BIG SPRING
TEXAS

CITY COUNCIL REGULAR AGENDA

Tuesday, May 12, 2026

Notice is hereby given that the City Council of the City of Big Spring, Texas will meet in Regular Session on Tuesday, May 12, 2026, at 5:30 PM at the City Council Chambers Located at 307 East 4th Street, Big Spring, Texas. **We welcome the public to attend the meeting via telecommunication. Citizens will be able to view the City Council Meeting on Our Local Channel 17 through Optimum or on Our Website http://mybigspring.com/224/Channel-17-Live.**

CITY COUNCIL MEETING ETIQUETTE
Gentlemen are requested to remove their hats inside the City Council Chambers. As a courtesy to those in attendance, please place your cell phone on "Silent" or "Vibrate." Please, no talking during the meetings. Take all conversations outside so that others can hear.
Thank you!

Open Session

1. Call to Order — Moore
2. Invocation — Moore
3. Pledge of Allegiance to the United States Flag and to the Texas State Flag — Moore

Public Comment

Public Comment – Members of the public are entitled to speak on any topic. Additionally, members of the public may comment on any action item before or during its consideration. Speakers are Requested to Stand at the Podium and State Their Name and Address. Speakers Should Fill out the Form at the Podium and Turn it into the City Secretary. Please Do Not Exceed Five (5) Minutes.

4. **Public Comment** — Moore

Announcements, Presentations and Public Hearings

Public Hearings – The Council will take Input on Items Requiring Public Hearing Items **Prior** to any Action.

5.	**Open Public Hearings**		Moore
6.	PUBLIC HEARING - Tax Abatement Guidelines and Criteria	6	Medina
7.	**Close Public Hearing**		Moore

City Manager's Report

8.	City Manager's report on the following items:		Darden

- Large Item Pickup, District 5 - May 20th
- City Holiday, May 25th - Memorial Day
- Council Budget Work Session, May 26th

Consent Items

9.	Approval of the City Council Minutes for the Regular Meeting of April 28, 2026	7-12	Davis
10.	Acknowledge Receipt of the Planning and Zoning Commission Minutes for the Regular Meeting of February 17, 2026	13-14	Bowles
11.	Final Reading of an Ordinance Amending Ordinance Number 024-2025 Which Adopted the Annual budget for the City of Big Spring, Texas for the Fiscal Year Beginning October 1, 2025 and Ending September 30, 2026 Authorizing the Transfer of Appropriations within the Airpark Fund for the Replacement of the Roof at Fire Station One; Providing for Severability; and Providing an Effective Date.	15-16	Smith
12.	Final Reading of a Resolution of the City of Big Spring, Restricting the Insurance Proceeds Received as a Result of the Arson and Destruction of the Dora Roberts Community Center to the Design, Construction and Equipping for a New Community Center; Providing for Severability; and Providing an Effective Date.	17-20	Smith
13.	Final Reading of an Ordinance Authorizing ZC26-01, Amending the Big Spring Zoning Ordinance by Rezoning	21-23	Bowles

Approximately 0.57 Acres of Land in Section 8, Block 32, T-1-S, T&P RR. CO. Survey, Big Spring, Howard County, Texas, from Agricultural (AG) to Single Family 2 (SF-2); Providing for Repeal of Conflicting Legislation; Providing for Severability; Finding and Determining that the Meetings at Which the Ordinance was Discussed were Open to the Public as Required by Law; and Providing an Effective Date

Vouchers

14.	Vouchers for 05/01/26 $ 293,547.94		Blackburn

New Business

15.	Recognition of Outgoing Council Members		Moore
16.	Administer the Oath of Office to the Duly Elected Council Members for Districts One and Three		Judge Haynes
17.	Election of Mayor Pro Tem		Moore
18.	Consideration and Possible Action to Accept a Donation from Surge Energy to the Big Spring Police Department to Purchase Four (4) B&T GL-06 Launchers	24-26	Williams
19.	First Reading of a Resolution Authorizing the City Manager or His Designee to Enter into a Multiple-Use Agreement with the Texas Department of Transportation Allowing the Installation and Operation of Automated License Plate Recognition Cameras in Texas Department of Transportation Right-of-Way; and Providing an Effective Date	27-32	Williams
20.	First Reading of a Resolution Reauthorizing the Tax Abatement Guidelines and Criteria; Providing for Severability; and Providing an Effective Date	33-53	Medina
21.	Consideration and Possible Action to Approve an Interlocal Agreement with Howard County to Participate in the Tax Increment Reinvestment Zone (TIRZ) #2 and Authorizing the City Manager or His Designee to Execute any Necessary Documents	54-64	Darden
22.	Consideration and Possible Action to Approve a Lease Agreement Between the City of Big Spring and Hangar 25 Air Museum Association and Authorizing the City Manager or His Designee to Execute any Necessary Documents	65-98	Feeley
23.	Consideration and Possible Action to Approve a Contract with	99-	Bowles

Jacob Martin for Inspection Services on the Birdwell Lane Reconstruction Project and Authorizing the City Manager or His Designee to Execute any Necessary Documents — 100

24. Consideration and Possible Action to Approve a Corrected Tax Deed for the Sale of Real Property Located at Lot Twelve (12), Block One Hundred Two (102), in the Original Town of Big Spring, Big Spring, Howard County, Texas, Commonly Known as 401 Sargent Paredez Street, and Held by the City of Big Spring, in Trust, to Daniel German Rodriguez Moncibais, and Authorizing the Mayor to Execute and Necessary Documents. — 101-108 — Darden

25. **Boards and Committees** — Moore
    Consideration and Possible Action to Reappoint the Below Listed Board Members:

    <u>Big Spring Economic Development Corporation Board of Directors - Effective October 1, 2026</u>
    Nolan Dominguez - District 1
    Taylor Parks - District 3

<u>Council Input</u>

26. Input — Moore

27. Adjourn — Moore

The City Council reserves the right to meet in executive session on any agenda item should the need arise pursuant to Chapter 551, Subchapter D of the Texas Government Code, or the Texas Disciplinary Rules of Professional Conduct.

I hereby certify that this agenda was posted on the official bulletin board at the City of Big Spring, City Hall Building, located outside 310 Nolan Street. Given by order of the City Council and **Posted on Wednesday, May 6, 2026** in accordance with Title 5, Texas Government Code and Chapter 551.

In addition, this agenda and supporting documents are posted on the City of Big Spring's Website, www.mybigspring.com, in accordance with legal requirements.

Tami L. Davis

Tami L. Davis, City Secretary

THE MEETING FACILITY IS ACCESSIBLE TO DISABLED PERSONS. ANY DISABLED PERSON NEEDING SPECIAL ACCOMMODATION OR A HEARING IMPAIRED PERSON WISHING TO HAVE AN INTERPRETER SHOULD REQUEST SERVICES AT LEAST 48 HOURS PRIOR TO THE SCHEDULED MEETING BY CONTACTINGTAMI DAVIS AT 432-264-2513 OR EMAIL: TDAVIS@MYBIGSPRING.COM.

PUBLIC HEARING NOTICE

City of Big Spring, Texas

Tax Abatement Guidelines and Criteria

Notice is hereby given that the City Council of the City of Big Spring, Texas, will hold a public hearing to consider the adoption (or re-adoption) of Tax Abatement Guidelines and Criteria pursuant to Texas Tax Code Chapter 312.

The public hearing will be held:

Date: May 12, 2026

Time: 5:30 PM

Location: City Council Chambers, 307 East 4th Street, Big Spring, Texas

At this hearing, the City Council will receive public comments and consider the establishment of guidelines and criteria governing tax abatement agreements within the City. These guidelines are intended to promote economic development, stimulate business and commercial activity, and encourage investment within the community.

A copy of the proposed Tax Abatement Guidelines and Criteria is available for public inspection at City Hall during normal business hours and on the City's website under agendas.

All interested persons are invited to attend and be heard.

Issued this the 6th day of May, 2026

Tami Davis

City Secretary

City of Big Spring, Texas

STATE OF TEXAS :
COUNTY OF HOWARD :
CITY OF BIG SPRING :

The City Council of the City of Big Spring, Texas, met in a Regular Meeting in the City Council Chambers located at 307 E. 4th St., Big Spring, Texas, at 5:30 PM, April 28, 2026, with the following members present in person:

MAYOR ROBERT MOORE
COUNCIL MEMBER NICK ORNELAS
COUNCIL MEMBER DIANE YANEZ
MAYOR PRO TEM CODY HUGHES
COUNCIL MEMBER HOMER WILKERSON
COUNCIL MEMBER DANIEL MORENO
COUNCIL MEMBER GLORIA BLACKBURN

Same and constituting a quorum, for which four Council Members must be present; and the following staff in person;

TODD DARDEN	City Manager
JOHN MEDINA	Assistant City Manager
ANDREW HAGEN	City Attorney
SHANE BOWLES	Public Works Director
JAY HOLT	Fire Chief
MIKE FEELEY	Airpark Director
SANDY SMITH	Finance Director
SUSAN HIMES	Community Services Director
TAMI DAVIS	City Secretary
MANDY HAYNES	Municipal Judge

Open Session

Call to Order

Mayor Moore called the City Council meeting to order at 5:30 p.m.

Invocation

Lloyd Wells, Spring Creek Fellowship, gave the invocation.

Pledge of Allegiance to the United States Flag and to the Texas State Flag

Mayor Moore led the Pledge of Allegiance to the United States Flag and to the Texas State Flag.

Public Comment

Public Comment

There were no comments at this time.

Announcements, Presentations and Public Hearings

Open Public Hearing & Presentations

MOTION WAS MADE BY Mayor Moore to open the below listed public hearing and presentations, seconded by Council Member Yanez.

YEAS: Mayor Moore, Council Member Ornelas, Council Member Yanez, Mayor Pro Tem Hughes, Council Member Wilkerson, Council Member Moreno, Council Member Blackburn **7**

NAYS: None **0**

MOTION PASSED

PUBLIC HEARING - Regarding a Zone Change from Agricultural (AG) to Single Family-2 (SF-2) for a .57-Acre Tract of Land Lying In and Being in the NE/4 of Section 8, Block 32, T-1-S, T&P RR Co Survey in Big Spring, Howard County, TX

Shane Bowles, Public Works Director, explained that this property is the recently annexed property located at 25th St. & Virginia St. and would like to change the zoning from Agricultural to Single Family-2.

Presentation and Acceptance of the Big Spring Economic Development Corporation's Financial Statement (Audit) for Year Ending September 30, 2025 by Bolinger, Segar, Gilbert & Moss L.L.P.

Presentation and Approval of the Comprehensive Annual Financial Report for Year Ending September 30, 2025 by Bolinger, Segar, Gilbert & Moss L.L.P.

David Copeland with Bolinger, Segar, Gilbert & Moss presented the above captioned Annual Financial Reports for the Big Spring Economic Development Corporation and the City of Big Spring. Council Members accepted the above captioned reports. No action was necessary.

Close Public Hearing & Presentations

MOTION WAS MADE BY Mayor Moore to close the above captioned public hearing and presentations, seconded by Council Member Yanez.

YEAS: Mayor Moore, Council Member Ornelas, Council Member Yanez, Mayor Pro Tem Hughes, Council Member Wilkerson, Council Member Moreno, Council Member Blackburn **7**

NAYS: None **0**

MOTION PASSED

City Manager’s Report

City Manager's report on the following items:

- Update - Large Item Pickup, District 4

Todd Darden, City Manager, reported on the above listed item as follows: Large item pickup for District 4 picked up 8 tons of items.

Consent Items

Approval of the City Council Minutes for the Regular Meeting of April 14, 2026

MOTION WAS MADE BY Mayor Moore to approve the above captioned minutes, seconded by Council Member Wilkerson.

YEAS: Mayor Moore, Council Member Ornelas, Council Member Yanez, Mayor Pro Tem Hughes, Council Member Wilkerson, Council Member Moreno, Council Member Blackburn	**7**
NAYS: None	**0**

MOTION PASSED

Vouchers

Vouchers for 04/10/26	$	833,008.52
Vouchers for 04/28/26	$	1,471,604.28

MOTION WAS MADE BY Council Member Wilkerson to approve the above captioned vouchers with a correction on the date of 04/28/26 which should be the date of 04/17/2026, seconded by Council Member Yanez.

YEAS: Mayor Moore, Council Member Ornelas, Council Member Yanez, Mayor Pro Tem Hughes, Council Member Wilkerson, Council Member Moreno, Council Member Blackburn	**7**
NAYS: None	**0**

MOTION PASSED

Bids

Consideration and Possible Action to Award a Bid for Cost Allocation Plan Consulting Services for the Preparation of an Updated Cost Allocation Plan and Authorizing the City Manager to Negotiate and Execute any Necessary Documents.

MOTION WAS MADE BY Mayor Pro Tem Hughes to award the above captioned bid to MGT with a total cost of $61,000.00 over a five year contract, seconded by

Council Member Wilkerson.

YEAS: Mayor Moore, Council Member Ornelas, Council Member Yanez, Mayor Pro Tem Hughes, Council Member Wilkerson, Council Member Moreno, Council Member Blackburn **7**

NAYS: None **0**

MOTION PASSED

Consideration and Possible Action to Award a Bid to RW Fence and Fab for Necessary Roof Repairs on Fire Station One Hangar Due to Extensive Hail Damage and Authorizing the City Manager or his Designee to Execute any Necessary Documents

MOTION WAS MADE BY Mayor Pro Tem Hughes to award the above captioned bid to RW Fence and Fab in the amount of $35,225.00, seconded by Council Member Yanez.

YEAS: Mayor Moore, Council Member Ornelas, Council Member Yanez, Mayor Pro Tem Hughes, Council Member Wilkerson, Council Member Moreno, Council Member Blackburn **7**

NAYS: None **0**

MOTION PASSED

New Business

Acknowledge Receipt of the Second Quarter Financial Report

Acknowledge Receipt of the Second Qarter FY 2025-2026 Investment Report

Council Members acknowledged receipt of the above captioned Financial and Investment Reports given by Sandy Smith, Finance Director.

Consideration and Possible Action to Accept a Donation from Surge Energy to the Big Spring Fire Department for the Purpose of Purchasing an All-Terrain Vechicle.

MOTION WAS MADE BY Council Member Yanez to accept the above captioned donation from Surge Energy in the amount of $55,830.82 to purchase an All-Terrain Vehicle, seconded by Mayor Pro Tem Hughes.

YEAS: Mayor Moore, Council Member Ornelas, Council Member Yanez, Mayor Pro Tem Hughes, Council Member Wilkerson, Council Member Moreno, Council Member Blackburn **7**

NAYS: None **0**

MOTION PASSED

First Reading of an Ordinance Amending Ordinance Number 024-2025 Which Adopted the Annual budget for the City of Big Spring, Texas for the Fiscal Year Beginning October 1, 2025 and Ending September 30, 2026 Authorizing the Transfer of Appropriations within the Airpark Fund for the Replacement of the Roof at Fire Station One; Providing for Severability; and Providing an Effective Date.

MOTION WAS MADE BY Mayor Pro Tem Hughes to approve the above captioned ordinance, seconded by Council Member Yanez.

YEAS: Mayor Moore, Council Member Ornelas, Council Member Yanez, Mayor Pro Tem Hughes, Council Member Wilkerson, Council Member Moreno, Council Member Blackburn **7**

NAYS: None **0**

MOTION PASSED

First Reading of a Resolution of the City of Big Spring, Restricting the Insurance Proceeds Received as a Result of the Arson and Destruction of the Dora Roberts Community Center to the Design, Construction and Equipping for a New Community Center; Providing for Sevrability; and Providing an Effective Date.

MOTION WAS MADE BY Council Member Wilkerson to approve the above captioned resolution, seconded by Mayor Moore.

YEAS: Mayor Moore, Council Member Ornelas, Council Member Yanez, Mayor Pro Tem Hughes, Council Member Wilkerson, Council Member Moreno, Council Member Blackburn **7**

NAYS: None **0**

MOTION PASSED

First Reading of an Ordinance Authorizing ZC26-01, Amending the Big Spring Zoning Ordinance by Rezoning Approximately 0.57 Acres of Land in Section 8, Block 32, T-1-S, T&P RR. CO. Survey, Big Spring, Howard County, Texas, from Agricultural (AG) to Single Family 2 (SF-2); Providing for Repeal of Conflicting Legislation; Providing for Severability; Finding and Determining that the Meetings at Which the Ordinance was Discussed were Open to the Public as Required by Law; and Providing an Effective Date

MOTION WAS MADE BY Mayor Pro Tem Hughes to approve the above captioned ordinance, seconded by Council Member Yanez.

YEAS: Mayor Moore, Council Member Ornelas, Council Member Yanez, Mayor Pro Tem Hughes, Council Member Wilkerson, Council Member Moreno, Council Member Blackburn **7**

NAYS: None **0**

MOTION PASSED

Council Input

Input

Council Member Ornelas expressed his gratitude and truly enjoyed working with everyone as this is his last Council meeting and he plans to stay involved with the community and has several projects he is working on.

Mayor Pro Tem Hughes also expressed his gratitude and enjoyed working with staff and council members and will miss everyone as this is his final meeting also.

Adjourn
Mayor Moore adjourned the City Council meeting at 6:18 p.m.

____
Robert H. Moore III, Mayor

ATTEST:

____
Tami L. Davis, City Secretary

STATE OF TEXAS :
COUNTY OF HOWARD :
CITY OF BIG SPRING :

The Planning and Zoning Commission of the City of Big Spring, Texas, met in a REGULAR Session in the City Council Chambers located at 307 E. 4th St., Big Spring, Texas, at 5:30 PM, February 17, 2026, with the following board members:

DALE AVANT	CHAIR
BETH HENRY	MEMBER
KELLY HARRIS	MEMBER
JAN HANSEN	MEMBER
TJ STEWART	MEMBER
FELIX HOLGUIN	MEMBER
ERIC ESCAMILLA	MEMBER

Same and constituting a quorum, for which four board members must be present; and the following were in person;

DALE AVANT	CHAIR
KELLEY HARRIS	MEMBER
JAN HANSEN	MEMBER
ERIC ESCAMILLA	MEMBER
BETH HENRY	MEMBER
ERIC ESCAMILLA	MEMBER

Open Session

Call to Order

The Chairperson called the Planning and Zoning Commission regular meeting on February 17, 2026 to order at 5:30 pm.

Consent Items

Approval of the minutes for the regular Planning & Zoning Commission agenda from 09-16-2025.

Motion to approve with the amendment that Member Henry was present was made by Chairperson Avant and seconded by Member Henry

votes was 5 ayes 0 nays

New Business

Approval of a final plat of Green Acres Subdivision, being an 8.87-acre tract out of Section 45, Block 32, T-1-S, T&P RR. Co Survey, Howard County Texas.

Motion to approve was made by Member Henry and seconded by Member Holguin
6 ayes 0 nays

Commissioners Input

Adjourn
Motion to adjorn was made by Member Holguin, seconded by Member Hansen
6 ayes 0 nays

Dale Avant, Chair

ATTEST:

Angela Brown

Angela Brown, Public Works Coordinator

ORDINANCE NO. ____________

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS, AMENDING ORDINANCE NUMBER 024-2025 WHICH ADOPTED THE ANNUAL BUDGET FOR THE CITY OF BIG SPRING, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025 AND ENDING SEPTEMBER 30, 2026 AUTHORIZING THE TRANSFER OF APPROPRIATIONS WITHIN THE AIRPARK FUND FOR THE REPLACEMENT OF THE ROOF AT FIRE STATION ONE; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS the City Council adopted the annual 2025-26 budget for the City of Big Spring, Texas on September 23, 2025 ("Budget"); and

WHEREAS the City Manager and the Finance Director recommend that the City Council increase the Airpark Fund budgeted expenditures and amend the Budget previously approved;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS, AS FOLLOWS THAT:

SECTION 1. The Airpark Fund Budget of the Annual Budget for the City of Big Spring, Texas for the Fiscal Year beginning October 1, 2025 and ending September 30, 2026 is hereby increased by the amount of $35,225.00 to account 410-021-610-6201-000 Buildings, and a decrease to account 410-021-610-5311-000 Maintenance of Buildings to replace the leaky roof at Fire Station One, which was damaged due to hail. There is no impact to the fund balance.

SECTION 2. The remaining portions of Ordinance Number 024-2025 shall remain in full force and effect.

SECTION 3. Should any section, paragraph, sentence, clause, phrase or word of this ordinance be declared unconstitutional or invalid for any purpose, the reminder of this ordinance shall not be affected thereby.

SECTION 4. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict.

SECTION 5. This ordinance shall be in full force and effective after the second passage.

PASSED AND APPROVED on first reading at a regular meeting of the City Council on the _____ day of **__________, 2026** with all members of the Council present voting "aye" for the passage of same.

PASSED AND APPROVED on second and final reading at a second regular meeting of the City Council on the **_____** day of **__________, 2026** with all members of the council present voting "aye" for the passage of same.

____
Robert H. Moore III, Mayor

ATTEST:

____
Tami L. Davis, City Secretary

Memorandum

Date: March 24, 2026

From: Sandy Smith, Finance Director

To: Mayor and City Council

Re: Resolution Restricting the Insurance Proceeds From DRCC

The purpose of the proposed resolution is to formally restrict insurance proceeds received from the DRCC claim into a restricted fund balance to ensure the funds are used solely for their intended purpose, comply with governmental accounting standards, strengthen financial controls, and maintain audit compliance.

The City has received insurance proceeds related to damages associated with the DRCC. These proceeds were provided to reimburse the City for specific losses and costs related to that event. Under generally accepted accounting principles (GAAP) and Governmental Accounting Standards Board (GASB) guidance, insurance proceeds intended for a specific purpose should not be treated as discretionary operating revenue. Without formal action by City Council, the proceeds would be reflected in the City's unassigned or assigned fund balance, which could allow the funds to be inadvertently used for unrelated purposes and create audit, compliance, and transparency concerns.

Adopting a formal resolution to restrict these proceeds is necessary for the following reasons:

1. **Legal and Purpose Compliance**
   Insurance proceeds are intended only to offset costs directly related to the DRCC loss. Restricting the funds ensures they are used solely for eligible repair, replacement, or recovery expenditures.
2. **GASB Compliance**
   GASB fund balance classifications require amounts constrained by external requirements or formal governing body action to be reported as **restricted fund balance**. A council resolution provides the required formal constraint.
3. **Audit and Internal Control Considerations**
   External auditors routinely review the classification and use of insurance

proceeds. A formal restriction demonstrates strong internal controls and reduces audit findings or reclassification adjustments.

4. **Transparency and Accountability**
   Establishing a restricted fund balance provides a clear audit trail and allows City Council and the public to easily track how insurance proceeds are used.
5. **Protection of City Financial Position**
   Restricting the funds prevents the proceeds from being inadvertently used for recurring operations or unrelated expenses, helping preserve the City's long-term financial integrity.

Staff recommends that City Council adopt a resolution restricting the insurance proceeds received from the DRCC claim to a restricted fund balance, dedicated exclusively to DRCC-related recovery, repair, and associated costs. This action aligns with best accounting practices, audit requirements, and prudent financial management.

RESOLUTION NO. ______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS, RESTRICTING THE INSURANCE PROCEEDS RECEIVED AS A RESULT OF THE ARSON AND DESTRUCTION OF THE DORA ROBERTS COMMUNITY CENTER TO THE DESIGN, CONSTRUCTION, AND EQUIPPING OF A NEW COMMUNITY CENTER; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Dora Roberts Community Center, a public facility owned and operated by the City of Big Spring, was totally destroyed as a result of an act of arson, rendering the facility unusable; and

WHEREAS, the City has received, or expects to receive, insurance proceeds related to the loss and destruction of the Dora Roberts Community Center; and

WHEREAS, the City Council desires to ensure that all insurance proceeds related to this loss are preserved and used exclusively for the public purpose of replacing the destroyed facility; and

WHEREAS, applicable accounting standards promulgated by the Governmental Accounting Standards Board (GASB) allow for the restriction of governmental fund balance through enabling legislation adopted by the City Council; and

WHEREAS, the City Council finds that restricting these insurance proceeds will promote fiscal accountability, transparency, and the long-term public interest;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS AS FOLLOWS, THAT:

SECTION 1. All insurance proceeds received by the City as a result of the arson and destruction of the Dora Roberts Community Center are hereby restricted for the sole and exclusive purpose of the planning, design, construction, furnishing, and equipping of a new community center to replace the Dora Roberts Community Center.

SECTION 2. Pursuant to this Resolution, the restricted portion of these insurance proceeds shall be reported as Restricted Fund Balance in the City's governmental funds in accordance with GASB Statement No. 54, as amended.

SECTION 3. The restricted insurance proceeds may not be used for any purpose other than those expressly authorized above unless and until this restriction is formally removed or modified by subsequent action of the City Council adopted with the same level of authority as this Resolution and in compliance with applicable law.

SECTION 4. The City Manager and Director of Finance are hereby authorized and directed to take all necessary administrative actions to properly account for and report these restricted funds and to ensure compliance with this Resolution.

SECTION 5. Should any section, subsection, sentence, clause, or phrase of this Resolution be declared invalid, such decision shall not affect the validity of the remaining portions of this Resolution.

SECTION 6. This Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED on first reading at a regular meeting of the City Council on the ___ day of __________, 20__.

PASSED AND APPROVED on second and final reading at a regular meeting of the City Council on the ___ day of __________, 20__.

____
Robert H. Moore III, Mayor

ATTEST:

____
Tami L. Davis, City Secretary

ORDINANCE NO. _________

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS, AUTHORIZING ZC26-01, AMENDING THE BIG SPRING ZONING ORDINANCE BY REZONING APPROXIMATELY 0.57 ACRES OF LAND IN SECTION 8, BLOCK 32, T-1-S, T&P RR. CO. SURVEY, BIG SPRING, HOWARD COUNTY, TEXAS, FROM AGRICULTURAL (AG) TO SINGLE FAMILY 2 (SF-2); PROVIDING FOR REPEAL OF CONFLICTING LEGISLATION; PROVIDING FOR SEVERABILITY; FINDING AND DETERMINING THAT THE MEETINGS AT WHICH THE ORDINANCE WAS DISCUSSED WERE OPEN TO THE PUBLIC AS REQUIRED BY LAW; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Danja Ann Hernandez, a natural person, is the owner of a tract of land contiguous to the City of Big Spring and described as approximately 0.57 acres out of the NE/4 of Section 8, Block 32, T-1-S, T&P RR Co. Survey, Howard County, Texas, and which is further described as follows (the “Property”):

The Property is a 0.57-acre tract of land out of the NE/4 of Section 8, Block 32, T-1-S, T&P RR Co. Survey, Howard County, Texas, conveyed to Danja Ann Gonzales by Bobby Dale Barber and Cheryll Ann Barber by a general warranty deed dated July 10, 2025, and recorded in volume 2303, pages 636-639 of the real property records of Howard County, Texas, and which is further described in metes and bounds as follows:

BEGINNING at a 1/2" I.R. with cap set in the west right-of-way line of Virginia Street (30.0’ right-of-way) for the NE corner of this tract; from said rod the NW corner of Block 4, Cedar Ridge addition as filed in Envelope No. 14-B, Plat Records of Howard County, Texas bears N. 75° 14’ 10” E. 30.0’ and N. 14° 37’ 50” W. 25.0’ and from said rod set the NE corner of Section 8, Block 32, T-1-S, T&P RR Co. Survey, Howard County, Texas, bears N. 14° 37’ 50” W. 75.0’ and N. 75° 14’ 10” E. (Record Bearing) 1251.94’

THENCE S. 14° 37’ 50” E. along the west right-of-way line of said Virginia Street, a distance of 138.0’ to a 1/2" I.R. with cap set for the SE corner of this tract;

THENCE S. 75° 14’ 10” W. parallel with the north line of said Section 8, a distance of 180.0’ to a 1/2" I.R. with cap set for the SW corner of this tract;

THENCE N. 14° 37’ 50” W. parallel with the west right-of-way line of said Virginia Street, a distance of 138.0’ to a 1/2" I.R. with cap set for the NW corner of this tract;

THENCE N. 75° 14’ 10” E. parallel to the north line of said Section 8, a distance of 180.0’ to the PLACE OF BEGINNING, containing 0.57 acres of land.

Note: The east 20-ft of this tract will be used as a utility easement.

WHEREAS, the City received a Petition Requesting Annexation by Area Landowners, executed by Danja Ann Hernandez as of the 9th day of March, 2026, petitioning the City Council of Big Spring to extend the present city limits so as to include the Property as part of the City of Big Spring, Texas; and

WHEREAS, a Municipal Services Agreement dated as of March 24, 2026, was negotiated by and between Danja Ann Hernandez and the City of Big Spring; and

WHEREAS, Ordinance No. 016-2026 annexing the Property into the city limits of the City of Big Spring was passed by City Council on first reading on March 24, 2026, and on second and final reading on April 14, 2026; and

WHEREAS, pursuant to Section 3-2, Zoning Ordinance of the City of Big Spring, Texas, all land annexed into the City shall be temporarily zoned as an Agricultural District until permanent zoning is established by the City Council; and

WHEREAS, the Planning and Zoning Commission held a public hearing to solicit public comment and considered a zone change of the Property from Agricultural (AG) to Single Family 2 (SF-2) during a regular meeting on April 21, 2026; and

WHEREAS, the Planning and Zoning Commission voted 5-0 to recommend that this zone change application be approved; and

WHEREAS, the City Council held a public hearing during a regular meeting on April 28, 2026; and

WHEREAS, the City Council has considered this request and has determined that approval is in the best interest of the City;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS, THAT:

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

SECTION 2. The City Council hereby authorizes a rezone of approximately 0.57 acres located in Section 8, Block 32, T-1-S, T&P RR. Co. Survey, Big Spring, Howard County, Texas, from Agricultural (AG) to Single Family 2 (SF-2) and such change is hereby approved by order of the City Council of Big Spring.

SECTION 3. The City of Big Spring Zoning Map shall be amended to reflect the zoning designation of the above-described Property as Single Family 2 (SF-2).

SECTION 4. Should any one or more sections or clauses of this Ordinance be adjudged unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance, and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

SECTION 5. All provisions of any ordinance, rule, regulation, or order of the City in conflict with this Ordinance are hereby repealed to the extent they are in conflict.

SECTION 6. It is hereby officially found and determined that the meetings at which this Ordinance was adopted were open to the public and that public notice of the time, place and purpose of said meetings was given as required by law.

SECTION 7. This Ordinance is ordered to be codified.

SECTION 8. This Ordinance shall become effective upon its second publication according to law.

SECTION 9. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and of the United States of America.

PASSED AND APPROVED on first reading at a regular meeting of the City Council on the ___ day of ____________, ______, with all members present voting "aye" for the passage of same.

PASSED AND APPROVED on second and final reading at a regular meeting of the City Council on the ___ day of ____________, ______, with all members present voting "aye" for the passage of same.

____
Robert H. Moore, III, Mayor

ATTEST:

____
Tami L. Davis, City Secretary

Memorandum

To: Honorable Mayor, City Council, and City Manager

From: Chad Williams, Chief of Police

Date: May 5, 2026

Subject: Permission to Accept Donation from Surge Energy

The Big Spring Police Department respectfully requests authorization to accept a donation from Surge Energy in the amount of $8,256.00. These funds will be used to purchase four (4) B&T GL-06 launchers, ensuring each patrol shift is equipped with this less-lethal capability.

The B&T GL-06 launcher is a stand-alone, shoulder-fired platform designed for law enforcement to deploy less-lethal munitions. It provides officers with a critical stand-off option to safely deter or incapacitate non-compliant or dangerous individuals beyond the effective range of a TASER or baton. Each launcher is equipped with an Aimpoint optic, allowing for rapid target acquisition and improved accuracy, which is essential for proper shot placement and reducing the likelihood of serious injury while maintaining distance and control.

The Department is deeply appreciative of Surge Energy's continued support and respectfully requests City Council's approval to accept this donation. Your consideration of this request is sincerely appreciated.

SURGE Energy

7850 N. Sam Houston Pkwy. W., Suite 300 • Houston, TX 77064

March 30, 2026

City Council of Big Spring, TX
307 E 4th St
Big Spring, TX 79720

Subject: Donation to Big Spring Police Dept for B&T GL-06 launcher

Dear Members of the City Council,

I am writing on behalf of Surge Energy ("Surge"). We are an oil & gas production company headquartered in Houston, Texas, and operating over 900 wells in Howard County and Borden County.

In October 2025, Surge hosted the 2nd Annual Howard County Benefit Clay Shoot, raising nearly $170,000. It is Surge's desire to use a portion of these funds to help improve the safe and efficient operations of the Big Spring Police Department.

Working directly with Chad Williams, BSPD Chief of Police, a need was identified to purchase four B&T GL-06 launchers for police department operations. A quote was obtained for four of these devices plus accessories in the amount of **$8,256.00** Surge would like to provide funding to the Big Spring Police Department to make this purchase.

Included with this letter is the quote from B&T USA for the equipment. I am happy to provide additional details if needed and to work with the BSPD and City Council to ensure Surge's donation is steered correctly toward the purchase of the B&T launchers for the Big Spring Police Department.

Thank you,

Page E Schw

Page Schwertner
Sr. Executive Advisor
Surge Energy

Enclosure – B&T USA Quote

Estimate

B&T USA
B&T USA LLC
15897 South Axia Drive
STE 400
Herriman, UT 84065

Order #	Date
S26-1846-LE	03/13/2026

Bill To:	Ship To:
Big Spring Police 3613 W. Highway 80 Big Spring, TX 79720	Big Spring Police 3613 W. Highway 80 Big Spring, TX 79720

Customer: Big Spring Police

Sales Rep	Payment Terms	FOB Point	Shipping Terms	Ship Service	Date Scheduled
Nicholas	LE/GOVT NET 30	Origin	Prepaid & Billed		03/13/2026

Item #	Number	Description	Unit Price	Qty Ordered	Total Price
1	BT-31000-LE	B&T launcher GL-06 black cal. 40mm - Aimpoint® Micro TL - with safety, Ghost ring sight and folding stock - top, bottom & side-rail NAR - sling & manual	$2,000.00	4 ea	$8,000.00
2	BT-211564-BL	B&T Unigrip QD short made of polymer, color black	$50.00	4 ea	$200.00
3	Included Accessories GL06	Accessories Vertical Grips			-$50.00
4	Included Accessories GL06	Accessories			-$50.00
5	Included Accessories GL06	Accessories			-$50.00
6	Included Accessories GL06	Accessories			-$50.00
7	Freight out	Freight	$256.00	1 ea	$256.00

Subtotal:	**$8,256.00**
Sales Tax:	**$0.00**
Total:	**$8,256.00**

Approval:____________________ Date:__________

March 13, 2026, 2:50:13 PM EDT

RESOLUTION NO. ____________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO ENTER INTO A MULTIPLE-USE AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION ALLOWING THE INSTALLATION AND OPERATION OF AUTOMATED LICENSE PLATE RECOGNITION CAMERAS IN TEXAS DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Big Spring City Council has determined that the addition of Automatic License Plate Recognition (ALPR) cameras will increase public safety and aid the Big Spring Police Department in its crime prevention efforts and strategies; and

WHEREAS, the Big Spring City Council desires to engage with the Texas Department of Transportation (TxDOT) and asks that Flock safety be allowed to place ALPR cameras in the TxDOT right-of-way on behalf of the City of Big Spring; and

WHEREAS, the Big Spring City Council finds it to be in the public interest to authorize the City Manager or his Designee to sign a Multiple-Use Agreement with TxDOT;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS, THAT:

SECTION 1. The City of Big Spring, acting by and through its governing body, hereby authorizes the City Manager or his Designee to enter into a Multiple-Use Agreement with TxDOT for the installation and operation of ALPR cameras in the TxDOT right-of-way.

SECTION 2. This Resolution shall become effective immediately upon its passage.

PASSED AND APPROVED on the first reading at a regular meeting of the City Council on the ______ day of ____________**, 2026**, with all members of the Council present voting "aye" for passage of the same.

PASSED AND APPROVED on the second and final reading at a regular meeting of the City Council on the ________ day of ____________**, 2026**, with all members of the Council present voting "aye" for passage of the same.

____
Robert H. Moore III, Mayor

ATTEST:

____
Tami L. Davis, City Secretary

Flock Safety + TX - Big Spring PD

Flock Group Inc.
1170 Howell Mill Rd, Suite 210
Atlanta, GA 30318

MAIN CONTACT:
Patrick Kenefick
patrick.kenefick@flocksafety.com
+19414040528

Quote Number: Q-188281
Expiration Date: 03/27/2026

flock safety

flock safety

ORDER FORM

Customer:	TX - Big Spring PD	Initial Term:	18 Months
Legal Entity Name:	TX - Big Spring PD	Renewal Term:	24 Months
Accounts Payable Email:	cwilliams@bigspringpd.net	Payment Terms:	Net 30
Address:	3611 W Hwy 80 Big Spring, Texas 79720	Billing Frequency:	Total Contract Billed at Signing
		Retention Period:	30 Days

Hardware and Software Products

Recurring amounts over subscription term

Item	Cost	Quantity	Total
Flock Safety Platform			**$29,500.00**
Flock Safety LPR Products			
Flock Safety LPR Flex, fka Falcon Flex	Included	2	Included
Flock Safety LPR, fka Falcon	Included	6	Included
Flock Safety LPR, fka Falcon	Included	1	Included
Flock Safety Platform Add Ons			
Additional Battery Pack	Included	2	Included

Professional Services and One Time Purchases

Item	Cost	Quantity	Total
One Time Fees			
Flock Safety Professional Services			
Professional Services - MASH Tested Pole Implementation Fee - Non-Coastal Region	$100.00	6	$600.00
Professional Services - Standard Implementation Fee	$100.00	1	$100.00
		Estimated Tax:	$0.00
		Contract Total:	$44,950.00

Taxes shown above are provided as an estimate. Actual taxes are the responsibility of the Customer. This Agreement will automatically renew for successive renewal terms of the greater of one year or the length set forth on the Order Form (each, a ***"Renewal Term"****) unless either Party gives the other Party notice of non-renewal at least thirty (30) days prior to the end of the then-current term.*

Special Terms:

Upon execution of this Agreement, the Term for Flock Hardware shall commence upon first installation and validation per each phase as identified in the chart below ("Phase"), except that the Term for any Flock Hardware that requires self-installation shall commence upon execution of the Agreement. In the event a Customer purchases more than one type of Flock Hardware, the earliest Term start date shall control. In the event a Customer purchases software only, the Term shall commence upon execution of the Agreement.

Upon completion of installation and validation of total Phases, the Customer agrees that the Term of all Phases will run coterminous in accordance with the Term of Phase 1. In the event of any overlap in subscription terms (meaning the period from the effective date until expiration or termination of an agreement) and prior invoices, payments will be provided in pro rata credit. Any estimates provided on credits are subject to change based on the execution date of a new agreement. To the extent applicable, any prorated amounts provided are subject to change based on term commencement of first hardware validation of products referenced within each Phase.

Billing Schedule

Billing Schedule	Amount (USD)
Total Contract Due at Signing	$44,950.00

*Tax not included

Discounts

Discounts Applied	Amount (USD)
Flock Safety Platform	$0.00
Flock Safety Add-ons	$0.00
Flock Safety Professional Services	$7,450.00

Product and Services Description

Flock Safety Platform Items	Product Description
Flock Safety Platform - Essentials	An integrated public safety platform that detects, centralizes and decodes actionable evidence to increase safety, improve efficiency, and connect the community.
Flock Safety LPR Flex, fka Falcon Flex	Law enforcement grade tactical deployment (portable + LTE) license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users.
Additional Battery Pack	External battery pack attachment utilized to extend the life of Flock Products
Flock Safety LPR, fka Falcon	Law enforcement grade infrastructure-free (solar power + LTE) license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users.
Professional Services - MASH Tested Pole Implementation Fee - Non-Coastal Region	MASH tested pole that meets DOT crashworthiness requirements. Includes materials, installation, and maintenance.
Flock Safety LPR, fka Falcon	Law enforcement grade infrastructure-free (solar power + LTE) license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users.
Professional Services - Standard Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.

FlockOS Features & Description

FlockOS Features	Description
Community Network Access	The ability to request direct access to feeds from privately owned Flock Safety LPR cameras located in neighborhoods, schools, and businesses in your community, significantly increasing actionable evidence that clears cases.
Unlimited Users	Unlimited users for FlockOS
State Network (License Plate Lookup Only)	Allows agencies to look up license plates on all cameras opted into the Flock Safety network within your state.
Nationwide Network (License Plate Lookup Only)	With the vast Flock Safety sharing network, law enforcement agencies no longer have to rely on just their devices alone. Agencies can leverage a nationwide system boasting 10 billion additional plate reads per month to amplify the potential to collect vital evidence in otherwise dead-end investigations.
Law Enforcement Network Access	The ability to request direct access to evidence detection devices from Law Enforcement agencies outside of your jurisdiction.
Time & Location Based Search	Search full, partial, and temporary plates by time at particular device locations
License Plate Lookup	Look up specific license plate location history captured on Flock devices
Vehicle Fingerprint Search	Search footage using Vehicle Fingerprint™ technology. Access vehicle type, make, color, license plate state, missing / covered plates, and other unique features like bumper stickers, decals, and roof racks.
Insights & Analytics	Reporting tool to help administrators manage their LPR program with device performance data, user and network audits, plate read reports, hot list alert reports, event logs, and outcome reports.
Real-Time NCIC Alerts on Flock ALPR Cameras	Receive automated alerts when vehicles entered into established databases for missing and wanted persons are detected, including the FBI's National Crime Information Center (NCIC) and National Center for Missing & Exploited Children (NCMEC) databases.
Unlimited Custom Hot Lists	Create a list of vehicles of interest and receive real-time alerts when they are detected by your Flock LPR cameras.

By executing this Order Form, Customer represents and warrants that it has read and agrees all of the terms and conditions contained in the Terms of Service located at https://www.flocksafety.com/terms-and-conditions.

The Parties have executed this Agreement as of the dates set forth below.

FLOCK GROUP, INC.		**Customer: TX - Big Spring PD**	
By:	Signed by: [signature] 1024FAF1F68A40F...	By:	Signed by: Chad Williams 44E1CABD4E344B9...
Name:	Dan Haley	Name:	Chad Williams
Title:	Chief Legal Officer	Title:	Chief of Police
Date:	3/18/2026	Date:	3/18/2026
		PO Number:	

BIG SPRING
TEXAS

Memorandum

To: Mayor Robert H. Moore, III, and Members of the Big Spring City Council

CC: Todd Darden, City Manager

From: John Medina, Assistant City Manager

Date: May 12, 2026

Subject: Reauthorization of Tax Abatement Guidelines and Criteria

Background

Chapter 312 of the Texas Tax Code authorizes municipalities to enter into tax abatement agreements to encourage economic development and investment within their jurisdiction. As required by state law, a municipality must adopt and reauthorize tax abatement guidelines and criteria every two years following a public hearing in order to maintain eligibility to grant tax abatements.

The City of Big Spring previously adopted tax abatement guidelines to establish the framework for evaluating and approving tax abatement agreements with qualifying businesses. These guidelines outline the types of eligible projects, investment thresholds, job creation expectations, and the procedures used by the City when considering tax abatement requests.

Purpose

The purpose of this item is to reauthorize the City's Tax Abatement Guidelines and Criteria through a resolution. Reauthorization ensures the City remains eligible to offer tax abatements as an economic development tool to attract new businesses and encourage expansion of existing businesses within the community.

Key Provisions

- Identification of eligible reinvestment zones within the City.
- Minimum capital investment requirements for qualifying projects.
- Job creation and/or retention expectations.
- Evaluation criteria used by the City when reviewing abatement requests.

- Duration and percentage limitations for tax abatements.
- Compliance monitoring and reporting requirements for participating businesses.

These guidelines provide transparency and consistency in how the City evaluates economic development opportunities and ensure that tax abatements are granted only when they provide measurable community benefits.

Fiscal Impact

The reauthorization of the guidelines does not create an immediate fiscal impact. However, the guidelines allow the City to consider future tax abatement agreements that may temporarily reduce property tax revenues in exchange for long-term economic development benefits, such as increased investment, job creation, and an expanded tax base.

Recommendation

Staff recommends approval of a Resolution, reauthorizing the City of Big Spring Tax Abatement Guidelines and Criteria, allowing the City to continue utilizing tax abatements as a tool to promote economic development.

RESOLUTION NO. ________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS, REAUTHORIZING THE TAX ABATEMENT GUIDELINES AND CRITERIA; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 312.002 of the Tex. Tax Code authorizes the governing body of municipality to enter into tax abatement agreements under established tax abatement guidelines and criteria; and

WHEREAS, the governing body is required under Ch. 312 to reauthorize these guidelines and criteria every two years following a public hearing; and

WHEREAS, the City Council held a public hearing regarding the above-described guidelines and criteria at a regular meeting on May 12, 2026; and

WHEREAS, the City Council wishes to renew the City’s eligibility to participate in tax abatement and; therefore, reauthorizes these Tax Abatement Guidelines and Criteria;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BIG SPRING, TEXAS, THAT:

SECTION 1. The City Council hereby amends the Tax Abatement Guidelines, attached as Attachment 1, and incorporated herein as if copied verbatim.

SECTION 2. The Tax Abatement Committee shall ensure that these guidelines and criteria are implemented.

SECTION 3. Any prior resolution that is inconsistent with this Resolution is hereby repealed and declared to be of no further force or effect.

SECTION 4. This Resolution shall take effect immediately after passage in accordance with the provisions of the Charter of the City of Big Spring.

SECTION 5. The City Manager or the City Manager's designee is directed to post the adopted Tax Abatement Guidelines on the City's web site.

PASSED AND APPROVED on first reading at a regular meeting of the City Council on the _____day of ________, ______, with all members of the Council voting “aye” for the passage of same.

PASSED AND APPROVED on second reading at a regular meeting of the City Council on the _____day of _________**, _______,** with all members of the Council voting “aye” for the passage of same.

ATTEST:

____
Robert H. Moore, III, Mayor

____
Tami L. Davis, City Secretary

Attachment 1

Attachment 1

CITY OF BIG SPRING, TEXAS
TAX ABATEMENT GUIDELINES AND CRITERIA

The purpose of this document (these "Guidelines and Criteria") is to establish guidelines, criteria, and a uniform policy of tax abatement for owners or lessees of eligible facilities willing to execute tax abatement contracts designed to provide long-term significant positive economic impact to the community by utilizing the area contractors and work force to the maximum extent feasible, and by developing, redeveloping, and improving property. In the event of a conflict or inconsistency between the provisions of these Guidelines and Criteria and those of Chapter 312 of the Texas Tax Code, the terms of the Texas Tax Code shall control.

Notwithstanding the criteria set forth herein, the Big Spring City Council reserves the right to negotiate the terms of any Abatement Agreement in order to compete favorably with other communities and may include provisions that are more or less restrictive than these Guidelines and Criteria if deemed necessary.

Only that increase in the fair market value of the property that directly results from the development, redevelopment, or improvement specified in the contract will be eligible for abatement, and then only to the extent that such increase exceeds any reduction in the fair market value of the other property of the applicant located within the jurisdiction creating the Reinvestment Zone.

This policy is effective as of ___________, 20__ and shall at all times be kept current with regard to the needs of the City and reflective of the official views of the Big Spring City Council.

TAX ABATEMENT COMMITTEE-SECTION 1

A. A Tax Abatement Advisory Committee exists which is composed of at least, but not limited to, one representative of the City of Big Spring City Council, one representative of the Howard County Commissioner's Court, one representative of Howard College Board of Trustees, and three members appointed by the Big Spring Economic Development Corporation which shall include a Certified Public Accountant, a Developer, and a representative of the financial community. The Chief Appraiser of the Howard County Tax Appraisal District and the Executive Director of Big Spring Economic Development Corporation serve as ex-officio members of the Committee. Members are appointed for terms of one year to run from July 1 to June 30. The Committee will make recommendations regarding contract terms and adoption or rejection of all tax abatement applications that are submitted to the City. No action or recommendation of the Tax Abatement Advisory Committee shall limit the discretion of the Council to consider, adopt, modify or decline any request for the creation of a Reinvestment Zone or tax abatement request.

B. It is within the purview of the Council to grant tax abatement on the same or similar terms and conditions as the other taxing units having jurisdiction over a property. However, nothing herein shall limit the discretion of the City Council to consider, adopt, modify or decline any tax abatement request.

C. The adoption of these guidelines and criteria by the Council does not:

(1) limit the discretion of the Council to decide whether to enter into a specific tax abatement agreement;

(2) limit the discretion of the Council to delegate to City employees the authority to determine whether the Council should consider a particular application or request for tax abatement; or

(3) create any property, contract, or other legal right in any person to have the Council consider or grant a specific application or request for tax abatement.

DEFINITIONS-SECTION 2

"Abatement" means tax abatement, or the full or partial exemption from ad valorem taxes of certain property in a Reinvestment Zone designated in the City of Big Spring, Texas.

"Abatement Agreement" means a contractual agreement between a property owner and/or lessee and the City of Big Spring for tax abatement.

"Base year value" means the assessed value of any eligible Real Property or Tangible Personal Property as of January 1 of the year in which an Abatement Agreement for that Real Property or Tangible Personal Property is executed.

"Council or **City Council"** means the City Council of Big Spring, Texas.

"City" means Big Spring, Texas.

"Deferred Maintenance" means improvements necessary for continued operation which do not improve productivity or alter the process technology.

"Eligible Property" means new, expanded, or modernized buildings, facilities, structures, fixed machinery and equipment, site improvements, and other forms of Tangible Personal Property, that are reasonably likely as a result of granting Abatement to contribute to the retention or expansion of primary employment or to attract investment that would be a benefit to, and contribute to the economic development of, the City of Big Spring. The term, "Eligible Property" shall not include property described by Section 312.211(a) of the Texas Tax Code.

"Expansion" means the addition of buildings, structures, machinery, equipment, Tangible Personal Property, or payroll for purposes of increasing production capacity.

“Modernization” means a complete or partial demolition of existing facilities and the complete or partial reconstruction or installation of new facilities of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery, or equipment, or both.

“Productive Life” means the number of years a property improvement is expected to be in service.

“Real Property” means any piece of land or condominium interest.

“Reinvestment Zone” is Real Property designated as a Reinvestment Zone under Chapter 312 of the Texas Tax Code or other Texas law.

“Tangible Personal Property” is any personal property, including, without limitation, any piece of machinery or equipment or any appliance that is used in any improvements or placed on any Real Property.

ABATEMENT AUTHORIZED - SECTION 3

A. **Eligibility.** Upon application, Eligible Property may be considered for Abatement as hereinafter provided.

B. **Creation of New Values.** Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an Abatement Agreement between the City of Big Spring and the property owner or lessee, subject to such limitations as the Council may require.

C. **Eligible Property.** Subject to the limitations hereof, Abatement may be extended to the value of Eligible Property.

D. **Ineligible Property.** The following types of property shall be fully taxable and ineligible for Abatement: Deferred Maintenance; property to be rented or leased (except as provided in this Section 3; and property which has a productive life of less than two times the term of the Abatement Agreement.

E. **Owned/Leased Facilities.** If taxes are abated on leased Eligible Property, the Abatement Agreement shall be executed by both the lessor and lessee of such property. This does not apply to the lease of individual units of a multi-family residence or a shopping center.

F. **Economic Qualification.** In order to be Eligible Property and considered for Abatement, Tangible Personal Property or Real Property:

(1) Must be reasonably expected to have an increase in positive net economic benefit to the City over the life of the Abatement. This includes but is not limited to new

payroll and/or capital improvements. The creation of new jobs will also factor into the decision to grant an Abatement; and

(2) Must not be expected to solely or primarily have the effect of transferring employment from one part of Howard County to another without a super-majority vote of approval from the Council.

G. **Standards for Tax Abatement.** The following factors, among others, shall be considered in determining whether to grant Abatement:

(1) Value of existing improvements, if any;

(2) Type and value of proposed improvements;

(3) Productive Life of proposed improvements;

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

(5) Number, term and type of new jobs to be created by proposed improvements;

(6) Amount of local payroll to be created;

(7) Whether the new jobs to be created will be filled by persons residing or projected to reside within affected taxing jurisdictions;

(8) Amount of local sales taxes and/or hotel-motel taxes to be generated directly;

(9) Amount that the property tax base valuation will be increased during the term of Abatement and after Abatement;

(10) The costs to be incurred by the City to provide facilities or services directly resulting from new improvements;

(11) The amount of ad valorem taxes to be paid to the City during the Abatement period considering (a) existing values, (b) the percentage of new value abated, (c) the Abatement period, and (d) property value after expiration of the Abatement period;

(12) The population growth of the City that occurs directly as a result of new improvements;

(13) The types and values of public improvements, if any, to be made by an applicant seeking Abatement;

(14) Whether the proposed improvements compete with existing businesses to the detriment of the local economy;

(15) The impact on existing business;

(16) The attraction of other new businesses to the area;

(17) The overall compatibility with any zoning ordinances or comprehensive plan for the area;

(18) Whether the project has obtained any necessary permits from applicable environmental agencies;

(19) Whether the requesting entity is receiving federal or state tax credits or subsidies.

(20) Whether the abatement would establish a competitive disadvantage to existing businesses in the taxing area.

All applications for Abatement shall be reviewed on their merits utilizing the factors provided above, among others. After such review, Abatement may be denied entirely or may be granted to the extent deemed appropriate after full evaluation.

H. **Denial of Abatement.** Neither a Reinvestment Zone nor Abatement Agreement shall be authorized if it is determined that:

(1) There would be substantial adverse effect on the provision of government services or tax base;

(2) The applicant has insufficient financial capacity;

(3) The planned or potential use of the property would constitute a hazard to public safety, health, or morals;

(4) The planned or potential use of the property would be likely to cause a violation of any local, state or federal code or law; or

(5) The Reinvestment Zone or Abatement Agreement is deemed inappropriate for any other reason by the Council.

I. **Taxability.** Notwithstanding the terms of any Abatement Agreement, taxes shall be payable as follows:

(1) The value of any Real Property or Tangible Personal Property not subject to Abatement shall be fully taxable;

(2) Ineligible property as provided in Section 3 hereof shall be fully taxable;

(3) The base year value of property comprising the Eligible Property but existing before any Abatement Agreement is executed shall be fully taxable; and

(4) The additional value of new Eligible Property shall be fully taxable at the beginning of the first tax year after the Abatement ends.

The Big Spring City Council, as a part of the approval of Abatement or during the duration of Abatement, may at its discretion require the entity or entities requesting or receiving Abatement to provide a performance bond naming the City as the recipient. Should the entity or entities requesting or receiving Abatements default on its contractual obligation to perform as agreed in the Abatement Agreement, City personnel will use the performance bond to offset any or all property taxes that would have been collected had the Abatement not been in place.

REINVESTMENT ZONE - SECTION 4

No Real Property or Tangible Personal Property is eligible for Abatement unless such Real Property or Tangible Personal Property is located in a Reinvestment Zone designated in accordance with Chapter 312 of the Texas Tax Code or other relevant Texas law.

APPLICATION - SECTION 5

A. **Applicant.** Any present or potential owner or lessee of taxable property in the City limits may request the creation of a Reinvestment Zone and/or tax abatement by filing with the City Manager a written application in a form substantially similar to that attached hereto as Exhibit A.

B. **Application.** At a minimum, the application shall consist of: a general description of the new improvements to be undertaken; a descriptive list of the improvements for which tax abatement is requested; a list of the kind, number and location of all proposed improvements of the property; a map and property description; and a time schedule for undertaking and completing the proposed improvements. In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The Council may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors pertaining to the applicant to be included with the application. The completed application must be accompanied by the payment of a non-refundable application fee of ONE THOUSAND AND 00/100 DOLLARS ($1,000.00), although that fee may be waived by the Council. All checks in payment of the administrative fee should be made payable to the City of Big Spring.

C. **Notice.** City personnel shall provide written notice to the presiding officer of the governing body of each taxing unit in which the property to be subject to a proposed Abatement Agreement is located, along with notice published in a newspaper of general circulation within such taxing jurisdiction, not later than the thirtieth day before a public hearing relating to a proposed Abatement Agreement. Before acting upon the application, the Council shall, through public hearing, afford the applicant and the designated representative of any governing body referenced hereinabove opportunity to show cause why the Abatement should or should not be granted.

D. **Joint Application.** If any other taxing entity within the City limits designates a Reinvestment Zone within its boundaries and enters into or proposes to enter into an Abatement Agreement with a present or potential owner of a taxable property, such present or potential owner of taxable property may request Abatement from the City by following the same application process described herein.

AGREEMENT - SECTION 6

A. After application approval, the Council shall formally pass a resolution and execute an Abatement Agreement with the owner of the Eligible Property and lessee as required which shall:

(1) include a list of the kind, number, and location of all proposed improvements to the property;

(2) provide access to and authorize inspection of the property by the taxing unit to ensure compliance with the Abatement Agreement;

(3) limit the use of the property as allowed under Chapter 312 of the Texas Tax Code;

(4) provide for recapturing property tax revenues that are lost if the owner fails to make the improvements as provided by the Abatement Agreement;

(5) include each term that was agreed upon with the property owner and require the owner to annually certify compliance with the terms of the Abatement Agreement to each taxing unit; and

(6) allow the taxing unit to cancel or modify the Abatement Agreement at any time if the property owner fails to comply with the terms of that agreement.

RECAPTURE - SECTION 7

Any Abatement Agreement made pursuant to these Guidelines and Criteria shall provide for the recapture of all taxes previously abated in the event the applicant breaches the terms that agreement.

Attachment 1

ADMINISTRATION - SECTION 8

A. The Chief Appraiser of the Howard County Appraisal District will annually determine an assessment of the real and personal property comprising the Eligible Property located in a Reinvestment Zone. Each year, the company or individual receiving Abatement shall furnish the Appraiser with such information as may be necessary for the Abatement. Once value has been established, the Chief Appraiser will notify the City Manager of the amount of the assessment.

B. The City may execute a contract with any other jurisdiction(s) to inspect the Eligible Property to determine if the terms and conditions of the Abatement Agreement are being met. The Abatement Agreement shall stipulate that employees and/or designated representatives of the City will have access to the Eligible Property during the term of the Abatement to determine whether the terms and conditions of the Abatement Agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of an affected facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.

C. A designated representative of the City shall annually evaluate property subject to Abatement to ensure compliance with the Abatement Agreement.

D. The City of Big Spring shall notify the Chief Appraiser of Howard County of the establishment of any Reinvestment Zone or approval of any Abatement Agreement.

E. The Chief Appraiser of Howard County shall deliver to the State Comptroller before July 1 of the year following the year in which a Reinvestment Zone is created or an Abatement Agreement is executed a general description of the zone, the relevant Guidelines and Criteria, and a copy of each Abatement Agreement to which the City is a party.

F. For each of the first three tax years following the expiration of an Abatement Agreement, the chief appraiser shall deliver to the comptroller a report containing the appraised value of the property that was the subject of that agreement.

ASSIGNMENT - SECTION 9

Abatement may be transferred and assigned by the holder to a new owner or lessee of the same Eligible Property only upon the approval by resolution of the City Council subject to the financial capacity of the proposed assignee and provided that all conditions and obligations in the Abatement Agreement are guaranteed by the execution of a new agreement with the City. No assignment or transfer shall be approved if the parties to the existing Abatement Agreement, the new owner or new lessee are liable to any jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably delayed or withheld.

Attachment 1

SUNSET PROVISION - SECTION 10

These Guidelines and Criteria are effective upon the date of their adoption and will remain in force for two years, unless amended by three-quarters vote of the Big Spring City Council, at which time all Reinvestment Zones and Tax Abatement Agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria will be modified, renewed, or eliminated.

[Signature Page Follows]

Attachment 1

Adopted ______________________, 20__

Big Spring City Council:

______________________________	______________________________
Josie Ochoa District 1	Diana Yanez. District 2
______________________________	______________________________
Gary Gillihan District 3	Homer Wilkerson District 4
______________________________	______________________________
Gloria Blackburn District 5	Daniel Moreno District 6

____
Robert H. Moore, Mayor

Attachment 1

Exhibit A
Application
for
Tax Abatement

Application for Tax Abatement

City of Big Spring, Texas

Property Redevelopment & Tax Abatement Act
(Tex. Tax Code Chapter 312)

I. APPLICABLE INFORMATION

Application Date: ____________________

Is $1000 application fee included? Yes ____ No ____

Applicant Company: ___________________________________

Mailing Address: _______________________
____
____

Telephone Number: _________________

Fax Number: _________________

Applicant's Representative for contact regarding abatement request:

Name: ___________________________________

Mailing Address: _______________________
____
____

Telephone Number: _________________

Fax Number: _________________

II. PROPERTY AND PROJECT DESCRIPTION

This application is for a: New facility ____ Expansion ____ Modernization ____

Check the following target industry applicable to your company:

____	Aquaculture/Agriculture Facility	____	Research Facility
____	Distribution C enter Facility	____	Regional Service Facility
____	Manufacturing Facility	____	Office Building
____	Regional Entertainment/Tourism Facility	____	Wind Energy Facility
____	Historic Building in Designated Area	____	Other Basic Facility

Legal description of property to be considered for Tax Abatement/Reinvestment Zone (may be attached as Exhibit A):

Describe the proposed improvements for which abatement is requested (may be attached as Exhibit B):

Description of activities, products, or services to be produced and/or provided at project location:

Current Assessed Value: Real Property: $_____________
Personal Property: $_____________

Estimated start date of construction/site improvements:

Projected date of occupancy/commencement of operations at project site:

Requested level of Tax Abatement (%, years):

Will the project be entirely located within a currently existing reinvestment zone? __Yes __No

III. EMPLOYMENT IMPACT OF PROJECT

Projected number of new jobs created by the project: Full-time: ___ Part-Time: ___

Types of jobs to be created:

Estimated average annual salary of new jobs: $________________

Total estimated annual payroll for all new jobs: $________________

Number of jobs expected to be filled by local residents:

Number of jobs that will be transferred from other locations in Howard County:

IV. FISCAL IMPACT OF PROJECT

A. PROPERTY IMPROVEMENTS

Estimated Value of Eligible Property for ad valorem tax purposes: $________________

B. NET ECONOMIC BENEFIT

Estimated net economic benefit to the City of Big Spring: $________________

C. INFRASTRUCTURE IMPROVEMENTS

Will any infrastructure improvements be requested of the City of Big Spring for this project?

Yes ____ No ____

V. CERTIFICATION

I certify the information contained in this application (including all exhibits and addendum) to be true and correct to the best of my knowledge. I further certify that I have read the "Tax Abatement Guidelines and Criteria" for the City of Big Spring and agree to comply with the guidelines and criteria stated therein.

______________________________ ______________________________
Signature Title

______________________________ ______________________________
Printed Name Date

Exhibit A

Legal Description of Property to be considered for
Reinvestment Zone/Tax Abatement

Exhibit B

Proposed Improvements to be considered for
Tax Abatement

INTERLOCAL AGREEMENT TO PARTICIPATE IN TAX INCREMENT REINVESTMENT ZONE NUMBER TWO, CITY OF BIG SPRING & HOWARD COUNTY, TEXAS

This **AGREEMENT TO PARTICIPATE IN TAX INCREMENT REINVESTMENT ZONE NUMBER TWO, CITY OF BIG SPRING & HOWARD COUNTY, TEXAS** (**"Agreement"**) is entered into by and between the **CITY OF BIG SPRING, TEXAS** (the **"City"**) and **HOWARD COUNTY, TEXAS** (the **"County"**).

The City and the County hereby agree that the following statements are true and correct and constitute the basis upon which the City and the County have entered into this Agreement:

A. On October 28, 2025, the City Council of the City of Big Spring, Texas (the **"Council"**), pursuant to Chapter 311 of the Texas Tax Code, approved Ordinance No. 039-025 designating a noncontiguous geographic area that is in the corporate limits of the municipality and the extraterritorial jurisdiction (the "ETJ") as a Reinvestment Zone Number Two, City of Big Spring, Texas (the **"Zone"**).

B. Pursuant to and as required by the Act, the City prepared a Preliminary Reinvestment Zone Project Plan and Financing Plan for Tax Increment Reinvestment Zone Number Two, City of Big Spring, Texas attached as Exhibit C to Ordinance No. 039-025 (hereinafter referred to as the "Preliminary Project and Finance Plan") for a proposed tax increment reinvestment zone containing the real property within the Zone. The Preliminary Project and Financing Plan is hereby incorporated by reference for all purposes and is attached hereto as **Exhibit "A"**.

C. Designation of the Zone will cause development of property in and around the Zone to occur that would not occur otherwise in the foreseeable future. It is anticipated that other complementary developments in the Zone will follow. This overall development will result in increased tax revenues and other public benefits for both the City and the County.

C. Pursuant to Section 311.013(f) of the Texas Tax Code, the County is not required to pay any tax increment into the tax increment fund of the Zone unless it enters into an agreement to do so with the City. The County wishes to enter into such an agreement with the City.

NOW, THEREFORE, for and in consideration of the conditions set forth herein, the sufficiency of which is hereby acknowledged, the City and the County do hereby contract, covenant and agree as follows:

1. **INCORPORATION OF RECITALS.**

The parties hereby agree that the recitals set forth above are true and correct and form the basis upon which they have entered into this Agreement.

2. **DEFINITIONS.**

In addition to any terms defined in the body of this Agreement, the following terms shall have the definitions ascribed to them as follows:

Act means the Tax Increment Financing Act, as amended and as codified in Chapter 311 of the Texas Tax Code.

Captured Appraised Value in a given year means the total taxable value of all real property taxable by the County and located in the Zone for that year less the Tax Increment Base.

Preliminary Project and Finance Plan means the project plan for the development and/or redevelopment of the Zone, which will be presented to the TIRZ Board for recommendation of approval, and subsequently presented to the City Council of the City for consideration of approval by ordinance.

Tax Increment in a given year means the amount of property taxes levied and collected by the County for that year on the Captured Appraised Value of real property taxable by the County, save and except mineral valuations, and located in the Zone.

Tax Increment Base means the total appraised value as of January 1, 2025 of all real property taxable, save and except mineral valuations, by the County and located in the Zone.

Tax Increment Fund means that fund created by the City pursuant to Section 311.014 of the Act and Section 7 of City Ordinance No. 039-025, which will be maintained by the City as a separate and individual account into which all revenues of the Zone will be deposited, including (i) deposits of Tax Increment by the City and by other taxing units with jurisdiction over real property in the Zone, including the County, and (ii) all accrued interest earned on the cash balance of the fund.

TIRZ Board means the governing board of directors of the Zone appointed in accordance with Section 311.009 of the Act and pursuant to Section 4.4 of this Agreement.

TIRZ Ordinance means City Ordinance No. 039-025 adopted on October 28, 2025, attached hereto as **Exhibit "B"**.

Zone means the certain real properties and boundaries as described in City Ordinance No. 039-025.

3. DEPOSIT OF TAX INCREMENT.

The County hereby agrees to deposit each year during the term of the Zone, beginning with the 2026 tax year, twenty percent (20%) of the County's Tax Increment into the Tax Increment Fund until December 31, 2031 (with the final year's tax increment to be collected by September 1, 2032). The calculation to determine the dollar amount of the County's Tax Increment to be deposited shall be made in accordance with standard administrative procedures but only following receipt of a bill from the City that outlines the City's calculation of the amount of the deposit that is required for that year. The County's participation during the term of this Agreement is capped at $356,899.60 (the **"Maximum County Contribution"**). Deposits will continue at the percentage rates set forth herein until the Maximum County Contribution is reached, at which point the County's obligation to the Tax Increment Fund is complete.

The County is not obligated to pay the County's Tax Increment from any source other than taxes collected on the Captured Appraised Value. Furthermore, the County has no duty or obligation to pay the County's Tax Increment from any other County taxes or revenues, or until the County's Tax Increment in the Zone is actually collected. Any portion of the taxes representing the County's Tax Increment that are paid to the County and subsequently refunded pursuant to the provision of the Texas Tax Code shall be offset against future payments to the Tax Increment Fund.

4. LIMITATIONS ON TAX INCREMENT DEPOSITS AND USE OF FUNDS.

This Agreement is based on the following conditions, and the City agrees and acknowledges the County's right to enforce the conditions contained herein by injunction or any other lawful means in the event one or more of such conditions are not satisfied.

4.1 Amendments to TIRZ Ordinance.

The TIRZ Ordinance designates the boundaries, the eligible real properties for the calculation of Tax Increment for the Zone and the specific participation level of the City. If the TIRZ Ordinance is amended and materially changes the County participation, the County may suspend payment into the Tax Increment Fund as described in Section 3 until the amendment is approved by the governing body of the County as an amendment to this Agreement.

4.2. Project Costs.

The Tax Increment deposited into the Tax Increment Fund by the County shall be used to pay project costs for purposes as set forth and identified in the Project and Financing Plan. All Tax Increment Fund allocations, including but not limited to any management and administrative costs, must be approved by the TIRZ Board in accordance with the Project and Financing Plan. If the Project and Financing Plan as approved by City Ordinance No. 039-025 is amended to substantially change the scope and nature of the projects included in the Project and Financing Plan or to include additional projects and associated costs that will increase the total public improvement costs of the Project and Financing Plan, the County may suspend payment into the Tax Increment Fund as described in Section 3 until the amendment is approved by the governing body of the County as an amendment to this Agreement.

4.3. **Zone Expansion.**

As defined, the Zone shall include real properties located within the boundaries as described in the TIRZ Ordinance. If the Zone is expanded, the County is not required to deposit into the Tax Increment Fund any Tax Increment generated from properties in the expanded area unless participation in the expanded boundary area is approved by the governing body of the County as an amendment to this Agreement. Additionally, the Tax Increment deposited into the Tax Increment Fund by the County may not be used for any permissible project costs in any portion of the expanded area of the Zone unless approved by the governing body of the County as an amendment to this Agreement.

4.4 **TIRZ Board Membership.**

During the term of the Zone, the TIRZ Board shall include one (1) County representative and the remaining members of the board shall be designated by the City Council or the other taxing entities participating in the Tax Increment Fund. The governing body of the County shall provide the names and addresses of their designated representative to the City Council of the City for appointment to the TIRZ Board. The City Council of the City shall appoint the designated representative(s) to the TIRZ Board. If the designated representatives are not appointed to the TIRZ Board or the TIRZ Board does not consist of the representatives stated above, the County shall suspend payment into the Tax Increment Fund as described in Section 3 until such time that the requirements above are satisfied.

5. **TERM.**

This Agreement shall take effect on the date as of which both parties have executed it and shall expire upon expiration or termination of the Zone or the date on which all County obligations have been met, which currently is the earlier of (i) the date on which the tax increment for tax year ending December 31, 2031 (with the final year's tax increment to be collected by September 1, 2032), (ii) the date on which all project costs of the Zone, including, but not limited to, tax increment bonds and interest on those bonds, have been paid or otherwise satisfied in full or, (iii) the date on which the Maximum County Contribution is reached.

Nothing in this agreement limits the authority of the Howard County Commissioner's Court to extend the term of the Agreement. Upon termination of the Agreement, the obligation of the County to contribute to the Tax Increment Fund for the Zone shall end; however any refund obligations of the City or the Zone shall survive such termination.

At the end of the Term of this Agreement, the County may extend, renew, fail to renew or renegotiate any and all parts of this Agreement.

6. TAX INCREMENT FUND ACCOUNTING.

Throughout the term of the Zone, no later than 90th day following the end of each fiscal year of the City, following execution of this Agreement, the City shall provide the County with an annual accounting of the funds deposited to and disbursed from the Tax Increment Fund, including accrued interest. After all project costs of the Zone have been paid or at the time of the expiration of this Agreement, any funds remaining in the Tax Increment Fund following the final annual accounting by the City shall be paid to those taxing units participating in the Zone in proportion to each taxing unit's share of the total amount of Tax Increment deposited into the Tax Increment Fund.

Furthermore, if the projects to be undertaken pursuant to the Project Plan are not undertaken, are discontinued, or are terminated, all monies remaining in the Tax Increment Fund after satisfaction of lawful claims, shall be paid to the participating taxing entities in proportion to their respective share of the total amount of Tax Increment deposited into the Tax Increment Fund derived from taxable real property in the Zone.

7. RESPONSIBILITY FOR ACTS.

The City and the County shall each be responsible for the sole negligent acts of their officers, agents, employees or separate contractors. In the event of joint and concurrent negligence of both the City and the County, responsibility, if any, shall be apportioned comparatively with the laws of the State of Texas, with the understanding that neither party waives any governmental powers or immunities or any other defenses available to each individually.

8. NOTICES.

All written notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party may subsequently designate in writing, by certified mail, postage prepaid, or by hand delivery:

City:

City of Big Spring, Texas
Attn: City Manager
310 Nolan Street
Big Spring, Texas 79720

County:

Howard County
Attn: County Judge
300 Main Street, Suite 207
Big Spring, TX 79720

9. NO WAIVER.

The failure of either party to insist upon the performance of any term or provision of this Agreement or to exercise any right granted hereunder shall not constitute a waiver of that party's right to insist upon appropriate performance or to assert any such right on any future occasion.

10. VENUE AND JURISDICTION.

If any action, whether real or asserted, at law or in equity, arises on the basis of any provision of this Agreement, venue for such action shall lie in state courts located in Howard County, Texas or the United States District Court for the Northern District of Texas. This Agreement shall be construed in accordance with the laws of the State of Texas.

11. NO THIRD-PARTY RIGHTS.

The provisions and conditions of this Agreement are solely for the benefit of the City and the County and are not intended to create any rights, contractual or otherwise, to any other person or entity.

12. FORCE MAJEURE.

The parties shall exercise every reasonable effort to meet their respective obligations as set forth in this Agreement, but shall not be held liable for any delay in or omission of performance due to *force majeure* or other causes beyond their reasonable control, including, but not limited to, compliance with any government law, ordinance or regulation, acts of God, acts of omission, fires, strikes, lockouts, national disasters, wars, riots, material or labor restrictions, transportation problems and/or any other cause beyond the reasonable control of either party.

13. INTERPRETATION.

In the event of any dispute over the meaning or application of any provision of this Agreement, this Agreement shall be interpreted fairly and reasonably, and neither more strongly for or against any party, regardless of the actual drafter of this Agreement.

14. CAPTIONS.

Captions and headings used in this Agreement are for reference purposes only and shall not be deemed a part of this Agreement.

15. ENTIRETY OF AGREEMENT.

This Agreement, including any exhibits attached hereto and any documents incorporated herein by reference, contains the entire understanding and agreement between the City and the County as to the matters contained herein. Any prior or contemporaneous oral or written agreement is hereby declared null and void to the extent in conflict with any provision of this Agreement. Notwithstanding anything to the contrary herein, this Agreement shall not be amended unless executed in writing by both parties and approved by the City Council of the City in an open meeting held in accordance with Chapter 551 of the Texas Government Code.

16. COUNTERPARTS.

This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

EXECUTED as of the later date below:

HOWARD COUNTY, TEXAS:

By: Randy Johnson
Randy Johnson, County Judge

Date: 4/13/26

ATTEST:

By: Jury Padrón
Jury Padrón, County Clerk

APPROVED AS TO FORM:

By: Lindsay Wilkerson
Lindsay Wilkerson, County Attorney

The City of Big Spring acknowledges that it is a governmental entity and not a business entity as those terms are defined in Tex. Gov't Code § 2252.908, and therefore, no disclosure of interested parties pursuant to Tex. Gov't Code Section 2252.908 is required.

CITY OF BIG SPRING, TEXAS

By:______________________________
Todd Darden, City Manager

Date: __________________________

ATTEST:

By: __________________________
City Secretary

APPROVED AS TO FORM:

By:__________________________
City Attorney

THE STATE OF TEXAS §
§ **HOWARD COUNTY, TEXAS**
COUNTY OF HOWARD §

Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Randy Johnson known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of **HOWARD COUNTY, TEXAS,** and as the **County Judge** thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 13th day of April, 2026.

ITZEL GOMEZ
Notary Public, State of Texas
Comm. Expires 07-24-2028
Notary ID 132552192

Itzel Gomez
Notary Public in and for
The State of Texas

07-24-2028
My Commission Expires

Itzel Gomez
Notary's Printed Name

THE STATE OF TEXAS §
§ **CITY OF BIG SPRING, TEXAS**
COUNTY OF HOWARD §

Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **Todd Darden** known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the **CITY OF BIG SPRING,** a municipal corporation of Howard County, Texas, and as the **CITY MANAGER** thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _______ day of __________________, 2026.

____
Notary Public in and for
The State of Texas

____
My Commission Expires

____
Notary's Printed Name

EXHIBIT "A"

EXHIBIT "B"

CITY OF BIG SPRING, TEXAS
AIRPARK DEPARTMENT

BIG SPRING MCMAHON-WRINKLE AIRPORT AND INDUSTRIAL PARK

LEASE AGREEMENT

LEASE AGREEMENT

This Lease Agreement (the "Agreement") is made and entered as of this ________ day of ___________, 2026 (the "Effective Date") by and between the **CITY OF BIG SPRING, TEXAS,** a home-rule municipality located in Howard County, Texas (sometimes referred to as "City" or "Lessor") and **HANGER 25 AIR MUSEUM ASSOCIATION,** a non-profit corporation registered under the laws of the State of Texas (sometimes referred to as "Lessee").

WHEREAS, Lessor is the owner of land and certain improvements known as the Big Spring McMahon-Wrinkle Airport and Industrial Park, located in the City of Big Spring, Howard County, Texas; and

WHEREAS, Lessor and Lessee entered into a lease agreement effective as of June 1, 2009 wherein the City of Big Spring, as Lessor, leased to the Hanger 25 Air Museum Association, as Lessee, certain premises at the McMahon Wrinkle Airpark for use as a museum, the lease of which was amended on June 11, 2013, to expand the scope of the premises subject to the lease (hereinafter collectively referred to as the "Original Agreement); and

WHEREAS, the City Council of Big Spring has reviewed the terms of this Lease and has determined, at a duly posted public meeting, that Lessee's operation and maintenance of the Hangar 25 Air Museum on the Leased Premises serves a valid and substantial public purpose, including the preservation, exhibition, and interpretation of historically significant aircraft and artifacts associated with the Big Spring Army Air Force Bombardier School, Webb Air Force Base, and the history of the United States Armed Forces, and further provides significant civic, cultural, educational, and tourism-related benefits to the public; and

WHEREAS, the City Council further finds and determines that this Lease provides adequate consideration to the City and contains sufficient and enforceable contractual controls to ensure that the public purpose is continuously accomplished, including but not limited to limitations on permitted use, mandatory public access and hours of operation, maintenance and preservation duties, funding and financial reporting obligations, audit and inspection rights, nondiscrimination requirements, default and termination remedies, and provisions requiring that title to all permanent improvements, City-owned historical aircraft, and other City-owned museum assets vest in the City upon expiration or termination of this Lease, all in compliance with Article III, Section 52 of the Texas Constitution.

WHEREAS, Lessor and Lessee desire to restate and reestablish their Lessor-Lessee relationship under a newly written lease agreement, which shall supersede and replace the Original Agreement in its entirety;

NOW, THEREFORE, in consideration of the public purpose served by Lessee's use of the Leased Premises, the nominal rent reserved herein, and the mutual covenants and agreements contained in this Lease, the sufficiency of which is acknowledged, the parties agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01: Definitions. In this Agreement, the following terms shall have the following meanings, respectively, unless the context clearly indicates otherwise:

(a) "Airport" shall mean Big Spring McMahon-Wrinkle Airport and Industrial Park.

(b) "City" shall mean the City of Big Spring, Texas.

(c) "City Manager" shall mean the City Manager of the City.

(d) "City Representative" shall mean the City Manager or designee.

(e) "Director" shall mean the Director of the Airpark Department.

(f) "FAA" shall mean the Federal Aviation Administration, as presently constituted as a division of the United States Department of Transportation or its successor agency or agencies.

(g) "Final Assets" shall mean all assets of any kind held by Lessee, including but not limited to cash, money, deposits in financial institutions, and other liquid assets.

(h) "Historical Aircraft" shall mean non-operational or decommissioned aircraft that holds historical significance due to its age, design, technological impact, or role in notable events, such as military conflicts, pioneering aviation achievements, or cultural contributions. Such aircraft may be preserved for educational, commemorative, or museum display purposes. All Lessor-Owned Historical Aircraft are included within the term "Historical Aircraft."

(i) "Leased Premises" shall mean that Lessor-owned properties known as 1911 and 1913 Apron Dr. (BUILDING # 44), Old Webb AFB Hangar: Approx. 14,268 sq. ft.; Land Area: Approx. 1.9 acres; and as depicted in Exhibit A to this Agreement. The term "Leased Premises" excludes "Lessor-Owned Historical Aircraft."

(j) "Lessor-Owned Historical Aircraft" shall mean the aircraft described in Exhibit B to this Agreement.

(k) "Minimum Standards" shall mean the standards as codified in Chapter 10, "Aviation," Article II, "Aeronautical Activities and Services at Big Spring Airport and Industrial Park," Division 2: "Minimum Standards for

Commercial Aeronautical Activities and Services," of the Big Spring City Code, as may be amended, and which are incorporated herein to this Agreement as though reproduced in their entirety.

(l) "Museum Assets" shall have the meaning assigned in Exhibit C.

(m) "Trade Fixtures" shall mean that furniture, furnishings, non-load bearing removable partitions, special lighting fixtures, draperies, decorations, appliances and other personal property furnished, installed or used by Lessee.

ARTICLE II
REPRESENTATIONS

Section 2.01: Representations by Lessor. Lessor makes the following representations as the basis for its undertakings in this Agreement:

(a) Lessor, as the owner of the Airport, has the power and authority to lease the Leased Premises to Lessee pursuant to the terms and conditions contained herein and to enter into the transactions contemplated herein and to carry out its obligations hereunder, and by proper action of the governing body of the City, Lessor has been authorized to execute and deliver this Agreement;

(b) Lessor has fee title to the real property of the Leased Premises;

(c) Lessor owns or is the custodian for Texas State Surplus and USAF Museum Loaner Historical Aircraft located on the Leased Premises;

(d) All representations relating to the Lessor contained in the recitals to this Agreement are true and correct.

Section 2.02: Representations by Lessee. The Lessee makes the following representations as the basis for its undertakings in this Agreement:

(a) Lessee has the power to enter into this Agreement without violating the terms of any other agreement to which it may be a party; and has been duly authorized to execute and deliver this Agreement;

(b) Lessee will cause the Leased Premises to be occupied and possessed for the purposes set forth herein, and will operate or cause to be operated the Leased Premises in accordance with the terms and provisions of this Agreement;

(c) All representations relating to Lessee contained in the recitals to this Agreement are true and correct.

ARTICLE III

LEASE AND TERM

Section 3.01: Demise of Leased Premises. Subject to the terms and conditions of this Agreement, Lessor hereby leases, lets and demises exclusively unto Lessee and Lessee hereby leases and rents from Lessor, the Leased Premises.

Section 3.02: Term.

(a) Term. This Agreement shall become effective as to the Leased Premises on the Effective Date and shall continue unless sooner terminated or reduced in accordance with this Agreement for ten (10) years from the Effective Date.

(b) Renewal. Lessee shall have the option to renew this Agreement for one five (5) year term (the "Renewal Term") by giving the Director written notice of its intent to exercise this option no later than three (3) months prior to the end of the Term. The annual rental for the Renewal Term will be established by Lessor upon Lessee's exercise of the option to renew.

Section 3.03: Condition of Premises. Lessee has full and exclusive responsibility for ascertaining the suitability of the Leased Premises for Lessee's intended use. Lessor makes no representations or warranties, either express or implied, as to the condition of the Leased Premises or the suitability of the Leased Premises for the use intended by Lessee.

Section 3.04: Exhibits. Exhibits A, B, and C are hereby attached and incorporated into this Agreement.

ARTICLE IV
RENT AND OTHER CHARGES

Section 4.01: Rent. Upon the execution of this Agreement, and in consideration of the public purpose of promoting economic development by the continued establishment and operation of a museum in order to attract tourism to the City of Big Spring, Lessee agrees and binds itself to pay rental for the Leased Premises in the amount of $1.00 per year, on the Effective Date and at each annual anniversary of the Effective Date for the duration of the Term (or Renewal Term, if applicable).

Section 4.02: Use Charges. The standards and regulations enacted by any and all governmental agencies responsible for the operation of the Airport, now or in the future, may provide for use charges to be paid by those using, occupying, or conducting operations at the Airport. Such charges may be based upon square footage, receipts or other reasonable basis, to be established by such standards and regulations, and consistently applied. Lessee agrees to pay such charges as same are due and owing under any such standards or regulations now or hereafter in effect. Any such use charges shall be lawful, reasonable, and nondiscriminatory.

Section 4.03: Fines, Penalties. Lessee shall be responsible for any fines or penalties, which may be assessed by the FAA or any other government authority against Lessor, to the extent any such fine or penalty is directly attributable to Lessee, its invitees, licensees or sublessees' activities on the Leased Premises. Further, Lessee shall reimburse Lessor for any fines or penalties assessed against the City by the Texas Commission on Environmental Quality or the U.S. Environmental Protection Agency to the extent any such fine or penalty is directly attributable to Lessee's non-compliance with any rule, regulation, statute or order of those agencies.

ARTICLE V
USE OF LEASED PREMISES

Section 5.01: Permitted and Prohibited Use.

(a) During the Term, Hangar 25 shall have the right to use and occupy the Leased Premises solely for (1) the operation of the Hangar 25 Air Museum, as the purpose of the Hangar 25 Air Museum is for promoting education through the collection, preservation, and exhibition of the history of the Big Spring Army Air Force Bombardier School and Webb Air Force Base; and (2) for the purpose of hosting and sponsoring events, including live music performances, concerts, weddings, and other gatherings or activities as may be determined by Hangar 25 with the consent of the Airport Director, provided that all such events are conducted with a Hangar 25 representative present at all times when visitors are in the facility to ensure the protection of the city's property and are conducted for civic, cultural, or recreational purposes consistent with Hangar 25 and City operations, programs, and mission (the "Permitted Use").

(b) Lessee shall not use or permit the Leased Premises to be used for the storage of surplus materials or for any other purpose whatsoever without the prior written consent of Lessor.

Section 5.02: Right of Quiet Enjoyment. Subject to the other terms and conditions hereof, Lessee shall be entitled to and shall have possession and quiet enjoyment of the Leased Premises.

Section 5.03: Right of Ingress and Egress. Subject to the rules and regulations of the City and the federal government governing operation and use of the Airport and its facilities and the activities thereon (including, but not limited to, the provisions regarding security at the Airport), Lessee shall have the right to use such facilities of the Airport as are provided for common use by the public. Lessee, its employees, agents, clients, and guests shall have reasonable use of designated public parking areas, subject to the rights of Lessor to change such designations and to impose reasonable rules and regulations for the use of such area.

Section 5.04: Improvements.

(a) Lessee accepts the Leased Premises "as is," and by Lessee's signature represents that the Leased Premises are currently suitable for the Permitted Use. Any alterations to the Leased Premises must be authorized in writing by the Director and shall be made at Lessee's sole cost and expense. Any alterations made to the Leased Premises shall become the property of Lessor at the end of the Term (or Renewal Term, if applicable) of this Agreement. Alterations made without the written consent of the Airport Director shall be removed at the option of, and in a manner acceptable to, Lessor in order to return the Leased Premises to the same condition and state existing prior to the making of such alterations. Lessee agrees that any damages that may be caused by the installation or removal of moveable fixtures, manufacturing equipment and machines, furniture, service equipment or any Trade Fixtures will be repaired as soon as practical by Lessee at Lessee's sole expense.

(b) All improvements hereafter constructed or placed on the Leased Premises and all alterations, modifications thereof and improvements therein, shall not be deemed Trade Fixtures, but shall become part of the Leased Premises with title vesting to the City at the expiration or earlier termination of this Agreement subject, however, to Lessee's obligation to operate, repair, maintain and replace and right of possession, use and occupancy during the term of this Agreement in accordance with the terms and conditions hereof.

(c) Alterations and improvements include but are not limited to alterations or improvements of any system that is related to heating, ventilation, and air conditioning (HVAC).

Section 5.05: Compliance Standards. All parties hereto agree to comply with any and all applicable laws, rules, and regulations, including the Minimum Standards as defined in Section 1.01(h), as may be amended, and those of the FAA, Texas Commission on Environmental Quality, United States Environmental Protection Administration, and TxDOT. During the term of this Agreement, Lessee shall not permit the Leased Premises to be used for any unlawful or improper purpose.

ARTICLE VI
OBLIGATIONS OF LESSEE

Section 6.01: Maintenance of Leased Premises at Lessee's Expense. Lessee shall, through the Term of this Agreement, assume the entire responsibility, at its sole cost, for the following:

(a) Maintain at all times the Leased Premises in a good state of repair and preservation, excepting ordinary wear and tear.

(b) Maintain the Leased Premises in good order and condition, including routine maintenance and maintenance of all non-structural elements of the buildings, and upon termination of this Agreement return said Leased Premises in good order and condition.

(b) Keep at all times in a clean and orderly condition and appearance the Leased Premises, and all of the Lessee's fixtures, equipment and personal property which are located on any part of the Leased Premises which is open to or visible by the general public.

(c) Provide and maintain all obstruction lights and similar devices, fire protection and safety equipment and all other equipment required by laws rule, order, ordinance, resolution or regulation of any competent authority, including the City and Director.

(d) Observe all regulations and requirements of insurance on the Leased Premises concerning the use and condition thereof for the purpose of reducing fire hazards and insurance rates on the Airport.

(e) Be responsible for the maintenance and repair of all utility service lines placed on the Leased Premises and used by Lessee exclusively, including but not limited to, water lines, gas lines, electrical power and telephone conduits and lines, sanitary sewers and storm sewers.

(f) Cause all vehicles and equipment operated by Lessee on the Airport to be kept and maintained in a safe condition and in good repair in accordance with the uniform standards applicable to all Airport tenants, as established from time to time by the Director.

(g) Repair all damages to Leased Premises caused by its members, employees, patrons or its operation thereon.

Section 6.02. Historical Aircraft.

(a) Obligation to Preserve and Protect. Lessee understands and acknowledges that the Lessor-owned Historical Aircraft located on the Leased Premises is of significant historical value, and agrees to take all reasonable measures, whether or not directed by Lessor, to safeguard, preserve, and protect the Historical Aircraft from damage, deterioration, access by the public, vandalism, and unauthorized removal. Lessee agrees to keep the Historical Aircraft located on the Leased premises cordoned off by rope or similar barrier to help prohibit access by the public. Lessee shall not modify, relocate, or alter the Aircraft in any manner without the prior written consent of Lessor.

(b) Maintenance and Condition Standards. Lessee shall, at its sole cost and expense, maintain and keep in clean condition the Historical Aircraft consistent with its historical significance. Such maintenance shall include, but is not limited to, implementing preventive measures for structural integrity, pest control, climate protection (if applicable), and corrosion prevention. Lessee shall not undertake any repair, restoration, or conservation efforts without the prior written approval of Lessor.

(c) Access for Inspection. Lessor, or its designated representatives, shall have the right to inspect the Historical Aircraft to ensure compliance with this provision. Lessee shall cooperate fully with such inspections and implement any reasonable preservation measures required by Lessor.

(d) Prohibited Uses and Conduct. Lessee shall not use the Historical Aircraft for any purpose other than as an exhibit or as otherwise agreed upon in writing by Lessor. Any use, display, or activity that could result in damage, excessive exposure to environmental hazards, or diminishment of the Historical Aircraft's historical integrity is strictly prohibited.

(e) Restoration or Repair. In the event the Historical Aircraft is damaged due to Lessee's negligence, misconduct, or failure to comply with this Agreement, Lessee shall, at its sole cost and expense, restore or repair the Aircraft to its condition immediately prior to such damage, subject to Lessor's prior written approval.

(f) Ownership. Lessor shall retain all right, title, and interest in and to the Lessor-Owned Historical Aircraft, and Lessee states its acknowledgement thereof.

(g) Moving Lessor-Owned Aircraft

(h) Except in an emergency situation, Lessee may not move Lessor-Owned Historical Aircraft away from the Leased Premises without the written consent of the Airport Director.

Section 6.03: Taxes, Charges, Utilities, Liens.

(a) Lessee shall pay all taxes that may be levied, assessed or charged by the State of Texas or any of its political subdivisions or municipal corporations upon the real property of Lessor, Lessee's leasehold estate, and Lessee's leasehold improvements and personal property present in the Leased Premises and shall obtain and pay for all licenses and permits required by law.

(b) Lessor shall pay for all water, gas, electric, air conditioning, sewer, and solid waste services to Building 44 only. Charges incurred for any other utilities, such as as telephone, internet, and television services, resulting from Lessee's use of the Leased Premises, will be paid by Lessee. This provision is subject to periodic review and changes as circumstances arise, and changes will be at the sole discretion of Lessor.

(c) Lessee shall neither cause or permit any laborers, mechanics, builders, carpenters, materialmen, contractors or other liens or encumbrances (including judgment and tax liens) against the Leased Premises provided, however, that Lessee may, at its own expense, in good faith contest the validity of any alleged or asserted lien and may permit any contested lien to remain unsatisfied and undischarged during the period of such contest and only appeal therefrom unless by such action any part of the Leased Premises may be subject to loss or forfeiture, in any of which events such lien shall be promptly satisfied and released in full.

Section 6.04: Nondiscrimination Requirements of Big Spring City Code. Notwithstanding any other or inconsistent provision of this Agreement, during the performance of this agreement, Lessee, for itself, its heirs, personal representatives, successors in interest and assigns, as part of the consideration for this agreement, does hereby covenant and agree, as a covenant running with the land, that:

(a) No person on the grounds of race, color, religion, sex, or national origin shall be excluded from participation in, denied the benefit of, or otherwise be subjected to discrimination in the use of the Leased Premises.

(b) In the construction of any improvements on, over or under the premises, and the furnishing of services therein or thereon, no person on the grounds of race, color, religion, sex, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination.

(c) The Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR 21, subtitle A, Department of Transportation, Office of the Secretary, Nondiscrimination in Federally Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1954, and as said regulations may be amended.

(d) In the event of breach of any of the above nondiscrimination covenants, the Lessor shall have the right to terminate this agreement and to reenter and repossess the Leased Premises and hold the same as if said agreement had never been made or issued. This provision does not become effective until the procedures of 49 CFR 21 have been followed and completed, including expiration of appeal rights.

Section 6.05. Airport Development. Lessor reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the views of the Lessee, and without interference or hindrance. Lessor further reserves the right to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the same together with the right to direct and control all activities of the Lessee in this regard.

Section 6.06. War or National Emergency. During any time of war or national emergency, Lessor shall have the right to lease the landing area or any part thereof to the United States Government for military use and, if such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease to the government, shall be suspended or modified in whatever manner is appropriate to the situation.

Section 6.07. Subordination. This Agreement shall be subject and subordinate to the provisions of the indenture and the amendment to indenture whereby the Lessor derived title to the Leased Premises from the United States and to any existing or future agreement between the Lessor and the United States, or any agency thereof, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development or operation of the Airport; provided, however, that the Lessor shall, to the extent permitted by law, use its best efforts to cause any such agreements to include provisions protecting and preserving the rights of the Lessee in and to the premises, and to compensation for the taking thereof, interference therewith and damage thereto, caused by such agreement or by actions of lessors of the United States pursuant thereto.

Section 6.08. Compliance with Laws. The Lessee shall comply with all federal, state and local laws, rules and regulations which may apply to the conduct of the business contemplated, including rules and regulations promulgated by the Lessor, and Lessee shall keep in effect and post in a prominent place all necessary and/or required licenses or permits.

Section 6.09. Indemnity. To the extent not covered by insurance carried in favor of the Lessor, the Lessee shall keep and hold harmless the Lessor from and against any and all claims, demands, suits, judgments, costs and expenses asserted by any person, including agents or employees of Lessor or Lessee, by reason of death or injury to persons or loss or damage to property, resulting from the Lessee's operations, or anything done or omitted by the Lessee, under this agreement except to the extent that such claims, demands, suits, judgments, costs and expenses may be attributed to the acts or omissions of the Lessor or its agent or employees.

Section 6.10. Surrender of Premises; Museum Assets; Abandonment; Holding Over.

(a) Surrender; Condition of Premises.
Upon the expiration or earlier termination of this Agreement for any reason, Lessee shall quietly surrender and deliver the Leased Premises to Lessor in good order, condition, and repair, ordinary wear and tear excepted.

(b) Termination
Upon termination of this Agreement for any reason, all Final Assets shall be deemed conclusively abandoned by Lessee, and title thereto shall automatically vest according to other provisions in this Agreement. All cash and deposits shall

vest according to the same distribution as stated in Article XII that applies if the Lessee was undergoing dissolution.

(d) Restoration Obligations.
Any removal of Lessee's personal property or Museum Assets allowed by this Agreement shall be performed in a manner that does not damage the Leased Premises. Lessee shall promptly repair, at its sole cost and expense, any damage caused by or resulting from such removal and shall restore the Leased Premises to the same or better condition than existed immediately prior to such damage.

(e) Survival; Enforcement.
The provisions of this Section shall survive the expiration or termination of this Agreement and may be specifically enforced by Lessor.

(f) Any holding over of the Leased Premises or any part thereof by Lessee after the expiration or termination of this Agreement shall be on a month-to-month basis, subject to the terms of this Agreement.

Section 6.11. Hours of operation and being open to the public.

The museum is that building formerly known as Building #44 and is located on the Leased Premises. Lessee covenants that it will keep the museum open to the public at least Tuesdays through Fridays from 10 am to 4 pm, and Saturdays 10 am to 2 pm.

Lessee will provide prompt and advance notice to Lesssor of any holiday schedules that result in the museum being closed during the hours or days it will otherwise need to be open under this Section 6.11. If neither the City Manager nor City Representative object to the holiday schedule, Lessee may close the museum according to the holiday schedule even if this Section 6.11 would otherwise require the museum to be open. If an objection is so raised, Lessee and Lessor agree to negotiate to resolve the matter.

If Lessee closes the museum on a day that it must stay open under this Section 6.11 it may only do so by invoking a reason under Section 11.04 of this Agreement.

For notices under this Section 6.11, Lessee may send notices under Section 11.02 of this Agreement, or it may send the notice by sending e-mail to both the City Representative and the City Manager.

ARTICLE VII
RIGHTS AND OBLIGATIONS OF LESSOR

Section 7.01: Right of Flight. Lessee understands that Lessor reserves the right of flight for the passage of aircraft above the surface of the Leased Premises and that the grant and demise of the Leased Premises is subject to this reserved right of flight, which such right shall include the right to cause in such air space such noise as may be inherent to the operation of aircraft now known or hereafter used for the navigation of or flight in the air. Further, the Lessee understands and agrees that Lessor reserves the right to use said air space for landing at, taking off from and operating aircraft on and over the Airport.

Section 7.02: <u>Lessor's Rights of Entry to Leased Premises</u>.

(a) Lessor shall have the right to enter upon the Leased Premises for the purpose of inspecting the same, for observing the performance by Lessee of its obligations under this Agreement and for the doing of any act or thing which the City may be obligated or have the right to do under this Agreement or otherwise provided such action by the City, its officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use or occupancy of the Leased Premises.

(b) Without limiting the generality of the foregoing, Lessor, by its officers, employees, agents, representatives, contractors and furnisher of utilities and other services, shall have the right, at its own cost and expense, whether for its own benefit or for the benefit of others than the Lessee at the Airport, to maintain existing and future utility, mechanical, electrical or other systems and to enter upon the Leased Premises at all reasonable times to make such repairs, replacements or alterations thereto as may, in the opinion of the City, be deemed necessary or advisable and from time-to-time, to construct or install over, in or under the Leased Premises, such systems or parts thereof and in connection with such maintenance, use the Leased Premises for access to other parts of the Airport otherwise not conveniently accessible provided, however, that in the exercise of such right of access, repair, alteration or new construction, the City shall not unreasonably interfere with the actual use and occupancy of the Leased Premises by the Lessee and shall return the Leased Premises to their prior condition without expense to Lessee.

Section 7.03: <u>Operation, Maintenance and Expansion of Airport by the City</u>.

(a) Lessor agrees to operate, maintain and keep in good repair the areas and facilities at the Airport for the public and Lessee in accordance with the practices of a reasonably prudent airport operator. Lessor agrees to use reasonable efforts to keep the Airport free from obstructions and to do all things reasonably necessary for the safe, convenient and proper use of the Airport by those who are authorized to use the same. Lessor agrees to maintain and operate the Airport in accordance with all applicable standards, rules and regulations.

(b) Lessor may expand and improve the Airport as it, in its sole judgment, may deem necessary to provide required facilities in the interest of the public and Lessor.

(a) Lessor shall have the right, but not the obligation, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.

(b) Lessor shall, throughout Term of this Agreement (and Renewal Term, if applicable), at its own expense, maintain the roof, exterior walls, foundation and all structural elements, including plumbing and electrical in good order and condition including but not limited to making all repairs and replacements necessary to keep such items in such condition; provided, however, that Lessor shall not be required to repair or replace any such item damaged by Lessee's negligence.

Section 7.04: Non-Appropriation**.** Notwithstanding anything contained in this Agreement to the contrary, each and every financial obligation of Lessor pursuant to this Agreement is subject to appropriations. In the event no funds or insufficient funds are appropriated or budgeted by the City for the operation of an airport by Lessor during the term of this Agreement, City will immediately notify the Lessee its assignee of such occurrence and this Agreement shall terminate on the last day of the fiscal period for which appropriations were received without penalty or expense to City of any kind whatsoever. In the event of such termination, Lessee agrees to peaceably surrender possession of the Leased Premises to City or its assignee on the date of such termination.

Section 7.05: Financial Statement and Budget. Lessor shall have the right to inspect or obtain a copy of Lessee's annual financial statement one month after the end of Lessee's fiscal year, and Lessee's annual budget with budget amendments. Lessee represents that currently its fiscal year begins January 1. This financial statement shall include a detailed account of the Lessee's income, expenditures, and the allocation of funds.

Lessee shall maintain accurate and complete records of such funds for a period of at least four years following the end of each fiscal year in which the funds were received.

This Section 7.05 does not limit the City's right to request other documents of Lessee as it may have under applicable law.

Section 7.06: Nothing in Section 7.05 shall require the City to grant funds to Lessee that the City receives from hotel occupancy tax revenue or from any other source.

ARTICLE VIII
INDEMNIFICATION, INSURANCE AND CONDEMNATION

Section 8.01: Indemnification.

(a) **It is agreed for all purposes hereunder, the Lessee is and shall be an independent contractor and shall not, with respect to their acts or omissions, be deemed an agent or employee of Lessor.**

(b) **Lessee agrees to indemnify, hold harmless and defend Lessor, its officers, agents and employees, from and against all liability for any and all claims, liens, suits, demands, and/or actions for damages, injuries to persons (including death), property damage (including loss of use), and expenses, including court costs and attorneys' fees and other reasonable costs occasioned by the Lessee's occupancy or use of the Leased Premises and/or activities conducted in connection with or incidental to this Agreement and arising out of or resulting from the intentional acts or negligence of the Lessee, its officers, agents or employees, including all such causes of action based on common, constitutional, or statutory law. or based upon the negligent acts or omissions of the Lessee, is officers, agents and employees.**

(c) **The Lessee further agrees that it shall at all times take reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, agents, employees, customers, visitors, and other persons, as well as their property, while in or on the Leased Premises. It is expressly understood and agreed that Lessor shall not be liable or responsible for the negligence of the Lessee, its agents, servants, employees, customers, and visitors.**

(d) **Further, Lessor assumes no responsibility or liability for harm, injury, or any damaging events which are directly or indirectly attributable to premise defects, which may now exist or which may hereafter arise upon the Leased Premises, responsibility for any and all such defects being expressly assumed by the Lessee. Lessee understands and agrees that this indemnity provision shall apply to any and all claims, suits, demands, and/or actions based upon or arising from any such premise defects or conditions., including but not limited to, any such claim asserted by or on behalf of the Lessee or any of its members, agents and employees.**

Section 8.02: **Insurance.**

(a) The Lessee shall provide and maintain, at its own expense, the following types and amounts of insurance, during the term of this Agreement, and endorsed to provide for Lessor as additional insured under said policies (except for Personal Property Insurance):

TYPE AMOUNT

Commercial General Liability Insurance, which must include premises liability	$1,000,000 per occurrence/ $2,000,000 aggregate
"Fire and Extended Coverage" policy	$1,000,000 per occurrence/ $2,000,000 aggregate

Personal Property Insurance in an amount sufficient to cover Lessee's personal property

(b) The procurement of said insurance shall not be construed to be a limitation upon the Lessee's liability or as a full performance on its part of the indemnification provisions of the Agreement. The Lessee's obligations are, notwithstanding said policy of insurance, for the full and total amount of any damage, injury or loss caused by or attributable to its activities conducted at or upon the Leased Premises.

(c) Before commencement of activities under this Agreement, the Lessee shall furnish to the Lessor copies of its policies of insurance, including endorsements providing for Lessor as additional insured under the insurance policies.

(d) Insurance required herein shall be issued by a company or companies of sound and adequate financial responsibility and authorized to do business in the State of Texas. All policies shall be subject to examination and approval by the for its adequacy as to form, content, form of protection, and providing company.

(e) Insurance required by this Agreement for Lessor, as additional insured, shall be primary insurance and not contributing with any other insurance available to or held by Lessor, including any third-party liability policy. The inclusion of Lessor as an additional insured is not intended to, and shall not make Lessor a partner or joint venturer with Lessee.

(f) Issuers of any insurance required herein shall waive any and all rights of subrogation against Lessor's insurers and Lessor (including Lessor's officials and employees).

(g) Lessee further agrees that with respect to the above-required insurance, the insurance policies shall be endorsed to provide that Lessor be named as insured; and be provided within thirty (30) days advance notice, in writing, of policy cancellation or material change.

(h) Said policies of insurance shall be performable in Howard County, Texas, and shall be construed in accordance with the laws of the State of Texas.

(i) Protection against loss by fire or other casualty to any property of Lessee shall not be an obligation of Lessor.

Section 8.03: Reconstruction of the Leased Premises. In the event the Leased Premises or any part thereof is damaged or destroyed, Lessee shall, to the extent of the insurance proceeds available, promptly repair or replace the same and any insurance proceeds received with respect to such damage or destruction shall be applied in payment of the expenses of such repair or replacement and any excess insurance proceeds shall belong to Lessee. In repairing or replacing the Leased Premises pursuant to this provision, Lessee agrees to first have the plans and specifications for such repair or replacement approved by the Lessor and to obtain any and all performance and payment bonds and building permits as are required by Lessor. Lessee shall warrant unto the Lessor that all items and materials used in altering, repairing or replacing the demised premises are, at the time of installation, free and clear of any liens, mortgages or encumbrances, and shall indemnify and save the Lessor harmless from and against any and all claims with respect thereto. If such a substantial portion of the demised premises is destroyed so that the Lessee cannot reasonably continue to utilize said premises until the same are repaired or replaced, then the Lessee may elect either to repair or replace the same to the extent of the insurance proceeds available (in which case the rent payable hereunder shall be abated until such time as the Lessee can reasonably resume operation of its business, and the term hereof shall be extended for a period equal to the rent abatement period), or not to repair or replace the same and to terminate this Agreement, whereupon the full amount of all insurance proceeds shall be paid to the Lessor.

ARTICLE IX
EVENTS OF DEFAULT AND REMEDIES

Section 9.01: Default by Lessee. The following shall be events of default as to the Lessee under this Agreement:

(a) Failure by the Lessee to abide by any provision of this Agreement for a period of ten (10) days after receipt of written notice from Lessor identifying such failure;

(b) Abandonment or desertion of the Leased Premises by the Lessee for any period of time exceeding thirty (30) consecutive calendar days;

(a) The filing of or causing to file any lien against the Leased Premises or Lessee's interest therein;

(b) The dissolution or liquidation of Lessee or the filing by Lessee of a voluntary petition in bankruptcy or failure by the Lessee promptly to remove any execution, garnishment or attachment of such consequence as will impair its ability to carry on its operations at the Leased Premises.

Section 9.02: Remedies on Default. Whenever any event of default referred to in Section 9.01 hereof shall have happened, Lessor may take any one or more of the following remedial steps as against the Lessee:

(a) Lessor may re-enter and take possession of the Leased Premises, without terminating this Agreement, and sublease the interest of the Lessee to any party or operate the same on behalf of the Lessee. In either case, Lessee shall be liable for the difference, if any, between the rents and other amounts payable by Lessee hereunder and the rents and other amounts payable by such sub-leasing.

(b) In retaking possession, Lessor shall have the right to remove and store any property remaining on the Leased Premises.

(c) After thirty (30) days' written notice to Lessee, Lessor may terminate this Agreement, exclude the Lessee from possession of the Leased Premises and shall use its best effort to lease Lessee's interest therein to another party for the account of City holding Lessee liable for all rents and other amounts due under this Agreement and not paid by such other party.

(d) Lessor may take whatever other action at law or in equity as may appear necessary or desirable to collect the rent then due and thereafter to become due from Lessee or to enforce performance and observance of any obligation, agreement or covenant of the Lessee under this Agreement.

(e) If Lessor and the Lessee disagree with respect to Lessee's obligations to pay money under this Agreement, Lessee may pay the amount under protest and such payment shall not prejudice Lessee's right to recover the disputed amount if it is determined that such payment was not due.

(f) In addition to the statutory Lessor's lien, Lessor shall have, at all times, a valid security interest to secure payment of all rentals and other sums of money becoming due hereunder from Lessee, and to secure payment of any damages or loss which Lessor may suffer by reason of the breach by Lessee of any covenant, agreement, or condition contained herein, upon all goods, wares, equipment, fixtures, furniture, improvements, and other personal property of Lessee presently or which may hereafter be situated on the premises, and all proceeds therefrom, and such property shall not be removed therefrom without the consent of Lessor until all the arrearages in rent as well as any and all other sums of money

Section 9.03: Non-Exclusive Remedy. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement.

Section 9.04: Legal Fees. In the event there should be a default under any of the provisions of this Agreement and the Lessor should determine that the services of an attorney are required or the Lessor incurs other expenses for the collection of rent or the enforcement of performance or observance of any obligation or agreement on the part of Lessee, the Lessee agrees that it will on demand therefor pay to the Lessor the reasonable, just and necessary fees of such legal and other reasonable incurred expenses.

ARTICLE X
ASSIGNMENTS, SUBLETTING, TERMINATION AND ENCUMBRANCES

Section 10.01: Assignment and Subletting

(a) Lessee covenants and agrees that it will not transfer or assign this Agreement or any part thereof or any rights created thereby or sublet the Leased Premises covered by this Lease or any part thereof without the prior written consent of the Director.

(b) If, without the prior written consent of the Director, the Lessee assigns, transfers or sublets in violation of Section (a) of this Section or if the Leased Premises are occupied by anybody other than the Lessee, as provided in this Agreement, the Lessor may terminate this Agreement or collect rent from any assigns, sub-lessee or anyone who claims a right to this Agreement or who occupies the Leased Premises and the Lessor shall apply the net amount collected to the rental herein reserved but no such collection shall be deemed a waiver by the Lessor of the covenants contained in subdivision (a) of this Section or an acceptance by the Lessor of any such assignee or sublessee.

(c) Any assignment or transfer of this Agreement or any rights of Lessee hereunder (except as otherwise permitted herein) whether it be a voluntary assignment without the consent of Director or an assignment or transfer by operation of law, shall be null and void and shall constitute a default on the part of the Lessee.

Section 10.02: Termination for Convenience

(a) Subject to authorization by the City Council of Big Spring, acting as the governing body of Lessor, at a duly posted public meeting and by affirmative vote of a majority of a quorum, Lessor may terminate this Lease for convenience, with or without cause, as a lawful exercise of its governmental and sovereign powers, by delivering to Lessee written notice of termination at least ninety (90) days prior to the effective termination date stated in such notice.

Lessee acknowledges and agrees that Lessor's right to terminate this Lease for convenience is a material, bargained-for term of this Lease and is an essential condition to Lessor's agreement to permit Lessee's use of the Premises. Lessee further acknowledges that such termination is not arbitrary or capricious but is an inherent attribute of Lessor's authority as a Texas municipal corporation acting for public purposes.

Lessee shall continue to perform all obligations under this Lease through the effective termination date and shall, on or before such date, vacate and surrender possession of the Premises strictly in accordance with Article 18. Termination under this Section shall not waive or release either party from any claim, liability, or obligation that accrued prior to the effective termination date or that expressly survives termination of this Lease, including without limitation the provisions of this Agreement.

(b) Effect of Termination for Convenience. Upon the effective date of termination as stated in Lessor's notice:

1. The Term shall automatically expire, and Tenant shall surrender the Premises to Lessor in accordance with the Agreement, including the provisions governing surrender of the Leased Premises and property remaining thereon.

2. Tenant shall have no further rights in or to the Leased Premises, except for those rights, if any, that expressly survive termination under this Lease.

3. Lessee shall not be entitled to any compensation, damages, reimbursement, or other payment of any kind on account of such termination for convenience, including, without limitation, any compensation for the cost of any Improvements, artifacts, or personal property remaining on the Leased Premises, goodwill, or relocation expenses, except as may be expressly required by applicable law.

Tenant acknowledges that the consideration for this Lease includes the opportunity to design, install, and operate the memorial during the Term, and that no separate or additional compensation is due upon termination.

(c) No Taking; Waiver of Compensation Claims. Tenant expressly acknowledges and agrees that:

1. Tenant enters into this Agreement with full knowledge that Lessor retains the unconditional right to terminate this Agreement for convenience and that, upon expiration or earlier termination of this Lease for any reason, all rights with respect to the Leased Premises, Final Assets, and Museum Assets vest in Lessor as expressly provided in the

Agreement.

2. Tenant has no vested property interest in the continuation of this Agreement beyond the effective date of any termination and no expectation of compensation for Final Assets, Museum Assets, or any other property required to remain on the Leased Premises under this Lease; and
3. Neither the exercise by Lessor of its termination rights nor the vesting, retention, modification, relocation, disposal, or destruction of Museum Assets pursuant to the Agreement shall constitute a taking, damaging, or deprivation of property for public use requiring compensation under Article I, Section 17 of the Texas Constitution, the Fifth Amendment to the United States Constitution, or any other law.

To the fullest extent permitted by law, Tenant irrevocably waives any claim against Lessor for inverse condemnation, regulatory taking, unlawful exaction, impairment of contract, or compensation of any kind arising out of or related to Lessor's exercise of rights under this Agreement.

(d) If not in default in any of its obligations hereunder, Lessee may at its option terminate this Agreement by giving the Director thirty (30) days' written notice thereof.

ARTICLE XI
MISCELLANEOUS

Section 11.01: Consents and Approvals.

(a) With respect to the approvals herein required of the Lessee, Lessee shall from time-to-time furnish to the Lessor appropriate certifications setting forth the officers or representatives of Lessee who are authorized to grant such approvals and to bind the Lessee thereto.

(b) The Director is the Lessor's designated representative and shall act in accordance with City of Big Spring policies and procedures in carrying out their duties. The Director may designate an individual to perform all or part of the duties of the Director hereunder from time to time, and may give any consent or approval herein required of the Lessor unless otherwise provided.

(c) All consents and approvals required or permitted herein by either party shall be given in writing.

Section 11.02: Notices. All notices required or permitted to be given to the Lessor or Lessee shall be deemed sufficiently given if in writing and sent either by registered mail or certified mail, postage prepaid, addressed as follows, or to such other address or addresses as the Lessor or Lessee shall from time to time designate in writing to the other parties;

City:	Lessee:
City of Big Spring Airport Director McMahon-Wrinkle Airport and Industrial Park 3200 Rickabaugh Dr. Big Spring, Texas 79720	Hanger 25 Air Museum Assoc. 1911 Apron Dr. Big Spring, Texas 79720

Section 11.03: Brokerage. The Lessee represents and warrants that no brokers have been concerned on their behalf in the negotiation of this Agreement and that there are no such brokers who are or may be entitled to be paid commissions in connection therewith. Lessee shall hereby indemnify and save harmless Lessor of and from any claim for commission or brokerage made by any such brokers when such claims are based in whole or in part upon any acts or omissions by Lessee.

Section 11.04: Force Majeure. Neither the Lessor nor Lessee shall be deemed in default hereunder if either party is prevented from performing any of its obligations, other than the payment of rentals, fees and charges hereunder, by reason~~s~~ of strikes, boycotts, labor disputes, embargoes, shortages of energy or material, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellion, acts of sabotage or any other circumstances for which it is not responsible or which are not within its control.

Section 11.05: Entire Agreement. Misrepresentation. This Agreement and its Exhibits constitutes the entire understanding between Lessor and Lessee, and as of the Effective Date, supersedes all prior or independent agreements between Lessor and Lessee covering the subject matter hereof. Any change or modification hereof must be in writing signed by both Lessor and Lessee.

Section 11.06: Place of Performance; Laws Governing Venue. This Agreement shall be performable and enforceable in Howard County, Texas, and shall be construed in accordance with the laws of the State of Texas. Venue for any cause of action shall be Howard County, Texas. Neither Party shall commence any action, litigation, or proceeding of any kind whatsoever against the other party in any way arising from or relating to this Agreement and all contemplated transactions, including, but not limited to, contract, equity, tort, fraud, and statutory claims, in any forum other than the courts of the State of Texas sitting in Howard County, and any appellate court from any thereof. Each Party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees to bring any such action, litigation, or proceeding only in the courts of the State of Texas sitting in Howard County. A final judgment in any such action, litigation, or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

Section 11.07: Severability. In the event any provision of this Agreement is illegal, invalid, or unenforceable under the present or future laws, then, and in that event, it is the intention of the Parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the Parties to this Agreement that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable a provision be added to this Agreement which is legal, valid and enforceability and is a similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

Section 11.08. Relationship of the Parties. Lessor and Lessee agree that the relationship between them is that of landlord and tenant and that Lessor is leasing space to Lessee. It is not the intention of the parties, nor shall anything herein be constructed to constitute Lessor as a partner or joint venturer with Lessee, or as a "warehouseman" or a "bailee."

Section 11.09: Non-waiver of Governmental Immunity.

(a) The City of Big Spring, a Texas municipal corporation, expressly retains all rights and benefits of governmental immunity from liability and suit for damages in accordance with: Title 5, Texas Civil Practice and Remedies Code; Subchapter I, Chapter 271, Texas Local Government Code; and any other law, if applicable.

(b) Nothing in this Agreement shall be deemed as a waiver of governmental immunity or as increasing the City of Big Spring's liability beyond any statutory limitation of liability.

(c) Nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim against the City of Big Spring which would otherwise be barred under the doctrine of governmental immunity or operation of law.

Section 11.10: Enforcement. The City Manager, or designee, may enforce all legal rights and obligations under this Agreement without further authorization; and, may engage legal counsel to represent the City in such enforcement. Lessee shall provide to the City Representative all documents and records that the City Representative reasonably requests to assist in determining Lessee's compliance with this Agreement.

Section 11.11: No Waiver.

(a) No waiver under this Agreement is effective unless it is in writing, identified as a waiver to this Agreement, and signed by an authorized representative of the party waiving its right.

(b) Any waiver authorized on one occasion is effective only in that instance and only for the purpose stated, and does not operate as a waiver on any future occasion.

(c) Neither of the following constitutes a waiver or estoppel of any right, remedy, power, privilege, or condition arising from this Agreement:

(i) any failure or delay in exercising any right, remedy, power, or privilege or in enforcing any condition under this Agreement; or

(ii) any act, omission, or course of dealing between the parties.

Section 11.12: Successors. The provisions of this Agreementshall be binding upon and inure to the benefit of Lessor and Lessee, respectively, and their respective successors, assigns, heirs, executors, and administrators. Lessee agrees to become the tenant of Lessor's successor in interest under the same terms and conditions of its tenancy hereunder.

ARTICLE XII
CONDITION PRECEDENT

The obligations of the Lessor under this Agreement are subject to the satisfaction by the Lessee of the following conditions precedent:

(a) Lessee's Articles of Incorporation, Certificate of Formation, or restated Certificate of Formation on file with the Texas Secretary of State must be amended to strike the words:

> "SECOND: The corporation is a non-profit corporation. When it dissolves all of its assets will be distributed to the State of Texas or an organization exempt from taxes under Internal Revenue Code Section 501(c)(3) for one or more purposes exempt under the Texas Franchise Tax"

and take action so that the passage that follows becomes an effective part of Lessee's Certificate of Formation:

BEGIN PASSAGE

> Upon the dissolution of the Corporation, the "Final Assets" shall be distributed as follows:
>
> A. First, the entirety of the Final Assets shall be distributed to any qualifying local military-related nonprofit organization existing and located in Howard County, Texas, at the time. Any such organization must (1) be recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, and (2) have primarily as its mission the preservation of United States military history.
>
> B. If, however, no such organization exists at the time, then the entirety of the Final Assets shall be distributed to any nonprofit organization existing and located in Howard County, Texas. Any such organization must (1) be recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code,

and (2) have primarily as its mission the preservation of the history and culture of Howard County, Texas.

C. If no organization exists in Howard County, Texas at the time as described in Section A or B above, then all of the Final Assets shall be distributed as follows:

1. 75% to the City of Big Spring, Texas; and

2. 25% to any organization which (a) is recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, (b) is located within the State of Texas, and (c) has primarily as its mission the preservation of military history.

D. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of Howard County, Texas, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

END PASSAGE

(b) Lessee must present to Lessor a certificate of insurance pursuant to Section 8.02 of this Agreement.

(c) Lessee represents that it is aware that this provision requires specifically the certificate of formation or articles of incorporation of the Lessee to be amended to comply with this provision.

(d) Lessee covenants and agrees that it will not subsequently amend its Certificate of Formation in any manner that would conflict with or be at variance with the requirements of this Article.

(e) Lessee's ongoing obligation includes maintaining its Certificate of Formation in full compliance with the requirements of this Article at all times.

ARTICLE XIII
WAIVER OF JURY TRIAL

EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

IN WITNESS WHEREOF this Agreement has been entered into and is effective as of the Effective Date and has been executed in quadruplicate original counterparts by the respective officers of the parties hereto as of the dates noted below.

LESSEE

HANGER 25 AIR MUSEUM ASSOCIATION, a Texas nonprofit corporation

____
Print Name:
Print Title:

ATTEST:

____
Print Name:
Print Title:

LESSOR

CITY OF BIG SPRING, a Texas Municipal Corporation

____
Todd Darden
City Manager

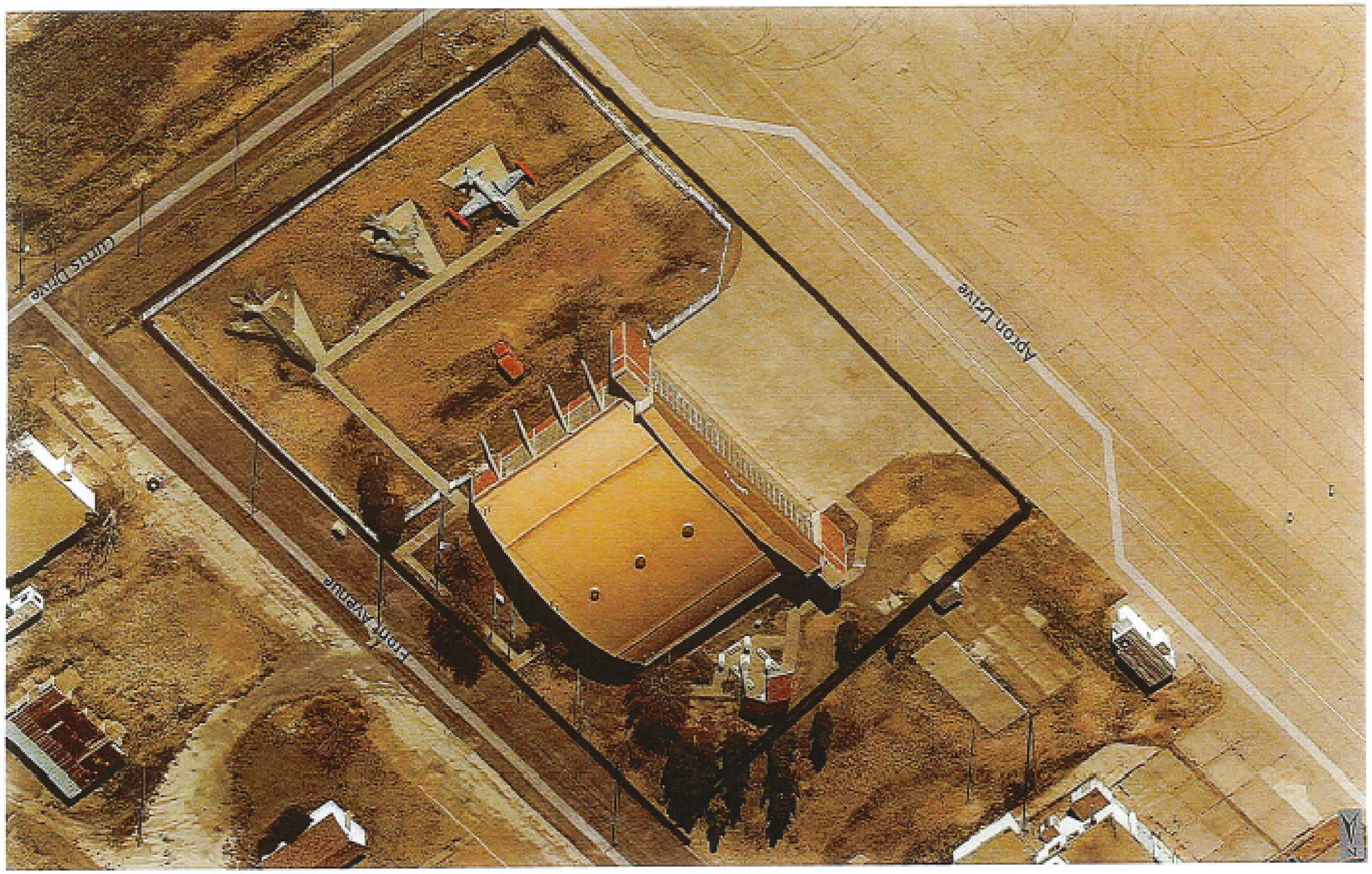
ATTEST:

____
Tami Davis
City Secretary

APPROVED AS TO FORM ONLY

____
Andrew W. Hagen
City Attorney

Exhibit A



Hangar 25 1.9 Acres

Exhibit B

DESCRIPTION AIRCRAFT

Exhibit B

List of Loaner Aircraft

Type Aircraft	Serial Number	Ownership
1944 Beech AT-11	N88KD	City of Big Spring
1949 North American T-28A	N35Y	City of Big Spring
1956 Lockheed T-33A	N5848F	City of Big Spring
1960 Harrier AV8C	9612670001NF3	Texas Facilities Commission
1964 Northrop T-38	64-3198	Texas Facilities Commission
1953 F-100F	56-3962	National Museum USAF
1957 T-33A	57-0606	National Museum USAF
1955 T-37B	55-4305	National Museum USAF

Exhibit C

ASSET CLASSIFICATION, OWNERSHIP, AND CUSTODY

This Exhibit is incorporated into and made part of the Agreement between the Lessor and Lessee. This Exhibit is intended to classify assets associated with the Leased Premises, define ownership and custodial responsibilities, and establish rules governing use, control, removal, and disposition.

This Exhibit is administrative and allocative in nature and does not, by itself, alter ownership rights arising under applicable law, donor instruments, or third-party agreements.

Cash, money, deposits with financial institutions, and other liquid assets upon termination of the Agreement for any reason is under Section 6.10 of the Agreement, and see Article XII such as if Lesse undergoes dissolution.

1. Definitions

For purposes of this Exhibit:

(b) "Artifacts" means historical objects, memorabilia, specimens, works, or items of cultural, educational, or interpretive significance displayed or stored in connection with the Museum.

(c) "Museum Assets" means all assets classified in Sections 2 through 6 of this Exhibit.

(d) "Third-Party Property" means assets owned by donors, lenders, consignors, or other persons or entities not a party to the Agreement.

(e) "Gift Shop" means the retail area located within the Leased Premises and operated in furtherance of the Museum's public purpose.

2. Category A – City-Owned Assets

2.1 Included Assets
Category A assets include, without limitation:

(a) The Leased Premises and all real property interests.

(b) All permanent improvements, additions, fixtures, structural elements, and built-ins installed in or on the Leased Premises, regardless of funding source, unless expressly excluded in writing by the City.

(c) All exhibits, display cases, mounts, security systems, lighting systems, and environmental controls permanently affixed to the Leased Premises.

(d) All Lessor-Owned Historical Aircraft, artifacts, collections, or objects expressly acquired by the City or transferred to the City by donation, purchase, reversion, or operation of law.

2.2 Ownership and Control

All Category A assets are and shall remain the exclusive property of the City. Lessee shall have no ownership interest in such assets.

2.3 Removal

Category A assets may not be removed, transferred, sold, pledged, or encumbered without the prior written consent of the City.

3. Category B – Lessee-Owned Museum Assets Held in Custody

3.1 Included Assets

Category B assets include artifacts and museum-related objects owned by Lessee and used or displayed in the Leased Premises in furtherance of the Museum's mission, excluding retail inventory.

3.2 Custodial Status

During the term of the Agreement, Category B assets shall be deemed held by Lessee in a custodial and stewardship capacity for public exhibition and educational purposes.

3.3 Use and Location

Category B assets shall be used solely in connection with the Leased Premises and shall remain on site except for conservation, approved loans, educational programming, or other purposes approved in advance in writing by the City, which approval shall not be unreasonably withheld.

3.4 No Encumbrance

Lessee shall not pledge, encumber, or use Category B assets as collateral.

4. Category C – Third-Party Property

4.1 Included Assets
Category C assets include artifacts and objects loaned, consigned, or donated subject to reversionary interests, restrictions, or conditions imposed by third parties.

4.2 Governing Instruments
Category C assets shall be governed by the applicable loan agreements, donor instruments, or other controlling documents. Lessee shall provide copies of such instruments to the City upon request.

4.3 Compliance
Lessee shall manage Category C assets in compliance with professional museum standards and all applicable legal and donor requirements.

5. Category D – Operating Assets, Furnishings, and Supplies

5.1 Included Assets
Category D assets include movable furnishings, office equipment, tools, Trade Fixtures, and non-consumable supplies used primarily for Lessee operations.

5.2 Classification
Category D assets acquired with City funds shall be deemed Category A assets. All other Category D assets shall be deemed Lessee property, subject to the restrictions in this Exhibit. In the event that no information is available as to how a Category D asset was acquired, a rebuttable presumption shall be that it was acquired with City funds.

5.3 Removal Restrictions
Category D assets used exclusively within the Leased Premises may not be removed at lease termination in a manner that materially impairs continued museum operations, provided that the City and Lessee may agree to valuation, purchase, or replacement arrangements.

6. Category E – Gift Shop Assets

6.1 Gift Shop Purpose
The Gift Shop is an ancillary museum operation supporting the Museum's public educational mission and is not a standalone retail enterprise.

6.2 Improvements and Fixtures
All Gift Shop build-out, shelving, cabinetry, lighting, and permanent fixtures shall be deemed Category A assets.

6.3 Inventory
Gift Shop inventory shall be deemed Lessee property unless acquired with City funds or donated to the City. At lease termination, inventory removal shall be subject to a transition plan approved by the City to ensure continuity of visitor experience, including City purchase or assumption options.

7. Category F – Records, Intellectual Property, and Intangibles

7.1 Records
Accession records, provenance records, catalogs, donor documentation, and similar museum records relating to Museum Assets shall be maintained on site. Upon lease termination, Lessee shall provide copies of all such records to the City, and originals relating to City-owned assets shall remain with the City.

7.2 Intellectual Property
Intellectual property created by Lessee in connection with the Museum shall remain the property of Lessee; however, Lessee hereby grants the City a perpetual, irrevocable, royalty-free, transferable license to use such intellectual property for Museum and public purposes.

7.3 Donor and Membership Lists
Donor and membership lists used primarily for Museum operations shall be subject to reasonable access and use rights by the City for Museum continuity purposes, subject to applicable privacy laws.

8. Lease Termination and Transition

8.1 General Rule
Upon expiration or termination of the Agreement, all Category A assets shall remain in

place. Category B, D, E, and F assets shall be subject to an orderly transition process designed to prevent disruption of Museum operations and protect the City's public interest.

8.2 Custodial Hold

Except as otherwise approved in writing, Lessee shall not remove Museum Assets for a specified transition period following lease termination to permit installation of a successor operator.

9. Relationship to Dissolution

This Exhibit governs asset classification during the term of the Agreement. Distribution of Lessee assets upon dissolution shall be governed by Lessee's governing documents and applicable law, as required by the Agreement.

MEMORANDUM

To: Mayor Robert H. Moore, III, and Members of the Big Spring City Council

CC: Todd Darden, City Manager

From: Shane Bowles, Public Works Director

Date: Tuesday, May 12, 2026

Subject: Birdwell Lane Reconstruction Project Inspections

Action Requested: Approve contract with Jacob Martin for inspection services

Background Information: The City of Big Spring is planning on rebuilding Birdwell Lane from FM 700 to 2nd Street. This project will take over 200 days to complete. Rather than taking the hours needed to inspect the project full time, we are asking for Jacob and Martin to subsidize inspections so that our Street department to continue to do their daily duties.

Financial Considerations:

Expenditure amount requested:	$80,000
What fund/department account will this amount be drawn from?	Streets 320
Revenue generated:	N/A
Would this expenditure be made within the budget for the current fiscal year?	No
Does this commit the City to spending funds beyond the current fiscal year? Explain.	Yes, this project will take over 200 days

Staff Opinion as to Feasibility and Timeline: This is to be completed by the spring of 2027.

Staff recommendation: It is our recommendation to approve the contract services for the above amount to Jacob Martin. The Contract will not exceed 80,000 over the life of the contract.

AMENDMENT TO OWNER-ENGINEER AGREEMENT
Amendment No. 1

1. *Background Data:*

   a. Effective Date of Owner-Engineer Agreement: ______________________________

   b. Owner: City of Big Spring

   c. Engineer: Jacob & Martin, LLC

   d. Project: Birdwell Lane Roadway Improvements

2. *Description of Modifications:*

The City has requested that Jacob & Martin (JM) provide a part-time resident project representative (RFR) throughout the construction phase of the Birdwell Lane Roadway Improvements project. The estimated fee listed below is based on a JM RPR being onsite an average of two (2) days per week throughout the 260-day construction contract time:

a. JM shall provide PRR services at a time and expense cost and the total cost shall not exceed **$80,000.00** without prior approval by the City. Time and expenses shall be billed per the attached rate schedule.

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect. The Effective Date of this Amendment is ____________________.

OWNER:	ENGINEER:
City of Big Spring	Jacob & Martin, LLC
______________________________	______________________________
By: ______________________________	By: Kirt Harle
Title: ______________________________	Title: Principal
Date Signed: ______________________________	Date Signed: ______________________________

Staff Report

To: The Honorable Mayor and City Council
From: The City Manager
Date: May 12, 2026
Subject: Consideration and Possible Action to Approve a Corrected Tax Deed for the Sale of Real Property Located at Lot Twelve (12), Block One Hundred Two (102), in the Original Town of Big Spring, Big Spring, Howard County, Texas, Commonly Known as 401 Sargent Paredez Street, and Held by the City of Big Spring, in Trust, to Daniel German Rodriguez Moncibais, and Authorizing the Mayor to Execute and Necessary Documents.

RECOMMENDATION:
Approve corrected tax deed.

BACKGROUND:
The property 401 Sgt Paredez is a city-owned property for which a high bid was received from Mr. Daniel Moncibais for the sum of $2,200.00 in the course of a public bidding process. A tax deed for the sale of this property was approved by City Council on March 24, 2026, but it was observed in the course of Legal Department review that the earlier tax deed received from Texas CG contained a clerical error that indicated the purchase price as $1,800. The tax deed herein is corrected to reflect the true purchase price of $2,200, which the interested buyer has already deposited with Texas CG.

FISCAL IMPACT:

ATTACHMENTS:
Tax Deed R285292_Redacted

REPORT PREPARED BY:
Andrew Hagen, City Attorney

APPROVED BY:
Todd Darden, City Manager

"NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER."

TAX DEED

STATE OF TEXAS	§
	§
COUNTY OF HOWARD	§

WHEREAS, by a Warrant issued out of the 118th Judicial District Court of Howard County, Texas; in Cause No. 6910 styled City of Big Spring, etal, vs. Owners of Various Properties located within the City Limits of Big Spring, Texas, and delivered to the Sheriff directing him to seize, levy upon and sell the hereinafter described property to satisfy the amount of all delinquent taxes, penalties, interest and costs which were secured by a warrant rendered in said cause on the 17th day of September, 2020, in favor of the Plaintiffs.

WHEREAS, in obedience to said Warrant, the Sheriff did seize and levy on the hereinafter described property and all the estate, right, title and interest or claims which said Defendants so had, in and to, on the 17th day of September, 2020 and since that time had of, in and to, the hereinafter described real property; and as prescribed by law for Sheriff's sales, did offer to sell such real property at public auction.

WHEREAS, at said sale no bid being received which was equal to the adjudged value of said real property as fixed by said court or the aggregate amount of said warrant established therein, the title to said real property pursuant to said warrant and Section 34.01 of the Texas Property Tax Code was struck off in trust for the use and benefit of each taxing district having been by said warrant adjudged to have valid tax liens against such real property, and

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that the taxing entities set forth in the warrant in said cause, pursuant to the provisions of Section 34.05 of the Texas Property Tax Code, for and in consideration of the sum of **TWO THOUSAND TWO HUNDRED DOLLARS AND 00/100 ($2,200.00)**, said amount being the highest and best offer received from **Daniel German Rodriguez Moncibais,** [redacted], receipt of which is hereby acknowledged, and by these presents do convey, expressly subject to the right of redemption by the Defendants in said tax suit as provided by Section 34.21 of the Texas Property Tax Code, and further subject to all presently recorded and validly existing restrictions, reservations, covenants, conditions, easements, oil and gas leases, mineral interests, and water interests outstanding in persons other than Grantor, and other instruments, other than conveyances of the surface fee estate, that affect the Property, all the right, title and interest as was acquired by the taxing entities through foreclosure the certain tract of land described as follows:

Lot Twelve (12), Block One Hundred Two (102) in the Original Town of Big Spring, Howard County, Texas, (R285292)

TO HAVE AND TO HOLD the above described property unto the named purchaser Daniel German Rodriguez Moncibais, his/her heirs, successors and assigns forever, free and clear of all liens for ad valorem taxes against such property delinquent at the time of warrant to all taxing units which were a party of said Warrant and as fully and absolutely as the entities named below can convey the above described real property by virtue of said warrant and Order of Sale and said Section 34.05 of the Texas Property Tax Code.

GRANTEE IS TAKING THE PROPERTY IN AN ARM'S-LENGTH AGREEMENT BETWEEN THE PARTIES. THE CONSIDERATION WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS OR EXPRESS OR IMPLIED WARRANTIES. GRANTEE HAS NOT RELIED ON ANY INFORMATION OTHER THAN GRANTEE'S INSPECTION.

GRANTEE RELEASES GRANTOR FROM LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY, INCLUDING LIABILITY (1) UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT (CERCLA), THE RESOURCE CONSERVATION AND RECOVERY ACT (RCRA), THE TEXAS SOLID WASTE DISPOSAL ACT, AND THE TEXAS WATER CODE; OR (2) ARISING AS THE RESULT OF THEORIES OF PRODUCT LIABILITY AND STRICT LIABILITY, OR UNDER NEW LAWS OR CHANGES TO EXISTING LAWS ENACTED AFTER THE EFFECTIVE DATE OF THE PURCHASE CONTRACT THAT WOULD OTHERWISE IMPOSE ON GRANTORS IN THIS TYPE OF TRANSACTION NEW LIABILITIES FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY. THIS RELEASE APPLIES EVEN WHEN THE ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY RESULT FROM GRANTOR'S OWN NEGLIGENCE OR THE NEGLIGENCE OF GRANTOR'S REPRESENTATIVE.

This tax deed may be executed in one or more counterparts, each one of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

This deed is effective as of the date of the last notary acknowledgment of the Grantors' signatures.

<u>CITY OF BIG SPRING</u>

By:_____________________________________
Robert H. Moore, III, Mayor

ATTEST:

____
City Secretary

This instrument was acknowledged before me on the ______ day of __________________, ____, by Robert H. Moore, III, Mayor on behalf of CITY OF BIG SPRING in its capacity therein stated.

____
Notary Public, State of Texas

HOWARD COUNTY

By:______________________________________
Randy Johnson, County Judge

ATTEST:

____
Brent Zitterkopf, County Clerk

This instrument was acknowledged before me on the ______ day of __________________, ____, by Randy Johnson, County Judge, on behalf of HOWARD COUNTY in its capacity therein stated.

____
Notary Public, State of Texas

BIG SPRING INDEPENDENT SCHOOL DISTRICT

By:_______________________________________
Fabian Serrano, Board President

ATTEST:

____
Tom Olague, Board Secretary

This instrument was acknowledged before me on the ______ day of __________________, ____, by Fabian Serrano, Board President, on behalf of BIG SPRING INDEPENDENT SCHOOL DISTRICT in its capacity therein stated.

____
Notary Public, State of Texas

~~~~~~
~~~~~~

HOWARD COLLEGE

By:_______________________________________
John E. Freeman, Board Chairman

ATTEST:

____
Adrian Calvio, Board Secretary

This instrument was acknowledged before me on the ______ day of __________________, ____, by John E. Freeman, Board Chairman, on behalf of HOWARD COLLEGE in its capacity therein stated.

____
Notary Public, State of Texas

~~~~~~
~~~~~~