

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PFLUGERVILLE, TEXAS CANCELING THE CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE CITY OF PFLUGERVILLE, TEXAS AND TITUS SYSTEMS, L.P. A/K/A CO COM CABLING**

**Whereas**, the City Council finds that on June 18, 2008 the City entered into an agreement with Titus Systems L.P., a Texas Limited Partnership (Co Com) pursuant to Chapter 380 of the Texas Local Government Code granting certain financial incentives to Co Com in exchange for specific consideration to promote economic development in the City of Pflugerville; and

**Whereas**, there were three essential terms of the agreement which were to be performed by Co Com prior to any obligations of the City being invoked:

1. To move business operations to the corporate limits of the City by July 1, 2008.
2. To hire at least 75 employees to work at Co Com's location in the corporate limits of the City.
3. That at least 75% of all administrative functions shall be handled at the City locations; and

**Whereas**, the City Council finds there were no default provisions contained in the agreement; and

**Whereas**, the City Council finds that although time was of the essence in the performance of this agreement, no timeframe under which to perform the essential terms of the agreement was set, and no notice or cure provisions were included in the agreement; and

**Whereas**, the City Council finds Co Com has had almost nine (9) years to perform under the agreement and has failed to do so; and

**Whereas**, the City Council finds that although some effort was made to open a location within the corporate limits of the City, Co Com failed to perform the other essential terms of the agreement in that it did not provide information to the City that it hired at least 75 employees to work at its location within the corporate limits of the City, and that Co Com has not shown that at least 75% of all administrative functions were handled at the location within the corporate limits of the City; and

**Whereas**, in accordance with the terms of the agreement, any payments to Titus Systems, L.P were to be paid out of sales tax revenues generated by Co Com; and

**Whereas**, the City Council finds that during the course of the nine (9) years, only \$46.26 of sales tax has been reported to the State Comptroller as being attributable to Titus, L.P, within the corporate limits of the City of Pflugerville; and

**Whereas**, the City Council finds it is just, proper and in the best interest of the City to declare this agreement terminated and to cancel the agreement with Titus Systems, L.P (Co Com) due to their failure to perform.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL THAT:**

1. The Chapter 380 Economic Development Agreement between the City of Pflugerville, Texas and Titus Systems L.P , a Texas Limited Partnership (Co Com), executed on June 18, 2008 is hereby cancelled due to Titus System L.P.'s failure to perform its obligations under the agreement.
2. The City Manager is hereby directed to notify Titus Systems, L.P. of such cancellation.
3. The above recitals are hereby adopted verbatim as if recited herein.

**PASSED AND APPROVED** this 22<sup>nd</sup> day of August 2017.

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Victor Gonzales, Mayor

**ATTEST:**

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Karen Thompson  
City Secretary