

ECONOMIC DEVELOPMENT AGREEMENT
between the CITY OF PFLUGERVILLE, TEXAS,
and LAUREN CONCRETE INC.

THIS AGREEMENT, by and between the City of Pflugerville, a Texas home rule municipality (sometimes the "City") and LAUREN Concrete Inc., a Texas Corporation (sometimes "LAUREN"), is entered into as of the last signature date of the parties to this Agreement (the "Effective Date").

WHEREAS, the City has established a program in accordance with Article III, Chapter 52-a of the Texas Constitution and Chapter 380 of the Texas Local Government Code ("Chapter 380") under which the City has the authority to use public funds for the public purposes of promoting local economic development and stimulating business and commercial activity within the City, including the authority to enter into this Agreement; and

WHEREAS, in 2014, the City entered into a Chapter 380 economic development agreement with LAUREN in order to provide certain incentives and financial assistance in exchange for the fulfillment by LAUREN of specific economic development requirements and obligations provided within said 2014 agreement; and

WHEREAS, LAUREN not only met, but exceeded the requirements and obligations in the 2014 agreement, which included the construction of manufacturing or warehouse buildings in the corporate limits of the City of Pflugerville; and

WHEREAS, the City has considered possible additional economic development incentives to further entice LAUREN to retain its corporate headquarters within the City of Pflugerville while creating additional employment opportunities for Pflugerville citizens; and

WHEREAS, in consideration of the agreements and representations made by LAUREN herein, the City finds that entering into a new economic development agreement with LAUREN, consistent with Article III, Section 52-a of the Texas Constitution, Chapter 380, and other laws, will advance the public purposes of developing and diversifying the economy of the state, eliminating unemployment or underemployment in the state, and developing or expanding transportation or commerce in the state;

NOW THEREFORE, for and in consideration of the promises and the agreements set forth herein, the City and LAUREN hereby agree as follows:

Terms and Conditions

1. Incorporation of Recitals. The recitals to this Agreement are hereby incorporated for all purposes.
2. Term. This Agreement shall commence on the Effective Date and shall terminate on the tenth annual anniversary of the Effective Date, unless otherwise terminated according to the provisions herein.
3. Obligations of LAUREN. The provision of any incentives as provided herein to LAUREN are conditioned upon LAUREN meeting the following requirements and obligations, to which LAUREN hereby agrees:
 - a. Own and maintain its Corporate Headquarters facility and sole point of sale within the Austin metropolitan statistical area (the "Austin MSA") for its concrete and ready-mix business operations within the corporate limits of the City of Pflugerville for the entire ten-year Term of this Agreement. For avoidance of doubt, this provision is not intended to limit LAUREN's ability to maintain points of sale outside of the Austin MSA.
 - b. Retain a minimum of 12 full-time employees for the Term of this Agreement, while creating and retaining an additional five full-time employees at minimum every two years during the Term, bringing the total of full-time employees to 17 (for example, one full-time employee will be added by the second year of the Term; a second full-time employee will be added by the fourth year of the Term; and so on until five employees are added).
 - c. Maintain a minimum average annual salary of \$86,000.00 among all employees; said average salary does not include medical or other benefits.
 - d. Remain current on all ad valorem taxes assessed against the corporate facility real and personal property.
 - e. Sustain a level of annual sales tax revenue received from the Comptroller to meet or exceed seven hundred thousand dollars (\$700,000.00) annually.
4. Obligations of City; Economic Incentives. In exchange for LAUREN meeting its obligations and requirements provided in Section 3, the City hereby agrees:
 - a. To pay LAUREN an incentive equal to a percentage of the City's 1% sales taxes collected by Lauren on its taxable sales in accordance with the table below, to be paid on an annual basis for the ten-year Term of this

Agreement (the "Grant Payment"). The Grant Payment amount shall be determined by using the actual amount of sales tax received by the City from the State of Texas, which shall be reconciled with sales tax information provided by LAUREN and the Texas Comptroller's Office.

Year	Incentive Percentage
1	0
2	25
3	25
4	25
5	50
6	37.5
7	37.5
8	37.5
9	37.5
10	37.5

- b. That Grant Payment amounts due to LAUREN, if any, will be paid annually on April 15 of each year of the Term, beginning on April 15, 2026.
5. **Non-Performance.** The City and LAUREN agree that, in the event LAUREN fails to comply with the terms of Section 3 of this Agreement, the City may terminate this Agreement and cease all future Grant Payments for the year(s) in which the terms have not been met, unless non-performance is the result of Force Majeure as defined herein. Additionally, unless non-performance is the result of Force Majeure as defined herein, the City may, in addition to the cessation of future payments and termination of the Agreement require LAUREN to reimburse the City the immediately preceding Grant Payment made to LAUREN should LAUREN cease to conduct business within Pflugerville City limits. Repayment shall be due from LAUREN within ten (10) days of written demand by City.
6. **Force Majeure.** The term "Force Majeure" shall be limited to failure to perform by reason of unforeseeable fire, flood, storm, act of God, or pandemic. In order to invoke the Force Majeure clause, it shall be a condition precedent that, within three (3) business days after the occurrence of a Force Majeure event, LAUREN give written notice to the City, to include a detailed explanation of the reason for the Force Majeure.
7. **Default.** A party shall be deemed in default under this Agreement if such party fails to materially perform, observe or comply with any of the requirements or obligations set forth in this Agreement or if any representations arising out of this Agreement are false. If LAUREN defaults do to its failure to meet

obligations listed in Paragraph 3, the City's remedy shall be limited to immediate termination of this Agreement and ceasing all future Grant Payments and for the year(s) in which such obligations have not been met. The City shall not be entitled of return of Grant Payments for years in which Paragraph 3 obligations were met. For other defaults, the non-defaulting party shall be entitled to terminate this Agreement immediately and employ any legal remedies afforded by law.

8. Miscellaneous.

- a. Accounting. On or before the tenth day before each annual anniversary of the Effective Date, LAUREN agrees to provide or execute all records and documents enabling the City to obtain and verify sales tax payment documentation from the Texas Comptroller's Office, or otherwise verify taxable sales or other amounts provided by LAUREN, as may be necessary in the opinion of the City to provide the Grant Payments contemplated by this Agreement.
- b. Employment Verification. LAUREN also agrees to annually provide the City with a notarized statement, on a form to be provided by the City, and which (1) certifies the number of full-time employees retained and created as required by Section 3(b); and (2) certifies the minimum average annual salary of \$86,000.00 among all employees as required by Section 3(c); all of which serves to establish LAUREN's compliance with this Agreement. Said certification is to be provided to the City at the same time as it provides the records and documents referenced in Section 7(a).
- c. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the respective legal representatives, successors, assigns, heirs, and devisees of the parties. Neither party hereto may assign this Agreement without the prior written consent of the other party.
- d. Entire Agreement. This Agreement represents the final agreement between the City and LAUREN and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties.
- e. Severability. If any portion of this Agreement is held invalid or inoperative, then so far as is reasonable and possible, the remainder of this Agreement shall be given the intent manifested by the portion held invalid or inoperative. The failure by either party to enforce against the other any term or provision of this Agreement shall be deemed not to be a waiver of such party's right to enforce against the other party the same or any other such term or provision.

- f. Counterpart Execution. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all such counterparts shall constitute one Agreement.
- g. Representations and Warranties. LAUREN agrees that it is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization and is duly authorized and in good standing to conduct business in the State of Texas, that it has all necessary power and has received all necessary approvals to execute and deliver the Agreement, and the individual executing the Agreement on its behalf has been duly authorized to act for and bind LAUREN.
- h. Payment of Debt or Delinquency to the State or Political Subdivision of the State. Pursuant to Chapter 38, City of Pflugerville Code of Ordinances, LAUREN agrees that any payments owing to LAUREN under the Agreement may be applied directly toward any debt or delinquency that LAUREN owes the City of Pflugerville, State of Texas or any political subdivision of the State of Texas regardless of when it arises, until such debt or delinquency is paid in full.
- i. Texas Family Code Child Support Certification. LAUREN certifies that the limited partners are not delinquent in child support obligations and therefore is not ineligible to receive the award of or payments under the Agreement and acknowledges that the Agreement may be terminated and payment may be withheld if this certification is inaccurate.
- j. Eligibility Certification. LAUREN certifies that the individual or business entity named in the Agreement is not ineligible to receive the award of or payments under the Agreement and acknowledges that the Agreement may be terminated and payment withheld if this certification is inaccurate.
- k. Notices. Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received when personally delivered or transmitted by e-mail (which shall be immediately confirmed by telephone and shall be followed by mailing an original of the same within 24 hours after such transmission), or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the City: Attn: City Manager
 100 E Main St
 Pflugerville, TX 78660

To LAUREN: Attn: Chief Executive Officer

2001 Picadilly Drive
Round Rock, Texas 78664

Any party may change its address or addresses for delivery of notice by
delivering written notice of such change of address to the other party.

Signed and Agreed:

CITY OF PFLUGERVILLE

By: Sereniah Breland, City Manager

Date:

LAUREN CONCRETE INC.


By: Ryan Bartholomew, CEO

08/15/2025
Date: