE AREA (16.40 AC) 714,100 SF
GROSS SITE AREA (17.38 AC) 756,881 SF

IMPERVIOUS SURFACES

BUILDINGS-37% 280,000 SF
MAXIMUM PER SECTION 31.4 C. 60%
PAVEMENT 294,331 SF
TOTAL IMPERVIOUS 574,331 SF
PEDESTRAIN SIDEWALKS 12,397 SF
GROSS IMPERVIOUS-77.5% 586,728 SF
MAXIMUM PER SECTION 31.4 C. 90%

LANDSCAPING

ISLANDS 22.5% OF SITE
AT BLDG AND PERIMETER 4,547 SF
PEDESTRAIN SIDEWALKS 178,063 SF
TOTAL GREEN SPACE -12,397 SF
TOTAL GREEN SPACE 170,213 SF

LANDSCAPING OF YARDS

AREA MEASURED BETWEEN PROPERTY LINE AND BUILDING FACE. ALL STREET YARDS REQUIRE 36% MINIMUM LANDSCAPED AREA WITH 10' LANDSCAPED BUFFER ALONG RIGHT-OF-WAY (PROPERTY LINE)
STREET AREA OF YARD GREEN AREA
CUL-DE-SAC 92,630 SF 17.987 SF-19.4%
PERSIMMON 48,030 SF 10,807 SF-22.5%
SPELL RD 107,904 SF 42,260 SF-39%
HUFSMITH-KOHRVILLE 60,518 SF 41,443 SF-68%

CONCEPTUAL NEW CAMPUS FOR:

PACKERS PLUS ENERGY
TOMBALL TEXAS



SITE PLAN

214370 PJP REV 1-8-20 15



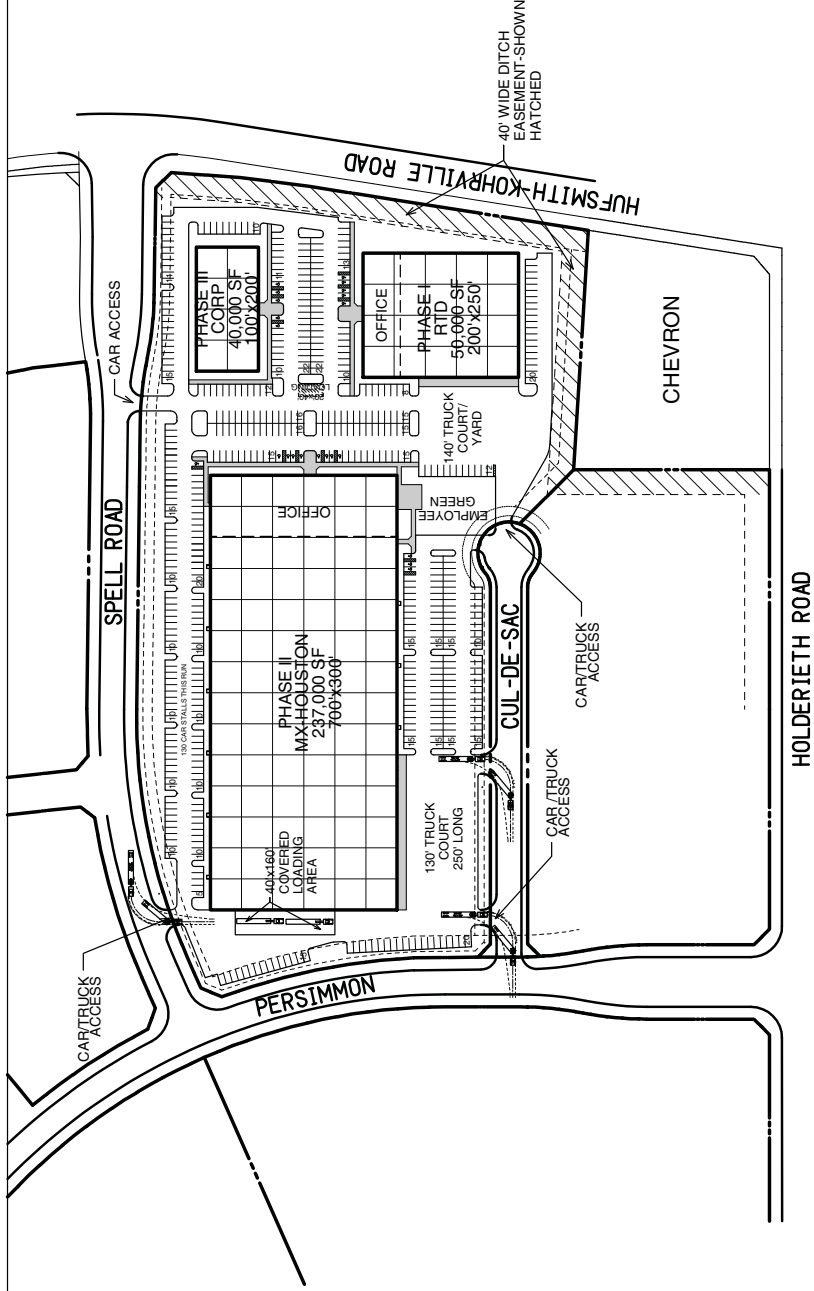
Verus Partners Chicago, IL.

5600 N. River Rd, Suite 800
Rosemont, Illinois 60018
Telephone 847.993-3083

Verus Partners Canada Ltd.

117, 10555 48TH STREET SE
Calgary, Alberta T2C 2B7
Telephone 403.538-5443

Exhibit "B" PHASED IMPROVEMENTS



MX-HOUSTON		RTD-HOUSTON		CORP. HEADQUARTERS-HOUSTON	
OFFICE	27,000 SF	OFFICE	12,000 SF TBV	FIRST FLOOR	20,000 SF
WAREHOUSE	183,000 SF	SHOP	38,000 SF TBV	SECOND FLOOR	20,000 SF
TOTAL BUILDING AREA	210,000 SF	TOTAL BUILDING AREA	50,000 SF	TOTAL BUILDING AREA	40,000 SF
SECOND FLOOR OFFICE	27,000 SF	SECOND FLOOR OFFICE	12,000 SF TBV		
TOTAL BUILDING AREA	237,000 SF	TOTAL BUILDING AREA	62,000 SF		
PARKING: PER 50-82		PARKING: PER 50-82		PARKING: PER 50-82	
OFFICE 1:300 SF	180 STALLS	OFFICE 1:300 SF	80 STALLS	OFFICE 1:300 SF	134 STALLS
MTL PRODUCTS MANFR 1:1000	183 STALLS	MACHINE SHOP 1:1000 SF	38 STALLS		
TOTAL PARKING REQUIRED	363 STALLS	TOTAL PARKING REQUIRED	118 STALLS	TOTAL PARKING REQUIRED	134 STALLS
TOTAL PARKING PROVIDED	341 STALLS	TOTAL PARKING PROVIDED	100 STALLS	TOTAL PARKING PROVIDED	107 STALLS
ACCESSIBLE SPACES	7 CAR-1 VAN	ACCESSIBLE SPACES	5 CAR	ACCESSIBLE SPACES	5 CAR



HARRIS ARCHITECTS, INC.
WWW.HARRISARCHITECTS.COM
847.303.1155

Exhibit "C"
PROPERTY DESCRIPTION

**DESCRIPTION OF A 17.3578 ACRES
(756,107.25 SQ. FT.) TRACT OF LAND SITUATED
IN THE ELIZABETH SMITH SURVEY, A-70
HARRIS COUNTY, TEXAS**

Being a 17.3578-acre (756,107.25 square foot) tract of land situated in the Elizabeth Smith Survey, A-70, City of Tomball, Harris County, Texas. Said 17.3578-acre tract being out of Lot 4 of the Tomball Business and Technology Park plat as recorded under Film Code No. 653006 of the Harris County Map Records, Harris County, Texas and being further described by metes and bounds as follows with the basis of bearings being the Texas State Plane Coordinate System, NAD 83, South Central Zone No. 4204 (the coordinates shown hereon are surface and may be brought to the grid by applying the combined scale factor of 0.999942131):

BEGINNING at a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set in the west right-of-way line of Hufsmith Kohrville Road (right-of-way varies) recorded under Volume 2549, Page 325 of the Harris County Deed Records and in the northeast corner of Unrestricted Reserve óAô, of Yam Plaza, recorded under Film Code 594151 of the Harris County Map Records, Harris County for the southwest corner of said tract herein described;

THENCE, South 84 deg. 40 min. 07 sec. West, with the north line of the said Unrestricted Reserve óAô, of Yam Plaza, and a south line of said tract herein described, a distance of 386.51 feet from which a found 5/8-inch iron rod with cap bears North 00° 07' West, a distance of 0.31 feet, for an angle point of said tract herein described;

THENCE North 61 deg. 02 min. 11 sec. West, over and across said Lot 4 of Tomball Business and Technology Park and a south line of said tract herein described, a distance of 109.72 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a non-tangent curve to the left;

THENCE in a westerly direction, over and across said Lot 4 of Tomball Business and Technology Park, along said curve to the left, having a radius of 60.00 feet, a central angle of 177 deg. 28 min. 29 sec., a chord bearing N 59 deg. 46 min. 26 sec. W, a chord distance of 119.97 feet and an arc length of 185.85 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a reverse curve to the right;

THENCE in a westerly direction, over and across said Lot 4 of Tomball Business and Technology Park, along said curve to the right, having a radius of 25.00 feet, a central angle of 49 deg. 40 min. 47 sec., a chord bearing S 56 deg. 19 min. 43 sec. W, a chord distance of 21.00 feet and an arc length of 21.68 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE South 81 deg. 10 min. 07 sec. West, over and across said Lot 4 of Tomball Business and Technology Park, a distance of 565.44 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for an angle point of said tract herein described;

THENCE North 54 deg. 56 min. 00 sec. West, over and across said Lot 4 of Tomball Business and Technology Park, a distance of 28.82 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point in the east right-of-way line of South Persimmon Street (right-of-way varies) recorded under Film Code No. 653006, of the Map Records of Harris County, Texas and the west corner of said tract herein described;

THENCE North 08 deg. 49 min. 53 sec. West, with the east right-of-way line of said South Persimmons Street, and a west line of said tract herein described, a distance of 53.03 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the left;

THENCE in a northerly direction, with the east right-of-way line of said South Persimmons Street, and with a west line of said tract herein described, along said curve to the left, having a radius of 1,040.00 feet, a central angle of 20 deg. 11 min. 11 sec., a chord bearing N 18 deg. 55 min. 28 sec. W, a chord distance of 364.52 feet and an arc length of 366.41 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the southerly-most southeast cutback corner of the intersection of the east right-of-way line of South Persimmon Street and the south right-of-way line of said Spell Road (80öROW) as recorded under Film Code No. 653006, of the Map Records of Harris County, Texas for the westerly most northwest corner of said tract herein described;

THENCE North 13 deg. 50 min. 50 sec. East, with the southeast right-of-way line of said cutback corner, with the northwest line of said tract herein described, a distance of 36.24 feet to a point in the south right-of-way line of said Spell Road to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a west corner of said tract herein described;

THENCE North 57 deg. 24 min. 03 sec. East, with the south right-of-way line of said Spell Road, and a north line of said tract herein described, a distance of 54.60 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the right;

THENCE in a easterly direction, with a south right-of-way line of said Spell Road, and with a north line of said tract herein described, along said curve to the right, having a radius of 960.00 feet, a central angle of 24 deg. 29 min. 38 sec., a chord bearing N 69 deg. 38 min. 51 sec. E, a chord distance of 407.28 feet and an arc length of 410.40 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE North 81 deg. 53 min. 40 sec. East, with the south right-of-way line of said Spell Road, and a north line of said tract herein described, a distance of 463.44 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the right;

THENCE in an easterly direction, with a south right-of-way line of said Spell Road, and with a north line of said tract herein described, along said curve to the right, having a radius of 530.00 feet, a central angle of 11 deg. 08 min. 52 sec., a chord bearing N 87 deg. 28 min. 06 sec. E, a chord distance of 102.96 feet and an arc length of 103.12 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a reverse curve to the left;

THENCE in an easterly direction, with a south right-of-way line of said Spell Road, and with a north line of said tract herein described, along said curve to the left, having a radius of 530.00 feet, a central angle of 11 deg. 08 min. 52 sec., a chord bearing N 87 deg. 28 min. 06 sec. E, a chord distance of 102.96 feet and an arc length of 103.12 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE North 81 deg. 53 min. 40 sec. East, with a south right-of-way line of said Spell Road, and a north line of said tract herein described, a distance of 172.42 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the north cutback corner of the intersection of the south right-of-way line of said Spell Road and the west right-of-way line of said Huffsmith Kohrville Road for the northerly most northeast corner of said tract herein described;

THENCE South 52 deg. 26 min. 00 sec. East, with the southwest right-of-way line of said cutback corner, with the northeast line of said tract herein described, a distance of 34.95 feet to a point in the east right-of-way line of said Huffsmith Kohrville Road to a 5/8-inch iron rod with cap stamped
óWEISSER ENG HOUSTON, TXô set for the beginning of a non-tangent curve to the right;

THENCE in an southerly direction, with a west right-of-way line of said Huffsmith Kohrville Road, and with an east line of said tract herein described, along said curve to the right, having a radius of 1950 feet, a central angle of 06 deg. 31 min. 05 sec., a chord bearing S 03 deg. 08 min. 32 sec. E, a chord distance of 221.71 feet and an arc length of 221.83 feet to a 5/8-inch iron rod with cap stamped
óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE South 00 deg. 07 min. 01 sec. West, with the west right-of-way line of said Huffsmith Kohrville Road, and with the east line of said tract herein described, a distance of 455.26 feet to the **POINT OF BEGINNING** and containing 17.3578 acres (756,107.25 square feet) of land.

This description is accompanied by a plat of even survey date.

Compiled by:

Weisser Engineering Company
19500 Park Row
Houston, Texas 77084
TBPLS Reg. No. 100518-00
TBPE Reg. No.: F-68
Job No. IG046 (2418-001)
Date: 05/05/2015

Exhibit "D"

ORDINANCE NO. 2015-10

AN ORDINANCE CREATING CITY OF TOMBALL, TEXAS, REINVESTMENT ZONE NO. 5; AN APPROXIMATELY 17.38 ACRE TRACT OF LAND, BEING PART OF THE TOMBALL BUSINESS AND TECHNOLOGY PARK AND LOCATED GENERALLY AT THE NORTHWEST CORNER OF HOLDERRIETH ROAD AND HUFSMITH-KOHRVILLE ROAD, WITHIN THE CITY OF TOMBALL, HARRIS COUNTY, TEXAS; MAKING CERTAIN FINDINGS; REPEALING ORDINANCES INCONSISTENT OR IN CONFLICT HERewith; AND PROVIDING FOR SEVERABILITY.

* * * * *

WHEREAS, on April 20, 2015, the City Council passed and approved a "Tax Abatement Policy;" and

WHEREAS, pursuant to that Policy, the City Council has received an application for creation of a reinvestment zone; and

WHEREAS, after the giving of proper notice, as required by law, the City Council held a public hearing where all interested persons were given an opportunity to speak and present evidence for and against the creation of Reinvestment Zone No. 5; and

WHEREAS, notice was given to all taxing entities where the proposed zone is to be located; and

WHEREAS, the City Council has determined that the improvements sought to be located in proposed Reinvestment Zone No. 5 are feasible and practical and would be a benefit to the land to be included in the Zone and to the City after the expiration of a tax abatement agreement; and

WHEREAS, the creation of Reinvestment Zone No. 5 will be reasonably likely, as a result of its creation, to contribute to the retention or expansion of primary employment or to

attract major investment into the Zone that would benefit the property located therein and that will contribute to the economic development of the City of Tomball; now, therefore,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
TOMBALL, TEXAS THAT:**

Section 1. The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct and are incorporated herein for all purposes.

Section 2. Reinvestment Zone No. 5 is hereby created for the purpose of encouraging economic development through tax abatement. A metes and bounds description of the property that comprises said Reinvestment Zone No. 5 is attached hereto as Exhibit "A" and incorporated herein as though it was set forth in its entirety in this Ordinance. Improvements and personal property constructed, erected, or placed within Reinvestment Zone No. 5 as created hereby shall be eligible for commercial-industrial tax abatement.

Section 3. This designation shall be effective for a period of five (5) years, commencing on the date of adoption hereof. The expiration of the designation shall not affect an existing tax abatement agreement made under the provisions of the Texas Tax Code.

Section 4. All ordinances or parts of ordinances inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, hereby repealed.

Section 5. In the event any clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of

Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE ____ DAY OF _____ 2015.

COUNCILMAN HUDGENS	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGS	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE ____ DAY OF _____ 2015.

COUNCILMAN HUDGENS	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGS	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

GRETCHEN FAGAN, MAYOR
City of Tomball

ATTEST:

DORIS SPEER, City Secretary
City of Tomball

EXHIBIT "A"
PROPERTY DESCRIPTION

**DESCRIPTION OF A 17.3578 ACRES
(756,107.25 SQ. FT.) TRACT OF LAND SITUATED
IN THE ELIZABETH SMITH SURVEY, A-70
HARRIS COUNTY, TEXAS**

Being a 17.3578-acre (756,107.25 square foot) tract of land situated in the Elizabeth Smith Survey, A-70, City of Tomball, Harris County, Texas. Said 17.3578-acre tract being out of Lot 4 of the Tomball Business and Technology Park plat as recorded under Film Code No. 653006 of the Harris County Map Records, Harris County, Texas and being further described by metes and bounds as follows with the basis of bearings being the Texas State Plane Coordinate System, NAD 83, South Central Zone No. 4204 (the coordinates shown hereon are surface and may be brought to the grid by applying the combined scale factor of 0.999942131):

BEGINNING at a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set in the west right-of-way line of Hufsmith Kohrville Road (right-of-way varies) recorded under Volume 2549, Page 325 of the Harris County Deed Records and in the northeast corner of Unrestricted Reserve óAô, of Yam Plaza, recorded under Film Code 594151 of the Harris County Map Records, Harris County for the southwest corner of said tract herein described;

THENCE, South 84 deg. 40 min. 07 sec. West, with the north line of the said Unrestricted Reserve óAô, of Yam Plaza, and a south line of said tract herein described, a distance of 386.51 feet from which a found 5/8-inch iron rod with cap bears North 00° 07' West, a distance of 0.31 feet, for an angle point of said tract herein described;

THENCE North 61 deg. 02 min. 11 sec. West, over and across said Lot 4 of Tomball Business and Technology Park and a south line of said tract herein described, a distance of 109.72 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a non-tangent curve to the left;

THENCE in a westerly direction, over and across said Lot 4 of Tomball Business and Technology Park, along said curve to the left, having a radius of 60.00 feet, a central angle of 177 deg. 28 min. 29 sec., a chord bearing N 59 deg. 46 min. 26 sec. W, a chord distance of 119.97 feet and an arc length of 185.85 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a reverse curve to the right;

THENCE in a westerly direction, over and across said Lot 4 of Tomball Business and Technology Park, along said curve to the right, having a radius of 25.00 feet, a central angle of 49 deg. 40 min. 47 sec., a chord bearing S 56 deg. 19 min. 43 sec. W, a chord distance of 21.00 feet and an arc length of 21.68 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE South 81 deg. 10 min. 07 sec. West, over and across said Lot 4 of Tomball Business and Technology Park, a distance of 565.44 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for an angle point of said tract herein described;

THENCE North 54 deg. 56 min. 00 sec. West, over and across said Lot 4 of Tomball Business and Technology Park, a distance of 28.82 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point in the east right-of-way line of South Persimmon Street (right-of-way varies) recorded under Film Code No. 653006, of the Map Records of Harris County, Texas and the west corner of said tract herein described;

THENCE North 08 deg. 49 min. 53 sec. West, with the east right-of-way line of said South Persimmons Street, and a west line of said tract herein described, a distance of 53.03 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the left;

THENCE in a northerly direction, with the east right-of-way line of said South Persimmons Street, and with a west line of said tract herein described, along said curve to the left, having a radius of 1,040.00 feet, a central angle of 20 deg. 11 min. 11 sec., a chord bearing N 18 deg. 55 min. 28 sec. W, a chord distance of 364.52 feet and an arc length of 366.41 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the southerly-most southeast cutback corner of the intersection of the east right-of-way line of South Persimmon Street and the south right-of-way line of said Spell Road (80öROW) as recorded under Film Code No. 653006, of the Map Records of Harris County, Texas for the westerly most northwest corner of said tract herein described;

THENCE North 13 deg. 50 min. 50 sec. East, with the southeast right-of-way line of said cutback corner, with the northwest line of said tract herein described, a distance of 36.24 feet to a point in the south right-of-way line of said Spell Road to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a west corner of said tract herein described;

THENCE North 57 deg. 24 min. 03 sec. East, with the south right-of-way line of said Spell Road, and a north line of said tract herein described, a distance of 54.60 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the right;

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THENCE South 52 deg. 26 min. 00 sec. East, with the southwest right-of-way line of said cutback corner, with the northeast line of said tract herein described, a distance of 34.95 feet to a point in the east right-of-way line of said Huffsmith Kohrville Road to a 5/8-inch iron rod with cap stamped ÓWEISSER ENG HOUSTON, TX set for the beginning of a non-tangent curve to the right;

THENCE in an southerly direction, with a west right-of-way line of said Huffsmith Kohrville Road, and with an east line of said tract herein described, along said curve to the right, having a radius of 1950 feet, a central angle of 06 deg. 31 min. 05 sec., a chord bearing S 03 deg. 08 min. 32 sec. E, a chord distance of 221.71 feet and an arc length of 221.83 feet to a 5/8-inch iron rod with cap stamped ÓWEISSER ENG HOUSTON, TX set for a point of tangency of said tract herein described;

THENCE South 00 deg. 07 min. 01 sec. West, with the west right-of-way line of said Huffsmith Kohrville Road, and with the east line of said tract herein described, a distance of 455.26 feet to the **POINT OF BEGINNING** and containing 17.3578 acres (756,107.25 square feet) of land.

This description is accompanied by a plat of even survey date.

Compiled by:

Weisser Engineering Company
19500 Park Row
Houston, Texas 77084
TBPLS Reg. No. 100518-00
TBPE Reg. No.: F-68
Job No. IG046 (2418-001)
Date: 05/05/2015

A REPORT OF THE ECONOMIC IMPACT OF PACKERS PLUS ENERGY SERVICES (USA) INC. IN TOMBALL, TX

Prepared by:

Tomball Economic Development Corporation

29201 Quinn Road

Tomball, TX 77375

March 9, 2015

Quick Impact™ by Impact DataSource

www.impactdatasource.com

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PROJECT SUMMARY

Introduction

This report presents the results of an economic impact analysis performed using Quick Impact™, a model developed by Impact DataSource. The report estimates the impact that a potential project in the City of Tomball will have on the local economy. The report calculates the costs and benefits for the City of Tomball over the first 10 years.

Description of the Project

Packers Plus is an oilfield service company that manufactures, assembles and installs downhole completion systems that cater primarily to the multi-stage fracturing business. The company has been in the USA for 8 years and has grown dramatically over that period of time. Given the anticipated future growth for the company it has been decided that a new facility is necessary. Further, the desire is to pull all three facets of the business together on one location, or campus. The new facility will consist of a 237,000 sq. ft. manufacturing building, a 50,000 sq. ft. R&D structure and a multi-storey 40,000 sq. ft. corporate office.

Summary of the Economic Impact of the Project

The project will have the following economic impact on the City of Tomball area over the first 10 years:

Economic Impact Over the First 10 Years			
	Direct	Indirect & Induced	Total
Total number of permanent direct and indirect jobs to be created	353	474	827
Salaries to be paid to direct and indirect workers	\$131,684,881	\$114,855,553	\$246,540,434
Number of direct and indirect workers who will move to the city	36	49	85
Number of new residents in the city	90	123	213
Number of new residential properties to be built in the city	4	6	10
Number of new students expected to attend local school district	15	21	36
Taxable sales and purchases expected in the city	\$20,025,127	\$10,049,861	\$30,074,988
The value of new residential property to be built for direct and indirect workers who move to the city by Year 10	\$598,459	\$897,689	\$1,496,148
The market value the firm's property on local tax rolls in Year 1	\$33,500,000	\$0	\$33,500,000

The year-by-year economic impacts can be found in Appendix B.

How this economic activity translates into additional costs and benefits for local taxing districts is summarized next.

ANALYSIS OF FISCAL IMPACT

Costs and Benefits for the City of Tomball and Tomball EDC

Over the first 10 years, the City of Tomball and Tomball EDC can expect the following net benefits from the facility, its employees, and workers in spin-off jobs created in the community:

Costs and Benefits for the City Over the First 10 Years			
	Benefits	Costs	Net Benefits
Sales taxes allocated to the City	\$451,125	\$0	\$451,125
Sales taxes allocated to Tomball EDC	\$150,375	\$0	\$150,375
Property taxes	\$1,028,516	\$0	\$1,028,516
Utility revenues	\$1,450,483	\$0	\$1,450,483
Utility franchise fees	\$150,372	\$0	\$150,372
Hotel occupancy taxes	\$134,767	\$0	\$134,767
Other taxes and user fees	\$127,807	\$0	\$127,807
Building permits and fees	\$60,870	\$0	\$60,870
Costs of providing utilities	\$0	\$1,305,435	(\$1,305,435)
Costs of providing municipal services for new residents	\$0	\$284,488	(\$284,488)
Total	\$3,554,314	\$1,589,923	\$1,964,392

The year-by-year additional revenues can be found in Appendix C.

The city will receive benefits from direct and indirect economic impacts that result from the project. The benefits, associated costs and net benefits for the first 10 years are shown below, divided between direct and indirect impacts.

Net Benefits to the City from Direct and Indirect Sources			
	Benefits/Costs from:		
	Direct	Indirect & Induced	Total
<u>Additional revenues:</u>			
Sales taxes allocated to the City	\$300,377	\$150,748	\$451,125
Sales taxes allocated to Tomball EDC	\$100,126	\$50,249	\$150,375
Property taxes	\$1,012,611	\$15,905	\$1,028,516
Utility revenues	\$1,046,625	\$403,858	\$1,450,483
Utility franchise fees	\$122,353	\$28,019	\$150,372
Hotel occupancy taxes	\$134,767		\$134,767
Other taxes and user fees		\$73,677	\$127,807
Building permits and fees	\$60,870		\$60,870
Total additional revenues	\$2,831,859	\$722,455	\$3,554,314
<u>Additional costs:</u>			
Costs of providing utilities	\$941,963	\$363,472	\$1,305,435
Costs of providing municipal services for new residents		\$163,999	\$284,488
Total additional costs	\$1,062,452	\$527,471	\$1,589,923
Net Benefits	\$1,769,407	\$194,984	\$1,964,392
Percent of total net benefits for city	90%	10%	

ANALYSIS OF FISCAL IMPACT

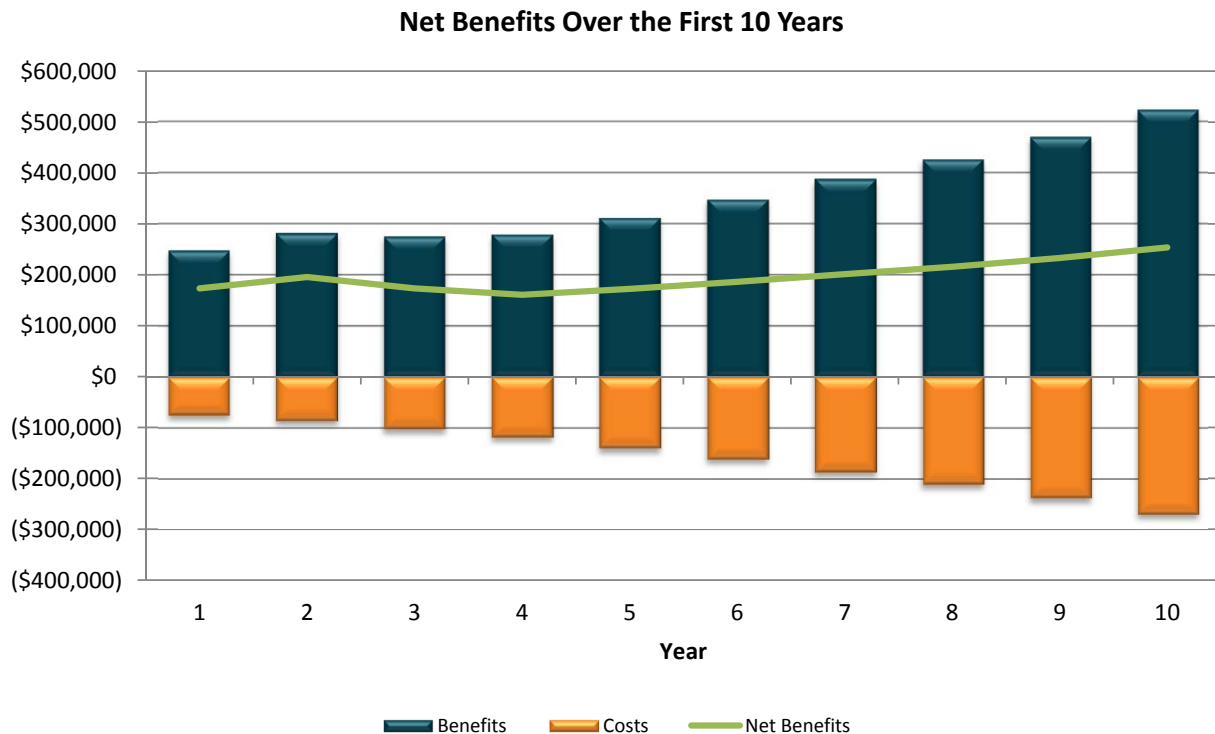
Net Benefits to the City over the First 10 Years

The net benefits to the city over the first 10 years are estimated to accrue as detailed below.

Net Benefits to the City by Year				
	Benefits	Costs	Net Benefits	Cumulative Benefits
Year 1	\$248,251	\$75,169	\$173,082	\$173,082
Year 2	\$282,006	\$86,531	\$195,475	\$368,557
Year 3	\$275,659	\$102,339	\$173,320	\$541,877
Year 4	\$279,317	\$118,745	\$160,571	\$702,448
Year 5	\$312,228	\$139,951	\$172,277	\$874,725
Year 6	\$347,985	\$161,958	\$186,027	\$1,060,752
Year 7	\$388,059	\$186,966	\$201,093	\$1,261,845
Year 8	\$426,386	\$210,689	\$215,697	\$1,477,542
Year 9	\$470,577	\$237,551	\$233,026	\$1,710,568
Year 10	\$523,847	\$270,023	\$253,824	\$1,964,392
Total	\$3,554,314	\$1,589,923	\$1,964,392	
<i>Present Value of Net Benefits*</i>			\$1,492,706	

**The Present Value of Net Benefits is a way of expressing in today's dollars, dollars to be paid or received in the future. A dollar today and a dollar to be received or paid at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or discount rate. This analysis uses a discount rate of 5% to make the dollars comparable.*

The graph below depicts the costs, benefits and net benefits to the city over the first 10 years.



ANALYSIS OF INCENTIVES

Tax Abatement

At the request of the firm, the City of Tomball may consider abating taxes on the firm's property. The table below identifies the type of firm property for which the city may consider abating taxes.

Types of Firm Property Subject to Tax Abatement	
Land	
Buildings & other real property improvements	✓
Furniture, fixtures and equipment	✓
Inventories	

The table below identifies the percentage of tax abatement and the value of the possible tax abatement over the next 10 years.

Tax Abatement		
	Tax Abatement Percentage	Tax Abatement Value
Year 1	100%	\$22,877
Year 2	100%	\$55,008
Year 3	100%	\$69,051
Year 4	100%	\$70,314
Year 5	100%	\$71,525
Year 6	100%	\$72,761
Year 7	100%	\$74,021
Year 8	100%	\$75,306
Year 9	100%	\$76,617
Year 10	100%	\$78,023
Total		\$665,503

Note: The property taxes shown earlier in this report are the estimated property taxes to be collected net of the above tax abatement.

ANALYSIS OF INCENTIVES

Analysis of the Possible Incentives for the Project

Tomball EDC may consider the following incentives for the project:

Incentives	
Year 1	\$52,603
Year 2	\$52,602
Year 3	\$52,602
Year 4	\$52,602
Year 5	\$52,602
Year 6	\$0
Year 7	\$0
Year 8	\$0
Year 9	\$0
Year 10	\$0

Financial incentives offered to the firm may be viewed as an investment that the city makes in the firm. Four calculations analyzing possible investments were made:

1. Net Benefits - detailed above
2. Present Value of Net Benefits - detailed above
3. Rate of Return on Investment - discussed and detailed below
4. Payback Period - discussed and detailed below

The rate of return on investment calculates the average annual rate of return to the city, treating the incentives as the initial investment and the net benefits to the city as the return on the investment. The payback period is the number of years that it will take the city to recover the cost of incentives from the additional revenues that it receives as a result of the project.

The table below shows an analysis of these incentives, including a calculation of incentives per job, rate of return and payback period.

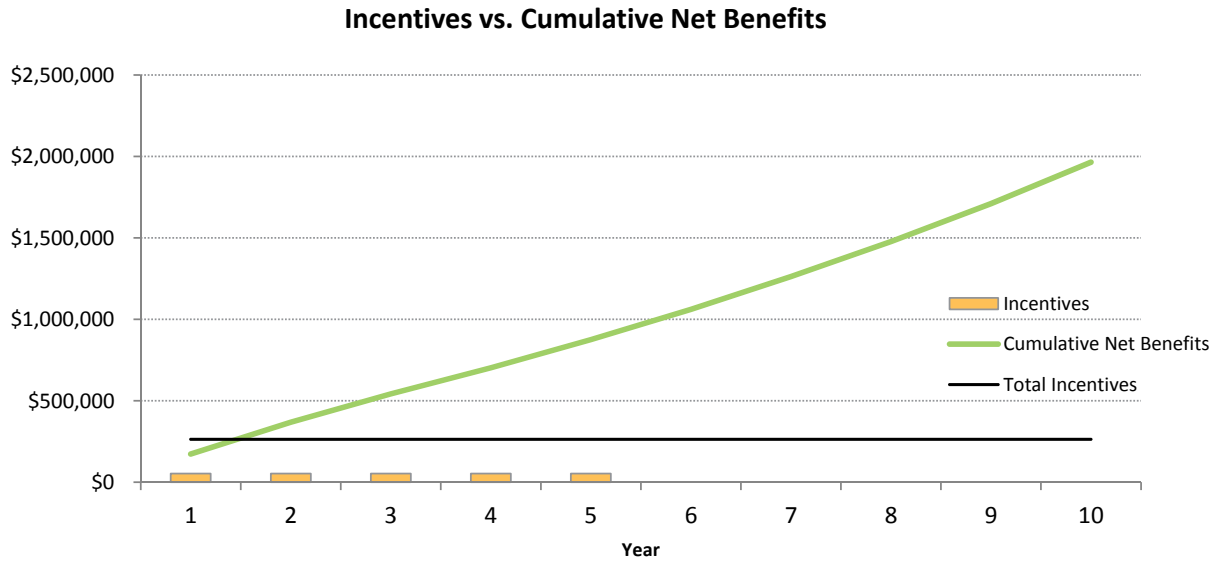
Analysis of Incentives	
Total Incentives	\$263,011
Incentives Per Job	\$745
Rate of Return Over 5 Years	66.5%
Payback period (years)	1.5

** Rate of Return and Payback Period are calculated based on the sum of annual incentives rather than the PV of incentives.*

ANALYSIS OF INCENTIVES

Analysis of Possible Incentives and Cumulative Benefits

The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to the city. The intersection indicates the length of time until the incentives are paid back.



METHODOLOGY

Conduct of the Analysis

This analysis was conducted using Quick Impact, a model by Impact DataSource. The analysis was performed using firm data, rates and information gathered by the Tomball Economic Development Corporation. In addition, the model uses certain estimates and assumptions.

Using this data, the economic impact from the project and the costs and benefits for relevant taxing districts were calculated for a 10-year period

The economic impact as calculated in this report can be categorized into two main types of impacts.

1. Direct economic impacts are the immediate economic activities generated by the firm or project. These impacts include the employment at the firm and salaries paid to the firm's workers as well as expenditures made by the firm.
2. Indirect and induced economic impacts represent the additional economic activity that is supported by the firm or project. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms that may supply goods and services to the firm. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families.

Note: This report labels the combined indirect and induced impacts as simply "Indirect".

To estimate the indirect and induced economic impact of the firm and its employees on the area, regional economic multipliers were used. Regional economic multipliers for Texas and areas of the state are included in the US Department of Commerce's Regional Input-Output Modeling System (RIMS II).

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier. An employment multiplier was used to estimate the number of indirect and induced jobs created and supported in the area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The multipliers show the estimated number of indirect and induced jobs created for every one direct job at the firm and the amount of salaries paid to these workers for every dollar paid to a direct worker at the firm. The multipliers used in this analysis are listed below:

Earnings multiplier	0.8722
Employment multiplier	1.3416

METHODOLOGY

About Impact DataSource

Impact DataSource is a sixteen year-old Austin economic consulting, research and analysis firm. The firm has conducted economic impact analyses of numerous projects in Texas and 25 other states. This report presents the results of an economic impact analysis performed using Quick Impact™, an economic impact model created by Impact DataSource.

Data used in the analysis, along with schedules of the results of calculations, are on the following pages.

Appendix A

Data and Rates

APPENDIX A

Local Tax Rates:

Sales tax rates:

City of Tomball 2.0%

Property tax rates, per \$100 of valuation:

City of Tomball 0.3415

City hotel occupancy tax rate 7%

Relevant City Rates:

Annual marginal cost of providing municipal services, excluding utilities, to each new household \$601

Estimated annual other taxes and user fees to be collected by the city from each new household -- those revenues that are in addition to sales and property taxes, utilities and utility franchise fees \$270

Annual increase expected in the city's other revenues and marginal costs 2%

City-owned utilities and franchise fee rates for utilities provided by outside service providers:

	Provided by the City	Taxed by the City	Avg. Annual Household Bill	Franchise Fee Rate
<i>Water</i>	✓		\$460	0.0%
<i>Wastewater</i>	✓		\$340	0.0%
<i>Solid Waste</i>	✓	✓	\$190	0.0%
<i>Electricity</i>		✓	\$1,700	2.5%
<i>Natural Gas</i>	✓	✓	\$490	0.0%
<i>Cable</i>		✓	\$1,080	5.0%
<i>Telephone line access charge (per line):</i>				
<i>Residential</i>				\$1.38
<i>Non residential</i>				\$3.06

Annual utility franchise fees collected from utility providers for each household in the city \$96.50

The city's estimated annual water, wastewater and garbage collection billings per household \$1,480

Annual increase expected in city-owned utility billings 2%

The city's cost of providing water, wastewater and solid waste services, as a percent of utility billings 90%

APPENDIX A

Relevant Community Rates:

Expected inflation rate over the first 10 years	3.0%
Discount rate used in analysis to compute discounted cash flows	5.0%
Percent of a typical worker's salary that will be spent on taxable goods and services	25%
Average taxable value of a new single family residence in the community that will be built for some individuals moving to the city	\$125,191
Percent annual increase in the taxable value of residential and commercial real property on local tax rolls over the first 10 years	2.0%

Depreciation rates:

To estimate the annual taxable or depreciable value of furniture, fixtures and equipment owned by the firm, this analysis uses straight line depreciation, a 10-year life and a 20% residual value. Therefore, property taxes on the firm's furniture, fixtures and equipment are calculated on the following percentages of the costs of such equipment purchased each year:

Year 1	100%
Year 2	90%
Year 3	80%
Year 4	70%
Year 5	60%
Year 6	50%
Year 7	40%
Year 8	30%
Year 9	20%
Year 10	20%

The Firm's Investments, Assets and Construction:

The investments at the firm's facility each year:

	Land	Buildings and Other Real Property Improvements	Furniture, Fixtures, and Equipment	Total
Year 1	\$1,800,000	\$6,500,000	\$200,000	\$8,500,000
Year 2	\$0	\$9,000,000	\$300,000	\$9,300,000
Year 3	\$0	\$3,800,000	\$50,000	\$3,850,000
Year 4	\$0	\$0	\$30,000	\$30,000
Year 5	\$0	\$0	\$10,000	\$10,000
Year 6	\$0	\$0	\$10,000	\$10,000
Year 7	\$0	\$0	\$10,000	\$10,000
Year 8	\$0	\$0	\$10,000	\$10,000
Year 9	\$0	\$0	\$10,000	\$10,000
Year 10	\$0	\$0	\$10,000	\$10,000
Total	\$1,800,000	\$19,300,000	\$640,000	\$21,740,000

APPENDIX A

The firm's taxable inventories:

	Total Taxable Inventories
Year 1	\$25,000,000
Year 2	\$25,500,000
Year 3	\$26,010,000
Year 4	\$26,530,200
Year 5	\$27,060,804
Year 6	\$27,602,020
Year 7	\$28,154,060
Year 8	\$28,717,142
Year 9	\$29,291,485
Year 10	\$29,877,314

Spending During Construction:

Estimated spending for construction (if applicable):

	Construction Spending
Year 1	\$6,500,000
Year 2	\$9,000,000
Year 3	\$3,800,000
Year 4	\$0
Year 5	\$0
Year 6	\$0
Year 7	\$0
Year 8	\$0
Year 9	\$0
Year 10	\$0

Percent of construction costs for:

Materials	50%
Labor	50%

Estimated percent of construction materials that will be purchased in the city and be subject to sales tax 20%

Percent of taxable spending by construction workers that will be in the city 30%

Estimated percent of furniture, fixtures and equipment that will be purchased in the city and be subject to sales tax 20%

APPENDIX A

Building permits and fees to be paid to the city:

	Building Permits and Fees
Year 1	\$20,490
Year 2	\$27,990
Year 3	\$12,390
Year 4	\$0
Year 5	\$0
Year 6	\$0
Year 7	\$0
Year 8	\$0
Year 9	\$0
Year 10	\$0

Activities During the Firm's Operations:

The firm's estimated taxable purchases of materials, supplies and services in the community and the firm's estimated taxable sales that will be subject to sales tax in the city

	Taxable Purchases	Taxable Sales
Year 1	\$310,000	\$0
Year 2	\$316,200	\$0
Year 3	\$322,524	\$0
Year 4	\$328,974	\$0
Year 5	\$335,554	\$0
Year 6	\$342,265	\$0
Year 7	\$349,110	\$0
Year 8	\$356,093	\$0
Year 9	\$363,214	\$0
Year 10	\$370,479	\$0

Estimated annual utilities at the firm's facility:

	Water	Wastewater	Solid Waste	Electricity	Natural Gas	Cable	Telephone
Year 1	\$2,727	\$1,633	\$28,127	\$176,413	\$36,000	\$5,409	\$17,704
Year 2	\$2,782	\$1,666	\$28,690	\$179,941	\$36,720	\$5,517	\$18,058
Year 3	\$2,837	\$1,699	\$29,263	\$183,540	\$37,454	\$5,628	\$18,419
Year 4	\$2,894	\$1,733	\$29,849	\$187,211	\$38,203	\$5,740	\$18,788
Year 5	\$2,952	\$1,768	\$30,446	\$190,955	\$38,968	\$5,855	\$19,163
Year 6	\$3,011	\$1,803	\$31,054	\$194,774	\$39,747	\$5,972	\$19,547
Year 7	\$3,071	\$1,839	\$31,676	\$198,670	\$40,542	\$6,091	\$19,938
Year 8	\$3,132	\$1,876	\$32,309	\$202,643	\$41,353	\$6,213	\$20,336
Year 9	\$3,195	\$1,913	\$32,955	\$206,696	\$42,180	\$6,338	\$20,743
Year 10	\$3,259	\$1,952	\$33,614	\$210,830	\$43,023	\$6,464	\$21,158

Estimated number of telephone lines at the firm's facility 120

Percent of utility usage for manufacturing and processing activities
and not subject to sales tax 60%

APPENDIX A

The firm's total taxable purchases and taxable utilities:

	Taxable Purchases of Supplies, Materials and Services	Utilities Subject to Sales Tax			Total
		Utilities Subject to Sales Tax	Percent Taxable	Taxable Utilities	
Year 1	\$310,000	\$263,653	40%	\$105,461	\$415,461
Year 2	\$316,200	\$268,926	40%	\$107,570	\$423,770
Year 3	\$322,524	\$274,305	40%	\$109,722	\$432,246
Year 4	\$328,974	\$279,791	40%	\$111,916	\$440,891
Year 5	\$335,554	\$285,386	40%	\$114,155	\$449,709
Year 6	\$342,265	\$291,094	40%	\$116,438	\$458,703
Year 7	\$349,110	\$296,916	40%	\$118,766	\$467,877
Year 8	\$356,093	\$302,854	40%	\$121,142	\$477,234
Year 9	\$363,214	\$308,912	40%	\$123,565	\$486,779
Year 10	\$370,479	\$315,090	40%	\$126,036	\$496,515

New employees to be hired by the firm each year:

	New employees to be hired each year
Year 1	27
Year 2	22
Year 3	26
Year 4	30
Year 5	35
Year 6	40
Year 7	42
Year 8	36
Year 9	43
Year 10	52
Total	353

APPENDIX A

Number of new workers who will move to the city to take job at the firm:

Estimated percent of total new workers moving to the city 10.0%

	Number of new employees moving to the city
Year 1	3
Year 2	2
Year 3	3
Year 4	3
Year 5	4
Year 6	4
Year 7	4
Year 8	4
Year 9	4
Year 10	5
Total	36

Average annual salaries of new employees in the first year \$60,000

Percent of expected increase in employee salaries after Year 1 4.0%

Multipliers for calculating the number of indirect and induced jobs and earnings in the area:

Earnings	0.8722
Employment	1.3416

This cost-benefit analysis uses the above multipliers to project the indirect and induced benefits in the community as a result of the direct economic activity. The employment multiplier shows the number of spin-off jobs that will be created from each direct job. Similarly, the earnings multiplier estimates the salaries and wages to be paid to workers in these spin-off jobs for each \$1 paid to direct workers.

Percent of workers in new indirect and induced jobs that will move to the city for the job 10%

Estimated percentage of workers moving to the city that will have new residential property built for them the first year that they move to the city 10%

Household size of a typical new worker moving to the city: 2.50

Number of school children in a typical worker's household 0.40

Percent of taxable shopping by a typical new worker that will be in the city 35%

APPENDIX A

Visitors to the Firm from Out-of-Town:

Number of out-of-town visitors expected at the firm in the first year	240
Percent of annual increase in the number of visitors	1%
Average number of days that each visitor will stay in the city	5
Average daily taxable visitor spending, excluding lodging in the city	\$75
Average number of nights that a typical visitor will stay in a motel in the city	5
Average nightly room rate in a local motel	\$131

Out-of-Town Truckers Loading and Unloading at the Firm's Facility:

Number of out-of-town truckers expected to load or unload at the firm in the first year	96
Percent of annual increase in the number of out-of-town truckers	10%
Average taxable spending in the community by a typical out-of-town trucker loading or unloading at the firm	\$50.00
Percent of truckers that will stay one night in a local hotel or motel	15%

Appendix B

Economic Impact Calculations

APPENDIX B

Number of local jobs added each year and worker salaries to be paid:

Year	Direct Jobs	Indirect Jobs	Total Jobs	Direct Salaries	Indirect Salaries	Total Salaries
1	27	36	63	\$1,620,000	\$1,412,964	\$3,032,964
2	22	30	52	\$3,057,600	\$2,666,839	\$5,724,439
3	26	35	61	\$4,867,200	\$4,245,172	\$9,112,372
4	30	40	70	\$7,086,643	\$6,180,970	\$13,267,613
5	35	47	82	\$9,826,812	\$8,570,945	\$18,397,757
6	40	54	94	\$13,139,851	\$11,460,578	\$24,600,430
7	42	56	98	\$16,854,049	\$14,700,102	\$31,554,151
8	36	48	84	\$20,370,624	\$17,767,258	\$38,137,882
9	43	58	101	\$24,716,357	\$21,557,607	\$46,273,964
10	52	70	122	\$30,145,744	\$26,293,118	\$56,438,862
Total	353	474	827	\$131,684,881	\$114,855,553	\$246,540,434

Number of direct and indirect workers and their families who will move to the area and their children who will attend local public schools:

Year	New Workers Moving to the Area	Total New Residents	Total New Students
1	7	18	3
2	5	13	2
3	7	18	3
4	7	18	3
5	9	23	4
6	9	23	4
7	10	25	4
8	9	23	4
9	10	25	4
10	12	30	5
Total	85	213	36

APPENDIX B

Number of new residential properties that may be built in the city for direct and indirect workers who will move to the community:

Year	New Residential Properties
1	1
2	1
3	1
4	1
5	1
6	1
7	1
8	1
9	1
10	1
Total	10

APPENDIX B

Local taxable spending on which sales taxes will be collected:

Year	Local Construction Workers' Spending and Furniture, Fixtures and Equipment	Direct and Indirect Workers' Spending	Visitors' Spending	Taxable Sales by the Firm	The Firm's Local Purchases and Taxable Utilities	Total
1	\$933,750	\$265,384	\$94,800	\$0	\$415,461	\$1,709,396
2	\$1,297,500	\$500,888	\$99,065	\$0	\$423,770	\$2,321,224
3	\$532,500	\$797,333	\$103,562	\$0	\$432,246	\$1,865,640
4	\$6,000	\$1,160,916	\$108,307	\$0	\$440,891	\$1,716,114
5	\$2,000	\$1,609,804	\$113,319	\$0	\$449,709	\$2,174,831
6	\$2,000	\$2,152,538	\$118,618	\$0	\$458,703	\$2,731,859
7	\$2,000	\$2,760,988	\$124,230	\$0	\$467,877	\$3,355,095
8	\$2,000	\$3,337,065	\$130,177	\$0	\$477,234	\$3,946,476
9	\$2,000	\$4,048,972	\$136,490	\$0	\$486,779	\$4,674,241
10	\$2,000	\$4,938,400	\$143,199	\$0	\$496,515	\$5,580,114
Total	\$2,781,750	\$21,572,288	\$1,171,766	\$0	\$4,549,184	\$30,074,988

Local spending by visitors on lodging by out-of-town visitors and out-of-town truckers:

Year	Spending on Lodging
1	\$159,086
2	\$165,672
3	\$172,547
4	\$179,725
5	\$187,223
6	\$195,056
7	\$203,243
8	\$211,804
9	\$220,758
10	\$230,130
Total	\$1,925,245

APPENDIX B

Taxable value of new residential property built for direct and indirect workers who move to the community and the value of the firm's property on local tax rolls:

Year	New Residential Property	Value of Firm Property on Local Tax Rolls	Total Taxable Property
1	\$125,191	\$33,500,000	\$33,625,191
2	\$255,390	\$43,446,000	\$43,701,390
3	\$390,746	\$48,105,320	\$48,496,066
4	\$531,415	\$49,032,826	\$49,564,241
5	\$677,554	\$49,956,383	\$50,633,937
6	\$829,326	\$50,898,371	\$51,727,696
7	\$986,898	\$51,859,178	\$52,846,076
8	\$1,150,441	\$52,839,202	\$53,989,642
9	\$1,320,131	\$53,838,846	\$55,158,976
10	\$1,496,148	\$54,878,523	\$56,374,671

Appendix C

Cost and Benefit Calculations

APPENDIX C

Costs and Benefits for City of Tomball

Benefits:

Sales tax collections:

Year	During Construction and Purchases of Furniture, Fixtures and Equipment	On Direct and Indirect Workers' Spending	On Visitors' Spending	Taxable Sales by the Firm	The Firm's Local Purchases and Taxable Utilities	Total
1	\$18,675	\$5,308	\$1,896	\$0	\$8,309	\$34,188
2	\$25,950	\$10,018	\$1,981	\$0	\$8,475	\$46,424
3	\$10,650	\$15,947	\$2,071	\$0	\$8,645	\$37,313
4	\$120	\$23,218	\$2,166	\$0	\$8,818	\$34,322
5	\$40	\$32,196	\$2,266	\$0	\$8,994	\$43,497
6	\$40	\$43,051	\$2,372	\$0	\$9,174	\$54,637
7	\$40	\$55,220	\$2,485	\$0	\$9,358	\$67,102
8	\$40	\$66,741	\$2,604	\$0	\$9,545	\$78,930
9	\$40	\$80,979	\$2,730	\$0	\$9,736	\$93,485
10	\$40	\$98,768	\$2,864	\$0	\$9,930	\$111,602
Total	\$55,635	\$431,446	\$23,435	\$0	\$90,984	\$601,500

Property tax collections on:

Year	New Residential Property	Firm Property		Total Taxes After Abatement	
		Taxes Collected	Taxes Abated	Abatement	Total
1	\$427	\$114,387	\$22,877	\$91,510	\$91,937
2	\$872	\$148,349	\$55,008	\$93,340	\$94,212
3	\$1,334	\$164,258	\$69,051	\$95,207	\$96,541
4	\$1,815	\$167,425	\$70,314	\$97,111	\$98,926
5	\$2,314	\$170,579	\$71,525	\$99,053	\$101,367
6	\$2,832	\$173,795	\$72,761	\$101,034	\$103,866
7	\$3,370	\$177,076	\$74,021	\$103,055	\$106,425
8	\$3,928	\$180,422	\$75,306	\$105,116	\$109,044
9	\$4,508	\$183,835	\$76,617	\$107,218	\$111,726
10	\$5,109	\$187,385	\$78,023	\$109,363	\$114,472
Total	\$26,508	\$1,667,511	\$665,503	\$1,002,008	\$1,028,516

APPENDIX C

Costs and Benefits for City of Tomball - Continued

Utilities and utility franchise fees collected by the city from new residents and from the firm:

Year	Utilities	Utility Franchise	Total
		Fees	
1	\$78,847	\$9,763	\$88,610
2	\$87,972	\$10,506	\$98,478
3	\$100,510	\$11,490	\$112,000
4	\$113,514	\$12,524	\$126,038
5	\$130,203	\$13,827	\$144,030
6	\$147,513	\$15,198	\$162,711
7	\$167,130	\$16,755	\$183,885
8	\$185,773	\$18,273	\$204,047
9	\$206,830	\$19,990	\$226,819
10	\$232,191	\$22,046	\$254,237
Total	\$1,450,483	\$150,372	\$1,600,855

Other city revenues, including hotel occupancy taxes, other taxes and user fees collected from new households and building permits on construction at the firm's facility:

Year	Hotel Occupancy Taxes	Other Taxes and User Fees	Building Permits and Fees	Total Other Revenues
1	\$11,136	\$1,890	\$20,490	\$33,516
2	\$11,597	\$3,305	\$27,990	\$42,892
3	\$12,078	\$5,337	\$12,390	\$29,806
4	\$12,581	\$7,450	\$0	\$20,030
5	\$13,106	\$10,229	\$0	\$23,335
6	\$13,654	\$13,116	\$0	\$26,770
7	\$14,227	\$16,419	\$0	\$30,646
8	\$14,826	\$19,539	\$0	\$34,365
9	\$15,453	\$23,093	\$0	\$38,546
10	\$16,109	\$27,427	\$0	\$43,536
Total	\$134,767	\$127,807	\$60,870	\$323,444

APPENDIX C

Costs and Benefits for City of Tomball - Continued

Costs:

The costs of providing municipal services and utility services to new residents:

Year	Cost of Services to New Residents	Costs of Utilities	Total Costs
1	\$4,207	\$70,962	\$75,169
2	\$7,356	\$79,175	\$86,531
3	\$11,880	\$90,459	\$102,339
4	\$16,582	\$102,163	\$118,745
5	\$22,769	\$117,182	\$139,951
6	\$29,196	\$132,762	\$161,958
7	\$36,548	\$150,417	\$186,966
8	\$43,493	\$167,196	\$210,689
9	\$51,404	\$186,147	\$237,551
10	\$61,051	\$208,972	\$270,023
Total	\$284,488	\$1,305,435	\$1,589,923

Net Benefits for the City:

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$248,251	\$75,169	\$173,082	\$173,082
2	\$282,006	\$86,531	\$195,475	\$368,557
3	\$275,659	\$102,339	\$173,320	\$541,877
4	\$279,317	\$118,745	\$160,571	\$702,448
5	\$312,228	\$139,951	\$172,277	\$874,725
6	\$347,985	\$161,958	\$186,027	\$1,060,752
7	\$388,059	\$186,966	\$201,093	\$1,261,845
8	\$426,386	\$210,689	\$215,697	\$1,477,542
9	\$470,577	\$237,551	\$233,026	\$1,710,568
10	\$523,847	\$270,023	\$253,824	\$1,964,392
Total	\$3,554,314	\$1,589,923	\$1,964,392	

Regular City Council

Agenda Item

Data Sheet

Meeting Date: June 15, 2015

Topic:

Approve Tax Abatement Agreement between City of Tomball and Packers Plus Energy Services (USA), Inc. for Phase II Improvements to be Constructed in Tax Abatement Reinvestment Zone No. 5

Background:

The draft Tax Abatement Agreement between the City of Tomball and Packers Plus Energy Services (USA), Inc., covering the Phase II Improvements to be constructed in Reinvestment Zone No. 5, is attached.

The project includes the construction of a 50,000 sq. ft. Research & Development facility (Phase I), a 237,000 sq. ft. manufacturing building (Phase II), and a multi-story 40,000 sq. ft. corporate office building (Phase III) on 17.38 acres within the Tomball Business & Technology Park. The development is proposed to be phased over several years with the Research & Development facility being constructed within the first year of closing, the manufacturing building being constructed in the second year and the corporate office being constructed in the third year. The estimated capital investment for this project is \$21,740,000.

The project is anticipated to create 353 new full-time jobs within the City of Tomball, with 187 of the jobs being created in the first five years of operation.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy. Per the analysis, the estimated five year net benefit to the City is \$874,725 (\$1,964,392 over ten years).

The estimated value of the ten-year 100% Tax Abatement is \$665,503. The agreements have been structured to accommodate the phasing of the project as described above. The Tax Abatement for each improvement shall begin on January 1st of the year following the issuance of a Certificate of Occupancy by the City for each phase.

Origination:

Patrick Maguire, Regional General Manager, USA Packers Plus Energy Services (USA), Inc.

Recommendation:

Approval of the Tax Abatement Agreement for Phase II Improvements

Funding:

Party(ies) responsible for placing this item on agenda:

Kelly Violette - Executive Director Tomball Economic Development Corporation

ACTION TAKEN

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APPROVAL ☐ YES ☐ NO	READINGS PASSED ☐ 1 ST ☐ 2 ND	OTHER
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ATTACHMENTS:

Draft Phase II Tax Abatement Agreement

Economic Impact Analysis Report- Packers Plus

**TAX ABATEMENT AGREEMENT
BETWEEN THE
CITY OF TOMBALL, TEXAS
AND
PACKERS PLUS ENERGY SERVICES (USA), INC.
FOR PHASE II IMPROVEMENTS**

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

THIS TAX ABATEMENT AGREEMENT ("Agreement") is made and entered into by and between the **CITY OF TOMBALL, TEXAS**, a home rule city situated in Harris County, Texas ("City"), and **PACKERS PLUS ENERGY SERVICES (USA), INC.** ("Packers Plus"), the owner of a tract of land with improvements, and the improvements to be constructed thereon, within Reinvestment Zone No. 5 (hereinafter defined).

WHEREAS, Packers Plus is the owner of a 17.38 acre tract of land located in Harris County, Texas (the "Property"), as defined in Section 2 of this Agreement; and

WHEREAS, Packers Plus desires to construct new facilities in phases (the "Improvements" as defined in Section 2 of this Agreement) on the Property; and

WHEREAS, the City and Packers Plus wish to enter into a tax abatement agreement, which will provide for a ten (10) year tax abatement period that will commence on January 1, of the year following the issuance of a Certificate of Occupancy by the City for the Phase II Improvements;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, Packers Plus and the City hereby agree as follows:

1. **Authorization.** This Agreement is authorized by the Property Redevelopment and Tax Abatement Act, Chapter 312, TEXAS TAX CODE, as amended, and the Tax Abatement Policy adopted by the City of Tomball, Texas, adopted by the City Council of the City on April 20, 2015. The City Council has determined that the terms of the Agreement and the property subject to this Agreement meet the provisions of the Tax Abatement Policy adopted by the City.

2. **Defined Terms.** As used in this Agreement, the following terms shall have the meanings set forth below:

 "Packers Plus" shall mean Packers Plus Energy Services (USA), Inc., the entity that owns the Property on the date taxes are abated under this Agreement or any other person or entity to which this Agreement is assigned, in accordance with this Agreement.

"Certified Appraised Value" shall mean the appraised value of the Property and existing improvements as certified by the Harris County Appraisal District.

"City" shall mean the City of Tomball, Texas.

"City Council" shall mean the governing body of the City.

"Improvements" shall mean the buildings and structures (or portions thereof) and other improvements, including fixed machinery, equipment and process units, used for commercial or industrial purposes, which are erected or expanded by Packers Plus on the Property, as contemplated by Section 6 herein, and generally identified and described in Exhibit "A" attached hereto and incorporated herein for all purposes. The Improvements shall be referred to in this Agreement in the following phases:

"Phase I Improvements" shall mean the Improvements on the portion of the Property shown as Phase I on Exhibit "B" attached hereto, the same being the site for a proposed 50,000 square foot RTD facility located in the southeast portion of the Property.

"Phase II Improvements" shall mean the Improvements on the portion of the Property shown as Phase II on Exhibit "B" attached hereto, the same being the site for a proposed 237,000 square foot manufacturing facility located in the northwest portion of the Property.

"Phase III Improvements" shall mean the Improvements on the portion of the Property shown as Phase III on Exhibit "B" attached hereto, the same being the site for a proposed 40,000 corporate office facility located in the northeast portion of the Property.

"Property" shall mean the 17.38 acre tract of land described in Exhibit "C" attached hereto and incorporated herein for all purposes, and all Improvements and Tangible Personal Property currently located thereon, which tract of land is located within Reinvestment Zone No. 5 of the City.

"Reinvestment Zone No. 5" shall mean that certain area qualifying for tax abatement pursuant to the Tax Abatement Policy adopted by the City of Tomball, Texas, and City of Tomball Ordinance No. 2015-10 a copy of which is attached hereto as Exhibit "D" and incorporated herein for all purposes.

"Tangible Personal Property" shall mean tangible personal property classified as such under state law, but excluding tangible personal property that was located on the Property at any time prior to the date of execution of this Agreement, and also excluding tangible personal property taxable by the City while owned by Packers Plus any time prior to the date of execution of this Agreement, and excluding inventory and supplies.

3. **Administration of Agreement.** This Agreement shall be administered by the City Manager or designee of the City.

4. **Term.** This Agreement shall be effective as of the date of execution hereof and shall continue through December 31, 2032, unless terminated earlier, as provided elsewhere herein; provided, however, that the ten-year abatement period herein provided for shall not commence until January 1 on the year following the issuance of a Certificate of Occupancy by the City for the Phase II Improvements. For purposes of clarification the Tax Abatement shall begin on January 1 of the year following the issuance of a Certificate of Occupancy by the City for such Phase II Improvements. Provided, however, that no tax abatement provided by this Agreement begin after the expiration of five (5) years from the creation of Reinvestment Zone No. 5.

5. **Tax Abatement.** Subject to limitations imposed by law and conditioned on the representations outlined in Section 6 hereinbelow, there shall be granted and allowed hereunder to Packers Plus a property tax abatement equal to one-hundred percent (100%) of the taxable value on the Improvements constructed or expanded hereunder on the Phase II Improvements and the Tangible Personal Property located thereon subsequent to the date hereof; provided, however, if the Certified Appraised Value of the Property is less than the Certified Appraised Value as of January 1, 2016, for any year during the term of this Agreement, such abatement shall not apply to the Improvements and Tangible Personal Property to the extent of the difference between the Certified Appraised Value of the Property for such year and the Certified Appraised Value of the Property as of January 1, 2016. The property tax abatement granted and allowed hereunder shall extend only to all real and personal property ad valorem taxes assessable on the Improvements, as constructed or expanded, and Tangible Personal Property; the Certified Appraised Value of the real property shall be fully taxable.

6. **Representations.**

(a) Packers Plus represents that (1) it has or will have an increased taxable interest with respect to Improvements and Tangible Personal Property placed on the Property; (2) the Improvements and Tangible Personal Property to be constructed and/or placed on the Property pursuant to the Agreement shall be as set forth and described in Packers Plus's letter dated February 15, 2015, attached hereto as Exhibit "A", and incorporated herein for all purposes; (3) all Improvements placed on the Property will be completed in a workmanlike manner and will be completed in accordance with the City building codes in effect at the time such Improvements are erected; (4) the Phase II Improvements will have a Certified Appraised Value of not less than Nine Million Dollars (\$9,000,000.00), Tangible Personal Property in an amount not less than Three Hundred Thousand Dollars (\$300,000.00), and will establish an increased employment level of not less than 21 full-time employees by January 1 on the year following the issuance of a Certificate of Occupancy for the Phase II Improvements; (5) it will maintain on the Property said Tangible Personal Property or similar Tangible Personal Property of equal or greater value through December 31, 2032; (6) it shall maintain on the Property the increased employment levels in each phase through the remainder of the term of this Agreement; (7) it has, as of the effective date of this Agreement, the financial resources to implement the above respective representations; and (8) it will comply with all applicable laws, rules, regulations, and provisions of the Code of Ordinances of the City. In addition to the increased employment level set forth above, Packers Plus will establish an increased employment level in Phase II of not less than 75 full-time employees by the fifth year following the issuance of a

Certificate of Occupancy for the Phase II Improvements and an increased employment level of 166 full-time employees by the ninth year following the issuance of a Certificate of Occupancy for the Phase II Improvements. Packers Plus shall maintain such increased employment level through the remainder of the term of this Agreement; provided, however, that if Packers Plus fails to maintain the increased employment levels for Phase II set forth above, Packers Plus will be deemed to have met this requirement if the total actual employment levels for all three phases, meet or exceed the total increased employment requirements for all three phases combined.

(b) The City represents that (1) Reinvestment Zone No. 5 has been created in accordance with Chapter 312 of the TEXAS TAX CODE and the Guidelines and Criteria for Granting Tax Abatement in Reinvestment and Enterprise Zones created in the City of Tomball, Texas, as both exist on the effective date of this Agreement; (2) the Property is within such Zone; and (3) the Property is located within the corporate limits of the City.

(c) Packers Plus and the City represent that no member of the City Council or Planning Commission owns or leases the Property, Improvements, or Tangible Personal Property.

7. **Administrative.**

(a) Access to and Inspection of Property by Municipal Employees. Packers Plus shall allow the City's employees and/or designated representatives of the City access to the Improvements for the purpose of inspecting any Improvements erected to ensure that such Improvements are completed and maintained in accordance with the terms of this Agreement and to ensure that all terms and conditions of this Agreement are being met. All such inspections shall be made only after giving Packers Plus twenty-four (24) hours advance notice and shall be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the Improvements. All such inspections shall be made with one (1) or more representatives of Packers Plus and in accordance with all applicable safety standards. Upon completion of construction, the designated representative of the City shall evaluate annually each facility receiving abatement to ensure compliance with the Agreement, and a formal report shall be made to the City Council.

(b) On January 1st of each year that this Agreement is in effect, Packers Plus shall certify to the City, and to the governing body of each taxing unit, that Packers Plus is in compliance with each applicable term of this Agreement.

(c) The Chief Appraiser of the Harris County Appraisal District shall determine annually (i) the Certified Appraised Value of the Property, Improvements, and Tangible Personal Property and (ii) the taxable value, pursuant to the terms of abatement under this Agreement, of the Property, Improvements, and Tangible Personal Property. The Chief Appraiser shall record both the abated taxable value and the Certified Appraised Value in the appraisal records. The Certified Appraised Value listed in the appraisal records shall be used to compute the amount of abated taxes that are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. During the term of this Agreement, each year, Packers Plus shall furnish the Chief Appraiser with such information

outlined in Chapter 22, TEXAS TAX CODE, as may be necessary for the administration of the abatement specified herein.

8. **Default.**

(a) The City may declare a default hereunder if Packers Plus (1) fails, refuses, or neglects to comply with any of the terms, conditions, or representations of this Agreement and fails to cure during the cure period; or (2) allows ad valorem taxes owed to the City to become delinquent and fails either to cure during the cure period or to timely and properly follow the legal procedures for their protest or contest.

(b) If the City declares a default of this Agreement, this Agreement shall terminate (after notice and opportunity to cure as provided for herein), and the City, in such event, shall be entitled to recapture any and all property taxes which have been abated as a result of this Agreement. The City shall notify Packers Plus of any default in writing in the manner prescribed herein. The notice shall specify the basis for the declaration of default, and Packers Plus shall have sixty (60) days from the date of such notice to cure any default; provided, however, where fulfillment of any obligation requires more than sixty (60) days, performance shall be commenced within sixty (60) days after the receipt of notice, and such performance shall be diligently continued until the default is cured. If the default cannot be cured, or if Packers Plus fails to cure within the period herein specified, Packers Plus shall be liable for and will pay to the City within sixty (60) days following the termination of this Agreement (1) the amount of all property taxes abated under this Agreement, (2) interest on the abated amount at the rate provided for in the Texas Tax Code for delinquent taxes, and (3) penalties on the amount abated in the year of default at the rate provided for in the Texas Tax Code for delinquent taxes.

(c) Notwithstanding any other provision contained herein to the contrary, in the event of termination of this Agreement due to the default of Packers Plus, Packers Plus' obligation to pay the City any property taxes that have been abated on Improvements and Tangible Personal Property, plus applicable penalty and interest thereon as herein provided, shall not terminate until the abated taxes, plus penalty and interest, are paid.

9. **Changes in Tax Laws.** The tax abatement provided in this Agreement is conditioned upon and subject to any changes in the state tax laws during the term of this Agreement.

10. **Compliance with State and Local Regulations.** Nothing in this Agreement shall be construed to alter or affect the obligations of Packers Plus to comply with any ordinance, rule, or regulation of the City or laws of the State of Texas.

11. **Assignment of Agreement.** This Agreement may not be assigned by Packers Plus without the approval of the City by resolution of the City Council. The approval of any assignment shall be subject to the financial capacity of the assignee and will require that all conditions and obligations in this Agreement shall be assumed by the assignee. No assignment shall be approved if (a) the City has declared a default hereunder that has not been cured, or (b)

the assignee is delinquent in the payment of ad valorem taxes owed to the City. Approval by the City shall not be unreasonably withheld.

12. **Conditions Precedent.** This Agreement is conditioned entirely upon (a) the approval of the City Council by the affirmative vote of a majority of the members present at a regularly scheduled meeting of the City Council; (b) the construction of the Improvements and the location of the Tangible Personal Property on the Property within the time periods prescribed herein. The abatement granted herein shall not be effective until the tax year commencing January 1, 2016.

13. **Notice.** All notices shall be in writing. If mailed, any notice or communication shall be deemed to be received three (3) days after the date of deposit in the United States mail, first-class, postage prepaid. Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

To Packers Plus:

Packers Plus Energy Services (USA), Inc.
5825 North Sam Houston Parkway West
Suite 150
Houston, Texas 77086
Attn: Patrick Maguire
Regional General Manager, USA

To City:

City of Tomball
401 Market Street
Tomball, Texas 77375
Attn: City Manager

Either party may designate a different address by giving the other party at least ten (10) days written notice in the manner prescribed above.

14. **Entire Agreement.** This Agreement and the Exhibits attached hereto contain the entire tax abatement agreement between the parties and supersedes all other negotiations and agreements between Packers Plus and the City relating to the grant of tax abatement for the Improvements and Tangible Personal Property located on the Property, whether written or oral. In the event that there is a conflict between any of the Exhibits to this Agreement and this Agreement, the provisions of this Agreement shall control over the provisions in the Exhibits.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties as of the _____ day of _____, 2015.

PACKERS PLUS ENERGY SERVICES (USA), INC.

By: _____

Name: Patrick Maguire

Title: Regional General Manager, USA

THE STATE OF TEXAS

§

§

COUNTY OF HARRIS

§

This instrument was acknowledged before me on this _____ day of _____
2015, by Patrick Maguire, Regional General Manager, USA for and on behalf of Packers Plus
Energy Services (USA), Inc..

Notary Public in and for the State of Texas

(SEAL)

CITY OF TOMBALL, TEXAS

ATTEST:

Doris Speer, City Secretary

Gretchen Fagan, Mayor

THE STATE OF TEXAS

§

§

COUNTY OF HARRIS

§

This instrument was acknowledged before me on this _____ day of _____
2015, by Gretchen Fagan, Mayor of the City of Tomball, Texas, for and on behalf of the City.

Notary Public in and for the State of Texas

(SEAL)

EXHIBIT "A"
DESCRIPTION OF IMPROVEMENTS



*Do It Once
Do It Right*

5825 N. Sam Houston Pkwy. West, Suite 150 Houston, TX 77086 Ph: (832)-484-8067 Fax: (832)-484-1556

Tomball City Hall
Attn: Ms. Doris Speer
City Secretary
401 Market Street
Tomball, TX 77375

February 15, 2015

Dear Ms. Speer,

In keeping with Section 5 of the City of Tomball Tax Abatement Policy (CTTAP), Packers Plus Energy Services (USA), Inc. is submitting this letter as application for tax abatement for the proposed campus we are considering in the new Tomball Industrial Park.

As shown on the attached proposed site plan, the campus is to be constructed on 16.40 net acres and will consist of three structures: 1) a 237,000 sq. ft. manufacturing tilt-wall facility; 2) a 50,000 sq. ft. tilt-wall research and development facility and; 3) a 40,000 sq. ft. steel frame and glass corporate office.

Upon completion of the campus we will have approximately 150 employees working out of the combined facility. Attached you will find the Economic Impact Data Sheet that we submitted to Kelly Violette on January 19th of this year addressing, among other things, anticipated increase in headcount moving forward, average salary, the estimated inventory that we will be carrying (all of which will be stored indoors at either the R&D or Manufacturing facility) and our predicted annual sales in the Tomball area. Please note that any additional growth in headcount will be in accordance with section 5c of the CTTAP and that no undocumented workers will be employed by Packers Plus.

Construction of the Packers Plus campus will be staged to accommodate our current lease expirations. The following table provides the anticipated start and completion dates for the three structures.

Structure	Approximate Start	Approximate Completion
R&D Facility	Q2 2015	Q2 2016
MX Manufacturing Facility	Q1 2016	Q2 2017
Corporate Office	Q2 2017	Q2 2018

Packers Plus is a cutting edge oilfield service company that has revolutionized the down-hole completion equipment industry through our state-of-the-art automated manufacturing process.

That being said, the cost of tooling-up for the significant growth we expect to see over the next several years will be substantial. To ensure our success, it is imperative that we carry out an expansion of this magnitude in a suitable tax environment. It is for this reason that we are seeking tax abatement from the City of Tomball.

Your earliest response to this letter would be greatly appreciated.

Yours truly,

A handwritten signature in dark ink, appearing to read 'P. Maguire', with a stylized, flowing script.

Patrick Maguire
Regional General Manager, USA
Packers Plus Energy Services (USA), Inc.

Economic Impact Data Sheet

Tomball Economic Development Corporation

The information requested on this form will be used by the Tomball Economic Development Corporation to prepare an economic impact analysis of your firm or project. Enter data in the blue cells below. You may also enter additional information or notes in other areas of this worksheet, to the right in column K or insert rows to enter other data.

Some standard defaults are entered in the data sheet already. You may change these defaults as appropriate.

Please enter information in the blue cells below and e-mail this completed survey form to:

Kelly Violette, AICP
Executive Director
Tomball EDC
29201 Quinn Road, Suite B
Tomball, TX 77375

Phone: 281.401.4086
Fax: 281.351.7223
E-mail: kviolette@tomballtxedc.org

Please call if you have any questions.

About the Firm

Name of the firm:	Packers Plus Energy Services (USA) Inc.	
Current Address:	5825 North Sam Houston Parkway West	
	Suite 150	
	Houston, TX 77086	
Phone Number:	832-484-8067	Fax Number: n/a
Person completing this form:	Patrick Maguire, Regional General Manager, USA	
Name of project:	Packers Plus Energy Services US Campus	

Is or will the firm be located in the city limits?

☒ Yes

Description of the firm's plans to startup, expand or relocate to the community:

(Enter any narrative below to describe the firm and its plans to startup, expand or locate in the community. This description will be shown in the report.)

Packers Plus is an oilfield service company that manufactures, assembles and installs downhole completion systems that cater primarily to the multi-stage fracturing business. The company has been in the USA for 8 years and has grown dramatically over that period of time. Given the anticipated future growth for the company it has been decided that a new facility is necessary. Further, the desire is to pull all three facets of the business together on one location, or campus. The new facility will consist of a 237,000 sq. ft. manufacturing building, a 50,000 sq. ft. R&D structure and a multi-storey 20,000 sq. ft. footprint corporate office.

The firm's primary North American Industry Classification System (NAICS)

211111

Example: 221119. A six-digit NAICS code should be entered for the program to correctly calculate indirect and induced benefits from the firm's operations. If the NAICS is unknown enter 0 as a default NAICS allowing the program to use default indirect earnings and employment multipliers.

The Firm's Taxable Assets, Employees and Operations

The Firm's Investments, Assets and Construction:

(New or additional property purchased or constructed each year that will be on local property tax rolls on January 1)

The investments at the firm's facility each year:

Year	Land	Buildings and Other Real Property Improvements	Furniture, Fixtures and Equipment	Total
1	\$1,800,000	\$6,500,000	\$200,000	\$8,500,000
2		\$9,000,000	\$300,000	\$9,300,000
3		\$3,800,000	\$50,000	\$3,850,000
4			\$30,000	\$30,000
5			\$10,000	\$10,000
6			\$10,000	\$10,000
7			\$10,000	\$10,000
8			\$10,000	\$10,000
9			\$10,000	\$10,000
10			\$10,000	\$10,000
Total	\$1,800,000	\$19,300,000	\$640,000	\$21,740,000

Are building and improvements costs above for new construction?

☒ Yes

Percent of construction costs for materials and labor:

Materials	50%
Labor	50%

Percent of construction materials that will be purchased in the city and be subject to sales taxes:

20%

Percent of taxable spending by construction workers in the city and subject to sales taxes:

30%

Percent of furniture, fixtures and equipment to be purchased in the city and subject to sales taxes:

20%

Expected city building permits and other fees to be paid during construction, if applicable:

Year	Total City Permits and Fees
1	\$22,960
2	\$70,660
3	\$0
4	\$16,240
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$109,860

Estimated taxable inventories, at the end of each year:

(Enter an amount in Year 1 and the percent of annual increase or enter appropriate amounts for each year.)

Year	Total Inventories
1	\$25,000,000
2	\$25,500,000
3	\$26,010,000
4	\$26,530,200
5	\$27,060,804
6	\$27,602,020
7	\$28,154,060
8	\$28,717,142
9	\$29,291,485
10	\$29,877,314

Percent of annual increase after Year 1:

2%

The firm's annual utilities:

(Enter an amount in Year 1 and the percent of annual increase or enter appropriate amounts for each year.)

Percent of annual increase after Year 1: 2%

Year	Water	Wastewater	Solid Waste	Electricity	Natural Gas	Cable	Telephone
1	\$2,727	\$1,633	\$28,127	\$176,413	\$36,000	\$5,409	\$17,704
2	\$2,782	\$1,666	\$28,690	\$179,941	\$36,720	\$5,517	\$18,058
3	\$2,837	\$1,699	\$29,263	\$183,540	\$37,454	\$5,628	\$18,419
4	\$2,894	\$1,733	\$29,849	\$187,211	\$38,203	\$5,740	\$18,788
5	\$2,952	\$1,768	\$30,446	\$190,955	\$38,968	\$5,855	\$19,163
6	\$3,011	\$1,803	\$31,054	\$194,774	\$39,747	\$5,972	\$19,547
7	\$3,071	\$1,839	\$31,676	\$198,670	\$40,542	\$6,091	\$19,938
8	\$3,132	\$1,876	\$32,309	\$202,643	\$41,353	\$6,213	\$20,336
9	\$3,195	\$1,913	\$32,955	\$206,696	\$42,180	\$6,338	\$20,743
10	\$3,259	\$1,952	\$33,614	\$210,830	\$43,023	\$6,464	\$21,158
Total	\$29,860	\$17,881	\$307,983	\$1,931,673	\$394,190	\$59,227	\$193,854

Number of telephone lines at the firm:

120

Percent of the firm's utility usage for manufacturing or processing operations:

60%

The firm's estimated taxable purchases of materials, supplies and services in the community and the firm's estimated taxable sales that will be subject to sales tax in the city:

(Enter an amount in Year 1 and the percent of annual increase or enter appropriate amounts for each year.)

Year	The Firm's Taxable Purchases	The Firm's Taxable Sales
1	\$310,000	\$0
2	\$316,200	\$0
3	\$322,524	\$0
4	\$328,974	\$0
5	\$335,554	\$0
6	\$342,265	\$0
7	\$349,110	\$0
8	\$356,093	\$0
9	\$363,214	\$0
10	\$370,479	\$0
Total	\$3,394,414	\$0
Percent of annual increase after Year 1:		2%

Number of new full-time jobs to be added in the city each year:

(Enter only the additional jobs added in the city each year.)

* If the business is relocating from outside of the city, the year 1 value should include jobs transferred to the city in year 1 and new positions hired, if any.

Year	New Jobs added in the city each year
1*	27
2	22
3	26
4	30
5	35
6	40
7	42
8	36
9	43
10	52
Total	353

New employees moving to the city:

(Enter a percent below or enter appropriate amounts for each year.)

Percent of total new
workers moving to the city
10.0%

Year	Number of new employees moving to the city
1	3
2	2
3	3
4	3
5	4
6	4
7	4
8	4
9	4
10	5
Total	36

Average annual salaries of new employees in the first year:	\$60,000
Percent of expected annual salary increases after Year 1:	4.0%
Percent of workers in new indirect and induced jobs that will move to the city for the job:	10%
Estimated percentage of workers moving to the city that will have new residential property built for them the first year that they move to the city:	10%
Household size of a typical new worker moving to the city:	2,500.00
Number of school children in a typical worker's household	0.40
Percent of taxable shopping by a typical new worker that will be in the city:	35%

Expected Out-of-Town Visitors to the Firm:

Number of out-of-town visitors expected at the firm in the first year:	240
Percent of annual increase in the number of visitors:	1%
Average number of days that each visitor will stay in the city:	5
Average daily taxable visitor spending, excluding lodging in the city:	\$75
Average number of nights that a typical visitor will stay in a motel in the city:	5
Average nightly room rate in a local motel:	\$125

Expected Out-of-Town Truckers Loading or Unloading at the Firm

Number of out-of-town truckers expected to load or unload at the firm in the first year:	96
Percent of annual increase in the number of out-of-town truckers:	10%
Average taxable spending in the community by a typical out-of-town trucker loading or unloading at the firm:	\$50.00
Percent of truckers that will stay one night in a local hotel or motel:	15%

DITCH EASEMENT AREA (0.98 AC)	42,781 SF
NET SITE AREA (16.40 AC)	714,100 SF
GROSS SITE AREA (17.38 AC)	756,881 SF
IMPERVIOUS SURFACES	
BUILDINGS-37%	280,000 SF
MAXIMUM PER SECTION 31.4 C.	60%
PAVEMENT	294,331 SF
TOTAL IMPERVIOUS	574,331 SF
PEDESTRAIN SIDEWALKS	12,397 SF
GROSS IMPERVIOUS-77.5%	586,728 SF
MAXIMUM PER SECTION 31.4 C.	90%

LANDSCAPING ISLANDS	22.5% OF SITE
AT BLDG AND PERIMETER	4,547 SF
PEDESTRAIN SIDEWALKS	178,063 SF
TOTAL GREEN SPACE	-12,397 SF
	170,213 SF

3. AREA MEASURED BETWEEN PROPERTY LINE AND BUILDING FACE. ALL STREET YARDS REQUIRE 35% MINIMUM LANDSCAPED AREA WITH 10' LANDSCAPED BUFFER ALONG RIGHT-OF-WAY (PROPERTY LINE).

CUL-DE-SAC	92,630 SF	17,987 SF-19.4%
PERSIMMON	48,030 SF	10,807 SF-22.5%
SPELL RD	107,904 SF	42,260 SF-39%
HUFSMITH-KOHRVILLE	60,518 SF	41,443 SF-68%

PACKERS PLUS ENERGY
TOMBALL TEXAS

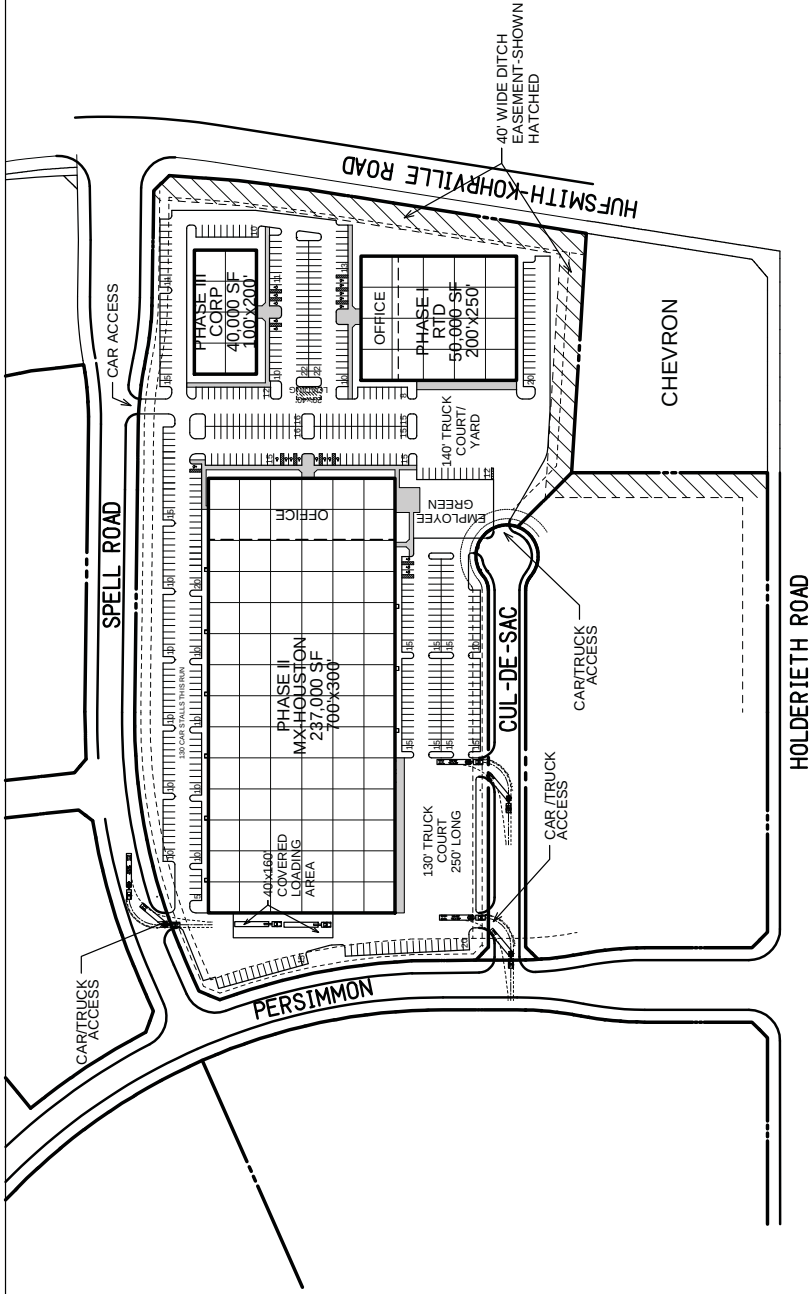


214370 PIP REV 1-8-2015

5600 N. River Rd. Suite 800
Rosemont, Illinois 60018
Telephone 847.993-3083



117, 10555 48TH STREET SE
Calgary, Alberta T2C 2B7
Telephone 403.538-5443



CORP. HEADQUARTERS-HOUSTON

FIRST FLOOR	20,000 SF
SECOND FLOOR	20,000 SF
TOTAL BUILDING AREA	40,000 SF

OFFICE 1:300 SF

TOTAL PARKING REQUIRED	134 STALLS
TOTAL PARKING PROVIDED	107 STALLS
ACCESSIBLE SPACES	5 CAR



HARRIS ARCHITECTS, INC.
WWW.HARRISARCHITECTS.COM 847.303.1155

Exhibit "C"
PROPERTY DESCRIPTION

**DESCRIPTION OF A 17.3578 ACRES
(756,107.25 SQ. FT.) TRACT OF LAND SITUATED
IN THE ELIZABETH SMITH SURVEY, A-70
HARRIS COUNTY, TEXAS**

Being a 17.3578-acre (756,107.25 square foot) tract of land situated in the Elizabeth Smith Survey, A-70, City of Tomball, Harris County, Texas. Said 17.3578-acre tract being out of Lot 4 of the Tomball Business and Technology Park plat as recorded under Film Code No. 653006 of the Harris County Map Records, Harris County, Texas and being further described by metes and bounds as follows with the basis of bearings being the Texas State Plane Coordinate System, NAD 83, South Central Zone No. 4204 (the coordinates shown hereon are surface and may be brought to the grid by applying the combined scale factor of 0.999942131):

BEGINNING at a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set in the west right-of-way line of Hufsmith Kohrville Road (right-of-way varies) recorded under Volume 2549, Page 325 of the Harris County Deed Records and in the northeast corner of Unrestricted Reserve óAô, of Yam Plaza, recorded under Film Code 594151 of the Harris County Map Records, Harris County for the southwest corner of said tract herein described;

THENCE, South 84 deg. 40 min. 07 sec. West, with the north line of the said Unrestricted Reserve óAô, of Yam Plaza, and a south line of said tract herein described, a distance of 386.51 feet from which a found 5/8-inch iron rod with cap bears North 00° 07' West, a distance of 0.31 feet, for an angle point of said tract herein described;

THENCE North 61 deg. 02 min. 11 sec. West, over and across said Lot 4 of Tomball Business and Technology Park and a south line of said tract herein described, a distance of 109.72 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a non-tangent curve to the left;

THENCE in a westerly direction, over and across said Lot 4 of Tomball Business and Technology Park, along said curve to the left, having a radius of 60.00 feet, a central angle of 177 deg. 28 min. 29 sec., a chord bearing N 59 deg. 46 min. 26 sec. W, a chord distance of 119.97 feet and an arc length of 185.85 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a reverse curve to the right;

THENCE in a westerly direction, over and across said Lot 4 of Tomball Business and Technology Park, along said curve to the right, having a radius of 25.00 feet, a central angle of 49 deg. 40 min. 47 sec., a chord bearing S 56 deg. 19 min. 43 sec. W, a chord distance of 21.00 feet and an arc length of 21.68 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE South 81 deg. 10 min. 07 sec. West, over and across said Lot 4 of Tomball Business and Technology Park, a distance of 565.44 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for an angle point of said tract herein described;

THENCE North 54 deg. 56 min. 00 sec. West, over and across said Lot 4 of Tomball Business and Technology Park, a distance of 28.82 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point in the east right-of-way line of South Persimmon Street (right-of-way varies) recorded under Film Code No. 653006, of the Map Records of Harris County, Texas and the west corner of said tract herein described;

THENCE North 08 deg. 49 min. 53 sec. West, with the east right-of-way line of said South Persimmons Street, and a west line of said tract herein described, a distance of 53.03 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the left;

THENCE in a northerly direction, with the east right-of-way line of said South Persimmons Street, and with a west line of said tract herein described, along said curve to the left, having a radius of 1,040.00 feet, a central angle of 20 deg. 11 min. 11 sec., a chord bearing N 18 deg. 55 min. 28 sec. W, a chord distance of 364.52 feet and an arc length of 366.41 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the southerly-most southeast cutback corner of the intersection of the east right-of-way line of South Persimmon Street and the south right-of-way line of said Spell Road (80öROW) as recorded under Film Code No. 653006, of the Map Records of Harris County, Texas for the westerly most northwest corner of said tract herein described;

THENCE North 13 deg. 50 min. 50 sec. East, with the southeast right-of-way line of said cutback corner, with the northwest line of said tract herein described, a distance of 36.24 feet to a point in the south right-of-way line of said Spell Road to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a west corner of said tract herein described;

THENCE North 57 deg. 24 min. 03 sec. East, with the south right-of-way line of said Spell Road, and a north line of said tract herein described, a distance of 54.60 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the right;

THENCE in a easterly direction, with a south right-of-way line of said Spell Road, and with a north line of said tract herein described, along said curve to the right, having a radius of 960.00 feet, a central angle of 24 deg. 29 min. 38 sec., a chord bearing N 69 deg. 38 min. 51 sec. E, a chord distance of 407.28 feet and an arc length of 410.40 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE North 81 deg. 53 min. 40 sec. East, with the south right-of-way line of said Spell Road, and a north line of said tract herein described, a distance of 463.44 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the right;

THENCE in an easterly direction, with a south right-of-way line of said Spell Road, and with a north line of said tract herein described, along said curve to the right, having a radius of 530.00 feet, a central angle of 11 deg. 08 min. 52 sec., a chord bearing N 87 deg. 28 min. 06 sec. E, a chord distance of 102.96 feet and an arc length of 103.12 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a reverse curve to the left;

THENCE in an easterly direction, with a south right-of-way line of said Spell Road, and with a north line of said tract herein described, along said curve to the left, having a radius of 530.00 feet, a central angle of 11 deg. 08 min. 52 sec., a chord bearing N 87 deg. 28 min. 06 sec. E, a chord distance of 102.96 feet and an arc length of 103.12 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE North 81 deg. 53 min. 40 sec. East, with a south right-of-way line of said Spell Road, and a north line of said tract herein described, a distance of 172.42 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the north cutback corner of the intersection of the south right-of-way line of said Spell Road and the west right-of-way line of said Huffsmith Kohrville Road for the northerly most northeast corner of said tract herein described;

THENCE South 52 deg. 26 min. 00 sec. East, with the southwest right-of-way line of said cutback corner, with the northeast line of said tract herein described, a distance of 34.95 feet to a point in the east right-of-way line of said Huffsmith Kohrville Road to a 5/8-inch iron rod with cap stamped ÓWEISSER ENG HOUSTON, TX set for the beginning of a non-tangent curve to the right;

THENCE in an southerly direction, with a west right-of-way line of said Huffsmith Kohrville Road, and with an east line of said tract herein described, along said curve to the right, having a radius of 1950 feet, a central angle of 06 deg. 31 min. 05 sec., a chord bearing S 03 deg. 08 min. 32 sec. E, a chord distance of 221.71 feet and an arc length of 221.83 feet to a 5/8-inch iron rod with cap stamped ÓWEISSER ENG HOUSTON, TX set for a point of tangency of said tract herein described;

THENCE South 00 deg. 07 min. 01 sec. West, with the west right-of-way line of said Huffsmith Kohrville Road, and with the east line of said tract herein described, a distance of 455.26 feet to the **POINT OF BEGINNING** and containing 17.3578 acres (756,107.25 square feet) of land.

This description is accompanied by a plat of even survey date.

Compiled by:

Weisser Engineering Company
19500 Park Row
Houston, Texas 77084
TBPLS Reg. No. 100518-00
TBPE Reg. No.: F-68
Job No. IG046 (2418-001)
Date: 05/05/2015

Exhibit "D"

ORDINANCE NO. 2015-10

AN ORDINANCE CREATING CITY OF TOMBALL, TEXAS, REINVESTMENT ZONE NO. 5; AN APPROXIMATELY 17.38 ACRE TRACT OF LAND, BEING PART OF THE TOMBALL BUSINESS AND TECHNOLOGY PARK AND LOCATED GENERALLY AT THE NORTHWEST CORNER OF HOLDERRIETH ROAD AND HUFSMITH-KOHRVILLE ROAD, WITHIN THE CITY OF TOMBALL, HARRIS COUNTY, TEXAS; MAKING CERTAIN FINDINGS; REPEALING ORDINANCES INCONSISTENT OR IN CONFLICT HERewith; AND PROVIDING FOR SEVERABILITY.

* * * * *

WHEREAS, on April 20, 2015, the City Council passed and approved a "Tax Abatement Policy;" and

WHEREAS, pursuant to that Policy, the City Council has received an application for creation of a reinvestment zone; and

WHEREAS, after the giving of proper notice, as required by law, the City Council held a public hearing where all interested persons were given an opportunity to speak and present evidence for and against the creation of Reinvestment Zone No. 5; and

WHEREAS, notice was given to all taxing entities where the proposed zone is to be located; and

WHEREAS, the City Council has determined that the improvements sought to be located in proposed Reinvestment Zone No. 5 are feasible and practical and would be a benefit to the land to be included in the Zone and to the City after the expiration of a tax abatement agreement; and

WHEREAS, the creation of Reinvestment Zone No. 5 will be reasonably likely, as a result of its creation, to contribute to the retention or expansion of primary employment or to

attract major investment into the Zone that would benefit the property located therein and that will contribute to the economic development of the City of Tomball; now, therefore,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
TOMBALL, TEXAS THAT:**

Section 1. The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct and are incorporated herein for all purposes.

Section 2. Reinvestment Zone No. 5 is hereby created for the purpose of encouraging economic development through tax abatement. A metes and bounds description of the property that comprises said Reinvestment Zone No. 5 is attached hereto as Exhibit "A" and incorporated herein as though it was set forth in its entirety in this Ordinance. Improvements and personal property constructed, erected, or placed within Reinvestment Zone No. 5 as created hereby shall be eligible for commercial-industrial tax abatement.

Section 3. This designation shall be effective for a period of five (5) years, commencing on the date of adoption hereof. The expiration of the designation shall not affect an existing tax abatement agreement made under the provisions of the Texas Tax Code.

Section 4. All ordinances or parts of ordinances inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, hereby repealed.

Section 5. In the event any clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of

Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE ____ DAY OF _____ 2015.

COUNCILMAN HUDGENS	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGS	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE ____ DAY OF _____ 2015.

COUNCILMAN HUDGENS	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGS	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

GRETCHEN FAGAN, MAYOR
City of Tomball

ATTEST:

DORIS SPEER, City Secretary
City of Tomball

EXHIBIT "A"
PROPERTY DESCRIPTION

**DESCRIPTION OF A 17.3578 ACRES
(756,107.25 SQ. FT.) TRACT OF LAND SITUATED
IN THE ELIZABETH SMITH SURVEY, A-70
HARRIS COUNTY, TEXAS**

Being a 17.3578-acre (756,107.25 square foot) tract of land situated in the Elizabeth Smith Survey, A-70, City of Tomball, Harris County, Texas. Said 17.3578-acre tract being out of Lot 4 of the Tomball Business and Technology Park plat as recorded under Film Code No. 653006 of the Harris County Map Records, Harris County, Texas and being further described by metes and bounds as follows with the basis of bearings being the Texas State Plane Coordinate System, NAD 83, South Central Zone No. 4204 (the coordinates shown hereon are surface and may be brought to the grid by applying the combined scale factor of 0.999942131):

BEGINNING at a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set in the west right-of-way line of Hufsmith Kohrville Road (right-of-way varies) recorded under Volume 2549, Page 325 of the Harris County Deed Records and in the northeast corner of Unrestricted Reserve óAô, of Yam Plaza, recorded under Film Code 594151 of the Harris County Map Records, Harris County for the southwest corner of said tract herein described;

THENCE, South 84 deg. 40 min. 07 sec. West, with the north line of the said Unrestricted Reserve óAô, of Yam Plaza, and a south line of said tract herein described, a distance of 386.51 feet from which a found 5/8-inch iron rod with cap bears North 00° 07' West, a distance of 0.31 feet, for an angle point of said tract herein described;

THENCE North 61 deg. 02 min. 11 sec. West, over and across said Lot 4 of Tomball Business and Technology Park and a south line of said tract herein described, a distance of 109.72 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a non-tangent curve to the left;

THENCE in a westerly direction, over and across said Lot 4 of Tomball Business and Technology Park, along said curve to the left, having a radius of 60.00 feet, a central angle of 177 deg. 28 min. 29 sec., a chord bearing N 59 deg. 46 min. 26 sec. W, a chord distance of 119.97 feet and an arc length of 185.85 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a reverse curve to the right;

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THENCE South 52 deg. 26 min. 00 sec. East, with the southwest right-of-way line of said cutback corner, with the northeast line of said tract herein described, a distance of 34.95 feet to a point in the east right-of-way line of said Huffsmith Kohrville Road to a 5/8-inch iron rod with cap stamped ÓWEISSER ENG HOUSTON, TX set for the beginning of a non-tangent curve to the right;

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THENCE South 00 deg. 07 min. 01 sec. West, with the west right-of-way line of said Huffsmith Kohrville Road, and with the east line of said tract herein described, a distance of 455.26 feet to the **POINT OF BEGINNING** and containing 17.3578 acres (756,107.25 square feet) of land.

This description is accompanied by a plat of even survey date.

Compiled by:

Weisser Engineering Company
19500 Park Row
Houston, Texas 77084
TBPLS Reg. No. 100518-00
TBPE Reg. No.: F-68
Job No. IG046 (2418-001)
Date: 05/05/2015

Economic Impact of Packers Plus Energy Services (USA) Inc. in Tomball, TX

Executive Summary

March 9, 2015

Prepared by:

Tomball Economic Development Corporation
29201 Quinn Road
Tomball, TX 77375

This summary was prepared by the Tomball Economic Development Corporation using Quick Impact by Impact DataSource. Please consult the full economic impact report for additional details and assumptions used in this analysis.

ECONOMIC IMPACT EXECUTIVE SUMMARY: PACKERS PLUS ENERGY SERVICES (USA) INC.

Project Description

Packers Plus is an oilfield service company that manufactures, assembles and installs downhole completion systems that cater primarily to the multi-stage fracturing business. The company has been in the USA for 8 years and has grown dramatically over that period of time. Given the anticipated future growth for the company it has been decided that a new facility is necessary. Further, the desire is to pull all three facets of the business together on one location, or campus. The new facility will consist of a 237,000 sq. ft. manufacturing building, a 50,000 sq. ft. R&D structure and a multi-storey 40,000 sq. ft. corporate office.

Economic Impact Over the First 10 Years

The project will have the following economic impact on the City of Tomball area over the first 10 years:

Economic Impact Over the First 10 Years			
	Direct	Indirect & Induced	Total
Total number of permanent direct and indirect jobs to be created	353	474	827
Salaries to be paid to direct and indirect workers	\$131,684,881	\$114,855,553	\$246,540,434
Taxable sales and purchases expected in the city	\$20,025,127	\$10,049,861	\$30,074,988
The value of new residential property to be built for direct and indirect workers who move to the city by Year 10	\$598,459	\$897,689	\$1,496,148
The market value the firm's property on local tax rolls in Year 1	\$33,500,000	\$0	\$33,500,000

Fiscal Impact Over the First 10 Years

Over the first 10 years, the City of Tomball and Tomball EDC can expect the following net benefits from the facility, its employees, and workers in spin-off jobs created in the community:

Costs and Benefits for the City Over the First 10 Years			
	Benefits	Costs	Net Benefits
Sales taxes allocated to the City	\$451,125	\$0	\$451,125
Sales taxes allocated to Tomball EDC	\$150,375	\$0	\$150,375
Property taxes	\$1,028,516	\$0	\$1,028,516
Utility revenues	\$1,450,483	\$0	\$1,450,483
Utility franchise fees	\$150,372	\$0	\$150,372
Hotel occupancy taxes	\$134,767	\$0	\$134,767
Other taxes and user fees	\$127,807	\$0	\$127,807
Building permits and fees	\$60,870	\$0	\$60,870
Costs of providing utilities	\$0	\$1,305,435	(\$1,305,435)
Costs of providing municipal services for new residents	\$0	\$284,488	(\$284,488)
Total	\$3,554,314	\$1,589,923	\$1,964,392

ECONOMIC IMPACT EXECUTIVE SUMMARY: PACKERS PLUS ENERGY SERVICES (USA) INC.

Net Benefits To The City From The Direct and Indirect Sources

The city will receive benefits from direct and indirect economic impacts that result from the project. The benefits, associated costs and net benefits for the first 10 years are shown below, divided between direct and indirect impacts.

Net Benefits to the City from Direct and Indirect Sources			
	Benefits/Costs from:		
	Direct	Indirect & Induced	Total
<u>Additional revenues:</u>			
Sales taxes allocated to the City	\$300,377	\$150,748	\$451,125
Sales taxes allocated to Tomball EDC	\$100,126	\$50,249	\$150,375
Property taxes	\$1,012,611	\$15,905	\$1,028,516
Utility revenues	\$1,046,625	\$403,858	\$1,450,483
Utility franchise fees	\$122,353	\$28,019	\$150,372
Hotel occupancy taxes	\$134,767		\$134,767
Other taxes and user fees	\$54,130	\$73,677	\$127,807
Building permits and fees	\$60,870		\$60,870
Total additional revenues	\$2,831,859	\$722,455	\$3,554,314
<u>Additional costs:</u>			
Costs of providing utilities	\$941,963	\$363,472	\$1,305,435
Costs of providing municipal services for new residents	\$120,489	\$163,999	\$284,488
Total additional costs	\$1,062,452	\$527,471	\$1,589,923
Net Benefits	\$1,769,407	\$194,984	\$1,964,392
Percent of total net benefits for city	90%	10%	

The net benefits to the city over the first 10 years are estimated to accrue as detailed below.

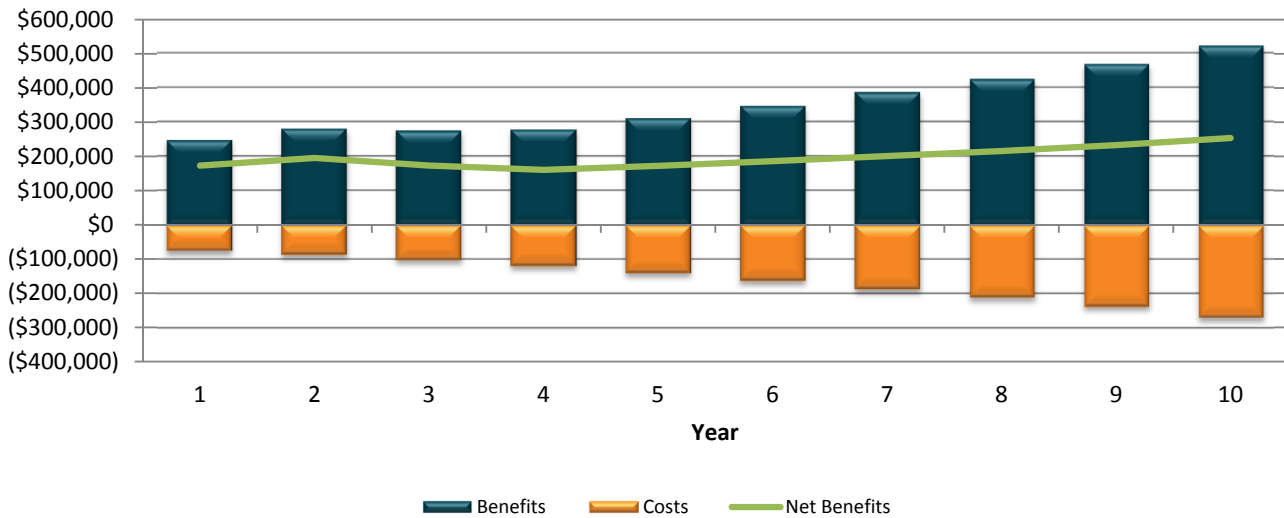
Net Benefits to the City by Year				
	Benefits	Costs	Net Benefits	Cumulative Benefits
Year 1	\$248,251	\$75,169	\$173,082	\$173,082
Year 2	\$282,006	\$86,531	\$195,475	\$368,557
Year 3	\$275,659	\$102,339	\$173,320	\$541,877
Year 4	\$279,317	\$118,745	\$160,571	\$702,448
Year 5	\$312,228	\$139,951	\$172,277	\$874,725
Year 6	\$347,985	\$161,958	\$186,027	\$1,060,752
Year 7	\$388,059	\$186,966	\$201,093	\$1,261,845
Year 8	\$426,386	\$210,689	\$215,697	\$1,477,542
Year 9	\$470,577	\$237,551	\$233,026	\$1,710,568
Year 10	\$523,847	\$270,023	\$253,824	\$1,964,392
Total	\$3,554,314	\$1,589,923	\$1,964,392	
<i>Present Value of Net Benefits*</i>			\$1,492,706	

*The Present Value of Net Benefits is a way of expressing in today's dollars, dollars to be paid or received in the future. A dollar today and a dollar to be received or paid at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or discount rate. This analysis uses a discount rate of 5% to make the dollars comparable.

Fiscal Impact Over the First 10 Years

The graph below depicts the costs, benefits and net benefits to the city over the first 10 years.

Net Benefits Over the First 10 Years



Tax Abatement

The table below identifies the percentage of tax abatement and the value of the possible tax abatement over the next 10 years.

Tax Abatement		
	<i>Tax</i>	
	<i>Abatement</i>	<i>City</i>
Year 1	100%	\$22,877
Year 2	100%	\$55,008
Year 3	100%	\$69,051
Year 4	100%	\$70,314
Year 5	100%	\$71,525
Year 6	100%	\$72,761
Year 7	100%	\$74,021
Year 8	100%	\$75,306
Year 9	100%	\$76,617
Year 10	100%	\$78,023
Total		\$665,503

Incentives

Tomball EDC may consider the following incentives for the project:

Incentives	
Year 1	\$52,603
Year 2	\$52,602
Year 3	\$52,602
Year 4	\$52,602
Year 5	\$52,602
Year 6	\$0
Year 7	\$0
Year 8	\$0
Year 9	\$0
Year 10	\$0

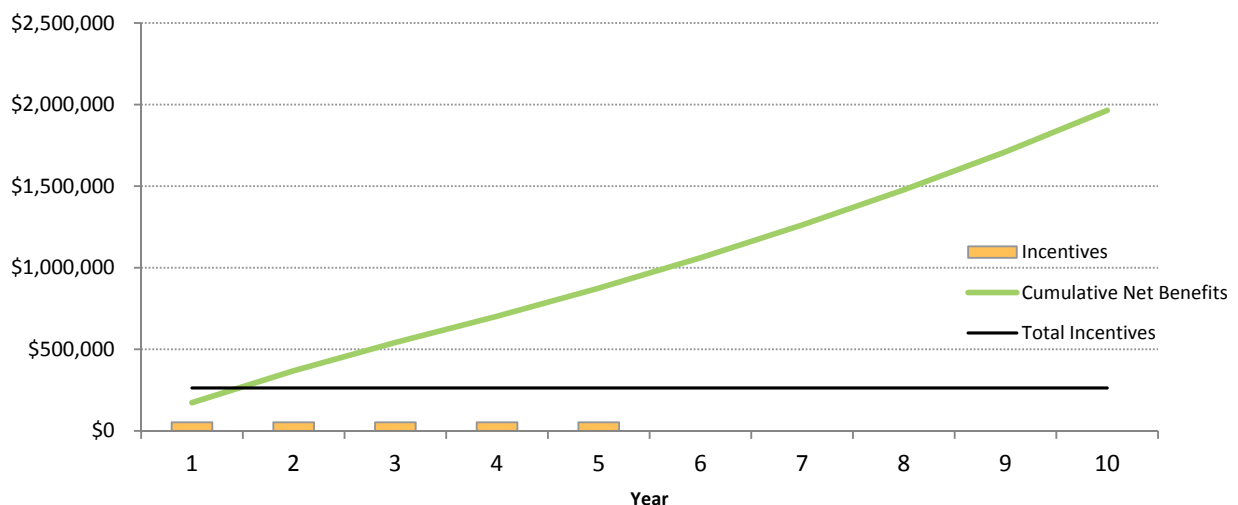
The table below shows an analysis of these incentives, including a calculation of incentives per job, rate of return and payback period.

Analysis of Incentives	
Total Incentives	\$263,011
Incentives Per Job	\$745
Rate of Return Over 5 Years	66.5%
Payback period (years)	1.5

* Rate of Return and Payback Period are calculated based on the sum of annual incentives rather than the PV of incentives.

The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to the city. The intersection indicates the length of time until the incentives are paid back.

Incentives vs. Cumulative Net Benefits



Regular City Council

Agenda Item

Meeting Date: June 15, 2015

Data Sheet

Topic:

Approve Tax Abatement Agreement between City of Tomball and Packers Plus Energy Services (USA), Inc. for Phase III Improvements to be Constructed in Tax Abatement Reinvestment Zone No. 5

Background:

The draft Tax Abatement Agreement between the City of Tomball and Packers Plus Energy Services (USA), Inc., covering the Phase III Improvements to be constructed in Reinvestment Zone No. 5, is attached.

The project includes the construction of a 50,000 sq. ft. Research & Development facility (Phase I), a 237,000 sq. ft. manufacturing building (Phase II), and a multi-story 40,000 sq. ft. corporate office building (Phase III) on 17.38 acres within the Tomball Business & Technology Park. The development is proposed to be phased over several years with the Research & Development facility being constructed within the first year of closing, the manufacturing building being constructed in the second year and the corporate office being constructed in the third year. The estimated capital investment for this project is \$21,740,000.

The project is anticipated to create 353 new full-time jobs within the City of Tomball, with 187 of the jobs being created in the first five years of operation.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy. Per the analysis, the estimated five year net benefit to the City is \$874,725 (\$1,964,392 over ten years).

The estimated value of the ten-year 100% Tax Abatement is \$665,503. The agreements have been structured to accommodate the phasing of the project as described above. The Tax Abatement for each improvement shall begin on January 1st of the year following the issuance of a Certificate of Occupancy by the City for each phase.

Origination:

Patrick Maguire, Regional General Manager, USA Packers Plus Energy Services (USA), Inc.

Recommendation:

Approval of the Tax Abatement Agreement for Phase III Improvements

Funding:

Party(ies) responsible for placing this item on agenda:

Kelly Violette - Executive Director Tomball Economic Development Corporation

ACTION TAKEN		
APPROVAL ☐ YES ☐ NO	READINGS PASSED ☐ 1 ST ☐ 2 ND	OTHER

ATTACHMENTS:

Draft Phase III Tax Abatement Agreement

Economic Impact Analysis Report- Packers Plus

**TAX ABATEMENT AGREEMENT
BETWEEN THE
CITY OF TOMBALL, TEXAS
AND
PACKERS PLUS ENERGY SERVICES (USA), INC.
FOR PHASE III IMPROVEMENTS**

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

THIS TAX ABATEMENT AGREEMENT ("Agreement") is made and entered into by and between the **CITY OF TOMBALL, TEXAS**, a home rule city situated in Harris County, Texas ("City"), and **PACKERS PLUS ENERGY SERVICES (USA), INC.** ("Packers Plus"), the owner of a tract of land with improvements, and the improvements to be constructed thereon, within Reinvestment Zone No. 5 (hereinafter defined).

WHEREAS, Packers Plus is the owner of a 17.38 acre tract of land located in Harris County, Texas (the "Property"), as defined in Section 2 of this Agreement; and

WHEREAS, Packers Plus desires to construct new facilities in phases (the "Improvements" as defined in Section 2 of this Agreement) on the Property; and

WHEREAS, the City and Packers Plus wish to enter into a tax abatement agreement, which will provide for a ten (10) year tax abatement period that will commence on January 1, of the year following the issuance of a Certificate of Occupancy by the City for the Phase III Improvements;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, Packers Plus and the City hereby agree as follows:

1. **Authorization.** This Agreement is authorized by the Property Redevelopment and Tax Abatement Act, Chapter 312, TEXAS TAX CODE, as amended, and the Tax Abatement Policy adopted by the City of Tomball, Texas, adopted by the City Council of the City on April 20, 2015. The City Council has determined that the terms of the Agreement and the property subject to this Agreement meet the provisions of the Tax Abatement Policy adopted by the City.

2. **Defined Terms.** As used in this Agreement, the following terms shall have the meanings set forth below:

 "Packers Plus" shall mean Packers Plus Energy Services (USA), Inc., the entity that owns the Property on the date taxes are abated under this Agreement or any other person or entity to which this Agreement is assigned, in accordance with this Agreement.

EXHIBIT "A"
DESCRIPTION OF IMPROVEMENTS



*Do It Once
Do It Right*

5825 N. Sam Houston Pkwy. West, Suite 150 Houston, TX 77086 Ph: (832)-484-8067 Fax: (832)-484-1556

Tomball City Hall
Attn: Ms. Doris Speer
City Secretary
401 Market Street
Tomball, TX 77375

February 15, 2015

Dear Ms. Speer,

In keeping with Section 5 of the City of Tomball Tax Abatement Policy (CTTAP), Packers Plus Energy Services (USA), Inc. is submitting this letter as application for tax abatement for the proposed campus we are considering in the new Tomball Industrial Park.

As shown on the attached proposed site plan, the campus is to be constructed on 16.40 net acres and will consist of three structures: 1) a 237,000 sq. ft. manufacturing tilt-wall facility; 2) a 50,000 sq. ft. tilt-wall research and development facility and; 3) a 40,000 sq. ft. steel frame and glass corporate office.

Upon completion of the campus we will have approximately 150 employees working out of the combined facility. Attached you will find the Economic Impact Data Sheet that we submitted to Kelly Violette on January 19th of this year addressing, among other things, anticipated increase in headcount moving forward, average salary, the estimated inventory that we will be carrying (all of which will be stored indoors at either the R&D or Manufacturing facility) and our predicted annual sales in the Tomball area. Please note that any additional growth in headcount will be in accordance with section 5c of the CTTAP and that no undocumented workers will be employed by Packers Plus.

Construction of the Packers Plus campus will be staged to accommodate our current lease expirations. The following table provides the anticipated start and completion dates for the three structures.

Structure	Approximate Start	Approximate Completion
R&D Facility	Q2 2015	Q2 2016
MX Manufacturing Facility	Q1 2016	Q2 2017
Corporate Office	Q2 2017	Q2 2018

Packers Plus is a cutting edge oilfield service company that has revolutionized the down-hole completion equipment industry through our state-of-the-art automated manufacturing process.

That being said, the cost of tooling-up for the significant growth we expect to see over the next several years will be substantial. To ensure our success, it is imperative that we carry out an expansion of this magnitude in a suitable tax environment. It is for this reason that we are seeking tax abatement from the City of Tomball.

Your earliest response to this letter would be greatly appreciated.

Yours truly,

A handwritten signature in dark ink, appearing to read 'P. Maguire', with a stylized, flowing script.

Patrick Maguire
Regional General Manager, USA
Packers Plus Energy Services (USA), Inc.

Economic Impact Data Sheet

Tomball Economic Development Corporation

The information requested on this form will be used by the Tomball Economic Development Corporation to prepare an economic impact analysis of your firm or project. Enter data in the blue cells below. You may also enter additional information or notes in other areas of this worksheet, to the right in column K or insert rows to enter other data.

Some standard defaults are entered in the data sheet already. You may change these defaults as appropriate.

Please enter information in the blue cells below and e-mail this completed survey form to:

Kelly Violette, AICP
Executive Director
Tomball EDC
29201 Quinn Road, Suite B
Tomball, TX 77375

Phone: 281.401.4086
Fax: 281.351.7223
E-mail: kviolette@tomballtxedc.org

Please call if you have any questions.

About the Firm

Name of the firm:	Packers Plus Energy Services (USA) Inc.	
Current Address:	5825 North Sam Houston Parkway West	
	Suite 150	
	Houston, TX 77086	
Phone Number:	832-484-8067	Fax Number: n/a
Person completing this form:	Patrick Maguire, Regional General Manager, USA	
Name of project:	Packers Plus Energy Services US Campus	

Is or will the firm be located in the city limits?

☒ Yes

Description of the firm's plans to startup, expand or relocate to the community:

(Enter any narrative below to describe the firm and its plans to startup, expand or locate in the community. This description will be shown in the report.)

Packers Plus is an oilfield service company that manufactures, assembles and installs downhole completion systems that cater primarily to the multi-stage fracturing business. The company has been in the USA for 8 years and has grown dramatically over that period of time. Given the anticipated future growth for the company it has been decided that a new facility is necessary. Further, the desire is to pull all three facets of the business together on one location, or campus. The new facility will consist of a 237,000 sq. ft. manufacturing building, a 50,000 sq. ft. R&D structure and a multi-storey 20,000 sq. ft. footprint corporate office.

The firm's primary North American Industry Classification System (NAICS)

211111

Example: 221119. A six-digit NAICS code should be entered for the program to correctly calculate indirect and induced benefits from the firm's operations. If the NAICS is unknown enter 0 as a default NAICS allowing the program to use default indirect earnings and employment multipliers.

The Firm's Taxable Assets, Employees and Operations

The Firm's Investments, Assets and Construction:

(New or additional property purchased or constructed each year that will be on local property tax rolls on January 1)

The investments at the firm's facility each year:

Year	Land	Buildings and Other Real Property Improvements	Furniture, Fixtures and Equipment	Total
1	\$1,800,000	\$6,500,000	\$200,000	\$8,500,000
2		\$9,000,000	\$300,000	\$9,300,000
3		\$3,800,000	\$50,000	\$3,850,000
4			\$30,000	\$30,000
5			\$10,000	\$10,000
6			\$10,000	\$10,000
7			\$10,000	\$10,000
8			\$10,000	\$10,000
9			\$10,000	\$10,000
10			\$10,000	\$10,000
Total	\$1,800,000	\$19,300,000	\$640,000	\$21,740,000

Are building and improvements costs above for new construction?

☒ Yes

Percent of construction costs for materials and labor:

Materials	50%
Labor	50%

Percent of construction materials that will be purchased in the city and be subject to sales taxes:

20%

Percent of taxable spending by construction workers in the city and subject to sales taxes:

30%

Percent of furniture, fixtures and equipment to be purchased in the city and subject to sales taxes:

20%

Expected city building permits and other fees to be paid during construction, if applicable:

Year	Total City Permits and Fees
1	\$22,960
2	\$70,660
3	\$0
4	\$16,240
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$109,860

Estimated taxable inventories, at the end of each year:

(Enter an amount in Year 1 and the percent of annual increase or enter appropriate amounts for each year.)

Year	Total Inventories
1	\$25,000,000
2	\$25,500,000
3	\$26,010,000
4	\$26,530,200
5	\$27,060,804
6	\$27,602,020
7	\$28,154,060
8	\$28,717,142
9	\$29,291,485
10	\$29,877,314

Percent of annual increase after Year 1:

2%

The firm's annual utilities:

(Enter an amount in Year 1 and the percent of annual increase or enter appropriate amounts for each year.)

Percent of annual increase after Year 1: 2%

Year	Water	Wastewater	Solid Waste	Electricity	Natural Gas	Cable	Telephone
1	\$2,727	\$1,633	\$28,127	\$176,413	\$36,000	\$5,409	\$17,704
2	\$2,782	\$1,666	\$28,690	\$179,941	\$36,720	\$5,517	\$18,058
3	\$2,837	\$1,699	\$29,263	\$183,540	\$37,454	\$5,628	\$18,419
4	\$2,894	\$1,733	\$29,849	\$187,211	\$38,203	\$5,740	\$18,788
5	\$2,952	\$1,768	\$30,446	\$190,955	\$38,968	\$5,855	\$19,163
6	\$3,011	\$1,803	\$31,054	\$194,774	\$39,747	\$5,972	\$19,547
7	\$3,071	\$1,839	\$31,676	\$198,670	\$40,542	\$6,091	\$19,938
8	\$3,132	\$1,876	\$32,309	\$202,643	\$41,353	\$6,213	\$20,336
9	\$3,195	\$1,913	\$32,955	\$206,696	\$42,180	\$6,338	\$20,743
10	\$3,259	\$1,952	\$33,614	\$210,830	\$43,023	\$6,464	\$21,158
Total	\$29,860	\$17,881	\$307,983	\$1,931,673	\$394,190	\$59,227	\$193,854

Number of telephone lines at the firm:

120

Percent of the firm's utility usage for manufacturing or processing operations:

60%

The firm's estimated taxable purchases of materials, supplies and services in the community and the firm's estimated taxable sales that will be subject to sales tax in the city:

(Enter an amount in Year 1 and the percent of annual increase or enter appropriate amounts for each year.)

Year	The Firm's Taxable Purchases	The Firm's Taxable Sales
1	\$310,000	\$0
2	\$316,200	\$0
3	\$322,524	\$0
4	\$328,974	\$0
5	\$335,554	\$0
6	\$342,265	\$0
7	\$349,110	\$0
8	\$356,093	\$0
9	\$363,214	\$0
10	\$370,479	\$0
Total	\$3,394,414	\$0
Percent of annual increase after Year 1:	2%	2%

Number of new full-time jobs to be added in the city each year:

(Enter only the additional jobs added in the city each year.)

* If the business is relocating from outside of the city, the year 1 value should include jobs transferred to the city in year 1 and new positions hired, if any.

Year	New Jobs added in the city each year
1*	27
2	22
3	26
4	30
5	35
6	40
7	42
8	36
9	43
10	52
Total	353

New employees moving to the city:

(Enter a percent below or enter appropriate amounts for each year.)

Percent of total new
workers moving to the city

10.0%

Year	Number of new employees moving to the city
1	3
2	2
3	3
4	3
5	4
6	4
7	4
8	4
9	4
10	5
Total	36

Average annual salaries of new employees in the first year:	\$60,000
Percent of expected annual salary increases after Year 1:	4.0%
Percent of workers in new indirect and induced jobs that will move to the city for the job:	10%
Estimated percentage of workers moving to the city that will have new residential property built for them the first year that they move to the city:	10%
Household size of a typical new worker moving to the city:	2,500.00
Number of school children in a typical worker's household	0.40
Percent of taxable shopping by a typical new worker that will be in the city:	35%

Expected Out-of-Town Visitors to the Firm:

Number of out-of-town visitors expected at the firm in the first year:	240
Percent of annual increase in the number of visitors:	1%
Average number of days that each visitor will stay in the city:	5
Average daily taxable visitor spending, excluding lodging in the city:	\$75
Average number of nights that a typical visitor will stay in a motel in the city:	5
Average nightly room rate in a local motel:	\$125

Expected Out-of-Town Truckers Loading or Unloading at the Firm

Number of out-of-town truckers expected to load or unload at the firm in the first year:	96
Percent of annual increase in the number of out-of-town truckers:	10%
Average taxable spending in the community by a typical out-of-town trucker loading or unloading at the firm:	\$50.00
Percent of truckers that will stay one night in a local hotel or motel:	15%

SITE PLAN 'I'

DITCH EASEMENT AREA (0.98 AC) 42,781 SF
NET SITE AREA (16.40 AC) 714,100 SF
GROSS SITE AREA (17.38 AC) 756,881 SF

IMPERVIOUS SURFACES

BUILDINGS-37% 280,000 SF
MAXIMUM PER SECTION 31.4 C. 60%
PAVEMENT 294,331 SF
TOTAL IMPERVIOUS 574,331 SF
PEDESTRAIN SIDEWALKS 12,397 SF
GROSS IMPERVIOUS-77.5% 586,728 SF
MAXIMUM PER SECTION 31.4 C. 90%

LANDSCAPING

ISLANDS 22.5% OF SITE
AT BLDG AND PERIMETER 4,547 SF
PEDESTRAIN SIDEWALKS 178,063 SF
TOTAL GREEN SPACE -12,397 SF
TOTAL GREEN SPACE 170,213 SF

LANDSCAPING OF YARDS

AREA MEASURED BETWEEN PROPERTY LINE AND BUILDING FACE. ALL STREET YARDS REQUIRE 35% MINIMUM LANDSCAPED AREA WITH 10' LANDSCAPED BUFFER ALONG RIGHT-OF-WAY (PROPERTY LINE)
STREET AREA OF YARD GREEN AREA
CUL-DE-SAC 92,630 SF 17,987 SF-19.4%
PERSIMMON 48,030 SF 10,807 SF-22.5%
SPELL RD 107,904 SF 42,260 SF-39%
HUFSMITH-KOHRVILLE 60,518 SF 41,443 SF-68%

CONCEPTUAL NEW CAMPUS FOR:

PACKERS PLUS ENERGY
TOMBALL TEXAS



SITE PLAN

214370 P-JP REV 1-8-20 15



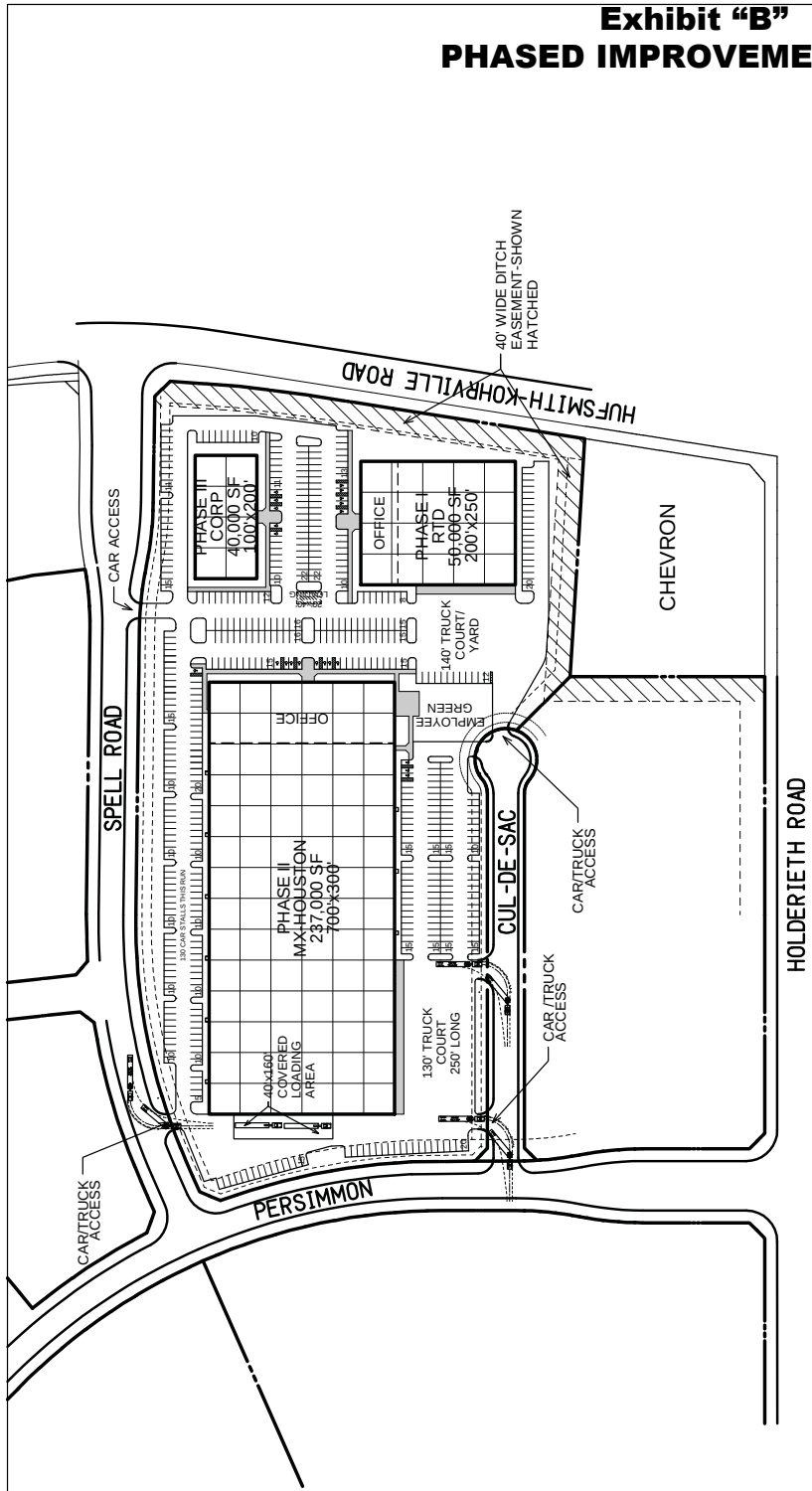
Verus Partners Chicago, IL.

5600 N. River Rd, Suite 800
Rosemont, Illinois 60018
Telephone 847.993-3083

Verus Partners Canada Ltd.

117, 10555 48TH STREET SE
Calgary, Alberta T2C 2B7
Telephone 403.538-5443

Exhibit "B" PHASED IMPROVEMENTS



MX-HOUSTON

OFFICE 27,000 SF
WAREHOUSE 183,000 SF
TOTAL BUILDING AREA 210,000 SF
SECOND FLOOR OFFICE 27,000 SF
TOTAL BUILDING AREA 237,000 SF
PARKING: PER 50-82
OFFICE 1:300 SF
MTL PRODUCTS MANFR 1:1000

180 STALLS
183 STALLS
363 STALLS
341 STALLS
7 CAR-1 VAN
TOTAL PARKING REQUIRED
TOTAL PARKING PROVIDED
ACCESSIBLE SPACES

RTD-HOUSTON

OFFICE 12,000 SF TBV
SHOP 38,000 SF TBV
TOTAL BUILDING AREA 50,000 SF
SECOND FLOOR OFFICE 12,000 SF TBV
TOTAL BUILDING AREA 62,000 SF
PARKING: PER 50-82
OFFICE 1:300 SF
MACHINE SHOP 1:1000 SF

80 STALLS
38 STALLS
118 STALLS
100 STALLS
5 CAR
TOTAL PARKING REQUIRED
TOTAL PARKING PROVIDED
ACCESSIBLE SPACES

CORP. HEADQUARTERS-HOUSTON

FIRST FLOOR 20,000 SF
SECOND FLOOR 20,000 SF
TOTAL BUILDING AREA 40,000 SF
PARKING: PER 50-82
OFFICE 1:300 SF

134 STALLS
134 STALLS
107 STALLS
5 CAR
TOTAL PARKING REQUIRED
TOTAL PARKING PROVIDED
ACCESSIBLE SPACES

HARRIS ARCHITECTS, INC.
WWW.HARRISARCHITECTS.COM
847.303.1155

Exhibit "C"
PROPERTY DESCRIPTION

**DESCRIPTION OF A 17.3578 ACRES
(756,107.25 SQ. FT.) TRACT OF LAND SITUATED
IN THE ELIZABETH SMITH SURVEY, A-70
HARRIS COUNTY, TEXAS**

Being a 17.3578-acre (756,107.25 square foot) tract of land situated in the Elizabeth Smith Survey, A-70, City of Tomball, Harris County, Texas. Said 17.3578-acre tract being out of Lot 4 of the Tomball Business and Technology Park plat as recorded under Film Code No. 653006 of the Harris County Map Records, Harris County, Texas and being further described by metes and bounds as follows with the basis of bearings being the Texas State Plane Coordinate System, NAD 83, South Central Zone No. 4204 (the coordinates shown hereon are surface and may be brought to the grid by applying the combined scale factor of 0.999942131):

BEGINNING at a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set in the west right-of-way line of Hufsmith Kohrville Road (right-of-way varies) recorded under Volume 2549, Page 325 of the Harris County Deed Records and in the northeast corner of Unrestricted Reserve óAô, of Yam Plaza, recorded under Film Code 594151 of the Harris County Map Records, Harris County for the southwest corner of said tract herein described;

THENCE, South 84 deg. 40 min. 07 sec. West, with the north line of the said Unrestricted Reserve óAô, of Yam Plaza, and a south line of said tract herein described, a distance of 386.51 feet from which a found 5/8-inch iron rod with cap bears North 00° 07' West, a distance of 0.31 feet, for an angle point of said tract herein described;

THENCE North 61 deg. 02 min. 11 sec. West, over and across said Lot 4 of Tomball Business and Technology Park and a south line of said tract herein described, a distance of 109.72 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a non-tangent curve to the left;

THENCE in a westerly direction, over and across said Lot 4 of Tomball Business and Technology Park, along said curve to the left, having a radius of 60.00 feet, a central angle of 177 deg. 28 min. 29 sec., a chord bearing N 59 deg. 46 min. 26 sec. W, a chord distance of 119.97 feet and an arc length of 185.85 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a reverse curve to the right;

THENCE in a westerly direction, over and across said Lot 4 of Tomball Business and Technology Park, along said curve to the right, having a radius of 25.00 feet, a central angle of 49 deg. 40 min. 47 sec., a chord bearing S 56 deg. 19 min. 43 sec. W, a chord distance of 21.00 feet and an arc length of 21.68 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE South 81 deg. 10 min. 07 sec. West, over and across said Lot 4 of Tomball Business and Technology Park, a distance of 565.44 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for an angle point of said tract herein described;

THENCE North 54 deg. 56 min. 00 sec. West, over and across said Lot 4 of Tomball Business and Technology Park, a distance of 28.82 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point in the east right-of-way line of South Persimmon Street (right-of-way varies) recorded under Film Code No. 653006, of the Map Records of Harris County, Texas and the west corner of said tract herein described;

THENCE North 08 deg. 49 min. 53 sec. West, with the east right-of-way line of said South Persimmons Street, and a west line of said tract herein described, a distance of 53.03 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the left;

THENCE in a northerly direction, with the east right-of-way line of said South Persimmons Street, and with a west line of said tract herein described, along said curve to the left, having a radius of 1,040.00 feet, a central angle of 20 deg. 11 min. 11 sec., a chord bearing N 18 deg. 55 min. 28 sec. W, a chord distance of 364.52 feet and an arc length of 366.41 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the southerly-most southeast cutback corner of the intersection of the east right-of-way line of South Persimmon Street and the south right-of-way line of said Spell Road (80öROW) as recorded under Film Code No. 653006, of the Map Records of Harris County, Texas for the westerly most northwest corner of said tract herein described;

THENCE North 13 deg. 50 min. 50 sec. East, with the southeast right-of-way line of said cutback corner, with the northwest line of said tract herein described, a distance of 36.24 feet to a point in the south right-of-way line of said Spell Road to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a west corner of said tract herein described;

THENCE North 57 deg. 24 min. 03 sec. East, with the south right-of-way line of said Spell Road, and a north line of said tract herein described, a distance of 54.60 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the right;

THENCE in a easterly direction, with a south right-of-way line of said Spell Road, and with a north line of said tract herein described, along said curve to the right, having a radius of 960.00 feet, a central angle of 24 deg. 29 min. 38 sec., a chord bearing N 69 deg. 38 min. 51 sec. E, a chord distance of 407.28 feet and an arc length of 410.40 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE North 81 deg. 53 min. 40 sec. East, with the south right-of-way line of said Spell Road, and a north line of said tract herein described, a distance of 463.44 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the right;

THENCE in an easterly direction, with a south right-of-way line of said Spell Road, and with a north line of said tract herein described, along said curve to the right, having a radius of 530.00 feet, a central angle of 11 deg. 08 min. 52 sec., a chord bearing N 87 deg. 28 min. 06 sec. E, a chord distance of 102.96 feet and an arc length of 103.12 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a reverse curve to the left;

THENCE in an easterly direction, with a south right-of-way line of said Spell Road, and with a north line of said tract herein described, along said curve to the left, having a radius of 530.00 feet, a central angle of 11 deg. 08 min. 52 sec., a chord bearing N 87 deg. 28 min. 06 sec. E, a chord distance of 102.96 feet and an arc length of 103.12 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE North 81 deg. 53 min. 40 sec. East, with a south right-of-way line of said Spell Road, and a north line of said tract herein described, a distance of 172.42 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the north cutback corner of the intersection of the south right-of-way line of said Spell Road and the west right-of-way line of said Huffsmith Kohrville Road for the northerly most northeast corner of said tract herein described;

THENCE South 52 deg. 26 min. 00 sec. East, with the southwest right-of-way line of said cutback corner, with the northeast line of said tract herein described, a distance of 34.95 feet to a point in the east right-of-way line of said Huffsmith Kohrville Road to a 5/8-inch iron rod with cap stamped ÓWEISSER ENG HOUSTON, TX set for the beginning of a non-tangent curve to the right;

THENCE in an southerly direction, with a west right-of-way line of said Huffsmith Kohrville Road, and with an east line of said tract herein described, along said curve to the right, having a radius of 1950 feet, a central angle of 06 deg. 31 min. 05 sec., a chord bearing S 03 deg. 08 min. 32 sec. E, a chord distance of 221.71 feet and an arc length of 221.83 feet to a 5/8-inch iron rod with cap stamped ÓWEISSER ENG HOUSTON, TX set for a point of tangency of said tract herein described;

THENCE South 00 deg. 07 min. 01 sec. West, with the west right-of-way line of said Huffsmith Kohrville Road, and with the east line of said tract herein described, a distance of 455.26 feet to the **POINT OF BEGINNING** and containing 17.3578 acres (756,107.25 square feet) of land.

This description is accompanied by a plat of even survey date.

Compiled by:

Weisser Engineering Company
19500 Park Row
Houston, Texas 77084
TBPLS Reg. No. 100518-00
TBPE Reg. No.: F-68
Job No. IG046 (2418-001)
Date: 05/05/2015

Exhibit "D"

ORDINANCE NO. 2015-10

AN ORDINANCE CREATING CITY OF TOMBALL, TEXAS, REINVESTMENT ZONE NO. 5; AN APPROXIMATELY 17.38 ACRE TRACT OF LAND, BEING PART OF THE TOMBALL BUSINESS AND TECHNOLOGY PARK AND LOCATED GENERALLY AT THE NORTHWEST CORNER OF HOLDERRIETH ROAD AND HUFSMITH-KOHRVILLE ROAD, WITHIN THE CITY OF TOMBALL, HARRIS COUNTY, TEXAS; MAKING CERTAIN FINDINGS; REPEALING ORDINANCES INCONSISTENT OR IN CONFLICT HERewith; AND PROVIDING FOR SEVERABILITY.

* * * * *

WHEREAS, on April 20, 2015, the City Council passed and approved a "Tax Abatement Policy;" and

WHEREAS, pursuant to that Policy, the City Council has received an application for creation of a reinvestment zone; and

WHEREAS, after the giving of proper notice, as required by law, the City Council held a public hearing where all interested persons were given an opportunity to speak and present evidence for and against the creation of Reinvestment Zone No. 5; and

WHEREAS, notice was given to all taxing entities where the proposed zone is to be located; and

WHEREAS, the City Council has determined that the improvements sought to be located in proposed Reinvestment Zone No. 5 are feasible and practical and would be a benefit to the land to be included in the Zone and to the City after the expiration of a tax abatement agreement; and

WHEREAS, the creation of Reinvestment Zone No. 5 will be reasonably likely, as a result of its creation, to contribute to the retention or expansion of primary employment or to

attract major investment into the Zone that would benefit the property located therein and that will contribute to the economic development of the City of Tomball; now, therefore,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
TOMBALL, TEXAS THAT:**

Section 1. The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct and are incorporated herein for all purposes.

Section 2. Reinvestment Zone No. 5 is hereby created for the purpose of encouraging economic development through tax abatement. A metes and bounds description of the property that comprises said Reinvestment Zone No. 5 is attached hereto as Exhibit "A" and incorporated herein as though it was set forth in its entirety in this Ordinance. Improvements and personal property constructed, erected, or placed within Reinvestment Zone No. 5 as created hereby shall be eligible for commercial-industrial tax abatement.

Section 3. This designation shall be effective for a period of five (5) years, commencing on the date of adoption hereof. The expiration of the designation shall not affect an existing tax abatement agreement made under the provisions of the Texas Tax Code.

Section 4. All ordinances or parts of ordinances inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, hereby repealed.

Section 5. In the event any clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of

Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE ____ DAY OF _____ 2015.

COUNCILMAN HUDGENS	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGS	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE ____ DAY OF _____ 2015.

COUNCILMAN HUDGENS	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGS	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

GRETCHEN FAGAN, MAYOR
City of Tomball

ATTEST:

DORIS SPEER, City Secretary
City of Tomball

EXHIBIT "A"
PROPERTY DESCRIPTION

**DESCRIPTION OF A 17.3578 ACRES
(756,107.25 SQ. FT.) TRACT OF LAND SITUATED
IN THE ELIZABETH SMITH SURVEY, A-70
HARRIS COUNTY, TEXAS**

Being a 17.3578-acre (756,107.25 square foot) tract of land situated in the Elizabeth Smith Survey, A-70, City of Tomball, Harris County, Texas. Said 17.3578-acre tract being out of Lot 4 of the Tomball Business and Technology Park plat as recorded under Film Code No. 653006 of the Harris County Map Records, Harris County, Texas and being further described by metes and bounds as follows with the basis of bearings being the Texas State Plane Coordinate System, NAD 83, South Central Zone No. 4204 (the coordinates shown hereon are surface and may be brought to the grid by applying the combined scale factor of 0.999942131):

BEGINNING at a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set in the west right-of-way line of Hufsmith Kohrville Road (right-of-way varies) recorded under Volume 2549, Page 325 of the Harris County Deed Records and in the northeast corner of Unrestricted Reserve óAô, of Yam Plaza, recorded under Film Code 594151 of the Harris County Map Records, Harris County for the southwest corner of said tract herein described;

THENCE, South 84 deg. 40 min. 07 sec. West, with the north line of the said Unrestricted Reserve óAô, of Yam Plaza, and a south line of said tract herein described, a distance of 386.51 feet from which a found 5/8-inch iron rod with cap bears North 00° 07' West, a distance of 0.31 feet, for an angle point of said tract herein described;

THENCE North 61 deg. 02 min. 11 sec. West, over and across said Lot 4 of Tomball Business and Technology Park and a south line of said tract herein described, a distance of 109.72 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a non-tangent curve to the left;

THENCE in a westerly direction, over and across said Lot 4 of Tomball Business and Technology Park, along said curve to the left, having a radius of 60.00 feet, a central angle of 177 deg. 28 min. 29 sec., a chord bearing N 59 deg. 46 min. 26 sec. W, a chord distance of 119.97 feet and an arc length of 185.85 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a reverse curve to the right;

THENCE in a westerly direction, over and across said Lot 4 of Tomball Business and Technology Park, along said curve to the right, having a radius of 25.00 feet, a central angle of 49 deg. 40 min. 47 sec., a chord bearing S 56 deg. 19 min. 43 sec. W, a chord distance of 21.00 feet and an arc length of 21.68 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE South 81 deg. 10 min. 07 sec. West, over and across said Lot 4 of Tomball Business and Technology Park, a distance of 565.44 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for an angle point of said tract herein described;

THENCE North 54 deg. 56 min. 00 sec. West, over and across said Lot 4 of Tomball Business and Technology Park, a distance of 28.82 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point in the east right-of-way line of South Persimmon Street (right-of-way varies) recorded under Film Code No. 653006, of the Map Records of Harris County, Texas and the west corner of said tract herein described;

THENCE North 08 deg. 49 min. 53 sec. West, with the east right-of-way line of said South Persimmons Street, and a west line of said tract herein described, a distance of 53.03 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the left;

THENCE in a northerly direction, with the east right-of-way line of said South Persimmons Street, and with a west line of said tract herein described, along said curve to the left, having a radius of 1,040.00 feet, a central angle of 20 deg. 11 min. 11 sec., a chord bearing N 18 deg. 55 min. 28 sec. W, a chord distance of 364.52 feet and an arc length of 366.41 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the southerly-most southeast cutback corner of the intersection of the east right-of-way line of South Persimmon Street and the south right-of-way line of said Spell Road (80öROW) as recorded under Film Code No. 653006, of the Map Records of Harris County, Texas for the westerly most northwest corner of said tract herein described;

THENCE North 13 deg. 50 min. 50 sec. East, with the southeast right-of-way line of said cutback corner, with the northwest line of said tract herein described, a distance of 36.24 feet to a point in the south right-of-way line of said Spell Road to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a west corner of said tract herein described;

THENCE North 57 deg. 24 min. 03 sec. East, with the south right-of-way line of said Spell Road, and a north line of said tract herein described, a distance of 54.60 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the right;

THENCE in a easterly direction, with a south right-of-way line of said Spell Road, and with a north line of said tract herein described, along said curve to the right, having a radius of 960.00 feet, a central angle of 24 deg. 29 min. 38 sec., a chord bearing N 69 deg. 38 min. 51 sec. E, a chord distance of 407.28 feet and an arc length of 410.40 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE North 81 deg. 53 min. 40 sec. East, with the south right-of-way line of said Spell Road, and a north line of said tract herein described, a distance of 463.44 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a tangent curve to the right;

THENCE in an easterly direction, with a south right-of-way line of said Spell Road, and with a north line of said tract herein described, along said curve to the right, having a radius of 530.00 feet, a central angle of 11 deg. 08 min. 52 sec., a chord bearing N 87 deg. 28 min. 06 sec. E, a chord distance of 102.96 feet and an arc length of 103.12 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the beginning of a reverse curve to the left;

THENCE in an easterly direction, with a south right-of-way line of said Spell Road, and with a north line of said tract herein described, along said curve to the left, having a radius of 530.00 feet, a central angle of 11 deg. 08 min. 52 sec., a chord bearing N 87 deg. 28 min. 06 sec. E, a chord distance of 102.96 feet and an arc length of 103.12 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for a point of tangency of said tract herein described;

THENCE North 81 deg. 53 min. 40 sec. East, with a south right-of-way line of said Spell Road, and a north line of said tract herein described, a distance of 172.42 feet to a 5/8-inch iron rod with cap stamped óWEISSER ENG HOUSTON, TXô set for the north cutback corner of the intersection of the south right-of-way line of said Spell Road and the west right-of-way line of said Huffsmith Kohrville Road for the northerly most northeast corner of said tract herein described;

THENCE South 52 deg. 26 min. 00 sec. East, with the southwest right-of-way line of said cutback corner, with the northeast line of said tract herein described, a distance of 34.95 feet to a point in the east right-of-way line of said Huffsmith Kohrville Road to a 5/8-inch iron rod with cap stamped ÓWEISSER ENG HOUSTON, TX set for the beginning of a non-tangent curve to the right;

THENCE in an southerly direction, with a west right-of-way line of said Huffsmith Kohrville Road, and with an east line of said tract herein described, along said curve to the right, having a radius of 1950 feet, a central angle of 06 deg. 31 min. 05 sec., a chord bearing S 03 deg. 08 min. 32 sec. E, a chord distance of 221.71 feet and an arc length of 221.83 feet to a 5/8-inch iron rod with cap stamped ÓWEISSER ENG HOUSTON, TX set for a point of tangency of said tract herein described;

THENCE South 00 deg. 07 min. 01 sec. West, with the west right-of-way line of said Huffsmith Kohrville Road, and with the east line of said tract herein described, a distance of 455.26 feet to the **POINT OF BEGINNING** and containing 17.3578 acres (756,107.25 square feet) of land.

This description is accompanied by a plat of even survey date.

Compiled by:

Weisser Engineering Company
19500 Park Row
Houston, Texas 77084
TBPLS Reg. No. 100518-00
TBPE Reg. No.: F-68
Job No. IG046 (2418-001)
Date: 05/05/2015

"Certified Appraised Value" shall mean the appraised value of the Property and existing improvements as certified by the Harris County Appraisal District.

"City" shall mean the City of Tomball, Texas.

"City Council" shall mean the governing body of the City.

"Improvements" shall mean the buildings and structures (or portions thereof) and other improvements, including fixed machinery, equipment and process units, used for commercial or industrial purposes, which are erected or expanded by Packers Plus on the Property, as contemplated by Section 6 herein, and generally identified and described in Exhibit "A" attached hereto and incorporated herein for all purposes. The Improvements shall be referred to in this Agreement in the following phases:

"Phase I Improvements" shall mean the Improvements on the portion of the Property shown as Phase I on Exhibit "B" attached hereto, the same being the site for a proposed 50,000 square foot RTD facility located in the southeast portion of the Property.

"Phase II Improvements" shall mean the Improvements on the portion of the Property shown as Phase II on Exhibit "B" attached hereto, the same being the site for a proposed 237,000 square foot manufacturing facility located in the northwest portion of the Property.

"Phase III Improvements" shall mean the Improvements on the portion of the Property shown as Phase III on Exhibit "B" attached hereto, the same being the site for a proposed 40,000 corporate office facility located in the northeast portion of the Property.

"Property" shall mean the 17.38 acre tract of land described in Exhibit "C" attached hereto and incorporated herein for all purposes, and all Improvements and Tangible Personal Property currently located thereon, which tract of land is located within Reinvestment Zone No. 5 of the City.

"Reinvestment Zone No. 5" shall mean that certain area qualifying for tax abatement pursuant to the Tax Abatement Policy adopted by the City of Tomball, Texas, and City of Tomball Ordinance No. 2015-10 a copy of which is attached hereto as Exhibit "D" and incorporated herein for all purposes.

"Tangible Personal Property" shall mean tangible personal property classified as such under state law, but excluding tangible personal property that was located on the Property at any time prior to the date of execution of this Agreement, and also excluding tangible personal property taxable by the City while owned by Packers Plus any time prior to the date of execution of this Agreement, and excluding inventory and supplies.

3. **Administration of Agreement.** This Agreement shall be administered by the City Manager or designee of the City.

4. **Term.** This Agreement shall be effective as of the date of execution hereof and shall continue through December 31, 2032, unless terminated earlier, as provided elsewhere herein; provided, however, that the ten-year abatement period herein provided for shall not commence until January 1 on the year following the issuance of a Certificate of Occupancy by the City for the Phase III Improvements. For purposes of clarification the Tax Abatement for each phase shall begin on January 1 of the year following the issuance of a Certificate of Occupancy by the City for such Phase III Improvements. Provided, however, that no tax abatement provided by this Agreement begin after the expiration of five (5) years from the creation of Reinvestment Zone No. 5.

5. **Tax Abatement.** Subject to limitations imposed by law and conditioned on the representations outlined in Section 6 hereinbelow, there shall be granted and allowed hereunder to Packers Plus a property tax abatement equal to one-hundred percent (100%) of the taxable value on the Improvements constructed or expanded hereunder on the Phase III Improvements and the Tangible Personal Property located thereon subsequent to the date hereof; provided, however, if the Certified Appraised Value of the Property is less than the Certified Appraised Value as of January 1, 2016, for any year during the term of this Agreement, such abatement shall not apply to the Improvements and Tangible Personal Property to the extent of the difference between the Certified Appraised Value of the Property for such year and the Certified Appraised Value of the Property as of January 1, 2016. The property tax abatement granted and allowed hereunder shall extend only to all real and personal property ad valorem taxes assessable on the Improvements, as constructed or expanded, and Tangible Personal Property; the Certified Appraised Value of the real property shall be fully taxable.

6. **Representations.**

(a) Packers Plus represents that (1) it has or will have an increased taxable interest with respect to Improvements and Tangible Personal Property placed on the Property; (2) the Improvements and Tangible Personal Property to be constructed and/or placed on the Property pursuant to the Agreement shall be as set forth and described in Packers Plus's letter dated February 15, 2015, attached hereto as Exhibit "A", and incorporated herein for all purposes; (3) all Improvements placed on the Property will be completed in a workmanlike manner and will be completed in accordance with the City building codes in effect at the time such Improvements are erected; (4) the Phase III Improvements will have a Certified Appraised Value of not less than Three Million, Eight Hundred Thousand Dollars (\$3,800,000.00), Tangible Personal Property in an amount not less than Fifty Thousand Dollars (\$50,000.00), and it will establish an increased employment level of not less than 12 full-time employees by January 1 on the year following the issuance of a Certificate of Occupancy for the Phase III Improvements (5) it will maintain on the Property said Tangible Personal Property or similar Tangible Personal Property of equal or greater value through December 31, 2032; (6) it shall maintain on the Property the increased employment levels in each phase through the remainder of the term of this Agreement; (7) it has, as of the effective date of this Agreement, the financial resources to implement the above respective representations; and (8) it will comply with all applicable laws, rules, regulations, and provisions of the Code of Ordinances of the City. In addition to the increased employment level set forth above, Packers Plus will establish an increased employment level in Phase III of not less than 79 full-time employees by the fifth year following the issuance of a

Certificate of Occupancy for the Phase III Improvements and an increased employment level of 139 full-time employees by the ninth year following the issuance of a Certificate of Occupancy for the Phase III Improvements. Packers Plus shall maintain such increased employment level through the remainder of the term of this Agreement, provided, however, that if Packers Plus fails to maintain the increased employment levels for Phase III set forth above, Packers Plus will be deemed to have met this requirement if the total actual employment levels for all three phases, meet or exceed the total increased employment requirements for all three phases combined.

(b) The City represents that (1) Reinvestment Zone No. 5 has been created in accordance with Chapter 312 of the TEXAS TAX CODE and the Guidelines and Criteria for Granting Tax Abatement in Reinvestment and Enterprise Zones created in the City of Tomball, Texas, as both exist on the effective date of this Agreement; (2) the Property is within such Zone; and (3) the Property is located within the corporate limits of the City.

(c) Packers Plus and the City represent that no member of the City Council or Planning Commission owns or leases the Property, Improvements, or Tangible Personal Property.

7. **Administrative.**

(a) Access to and Inspection of Property by Municipal Employees. Packers Plus shall allow the City's employees and/or designated representatives of the City access to the Improvements for the purpose of inspecting any Improvements erected to ensure that such Improvements are completed and maintained in accordance with the terms of this Agreement and to ensure that all terms and conditions of this Agreement are being met. All such inspections shall be made only after giving Packers Plus twenty-four (24) hours advance notice and shall be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the Improvements. All such inspections shall be made with one (1) or more representatives of Packers Plus and in accordance with all applicable safety standards. Upon completion of construction, the designated representative of the City shall evaluate annually each facility receiving abatement to ensure compliance with the Agreement, and a formal report shall be made to the City Council.

(b) On January 1st of each year that this Agreement is in effect, Packers Plus shall certify to the City, and to the governing body of each taxing unit, that Packers Plus is in compliance with each applicable term of this Agreement.

(c) The Chief Appraiser of the Harris County Appraisal District shall determine annually (i) the Certified Appraised Value of the Property, Improvements, and Tangible Personal Property and (ii) the taxable value, pursuant to the terms of abatement under this Agreement, of the Property, Improvements, and Tangible Personal Property. The Chief Appraiser shall record both the abated taxable value and the Certified Appraised Value in the appraisal records. The Certified Appraised Value listed in the appraisal records shall be used to compute the amount of abated taxes that are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. During the term of this Agreement, each year, Packers Plus shall furnish the Chief Appraiser with such information

outlined in Chapter 22, TEXAS TAX CODE, as may be necessary for the administration of the abatement specified herein.

8. **Default.**

(a) The City may declare a default hereunder if Packers Plus (1) fails, refuses, or neglects to comply with any of the terms, conditions, or representations of this Agreement and fails to cure during the cure period; or (2) allows ad valorem taxes owed to the City to become delinquent and fails either to cure during the cure period or to timely and properly follow the legal procedures for their protest or contest.

(b) If the City declares a default of this Agreement, this Agreement shall terminate (after notice and opportunity to cure as provided for herein), and the City, in such event, shall be entitled to recapture any and all property taxes which have been abated as a result of this Agreement. The City shall notify Packers Plus of any default in writing in the manner prescribed herein. The notice shall specify the basis for the declaration of default, and Packers Plus shall have sixty (60) days from the date of such notice to cure any default; provided, however, where fulfillment of any obligation requires more than sixty (60) days, performance shall be commenced within sixty (60) days after the receipt of notice, and such performance shall be diligently continued until the default is cured. If the default cannot be cured, or if Packers Plus fails to cure within the period herein specified, Packers Plus shall be liable for and will pay to the City within sixty (60) days following the termination of this Agreement (1) the amount of all property taxes abated under this Agreement, (2) interest on the abated amount at the rate provided for in the Texas Tax Code for delinquent taxes, and (3) penalties on the amount abated in the year of default at the rate provided for in the Texas Tax Code for delinquent taxes.

(c) Notwithstanding any other provision contained herein to the contrary, in the event of termination of this Agreement due to the default of Packers Plus, Packers Plus' obligation to pay the City any property taxes that have been abated on Improvements and Tangible Personal Property, plus applicable penalty and interest thereon as herein provided, shall not terminate until the abated taxes, plus penalty and interest, are paid.

9. **Changes in Tax Laws.** The tax abatement provided in this Agreement is conditioned upon and subject to any changes in the state tax laws during the term of this Agreement.

10. **Compliance with State and Local Regulations.** Nothing in this Agreement shall be construed to alter or affect the obligations of Packers Plus to comply with any ordinance, rule, or regulation of the City or laws of the State of Texas.

11. **Assignment of Agreement.** This Agreement may not be assigned by Packers Plus without the approval of the City by resolution of the City Council. The approval of any assignment shall be subject to the financial capacity of the assignee and will require that all conditions and obligations in this Agreement shall be assumed by the assignee. No assignment shall be approved if (a) the City has declared a default hereunder that has not been cured, or (b)

the assignee is delinquent in the payment of ad valorem taxes owed to the City. Approval by the City shall not be unreasonably withheld.

12. **Conditions Precedent.** This Agreement is conditioned entirely upon (a) the approval of the City Council by the affirmative vote of a majority of the members present at a regularly scheduled meeting of the City Council; (b) the construction of the Improvements and the location of the Tangible Personal Property on the Property within the time periods prescribed herein. The abatement granted herein shall not be effective until the tax year commencing January 1, 2016.

13. **Notice.** All notices shall be in writing. If mailed, any notice or communication shall be deemed to be received three (3) days after the date of deposit in the United States mail, first-class, postage prepaid. Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

To Packers Plus:

Packers Plus Energy Services (USA), Inc.
5825 North Sam Houston Parkway West
Suite 150
Houston, Texas 77086
Attn: Patrick Maguire
Regional General Manager, USA

To City:

City of Tomball
401 Market Street
Tomball, Texas 77375
Attn: City Manager

Either party may designate a different address by giving the other party at least ten (10) days written notice in the manner prescribed above.

14. **Entire Agreement.** This Agreement and the Exhibits attached hereto contain the entire tax abatement agreement between the parties and supersedes all other negotiations and agreements between Packers Plus and the City relating to the grant of tax abatement for the Improvements and Tangible Personal Property located on the Property, whether written or oral. In the event that there is a conflict between any of the Exhibits to this Agreement and this Agreement, the provisions of this Agreement shall control over the provisions in the Exhibits.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties as of the _____ day of _____, 2015.

PACKERS PLUS ENERGY SERVICES (USA), INC.

By: _____

Name: Patrick Maguire

Title: Regional General Manager, USA

THE STATE OF TEXAS

§

§

COUNTY OF HARRIS

§

This instrument was acknowledged before me on this _____ day of _____
2015, by Patrick Maguire, Regional General Manager, USA for and on behalf of Packers Plus
Energy Services (USA), Inc..

Notary Public in and for the State of Texas

(SEAL)

CITY OF TOMBALL, TEXAS

ATTEST:

Doris Speer, City Secretary

Gretchen Fagan, Mayor

THE STATE OF TEXAS

§

§

COUNTY OF HARRIS

§

This instrument was acknowledged before me on this _____ day of _____
2015, by Gretchen Fagan, Mayor of the City of Tomball, Texas, for and on behalf of the City.

Notary Public in and for the State of Texas

(SEAL)

Economic Impact of Packers Plus Energy Services (USA) Inc. in Tomball, TX

Executive Summary

March 9, 2015

Prepared by:

Tomball Economic Development Corporation
29201 Quinn Road
Tomball, TX 77375

This summary was prepared by the Tomball Economic Development Corporation using Quick Impact by Impact DataSource. Please consult the full economic impact report for additional details and assumptions used in this analysis.

ECONOMIC IMPACT EXECUTIVE SUMMARY: PACKERS PLUS ENERGY SERVICES (USA) INC.

Project Description

Packers Plus is an oilfield service company that manufactures, assembles and installs downhole completion systems that cater primarily to the multi-stage fracturing business. The company has been in the USA for 8 years and has grown dramatically over that period of time. Given the anticipated future growth for the company it has been decided that a new facility is necessary. Further, the desire is to pull all three facets of the business together on one location, or campus. The new facility will consist of a 237,000 sq. ft. manufacturing building, a 50,000 sq. ft. R&D structure and a multi-storey 40,000 sq. ft. corporate office.

Economic Impact Over the First 10 Years

The project will have the following economic impact on the City of Tomball area over the first 10 years:

Economic Impact Over the First 10 Years			
	Direct	Indirect & Induced	Total
Total number of permanent direct and indirect jobs to be created	353	474	827
Salaries to be paid to direct and indirect workers	\$131,684,881	\$114,855,553	\$246,540,434
Taxable sales and purchases expected in the city	\$20,025,127	\$10,049,861	\$30,074,988
The value of new residential property to be built for direct and indirect workers who move to the city by Year 10	\$598,459	\$897,689	\$1,496,148
The market value the firm's property on local tax rolls in Year 1	\$33,500,000	\$0	\$33,500,000

Fiscal Impact Over the First 10 Years

Over the first 10 years, the City of Tomball and Tomball EDC can expect the following net benefits from the facility, its employees, and workers in spin-off jobs created in the community:

Costs and Benefits for the City Over the First 10 Years			
	Benefits	Costs	Net Benefits
Sales taxes allocated to the City	\$451,125	\$0	\$451,125
Sales taxes allocated to Tomball EDC	\$150,375	\$0	\$150,375
Property taxes	\$1,028,516	\$0	\$1,028,516
Utility revenues	\$1,450,483	\$0	\$1,450,483
Utility franchise fees	\$150,372	\$0	\$150,372
Hotel occupancy taxes	\$134,767	\$0	\$134,767
Other taxes and user fees	\$127,807	\$0	\$127,807
Building permits and fees	\$60,870	\$0	\$60,870
Costs of providing utilities	\$0	\$1,305,435	(\$1,305,435)
Costs of providing municipal services for new residents	\$0	\$284,488	(\$284,488)
Total	\$3,554,314	\$1,589,923	\$1,964,392

ECONOMIC IMPACT EXECUTIVE SUMMARY: PACKERS PLUS ENERGY SERVICES (USA) INC.

Net Benefits To The City From The Direct and Indirect Sources

The city will receive benefits from direct and indirect economic impacts that result from the project. The benefits, associated costs and net benefits for the first 10 years are shown below, divided between direct and indirect impacts.

Net Benefits to the City from Direct and Indirect Sources			
<i>Benefits/Costs from:</i>			
	<i>Direct</i>	<i>Indirect & Induced</i>	<i>Total</i>
<u><i>Additional revenues:</i></u>			
Sales taxes allocated to the City	\$300,377	\$150,748	\$451,125
Sales taxes allocated to Tomball EDC	\$100,126	\$50,249	\$150,375
Property taxes	\$1,012,611	\$15,905	\$1,028,516
Utility revenues	\$1,046,625	\$403,858	\$1,450,483
Utility franchise fees	\$122,353	\$28,019	\$150,372
Hotel occupancy taxes	\$134,767		\$134,767
Other taxes and user fees	\$54,130	\$73,677	\$127,807
Building permits and fees	\$60,870		\$60,870
Total additional revenues	\$2,831,859	\$722,455	\$3,554,314
<u><i>Additional costs:</i></u>			
Costs of providing utilities	\$941,963	\$363,472	\$1,305,435
Costs of providing municipal services for new residents	\$120,489	\$163,999	\$284,488
Total additional costs	\$1,062,452	\$527,471	\$1,589,923
Net Benefits	\$1,769,407	\$194,984	\$1,964,392
<i>Percent of total net benefits for city</i>	<i>90%</i>	<i>10%</i>	

The net benefits to the city over the first 10 years are estimated to accrue as detailed below.

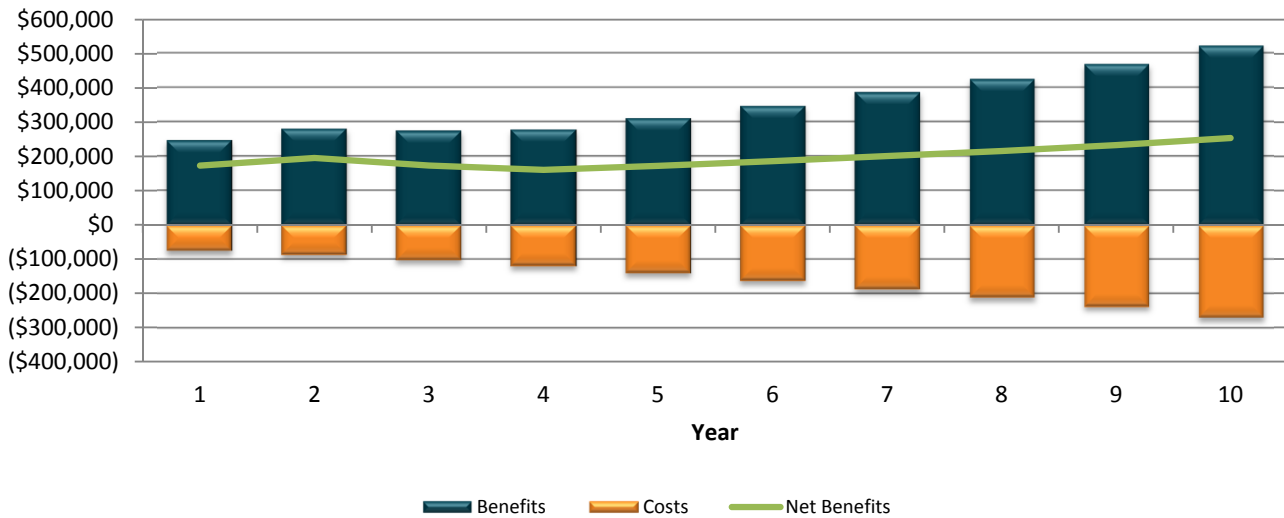
Net Benefits to the City by Year				
	Benefits	Costs	Net Benefits	Cumulative Benefits
Year 1	\$248,251	\$75,169	\$173,082	\$173,082
Year 2	\$282,006	\$86,531	\$195,475	\$368,557
Year 3	\$275,659	\$102,339	\$173,320	\$541,877
Year 4	\$279,317	\$118,745	\$160,571	\$702,448
Year 5	\$312,228	\$139,951	\$172,277	\$874,725
Year 6	\$347,985	\$161,958	\$186,027	\$1,060,752
Year 7	\$388,059	\$186,966	\$201,093	\$1,261,845
Year 8	\$426,386	\$210,689	\$215,697	\$1,477,542
Year 9	\$470,577	\$237,551	\$233,026	\$1,710,568
Year 10	\$523,847	\$270,023	\$253,824	\$1,964,392
Total	\$3,554,314	\$1,589,923	\$1,964,392	
<i>Present Value of Net Benefits*</i>			<i>\$1,492,706</i>	

**The Present Value of Net Benefits is a way of expressing in today's dollars, dollars to be paid or received in the future. A dollar today and a dollar to be received or paid at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or discount rate. This analysis uses a discount rate of 5% to make the dollars comparable.*

Fiscal Impact Over the First 10 Years

The graph below depicts the costs, benefits and net benefits to the city over the first 10 years.

Net Benefits Over the First 10 Years



Tax Abatement

The table below identifies the percentage of tax abatement and the value of the possible tax abatement over the next 10 years.

Tax Abatement		
	<i>Tax</i>	
	<i>Abatement</i>	<i>City</i>
Year 1	100%	\$22,877
Year 2	100%	\$55,008
Year 3	100%	\$69,051
Year 4	100%	\$70,314
Year 5	100%	\$71,525
Year 6	100%	\$72,761
Year 7	100%	\$74,021
Year 8	100%	\$75,306
Year 9	100%	\$76,617
Year 10	100%	\$78,023
Total		\$665,503

Incentives

Tomball EDC may consider the following incentives for the project:

Incentives	
Year 1	\$52,603
Year 2	\$52,602
Year 3	\$52,602
Year 4	\$52,602
Year 5	\$52,602
Year 6	\$0
Year 7	\$0
Year 8	\$0
Year 9	\$0
Year 10	\$0

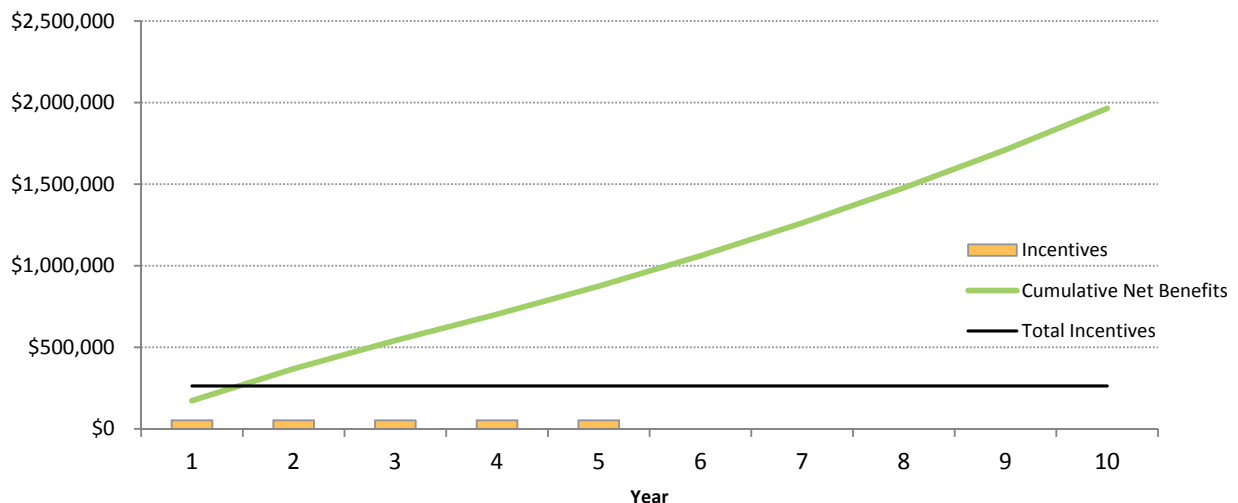
The table below shows an analysis of these incentives, including a calculation of incentives per job, rate of return and payback period.

Analysis of Incentives	
Total Incentives	\$263,011
Incentives Per Job	\$745
Rate of Return Over 5 Years	66.5%
Payback period (years)	1.5

* Rate of Return and Payback Period are calculated based on the sum of annual incentives rather than the PV of incentives.

The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to the city. The intersection indicates the length of time until the incentives are paid back.

Incentives vs. Cumulative Net Benefits



Regular City Council Agenda Item Data Sheet

Meeting Date: June 15, 2015

Topic:

Consider Approval of Development Agreement for Construction of Public Improvements within Tomball Industrial Park, LP, in the Amount not to exceed \$40,550.00.

Background:

Tomball Industrial Park, LP has requested a development agreement with the City of Tomball for the oversizing and extension of sanitary sewer. The request is in accordance to Chapter 46, titled "Utilities", and under Section 46-303, titled "Extension of city-owned utilities; required connections to city water, sewer, and gas lines for service of new construction". Tomball Industrial Park, LP has provided plans for the proposed sanitary sewer extension. The plans are designed in accordance with the City of Tomball's Minimum Construction Standards for Community Improvements.

The development agreement is not to exceed \$40,550.00 based on the cost estimate provided by Tomball Industrial Park, LP. The cost estimate is attached for Spell Road and Hufsmith-Kohrville Road. The eligible costs under this agreement is for the over-sizing of the sanitary line under Hufsmith-Kohrville Road and the extension under Spell Road.

Origination:

Tomball Business Park

Recommendation:

Approval

Funding:**Party(ies) responsible for placing this item on agenda:**

Engineering Division

ACTION TAKEN		
APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1 ST ☐ 2 ND	

ATTACHMENTS:

Development Agreement

Exhibit A

Exhibit B

AGREEMENT WITH DEVELOPER FOR CONSTRUCTION OF PUBLIC IMPROVEMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This Development Agreement executed as of the ____ day of _____, 2015 between the City of Tomball, Texas, (“City”) and Tomball Industrial Park, LP, Inc., Owner and developer of certain hereinafter described property located within the City, (“Developer”) all collectively referred to as “Parties.”

WHEREAS, Developer wishes to develop certain property located within the City limits, which is described as Lots 1 of Block 1 of the Tomball Business and Technology Park, situated in the City of Tomball, Harris County, Texas, as depicted on a plat thereof recorded in Volume 653, Page 006 of the real property records of Harris County, Texas (the “Property”); and

WHEREAS, the Property lies within an area of the City which has limited sanitary sewer facilities; and

WHEREAS, during the development planning stage for the Property, the Developer submitted to the City a request to install the required sanitary sewer facilities which will have regional benefits to a portion of the City; and

WHEREAS, the City has no immediate plans to construct the required sanitary sewer facilities, but is willing to share in the cost of the construction of such facilities, and has funds appropriated and available to do so; and

WHEREAS, Developer has requested that it be allowed to construct the required sanitary sewer facilities to serve the Property, and share the costs with the City; and

WHEREAS, Section 212.071, *et.seq.* of the Texas Local Government Code authorizes municipalities to enter into a contract with a developer of a subdivision or land in the municipality to construct public improvements related to the development without complying with the competitive sealed bidding procedures of Chapter 252 of the Texas Local Government Code;

NOW THEREFORE, for and in consideration of the premises and mutual obligations, covenants, and benefits hereinafter set forth, the Parties agree as follows:

ARTICLE I

Definitions

The following terms and phrases used in this Agreement shall have the meanings ascribed hereto:

- 1.01. "Agreement" means this agreement, including any amendments hereto, between the City and Developer.
- 1.02. "Contractor" shall mean the person, firm, corporation, partnership, association, or other entity awarded the contract by Developer for the construction and installation of the Improvements.
- 1.03. "Improvements" shall mean 148 lineal feet of 8 inch sanitary sewer line to be constructed across Spell Road, and 150 lineal feet of 10 inch sanitary sewer line to be constructed across Hufsmith Kohrville.

ARTICLE II

Construction of Improvements

- 2.01. Construction of Improvements. Developer agrees to construct the Improvements in accordance with the plans and specifications approved by the City Engineer, and as fully set forth in Exhibit "A" hereto. No change in the construction plans shall be made by Developer without the prior written consent of the City Engineer. The entire cost of the construction of the Improvements shall be the responsibility and obligation of Developer, except as herein provided.
- 2.02. Contracts for Construction. Developer shall contract with a qualified Contractor to construct the Improvements in accordance with the approved plans and specifications. The City Engineer shall review all contract documents and costs estimates, and shall approve the Contractor prior to the award of the contract. Developer shall be solely responsible for payment of the work as it is completed, and shall make all payments in a timely manner to the Contractor, sub-contractors, and other parties involved in the construction of the Improvements.
- 2.03. Performance, Payment and Maintenance Bonds. Developer shall post within the City faithful performance, payment, and maintenance bonds for construction of the Improvements to ensure completion of the project. The bond must be executed by a corporate surety in accordance with Chapter 2253, Texas Government Code.
- 2.04. Inspection. The City Engineer shall periodically inspect the construction of the Improvements in the same manner, and shall possess the same authority, as is provided during the construction of subdivision improvements pursuant to the City of Tomball Subdivision Ordinance, as amended.

- 2.05. Insurance. The Contractor awarded the contract to construct the Improvements shall be required to carry Worker's Compensation Insurance on his employees and public liability and property damage insurance on his equipment and employees. The public liability insurance shall be not less than five hundred thousand dollars (\$500,000.00) per person and one million dollars (\$1,000,000.00) per occurrence, with property damage insurance of not less than five hundred thousand dollars (\$500,000.00). In addition, City shall be furnished with Certificates of Insurance and shall be named an additional named insured on such Certificates, and City shall be notified within ten calendar days of any cancellation of such insurance.
- 2.06. Accounting. Developer shall submit to City a complete accounting of all costs incurred by Developer in the construction of the Improvements. City will not contribute or pay for any costs incurred by Developer which was not approved by City prior to it being incurred. Developer shall maintain the accounting on this project for a period of two years from the date of acceptance by the City, and the City may inspect the Developer's books and records related to the project at any time with reasonable notice.
- 2.07. Indemnity. Developer agrees to protect, indemnify and save City harmless from and against all claims, demands and causes of action of every kind and character arising in favor of any third party on account of, or resulting from, the performance of this Agreement by Developer or Developer's agents, representatives, employees, contractors, or subcontractors.

ARTICLE III. City Obligations

- 3.01. Oversized Improvements. The City agrees to pay to Developer the construction costs of oversizing the Improvements, not to exceed Forty-~~Thousand~~ Five-Hundred ~~Fifty~~ Dollars and No Cents (\$40,550.00), as identified and described in Exhibit "B" attached hereto and made a part hereof.
- 3.02. Payment to Developer. Exhibit "B" attached hereto designates the proportional split in costs for construction of the Improvements. City shall deliver to Developer full payment of the City's share of the costs of construction of the Improvements following submittal and review of documentation showing final, actual construction costs paid by the Developer. The City Engineer shall review the construction documents, conduct a final inspection on the Improvements, noting any required corrections or repairs, and make a recommendation to City Council on acceptance of the Improvements. Upon action by City Council accepting such Improvements, the City will pay to Developer the City's share of the costs. Any additional costs above those

enumerated, or above the amounts described in Exhibit “B” must be approved by the City prior to being incurred.

ARTICLE IV Miscellaneous Provisions

- 4.01 Assignment. This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.
- 4.02 Amendment or Modification. Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the Parties.
- 4.03. Parties in Interest. This Agreement shall be for the sole and exclusive benefit of the Parties hereto and shall not be construed to confer any rights upon any third party.
- 4.04. Remedies Not Exclusive. The rights and remedies contained in this Agreement shall not be exclusive, but shall be cumulative of all rights and remedies now or hereinafter existing, by law or in equity.
- 4.05. Waiver. The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance.
- 4.06. Entire Agreement. This Agreement constitutes the entire agreement between the Parties related to the subject matter of this Agreement and supersedes any and all prior agreements, whether oral or written, dealing with the subject matter of this Agreement.
- 4.07. Venue. This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas.
- 4.08. Severability. If any term or provision of this Agreement is held to be invalid, void or unenforceable by a court of competent jurisdiction, the remainder of the terms and provisions of this Agreement shall remain in full force and effect and shall not in any way be invalidated, impaired or affected.
- 4.09. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) by delivering the same in person to such party; or (iii) by overnight or messenger delivery service that retains regular

records of delivery and receipt; or (iv) by facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the parties for the purpose of notice under this Agreement shall be as follows:

If to City: City of Tomball
401 W. Market Street
Tomball, Texas 77375
ATTN: City Engineer

If to Developer: Tomball Industrial Park, LP
15120 Northwest Freeway, Suite 190
Houston, Texas 77040
ATTN: Jon Sellers

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument.

CITY OF TOMBALL

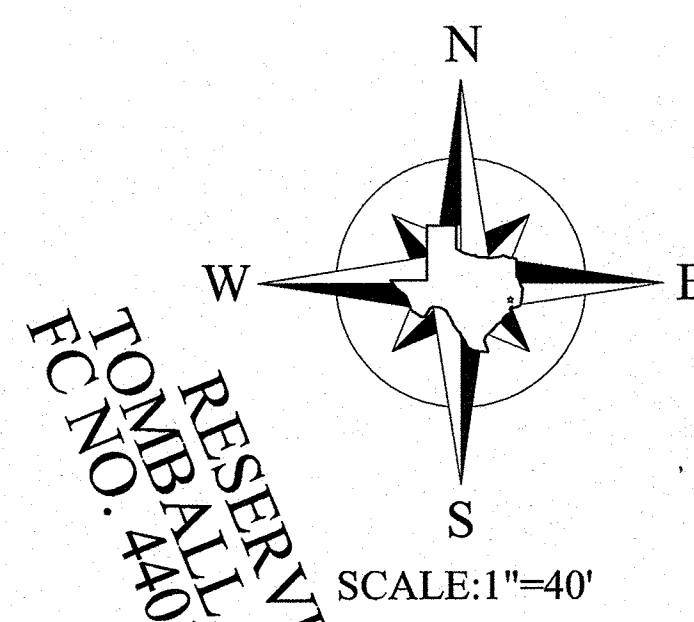
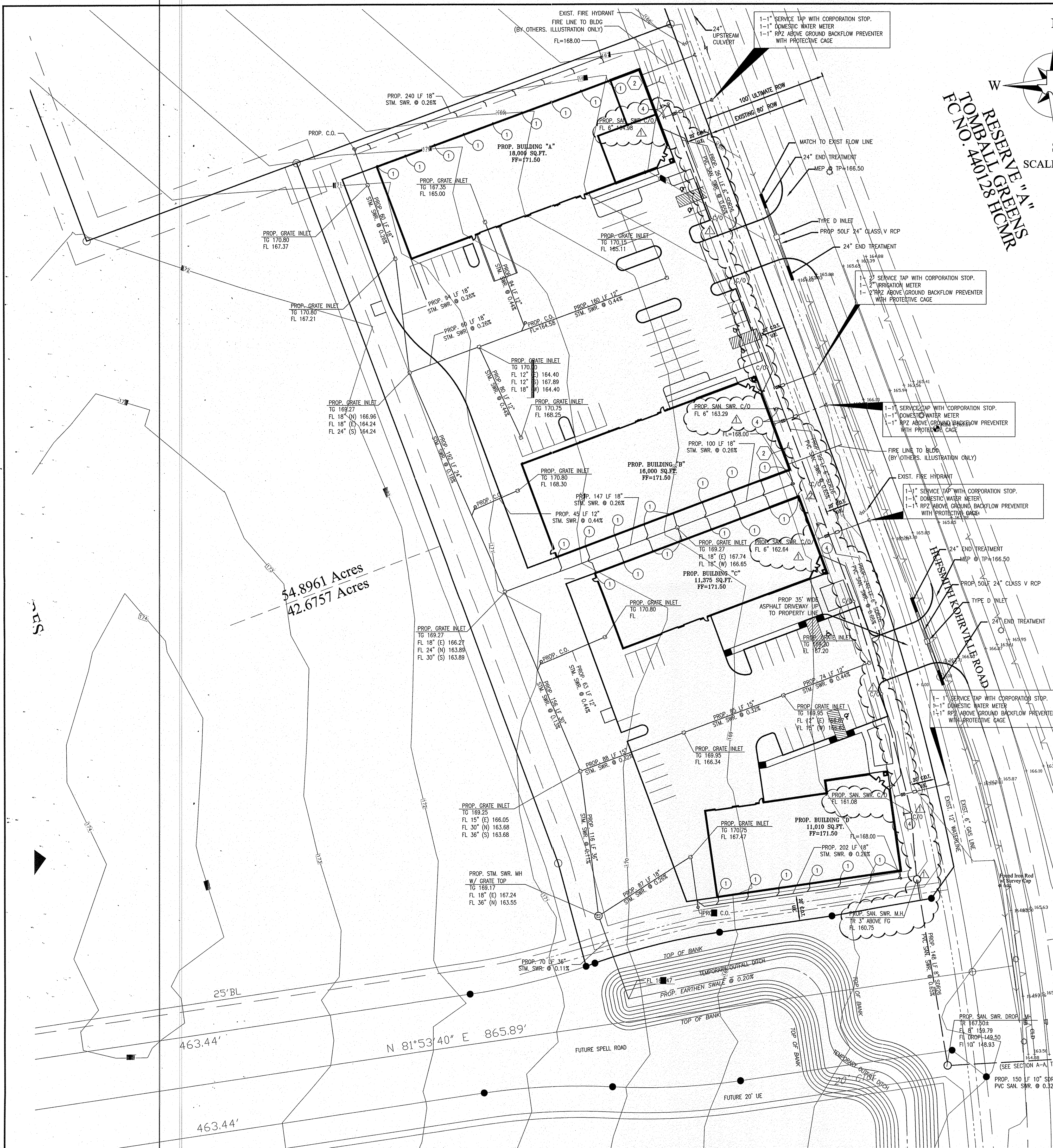
Gretchen Fagan
Mayor

ATTEST:

Doris Speer
City Secretary

DEVELOPER:
TOMBALL INDUSTRIAL PARK, LP

Authorized Signature, Name, and Title:
Jon Sellers
Manager



FIRE NOTES:

- 1. BUILDINGS "A" AND "B" ARE REQUIRED TO BE SPRINKLED. SPRINKLER SYSTEM PLANS AND PERMITS TO BE SUBMITTED AND OBTAINED BY OTHERS. SHOWN FOR ILLUSTRATION ONLY.
- 2. REMOTE FDC TO BE INSTALLED ON BUILDING AND SUBMITTED WITH SPRINKLER SYSTEM PLANS FOR BUILDING "A" AND "B". SHOWN FOR ILLUSTRATION ONLY.

*ALL PROPOSED WATER AND GAS LINES ARE TO TIE INTO EXISTING UTILITIES. IF NEW UTILITIES HAVE BEEN INSTALLED, TESTED AND ACCEPTED BY THE CITY OF TOMBALL PRIOR TO INSTALLATION OF LINES PROPOSED IN THIS PLANSET, CONTRACTOR SHALL TIE INTO NEW LINES PER CITY OF TOMBALL STANDARD REQUIREMENTS.

**CITY OF TOMBALL IS RELOCATING EXISTING GAS AND WATER LINES INTO EXISTING 20' UTILITY EASEMENT (WORK DONE AND PROPOSED BY OTHERS IN SEPARATE PLANSET). EXACT LOCATION AND ALIGNMENT DETERMINED BY CITY.

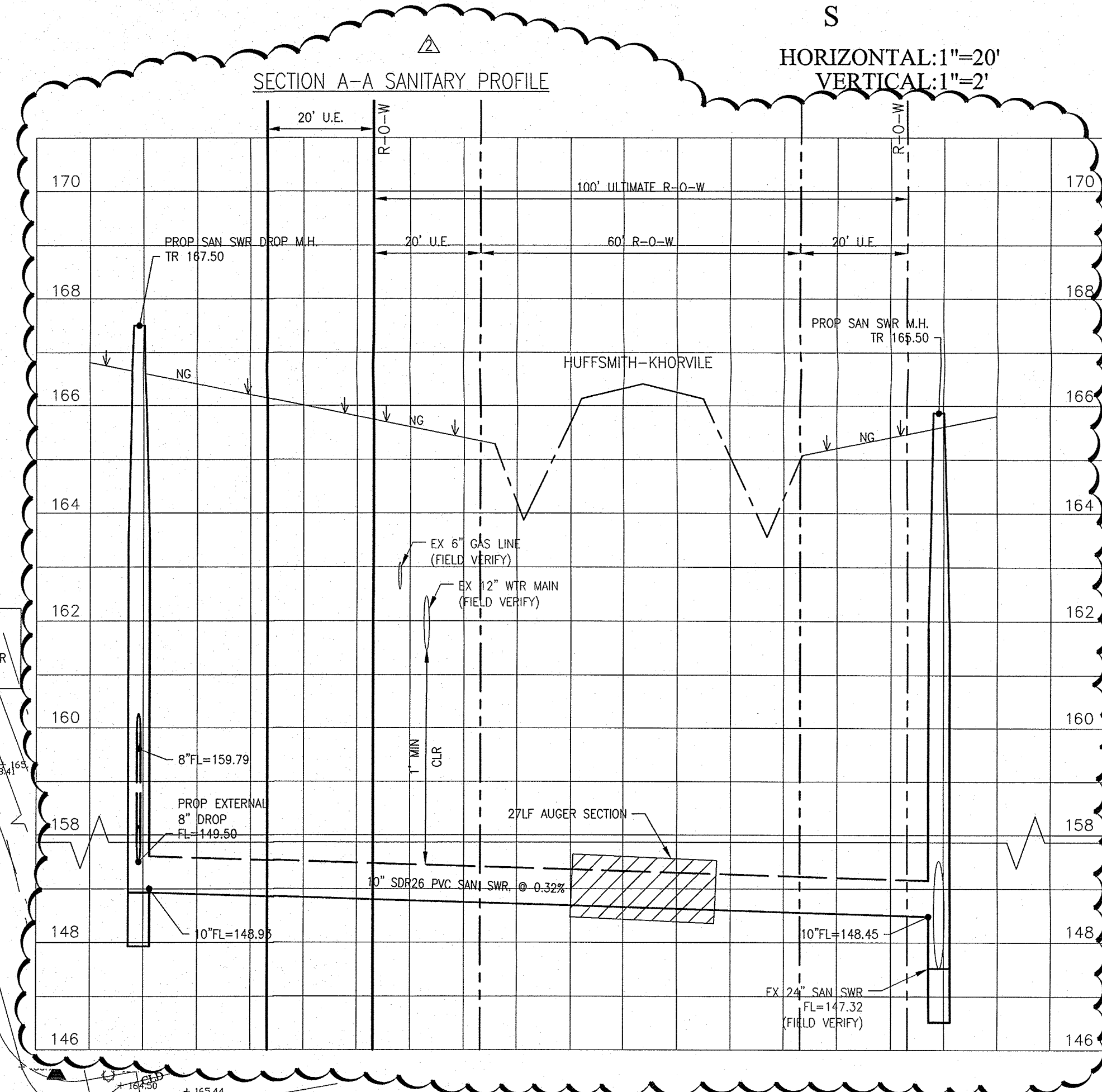
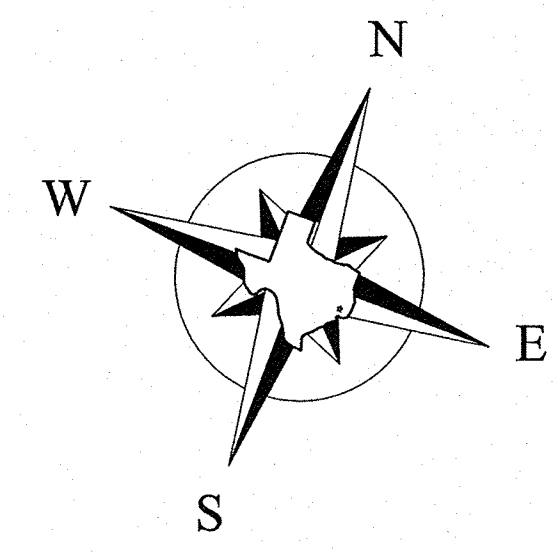
***PROPOSED FUTURE FIRE HYDRANT LOCATIONS SHOWN PER TEDC ENGINEER. CITY TO VERIFY EXACT LOCATIONS AT TIME OF INSTALLATION (BY OTHERS PER SEPARATE PLANSET)

NOTES TO SHEET:

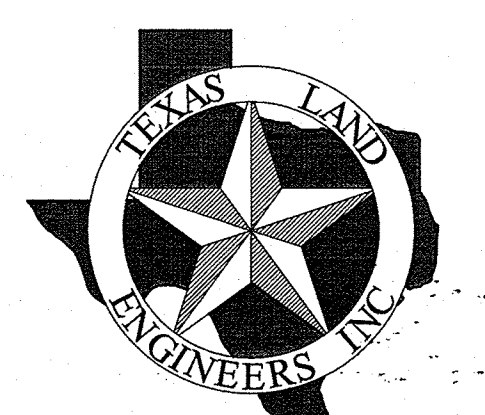
- 1. PROPOSED 8" STORM SEWER DOWN SPOUT CONNECTION. CONTRACTOR SHALL CONNECT PROPOSED DOWN SPOUTS TO PROPOSED STORM SEWER PIPE.
- 2. CONTRACTOR SHALL FIELD VERIFY EXACT TYPE, SIZE LOCATION AND ELEVATION OF EXISTING SANITARY SEWER PIPE PRIOR TO START OF CONSTRUCTION TO VERIFY PROPOSED DESIGN CAN BE ACHIEVED. IF CONFLICT EXISTS, CONTRACTOR SHALL CONTACT ENGINEER PRIOR TO PROCEEDING.
- 3. CONTRACTOR SHALL FIELD VERIFY EXACT TYPE, SIZE AND LOCATION OF EXISTING WATER LINE PRIOR TO START OF CONSTRUCTION TO VERIFY PROPOSED DESIGN CAN BE ACHIEVED. IF CONFLICT EXISTS, CONTRACTOR SHALL CONTACT ENGINEER PRIOR TO PROCEEDING.
- 4. CONTRACTOR SHALL REFER TO M.E.P. PLANS AND LANDSCAPE PLANS FOR CONTINUATION OF SANITARY SEWER AND WATER LINES.
- 5. CONTRACTOR SHALL MAINTAIN 2' VERTICAL AND 9' HORIZONTAL CLEARANCE BETWEEN WATER AND SANITARY SEWER.
- 6. GAS WILL NOT BE REQUIRED FOR THIS PROJECT.

GOOD FOR ONE YEAR ONLY

LORI LAKATOS, PE date 1/3/2015
CITY ENGINEER
CITY OF TOMBALL



LUE CALCULATION	
SERVICE UNIT EQUIVALENCY (SUE)	315
LIVING UNIT EQUIVALENCY (LUE)	370
TYPE OF DEVELOPMENT	WAREHOUSE
SUEs FOR DEVELOPMENT	0.000096 X 56,385=5.42
CALCULATED LUEs FOR DEVELOPMENT	6.37



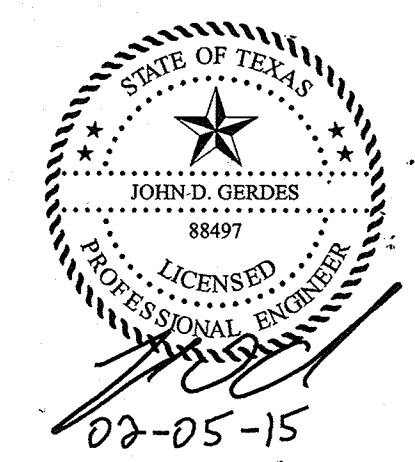
TEXAS LAND ENGINEERS, INC.
550 WESTCOTT ST, SUITE 550
HOUSTON, TX 77007
PH: (281) 576-1085
FAX: (281) 576-1086

REVISIONS

NO.	DATE	DESCRIPTION
1	02/05/15	SANITARY MANHOLES
2	04/06/15	SECTION A-A

TOMBALL BUSINESS PARK
HUFFSMITH-KOHRVILLE ROAD & SPELL ROAD
TOMBALL, TEXAS

UTILITY PLAN



REGISTRATION No. F-9553

TLE PROJECT NO: 13-047
DATE: JANUARY 2015
DRAWN BY: M.A.G.
CHECKED BY: M.A.G./D.G.

SHEET

C6

Developer Agreement

Tomball Business Park on Huffsmith Kohrville Rd

Sanitary **(Minimum Requirements)**

Sub - Contractors Bid for actual work - See Attached

Item	Description	Units	Quantity	Unit Price	Total
NEW LINE NOT REQUIRED					
SANITARY LINE BORE UNDER HUFFSMITH KOHRVILLE					
1	Mobilization and Demobilization	EA	1	\$ 2,450	\$ 2,450
2	8" Bore Across Huffsmith Korville at 20' Depth	LF	150	\$ 220	\$ 33,000
3	Tie-in existing Manhole at 24" Main Line	EA	1	\$ 2,500	\$ 2,500
4	Trench Safety and Shoring	EA	1	\$ 2,500	\$ 2,500
5	Repair disturbed areas, soils haul off, repair fence	LS	1	\$ 2,000	\$ 2,000
					\$ 42,450
Projected Construction Cost					\$ 42,450
Construction Materials Testing					\$ 1,000
Grand Total					\$ 43,450

Tomball Business Park on Huffsmith Kohrville Rd

Sanitary Modification for Spell Rd **(Tomball Requirements)**

Sub - Contractors Bid for actual work - See Attached

Item	Description	Units	Quantity	Unit Price	Total	Allowed Over Sizing
NEW LINE FROM PROJECT UNDER SPELL ROAD						
1	Sanitary Manhole @ 16' Depth	EA	1	\$ 7,500	\$ 7,500	\$ 7,500
2	Tie-in Existing Manholde	EA	1	\$ 1,500	\$ 1,500	\$ 1,500
3	8" Sanitary Pipe at 12' - 16' Depths	LF	148	\$ 159	\$ 23,500	\$ 23,500
4	Trench Safety	EA	1	\$ 2,500	\$ 2,500	\$ 2,500
					\$ 35,000	\$ 35,000
SANITARY LINE BORE UNDER HUFFSMITH KOHRVILLE						
1	Mobilization and Demobilization	EA	1	\$ 2,450	\$ 2,450	\$ -
2	10" Bore Across Huffsmith Korville at 20' Depth	LF	150	\$ 257	\$ 38,550	\$ 5,550
3	Tie-in existing Manhole at 24" Main Line	EA	1	\$ 2,500	\$ 2,500	\$ -
4	Trench Safety and Shoring	EA	1	\$ 2,500	\$ 2,500	\$ -
5	Repair disturbed areas, soils haul off, repair fence	LS	1	\$ 2,000	\$ 2,000	\$ -
					\$ 48,000	\$ 5,550
Projected Construction Cost					\$ 83,000	\$ 40,550
Construction Materials Testing					\$ 1,000	\$ -
Grand Total					\$ 84,000	\$ 40,550

Regular City Council

Agenda Item

Meeting Date: June 15, 2015

Data Sheet

Topic:

Approve Resolution No. 2015-13, a Resolution of the City Council of the City of Tomball, Texas, Approving Request by Iglesia Taller del Alfarero (The Potter's Workshop) for City Support/Co-Sponsorship to Conduct a Prayer March/Walk on FM 2920/Main Street on Saturday, July 11, 2015, from 9:00 a.m. to 12:00 p.m.

Background:

Iglesia Taller Del Alfarero (The Potter's Workshop), 23206 Park Road, requests Council support and permission to hold its annual prayer walk on the morning of Saturday, July 11, 2015 from the Tomball Intermediate School on Main Street, East towards the Depot Plaza, and ending at the Gazebo at Depot Plaza.

If approved, the Church is requesting that the Tomball Police Department provide a rolling barricade for participants as they make their way to the Gazebo at Depot Plaza along the far right lane of FM 2920 heading East. The walk would turn into the Depot Plaza area from Elm Street. The Church is also requesting that the City again waive the fees associated with this activity, including the costs of the rolling barricade/escort and rental of the Gazebo at Depot Plaza.

Pastor Jorge Marcial has met with the City's special events team and has met the City's requirements. The Church will also name the City of Tomball as an additional insured on its insurance policy. This is the fourth year for the prayer walk on Main Street.

Approval of Resolution No. 2015-13 will allow the Iglesia Taller Del Alfarero to request permission from TxDOT to block a portion of FM 2920 with the rolling barricade during the event.

Origination:

Iglesia Taller del Alfarero (Church of God Potter's House)

Recommendation:

Approval of Resolution No. 2015-13

Funding:

Party(ies) responsible for placing this item on agenda:

Mike Baxter, Marketing Director

ACTION TAKEN		
APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1 ST ☐ 2 ND	

ATTACHMENTS:

Resolution No. 2015-13

Iglesia Taller del Alfarero Request

RESOLUTION NO. 2015-13

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TOMBALL, TEXAS, APPROVING REQUEST BY IGLESIA TALLER
DEL ALFARERO (THE POTTER'S WORKSHOP) FOR CITY
SUPPORT/CO-SPONSORSHIP TO CONDUCT A PRAYER
MARCH/WALK ON FM 2920/MAIN STREET ON SATURDAY, JULY 11,
2015 FROM 9:00 A.M. TO 12:00 P.M.**

* * * * *

WHEREAS the Iglesia Taller del Alfarero (The Potter's Workshop) will undertake its Fourth Annual March/Walk, to be held in the City of Tomball on Saturday, July 11, 2015 from 9:00 a.m. through 11:00 a.m.; and

WHEREAS the March/Walk will form at Tomball Intermediate School and proceed down Main Street (FM 2920) to the Tomball Depot; and

WHEREAS the purpose of the March/Walk is to pray for the City of Tomball, leaders, the business community, and area families; and

WHEREAS the Iglesia Taller del Alfarero (The Potter's Workshop) desires and requests the approval of the City of Tomball, including use of the Gazebo at the Tomball Depot, in this community effort;

NOW, THEREFORE, BE IT RESOLVED that the City of Tomball and its governing body approves the request by the Iglesia Taller del Alfarero (The Potter's Workshop) to undertake the Prayer March/Walk.

PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL HELD ON THE 15TH DAY OF JUNE, 2015.

GRETCHEN FAGAN, Mayor

ATTEST:

DORIS SPEER, City Secretary



Iglesia Taller del Alfarero

23206 Park Rd. Tomball, TX 77374 / 281-825-7606/7605

May 9, 2015

Mrs. Denise Fiore
Community Events Coordinator
City of Tomball
401 W Market St
Tomball, TX 77375

Receive our best regards!

Our Church "Taller Del Alfarero", located at 23206 Park Rd. in Tomball, TX is looking forward to celebrate our annual Prayer Walk in-and for the City of Tomball, our leaders, business, community, and most of all, our Families. This will be our fourth consecutive year, and we have planned as follows:

Date: July 11, 2015
Time: 9:00am to 12:00m
Starting Point: Tomball Intermediate Scholl
Ending Point: Gazebo at the Tomball Depot

We are a Christ-centric, rooted in the Word of God Church, led by the Holy Spirit to preach good tidings unto the meek, to bind up the broken-hearted, to proclaim liberty to the captives, and the opening of the prison to them that are bound; to proclaim the year of Jehova's favor (Isaiah 61:1-2), and to go into the world and preach the gospel to all men (Mark 16:15). **Our goal is to reach and improve the quality of life of individuals and families in our community.**

We sincerely thank you for your support guiding us through the process and obtaining the required permissions and other government agency's support (Police, Fire Department, and Emergency/Ambulance personnel escorting us); as provided in previous years. Enclosed, please find our Insurance copy including the City of Tomball. Please let us know about any other requirements; if any.

Thanks in advance.

Cordially,

Pastor Jorge R. Marcial



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

05/09/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Celia Hernandez
Confimex Services	PHONE (A/C, No, Ext): (281) 255-8899
204 East Main Street Suite 1	FAX (A/C, No): (866) 583-3602
	E-MAIL ADDRESS: celia@confimex.com
	INSURER(S) AFFORDING COVERAGE
Tomball TX 77375	INSURER A : canopius US insurance inc,
INSURED	INSURER B :
CHURCH	INSURER C :
TALLER DEL ALFARERO	INSURER D :
19722 WATERFLOWER DR	INSURER E :
TOMBALL TX 77375-8688	INSURER F :

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD W/D	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
☒	COMMERCIAL GENERAL LIABILITY					EACH OCCURRENCE \$ 1,000,000
	☐ CLAIMS-MADE ☐ OCCUR					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
						MED EXP (Any one person) \$ 5,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					PERSONAL & ADV INJURY \$ 1,000,000
	☒ POLICY ☒ PRO-JECT ☐ LOC					GENERAL AGGREGATE \$ 2,000,000
	OTHER:					PRODUCTS - COMP/OP AGG \$ INCLUDED
	AUTOMOBILE LIABILITY					
	☐ ANY AUTO					COMBINED SINGLE LIMIT (Ea accident) \$
	☐ ALL OWNED AUTOS					BODILY INJURY (Per person) \$
	☐ HIRED AUTOS					BODILY INJURY (Per accident) \$
	☐ SCHEDULED AUTOS					PROPERTY DAMAGE (Per accident) \$
	☐ NON-OWNED AUTOS					
	UMBRELLA LIAB					EACH OCCURRENCE \$
	EXCESS LIAB					AGGREGATE \$
	☐ OCCUR					
	☐ CLAIMS-MADE					
	DED					
	RETENTION \$					
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY					PER STATUTE
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)					OTH-ER
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. EACH ACCIDENT \$
						E.L. DISEASE - EA EMPLOYEE \$
						E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CHURCH

CERTIFICATE HOLDER

CANCELLATION

CITY OF TOMBALL
401 W MARKET ST
TOMBALL TX 77375.

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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ACORD 25 (2014/01)

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Regular City Council

Agenda Item

Meeting Date: June 15, 2015

Data Sheet

Topic:

Approve Request by The Woodlands Church Tomball Campus (at Concordia Lutheran High School) to block off the Depot Area for the Annual Tomball Family Fest, to be held on Saturday, August 22, 2015 and for In-Kind Services

Background:

The Woodlands Church Tomball Campus (at Concordia Lutheran High School) is requesting approval to hold its Annual Tomball Family Fest at the Depot Plaza on Saturday, August 22, 2015 from 9:00 a.m. to 2:00 p.m.

The free family-friendly event will include live entertainment, games and activities, inflatable and non-inflatable attractions managed by a licensed staff, crafts and more for the entire community.

Last year's event drew approximately 500 attendees and the 2015 event is expected to draw more.

The Woodlands Church Tomball Campus has met with the City's special events team and has met the City's requirements. They are requesting that the City again waive the normal fees associated with a festival, allow them use of the Depot Plaza, blocking off the Depot area from 7:00 a.m. to 4:00 p.m., and provide trash cans as with other events.

Volunteers from Woodlands Church would assist our staff in site clean-up at the end of the day and Woodlands Church will add the City of Tomball as an additional insured to its insurance policy.

Origination:

The Woodlands Church Tomball Campus at Concordia Lutheran High School

Recommendation:

N/A

Funding:

Party(ies) responsible for placing this item on agenda:

Mike Baxter, Marketing Director

ACTION TAKEN		
APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1 ST ☐ 2 ND	

ATTACHMENTS:

Woodlands Church Tomball Request



Dear Mike and Denise,

It was such a pleasure meeting with you. Woodlands Church Tomball is very excited about partnering with you. To recap, our church is requesting to reserve the Railroad Depot Plaza on Saturday, August 22th from 9am to 2pm in order to put on a free event for all Tomball families. The name of our event is Tomball Family Fest.

- We are planning to set up a stage, speakers and a sound system for music and live entertainment on the large concrete pad. Access to plug in extension cords will be needed to power the sound board and speakers.
- BoBo Bouncers will provide four inflatables. They are licensed and insured. One inflatable will be for preschool age children only with a combination bounce house and waterslide. One is a double lane water slip-n-slide. Another is a double lane water slide. The fourth is an inflatable foam pit, which will contain non-toxic, hypo-allergenic, and biodegradable bubble foam. An image of this inflatable is attached. Bobo Bouncers will also provide trained operators as required by the State of TX. Four electric receptacles will be needed to power the four inflatables. Access to water hose hook ups will be needed for the inflatable foam pit and water slides/bouncers.
- Merry Makers will provide three professional face painters. The face painters will be stationed inside the large gazebo.
- We are talking with Chick-fil-A to provide chicken sandwiches and nuggets for sale at the location for convenience of the families. We will register the event with Health and Human Services. The food would be prepared off-site in the restaurant and brought to the location per Health and Safety codes for sale at a booth.
- We will have a station for skin stickers (aka. age appropriate temporary tattoos)
- We will have a games station with bubbles, hula-hoops and parachutes.
- We will have three craft stations where children may make a craft to take home.
- We are requesting that the pop-up fountain be available for use during the event.
- We are expecting approximately 500 to 600 attendees.

We will not charge guests for the activities nor will we accept donations. We need to reserve the park from 7am to 4pm that day for set-up, for the event itself and for packing up afterward. We are requesting access to the permanent, on-premise restroom facilities for this event. We are requesting to waive the Depot rental fee and for in-kind services to be provided by Police, Fire, Public Works and NWEMS.

We are so excited about the opportunity of partnering together to provide the community with this fun and memorable event.

Thank you so much for your help.

Ryan Warren and April Parker
Children's and Preschool Ministries
Woodlands Church Tomball (meets at Concordia Lutheran High School)
936-662-6826 Ryan Warren
832-746-4929 April Parker

Regular City Council

Agenda Item

Data Sheet

Meeting Date: June 15, 2015

Topic:

Adopt, on First Reading, Ordinance No. 2015-12, an Ordinance of the City of Tomball, Texas Consenting to the Annexation of a 19.0890-Acre Tract of Land by Harris County Municipal Utility District No. 273; and Making Findings Related Thereto

Background:

Angie Lutz, Allen Boone Humphries Robinson, LLP, representing Harris County Municipal Utility District No. 273, has requested that, pursuant to the Development Agreement, the City adopt an ordinance consenting to the annexation of the Pete Terpstra tract by the District, effective April 9, 2015, the date that the District adopted the Order Adding Land to the District.

Origination:

Angie Lutz, Partner, Allen Boone Humphries Robinson, LLP

Recommendation:

Adopt Ordinance No. 2015-12 on First Reading

Funding:**Party(ies) responsible for placing this item on agenda:**

City Secretary

ACTION TAKEN		
APPROVAL	READINGS PASSED	OTHER
☐ YES ☐ NO	☐ 1 ST ☐ 2 ND	

ATTACHMENTS:

Ordinance No. 2015-12

ORDINANCE NO. 2015-12

AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS CONSENTING TO THE ANNEXATION OF A 19.0890 ACRE TRACT OF LAND BY HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 273; AND MAKING FINDINGS RELATED THERETO.

* * * * *

WHEREAS, Peter S. Terpstra, Trustee, and P. S. Terpstra petitioned Harris County Municipal Utility District No. 273 ("MUD 273) to add the 19.0890 acre tract of land described by metes and bounds in Exhibit "A" attached hereto (the "Land"); and

WHEREAS, MUD 273 requires the consent of the City of Tomball, Texas to add the Land to MUD 273; and

WHEREAS, the City of Tomball, Texas desires to consent to the annexation of the Land into the boundaries of MUD 273 effective April 9, 2015; now, therefore:

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

Section 1. The facts and matters set forth in the preamble to this ordinance are hereby found to be true and correct.

Section 2. The City Council of the City of Tomball, Texas hereby consents to the annexation of the Land by MUD 273, effective April 9, 2015.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE ____ DAY OF _____ 2015.

COUNCILMAN HUDGENS	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGES	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT A SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE ____ DAY OF _____ 2015.

COUNCILMAN HUDGENS	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGS	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

GRETCHEN FAGAN, MAYOR
City of Tomball

ATTEST:

DORIS SPEER, City Secretary
City of Tomball

EXHIBIT A

Thomas Land Surveying
Surveying • Planning • Project Management

April 5, 2007

19.0890 Acres

Fieldnotes for 19.0890 acres of land out of the Wilhelm Usener Survey, Abstract No. 820, in Harris County, Texas, consisting of the residue of that certain 19.2528 acre tract of land conveyed to Peter S. Terpstra, Trustee, as described in deed recorded under County Clerk's File No. K910629 of the Real Property Records of Harris County, and the residue of that certain 2.00 acre tract of land conveyed to P. S. Terpstra (1/2 interest) and R. H. Nagy (1/2 interest), as described in deeds recorded under County Clerk's File No(s). J347524 and J347526, respectively, of the said Real Property Records, said 19.0890 acres of land being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8 inch steel rod found in the North line of Boudreaux Road, based on a 60 foot right-of-way, at the South end of a cut-back line for State Highway No. 249 (right-of-way varies), at the most Southerly Southeast corner of the herein described tract, said point being in the South line of the said 2.00 acre tract, said point also being the Southwest corner of that certain 1.115 acre tract of land conveyed to the State of Texas, as described in deed recorded under County Clerk's File No. N815622 of the said Real Property Records;

Thence, South 87°37'53" West with the North line of said Boudreaux Road and the South line of the said 2.00 acre tract, at 112.01 feet passing the Southwest corner of the said 2.00 acre tract and the most Southerly Southeast corner of the said 19.2528 acre tract, and continuing with the South line of the said 19.2528 acre tract in all, a total distance of 1158.61 feet to a 5/8 inch steel rod with cap set for the Southwest corner of the said 19.2528 acre tract and the herein described tract, said point also being the Southeast corner of that certain 2.272 acre tract of land conveyed to Alton Sargent and wife, Jo Ann Sargent, as described in deed recorded under County Clerk's File No. F787545 of the said Real Property Records, said tract of land also known as Reserve "A" of Boudreaux Estates, Section 3 (an unrecorded subdivision);

Thence, North 02°43'14" West, 737.93 feet with the East line of said Boudreaux Estates, Section 3 and the West line of the said 19.2528 acre tract to a 5/8 inch steel rod found marking the Northwest corner of the said 19.2528 acre tract and the herein described tract, said point being in the East line of Lot 79 of said Boudreaux Estates, Section 3, said point also being the Southwest corner of the residue of that certain 5.0600 acre tract of land conveyed to L. D. Neidigk, et ux and Roy L. Bayne, et ux, as described in deed recorded under County Clerk's File No. M467117 of the said Real Property Records;

Thence, North 87°42'00" East, 1067.62 feet with the South line of the said 5.0600 acre tract and the North line of the said 19.2528 acre tract to an "X" in concrete found in the West line of said State Highway No. 249 marking the Northeast corner of the herein described tract, said point being the Northwest corner of that certain 1.055 acre tract of land conveyed to the State of Texas, as described in deed recorded under County Clerk's File No. N815624 of the said Real Property Records, said point also being in the arc of a non-tangent curve to the right, having a radius of 2849.79 feet and a central angle of 01°33'06";

Thence, in a Southerly direction, with the West line of said State Highway No. 249, and with the said curve to the right having a radius of 2849.79 feet (chord bearing South 12°29'30" East, 77.18 feet), an arc distance of 77.18 feet to a 5/8 inch steel rod with aluminum (TxDOT) cap found at a point of tangency;

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www.thomaslandsurveying.com

19.0890 Acres
April 5, 2007
Page 2

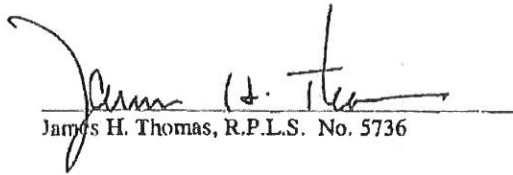
Thence, continuing with the West line of said State Highway No. 249, South $11^{\circ}42'57''$ East, 424.03 feet to a 5/8 inch steel rod with cap set at a point of curve to the left, having a radius of 1542.89 feet and a central angle of $06^{\circ}39'37''$;

Thence, continuing with the West line of said State Highway No. 249, and with the said curve to the left having a radius of 1542.89 feet (chord bearing $15^{\circ}02'45''$ East, 179.25 feet), an arc distance of 179.35 feet to a 5/8 inch steel rod found at a point of tangency;

Thence, continuing with the West line of said State Highway No. 249, South $18^{\circ}22'34''$ East, 26.76 feet to a 5/8 inch steel rod set at the Northerly end of the aforesaid cut-back line for Boudreaux Road, said point being the most Easterly Southeast corner of the herein described tract;

Thence, South $36^{\circ}32'42''$ West, 53.53 feet with the said cut-back line to the PLACE OF BEGINNING and containing 19.0890 acres or 831,516 square feet of land, more or less.

This description is based on the land title survey and plat (Job No. 07-15204) made under the direction of James H. Thomas, Registered Professional Land Surveyor on April 4, 2007.


James H. Thomas, R.P.L.S. No. 5736

