MIDLAND DEVELOPMENT CORPORATION

Board Binder Open Session

September 14, 2026

Agenda

MIDLAND DEVELOPMENT CORPORATION

MIDLAND DEVELOPMENT CORPORATION AS AUTHORIZED BY CHAPTER 504 OF THE TEXAS LOCAL GOVERNMENT CODE

NOTICE OF PUBLIC MEETING

In accordance with Chapter 551, Texas Government Code, as amended, notice is hereby given to the public that the Board of Directors of the Midland Development Corporation will meet in regular session, open to the public, in City Hall Council Chambers, 300 North Loraine Street, Midland, Texas, at 10:00 a.m. on September 14, 2026. A quorum of the Board of Directors of the Midland Development Corporation intends to be physically present at the aforementioned location.

Videoconference Information

Join from PC, Mac, iPad, or Android:
https://us02web.zoom.us/j/88262543055?pwd=gT3LYp2IaBK4bU3Pl4o2wCJZK01L4c.1
Passcode:430116

Phone one-tap:
+13462487799,,88262543055#,,,,*430116# US (Houston)
+12532050468,,88262543055#,,,,*430116# US

Join via audio:
+1 346 248 7799 US (Houston) +1 253 205 0468 US +1 253 215 8782 US (Tacoma) +1 669 444 9171 US
+1 669 900 9128 US (San Jose) +1 719 359 4580 US +1 507 473 4847 US +1 564 217 2000 US
+1 646 558 8656 US (New York) +1 646 931 3860 US +1 689 278 1000 US +1 301 715 8592 US
(Washington DC) +1 305 224 1968 US +1 309 205 3325 US +1 312 626 6799 US (Chicago)
+1 360 209 5623 US +1 386 347 5053 US
Webinar ID: 882 6254 3055
Passcode: 430116
International numbers available: https://us02web.zoom.us/u/kdE8AMDs2H

At such meeting, the Board of Directors may discuss, consider, and take action on any of the following items:

1. Call meeting to order.

2. Motion approving the minutes of the August 3, 2026, meeting of the Midland Development Corporation.

3. Presentation from MOTRAN Alliance, Inc. on infrastructure projects and initiatives in Midland and the Permian Basin.

4. Resolution authorizing the execution of an economic development agreement with MOTRAN Alliance, Inc.; and authorizing payment.

5. Presentation from Kimley-Horn on a master plan for the West Texas Aerospace Corridor.

6. Resolution authorizing the execution of a professional services agreement with Kimley-Horn and Associates, Inc. to develop a master plan for the West Texas Aerospace Corridor; and authorizing payment.

7. Resolution authorizing the execution of a funding agreement with the Permian Strategic Partnership in an amount not to exceed $10,000.00 to coordinate funding for the preparation of the 2026 Highway Economics Report for the Midland Development Corporation.

8. Resolution authorizing payment in the amount of $200,000.00 to the University of Texas of the Permian Basin pursuant to that certain incubator and makerspace grant agreement between the Midland Development Corporation and the University of Texas of the Permian Basin.

9. Presentation on the July 2026 economic development activity report from the Midland Development Corporation Executive Director.

10. Pursuant to Texas Government Code §551.101, the Board of Directors will hold an Executive Session, which is closed to the public to discuss the following matters as permitted under the following Texas Government Code Sections:

    a. Section 551.071, Consultation with Attorney

        i. Discuss pending or contemplated litigation.

    b. Section 551.072, Deliberation Regarding Real Property

        i. Discuss the purchase, exchange, lease, or value of real property.

    c. Section 551.087, Deliberation Regarding Economic Development Negotiations

        i. Discuss business prospects that the Midland Development Corporation seeks to have, locate, stay, or expand in or near the City of Midland, Texas, and discuss possible incentives, and discuss contract compliance on the part of businesses.

Posted this 8th day of September 2026.

____
Marcia Bentley German
City Governance Officer/City Secretary

August 3rd Minutes

MIDLAND DEVELOPMENT CORPORATION

MINUTES

August 3, 2026

The Board of Directors of the Midland Development Corporation convened in regular session in the Council Chamber, City Hall 300 N. Loraine Street, Midland, Texas, at 10:00 a.m. on August 3, 2026.

Board Members present:	Chairman Brad Bullock, Director Elvie Brown, Director Garrett Donnelly, Director Darpan Bhakta, Director Abraham Bejil, Director Hayden Boldrick and Director Denzil West
Board Members absent:	None
City Staff Members present:	City Attorney Nicholas Toulet-Crump, Assistant City Attorney Kevin Bailey, Chief of Staff Taylor Novak, Assistant City Secretary Rachel Guentensberger and Deputy City Secretary Kathy Rauda
Council Member(s) present:	None
MDC Staff Members present:	Executive Director Sara Harris, Business Development Coordinator Soraye Palmer, Operations Manager Ken Doyle and Marketing Coordinator Paige McCartney

1. **Call meeting to order.**

   Chairman Bullock called the meeting to order at 10:00 a.m.

2. **Motion approving the minutes of July 6, 2026, meeting of the Midland Development Corporation.**

   Director West moved to approve the minutes of July 6, 2026, meeting of the Midland Development Corporation, seconded by Board Member Donnelly

   The motion carried by the following vote: AYE: Bullock, Brown, Donnelly, Bhakta, Bejil, West and Boldrick NAY: None ABSTAIN: None ABSENT: None

   No Public Comments were made.

3. **Motion approving the minutes of July 20, 2026, special meeting of the Midland Development Corporation.**

   Director Brown moved to approve the minutes of July 20, 2026, special meeting of the Midland Development Corporation, seconded by Director Bejil

   The motion carried by the following vote: AYE: Bullock, Brown, Donnelly, Bhakta, Bejil, West and Boldrick NAY: None ABSTAIN: None ABSENT: None

   No Public Comments were made.

4. **Presentation from Texas A&M Bush School of Government and Public Service on an economic development research plan briefing for Midland.**

Representatives from the Texas A&M Bush School of Government and Public Service presented an overview of the proposed economic development research plan. The Directors asked clarifying questions and expressed support for the proposed plan.

No Public Comments were made.

5. **Presentation from the Permian Strategic Partnership on the Highway Economics Report project.**

Permian Strategic Partnership Director of Road Safety Debra Richmond provided a recap of the Highway Economics Report Project.

No Public Comments were made.

6. **ED-529 - Resolution authorizing the execution of an agreement with the University of Texas of the Permian Basin to advertise and publicize the City of Midland for the purpose of developing new and expanded business enterprises.**

University of Texas Permian Basin Executive Director of the Office of Innovation & Commercialization Brian Shedd provided an overview of the funding, matrix, and selection processes. The Directors asked clarifying questions and expressed interest in receiving future reports regarding funding.

Director Bejil moved to approve ED Resolution – 529, seconded by Director Donnely

The motion carried by the following vote: AYE: Bullock, Brown, Donnelly, Bhakta, Bejil, West and Boldrick NAY: None ABSTAIN: None ABSENT: None

No Public Comments were made.

7. **ED-530 - Resolution authorizing the execution of a second amendment to that certain lease agreement with Loraine at Texas Office Tower Ltd., D/B/A Centennial Tower, LTD, regarding real property located at 200 North Loraine, Midland, Texas 79701.**

Midland Development Corporation Executive Director Sara Harris provided information regarding the 5-year extension of the lease of Midland Development Corporations office space.

Director West moved to approve ED Resolution – 530, seconded by Director Boldrick

The motion carried by the following vote: AYE: Bullock, Brown, Donnelly, Bhakta, Bejil, Boldrick and West NAY: None ABSTAIN: None ABSENT: None

No Public Comments were made.

8. Presentation on the June 2026 economic development activity report from the Midland Development Corporation Executive Director.

Midland Development Corporation Executive Director Sara Harris provided an update to the Board on the economic development activity report.

The board recessed into executive session at 11:03 a.m.

10. Pursuant to Texas Government Code §551.101, the Board of Directors will hold an Executive Session, which is closed to the public to discuss the following matters as permitted under the following Texas Government Code Sections:

a. Section 551.072, Deliberation Regarding Real Property

i. Discuss the purchase, exchange, lease, or value of real property.

b. Section 551.087, Deliberation Regarding Economic Development Negotiations

i. Discuss business prospects that the Midland Development Corporation seeks to have, locate, stay, or expand in or near the City of Midland, Texas, and discuss possible incentives, and discuss contract compliance on the part of businesses.

All the business at hand having been completed, Chairman Bullock adjourned the meeting at 11:49.

Respectfully submitted,

____

Rachel Guentensberger, Assistant City Secretary

PASSED AND APPROVED on the 14th Day of September 2026.

____

Garrett Donnelly, Secretary

MOTRAN Agreement

RESOLUTION NO. ______________

RESOLUTION AUTHORIZING THE EXECUTION OF AN ECONOMIC DEVELOPMENT AGREEMENT WITH MOTRAN ALLIANCE, INC.; AND AUTHORIZING PAYMENT

WHEREAS, the Board of Directors finds it to be in the public interest to authorize the execution of an economic development agreement with the Motran Alliance, Inc.;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MIDLAND DEVELOPMENT CORPORATION:

SECTION ONE. That the Chairman and Secretary are hereby authorized and directed to execute and attest, respectively, on behalf of the Midland Development Corporation, an economic development agreement with the Motran Alliance, Inc. Said agreement shall be of a form that is substantially similar to Exhibit A, which is attached hereto and incorporated herein for all purposes.

SECTION TWO. That the City Comptroller of the City of Midland, Texas, is hereby authorized and directed to pay Motran Alliance, Inc., a maximum of $142,500.00 in accordance with the terms of said agreement, from funds available in the Midland Development Corporation's budget for fiscal year 2026-2027.

On motion of Director ______________, seconded by Director ______________, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a regular meeting on the _______ day of ______________, A.D., 2026, by the following vote:

Directors voting "AYE":

Directors voting "NAY":

____
BRAD BULLOCK,
Chairman of the Midland
Development Corporation

ATTEST:

____
GARRETT DONNELLY,
Secretary of the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

____
NICHOLAS TOULET,
Attorney for the Midland
Development Corporation

ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE MIDLAND DEVELOPMENT CORPORATION AND MOTRAN ALLIANCE, INC.

WHEREAS, Motran Alliance, Inc., submitted a Proposal to the Midland Development Corporation for economic development purposes and the funds for such Proposal can be appropriated by the Midland Development Corporation for fiscal year 2026-2027; and

WHEREAS, the primary purpose of Motran Alliance, Inc., is to raise funds for and improve the infrastructure of the Permian Basin area; and

WHEREAS, such activities will create the groundwork for developing new and expanded enterprises in the Midland/Odessa area; and

WHEREAS, the parties have agreed on the terms and conditions and have set forth such terms and conditions in this Agreement;

NOW, THEREFORE, the Midland Development Corporation, hereinafter referred to as the “MDC", and Motran Alliance, Inc., a Texas non-profit corporation, hereinafter referred to as “MOTRAN", do hereby contract and agree as follows:

I.
Economic Development Program

MOTRAN shall provide the economic development services as provided in **Exhibit A**, which document is incorporated herein by reference. Such program shall be referred to herein as the "Economic Development Program."

II.
Funding

The MDC shall pay to MOTRAN the total sum of One Hundred Forty-Two Thousand, Five Hundred Dollars ($142,500.00), for the MDC fiscal year, said funds to be used solely for the purpose

Exhibit A

of conducting the Economic Development Program as delineated in **Exhibit A**. The MDC shall dispense funds to MOTRAN by paying one-half of the total on or before December 1, 2026, and one-half on or before April 1, 2027. It is understood and agreed that MOTRAN will obtain the remaining necessary funds for completion of the Program from other sources. MOTRAN may perform services that are not eligible for expenditure of funds by the MDC but the percentage of Economic Development Corporation funds received must not exceed the percentage of eligible services performed by MOTRAN.

III.
Budget and Financial Reporting

MOTRAN shall comply with the budget showing the revenues and expenses, a copy of which is attached as **Exhibit B**, to be received and incurred during the term of this Agreement. The hereinafter required financial reports shall, in each case, show the relationship of actual expenses to the authorized expenses shown in said budget.

On or before the 25th day of each month during the term of this Agreement, MOTRAN shall make and send to the MDC, and file with the City Secretary of the City of Midland, a report showing an accounting of all funds received and expended during the preceding month. Said report shall also show the cumulative expenses and revenues for the preceding month together with all prior months covered by this Agreement.

MOTRAN shall maintain complete and accurate financial records of each expenditure of Economic Development Program funds made by it. The general method of financial record keeping and reporting proposed by MOTRAN to be used in complying with the requirements of this Agreement shall be submitted to and approved by the MDC. The sufficiency of detail of any activity or financial report required by this Agreement shall be determined by the MDC. All of MOTRAN's records pertaining and related to the activities and funds under the Agreement shall be available for inspection by the MDC or MDC's representatives at any time during MOTRAN's normal office hours. The revenue provided by the MDC under this Agreement must be maintained by MOTRAN in a separate account established for that purpose and may not be co-mingled with any other money or maintained in any other account.

IV.
Informal Reporting

The Activity Reporting Requirements outlined in Article V are for the purpose of providing information to meet the very basic exchange of information. However, to be efficient in the use of economic development funds, to compete in the open market for jobs, to be able to respond to issues and economic development opportunities in a timely manner, to make decisions regarding goals, objectives and priorities and to foster the necessary teamwork between the MDC and MOTRAN, it is necessary to plan and to implement certain informal reporting and interactions which could occur on a frequent basis. For these purposes, the parties agree to engage in certain interaction and interoffice communications.

1. When decisions need to be made regarding negotiations or strategy, MOTRAN will meet with those persons designated by the MDC to develop a plan.
2. MOTRAN will meet with the MDC whenever necessary and also develop and distribute in writing or by oral presentation, reports when needed over and above those required in Article V.

V.
Activity Reporting Requirements

MOTRAN will provide quarterly activity reports in writing to the MDC and City Secretary of Midland that will provide a current status report. This report will provide hard data when available.

VI.
Audit

In addition to the heretofore required reports covering activities and expenditures under the Economic Development Program, a certified audit of the funds and activities of such Economic Development Program shall be made annually. The costs of making the audit shall be paid by MOTRAN but MOTRAN may use MDC funds. The auditors performing the above described audit shall have access to and the right to examine all records and accounts directly related to the Economic Development Program and such other MOTRAN records and accounts as may be reasonably necessary to conduct and complete its audit of the Economic Development Program funds.

VII.
Independent Contractor

It is expressly understood and agreed that as to any and all of the services tendered by MOTRAN in conducting the Economic Development Program under this contract, MOTRAN shall be considered an independent contractor insofar as its relationship to the MDC. Accordingly, the officers and employees of MOTRAN used or involved in the Economic Development Program under this Agreement shall not be considered, for any purpose, to be the officers and employees of the MDC.

It is expressly understood and agreed that MOTRAN shall perform all work and services described herein as an independent contractor and not as an officer, agent, servant or employee of the MDC; that MOTRAN shall have exclusive control of and the exclusive right to control the details of the services and work performed hereunder, and all persons performing the same; and shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors and subcontractors; that the doctrine of respondeat superior shall not apply as between MDC and MOTRAN, its officers, agents, employees, contractors and subcontractors; and that nothing herein shall be construed as creating a partnership or joint enterprise between MDC and MOTRAN. No person performing any of the workand services described hereunder shall be considered an officer, agent, servant or employee of the MDC. Further, it is specifically understood and agreed that nothing in this Agreement is intended or shall be construed as creating a "Community of Pecuniary Interest" or "An Equal Right of Control". MOTRAN shall be an independent contractor under this Agreement and shall assume all of the rights, obligations and liabilities, applicable to MOTRAN as such independent contractor hereunder. The MDC does not have the right to control the means, methods or details of MOTRAN’s work. The MDC does not have the power to direct the order in which MOTRAN's work should be done. MOTRAN shall assume exclusive responsibility for the work hereunder. MOTRAN is entirely free to do the work in its own way.

VIII.
Agreement Period

This Agreement shall become effective on September 22, 2026 and shall terminate on September 30, 2027. In the event that MOTRAN violates the terms or conditions of this Agreement, or fails to provide the agreed services, the MDC may terminate this Agreement under the following conditions. The MDC shall provide written notice of the violations or failures to MOTRAN. MOTRAN shall have thirty (30) days to cure the violations or failures or to file a written response with the MDC. If MOTRAN fails to cure or to file a written response within such 30-day period, the MDC may terminate this Agreement immediately. If a written response is filed, the MDC shall set a hearing before the MDC's Board of Directors and provide notice to MOTRAN. After consideration of the response and the testimony at the hearing, the MDC may declare if there has or has not occurred the stated violations or failures. If the Board finds that such violations or failures have occurred, it shall give MOTRAN thirty (30) days written notice and an opportunity to cure. If not cured within such period, the MDC may terminate this Agreement immediately.

IX.
Civil Rights

MOTRAN agrees that as to all of its programs and activities, it will fully comply with all Civil Rights Acts and specifically will not discriminate against any person on the basis of race, color, national original, sex or disability.

X.
Indemnity

MOTRAN SHALL INDEMNIFY AND HOLD HARMLESS AND DEFEND MDC AND ALL OF MDC'S OFFICERS, AGENTS AND EMPLOYEES FROM ALL SUITS, ACTIONS, CLAIMS, DAMAGES, PERSONAL INJURIES, PROPERTY DAMAGE, LOSSES, AND EXPENSE OF ANY CHARACTER WHATSOEVER INCLUDING REASONABLE ATTORNEY'S FEES, BROUGHT FOR OR ON ACCOUNT OF ANY INJURIES OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS OR PROPERTY, ON ACCOUNT OF ANY NEGLIGENT ACT OF MDC, MDC'S OFFICERS, AGENTS AND EMPLOYEES, WHETHER SUCH NEGLIGENT ACT WAS THE SOLE PROXIMATE CAUSE OF THE INJURY OR DAMAGE OR A PROXIMATE CAUSE JOINTLY AND CONCURRENTLY WITH MOTRAN OR MOTRAN'S EMPLOYEES, AGENTS OR SUBCONTRACTORS NEGLIGENCE, in the execution, supervision and operations growing out of or in any way connected with the performance of this Agreement, and Contractor will be required to pay any judgment with costs which may be obtained against City or any of its officers, agents or employees, including attorney's fees**.**

XI.
Excess MDC Funds

Any funds that are paid by the MDC to MOTRAN pursuant to this Agreement, not expended by the end of the term of this Agreement shall be refunded to the MDC within 30 days after the end of the term of this Agreement, unless MOTRAN can provide the MDC with written notice as to the funds that have not been expended but have been committed, and such commitment is supported by contracts or other written documentation.

XII.
Property

Any records and documents that are developed for the purpose of accomplishing services on behalf of the MDC by MOTRAN, and necessary to continue to provide such services, or to show the rights or responsibilities of the MDC, shall be the joint property of the MDC and MOTRAN with equal rights of use and access.

XIII.
Project

The parties agree that this Agreement is an eligible "Project" as defined in Chapter 501 of the Texas Local Government Code, as amended.

XIV.
Assignment

The parties hereto shall not assign or subcontract this Agreement, in whole or in part, any such assignment or subcontract being void.

XV.
Notice

Any notice or report which may or shall be given under the provisions of this Agreement shall, unless otherwise provided herein, be in writing and shall be either delivered via email or sent by United States Mail:

If to MDC:
Midland Development Corp.
200 N. Loraine, Ste. 610
Midland, TX 79701

If to MOTRAN:
Motran Alliance, Inc.
P.O. Box 60816 Midland,
TX 79711

with copy to: City Manager
P.O. Box 1152
Midland, TX
79702

XVI.
Severability

This Agreement shall be construed in accordance with the laws of the State of Texas. If any clause or provision of this Agreement is illegal, invalid, or unenforceable under present or future laws effective during the term hereof, then 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 both parties that in lieu of each clause or provision that is illegal, invalid or unenforceable, there be added as a part of this Agreement a clause or provision as similar in meaning to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

XVII.
Alteration

This Agreement may not be altered, changed or amended, except by an instrument in writing signed by both parties hereto.

XVIII.
Entire Agreement and Binding Effect

This Agreement constitutes the entire agreement between the MDC and MOTRAN. No prior written or prior or contemporaneous oral promises or representations shall be binding. The provisions of this Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties.

XIX.
Venue

All performance and payment made pursuant to this Agreement shall be deemed to have occurred in Midland County, Texas. Exclusive venue for any claims, suits or any other action arising from or connected in any way to this Agreement or the performance of this Agreement shall be in

Midland County, Texas. This Agreement shall be governed by the laws of the State of Texas. The obligations and undertakings of each of the parties to this agreement shall be deemed to have occurred in Midland County, Texas.

XX.
Compliance With Laws

In the payment and employment of people to serve as employees pursuant to this Agreement, MOTRAN shall comply with all federal, state and local laws, rules, regulations and ordinances with respect to payment of minimum wages. MOTRAN shall not discriminate against people on the basis of race, sex, age, religion, national origin, or mental or physical disability in the application, hiring, termination, evaluation, or compensation of people assigned to work under this Agreement, and shall further comply with all laws, rules and regulations prohibiting such discrimination including but not limited to, the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Age Discrimination in Employment Act, and the Americans With Disabilities Act.

XXI.
Governmental Immunity

By executing this Agreement the MDC is not waiving its right of governmental immunity. The MDC is retaining its immunity from suit. The MDC is not granting consent to be sued by legislative resolution or action.

THERE IS NOWAIVER OF GOVERNMENTAL IMMUNITY.

XXII.
Governmental Immunity

By executing this Agreement, **MOTRAN AGREES TO WAIVE AND DOES HEREBY WAIVE ANY CLAIM IT HAS OR MAY HAVE AGAINST THE MDC, REGARDING THE AWARD OF ATTORNEY'S FEES, WHICH ARE IN ANY WAY RELATED TO THE AGREEMENT, OR THE CONSTRUCTION, INTERPRETATION OR BREACH OF THE AGREEMENT. MOTRAN SPECIFICALLY AGREES THAT IF MOTRAN BRINGS OR COMMENCES ANY LEGAL ACTION OR PROCEEDING RELATED TO THIS**

AGREEMENT, THE CONS1RUCTION, INTERPRETATION, VALIDITY OR BREACH OF THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ANY ACTION PURSUANT TO THE PROVISIONS OF THE TEXAS UNIFORM DECLARATORY JUDGMENTS ACT (TEXAS CIVIL PRACTICE AND REMEDIES CODE SECTION 37.001, ET SEQ., AS AMENDED), MOTRAN AGREES TO WAIVE AND RELINQUISH ANY AND ALL RIGHTS TO THE RECOVERY OF ATTORNEY'S FEES TO WHICH MOTRAN MIGHT OTHERWISE BE ENTITLED.

MOTRAN agrees that this is the intentional relinquishment of a presently existing known right. MOTRAN acknowledges that it understands all terms and conditions of the Agreement.

By execution of the Agreement MOTRAN hereby represents and warrants to the MDC that MOTRAN has read and understood the Agreement.

XXIII.
Release

NOTWITHSTANDING ANY OTHER PROVISION HEREIN, MOTRAN HEREBY RELEASES, ACQUITS, RELINQUISHES AND FOREVER DISCHARGES MDC, MDC'S EMPLOYEES AND OFFICERS, FROM ANY AND ALL DEMANDS CLAIMS OR CAUSES OF ACTION OF ANY KIND WHATSOEVER WHICH MOTRAN HAS OR MIGHT HAVE IN THE FUTURE, INCLUDING BUT NOT LIMITED TO BREACH OF AGREEMENT, QUANTUM MERUIT, CLAIMS UNDER THE DUE PROCESS AND TAKINGS CLAUSES OF THE TEXAS AND UNITED STATES CONSTITUTIONS, TORT CLAIMS, OR MDC'S NEGLIGENCE.

XXIV.
Third-Party Beneficiary

The MDC's approval of this Agreement does not create a third-party beneficiary. There is no third-party beneficiary to this Agreement. No person or entity who is not a party to this Agreement shall have any third-party beneficiary or other rights hereunder.

EXECUTED by the duly authorized officials of the Parties this ______ day of ______, 2026.

MIDLAND DEVELOPMENT CORPORATION

By________________________________
Brad Bullock, Chairman

ATTEST:

____
Garrett Donnelly, Secretary

[Signature Page Follows]

MOTRAN ALLIANCE, INC.

By_________________________________

Name ______________________________

Title _______________________________

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared _________________________________, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he/she executed and delivered the foregoing instrument for the purposes and consideration therein expressed on behalf of MOTRAN ALLIANCE, INC.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ______ day of _______________, 2026.

____

Notary Public, State of Texas

MIDLAND-ODESSA TRANSPORTATION ALLIANCE, INC.

June 23, 2026

The Honorable Brad Bullock, Chairman
Midland Development Corporation
200 North Loraine Street, Suite 610
Midland, Texas 79701

Dear Chairman Bullock:

Please find the attached 2026-27 Budget Proposal from the Midland-Odessa Transportation Alliance, Inc.

This requested funds are the same amount as previous requests for FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24, FY 2024-25, and FY 2025-26.

We appreciate your continued support and assistance.

Sincerely,

James Beauchamp
President, Midland-Odessa
Transportation Alliance

cc. The Honorable Lori Blong, City of Midland

MIDLAND-ODESSA TRANSPORTATION ALLIANCE, INC.

MOTRAN PROPOSAL TO MDC

SCOPE OF SERVICES – FY 2026-2027 (Attachment A)

PURPOSE: SECURE ADDITIONAL AREA INFRASTRUCTURE FUNDING

Additional transportation funding helps facilitate necessary improvements related to maximizing current economic opportunities, as well as, providing the additional capacity in our infrastructure system to accommodate new development (housing, retail, commercial) and lays the groundwork necessary to support developments that would allow economic diversification.

Work to help increase telecommunications infrastructure and investment in the area through increased broadband deployment to gaps in current service and higher levels of service, improved cellular communications, and facilitating a more competitive market.

ENERGY SECTOR IMPROVEMENTS

- MOTRAN will continue to work the department on the Permian Basin Regional Freight Study to develop a list of energy sector projects for the area, that facilitate short and long-term freight needs and economic development opportunities.
- MOTRAN will continue to work for additional capacity/levels of service improvements in the Delaware Basin region, especially as it relates to the build out to standard of the SH 302 between Odessa and Kermit/Mentone and SH 349 from Midland to Rankin to facilitate economic growth along these critical workforce and freight corridors.
- MOTRAN will continue to push priorities in the Central Permian Basin, especially related to connectivity to and from the Midland-Odessa area, that are currently overlooked in the Permian Promise.

PROJECT SPECIFIC IMPROVEMENTS ALONG I-20, LP 338, US 385, SH 349, SH 158, and the South Midland Loop (Extension of Loop 250 South of I-20 to SH 349 and ultimately SH 158), and SH 191 between Midland and Odessa.

- Support development of Loop 338 in Odessa and capacity as a freeway
- Development of a connection of US 385 to I-10 as a freeway design (4 lane divided)
- Development of SH 349 South of I-20 to 4 lane divided
- Capacity Improvements to SH 191
- Completion and Extension of the Craddick Reliever Route West to Odessa and East to I-20

INTERSTATES 14 & 27

• MOTRAN will continue efforts aimed at the development of the western segment of I- 14 to the US 87/SH158/I-20 corridor, and a routing of I-27 which honors the original concept where the route serves both Midland and Odessa, as 4 lane divided freeways with the necessary ROW footprint to accommodate future frontage roads.

11 E (DISTRICT DISCRETIONARY- ENERGY SECTOR) FUNDING OPPORTUNITIES

- Work to identify local projects that are energy sector related projects for funding consideration by the district.

TRUCK PARKING

- Work with TXDOT and local truck stop owners to facilitate opportunities for enhanced truck parking to facilitate transportation and driver needs without creating problems for residential areas and other area businesses.

LOCAL LEVERAGE OPPORTUNITIES

- Work to recruit private sector investments in area infrastructure that can leverage additional state and federal investment.

BROADBAND AND TELECOM INFRASTRUCTURE

- Continue discussions with providers and promoting area growth and new market opportunities to potential providers

INCREASED TRANSMISSION CAPABILITIES

- Continue to support critical infrastructure like pipelines and election transmission necessary to support population growth and economic development activities

COMMERCIAL AIR SERVICE

- Continue communications with carriers and promoting area growth and new market opportunities to potential providers

TELLING THE STORY OF THE PERMIAN BASIN

• Through our Permian Basin Coalition efforts, continue to provide demographic and economic data highlighting the needs and impact of the Permian Basin both to regional leaders and state leaders. In 2020-2021, we expanded our current network to begin communicating this same data on the national/federal level as well.

MOTRAN
MIDLAND-ODESSA TRANSPORTATION ALLIANCE, INC.

ORGANIZATIONAL OVERVIEW (Attachment B)

The Midland-Odessa Transportation (MOTRAN) Alliance is a 501(c)6 organization founded by the Cities of Midland and Odessa, Ector and Midland Counties, and the Midland and Odessa Chambers of Commerce, to improve cooperative relations between our communities and work to advance necessary infrastructure to allow for the expansion and diversification of our local economy.

MOTRAN is funded in part by business memberships (local and regional businesses and individuals), founding members dues (paid by founding members), and contracts with the Midland and Odessa Development Corporations for economic services related in infrastructure investment, promotion of our economy, and development of other significant projects like the I-14 corridor and the La Entrada al Pacifico trade corridor.

STAFF

James Beauchamp, President-MOTRAN Alliance

James has headed the organization for the last 22 years. During that tenure, MOTRAN has helped lead the effort to increase transportation funding for Midland-Odessa and the surrounding area by over $3.5 billion beyond normal programmed funding. Prior to his service at MOTRAN, James served as a Texas Legislative and Congressional staffer.

Years of experience: 35

Founding Directors
Wesley Burnett, Odessa Chamber Representative
Renee Henderson Earls, Odessa Chamber of Commerce
Vacant, Midland Chamber Representative
Evan Thomas, Midland Chamber of Commerce
Craig Stoker, City of Odessa
Eddie Mitchell, City of Odessa
John Burkholder, City of Midland
Lori Blong, City of Midland
Sara Harris, Midland Development Corporation
Gavin Norris, Odessa Development Corporation
County Judge Dustin Fawcett, Ector County
Commissioner Steven Villela, Midland County

Directors at Large
Judy Hays, Odessa
Garrett Clark, Midland
Trey Crutcher, Odessa
Ryan Bray, Midland
Austin Keith, Odessa
EJ Baldridge, Midland (Chair)
Stephen Robertson, Midland
Jitendra Thakur, Ph.D., Odessa

Past Chairpersons (Voting Privileges)
Buddy Sipes, Midland
Donald E. Wood, Odessa
Drew Crutcher, Odessa
Steve Castle, Midland
J.D. Faircloth, Midland
Robert Donnelly, Midland
Sondra Eoff, Odessa
Eric West, Midland

Ex-Officio
State Rep. Brooks Landgraf
State Rep. Tom Craddick
Corbette Padilla, U.S. Congressman August Pfluger's Office
Ken Hankis, State Senator Kevin Sparks Office

MOTRAN, INC.				
	2023-24	**2024-25**	**2025-26**	**2026-27**
REVENUES				
Founding Members Dues	20,000.00	$20,000.00	$20,000.00	$20,000.00
Members Dues	75,000.00	$80,000.00	$80,000.00	$80,000.00
Grants	15,000.00	$15,000.00	$5,000.00	$5,000.00
Interest Earned	5,500.00	$6,500.00	$8,500.00	$10,000.00
Midland Development Corp.	142,500.00	$142,500.00	$142,500.00	$142,500.00
Odessa Development Corp.	142,500.00	$142,500.00	$142,500.00	$142,500.00
PBC Funds	25,000.00	$10,000.00	$10,000.00	$10,000.00
TOTAL REVENUES	**$425,500.00**	**$416,500.00**	**$408,500.00**	**$410,000.00**
EXPENSES				
Bank Fees	100.00	$100.00		
Dues & Subscriptions	1,500.00	$1,300.00	$1,000.00	$900.00
Events	32,000.00	$25,000.00	$25,000.00	$26,000.00
Food & Entertainment	5,500.00	$5,800.00	$5,800.00	$5,800.00
Gifts	1,400.00	$1,800.00	$1,000.00	$1,350.00
Health Ins. Reimbursement	11,500.00	$12,200.00	$12,800.00	$13,000.00
Insurance	4,000.00	$4,000.00	$4,000.00	$3,000.00
I-14 Initiative	12,500.00	$10,000.00	$10,000.00	$10,000.00
Miscellaneous Expenses	100.00	$0.00		
Office Lease	11,000.00	$11,000.00	$12,000.00	$12,000.00
Office Supplies	5,500.00	$5,000.00	$5,000.00	$4,500.00
Payroll-Salaries	240,000.00	$240,000.00	$240,000.00	$240,000.00
Payroll-Service Fee	1,700.00	$1,800.00	$1,900.00	$2,200.00
Payroll Taxes	17,500.00	$17,500.00	$17,500.00	$17,500.00
401 K Contributions	8,800.00	$8,800.00	$8,800.00	$8,800.00
401 K Fees	1,200.00	$1,200.00	$1,300.00	$1,300.00
Postage	2,200.00	$2,000.00	$1,250.00	$1,250.00
Marketing	29,000.00	$30,000.00	$27,000.00	$27,000.00
Program Supplies	3,000.00	$2,500.00	$1,500.00	$2,000.00
Telephone	4,000.00	$4,000.00	$3,400.00	$3,400.00
Travel Expenses	17,000.00	$15,000.00	$15,000.00	$15,000.00
Professional Services	13,500.00	$13,500.00	$14,250.00	$15,000.00
Wesbite Updates	2,500.00	$4,000.00		
TOTAL EXPENSES	**$425,500.00**	**$416,500.00**	**$408,500.00**	**$410,000.00**

MOTRAN, INC.	PROPOSED 2026-27	MDC	ODC
REVENUES			
Founding Members Dues	$20,000.00		
Members Dues	$80,000.00		
Grants	$5,000.00		
Interest Earned	$10,000.00		
Midland Development Corp.	$142,500.00	$142,500.00	
Odessa Development Corp.	$142,500.00		$142,500.00
PBC Funds	$10,000.00		
TOTAL REVENUES	**$410,000.00**	**$142,500.00**	**$142,500.00**
EXPENSES			
Bank Fees			
Dues & Subscriptions	$900.00		
Events	$26,000.00		
Food & Entertainment	$5,800.00		
Gifts	$1,350.00		
Health Ins. Reimbursement	$13,000.00	$3,000.00	$3,000.00
Insurance	$3,000.00		
I-14 Initiative	$10,000.00	$2,500.00	$2,500.00
Miscellaneous Expenses			
Office Lease	$12,000.00		
Office Supplies	$4,500.00		
Payroll-Salaries	$240,000.00	$110,000.00	$110,000.00
Payroll-Service Fee	$2,200.00		
Payroll Taxes	$17,500.00	$7,500.00	$7,500.00
401 K Contributions	$8,800.00		
401 K Fees	$1,300.00		
Postage	$1,250.00		
Marketing	$27,000.00	$8,000.00	$8,000.00
Program Supplies	$2,000.00		
Telephone	$3,400.00		
Travel Expenses	$15,000.00	$4,000.00	$4,000.00
Professional Services	$15,000.00	$7,500.00	$7,500.00
Wesbite Updates			
TOTAL EXPENSES	**$410,000.00**	**$142,500.00**	**$142,500.00**

MOTRAN
MIDLAND-ODESSA TRANSPORTATION ALLIANCE, INC.

2025-2026 ACCOMPLISHMENTS

INCREASED STATE FUNDING

Permian Basin Funding Category in UTP

In early 2019, MOTRAN in collaboration with our founding members, including MDC and ODC, developed a plan submitted to state leaders calling for an additional $525 million in state funding for area roads and highway over the next 5 years. Ultimately, in the UTP revision that effort came to reality as a $600 million allocation for the Permian Basin, and those efforts, combined with the local leveraging program have paid tremendous dividends in the UTP Revisions over the past 4 years.

In the most recent UTP revision, we also added projects that call for the PS&E and other improvements on the SH 349 and SH 158 corridors to achieve standards related to I-14 and I-27 development, which are now underway (Segments 1 & 2) for a total cost of just over $24 million. While these projects were delayed by the district, we have worked with state leaders to reduce the timeframe on the projects from 4 years to 2 years, which should get the projects back on track for scheduled completion.

Local Leveraging of Infrastructure

In early 2016, during a meeting with the Midland Development Corporation, we were engaged to craft a proposal for a Midland-Odessa dual leveraging program and in late 2016, the Midland Development Corporation and City of Midland approved allocating $15 million towards this program. Then in 2017, the Odessa Development Corporation and the City of Odessa also allocated $15 million towards the program.

Our plan was to encourage the use of some local funding to help leverage projects to obtain additional funding during revisions and help accelerate some key projects that would not normally be built during the current ten-year period due to limited state funding. The project was modeled in part, after our efforts to obtain additional funding for expansion of the State Highway 349 corridor between Midland and Lamesa. TXDOT had already scheduled significant maintenance funding for the existing roadway, but to expand the 2-lane corridor into a 4-lane undivided roadway, we had to raise additional funding from the Midland Development Corporation, Midland County, Dawson County, the City of Lamesa, and the Lamesa Development Corporation.

Those additional local dollars sent a clear message to the Transportation Commission about how important those improvements were to people in the region, and additional funding was contributed by the Commission to make those improvements.

Using 11E Funding in the Metro Area

Working with the Commission during the passage and implementation of Prop 1, we helped establish the 11 E category (District Discretionary – Energy Sector). While the fund is the single largest source of funds for the TXDOT Odessa District- it has not been used in our metro area. After conversations, we learned District staff had misunderstood program criteria. We are now working with the City of Midland to utilize those funds for part of SH 158 improvements north of SH 191. Our hope is that this will be the first of many local projects to utilize the funding.

ADDITONAL STATE FUNDING 2026 FOR ODESSA DISTRICT AREA

TXDOT Odessa District	$ 152.5 million
Midland-Odessa Metropolitan Area	$ 19.75 million

(These amounts include designated Category 12 Strategic Funds, or other Commission Approved Funds associated with leveraged projects and are above normal programmed funds)

ADDITIONAL STATE FUNDING BREAKDOWN FOR MIDLAND COUNTY

2017	$13.5 million
2018	$29.3 million
2019	$170.7 million
2020	$127.8 million
2021	$58.2 million
2022	$25 million
2023	$56 million
2024	$210 million
2025	$40.7 million
2026	$6.75 million

The local leveraging program, and better communicating the economic impact of the region has allowed us to be more successful in obtaining additional infrastructure funds. While the past few revisions of the Unified Transportation Plan have been tremendous opportunity to draw additional infrastructure investment to the area, we will have to focus on allocating additional funding to the Permian Promise category of the UTP (as the $600 million originally allocated is now diminished) and looking at other sources of potential funding.

ADDITIONAL FEDERAL FUNDING

In Fiscal Year 2024, we were able to secure an additional $5 million in federal funding towards I-20 improvements in Ector and Midland Counties that became available this year. Those funds offset local Category 2 funds programmed locally at the MPO and those funds are currently in use. In addition, this year we were able to move up one of our Odessa leveraged projects on Loop 338 by over a year into the TIP (Transportation Improvement Plan), which is critical to our efforts to complete both Loop 250 and Loop 338.

I-14 AND I-27

MOTRAN led the effort to bring about a designation of the I-14 Corridor in the U.S. Senate by Senator Cruz and Senator Warnock. Later, we also worked to secure that the Midland-Odessa leg of the I-27 was also retained in federal legislation to extend the I-27 corridor from Lubbock to Laredo. In the current year, we have added two seats to the TXDOT led I-27 Advisory Committee, with one representing Odessa and the other representing Ector County.

In addition, this year saw the kick-off of the preliminary engineering, schematics, and environmental review necessary to begin right-of-way acquisition and utility adjustments for construction of divided main lanes and to secure the footprint for access roads. For the SH 349 and SH 158 corridors (Segments 1 and 2), which completion of those efforts scheduled for April and June 2028.

CURRENT PLANNING EFFORTS

- Planning and Development of Loop 338 Overpasses in Odessa
- Planning and Development Study of SH 302 from the Ector County Line to US 285 (Funded)
- Planning and Development Study of SH 349 from I-20 to Rankin
- West Odessa Traffic Study

- Planning and Development Study of Extension of Craddick Reliever Route from FM 1788 to LP 338 and from SH/BH 349 to I-20 East

PERMIAN BASIN FREIGHT STUDY
The effort began over 5 years ago, when MOTRAN reached out to the department regarding a lack of freight movement for the Permian Basin included in the overall Texas Freight Plan and the need to capture regional freight data for inclusion.

That led to updated traffic counts and other improvements at the district. Those trips affect daily vehicle miles and daily truck miles which factor into normal formula funding for the district, and roadway standards. That helped lead to several planning efforts currently underway.

NEW PLANNING EFFORTS
Planning and Development Study of SH 158 from I-20 (Midland) to Sterling City
Planning and Development Study of US 385 from I-20 (Odessa to I-10)

AIR SERVICE
In 2019 we held a local luncheon with Southwest Airlines executives to discuss additional flights. Due to travel restrictions and a national pandemic, a lot has changed. But we utilized social media venues to continue to push that message and this year, we saw the return of the non-stop flight between Austin and Midland-Odessa. We have continued those efforts with other airlines, including Delta, which began service in 2024, and continue marketing for additional carriers and destinations.

Currently, we are beginning work on a survey to update those results for additional carrier interest.

TELLING THE STORY OF THE PERMIAN BASIN
Based on the success of our efforts with Southwest, this year we continued our marketing campaign to highlight the economic impact and growth of the Permian Basin and the Midland-Odessa area. We also incorporated into that same marketing effort several retail, corporate headquarters, for possible area investment and operations, air carriers, as well as state and federal officials and agencies.

PAID	Oct 24-Mar 25
LinkedIn	
Impressions	316,512
Reach	51,553
Frequency	4.5
Clicks/Engagement	1,002
Video Views	233,532
Facebook	
Impressions	808.289
Reach	489,236
Frequency	1.76
Clicks/Engagement	2,280
ThruPlays	18,182
TOTAL VIEWS	**1,124,801**
TOTAL REACH	**540,769**
TOTAL ENGAGEMENT	**3,282**
VIDEO VIEWS	**251,714**

FREE	Oct 24-Mar 25
LinkedIn	
Impressions	299,871
Reach	142,796
Frequency	2.1
Clicks/Engagement	157
Facebook	
Impressions	61,906
Reach	24,611
Frequency	2.51
Clicks/Engagement	378
TOTAL VIEWS	**361,777**
TOTAL REACH	**167,407**
TOTAL ENGAGEMENT	**535**

The paid reach and impressions is non-local. The reason behind the campaign was to raise awareness about the economic impact of the Permian in areas outside of the Permian. However, the results under free reach and impressions are primarily focused on the Permian Basin region. In addition, we also host a number of events during the year to help raise awareness for efforts in our area and with key decision makers..

- Legislative Session Kickoff Luncheon
- Everything's Bigger in the Basin Luncheon
- Autonomous Vehicle Luncheon
- 19,386 Emails for Events and Updates with open rate of 40%

Kimley-Horn West Texas Aerospace Corridor Master Plan

RESOLUTION NO. ______________

RESOLUTION AUTHORIZING THE EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC. TO DEVELOP A MASTER PLAN FOR THE WEST TEXAS AEROSPACE CORRIDOR; AND AUTHORIZING PAYMENT

WHEREAS, the Board of Directors finds it to be in the public interest to authorize the execution of a professional services agreement with Kimley-Horn and Associates, Inc. to develop a master plan for the West Texas Aerospace Corridor;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MIDLAND DEVELOPMENT CORPORATION:

SECTION ONE. That the Chairman and Secretary are hereby authorized to execute and attest, respectively, on behalf of the Midland Development Corporation, a professional services agreement with Kimley-Horn and Associates, Inc. to develop a master plan for the West Texas Aerospace Corridor. Said agreement being in a form substantially similar to that of Exhibit A, which is attached hereto and incorporated herein for all purposes.

SECTION TWO. That the Executive Director of the Midland Development Corporation, or her designee, is hereby authorized and directed to administer all the Midland Development Corporation's obligations under said agreement, including the issuance of all written notices and confirmations due thereunder.

SECTION THREE. That the Comptroller for the City of Midland is hereby authorized and directed to issue payment(s) to Kimley-Horn and Associates, Inc. in accordance with the terms of said agreement from funds available in the Midland Development Corporation Fund (235) Operating Budget upon receipt of proper invoices or statements approved by the Executive Director of the Midland Development Corporation or her designee.

On motion of Director ______________, seconded by Director ______________, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a special meeting on the _______ day of ______________, A.D., 2026, by the following vote:

Directors voting “AYE”:

Directors voting “NAY”:

BRAD BULLOCK,
Chairman of the Midland
Development Corporation

ATTEST:

GARRETT DONNELLY,
Secretary of the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

NICHOLAS TOULET,
Attorney for the Midland
Development Corporation

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and effective the 22nd day of September, 2026, by and between the MIDLAND DEVELOPMENT CORPORATION ("*MDC*"), and Kimley-Horn and Associates, Inc. ("*COMPANY*"). MDC and COMPANY are at times individually referred to as a "*Party*" and collectively referred to as the "*Parties*."

ARTICLE I. PURPOSE

The purpose of this Agreement is to state the terms and conditions under which COMPANY shall perform engineering services to provide an aerospace corridor master plan for the West Texas Aerospace Corridor Master Plan (the "*Services*") for MDC. The Services are more specifically set forth in **Exhibit A**, which is attached hereto and incorporated herein for all purposes.

ARTICLE II. SERVICES TO BE PERFORMED

COMPANY shall provide the Services in a manner consistent with the same level of skill and care as other professionals that perform similar services for similar projects in approximately the same region and at approximately the same point in time. COMPANY represents that any employee who performs the Services shall be fully qualified and competent to perform the Services.

ARTICLE III. FINANCIAL CONSIDERATIONS

MDC agrees to pay COMPANY an amount not to exceed Six Hundred Fifty-Five Thousand and 00/100 ($655,000.00) for the performance of the Services. MDC agrees to pay COMPANY according to the schedule set forth in **Exhibit A** upon presentation of a monthly invoice. The monthly invoice shall set forth all service fees for the month and those expenses described in **Exhibit A** that COMPANY incurs during the previous month for which COMPANY receives advanced written approval from the MDC Executive Director. All additional and/or reimbursable expenses must be approved by the MDC Executive Director prior to incurring such expenses.

Within thirty (30) days of the date COMPANY's invoice is received by MDC, MDC shall pay the full amount of such invoice; provided, however, that if MDC objects to any portion of an invoice, MDC shall notify COMPANY of MDC's objection and the grounds therefor within fifteen

Exhibit A

(15) days of the date of receipt of the invoice, and the Parties shall immediately make every effort to settle the disputed portion of the invoice. Notwithstanding the foregoing, MDC shall pay every portion of the invoice that is not in dispute within the 30-day period for payment. COMPANY's invoices and all reports submitted under this Agreement shall adhere to the guidelines and requirements of the Space Exploration and Aerospace Research Fund grant program pursuant to Grant No. SEARF 25-0108-G, which is incorporated by reference as if fully set forth herein.

ARTICLE IV. TERM

The term of this Agreement shall be from September 22nd , 2026 until December 31, 2028, unless the Services are completed earlier or the Agreement is terminated as provided below.

ARTICLE V. TERMINATION AT WILL

MDC may terminate this Agreement at will, for any or no reason, upon giving COMPANY at least one hundred eighty (180) days' written notice. The Parties understand and agree that it is in MDC's sole and absolute discretion to cancel this Agreement during the term set forth in Article IV without penalty to MDC. COMPANY has no expectation and has received no guarantees that this Agreement will not be terminated during the Agreement's term. The Parties have bargained for the flexibility of terminating this Agreement upon tender of the requisite notice at any time during this Agreement's term. All work and services under the Agreement shall be suspended upon termination of the Agreement becoming effective.

ARTICLE VI. ASSIGNMENT

COMPANY shall not, either directly or indirectly, assign all or any part of this Agreement, or any interest, right or privilege herein, without obtaining MDC's prior written consent. The issue of whether to grant such consent shall be in the sole and absolute discretion of MDC.

ARTICLE VII. OWNERSHIP AND CONFIDENTIALITY OF DOCUMENTS AND OTHER WORK PRODUCT

All reports, information and other data ("*Instruments of Service*") given to, prepared or assembled by COMPANY under this Agreement, and any other related document or item shall become the sole and exclusive property of MDC. The Instruments of Service shall be promptly delivered, without restriction, to MDC and such other persons or entities as MDC may designate; provided, however, that COMPANY may make copies of the Instruments of Service for its files.

COMPANY acknowledges and agrees that the Instruments of Service and all related work product prepared under this Agreement must be shared with El Paso County, Texas; MDC shall have and retain all rights to the Instruments of Service and may, in its sole and absolute discretion, deliver, disclose, and transfer title to the Instruments of Service to El Paso County, Texas without restriction. The Instruments of Service are not intended or represented to be suitable for reuse by MDC or others on extensions of this Project or on any other project. COMPANY hereby disclaims any liability arising from any modifications by the MDC to any of COMPANY's deliverables, or any reuse of the deliverables without written authorization by COMPANY.

ARTICLE VIII. INDEPENDENT CONTRACTOR

COMPANY shall perform the Services as an independent contractor and not as an officer, agent, servant or employee of MDC. COMPANY shall have exclusive control of and the exclusive right to control the details of the Services and all persons performing the same. COMPANY shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors and subcontractors. The Parties acknowledge and agree that the doctrine of *respondeat superior* shall not apply as between MDC and COMPANY, its officers, agents, employees, contractors and subcontractors. Nothing in this Agreement shall be construed as creating a partnership or joint enterprise between MDC and COMPANY. No person performing the Services shall be considered an officer, agent, servant or employee of MDC. Further, it is specifically understood and agreed that nothing in this Agreement is intended nor shall be construed as creating a "Community of Pecuniary Interest" or "An Equal Right of Control" that would give rise to vicarious liability. COMPANY is an independent contractor under this Agreement and shall assume all rights, obligations, and liabilities applicable to it as an independent contractor. MDC does not have the power to direct the order in which the services are performed. MDC shall not have the right to control the means, methods or details of COMPANY'S work. COMPANY shall assume exclusive responsibility for performing the Services, and is entirely free to perorm the Services in its own way.

ARTICLE IX. INSURANCE

During the term of this Agreement, COMPANY shall maintain and keep in full force and effect insurance in the following types and minimum amounts with companies authorized to do business in the State of Texas:

Commercial General Liability (including Contractual liability):

-Personal Injury:	$1,000,000.00 per person
	$1,000,000.00 per occurrence
-Property Damage:	$500,000.00 per occurrence
Business Automobile Liability:	$250,000.00 combined single limit - Personal Injury and Property Damage
Workers' Compensation:	Statutory limits
Employers' Liability:	$500,000.00 per accident or occurrence

The Commercial General Liability policy shall be on a per project aggregate, including completed operations, and shall be on a claims-occurred basis. This policy shall name MDC as an additional insured and waive subrogation in favor of MDC.

The Business Automobile Liability policy shall cover any vehicle for bodily injury and property damage, including owned vehicles, hired and non-city vehicles, and employee non-ownership, and the amount of such policy shall be a minimum of $250,000.00 covering any vehicle used for the execution of the Services. This policy shall name MDC as an additional insured and waive subrogation in favor of MDC.

The Workers' Compensation policy shall inure to the benefit of employees injured during the course and scope of their employment by COMPANY pursuant to this Agreement. The Workers' Compensation policy shall waive all rights of subrogation in favor of MDC.

All insurance policies required by this Agreement shall (i) provide for a waiver of subrogation in favor of MDC, and (ii) name MDC as an additional insured on a claims-occurred basis (except for the Workers' Compensation policy and Professional Liability). Prior to any reduction or termination of the insurance policies referenced herein, COMPANY shall ensure that its insurance provider submits written notice to MDC no later than thirty (30) days prior to the reduction or termination of such coverage.

COMPANY shall contractually require all contractors, subcontractors, and sub-subcontractors that perform the Services to obtain insurance coverage that meets or exceeds the policy requirements and minimum amounts specified herein. All contractors, subcontractors, and sub-subcontractors shall obtain insurance policies that provide blanket waivers of subrogation in favor of the MDC and that name the MDC as an additional insured on a claims-occurred basis (except Workers' Compensation and Professional Liability).

Prior to the execution of the Agreement, COMPANY shall provide one or more certificates of insurance specifically stating that requirements of this Article have been met, which shall be subject to the approval of MDC. MDC shall not be required to provide any insurance pursuant to this Agreement.

By executing this Agreement, COMPANY certifies that the certificate of insurance provided pursuant to this Article complies with the requirements of Chapter 1811 of the Texas Insurance Code. COMPANY shall not use an unapproved certificate of insurance or insert inappropriate language on a certificate. Compliance with state law and this Agreement is the sole and exclusive responsibility of COMPANY.

Notwithstanding any contrary provision contained herein, the Executive Director, in his/her sole and absolute discretion, modify the insurance requirements contained in this Article.

ARTICLE X. ATTORNEY FEES

BY EXECUTING THIS AGREEMENT, COMPANY AGREES TO WAIVE AND DOES HEREBY KNOWINGLY, CONCLUSIVELY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY CLAIM IT HAS OR MAY HAVE IN THE FUTURE AGAINST MDC, REGARDING THE AWARD OF ATTORNEY FEES, WHICH ARE IN ANY WAY RELATED TO THIS AGREEMENT OR THE CONSTRUCTION, INTERPRETATION, OR BREACH OF THIS AGREEMENT. COMPANY SPECIFICALLY AGREES THAT IF COMPANY BRINGS OR COMMENCES ANY LEGAL ACTION OR PROCEEDING RELATED TO THIS AGREEMENT, THE CONSTRUCTION, INTERPRETATION, VALIDITY OR BREACH OF THIS AGREEMENT (INCLUDING, BUT NOT LIMITED TO, ANY ACTION PURSUANT TO THE PROVISIONS OF THE TEXAS UNIFORM DECLARATORY JUDGMENTS ACT (TEXAS CIVIL PRACTICE AND REMEDIES CODE SECTION 37.001, ET SEQ., AS AMENDED) OR CHAPTER 271 OF THE TEXAS LOCAL GOVERNMENT CODE), COMPANY AGREES TO ABANDON, WAIVE AND RELINQUISH ANY AND ALL RIGHTS TO THE RECOVERY OF ATTORNEY FEES TO WHICH COMPANY MIGHT OTHERWISE BE ENTITLED.

COMPANY AGREES THAT THIS IS A VOLUNTARY AND INTENTIONAL RELINQUISHMENT AND ABANDONMENT OF A PRESENTLY-EXISTING KNOWN RIGHT. COMPANY ACKNOWLEDGES THAT IT UNDERSTANDS ALL TERMS AND

CONDITIONS OF THIS AGREEMENT. COMPANY FURTHER ACKNOWLEDGES AND AGREES THAT THERE WAS AND IS NO DISPARITY OF BARGAINING POWER BETWEEN CITY AND COMPANY. THIS SECTION SHALL NOT BE CONSTRUED OR INTERPRETED AS A WAIVER OF GOVERNMENTAL IMMUNITY.

COMPANY IS RELYING ON ITS OWN JUDGMENT AND HAD THE OPPORTUNITY TO DISCUSS THIS AGREEMENT WITH COMPETENT LEGAL COUNSEL PRIOR TO ITS EXECUTION. THE PROVISIONS OF THIS ARTICLE SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

ARTICLE XI. GOVERNMENTAL IMMUNITY

By executing this Agreement, MDC is not waiving its right of governmental immunity. CITY is retaining its immunity from suit. MDC is not granting consent to be sued by legislative resolution or action. **THERE IS NO WAIVER OF GOVERNMENTAL IMMUNITY.**

ARTICLE XII. NO THIRD-PARTY BENEFICIARY

MDC's approval of this Agreement does not create a third-party beneficiary. There is no third-party beneficiary to this Agreement. No person or entity who is not a party to this Agreement shall have any third-party beneficiary or other rights hereunder.

ARTICLE XIII. RELEASE

NOTWITHSTANDING ANY CONTRARY PROVISION CONTAINED HEREIN, COMPANY HEREBY RELEASES, ACQUITS, RELINQUISHES AND FOREVER DISCHARGES MDC AND ITS AGENTS, BOARD MEMBERS, EMPLOYEES, AND OFFICERS FROM ANY AND ALL DEMANDS, CLAIMS, DAMAGES, OR CAUSES OF ACTION OF ANY KIND WHATSOEVER WHICH COMPANY HAS OR MIGHT HAVE IN THE FUTURE, INCLUDING BUT NOT LIMITED TO BREACH OF AGREEMENT, QUANTUM MERUIT, CLAIMS UNDER THE DUE PROCESS AND TAKINGS CLAUSES OF THE TEXAS AND UNITED STATES CONSTITUTIONS, TORT CLAIMS, OR CITY'S NEGLIGENCE. THE PROVISIONS OF THIS ARTICLE SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

ARTICLE XIV. GENERAL PROVISIONS

A. Waiver. No waiver by MDC of a breach of any covenant, condition, or restriction of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other covenant, condition, or restriction contained in this Agreement.

B. Governing Law and Venue. The laws of the State of Texas shall govern, construe and enforce all rights and duties of the Parties, including, but not limited to, tort claims and any contractual claims or disputes arising from or relating in any way to the subject matter of this Agreement, without regard to conflict of laws and rules that would direct application of the laws of another jurisdiction. All performance and payment made pursuant to this Agreement shall be deemed to have occurred in Midland County, Texas. The obligations and undertakings of the Parties shall be deemed to have occurred in Midland County, Texas. Exclusive venue for any claim, suit, or other action arising from or connected in any way to this Agreement shall be in Midland County, Texas.

C. Notice. Any notice or demand made regarding this Agreement shall be made in writing and delivered, either in person or by certified or registered mail, at the addresses provided below. Notice by mail shall be complete upon deposit of the paper, postage prepaid, in a post office or official depository under the care and custody of the United States Postal Service.

If to MDC: Midland Development Corporation
200 North Loraine Street, Suite 610
Midland, Texas 79701

If to COMPANY: Kimley-Horn and Associates, Inc.
4411 98th Street, Suite 300
Lubbock, Texas 79424

The parties hereto may change the above-designated addresses by giving notice pursuant to the terms of this Section.

D. Severability. If one or more of the provisions contained in this Agreement are held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if the invalid, illegal, or unenforceable provision were never contained herein.

E. Use of Language. Words in the singular shall be held to include the plural, unless the context otherwise requires.

F. Amendments, Modifications, Alterations. No amendment, modification, or alteration of this Agreement shall be binding unless such is evidenced in writing, dated subsequent to the date of this Agreement, and duly executed by the Parties.

G. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed as original, and all of which shall constitute one and the same instrument.

H. Federal Wage Requirements. If applicable, the Davis-Bacon Act, 29 CFR 5.5, and any related acts or regulations are hereby incorporated by reference and made a part of this Agreement, and all terms and requirements under said statutes and regulations are made terms and conditions of this Agreement, to which the Parties have agreed to be bound.

I. Notice of Alleged Breach; Statutory Prerequisites. As a condition precedent to filing suit for alleged damages incurred by an alleged breach of an express or implied provision of this Agreement, COMPANY or its legal representative shall give the Executive Director written notice (consisting of one (1) original and seven (7) copies of such notice attached to a copy of this Agreement) of such duly-verified damages within one hundred fifty (150) days after the same has been sustained. The discovery rule does not apply to the giving of such notice. The notice shall include when, where, and how the damages occurred, the apparent extent thereof, the amount of damages sustained, the amount for which COMPANY will settle, the physical and mailing addresses of COMPANY at the time and date the claim was presented, the physical and mailing addresses of COMPANY for the six (6) months immediately preceding the occurrence of such damages, and the names and addresses of the witnesses upon whom COMPANY relies to establish its claim. COMPANY’s failure to so notify the Executive Director within the time and manner provided herein shall exonerate, excuse and except MDC from any liability whatsoever. MDC is under no obligation to provide notice to COMPANY that COMPANY’S notice is insufficient. MDC reserves the right to request additional information regarding the claim. Said additional information shall be supplied within thirty (30) days after COMPANY’s receipt of such notice.

The statutory prerequisites outlined herein constitute jurisdictional requirements pursuant to Section 271.154 of the Texas Local Government Code and Section 311.034 of the Texas Government Code. Notwithstanding any contrary provision contained herein, COMPANY’s failure to comply with the requirements herein shall perpetually bar COMPANY’s claim for damages under Chapter 271 of the Texas Local Government Code, and Section 311.034 of the Texas Government Code, regardless of whether MDC has actual or constructive notice or knowledge of said claim or alleged damages. COMPANY agrees that the requirements of this entire Agreement are reasonable.

J. Prompt Pay Act. The Parties agree that Texas Government Code, Chapter 2251, Payment for Goods and Services does not waive the MDC's governmental immunity.

K. Compliance. COMPANY shall comply with Texas Government Code § 2252.908, *et seq.*, as amended, and Texas Local Government Code § 176.006, *et seq.*, as amended.

L. Anti-Boycott Statutes. To the extent that Tex. Gov't Code §§ 2271.002 and 2274.002 apply to this Agreement, COMPANY hereby verifies that:

- COMPANY does not boycott Israel and will not boycott Israel during the term of this Agreement;
- COMPANY does not boycott energy companies and will not boycott energy companies during the term of this Agreement; and
- COMPANY does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Agreement against any firearm entity or firearm trade association.

If Tex. Gov't Code § 2270.002 does not apply to this Agreement, such verification is not required, and COMPANY shall be deemed to have not made such verification.

M. Records Retention and Production of Information. To the extent that this Agreement is a contract described by Tex. Gov't Code § 552.371, COMPANY shall: (i) preserve all contracting information related to the Agreement as provided by the records retention requirements applicable to CITY for the duration of the contract; (ii) promptly provide to MDC any contracting information related to the Agreement that is in the custody or possession of COMPANY on request of MDC; and (iii) on completion of the Agreement, either (a) provide at no cost to MDC all contracting information related to the Agreement that is in the custody or possession of COMPANY, or (b) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to MDC.

N. Public Information. To the extent that this Agreement is a contract described by Tex. Gov't Code § 552.371, COMPANY agrees as follows in accordance with Tex. Gov't Code § 552.372(b): The requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract, and the contractor or vendor agrees that the contract can be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement of that subchapter.

O. Conflict of Terms. If a conflict of terms or language exists between: (i) any of the provisions of this Agreement; and (ii) any of the provisions contained in any exhibit(s) attached to this Agreement, precedence shall be given to the provisions of this Agreement. For the avoidance of any doubt, the provisions contained in this Agreement shall supersede any and all conflicting provisions contained in any exhibit(s) attached hereto. Furthermore, the Parties acknowledge and agree that any provision contained in an exhibit(s) attached to this Agreement that imposes an additional express or implied obligation on MDC is hereby made void and of no force or effect. MDC's sole and exclusive obligations under this Agreement are contained in the provisions of this Agreement that precede the signature page(s), which evidences the Parties' execution and acceptance hereof.

Q. Interpretation. By executing this Agreement, the Parties acknowledge and agree that this Agreement shall not be interpreted or construed against any Party solely because such Party or its legal counsel drafted this Agreement. The Parties have read, understood, and approve of the language and terms set forth herein.

[Signature Page(s) Follows]

EXECUTED IN DUPLICATE the day and year first above mentioned.

THE CITY OF MIDLAND, TEXAS

____

Brad Bullock, Chairman

ATTEST:

____

Garrett Donnelly, Secretary

COMPANY:

By: _______________________________

Name:_____________________________

Title: ______________________________

STATE OF ______________ §
§
COUNTY OF ____________§

BEFORE ME, the undersigned authority, on this ____ day of __________, 20____ personally appeared, ___________, an officer of ___________, known to me to be the person and official whose name is subscribed to the forgoing instrument, and acknowledged to me that he executed the same as the act and deed of said corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the __day of _______, 20____.

____
Notary Public, State of ___________

West Texas Aerospace Corridor Master Plan

This Scope of Services describes the professional consulting services to be provided by the ENGINEER for the West Texas Aerospace Corridor Master Plan for Midland Development Corporation (MDC). West Texas is defined as the area of Texas between El Paso and Midland, including both cities.

The work is organized into five tasks and is intended to produce a planning-level implementation-focused master plan that integrates infrastructure and supply chain analysis, stakeholder engagement, strategic planning, implementation programming, funding strategy, and grant-compliant project management.

TASK 1. INFRASTRUCTURE AND SUPPLY CHAIN ANALYSIS

The ENGINEER will conduct a data-driven assessment of the corridor to establish the regional baseline, evaluate infrastructure and industrial readiness, identify aerospace and advanced manufacturing supply chain capabilities, and define strategic gaps and opportunities. This analysis will be based on desktop research only and not involve field verification or investigation.

1.1 EXISTING CONDITIONS AND REGIONAL ASSET INVENTORY

- Compile federal, state, regional, local, and stakeholder-provided data into a centralized GIS-enabled inventory.
- Inventory airports, spaceport and launch-related assets, military installations, test ranges, airspace considerations, research institutions, industrial parks, logistics centers, aerospace and advanced manufacturing employers, and developable sites.
- Inventory highway, freight, rail, airport, air cargo, intermodal, last-mile transportation infrastructure, workforce housing, and planned improvements from publicly available sources.
- Inventory electric, renewable energy, water, wastewater, natural gas, broadband, fiber, communications, and industrial and commercial sites from publicly available sources.
- Coordinate with universities, workforce programs, and economic development organizations as stakeholders to obtain data.

1.2 INFRASTRUCTURE AND SITE READINESS EVALUATION

- Evaluate transportation access, utility availability and capacity, development constraints, environmental considerations, land use compatibility, workforce access, and expansion potential based on data collected in Task 1.1.
- Assess oversize and overweight freight needs, roadway and bridge capacity, and access to I-10 and I-20.
- Document and prioritize infrastructure deficiencies, capacity constraints, and strategic investment needs. Infrastructure analysis and site readiness findings will be based on available information, stakeholder coordination, desktop review, and planning-level field observations.

1.3 AEROSPACE INFRASTRUCTURE SUITABILITY ANALYSIS

- Evaluate high-level regional readiness for aerospace manufacturing and assembly, defense production, flight testing, research and development, logistics and distribution, advanced technology manufacturing, and future spaceport-support activities based on data collected in Task 1.1.
- Evaluate planning-level potential horizontal and vertical launch support concepts and identify infrastructure improvements needed to strengthen competitiveness.

1.4 GIS MAPPING AND CORRIDOR VISUALIZATION

Exhibit A

- Develop GIS maps depicting infrastructure assets, employers and suppliers, manufacturing clusters, transportation and utility networks, workforce resources, industrial sites, opportunity areas, deficiencies, and investment needs.
- Organize supporting data and documentation in a unified repository, such as either GIS or Asset Agent™.

1.5 ADVANCED MANUFACTURING AND SUPPLIER READINESS ASSESSMENT

- Use industry cluster analysis, NAICS-based business intelligence, federal spending data, state and local sources, open-source research, stakeholder input, and publicly available databases to identify and profile relevant firms.
- Assess transferable capabilities, such as, energy sector, advanced manufacturing, automation, robotics, and industrial maintenance and repair.
- Profile companies by sector, capabilities, workforce specialization, production capacity, scalability, and aerospace readiness.

1.6 SUPPLY CHAIN MAPPING, GAP ANALYSIS, AND RECRUITMENT STRATEGY

- Identify and categorize supply chain companies
  a. Identify and categorize supply chain participants in the region
  b. Leverage sources consisting of
     i. Federal spending data and databases from the Bureau of Labor and Statistics, to identify companies receiving money, or identifying in specific aerospace related NAICS codes in the geographic area
     ii. State-level resources, such as county registers and state comptroller tax identifier databases
     iii. Open-source research and use of existing space supply chain data to identify additional relevant companies, universities, laboratories, and other regional aerospace participants
  c. Categorize identified entities by sector within aerospace, e.g. aviation, space, advanced manufacturing, research and development, and by supply chain tier
  d. Profile additional relevant data points, consisting of
     i. Location
     ii. Size
     iii. Financial picture (e.g., public, privately-held, venture backed)
     iv. Revenue and/or fundraising (if public)
     v. Specific capabilities and/or specializations within sector (e.g., composite materials, solid rocket motors, radar systems)
     vi. Production capacity, where relevant
     vii. Scalability potential, based on available information on size, financial picture, and production capacity
     viii. Alignment with current and future aerospace supply chain opportunities
- Support aerospace infrastructure suitability analysis
  a. Leveraging in-house expertise and data from the supply chain company identification and categorization effort
  b. Contribute to methodological development for assessing suitability of existing and planned infrastructure to identify supplier gaps and determine readiness and fit for aerospace missions, specifically space and defense
  c. Assess strategic investment opportunities to attract, grow, and integrate manufacturers, suppliers, and service providers by leveraging existing data on space investment in the West Texas region

1.7 REGIONAL LOGISTICS AND CONNECTIVITY ASSESSMENT

- Evaluate interstate and state highway connectivity, freight routes, rail service, air cargo infrastructure, oversize and overweight routes, international trade and border access, last-mile constraints, and linkages between industrial clusters and markets.
- Identify logistics requirements associated with manufacturing, launch support, large-component transport, and high-value technology supply chains.

1.8 COMPETITIVE BENCHMARKING AND GAP/OPPORTUNITY ASSESSMENT

- Benchmark West Texas against selected leading aerospace regions with respect to infrastructure, governance, workforce programs, supply chain strategies, recruitment, innovation partnerships, and cluster development.
- Synthesize infrastructure, logistics, workforce, supply chain, and benchmark findings into a corridor-wide Gap and Opportunity Assessment.
- Identify strengths, critical deficiencies, underutilized assets, target sectors, priority investments, strategic partnerships, recruitment opportunities, and policy or programmatic needs.

TASK ITEMS

Item	Work Products
Regional asset inventory	Up to 30 principal GIS layers and one centralized tabular/GIS repository using available data.
Sites screened	Up to 10 candidate or existing industrial/aerospace sites at planning level; no parcel-level due diligence.
Companies profiled	Up to 300 businesses in the supply chain database using available sources and interview input.
Peer regions	Up to five aerospace regions for comparative benchmarking.
Suitability scenarios	Up to seven aerospace or advanced manufacturing activity types and up to three conceptual launch-support scenarios.
Field reconnaissance	Up to two days of corridor/site reconnaissance trips; visual observations only.
Task 1 memoranda	Up to 75 pages, including Suitability Assessment; Benchmarking Assessment; Gap and Opportunity Report
Task 1 review cycles	One draft and one final.

DELIVERABLES

- Regional Asset Inventory and Centralized Data Repository
- GIS Mapping-Based Corridor Visualization
- Aerospace Infrastructure Suitability Assessment
- Supply Chain Company Identification and Categorization
- Peer Aerospace Regions Competitive Benchmarking Assessment
- Gap and Opportunity Assessment

Task 2. Stakeholder Engagement and Regional Coordination

The ENGINEER will lead a structured engagement process to gather input, validate technical findings, align priorities, build consensus, and establish partnerships needed to advance the corridor vision.

2.1 STAKEHOLDER IDENTIFICATION AND ENGAGEMENT STRATEGY

- Develop a stakeholder matrix organized by geography, industry sector, and anticipated role.
- Establish a stakeholder contact and engagement database, communication protocols, outreach methods, participation goals, and performance measures.

2.2 STEERING COMMITTEE COORDINATION

- Coordinate with MDC to establish a Steering Committee of public-sector, industry, economic development, and institutional stakeholders.
- Prepare materials for review of findings, opportunities, recommendations, implementation strategies, and final deliverables.

2.3 REGIONAL MEETINGS AND WORKSHOPS

- Plan and facilitate regional workshops, industry roundtables, focus groups, Steering Committee meetings, virtual sessions, and technical working groups.
- Prepare agendas, presentation materials, discussion guides, interactive exercises, and meeting summaries.

2.4 INDUSTRY AND INSTITUTIONAL INTERVIEWS

- Conduct targeted interviews with aerospace and aviation companies, advanced manufacturers, energy-sector employers, military organizations, educational institutions, workforce providers, utilities, infrastructure operators, and economic development organizations.
- Coordinate with Workforce Solutions Borderplex on their workforce study. Document workforce needs, infrastructure requirements, supply chain opportunities, facility and operational requirements, investment priorities, and growth trends.

2.5 CONSENSUS BUILDING AND COMMUNICATION TOOLS

- Use early engagement, active listening, collaborative problem solving, and identification of near-term early wins to build regional alignment. Use online surveys, such as PublicCoordinate, for virtual engagement.
- Use corridor maps, GIS maps, infographics, and implementation roadmaps, as appropriate, to communicate technical information.
- Track participation, key themes, feedback, decisions, action items, responsibilities, and due dates.

TASK ITEMS

Item	Work Products
Kickoff	Kickoff meeting, one hour (virtual)
Stakeholder meetings	Up to 12 meetings, one hour each (virtual)
Steering Committee meetings	Up to three meetings, one hour each (virtual)
Regional convenings	Three total: Regional Convening #1, Midpoint Convening, and Final Stakeholder Session (in-person or hybrid).
Technical working sessions	Up to three sessions, one hour each (virtual)

Industry/institutional interviews	Up to 5 interviews, 30 minutes each (virtual)
Meeting materials	One agenda and one presentation deck per convening or committee meeting; decks up to 40 slides.
Meeting summaries	Up to three pages per meeting.
Engagement report	Report with Engagement Plan and Summaries, up to 70 pages.

DELIVERABLES

- Stakeholder Identification Matrix
- Outreach Campaign Strategy and Engagement Plan
- Regional Meeting Scheduling and Facilitation
- Interview Summaries
- Stakeholder Input and Engagement Report

Task 3. Strategic Master Plan Development

Using the technical analyses, market insights, and stakeholder input developed under Tasks 1 and 2, the ENGINEER will prepare an implementation-focused Aerospace Corridor Master Plan that establishes a shared vision and a strategic framework.

3.1 EXISTING CONDITIONS OVERVIEW

- Synthesize regional economic, workforce, transportation, utility, infrastructure, site readiness, and development conditions.
- Document regional strengths, barriers, opportunities, and future investment needs.

3.2 AEROSPACE MARKET ASSESSMENT AND REGIONAL POSITIONING STRATEGY

- Identify target sectors compatible with regional assets, including aerospace manufacturing, satellite integration, defense and national security applications, propulsion testing, advanced materials, autonomous systems, communications, energy, and technology research.
- Define competitive advantages, market differentiation, target investment opportunities, recruitment messaging, and the corridor role within the West Texas aerospace ecosystem.

3.3 WORKFORCE DEVELOPMENT STRATEGY

- Coordinate with Workforce Solutions Borderplex to integrate their workforce development analysis, training alignment, and service member transition strategy activities. The ENGINEER will coordinate and integrate relevant findings provided to the team.
- Evaluate education partnerships, technical training, industry collaboration, apprenticeships, workforce pipelines, and opportunities to align workforce investments with targeted industries and future employers.

3.4 INDUSTRY RECRUITMENT AND SUPPLY CHAIN GROWTH

- Develop recommendations for business attraction, retention, expansion, supplier integration, and cluster development.
- Identify potential industry profiles, recruitment materials, marketing assets, and continuing outreach actions.

3.5 REGIONAL BRANDING AND MASTER PLAN DEVELOPMENT

- Work with stakeholders to develop recognizable corridor identity, narrative messaging, investor-focused graphics, and maps.
- Prepare draft Master Plan.
- Prepare the final Master Plan with maps, graphics, charts, and technical content.

TASK ITEMS

Item	Work Products
Existing Conditions Summary	Up to 20 pages.
Market Opportunity Summary	Up to 15 pages.
Infrastructure Investment Priorities Summary	Up to 10 pages.
Master Plan	Two submittals: one draft and one final

DELIVERABLES

- Existing Conditions Summary
- Market Opportunity Analysis Summary
- Infrastructure Investment Priorities Summary
- Draft Master Plan
- Final Master Plan

Task 4. Implementation Planning and Funding Strategy

The ENGINEER will translate the Master Plan recommendations into a phased and fundable implementation program. Recommended actions will be evaluated for feasibility, readiness, and stakeholder support.

4.1 PHASED ACTION PLAN

- Develop short-term (0-5 years), mid-term (5-10 years), and long-term (10+ years) initiatives.
- Link long-term goals to specific near-term actions and early-win projects.
- Identify responsible and supporting partners, dependencies, target timing, and implementation status measures.

4.2 PROJECT PRIORITIZATION

- Establish a transparent prioritization framework based on regional benefit, implementation readiness, technical feasibility, funding potential, and stakeholder support.
- Sequence projects according to need, available resources, and implementation considerations.

4.3 FUNDING AND INVESTMENT STRATEGY

- Identify applicable opportunities through the Texas Space Commission, FAA, TxDOT, EDA, state and regional programs, and private-sector investment.
- For recommended improvements, identify potential funding sources, eligibility considerations, partnership opportunities, local match considerations, and readiness needs.

4.4 GOVERNANCE, PARTNERSHIPS, AND POLICY FRAMEWORK

- Recommend roles, responsibilities, decision processes, partnership structures, coordination procedures, and implementation oversight mechanisms.

- Identify potential policy opportunities, including infrastructure coordination, regulatory and permitting considerations, and regional advocacy.
- Recommend an appropriate long-range governance structure, with committees or working groups as warranted.

4.5 INDUSTRY RECRUITMENT AND PLAN ADOPTION

- Align infrastructure investments with target industry needs and ongoing recruitment strategies.
- Prepare a final implementation and funding roadmap and presentation.

TASK ITEMS

Item	Work Products
Implementation actions	Up to 50 total projects, programs, policies, or initiatives in the phased implementation matrix.
Project profiles	Up to 15 high-priority actions, with planning-level profile.
Prioritization framework	One framework to prioritize implementation.
Funding programs	Up to 25 federal, state, regional, local, or private funding sources screened at planning level.
Policy opportunities	Up to 20 policy, regulatory, or programmatic opportunities.
Governance options	Up to three governance concepts.
Implementation Roadmap	Implementation and Funding Roadmap with framework
Final presentation	One final presentation to MDC.
Grant identification	Preparation or submission of grant applications is excluded; the scope is limited to funding source identification and alignment.

DELIVERABLES

- Phased Implementation Matrix
- Funding Source Identification and Alignment Matrix
- Policy Opportunity Assessment
- Partnership Framework Recommendations
- Long-Range Corridor Governance Recommendations
- Implementation and Funding Roadmap
- Final Presentation to MDC and Regional Partners

TASK 5. PROJECT MANAGEMENT AND GRANT COMPLIANCE SUPPORT

The ENGINEER will manage scope, schedule, budget, quality, coordination, documentation, and grant support throughout the project.

5.1 PROJECT MANAGEMENT PLAN AND MOBILIZATION

- Conduct a kickoff meeting.

- Confirm project objectives, deliverables, responsibilities, milestones, communication protocols, and performance expectations.

5.2 SCHEDULE AND BUDGET MANAGEMENT

- Monitor task progress, expenditures, staffing, and schedule.
- Provide regular status reporting, budget tracking, milestone tracking, outstanding decisions, and action items.

5.3 COMMUNICATION, COORDINATION, AND STAKEHOLDER MANAGEMENT

- Lead regular team and coordination meetings.
- Prepare concise meeting summaries identifying decisions, action items, responsibilities, and due dates.
- Maintain a stakeholder coordination log and engagement records.

5.4 DOCUMENT CONTROL AND INFORMATION MANAGEMENT

- Maintain standardized file naming, centralized electronic records, version tracking, document retention, coordination logs, meeting records, review tracking, and progress monitoring.
- Use shared collaboration platforms for file sharing.
- Provide project progress updates, as reasonably appropriate, to support grant reporting requirements.

5.5 QUALITY MANAGEMENT

- Identify QC/QA procedures, review responsibilities, comment resolution, and deliverable approval workflows.
- Perform quality reviews throughout project development and document comment resolution.

5.6 SUBCONSULTANT COORDINATION AND GRANT SUPPORT

- Coordinate the work, schedule, quality, and integration of subconsultants.
- Support grant documentation, progress reporting, and final project closeout documentation.

TASK LIMITS

Item	Work Products
Monthly status reports	Up to 10 status reports.
Invoices/budget updates	Up to 10 monthly invoices and budget status updates.
Grant reimbursement support	Up to 10 project progress updates, as reasonably appropriate, to support grant reporting requirements.
Schedule updates	One baseline schedule and up to 10 monthly updates.
Quality reviews	One internal quality review for each draft and final contractual deliverable.
Subconsultants	Management of subconsultants only for services included in their project scopes and budgets.
Closeout	One electronic closeout package on shared collaboration platform and one final closeout coordination meeting.

DELIVERABLES

- Schedule
- Monthly Status Reports
- Monthly Budget Expenditure
- Deliverable Milestones
- Final Project Closeout

Schedule

The services are planned to be completed within the grant term ending July 31, 2027. Exact dates will be established at notice to proceed and documented. Deliverables will be submitted according to the following schedule:

Fee

The ENGINEER will perform the services described for a lump sum fee of $655,000. Individual task amounts are informational only. The ENGINEER reserves the right to reallocate amounts among tasks as necessary. Task 5 (Project Management) costs are incorporated across the technical tasks based on anticipated level of effort. All venue rental, advertising, specialized data purchases, or permit/application, and similar project fees will be paid by MDC.

Task Description	Prime Provider Kimley-Horn	Sub Provider Supply Chain	Sub Provider Stakeholder Support	Total Cost
Task 1. Infrastructure and Supply Chain Analysis	$140,000	$70,000		$210,000
Task 2. Stakeholder Engagement, Regional Coord	$145,000		$15,000	$160,000
Task 3. Strategic Master Plan Development	$160,000			$160,000
Task 4. Implementation Planning, Funding Strategy	$125,000			$125,000
Lump Sum Total	**$570,000**	**$70,000**	**$15,000**	**$655,000**

Lump sum fees will be invoiced monthly based upon the overall percentage of services performed.

Payment will be due 30 days of your receipt of the invoice and should include the invoice number and the ENGINEER's project number.

ADDITIONAL SERVICES

Services not specifically identified in the Scope of Services above shall be considered additional and shall be performed on an individual basis upon authorization by MDC.

Such services may include, but are not limited to, the following:

A. Environmental documentation
B. Detailed condition assessments
C. Economic modeling
D. Site-specific due diligence
E. Permits or applications
F. Grant application preparation
G. Public involvement or public outreach
H. Surveying
I. Design

Permian Strategic Partnership Funding Agreement

RESOLUTION NO. ______________

RESOLUTION AUTHORIZING THE EXECUTION OF A FUNDING AGREEMENT WITH PERMIAN STRATEGIC PARTNERSHIP IN AN AMOUNT NOT TO EXCEED $10,000.00 TO COORDINATE FUNDING FOR THE PREPARATION OF THE 2026 HIGHWAY ECONOMICS REPORT FOR THE MIDLAND DEVELOPMENT CORPORATION

WHEREAS, the Board of Directors finds it to be in the public interest to authorize the execution of a funding agreement with Permian Strategic Partnership in an amount not to exceed $10,000.00 to coordinate funding for the 2026 Highway Economics Report for the Midland Development Corporation;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MIDLAND DEVELOPMENT CORPORATION:

SECTION ONE. That the Chairman and Secretary are hereby authorized and directed to execute and attest, respectively, on behalf of the Midland Development Corporation, a funding agreement with Permian Strategic Partnership in an amount not to exceed $10,000.00 to coordinate funding for the 2026 Highway Economics Report for the Midland Development Corporation. Said agreement being in a form substantially similar to that of <u>Exhibit A</u>, which is attached hereto and incorporated herein for all purposes.

SECTION TWO. That the City Comptroller is hereby authorized and directed to pay Permian Strategic Partnership in accordance with the terms of the funding agreement from funds available in the Midland Development Corporation Fund (235) Operating Budget upon receipt of proper invoices or statements approved by the Executive Director or her designee.

On motion of Director ______________, seconded by Director ______________, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a regular meeting on the _______ day of ______________, A.D., 2026, by the following vote:

Directors voting “AYE”:

Directors voting “NAY”:

BRAD BULLOCK,
Chairman of the Midland
Development Corporation

ATTEST:

GARRETT DONNELLY,
Secretary of the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

NICHOLAS TOULET,
Attorney for the Midland
Development Corporation

<u>**FUNDING AGREEMENT**</u>

THIS FUNDING AGREEMENT (this "*Agreement*") is made and effective the 14th day of September, 2026 (the "*Effective Date*"), by and between the **MIDLAND DEVELOPMENT CORPORATION**, a Type A economic development corporation pursuant to Chapters 501 and 504 of the Texas Local Government Code, as amended ("*MDC*"), and the **PERMIAN STRATEGIC PARTNERSHIP**, a Texas nonprofit corporation ("*PSP*"). MDC and PSP are referred to herein individually as a "*Party*" and collectively as the "*Parties*."

RECITALS

WHEREAS, PSP is coordinating the preparation of the 2026 Highway Economics Report, which will analyze the economic impacts associated with delays and incidents on energy highways in the Permian Basin and provide data to support transportation infrastructure planning, project prioritization, and funding advocacy (the "*Report*"), the scope of which is further detailed in <u>**Exhibit A**</u> attached hereto;

WHEREAS, PSP intends to commission the Texas A&M Transportation Institute, or another qualified provider, to conduct the technical analysis and prepare the Report;

WHEREAS, the cost of preparing the Report is to be funded through contributions pooled from MDC and other project funding partners;

WHEREAS, MDC desires to contribute funds to be pooled with other contributions to collectively fund and commission the Report, and PSP desires to accept and administer such contribution, in each case on the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1. CONTRIBUTION

MDC agrees to contribute to PSP the sum of Ten Thousand and No/100 Dollars ($10,000.00) (the "*Contribution*"). MDC shall pay the Contribution to PSP within thirty (30) days after the Effective Date. The Contribution represents MDC's full financial obligation under this Agreement, and MDC shall not be obligated to contribute any additional funds for the Report or

<u>Exhibit A</u>

otherwise under this Agreement.

ARTICLE 2. USE OF FUNDS; COMMISSIONING OF THE REPORT

1. PSP shall pool the Contribution with contributions received from other project funding partners and shall use such pooled funds solely to fund and commission the Report. PSP shall not use the Contribution for any purpose other than funding and commissioning the Report.

2. For purposes of this Agreement, PSP shall be deemed to have commissioned the Report upon (a) PSP's execution of a written agreement with the Texas A&M Transportation Institute to conduct the technical analysis and prepare the Report, and (b) providing written notice of the execution of such agreement to MDC along with a copy of the executed agreement.

3. PSP shall use commercially reasonable efforts to pool sufficient funds from MDC and other project funding partners to commission the Report on or before January 1, 2027.

ARTICLE 3. REPORT DELIVERABLES

PSP shall, upon completion of the Report, provide MDC with copies of the final Report and any associated technical memorandum and presentation materials prepared in connection with the Report (the "*Report Deliverables*") on or before February 28, 2027.

ARTICLE 4. REPAYMENT

1. If PSP is unable to pool sufficient funds to commission the Report or otherwise fails to commission the Report on or before January 1, 2027, then PSP shall repay to MDC the full amount of the Contribution ($10,000.00). PSP shall make such repayment within thirty (30) days after the earlier of (i) the date PSP determines that it is unable to pool sufficient funds to commission the Report, and (ii) January 1, 2027, if the Report has not been commissioned by that date.

2. If PSP is able to pool sufficient funds to commission the Report but fails to provide MDC with the Report Deliverables on or before February 28, 2027, then PSP shall repay to MDC the full amount of the Contribution ($10,000.00). PSP shall make such repayment within thirty (30) days of receiving a request for repayment from MDC.

PSP's obligation to repay the Contribution under this Article 4 shall survive the expiration or earlier termination of this Agreement.

ARTICLE 5. TERM

The term of this Agreement shall commence on the Effective Date and shall continue through June 30, 2027, unless earlier terminated as provided in this Agreement.

ARTICLE 6. TERMINATION

1. If the Report has not been commissioned on or before January 1, 2027, MDC may terminate this Agreement, effective upon written notice to PSP.

2. If the Report Deliverables have not been provided on or before February 28, 2027, MDC may terminate this Agreement, effective upon written notice to PSP.

3. The Parties may terminate this Agreement at any time by mutual written agreement.

4. Termination of this Agreement shall not relieve PSP of its obligation to repay the Contribution to MDC to the extent required under Article 4, and such obligation shall survive termination.

ARTICLE 7. NOTICES

Any notice or demand made regarding this Agreement shall be in writing and delivered either in person or by certified or registered mail, postage prepaid, addressed as follows:

If to MDC: Executive Director
Midland Development Corporation
200 N. Loraine, Suite 610
Midland, Texas 79701

If to PSP: ______________________
____
____
____

Notice by mail shall be complete upon deposit in a post office or official depository under the care and custody of the United States Postal Service. Either Party may change its designated address by giving notice pursuant to the terms of this Article.

ARTICLE 8. GENERAL PROVISIONS

A. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Texas. All performance and payment made pursuant to this Agreement shall be deemed to have occurred in Midland County, Texas. The obligations and undertakings of each of the Parties shall be deemed to have occurred in Midland County, Texas. Exclusive, sole and mandatory venue for any claims, suits or any other action arising from or connected in any way to this Agreement or the performance of this Agreement shall be in Midland County, Texas.

B. Independent Parties. The Parties are independent contracting parties. Nothing in this Agreement shall be construed to create a partnership, joint venture, agency, or employment relationship between the Parties, and neither Party shall have authority to bind the other.

C. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their permitted successors and assigns. No person or entity that is not a Party shall have any third-party beneficiary or other rights under this Agreement.

D. Assignment. Neither Party may assign this Agreement or any interest, right, or obligation herein without the prior written consent of the other Party.

E. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to its subject matter and supersedes all prior or contemporaneous understandings, agreements, or representations, whether written or oral, relating to such subject matter.

F. Amendments. No amendment, modification, or alteration of the terms of this Agreement shall be binding unless it is in writing, dated subsequent to the date of this Agreement, and duly executed by both Parties.

G. Severability. If any provision of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision, and this Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been contained herein.

H. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Signatures delivered by electronic transmission shall be deemed original signatures for all purposes.

I. Governmental Immunity. Nothing in this Agreement shall be construed as a waiver by MDC or the City of Midland, Texas of any governmental or sovereign immunity, or any defense, right, or remedy available under law. MDC expressly reserves all such immunities, defenses, rights, and remedies.

THERE IS NO WAIVER OF GOVERNMENTAL IMMUNITY.

J. **Release.** **NOTWITHSTANDING ANY OTHER PROVISION CONTAINED HEREIN, PSP HEREBY RELEASES, ACQUITS, RELINQUISHES AND FOREVER DISCHARGES MDC, MDC'S EMPLOYEES AND OFFICERS FROM ANY AND ALL DEMANDS CLAIMS, DAMAGES, OR CAUSES OF ACTION OF ANY KIND WHATSOEVER WHICH PSP HAS OR MIGHT HAVE IN THE FUTURE, INCLUDING BUT NOT LIMITED TO BREACH OF CONTRACT, QUANTUM MERUIT, CLAIMS UNDER THE DUE PROCESS AND TAKINGS CLAUSES OF THE TEXAS AND UNITED STATES CONSTITUTIONS, TORT CLAIMS, OR MDC'S NEGLIGENCE.**

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the Effective Date.

MIDLAND DEVELOPMENT CORPORATION

____
Brad Bullock, Chairman

ATTEST:

____
Garrett Donnelly, Secretary

[Signature Page Follows]

PERMIAN STRATEGIC PARTNERSHIP

By: ____________________________________
Name: __________________________________
Title: ___________________________________
Date: ___________________________________

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, ____________________, a notary public, on this day personally appeared ______________________, _______________________ of the PERMIAN STRATEGIC PARTNERSHIP, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same as the act and deed of said entity for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _______ day of ______________, A.D., 2026.

____
Notary Public, in and for
the State of Texas

<u>Exhibit A</u>

STATEMENT OF WORK

2026 Highway Economics Report

1. Purpose

The purpose of this Statement of Work ("SOW") is to establish the scope, responsibilities, deliverables, and funding associated with the Midland Development Corporation's ("MDC") participation in the Permian Strategic Partnership's ("PSP") 2026 Highway Economics Report.

The 2026 Highway Economics Report will update and build upon the analysis contained in the 2021 Highway Economics Report by incorporating updated economic, transportation, safety, and construction-cost data. The report is intended to quantify the economic impacts associated with delays and incidents on energy highways in the Permian Basin and provide data that can be used to support transportation infrastructure planning, project prioritization, and funding advocacy.

2. Project Objective

The overall objective of the project is to measure and document the economic impacts associated with delays and incidents on energy highways in the Permian Basin.

The resulting analysis will provide:

- Basin-wide economic impact information that can be incorporated into transportation funding and advocacy efforts;
- Economic impact information for specific highway segments to assist with project prioritization;
- Analysis that can support the business case for specific highway improvement projects; and
- Updated technical information that can be used by stakeholders in communicating the economic importance of transportation infrastructure investment.

3. Scope of Work

PSP will commission Texas A&M Transportation Institute ("TTI") to conduct the technical analysis and prepare the 2026 Highway Economics Report.

The scope of work performed by TTI will include the following:

A. Economic Analysis

TTI will conduct an economic analysis of delays and incidents occurring on energy highways in the Permian Basin.

The analysis will evaluate the economic consequences associated with transportation delays, crashes, and other incidents affecting the movement of people and goods on the region's highway network.

B. Highway Segment Analysis

TTI will document economic impacts associated with selected highway segments and projects.

The analysis will provide project-level information that can be used to evaluate and prioritize transportation improvements and support advocacy for specific highway projects.

Where appropriate, the analysis may include measures such as:

- Crash reductions;
- Economic impacts associated with crash reduction;
- Delay reduction;
- Economic benefits associated with improved mobility;
- Construction-related economic impacts; and
- Benefit-cost information.

C. Updated Data and Analysis

The 2026 report will incorporate updated data and assumptions to reflect current economic conditions, transportation needs, construction costs, and other relevant factors.

The analysis may utilize, as appropriate, data and methodologies including:

- Historical highway crash data;
- Traffic and transportation data;
- Traffic simulation and modeling;
- Highway construction costs;
- U.S. Department of Transportation-defined crash reduction benefits;
- Economic impact data and modeling; and
- Other relevant transportation and economic datasets.

D. Technical Memorandum

TTI will prepare a technical memorandum documenting the methodology, analysis, findings, economic impacts, and project-level supporting information developed through the study.

The technical memorandum will provide the technical foundation for the final Highway Economics Report.

E. Report and Presentation Materials

TTI will prepare the final 2026 Highway Economics Report and associated presentation materials.

The presentation materials will support communication of:

- Region-wide economic impacts associated with transportation delays and incidents;
- Economic impacts associated with selected highway segments and projects; and
- Key findings and conclusions of the study.

4. Project Meetings and Presentations

As part of the project, TTI will participate in up to three (3) input meetings or presentations with PSP, MDC, and other project funding partners.

The anticipated meetings are:

1. **Initial Findings/Direction Meeting** – discussion of preliminary findings, methodology, and direction for the report;
2. **Draft Technical Memorandum Meeting** – review and discussion of the draft technical memorandum and preliminary conclusions; and
3. **Final Report Meeting** – presentation of the final report and associated presentation materials.

TTI will also participate in up to two (2) additional presentations of the study findings to audiences identified by PSP and the project funding partners.

5. Deliverables

The project deliverables will include:

1. **2026 Highway Economics Report** containing updated economic and transportation analysis;
2. **Technical Memorandum** documenting the methodology, economic analysis, findings, and project-level supporting information;
3. **Project-Level Analysis** for selected highway segments and projects;
4. **Presentation Materials** summarizing the report’s findings and conclusions; and
5. Participation in the meetings and presentations described in Section 4.

6. Project Management

PSP will serve as the lead organization for the project and will coordinate the engagement with TTI.

PSP will be responsible for:

- Executing and administering the agreement with TTI;
- Coordinating project scope and deliverables with TTI;
- Coordinating input from MDC and other project funding partners;
- Managing the project schedule;
- Receiving and reviewing project deliverables; and
- Providing MDC with copies of the final report, technical memorandum, and presentation materials.

UTPB Incubator and Makerspace Grant Agreement Payment

RESOLUTION NO. ______________

RESOLUTION AUTHORIZING PAYMENT IN THE AMOUNT OF $200,000.00 TO THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN PURSUANT TO THAT CERTAIN INCUBATOR AND MAKERSPACE GRANT AGREEMENT BETWEEN THE MIDLAND DEVELOPMENT CORPORATION AND THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN

WHEREAS, the Midland Development Corporation previously entered into that certain Incubator and Makerspace Grant Agreement with the University of Texas of the Permian Basin; and

WHEREAS, the Board of Directors finds it to be in the public interest to authorize a reimbursement payment to the University of Texas of the Permian Basin pursuant to the terms of said agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MIDLAND DEVELOPMENT CORPORATION:

SECTION ONE. That the payment of $200,000.00 to the University of Texas of the Permian Basin is hereby approved.

SECTION TWO. That the City Comptroller of the City of Midland, Texas, is hereby authorized and directed to pay the University of Texas of the Permian Basin the sum of $200,000.00 from funds available in the Midland Development Corporation Fund (235) operating budget (Economic Development Incentives) (53905).

On motion of Director ______________, seconded by Director ______________, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a regular meeting on the _______ day of ______________, A.D., 2026, by the following vote:

Directors voting “AYE”:

Directors voting “NAY”:

____
BRAD BULLOCK,
Chairman of the Midland
Development Corporation

ATTEST:

____
GARRETT DONNELLY,
Secretary of the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

____
NICHOLAS TOULET,
Attorney for the Midland
Development Corporation

July 31st, 2026

Written Quarterly Report
May 1st 2026 - July 31st 2026

Midland Development Corporation
Incubator and Makerspace Grant Agreement

We are pleased to provide Midland Development Corporation with this quarterly report on our progress, accomplishments, and ongoing projects & programs regarding the Incubator and Makerspace at the Center for Energy and Economic Diversification (CEED) for the period from May 1st, 2026 through July 31st, 2026. Please note that some of this information may be carried over from previous reports if that activity is still ongoing, but information is updated to reflect the current status.

Incubator Updates:
The Incubator is currently leasing 4 of 6 offices, having recently exited engineering consulting services company EngVentions who recently relocated out of the area. We onboarded a new company, Permian Proving Grounds, a new startup company developing a testing and validation ecosystem in the Permian Basin designed for advanced technology, autonomous systems, and defense applications. Co-founded by CEO Eric McManus, it provides a 36.5-square-mile test and evaluation range to support regional STEM and workforce development.

Our current incubator tenants are:

- Permian Road Safety Coalition - a non-profit collection of stakeholders who are committed to improving safety on the roadways of the Permian Basin in Southeast New Mexico and West Texas.
- WEX Foundation & Astroport Space Technologies - WEX is a non-profit educational company that integrates space exploration technology with project-based learning to advance middle and high school STEM education and foster a robust future for the space technology workforce and Astroport is an affiliated for-profit company focused on developing infrastructure and technologies to support infrastructure development for planetary and moon bases.
- Filmhunter Media - a marketing and content creation company based in Midland & Odessa Texas.
- Permian Proving Grounds - Engineering services and consulting firm.

We also have Space Nation as a coworking tenant. They are holding portions of their simulated space mission trainings at the CEED.

Makerspace (Prototype Lab) Updates:
Our Community Funding proposal submitted to Texas Mutual Insurance for their Grant Cycle #2: Workforce Development and Safety Training to fund the implementation of the Manufacturing Training Program for Industry was successful and was awarded on December 1st, 2025. We are utilizing the $100,000 grant to adapt our student Manufacturing Training Program into a version suitable for use by industry professionals entering the manufacturing industry to serve as an initial training program. This program will be held in collaboration with the Texas Manufacturing Assistance Center (TMAC) and the Texas Workforce Commission (TWC). We have also established a partnership with SME to utilize their TOOLING U platform to provide additional depth of training, where particpants will be provided with 90-day access to the platform to complete a series of online program to ready themselves for the in-person sessions. SME also offers an optional Certified Manufacturing Associate (CMfgA) certification through their platofmr that will be available to our participants. This is the only certification program in the manufacturing industry that is focused on basic manufacturing concepts and demonstrates an individual's potential for high-demand, entry-level manufacturing roles. It is designed to aid in onboarding for new hires and to help dislocated workers, underemployed individuals, veterans, and anyone interested in starting a new career in manufacturing. The credential can help individuals begin a lifelong career in an industry with opportunity for advancement and well-paying jobs.

Our Manufacturing Training Program for Industry (MTP4I) has a new website up at www.utpb.edu/mtp4i, and the schedule for the first program has been pushed back to Fall of 2026. The 9-week program will cover the following topics:

Week 1: Intro to Lean Six Sigma with TMAC
Week 2: Additive Manufacturing
Week 3: Subtractive Manufacturing Part 1
Week 4: Subtractive Manufacturing Part 2
Week 5: Workplace Organization with TMAC
Week 6: Intro to CNC
Week 7: Measurement, Inspection, & Quality
Week 8: Testing & Characterization
Week 9: Leadership & Communication with TMAC

UT PERMIAN BASIN™
THE OFFICE OF INNOVATION
& COMMERCIALIZATION

July 31st, 2026

Additionally, we have two student groups that have located at the CEED and are utilizing the Prototype Makerspace heavily for their activities:

1) Falcon Racing, a student organization dedicated to building and racing a Formula SAE car
2) Falcon Aeronautics and Space Team (FAST), a student organization focused on building and competing a rocket in the International Rocket Engineering Competition (IREC)

Lastly, UTPB has finalized its membership in America Makes, the nation's leading public-private partnership for additive manufacturing technology and education. AM members from industry, academia, government, and workforce and economic development organizations work together to accelerate the adoption of additive manufacturing and the nation's global manufacturing competitiveness. UTPB is the 4th UT institution to join AM, alongside UT Austin, El Paso, and RGV.

More details about the Prototype Lab Makerspace can be found here:

https://www.utpb.edu/makerspace

We would like to thank MDC for their continued support of these efforts and welcome additional requests for information or tours at any time.

Brian Shedd, Ph.D.
Executive Director for the Office of Innovation & Commercialization

Incubator & Makerspace Update

July 31st, 2026

CEED Building

Innovation Corridor

- Office of Innovation & Commercialization (OIC)
- Business Incubator
- Laboratory Space
- Coworking Suite
- Makerspace

Research Labs

- Advanced Manufacturing Center
- Texas Water and Energy Institute

SBDC

- 1 Director + 2 Business Consultants + 1 Program Coordinator
- Texas Manufacturing Assistance Center
- US Commercial Service

Event Spaces

- Auditorium (up to 125 seats)
- Discovery Classroom (up to 40)
- Executive Classroom (up to 24)
- Boardroom (up to 20)
- Atrium
- Patio

CEED Building
Incubator Tenants

PERMIAN ROAD SAFETY COALITION

FILMHUNTER media

PERMIAN PROVING GROUNDS
Technology Tested. Solutions Proven.

ASTROPORT SPACE TECHNOLOGIES

WEX FOUNDATION
ADVANCING CAREERS IN SPACE

Coworking Tenants

space nation

MAKER SPACE

PROTOTYPE LAB @ CEED

Texas Mutual Insurance WFD Grant

TexasMutual®
WORKERS' COMPENSATION INSURANCE

NOVEMBER 4, 2025

Texas Mutual awards over $4.4 million to 58 Texas nonprofits

Texas Mutual has awarded more than $4.4 million to 58 nonprofit organizations across the state to help fortify businesses and strengthen the state's economy. Grants were provided through our Request for Proposal (RFP) initiative, focused on workforce development and safety training. Texas nonprofits were invited to apply between August 11 and September 12. We specifically looked for applicants who are focused on:

- Training the current and future skilled workforce in safe work practices, especially in industries or occupations at higher risk for workplace accidents
- Creating strong pathways for in-demand middle-skill jobs
- Upskilling and reskilling adult learners using earn-and-learn initiatives

UTPB will be using these funds to develop a Manufacturing Training Program for Industry

The website is now up at www.utpb.edu/mtp4i

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Manufacturing Training Program for Industry (MTP4I)

The goal of this program is for students to gain hands-on experience learning different manufacturing techniques over the course of 8 weeks

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MTP4I Schedule

Currently Scheduled for Fall 2026

9-Week Program Schedule:

1. Intro to Lean Six Sigma with TMAC
2. Additive Manufacturing
3. Subtractive Manufacturing Part 1
4. Subtractive Manufacturing Part 2
5. Workplace Organization with TMAC
6. Intro to CNC
7. Measurement, Inspection, & Quality
8. Testing & Characterization
9. Leadership & Communication with TMAC

TMAC Texas Manufacturing Assistance Center

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America Makes

UTPB is now a member of America Makes!!

America Makes is the nation's leading public-private partnership for additive manufacturing (AM) technology and education. They are a project-based research and development Institute following a member-driven technology roadmap with applied research projects in focus areas ranging from materials to Accelerating the Adoption of Additive Manufacturing processes and certifications. Their project teams and partner network are highly collaborative and draw on the strengths of each participating member to advance innovative technology solutions. Founded in 2012 as the National Additive Manufacturing Innovation Institute and the first of the Manufacturing USA network, America Makes is based in Youngstown, Ohio, and managed by the not-for-profit National Center for Defense Manufacturing and Machining.

UT PERMIAN BASIN
THE OFFICE OF INNOVATION & COMMERCIALIZATION

April 30th, 2026

Written Quarterly Report
February 1st 2026 - April 30th 2026

Midland Development Corporation
Incubator and Makerspace Grant Agreement

We are pleased to provide Midland Development Corporation with this quarterly report on our progress, accomplishments, and ongoing projects & programs regarding the Incubator and Makerspace at the Center for Energy and Economic Diversification (CEED) for the period from February 1st, 2026 through April 30th, 2026. Please note that some of this information may be carried over from previous reports if that activity is still ongoing, but information is updated to reflect the current status.

Incubator Updates:
The Incubator is currently leasing 4 of 6 offices, having recently exited the Permian Energy Development Laboratory who saw their NSF Engine Development Award expire in April of 2025 and was unsuccessful in their proposal for a full Engines grant, as well as reducing Film Hunter Media from 2 offices to 1. We are making room for a couple of new tenants that have expressed an interest in coming into the incubator and hope to have some updates on them to share with you in future reports.

Our current incubator tenants are:

- Permian Road Safety Coalition - a non-profit collection of stakeholders who are committed to improving safety on the roadways of the Permian Basin in Southeast New Mexico and West Texas.
- WEX Foundation & Astroport Space Technologies - WEX is a non-profit educational company that integrates space exploration technology with project-based learning to advance middle and high school STEM education and foster a robust future for the space technology workforce and Astroport is an affiliated for-profit company focused on developing infrastructure and technologies to support infrastructure development for planetary and moon bases.
- Filmhunter Media - a marketing and content creation company based in Midland & Odessa Texas.
- EngVentions Engineering Solutions - Engineering services and consulting firm.

April 30th, 2026

We also have Space Nation as a coworking tenant. They are holding portions of their simulated space mission trainings at the CEED, and recently completed one of their missions over March 27th – 29th, 2026.

Makerspace (Prototype Lab) Updates:
We just completed our 3rd cohort of the Manufacturing Training Program for students (MTP4S), and graduated 13 students. The Manufacturing Training Program has been very popular with students and employers, each cohort has been over-enrolled, and several students have started internships with local manufacturing companies and machine shops.

The training program consists of the following topics:

Week	Topic	Outcome
1	3D Printing: Polymer	Overview of modeling and slicing software Introduction to FDM & Resin printing Production of polymer test samples
2	3D Printing: Metal	Production of metal test samples
3	Metal Casting	Polymer test samples are used to create molds that are cast with Aluminum
4	Machining: Lathe (manual)	Production of metal test samples
5	Machining: Mill (manual)	Production of metal test samples
6	Machining: Table Mill (CNC)	Introduction to CNC programming Production of metal test samples
7	Cutting: Water Jet & Plasma	Cutting of metal test samples
8	Material Characterization	Tensile and Fatigue testing of samples

The goal of this program is for students to gain hands-on experience learning different manufacturing techniques over the course of 8 weeks.

The Manufacturing Training Program is supported through the Permian Basin Manufacturing Consortium which is a newly formed consortium intended to be comprised of local manufacturing and machine shops that are looking to collaborate on workforce development and training/education. We have formally admitted our founding member, American Industrial Machine, who also donated a brand-new manual mill and lathe to the AMC. We expect that additional companies will join and continue to support these manufacturing initiatives.

Our Community Funding proposal submitted to Texas Mutual Insurance for their Grant Cycle #2: Workforce Development and Safety Training to fund the implementation of the Manufacturing

April 30th, 2026

Training Program for Industry was successful and was awarded on December 1st, 2025. We plan to use the $100,000 grant to adapt our student Manufacturing Training Program into a version suitable for use by industry professionals entering the manufacturing industry to serve as an initial training program. This program will be held in collaboration with the Texas Manufacturing Assistance Center (TMAC) and the Texas Workforce Commission (TWC). We are also looking into a partnership with SME to utilize their TOOLING U platform to provide additional depth of training.

Our Manufacturing Training Program for Industry (MTP4I) has a new website up at www.utpb.edu/mtp4i, and the schedule for the first program has been announced and will run from July 9th to September 3rd 2026.

Week 1: Intro to Lean Six Sigma with TMAC
Week 2: Additive Manufacturing
Week 3: Subtractive Manufacturing Part 1
Week 4: Subtractive Manufacturing Part 2
Week 5: Workplace Organization with TMAC
Week 6: Intro to CNC
Week 7: Measurement, Inspection, & Quality
Week 8: Testing & Characterization
Week 9: Leadership & Communication with TMAC

Additionally, we have two student groups that have located at the CEED and are utilizing the Prototype Makerspace heavily for their activities:

1) Falcon Racing, a student organization dedicated to building and racing a Formula SAE car
2) Falcon Aeronautics and Space Team (FAST), a student organization focused on building and competing a rocket in the International Rocket Engineering Competition (IREC)

More details about the Prototype Lab Makerspace can be found here:
https://www.utpb.edu/makerspace

We would like to thank MDC for their continued support of these efforts and welcome additional requests for information or tours at any time.

Brian Shedd, Ph.D.
Executive Director for the Office of Innovation & Commercialization

Incubator & Makerspace Update

April 30th, 2026

CEED Building

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- Office of Innovation & Commercialization (OIC)
- Business Incubator
- Laboratory Space
- Coworking Suite
- Makerspace

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- Advanced Manufacturing Center
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- 1 Director + 2 Business Consultants + 1 Program Coordinator
- Texas Manufacturing Assistance Center
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- Discovery Classroom (up to 40)
- Executive Classroom (up to 24)
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CEED Building
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PERMIAN ROAD SAFETY COALITION

FILMHUNTER media

ENGVENTIONS ENGINEERING

ASTROPORT SPACE TECHNOLOGIES

WEX FOUNDATION
ADVANCING CAREERS IN SPACE

Coworking Tenants

space nation

MAKER SPACE

PROTOTYPE LAB @ CEED

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& COMMERCIALIZATION

Manufacturing Training Program for Students (MTP4S)

The goal of this program is for students to gain hands-on experience learning different manufacturing techniques over the course of 8 weeks

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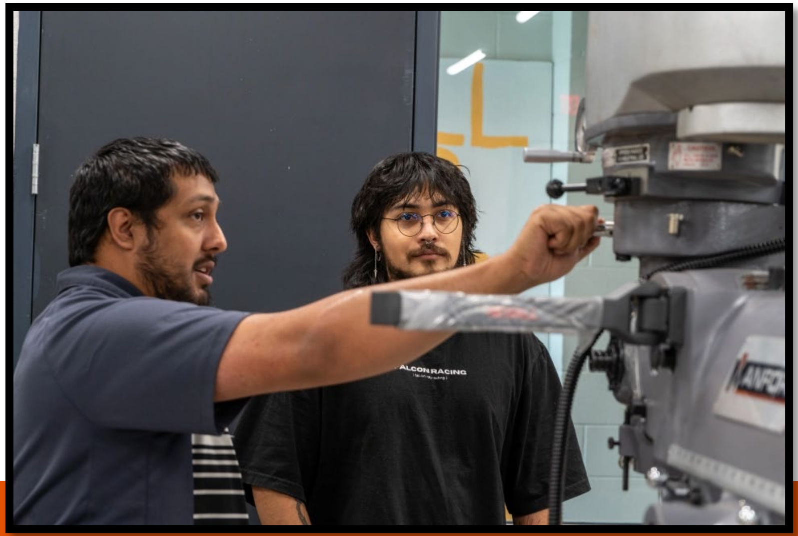
& COMMERCIALIZATION

Training Program in the News

Students in the Introduction to Manufacturing course gain practical skills on a wide range of advanced machinery, including FDM 3D Printers, Resin 3D Printers, Composite 3D Printers, CNC Plasma tables, CNC water Jet Tables, CNC Laser Cut Tables, Manual Lathes, Manual Mills, and more.

They also receive training on Instron testing equipment and casting techniques, equipping them with a comprehensive foundation in modern manufacturing processes.

“The Introduction to Manufacturing course is equipping students with essential skills and knowledge about modern production processes, preparing them for possible careers in a rapidly evolving local industry. It is the first step that helps build a skilled local workforce to meet current regional needs and support continued development of new industries such as the local budding space industry,” said AMC Manager Jesse Chavez.



UT PERMIAN BASIN™
THE OFFICE OF INNOVATION & COMMERCIALIZATION

MTP4S 8-Week Schedule

Week	Topic	Outcome
1	3D Printing: Polymer	Overview of modeling and slicing software Introduction to FDM & Resin printing Production of polymer test samples
2	3D Printing: Metal	Production of metal test samples
3	Metal Casting	Polymer test samples are used to create molds that are cast with Aluminum
4	Machining: Lathe (manual)	Production of metal test samples
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6	Machining: Table Mill (CNC)	Introduction to CNC programming Production of metal test samples
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UT PERMIAN BASIN
THE OFFICE OF INNOVATION & COMMERCIALIZATION

Texas Mutual Insurance WFD Grant

TexasMutual®
WORKERS' COMPENSATION INSURANCE

NOVEMBER 4, 2025

Texas Mutual awards over $4.4 million to 58 Texas nonprofits

Texas Mutual has awarded more than $4.4 million to 58 nonprofit organizations across the state to help fortify businesses and strengthen the state's economy. Grants were provided through our Request for Proposal (RFP) initiative, focused on workforce development and safety training. Texas nonprofits were invited to apply between August 11 and September 12. We specifically looked for applicants who are focused on:

- Training the current and future skilled workforce in safe work practices, especially in industries or occupations at higher risk for workplace accidents
- Creating strong pathways for in-demand middle-skill jobs
- Upskilling and reskilling adult learners using earn-and-learn initiatives

UTPB will be using these funds to develop a Manufacturing Training Program for Industry

The website is now up at www.utpb.edu/mtp4i

UT PERMIAN BASIN™
THE OFFICE OF INNOVATION
& COMMERCIALIZATION

MTP4I Schedule

July 9th – September 3rd
Thursdays from 9am - Noon

1. Intro to Lean Six Sigma with TMAC
2. Additive Manufacturing
3. Subtractive Manufacturing Part 1
4. Subtractive Manufacturing Part 2
5. Workplace Organization with TMAC
6. Intro to CNC
7. Measurement, Inspection, & Quality
8. Testing & Characterization
9. Leadership & Communication with TMAC

TMAC
Texas Manufacturing
Assistance Center

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sme

TEXAS WORKFORCE COMMISSION

UT PERMIAN BASIN™

ADVANCED MANUFACTURING CENTER

Manufacturing Training Program for Industry (MTP4I)

Hands on training. Real world skills. Workforce ready outcomes.

Who Is this For?

- Individuals exploring careers in manufacturing
- Entry-level workers seeking foundational skills
- Students or adults transitioning into technical fields.
- Employers looking to upskill or onboard talent

Why Choose Us?

Industry-aligned curriculum
Hands-on, skills-based instruction
Emphasis on safety, quality, and professionalism
Focus on real manufacturing environments

432-552-3435 amc@utpb.edu www.utpb.edu/mtp4i

Course Topics

TMAC
Texas Manufacturing Assistance Center
Lean Six Sigma

Resulting in:

- A strong foundation in modern manufacturing principles
- Exposure to real-world manufacturing workflows
- Increased job readiness and workplace confidence
- Clear pathways into advanced training or employment

Includes access to:

TOOLINGU | sme

- SME Tooling U online training platform
- Optional Certified Manufacturing Associate (CMfgA) Certification

Scan to Get Started

Cost: FREE - Ask How!!

January 31st, 2026

Written Quarterly Report
November 1st 2025 - January 31st 2026

Midland Development Corporation
Incubator and Makerspace Grant Agreement

We are pleased to provide Midland Development Corporation with this quarterly report on our progress, accomplishments, and ongoing projects & programs regarding the Incubator and Makerspace at the Center for Energy and Economic Diversification (CEED) for the period from November 1st, 2025 through January 31st, 2026. Please note that some of this information may be carried over from previous reports if that activity is still ongoing, but information is updated to reflect the current status.

Incubator Updates:
The Incubator is currently leasing 5 of 6 offices, having recently exited the Permian Energy Development Laboratory who saw their NSF Engine Development Award expire in April of 2025 and was unsuccessful in their proposal for a full Engines grant. The group is still active in their mission though, and recently announced a collaboration with Return Carbon, a leading project development and investment company in carbon markets, to develop the Trinity Campus—a Direct Air Capture (DAC) and carbon storage testbed in the Permian Basin (https://pedl.tech/statements/return-carbon-trinity-campus).

Our current incubator tenants are:

- Permian Road Safety Coalition - a non-profit collection of stakeholders who are committed to improving safety on the roadways of the Permian Basin in Southeast New Mexico and West Texas.
- WEX Foundation & Astroport Space Technologies - WEX is a non-profit educational company that integrates space exploration technology with project-based learning to advance middle and high school STEM education and foster a robust future for the space technology workforce and Astroport is an affiliated for-profit company focused on developing infrastructure and technologies to support infrastructure development for planetary and moon bases.
- Filmhunter Media (2 offices) - a marketing and content creation company based in Midland & Odessa Texas.
- EngVentions Engineering Solutions - Engineering services and consulting firm.

January 31st, 2026

Filmhunter Media is expected to downsize to a single office beginning February 1st, which will free up additional office space for incoming companies. We also have Space Nation as a coworking tenant. They are holding portions of their simulated space mission trainings at the CEED, with their next mission scheduled for March 27th – 29th, 2026.

Makerspace (Prototype Lab) Updates:
We have now graduated over 30 students across two cohorts of the Manufacturing Training Program. Our third cohort will start in mid-February with another 13 students. The Manufacturing Training Program has been very popular with students and employers, each cohort has been over-enrolled, and several students have started internships with local manufacturing companies and machine shops.

The training program consists of the following topics:

Week	Topic	Outcome
1	3D Printing: Polymer	Overview of modeling and slicing software Introduction to FDM & Resin printing Production of polymer test samples
2	3D Printing: Metal	Production of metal test samples
3	Metal Casting	Polymer test samples are used to create molds that are cast with Aluminum
4	Machining: Lathe (manual)	Production of metal test samples
5	Machining: Mill (manual)	Production of metal test samples
6	Machining: Table Mill (CNC)	Introduction to CNC programming Production of metal test samples
7	Cutting: Water Jet & Plasma	Cutting of metal test samples
8	Material Characterization	Tensile and Fatigue testing of samples

The goal of this program is for students to gain hands-on experience learning different manufacturing techniques over the course of 8 weeks.

The Manufacturing Training Program is supported through the Permian Basin Manufacturing Consortium which is a newly formed consortium intended to be comprised of local manufacturing and machine shops that are looking to collaborate on workforce development and training/education. We have formally admitted our founding member, American Industrial Machine, who also donated a brand-new manual mill and lathe to the AMC. We expect that additional companies will join and continue to support these manufacturing initiatives.

UT PERMIAN BASIN™
THE OFFICE OF INNOVATION
& COMMERCIALIZATION

January 31st, 2026

Our Community Funding proposal submitted to Texas Mutual Insurance for their Grant Cycle #2: Workforce Development and Safety Training to fund the implementation of the Manufacturing Training Program for Industry was successful and was awarded on December 1st, 2025. We plan to use the $100,000 grant to adapt our student Manufacturing Training Program into a version suitable for use by industry professionals entering the manufacturing industry to serve as an initial training program. This program will be held in collaboration with the Texas Manufacturing Assistance Center (TMAC) and the Texas Workforce Commission (TWC). We are also looking into a partnership with SME to utilize their TOOLING U platform to provide additional depth of training.

We have two student groups that have located at the CEED and are utilizing the Prototype Makerspace heavily for their activities:

1) Falcon Racing, a student organization dedicated to building and racing a Formula SAE car
2) Falcon Aeronautics and Space Team (FAST), a student organization focused on building and competing a rocket in the International Rocket Engineering Competition (IREC)

More details about the Prototype Lab Makerspace can be found here:
https://www.utpb.edu/makerspace

We would like to thank MDC for their continued support of these efforts and welcome additional requests for information or tours at any time.

Sincerely,

Brian Shedd, Ph.D.
Executive Director for the Office of Innovation & Commercialization

OFFICE OF INNOVATION & COMMERCIALIZATION
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(432) 552-2536 | innovation@utpb.edu | utpb.edu/innovation

Incubator & Makerspace Update

January 31st, 2026

CEED Building

Innovation Corridor

- Office of Innovation & Commercialization (OIC)
- Business Incubator
- Laboratory Space
- Coworking Suite
- Makerspace

Research Labs

- Advanced Manufacturing Center
- Texas Water and Energy Institute

SBDC

- 1 Director + 2 Business Consultants + 1 Program Coordinator
- Texas Manufacturing Assistance Center
- US Commercial Service

Event Spaces

- Auditorium (up to 125 seats)
- Discovery Classroom (up to 40)
- Executive Classroom (up to 24)
- Boardroom (up to 20)
- Atrium
- Patio

CEED Building
Incubator Tenants

PERMIAN
ROAD SAFETY COALITION

FILMHUNTER media

ENGVENTIONS
ENGINEERING

ASTROPORT
SPACE TECHNOLOGIES

WEX FOUNDATION
ADVANCING CAREERS IN SPACE

Coworking Tenants

space nation

MAKER SPACE

PROTOTYPE LAB @ CEED

UT PERMIAN BASIN™

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Manufacturing Training Program

The goal of this program is for students to gain hands-on experience learning different manufacturing techniques over the course of 8 weeks

UT PERMIAN BASIN™
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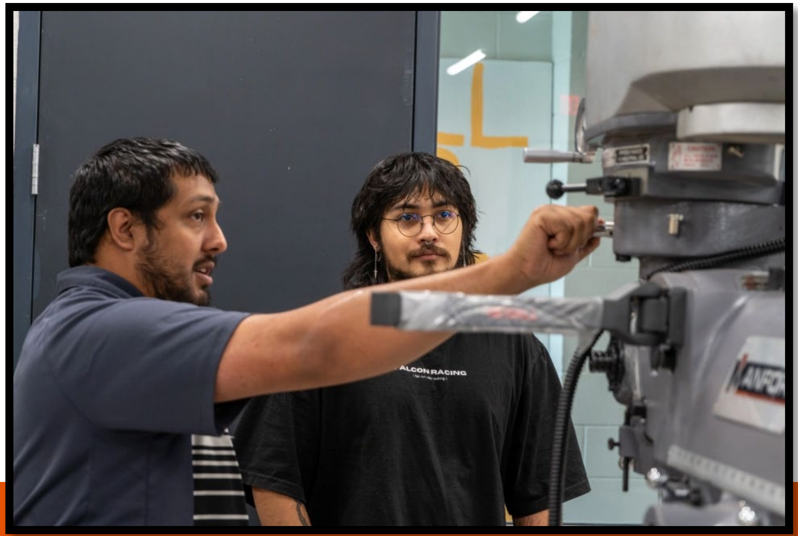
& COMMERCIALIZATION

Training Program in the News

Students in the Introduction to Manufacturing course gain practical skills on a wide range of advanced machinery, including FDM 3D Printers, Resin 3D Printers, Composite 3D Printers, CNC Plasma tables, CNC water Jet Tables, CNC Laser Cut Tables, Manual Lathes, Manual Mills, and more.

They also receive training on Instron testing equipment and casting techniques, equipping them with a comprehensive foundation in modern manufacturing processes.

"The Introduction to Manufacturing course is equipping students with essential skills and knowledge about modern production processes, preparing them for possible careers in a rapidly evolving local industry. It is the first step that helps build a skilled local workforce to meet current regional needs and support continued development of new industries such as the local budding space industry," said AMC Manager Jesse Chavez.



UT PERMIAN BASIN™
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8-Week Schedule

Week	Topic	Outcome
1	3D Printing: Polymer	Overview of modeling and slicing software Introduction to FDM & Resin printing Production of polymer test samples
2	3D Printing: Metal	Production of metal test samples
3	Metal Casting	Polymer test samples are used to create molds that are cast with Aluminum
4	Machining: Lathe (manual)	Production of metal test samples
5	Machining: Mill (manual)	Production of metal test samples
6	Machining: Table Mill (CNC)	Introduction to CNC programming Production of metal test samples
7	Cutting: Water Jet & Plasma	Cutting of metal test samples
8	Material Characterization	Tensile and Fatigue testing of samples

UT PERMIAN BASIN™
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Texas Mutual Insurance WFD Grant

TexasMutual®
WORKERS' COMPENSATION INSURANCE

NOVEMBER 4, 2025

Texas Mutual awards over $4.4 million to 58 Texas nonprofits

Texas Mutual has awarded more than $4.4 million to 58 nonprofit organizations across the state to help fortify businesses and strengthen the state's economy. Grants were provided through our Request for Proposal (RFP) initiative, focused on workforce development and safety training. Texas nonprofits were invited to apply between August 11 and September 12. We specifically looked for applicants who are focused on:

- Training the current and future skilled workforce in safe work practices, especially in industries or occupations at higher risk for workplace accidents
- Creating strong pathways for in-demand middle-skill jobs
- Upskilling and reskilling adult learners using earn-and-learn initiatives

UTPB will be using these funds to develop a Manufacturing Training Program for Industry

UT PERMIAN BASIN™
THE OFFICE OF INNOVATION
& COMMERCIALIZATION

October 31st, 2025

Written Quarterly Report
August 1st 2025 - October 31st 2025

Midland Development Corporation
Incubator and Makerspace Grant Agreement

We are pleased to provide Midland Development Corporation with this quarterly report on our progress, accomplishments, and ongoing projects or programs regarding the Incubator and Makerspace at the Center for Energy and Economic Diversification (CEED) for the period from August 1st, 2025 through October 31st, 2025. Please note that some of this information may be carried over from previous reports if that activity is still ongoing, but information is updated to reflect the current status.

Incubator Updates:
The Incubator is fully occupied with all 6 offices currently leased. Our current incubator tenants are:

- Permian Road Safety Coalition - a non-profit collection of stakeholders who are committed to improving safety on the roadways of the Permian Basin in Southeast New Mexico and West Texas.
- WEX Foundation & Astroport Space Technologies - WEX is a non-profit educational company that integrates space exploration technology with project-based learning to advance middle and high school STEM education and foster a robust future for the space technology workforce and Astroport is an affiliated for-profit company focused on developing infrastructure and technologies to support infrastructure development for planetary and moon bases.
- Filmhunter Media (2 offices) - a marketing and content creation company based in Midland & Odessa Texas.
- Permian Energy Development Laboratory - The Permian Energy Development Laboratory is a New Mexico- and Texas-based nonprofit 501(c)3 organization dedicated to advancing energy research, fostering innovation and creating value for energy communities through collaboration with academic institutions, industry partners and government agencies.
- EngVentions Engineering Solutions - Engineering services and consulting firm.

We also have Space Nation as a coworking tenant. They are holding portions of their simulated space mission trainings at the CEED, with their next mission scheduled for October 31st - November 2nd.

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UT PERMIAN BASIN™
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& COMMERCIALIZATION

October 31st, 2025

Makerspace (Prototype Lab) Updates:
Use of the Prototype Lab Makerspace has increased this semester as two student groups have taken up space in the CEED:

1) Falcon Racing, a student organization dedicated to building and racing a Formula SAE car
2) Falcon Aeronautics and Space Team (FAST), a student organization focused on building and competing a rocket in the International Rocket Engineering Competition (IREC)

FAST has also started utilizing the Prototype Lab Makerspace for their chapter meetings.

We have two new Federal Work Study Students that are working in the Makerspace this semester. More details on their work will be included in next quarter's update.

We are now training the second cohort of students through the Manufacturing Training Program which utilizes the Prototype Lab Makerspace as well as the Advanced Manufacturing Center. 16 students are enrolled in the program this semester and will graduate on Friday, November 21st.

The training program consists of the following topics:

Week	Topic	Outcome
1	3D Printing: Polymer	Overview of modeling and slicing software Introduction to FDM & Resin printing Production of polymer test samples
2	3D Printing: Metal	Production of metal test samples
3	Metal Casting	Polymer test samples are used to create molds that are cast with Aluminum
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7	Cutting: Water Jet & Plasma	Cutting of metal test samples
8	Material Characterization	Tensile and Fatigue testing of samples

The goal of this program is for students to gain hands-on experience learning different manufacturing techniques over the course of 8 weeks. In Week 1, students will learn how to create a simple 3D model and transfer the file to the format needed for 3D printing. They will then create mechanical test samples in two major shapes: (1) flat rectangular (170 mm x 30 mm x 5 mm) and (2) flat dog-bone shapes of the same rectangular size, with a gage length of 60 mm and a fillet radius of 70 mm. These models will then be 3D printed and used in the following weeks. These sample samples will be 3D printed in metal in Week 2. In Week 3, students will use the polymeric models created in Week 1 as patterns for molding and then cast them using sand casting with aluminum alloys. In Weeks 4, 5, and 6, students will machine their polymeric, cast, and welded components to standard sizes using manual and CNC lathes and mills. In Week 7, students will cut flat, standard-sized mechanical test specimens from steel, wood, and polymers using plasma and water jet cutting techniques. Lastly, in Week 8, students will test the tensile, three-point bending, and fatigue properties of the test specimens they have fabricated over the past weeks.

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UT PERMIAN BASIN™
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October 31st, 2025

The Manufacturing Training Program is supported through the Permian Basin Manufacturing Consortium which is a newly formed consortium intended to be comprised of local manufacturing and machine shops that are looking to collaborate on workforce development and training/education. We have formally admitted our founding member, American Industrial Machine, who also donated a brand-new manual mill and lathe to the AMC. We expect that additional companies will join and continue to support these manufacturing initiatives.

A Community Funding proposal was submitted to Texas Mutual Insurance for their Grant Cycle #2: Workforce Development and Safety Training to fund the implementation of the Manufacturing Training Program for Industry. If awarded, this grant will provide $100,000 to adapt the Manufacturing Training Program for use by industry professionals entering the manufacturing industry to serve as an initial training program. This program will be held in collaboration with the Texas Manufacturing Assistance Center (TMAC) and the Texas Workforce Commission (TWC).

More details about the Prototype Lab Makerspace can be found here:
https://www.utpb.edu/makerspace

We would like to thank MDC for their continued support of these efforts and welcome additional requests for information or tours at any time.

Sincerely,

Brian Shedd, Ph.D.
Executive Director for the Office of Innovation & Commercialization

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Incubator & Makerspace Update

October 31st, 2025

CEED Building

Innovation Corridor

- Office of Innovation & Commercialization (OIC)
- Business Incubator
- Laboratory Space
- Coworking Suite
- Makerspace

Research Labs

- Advanced Manufacturing Center
- Texas Water and Energy Institute

SBDC

- 1 Director + 2 Business Consultants + 1 Program Coordinator
- Texas Manufacturing Assistance Center (coming soon)
- US Commercial Service (coming soon)

Event Spaces

- Auditorium (up to 125 seats)
- Discovery Classroom (up to 40)
- Executive Classroom (up to 24)
- Boardroom (up to 20)
- Atrium
- Patio

CEED Building
Incubator Tenants

PERMIAN ROAD SAFETY COALITION

FILMHUNTER media

ENGVENTIONS ENGINEERING

WEX FOUNDATION
ADVANCING CAREERS IN SPACE

ASTROPORT SPACE TECHNOLOGIES

PERMIAN Energy Development Lab

Coworking Tenants

space nation

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Incubator & Coworking Facilities

Office 1306
135 sq. ft.
Monthly Rent: $350

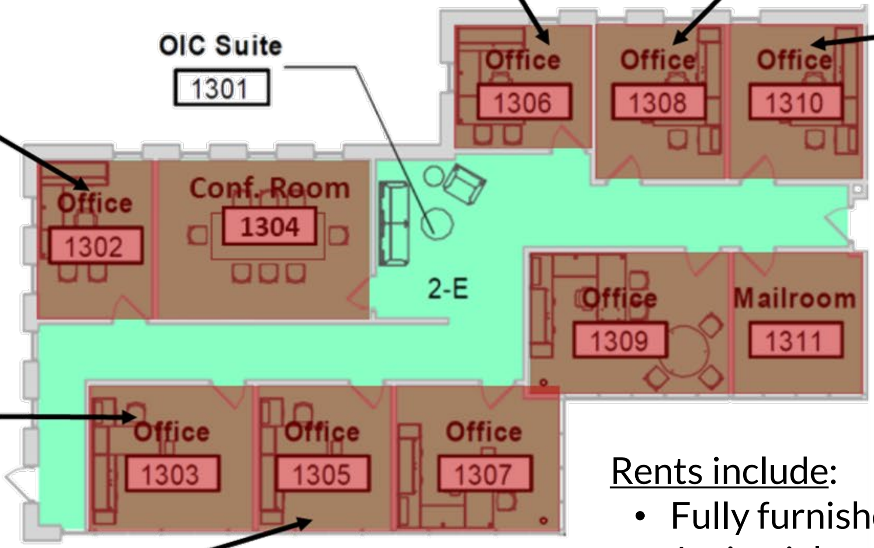
Office 1308
160 sq. ft.
Monthly Rent: $390

Office 1310
163 sq. ft.
Monthly Rent: $400

Office 1302
148 sq. ft.
Monthly Rent: $370

Office 1303
190 sq. ft.
Monthly Rent: $450

Office 1305
156 sq. ft.
Monthly Rent: $390



<u>Rents include</u>:
- Fully furnished office
- Janitorial service
- Internet & phone
- Color copier access
- Physical address
- Mail service
- Conference space

<u>Additional building amenities (additional fees may apply):</u>
- Coworking suite
- Makerspace
- Laboratory facilities
- On site café
- Additional event spaces
  - Auditorium, Atrium, Patio, Classrooms

MAKER SPACE

PROTOTYPE LAB @ CEED

Student Groups Utilizing the Makerspace

UTPB FAST
FALCON AERONAUTICS & SPACE TEAM

FALCON
RACING FSAE

UT PERMIAN BASIN™

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& COMMERCIALIZATION

Permian Basin Manufacturing Consortium

A consortium of manufacturing businesses and machine shops in the Permian Basin committed to training, education, and adoption of advanced manufacturing technologies.

Permian Basin Manufacturing Consortium

$1,000

Non-Profit Member

- Includes 3 individual memberships
- Access to networking events
- Reduced pricing to specialty events
- Access to unique student recruitment events
- Reduced-fee (Partner) pricing for AMC equipment use and PBMC training opportunities

$5,000

Steel Member

- Same benefits as Non-Profit Business Member
- Sponsorship listed on AMC/PBMC website and in marketing
- Expectation to take on one UTPB intern

$10,000

Titanium Member

- Same benefits as Steel Member
- Upgrade to 6 memberships
- Recognition of sponsorship inside of the AMC
- Featured space at networking events
- Expectation to take on 2 UTPB interns

Permian Basin Manufacturing Consortium

Daily Access

- Open Spaces: Facilities open for members to access equipment

Weekly Events

- Training Events: Workforce development on equipment and materials

Monthly Events

- Maker Nights: Learn manufacturing equipment and network

Quarterly Events

- **PBMC Member Meetings**
- Guest Speakers

Yearly Events

- Conference
- Large Maker Event

UT PERMIAN BASIN™

THE OFFICE OF INNOVATION
& COMMERCIALIZATION

Manufacturing Training Program

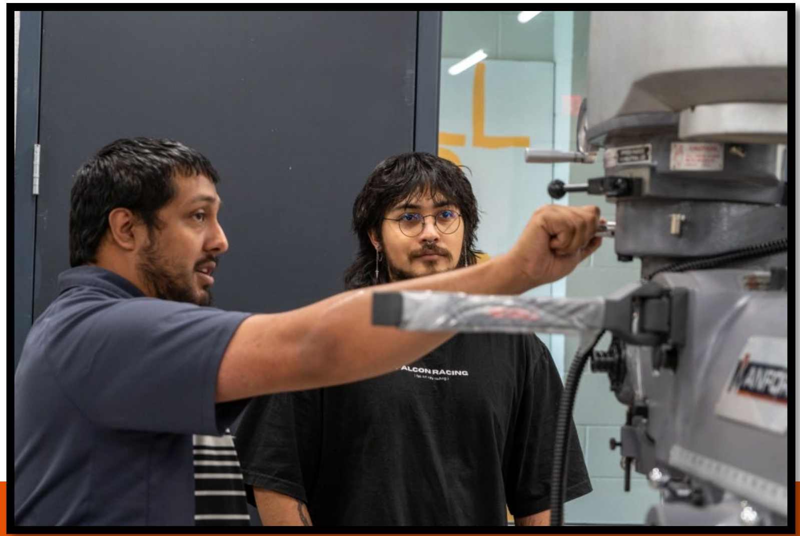
The goal of this program is for students to gain hands-on experience learning different manufacturing techniques over the course of 8 weeks

Training Program in the News

Students in the Introduction to Manufacturing course gain practical skills on a wide range of advanced machinery, including FDM 3D Printers, Resin 3D Printers, Composite 3D Printers, CNC Plasma tables, CNC water Jet Tables, CNC Laser Cut Tables, Manual Lathes, Manual Mills, and more.

They also receive training on Instron testing equipment and casting techniques, equipping them with a comprehensive foundation in modern manufacturing processes.

“The Introduction to Manufacturing course is equipping students with essential skills and knowledge about modern production processes, preparing them for possible careers in a rapidly evolving local industry. It is the first step that helps build a skilled local workforce to meet current regional needs and support continued development of new industries such as the local budding space industry,” said AMC Manager Jesse Chavez.



8-Week Schedule

Week	Topic	Outcome
1	3D Printing: Polymer	Overview of modeling and slicing software Introduction to FDM & Resin printing Production of polymer test samples
2	3D Printing: Metal	Production of metal test samples
3	Metal Casting	Polymer test samples are used to create molds that are cast with Aluminum
4	Machining: Lathe (manual)	Production of metal test samples
5	Machining: Mill (manual)	Production of metal test samples
6	Machining: Table Mill (CNC)	Introduction to CNC programming Production of metal test samples
7	Cutting: Water Jet & Plasma	Cutting of metal test samples
8	Material Characterization	Tensile and Fatigue testing of samples

Income Statement

MIDLAND DEVELOPMENT CORPORATION
INCOME STATEMENT FOR THE 10 MONTHS ENDED
July 31, 2026

	Jul-26	YTD	Budgeted Amount
Revenue	$1,567,700.80	$14,137,358.64	$16,195,908.00
40100 - State Sales Tax	$1,417,045.34	$12,525,078.82	$15,000,000.00
40600 - Public ROW Use Fees	$0.00	$4,823.00	$0.00
43000 - Interest	$0.00	$12,700.00	$0.00
43010 - Interest - Nonpooled Invest	$33,146.13	$503,512.11	$0.00
46190 - Miscellaneous Rentals	$117,509.33	$1,088,639.30	$1,195,908.00
48480 - Reimbursement of Budget Expenses	$0.00	$2,605.41	$0.00
4235150 - Midland Dvlpmt Corp Revenue	$1,567,700.80	$14,137,358.64	$16,195,908.00
Expense	$146,316.04	$10,190,977.27	$16,195,908.00
51010 - Base Salary	$35,287.57	$353,316.75	$509,886.00
51090 - Fica MDC Portion	$2,699.52	$26,671.64	$41,810.00
51110 - Health Insurance	$3,356.79	$33,399.44	$49,200.00
51135 - ACCE Profit Sharing	$2,265.97	$13,458.57	$35,692.00
52010 - Office Supplies	$152.73	$5,392.48	$9,940.00
52110 - Motor Vehicle Supplies	$0.00	$1,830.31	$1,000.00
52115 - Minor Furniture & Fixtures	$0.00	$0.00	$2,000.00
52155 - Minor Computer Hrdwre & Periph	$2,006.88	$2,162.39	$5,000.00
52160 - Computer Software & Supplies	$1,866.63	$33,400.50	$40,000.00
52620 - Postage	$0.00	$171.15	$500.00
53010 - Communication	$1,126.67	$11,560.49	$17,000.00
53030 - Light & Power	$7.58	$68.79	$150.00
53110 - Insurance-External	$0.00	$123,836.40	$150,000.00
53212 - Equipment Rental-External	$251.73	$3,557.18	$5,000.00
53220 - Advertising	$4,695.85	$205,525.72	$300,000.00
53370 - Grounds Maintenance	$985.00	$18,447.26	$40,000.00
53405 - Software Maintenance	$0.00	$9,333.15	$22,000.00
53440 - External Audit Fees	$0.00	$42,563.83	$45,000.00
53450 - Consulting Fees	$33,844.93	$244,233.28	$450,000.00
53510 - Travel & Entertainment	$0.00	$10,080.87	$20,000.00
53520 - Dues & Subscriptions	$2,030.56	$14,830.98	$20,000.00
53530 - Training,Registration Fees,Etc	$2,110.00	$7,080.49	$10,000.00
53905 - Economic Development Incentive	$0.00	$780,035.00	$905,101.00
53907 - Business Recruitment & Retentn	$234.79	$93,103.02	$150,000.00
53909 - Prior Year Committed Incentives	$2,112.00	$7,150,373.05	$11,061,187.00
53920 - Rent	$6,771.34	$69,917.71	$73,128.00
54010 - Building Maintenance	$0.00	$33,285.16	$50,000.00
55120 - Maint. - Instruments & Appara.	$0.00	$1,675.98	$5,700.00
56188 - MOTRAN	$0.00	$142,500.00	$142,500.00
56202 - General Fund Services	$44,509.50	$445,095.00	$534,114.00
56995 - Project Non Capital - Promotions	$0.00	$314,070.68	$1,500,000.00
235235 - Midland Development Corp	$146,316.04	$10,190,977.27	$16,195,908.00
July 2026 Net Income:	**$1,421,384.76**		
Year-to-Date Net Income:		**$3,946,381.37**	

Balance Sheet

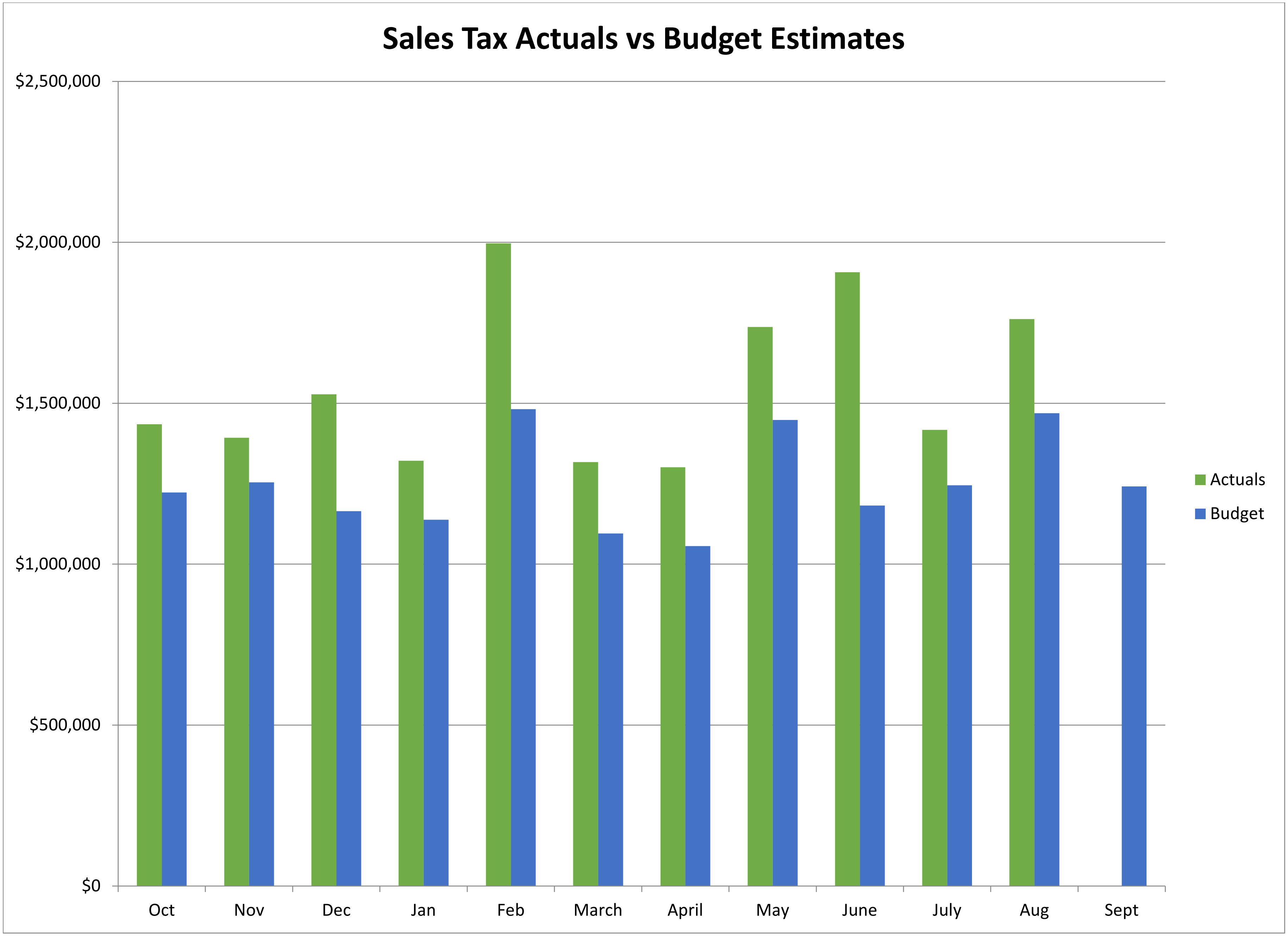
MIDLAND DEVELOPMENT CORPORATION
BALANCE SHEET FOR THE PERIOD ENDED
July 31, 2026
(Used for Internal Purposes Only)

ASSETS			
Current Assets			
Cash and cash equivalents		42,201,924	
Investments		9,694,191	
Sales tax receivable		-	
Prepaid expenses		134,721	
Accounts receivable		132,200	
			52,163,036
Non-Current Assets			
Capital Assets, net		26,432,611	
Forgivable Loans			
Made to Primary Government	-		
Made to Other	6,579		
Total Forgivable Loans		6,579	
			26,439,190
Total Assets			$ 78,602,226
LIABILITIES AND NET POSITION			
Liabilities			
Accounts payable		93,484	
Retainage Payable		-	
Capital Leases payable		1,250,866	
Commitments payable			
Due within one year	23,288,081		
Due in more than one year	102,929,648		
Total Commitments Payable		126,217,729	
			127,562,080
Net Position			
Net investment in capital assets		26,432,611	
Restricted for Forgivable Loans		6,579	
Restricted for Capital Leases		1,250,866	
Promotions		2,572,994	
Unrestricted		(79,222,904)	
			(48,959,853)
Total Liabilities and Net Position			$ 78,602,226

Sales Tax Revenue

Sales Tax Variance

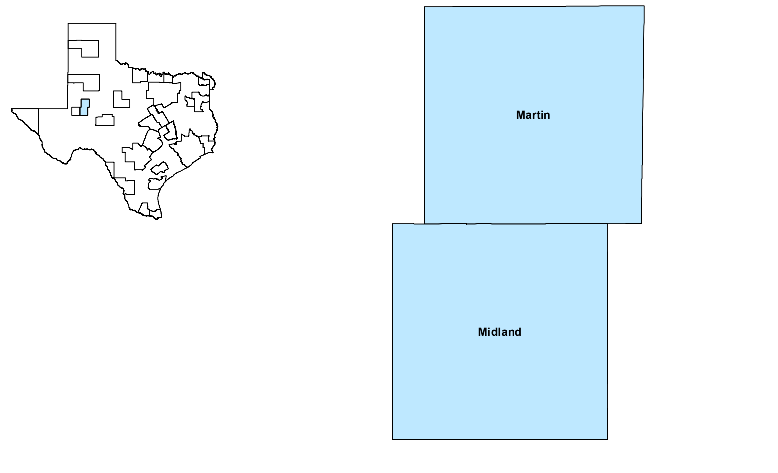
	2023-2024	2024-2025	% Change	2024-2025	2025-2026	% Change	YTD Change
October	$1,376,937.05	$1,339,067.34	-2.75%	$1,339,067.34	$1,434,576.23	7.13%	7.13%
November	$1,526,083.42	$1,439,817.92	-5.65%	$1,439,817.92	$1,393,146.01	-3.24%	1.76%
December	$1,363,408.12	$1,405,626.04	3.10%	$1,405,626.04	$1,527,711.02	8.69%	4.08%
January	$1,290,650.15	$1,352,302.16	4.78%	$1,352,302.16	$1,321,769.47	-2.26%	2.54%
February	$1,673,418.77	$1,662,116.28	-0.68%	$1,662,116.28	$1,996,561.10	20.12%	6.60%
March	$1,191,145.36	$1,349,307.23	13.28%	$1,349,307.23	$1,317,076.14	-2.39%	5.18%
April	$1,226,873.37	$1,253,723.43	2.19%	$1,253,723.43	$1,301,162.01	3.78%	5.00%
May	$1,474,708.24	$1,711,737.58	16.07%	$1,711,737.58	$1,736,803.08	1.46%	4.47%
June	$1,350,292.64	$1,276,629.36	-5.46%	$1,276,629.36	$1,906,950.66	49.37%	8.96%
July	$1,404,616.05	$1,387,548.82	-1.22%	$1,387,548.82	$1,417,045.34	2.13%	8.29%
August	$1,598,380.46	$1,557,782.82	-2.54%	$1,557,782.82	$1,761,331.26	13.07%	8.76%
September	$1,298,093.07	$1,496,146.41	15.26%	$1,496,146.41			
Annual Total	**$16,774,606.70**	**$17,231,805.39**	**2.73%**	**$17,231,805.39**	**$17,114,132.32**		


Sales Tax Actuals vs Budget Estimates
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
Oct
Nov
Dec
Jan
Feb
March
April
May
June
July
Aug
Sept
Actuals
Budget

Activity Report

Midland MSA

July 2026



MSA Labor Force Statistics

	Jul-26	Jun-26	Jul-25	Yearly Change
Civilian Labor Force	107,864	106,994	105,478	2,386
Employed	104,151	103,187	101,935	2,216
Unemployed	3,713	3,807	3,543	170
Unemployment Rate	3.4%	3.6%	3.4%	0.0%

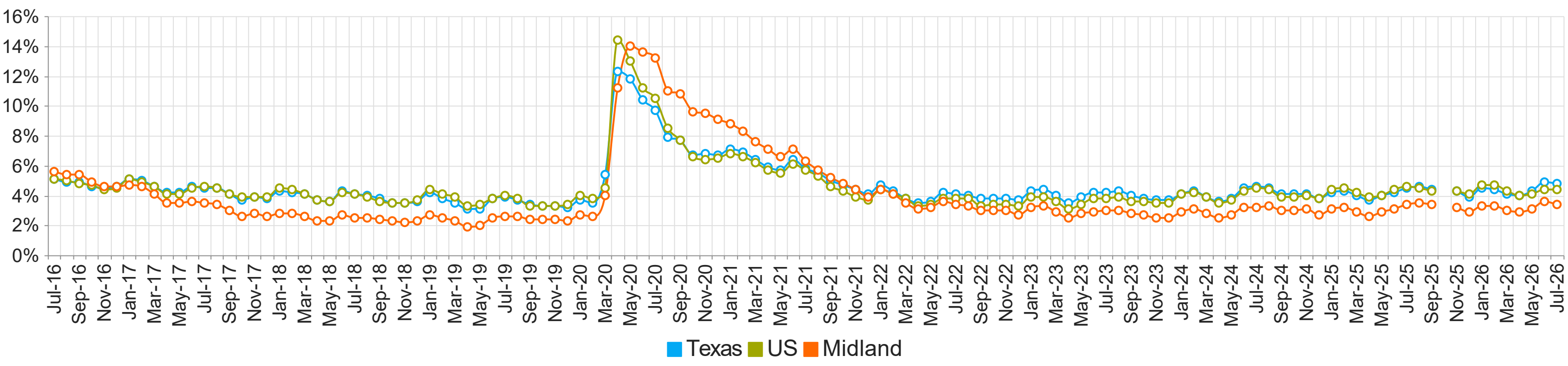
Texas Labor Force Statistics

	Jul-26	Jun-26	Jul-25	Yearly Change
Civilian Labor Force	15,955,048	15,921,414	15,889,771	65,277
Employed	15,188,778	15,140,644	15,180,836	7,942
Unemployed	766,270	780,770	708,935	57,335
Unemployment Rate	4.8%	4.9%	4.5%	0.3%

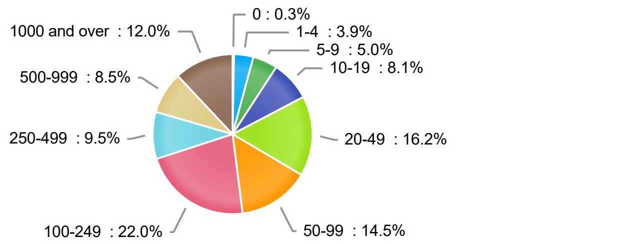
US Labor Force Statistics

	Jul-26	Jun-26	Jul-25	Yearly Change
Civilian Labor Force	170,235,000	170,198,000	171,646,000	-1,411,000
Employed	162,800,000	162,722,000	163,799,000	-999,000
Unemployed	7,435,000	7,476,000	7,847,000	-412,000
Unemployment Rate	4.4%	4.4%	4.6%	-0.2%

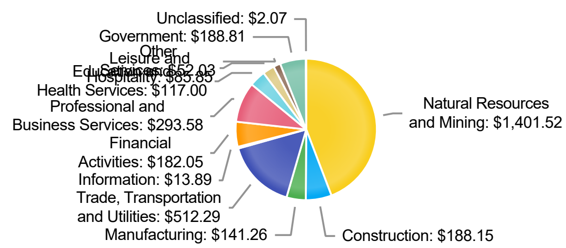
Historical Unemployment Rates



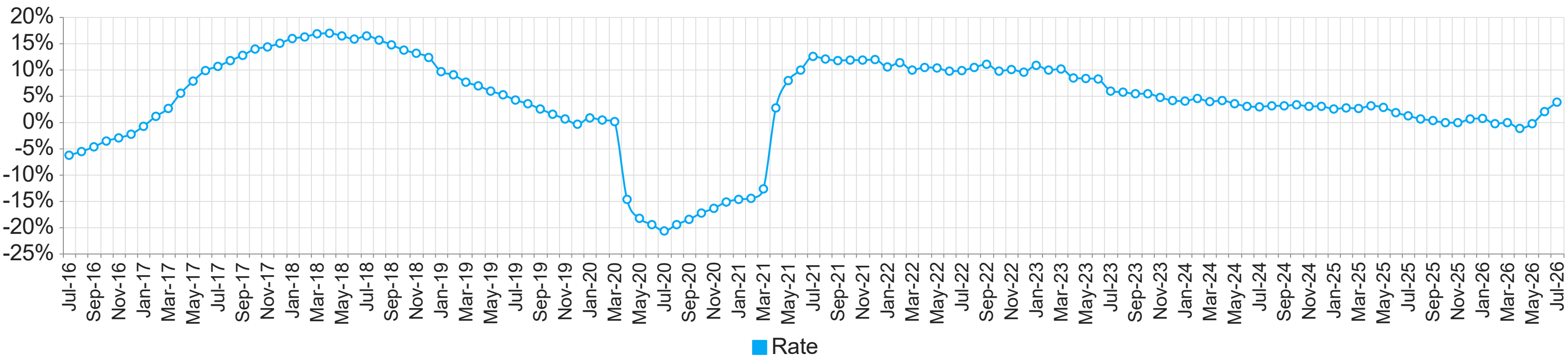
Employment by Size Class (1st Quarter 2026)



Wages by Industry (in millions) (1st Quarter 2026)



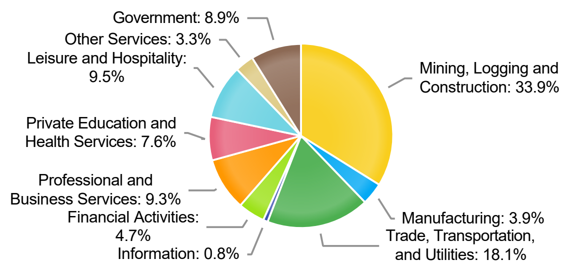
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (July 2026)

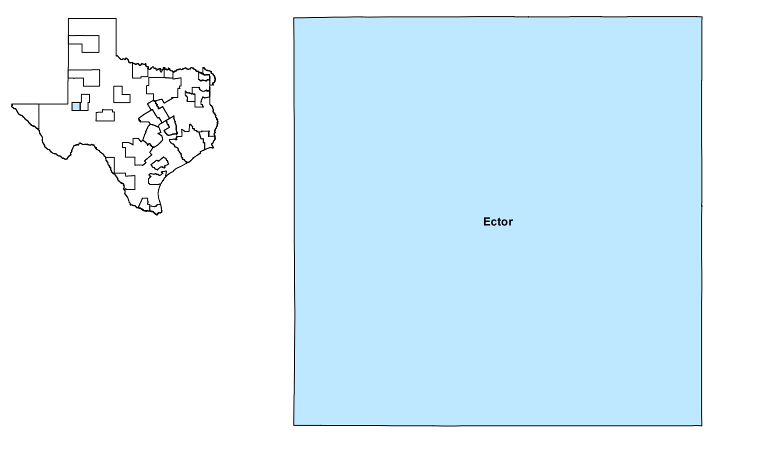
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	129,700	0.2%	3.8%
Mining, Logging and Construction	44,000	0.0%	3.0%
Manufacturing	5,000	0.0%	2.0%
Trade, Transportation, and Utilities	23,500	0.4%	0.9%
Information	1,000	0.0%	0.0%
Financial Activities	6,100	0.0%	-1.6%
Professional and Business Services	12,100	0.8%	1.7%
Private Education and Health Services	9,900	0.0%	20.7%
Leisure and Hospitality	12,300	0.0%	2.5%
Other Services	4,300	0.0%	0.0%
Government	11,500	0.0%	9.5%

Employment by Industry (July 2026)



Texas Labor Market Information

Odessa MSA — July 2026



MSA Labor Force Statistics

	Jul-26	Jun-26	Jul-25	Yearly Change
Civilian Labor Force	88,376	87,974	87,711	665
Employed	84,599	84,083	84,189	410
Unemployed	3,777	3,891	3,522	255
Unemployment Rate	4.3%	4.4%	4.0%	0.3%

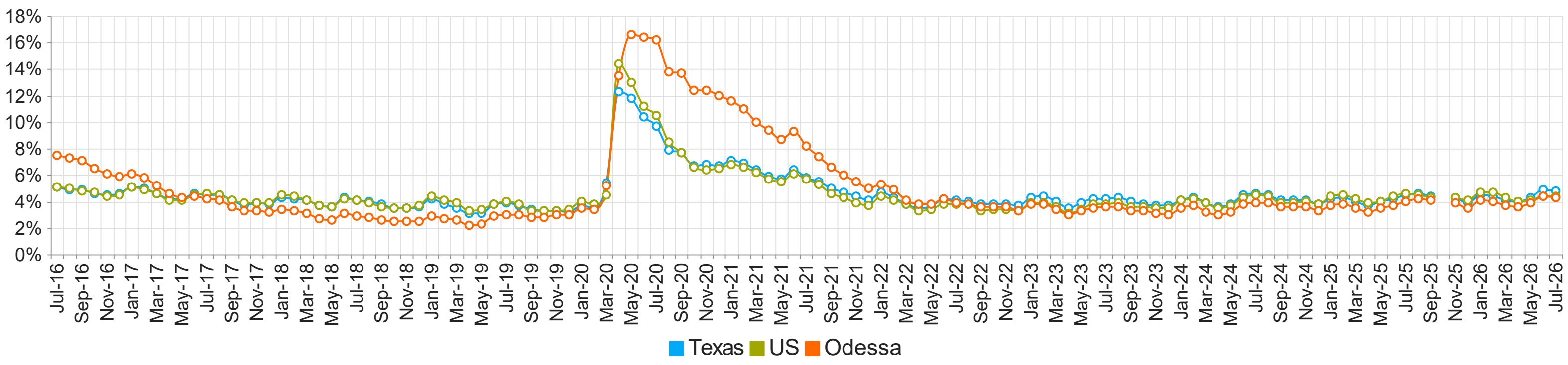
Texas Labor Force Statistics

	Jul-26	Jun-26	Jul-25	Yearly Change
Civilian Labor Force	15,955,048	15,921,414	15,889,771	65,277
Employed	15,188,778	15,140,644	15,180,836	7,942
Unemployed	766,270	780,770	708,935	57,335
Unemployment Rate	4.8%	4.9%	4.5%	0.3%

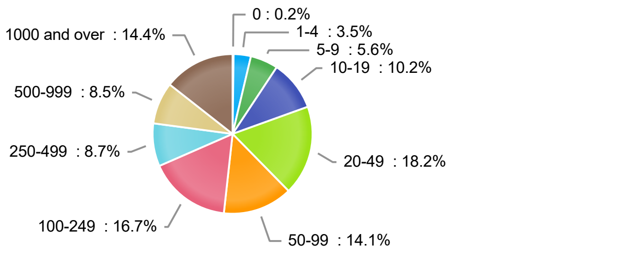
US Labor Force Statistics

	Jul-26	Jun-26	Jul-25	Yearly Change
Civilian Labor Force	170,235,000	170,198,000	171,646,000	-1,411,000
Employed	162,800,000	162,722,000	163,799,000	-999,000
Unemployed	7,435,000	7,476,000	7,847,000	-412,000
Unemployment Rate	4.4%	4.4%	4.6%	-0.2%

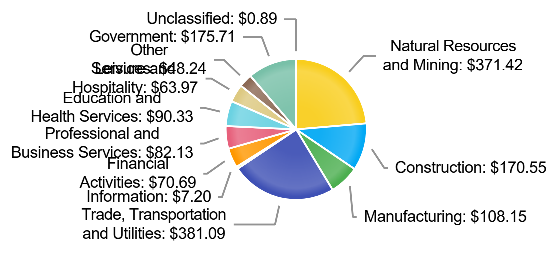
Historical Unemployment Rates



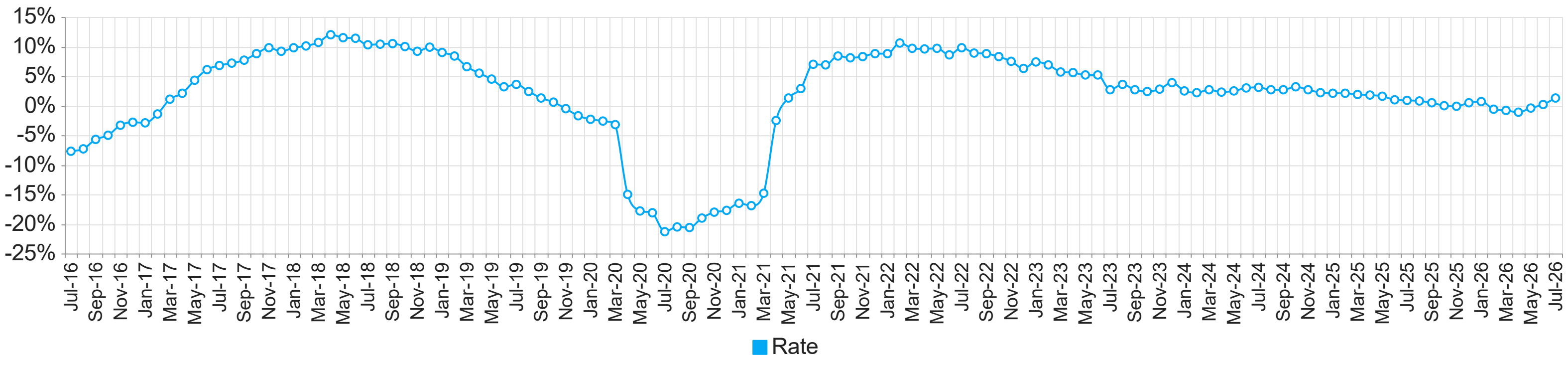
Employment by Size Class (1st Quarter 2026)



Wages by Industry (in millions) (1st Quarter 2026)



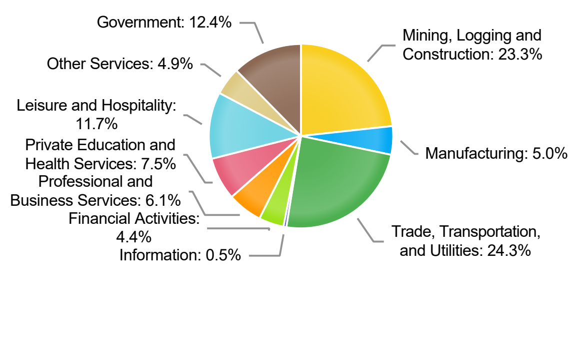
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (July 2026)

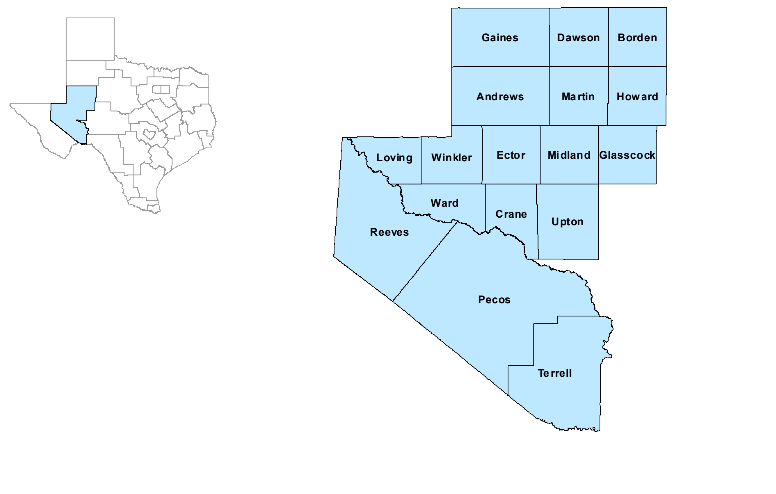
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	84,000	-0.1%	1.3%
Mining, Logging and Construction	19,600	1.0%	1.6%
Manufacturing	4,200	0.0%	-2.3%
Trade, Transportation, and Utilities	20,400	0.5%	-1.0%
Information	400	0.0%	0.0%
Financial Activities	3,700	0.0%	-2.6%
Professional and Business Services	5,100	2.0%	6.2%
Private Education and Health Services	6,300	0.0%	3.3%
Leisure and Hospitality	9,800	-1.0%	3.2%
Other Services	4,100	0.0%	0.0%
Government	10,400	-3.7%	4.0%

Employment by Industry (July 2026)



TEXAS Labor Market Information

Permian Basin Workforce Development Area — July 2026



WDA Labor Force Statistics

	Jul-26	Jun-26	Jul-25	Yearly Change
Civilian Labor Force	265,117	263,510	260,947	4,170
Employed	254,844	252,947	251,383	3,461
Unemployed	10,273	10,563	9,564	709
Unemployment Rate	3.9%	4.0%	3.7%	0.2%

Texas Labor Force Statistics

	Jul-26	Jun-26	Jul-25	Yearly Change
Civilian Labor Force	15,955,048	15,921,414	15,889,771	65,277
Employed	15,188,778	15,140,644	15,180,836	7,942
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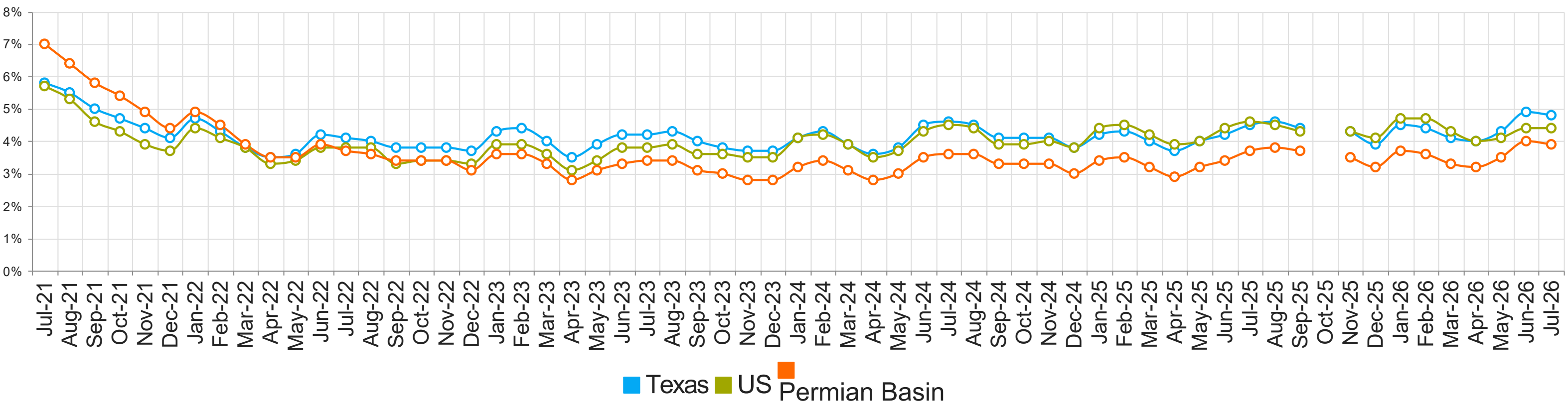
Unemployed	7,435,000	7,476,000	7,847,000	-412,000
Unemployment Rate	4.4%	4.4%	4.6%	-0.2%

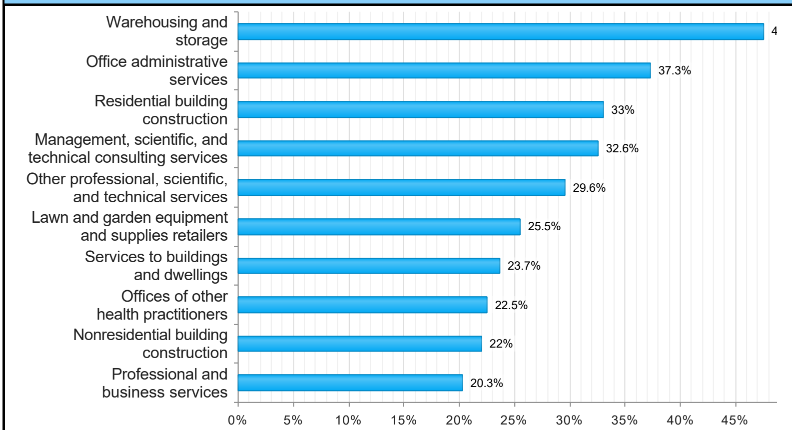
Continued Claims for the Week of the 12th

	Jul-26	Jun-26	Jul-25	Yearly Change
WDA	1,379	1,449	1,719	-340
Texas	124,945	128,554	152,678	-27,733

Historical Unemployment Rates



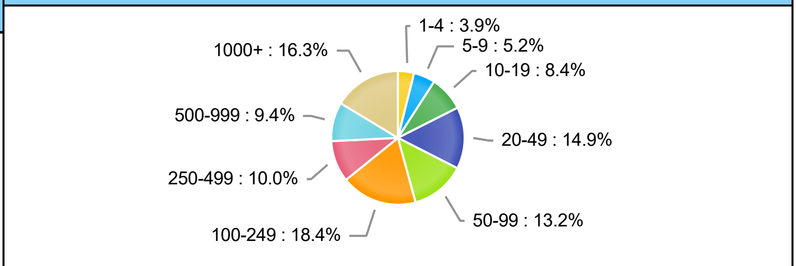
Projected Top Ten Fastest Growing Industries in WDA (% Growth 2024-2034)



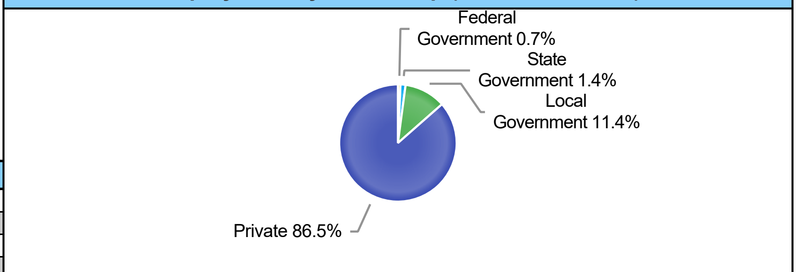
Average Weekly Wage (1st Quarter 2026)

	Q1 2026	Q4 2025	Q1 2025	Quarterly Change	Yearly Change
WDA	$1,753	$1,704	$1,710	$49	$43
Texas	$1,646	$1,548	$1,586	$98	$60
US	N/A	$1,569	$1,592	N/A	N/A

Employment by Size Class (1st Quarter 2026)



Employment by Ownership (1st Quarter 2026)



Employment by Industry (1st Quarter 2026, Percent Change)

Industry	Employment	% of Total	% Quarterly Change	% Yearly Change
Natural Resources and Mining	54,642	20.8%	0.3%	-3.6%
Construction	25,183	9.6%	-4.8%	4.9%
Manufacturing	10,708	4.1%	-0.1%	-2.4%
Trade, Transportation and Utilities	56,000	21.3%	-1.7%	-0.4%
Information	2,035	0.8%	2.0%	8.5%
Financial Activities	11,726	4.5%	-0.5%	-0.8%
Professional and Business Services	18,175	6.9%	-3.5%	-4.1%
Education and Health Services	43,268	16.5%	-0.3%	-0.5%
Leisure and Hospitality	26,351	10.0%	-1.6%	0.4%
Other Services	7,462	2.8%	-1.2%	-3.8%
Public Administration	7,246	2.8%	0.0%	1.7%

Employment by Industry (1st Quarter 2026)