

D.

, ,



**El Paso County
Agenda Item Details**

Item Title:	Economic Development - Rescind/Re-approved 381 Agreement with Schneider Electric USA Inc. and Plexxar LLC (2025-0166)
Submitted By:	Roberto Ransom, Director
Department:	Economic Development
Department Phone Number:	915-546-2177
Subject:	Rescind the Commissioners Court Order of March 3, 2025, Item No. 11B on the Regular Agenda: Approve and authorize the County Judge to sign the Chapter 381 Economic Development Agreement with Schneider Electric USA Inc. and Plexxar LLC. (Contract No.2025-0166). Further, approve and authorize the County Judge to sign the revised Chapter 381 Economic Development Agreement with Schneider Electric USA Inc. and Plexxar LLC. (Contract No. 2025-0166)
Background:	Chapter 381 of the Local Government Code allows counties to provide incentives encouraging developers to build in their jurisdictions. A county may administer and develop a program to make loans and grants of public money to promote state or local economic development and to stimulate, encourage and develop business location and commercial activity in the county.
Fiscal Impact:	Fiscal Impact Historical N/A Fiscal Impact Projected N/A Long Account Number: Amount: Long Account Number: Amount:
Budget or Unbudgeted Match:	
Recommendation:	Rescind the Commissioners Court Order of March 3, 2025, Item No. 11B on the Regular Agenda: Approve and authorize the County Judge to sign the Chapter 381 Economic Development Agreement with Schneider Electric USA Inc. and Plexxar LLC. (Contract No.2025-0166). Further, approve and authorize the

	County Judge to sign the revised Chapter 381 Economic Development Agreement with Schneider Electric USA Inc. and Plexxar LLC. (Contract No.2025-0166).
Prior Action:	3/3/2025: Approve and authorize the County Judge to sign the Chapter 381 Economic Development Agreement with Schneider Electric USA Inc. and Plexxar LLC. (Contract No.2025-0166)
Strategic Plan:	Goal: 5. Promote Collaboration and Engagement Objective: 5.2 Collaborate regionally and internationally
Strategic Plan Information:	n/a
Estimated Time Needed For This Item:	five minutes

STATE OF TEXAS)
) **CHAPTER 381 ECONOMIC DEVELOPMENT**
COUNTY OF EL PASO) **PROGRAM AGREEMENT**

This Chapter 381 Economic Development Program Agreement (“**Agreement**”) is made and entered into by and between **El Paso County, TEXAS** (“**County**”), a political subdivision of the State of Texas and **Schneider Electric USA, Inc.**, (“**Company**” and “**Applicant**”), a Delaware corporation authorized to do business in Texas, for the purposes and considerations stated below and joined proforma by **Plexxar 1625, LLC**, a Texas limited liability company, a real estate developer (“**Plexxar**”). This Agreement inures to the benefit of and is binding upon the Parties, their respective successors in interest by way of merger, acquisition, or otherwise, and their permitted assigns. This section does not address, directly or indirectly, whether a Party may assign its rights or delegate its performance under this agreement. **Section 7(C)** addresses these matters. As used in this Agreement, County and Company are individually a “**Party**” and collectively the “**Parties**”.

WHEREAS, the **County** desires to provide financial incentives to businesses that make or will make a measurable contribution towards economic growth & development, expansion and diversification of the tax base, and create new quality jobs within the County of El Paso; and

WHEREAS, the **County** desires to enter into this Agreement pursuant to Chapter 381 of the Texas Local Government Code (“Chapter 381”) and the Texas Constitution Article III, Section 52-a; and

WHEREAS, the **County** desires to enter into this Agreement to stimulate business activity in El Paso County, Texas for local economic development and to stimulate, encourage, and develop business location and commercial activity; and

WHEREAS, **Plexxar** owns the Development Location which is more specifically described in **Exhibit A** and **A-1**, respectively, attached hereto and hereby made a part of this Agreement for all purposes; and

WHEREAS, **Company** will lease the Development Location from **Plexxar** which shall provide **Company** the right to occupy the Development Location and provide for the construction of the Development; and

WHEREAS, the **Company**’s Lease Agreement contemplates the buildout of the Property (more specifically described in **Exhibit A “Development”**) for the purpose of expanding the Company’s manufacturing of medium and low voltage switches for household and commercial usage; and

WHEREAS, the **Company** will be required to pay real and personal property taxes, under the Lease Agreement with **Plexxar**, on the Development Location and all improvements thereon, including the Development; and

WHEREAS, **Company** must meet certain employment and spending commitments as set forth in this Agreement in order for the County to grant the full amount of Grant payments, and **Plexxar** is the owner of the Development Location where **Company** will fulfill its obligations

under this Agreement; and

WHEREAS, the **Company** desires to build an advanced manufacturing operations center at the Development Location;

WHEREAS, the **County** desires to support the new build of the advanced manufacturing operations center at the Development Location to stimulate business and commercial activity within the County; and

WHEREAS, the **County** finds that using county employees or funds for the program is an appropriate action to support the **Company** and stimulate the local economy; and

WHEREAS, the **County** desires to provide, pursuant to Chapter 381, an incentive to the **Company** for paying the real and personal property taxes of the Property and Development, as a Capital Intensive Project, being more particularly described in **Exhibit A** for the purpose of developing the Property in the manner more fully described in this Agreement, that will serve as an economic stimulus in El Paso County; and

WHEREAS, the **County** has the authority under Chapter 381 to make loans or grants of public funds for the purposes of promoting local economic development and stimulating business and commercial activity within El Paso County; and

WHEREAS, the **County** determines that a grant of funds to the **Company** will serve the public purpose of promoting local economic development and enhancing business and commercial activity within the **County** while making a measurable difference in achieving economic growth; and

WHEREAS, the creation of the Development in the manner more fully described in this Agreement will encourage increased economic development in the **County**, provide increases in the **County's** property tax revenues, and improve the **County's** ability to provide for the health, safety, and welfare of the citizens of El Paso County; and

WHEREAS, the **County**, **Company**, and **Plexxar** desire that the Development occur in the County of El Paso; and

WHEREAS, the **County** has concluded and hereby finds that this Agreement embodies an eligible "program" and promotes economic development in El Paso County and, as such, meets the requisites under Chapter 381 of the Texas Local Government Code and further, is in the best interests of the **County** and **Company**; and

NOW, THEREFORE, the **County** and **Company** agree that the recitals are true and correct and in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to incorporate the above recitals into this Agreement and further agree as follows:

SECTION 1. DEFINITIONS.

The following words shall have the following meanings when used in this Agreement.

- A. Affiliate.** The word “Affiliate” means with respect to any specified person or entity, any other person or entity that, directly or indirectly, controls, is under common control with, or is controlled by such specified person or entity. For purposes of this definition, the term “control” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management, policies or activities of a person or entity, through ownership of voting securities or through partnership interest.
- B. Agreement.** The word “Agreement” means this Chapter 381 Economic Development Program Agreement, together with all exhibits and schedules attached to this Agreement.
- C. Anniversary Date.** The words “Anniversary Date” mean any annual anniversary of the Agreement’s Effective Date.
- D. Base Year Value.** The words “Base Year Value” mean the taxable value of the Development, after completion of all construction and improvements, will have a minimum Base Year Value equal to the sum of: (i) The Business Personal Property Rendition of the Taxable Property for 2024, as filed by the Applicant and (ii) The 2024 assessed land value for Property ID 268792, which is **One Million One Hundred Thirteen Thousand Eight Hundred and Twelve Dollars (\$1,113,812)**.
- E. Company.** The word “**Company**” means Schneider Electric USA, Inc., (“**Company**”), a Delaware corporation authorized to do business in Texas.
- F. County.** The word “**County**” means **El Paso County, Texas**.
- G. Development.** The word “Development” means the expansion of the **Company**’s existing manufacturing operations on the Property, including the Property, improvements and personal property associated with the Development, as provided by **Exhibit A**.
- H. Development Location** shall mean the property owned by **Plexxar** within the geographic boundaries of the County of El Paso and more particularly described in **Exhibit “A-1”**, which is attached hereto and incorporated herein for all purposes.
- I. Effective Date.** The date upon which all Parties and Plexxar have fully executed this Agreement as set forth on the signature page hereof.
- J. Event of Default.** This phrase shall have the meaning set forth in **Section 5** hereof.
- K. Event of Non-appropriation.** The phrase means the failure of the **County** to appropriate for any Fiscal Year, sufficient funds to pay the Grant payment, or the reduction of any previously appropriated money below the amount necessary to permit the **County** to pay the Grant payments from lawfully available funds.

L. Existing Facilities. The words “Existing Facilities” mean Company’s existing facilities located at 1600, 1601 & 1701 Northwestern Drive, 6500 North Desert Blvd. and 7801 Northern Pass, in El Paso, Texas, and any new facility (other than the Development) that Company or any Company Affiliate own or operate in El Paso, Texas.

M. Expansion. The expansion and growth of an existing business which includes new capital investment and/or new job creation providing new capacity or capability. Under no circumstances will any measurables considered in any other 381 Agreement between Company and the County be considered or used in this current Agreement for purposes of receiving an incentive that would constitute a duplication of benefit or incentive.

For example, if Applicant currently has a separate agreement on a separate property and project (381 Agreement A) with the County and it requires that a minimum investment of \$1,000,000.00 be made, that amount if invested under “381 Agreement A” will NOT be counted or considered under this new contract.

In another example, if Applicant in “381 Agreement A” has a requirement to operate and/or employ 300 full-time employees for the duration of that agreement, moving the operations to the new site expansion will NOT be considered “operating” the project associated with “381 Agreement A” and neither will the 300 full-time employees moved to the new project be considered for this current project.

N. Fraudulent Act. All intentional and deceptive acts, omissions, and concealments which involve breach of legal or equitable duty, trust, or confidence on a material part of the contract that is foreseeably injurious and caused to obtain some unjust benefit or advantage to the one party.

O. Full-Time Employment. The words "Full-Time Employment" mean a position where an employee must work no less than an average of 35 hours per week (calculated as total hours paid/number of weeks worked = 35 or more hours worked per week) in **Company’s** fiscal year, including allowance for vacation and sick leave, with the opportunity to participate in **Company’s** employee benefits programs, including **Company’s** health plan. Such Full-Time Employment positions shall be located at the Development or the Existing Facilities. For purposes of meeting the required job numbers for all purposes under this Agreement, “Full-Time Employment” shall (i) be calculated using only filled positions; and (ii) shall include employees of Applicant and any Applicant Affiliate located in El Paso, Texas. These requirements are more completely described in **Exhibit B**, which is attached hereto and incorporated herein for all purposes. Any Full-Time Employment employee hired below the Median County Wage will initially count for Grant eligibility purposes, as provided by Section 3.B., but will stop counting towards the employment creation requirements under Section 3.B., if any such employee is not at or above the Median County Wage within two (2) years from the hire date.

P. Grant. The word “Grant” means each annual payment to **Company** under the terms of this Agreement computed with reference to property tax rebate of the ad valorem real property tax increment generated from the Base Year Value, and personal property tax

valuation as determined by the El Paso Central Appraisal District collected by the **County** for the term of this Agreement. **Company** is eligible to receive up to **Eight Hundred Twenty-Two Thousand Eight Hundred Ninety-Three Dollars and Twelve Cents (\$822,893.12)**.

- Q. Grant Submittal Package.** The words “Grant Submittal Package” mean the documentation required to be supplied to **County** on a yearly basis as a condition of receipt of any Grant, with such documentation more fully described in **Exhibit B**, which are attached hereto and incorporated herein for all purposes.
- R. Lease Agreement.** The words “Lease Agreement” means the lease agreement for the Development and the Development Location between **Plexxar** and **Company**.
- S. Median County Wage.** The words “Median County Wage” is the median hourly wage established by the U.S. Bureau of Labor Statistics for the El Paso, Texas Metropolitan Area, which is adjusted annually in the month of May of each calendar year. In no event, during the term of this Agreement, shall the applicable Median County Wage, used for determining Grant Payment eligibility, be less than the Median County Wage provided by the U.S. Bureau of Labor Statistics for each respective calendar year. For example, the Median County Wage for 2025 is \$17.31 per hour, so the Median County Wage for 2025 may not be less than \$17.31 per hour. However, if the U.S. Bureau of Labor Statistics increases the hourly wage in 2026, the Median County Wage in 2026 may not be less than the hourly wage established in 2026.
- T. Minimum Investment.** The words Minimum Investment mean those costs incurred by Plexxar, the **Company** or a **Company** Affiliate in the acquisition, development, carrying costs, construction, personal property costs and furnishing of the Development, to include cash and in-kind contributions. The total Minimum Investment for the Development will, in no instance, be less than **Fifty Million Three Hundred Thousand Dollars and Zero Cents (\$50,300,000.00)**.
- U. Minimum Appraisal Value:** The words Minimum Appraisal Value means the valuation of the Real and Personal Property appraised by El Paso Central Appraisal District as of the Effective Date of this Agreement. For the purposes of this Agreement, the combined Minimum Appraisal value is **Twenty Six Million Two Hundred Sixty-Three Thousand Eight Hundred Twelve Dollars and Zero Cents (\$26,263,812.00)**. Under no circumstances shall the Minimum Appraisal value be interpreted to be equivalent of or determinative for appraisal purposes or to be used in any way to determine market value.
- V. Plexxar.** The word “Plexxar” means Plexxar 1625, LLC., a real estate developer authorized to do business in Texas and property owner of the Development and Development Location.
- W. Property.** The word “Property” means the property more particularly described in **“Exhibit A”** attached hereto and incorporated herein by reference.

X. Property Tax Rebate means a rebate of a percentage of the County’s portion of: (1) the incremental ad valorem property tax revenue generated by the Development above the ad valorem property tax revenue that would have been generated at the Base Year Value for the Development for each tax year during the Grant Period; and (2) the incremental ad valorem personal property tax revenue generated by the Development above the ad valorem personal property tax revenue that would have been generated at the Base Year Value for the Development for each tax year during the Grant Period (collectively, (1) and (2), the “Incremental Ad Valorem Property Tax Revenue”). The Incremental Ad Valorem Property Tax Revenue will be determined each tax year during the Grant Period based on the ad valorem property taxes due under the tax statements issued by the El Paso Central Appraisal District for Real Property ID number 268792 and personal property tax valuation as determined by the El Paso Central Appraisal District collected by the County for the term of this Agreement. The Property Tax Rebate payments: (i) for any calendar year shall not exceed Seventy-Five percent (75%) of the Incremental Ad Valorem Property Tax Revenue; and (ii) shall not exceed **Eight Hundred Twenty-Two Thousand Eight Hundred and Ninety Three Dollars and Twelve Cents (\$822,893.12)** (whichever comes first) during the Grant Period.

Y. Qualified Expenditures. The words “Qualified Expenditures” means those costs incurred by **Company**, **Company’s** Affiliate(s), or those costs **Company** caused **Plexxar** to make in the construction, improvements, equipment, or furnishing of the Development no less than **Thirty-Seven Million Four Hundred Sixty-Six Thousand Five Hundred Dollars and Zero Cents (\$37,466,500.00)**.

Z. Quality Job. Jobs that provide education, training, or career development opportunities for continued career advancement in addition to meeting wage and benefit requirements.

AA. Wage Requirement. Wage or salary equal to or greater than the current El Paso Median County Wage as computed annually by the Bureau of Labor and Statistics and provides health insurance benefits to employees for which the employer pays at least 50%. Exceptions to the Wage Requirement may be granted as provided within this Agreement.

SECTION 2. TERM AND GRANT PERIOD.

The term of this Agreement (“Term”) shall begin on the Effective Date and shall terminate upon the earlier of: (I) the end of the Grant Period; or (II) termination of this Agreement as otherwise provided in this Agreement.

The Effective Date of this Agreement shall be the date upon which all Parties and Plexxar have fully executed the Agreement. However, Company’s eligibility for Property Tax Rebate payments shall be limited to ten (10) consecutive calendar years (the “Grant Period”) within the Term of this Agreement. The final Grant Submittal Package must be submitted by the Company no later than March 1, 2039 (for the compliance period covering January 1, 2028 through December 31, 2038). Failure of the Company to obtain a permanent Certificate of Occupancy for the Development by

December 31, 2027 shall result in the immediate termination of this Agreement, unless such failure is due to a Force Majeure or a delay caused by the County.

- A. The term of this Agreement shall be thirteen (13) years from the Effective Date of this Agreement. The Effective Date of this Agreement shall be the date upon which all Parties and Plexxar have fully executed this Agreement, as provided by the signature page below.
- B. Except as otherwise provided herein, the term of this Agreement shall commence on the Effective Date and shall terminate on the first to occur of the following: (i) the date when the Grant amount is fully paid, (ii) the end of the Grant Period; (iii) subject to the provisions of **Sections 3 and 5**, thirteen years (13) from the Effective Date, plus such time thereafter as may be necessary to process the final annual Grant payment pursuant to the procedures described in **Sections 3 and 4**; or (iv) the termination of this Agreement as otherwise provided in this Agreement. **Company's** eligibility for annual Grant payments shall be limited to ten (10) consecutive years within the term of this Agreement.
- C. The Grant Period shall commence upon the receipt of the first Grant Submittal Package for a maximum of ~~ten~~ consecutive years (**10**) not to exceed the term of this Agreement. The **Company** or its Affiliate shall complete the Development within two (2) years of the Effective Date of this Agreement and failure to comply shall result in the immediate termination of the Agreement. Failure of the **Company** or its Affiliate to obtain a permanent Certificate of Occupancy for the Development by December 31, 2027 shall result in the immediate termination of this Agreement, unless such failure is due to Force Majeure.
- D. Under no circumstances shall the total Grant payment exceed **Eight Hundred Twenty-Two Thousand Eight Hundred Ninety Three Dollars and Twelve Cents (\$822,893.12)**. The **County's** Economic Development Department on behalf of the **County** shall review **Company's** eligibility for Grant payments on an annual basis during the Grant Period, upon timely submittal of the Grant Submittal Package.
- E. This Agreement shall terminate and, except as expressly provided herein, obligations on the part of all Parties shall be deemed terminated and of no further force or effect, upon the occurrence of any one or more of the following:
 - a. Company has failed to materially comply with any and all other current Agreements between the Parties, and Company is in default of such other current Agreements at the time the Grant Period commences.
 - b. Company elects not to proceed or is unable to proceed, for any reason, with the Development as contemplated by this Agreement;
 - c. The Agreement is terminated by the **County** for any or no reason under **Section 6**, Termination of Agreement by County without Default of Company, or under the other provisions outlined in this Agreement;
 - d. The execution by all Parties of a written agreement terminating this Agreement;

- e. At the option of a Party in the event the other Party materially breaches any terms or conditions of this Agreement;
- f. To the extent that the Grant agreed to be made by **County** herein is found to be invalid or illegal by a court of competent jurisdiction;
- g. To the extent that a Grant agreed to be made by **County** herein becomes invalid or illegal pursuant to Federal or State legislation and the conditions or provisions of said Program Grant which render said Grant invalid or illegal cannot be revised or altered to cure the invalidity or illegality;
- h. The maximum amount of Grant funds, not to exceed **Eight Hundred Twenty Two Thousand Eight Hundred Ninety Three Dollars and Twelve Cents (\$822,893.12)**, is provided to the **Company**, who has satisfied the requirements of this Agreement, including the target Qualified Expenditures.

SECTION 3. OBLIGATIONS OF COMPANY AND PLEXXAR.

During the term of this Agreement, **Company** and any of its Affiliates involved with the Development, shall comply with the following terms and conditions:

- A. Company** agrees that the Development will be constructed, developed and operated in accordance with the Lease Agreement. **Company** shall commence, or cause **Plexxar** to commence, construction and or improvements of the Development within 12 months of the Effective Date of this Agreement, subject to Force Majeure delays and subject to **Company's** ability to tie to utilities required by the Development. This Agreement is made with the understanding by the Parties that the Development is an obligation of the **Company** only, and **Plexxar** does not have any responsibility to ensure that the Development is met. However, the Parties further agree that **Company** shall be in breach of this Agreement for any obligations that are unmet herein, regardless if the breach is caused as a result of any other entity's or party's actions or inactions.
 - i. **Company** agrees that it shall make a Minimum Investment of not less than the **Fifty Million Three Hundred Thousand Dollars and Zero Cents (\$50,300,000.00)**.
- B. Job Creation.** The **Company** agrees to create **FIVE HUNDRED (500)** new Full-Time Employment positions over the course of this Agreement.
 - i. More specifically, **Company** agrees that it will:
 1. create at least 300 Full-Time Employment positions by December 31, 2028;
 2. create an additional 75 Full-Time Employment positions by December 31, 2029;
 3. create an additional 50 Full-Time Employment positions by December 31, 2030;
 4. create an additional 75 Full-Time Employment positions by December 31, 2031; and
 5. thereafter maintain at least such 500 Full-Time Employment positions through December 31, 2039.

- ii. Sixty (60) business days after the Effective Date of this Agreement, the Company shall provide to the County a list of current employees employed full-time by the Company and its Affiliates (“**Current Employee List**”). The Current Employee List shall identify all current full-time employees, as of the Effective Date, and include for each respective employee (1) a distinct employee identification number, (2) the corresponding date of hire, and (3) job occupation title.
 - 1. To avoid confusion and for purposes of Grant eligibility payments, the Company shall identify to the County all newly created Full-Time Employment positions by creating a list (“**Full-Time Employment List**”) which includes:
 - (1) an employee identification number assigned to each new Full-Time Employment position,
 - (2) the corresponding hire date of the new Full-Time Employment position,
 - (3) the hourly rate of the position,
 - (4) the job occupation title, and
 - (5) the total hours paid, number of weeks worked, and the average hours worked per week for each respective Full-Time Employment position.
 - 2. Further, to be eligible for Grant payments, the employee identification numbers in the Full-Time Employment list shall not match any of the employee identification numbers in the Current Employee list.
- iii. The Parties agree that Company may from time to time require or benefit from relocation of Full-Time Employment positions between the Company’s Existing Facilities and the Development Location.
 - 3. For clarification, **Company** shall not be required to provide any employee information protected by applicable law, including privacy law, in the Current Employee List or the Full-Time Employment List.
- iv. Full-Time Employment employees that are hired below the Median County Wage are subject to specific eligibility conditions based on wage progression. The following key factors determine Full-Time Employment employees’ qualification and impact:
 - 1. Two-Year Wage Compliance Requirement: Any Full-Time Employment employee hired below the Median County Wage must reach or exceed the Median County Wage within two (2) years from the hire date. At the end of this period, only those Full-Time Employment employees that meet or exceed the Median County Wage will continue to be counted toward the Full-Time Employment requirements. Those Full-Time Employment employees that do not reach or exceed the Median County Wage within

two (2) years from the hire date will not count towards the Full-Time Employment requirements.

2. Minimum Median County Wage Compliance for Full-Time Employment employees: Out of the five hundred (500) required Full-Time Employment employees, at least three hundred thirty-five (335) positions must meet or exceed the Median County Wage.
3. Thirty-three percent (33%) Allowable Threshold Below Median County Wage: Only up to one hundred sixty-five (165) employees (or 33% of the total 500 required Full-Time Employment employees) may remain below the Median County Wage during a 12-month reporting compliance period.

- v. The overall Full-Time Employment requirements are an obligation of the **Company** only, and **Plexxar** does not have any responsibility to ensure that the overall Full-Time Employment requirements are met in any given year.

- C. Grant payments** will be disbursed only to the extent that **Company** is up to date and not in default of any other current Agreements between the Parties and will continue until the earlier of the expiration of the term of the Agreement or until the aggregate of all payments has reached the capped amount of **Eight Hundred Twenty-Two Thousand Eight Hundred Ninety-Three Dollars and Twelve Cents (\$822,893.12)**.

In no event shall any Property Tax Rebate payment exceed Seventy-Five percent (75%) of the portion of the **ad valorem property tax increment revenues** generated from the Property, which are paid by **Company**, in the Development based upon the increased value over the Base Property Tax valuation as are actually received in hand by the **County**.

- D. Company and Plexxar** agree that for the purposes of this Agreement, Minimum Appraised Value means the combined valuation of the Real and Personal Property appraised by El Paso Central Appraisal District as of the Effective Date of this Agreement. For the purposes of this Agreement, the combined Minimum Appraisal Value for the Development (including Real and Personal Property) is **Twenty-Six Million Two Hundred Sixty-Three Thousand Eight Hundred Twelve Dollars and Zero Cents (\$26,263,812.00)**. Under no circumstances shall the Minimum Appraisal value be interpreted to be equivalent of or determinative for appraisal purposes or to be used in any way to determine market value.

Company and **Plexxar** agree that during the Term of this Agreement, **Company** and **Plexxar** shall not challenge or permit anyone else to take action on its behalf to challenge the appraised value of the Development (including Real and Personal Property) by the El Paso Central Appraisal District at less than the Minimum Appraised Value, without forfeiting the eligibility of the Grant. The Minimum Appraised Value should in no way be interpreted to affect the values set by the El Paso Central Appraisal District for tax purposes. Upon termination of this Agreement, **County**, **Company** and **Plexxar** agree that neither this Agreement, nor the values contained within, will be utilized to contest appraisal values or in the determination of the market value of the Development. If the

Company or **Plexxar** contest the appraised value of the Development (including Real and Personal Property) below the Minimum Appraised Value, in violation of this Agreement, the **Company** shall forfeit its claim to a Grant for the year in which the **Company** or **Plexxar** contested the appraised value of the Development (including Real and Personal Property) below the Minimum Appraised Value.

E. Annual Report. **Company** shall provide the **County** with an annual report each year during the term of this Agreement, certifying the status of compliance through the preceding year, which shall not be delayed regardless if **Company** relies on any other entity or party to complete its annual report. The Annual Report, more fully described in “**Exhibit C**”, shall be included in the Grant Submittal package and should include: information on any new investments in the Development, and any other information relevant to the Development and the **County**’s economic development goals. In addition, **Company** shall provide information on any new investments in the Development beyond the scope of the Agreement (personal and real). **Company** shall solely be responsible for all certifications it provides to the **County** and will be held liable for any Event of Default caused by **Company**’s certifications, even if **Company** receives information from any other entity or party to make said certifications to the **County**.

- i. Documentation for jobs may be in the form of quarterly IRS 941 returns, or Texas Workforce Commission Employer Quarterly reports, and employee rosters that show the information required under Section 3.B. **Company**, during normal business hours, at its principal place of business in El Paso County, Texas shall allow the **County** or its agents reasonable access to **Company**’s employment records and books, and other records that are related to the economic development considerations and incentives described herein, to verify employment records and any other records related to the **County**’s economic development considerations and incentives provided herein; however, the **County** shall not have access to, and **Company** shall not be required to provide, any information and/or documents protected by applicable law, including privacy law. In order to protect these records, the **County** shall maintain the confidentiality of such records in accordance with and subject to commercially reasonable practices and all applicable laws to the extent allowed by the Texas Public Information Act.
- ii. **Company** shall also provide the **County** with such other reports as may reasonably be requested and required.
- iii. The annual reporting is an obligation of the **Company** only, and **Plexxar** does not have any responsibility to ensure that the annual reporting requirement is met.

F. The Parties to this Agreement agree that the Base Year Value of the Development after completion of all construction and improvements, will have a minimum Base Year Value equal to the sum of: (i) The Business Personal Property Rendition of the Taxable Property for January 1, 2024, as filed by the Applicant, and (ii) The 2024 assessed land value for Property ID 268792, which is **One Million One Hundred Thirteen Thousand Eight Hundred and Twelve Dollars and Zero Cents (\$1,113,812.00)**.

- G.** The **Company** and **Plexxar** shall pay by January 31 of each year all of the real and business personal ad valorem taxes due for the previous tax year on the Development. The Company shall pay by January 31 of each year all real and business personal ad valorem taxes due for the previous tax year for any other property owned by the **Company** within El Paso County. The Parties to this Agreement agree that beginning on the Tax Period Commencement Date and throughout the Term, the taxable value of the Development (combined Real and Personal Property) shall maintain a Minimum Appraisal Value while the Agreement remains active.
- H.** Unless otherwise agreed to by the **County** and **Company**, each Grant Submittal Package shall be in the form provided in “**Exhibit B.**” The Grant Submittal Package is due by March 1st of the Grant Year. A failure by **Company** to timely submit a Grant Submittal Package in accordance with this paragraph is a waiver by the **Company** to receive a Grant payment for that Grant Year. There are no retroactive Grant Payments by the **County** for those Grant Years that are waived regardless if the County notified or failed to notify the Company of the Company’s failure to submit the Grant Submittal Package. The **County**’s determination of the amount of the Grant payment due to the **Company** is final; provided, however, that the **Company** may appeal to the El Paso County Commissioners Court within thirty (30) calendar days of payment. The El Paso County Commissioners Court shall hear the appeal within thirty (30) calendar days of request for appeal and the El Paso County Commissioners Court’s determination of the amount of the Grant payment shall be final. Nothing herein shall limit (or be construed to limit) the **County**’s rights and remedies as described in **Section 5** of this Agreement. The submission of the Grant Submittal Package, to include all certifications provided therein, is an obligation of the **Company** only, and **Plexxar** does not have any responsibility to ensure that the Grant Submittal Package is submitted. However, **Company** is obligated to provide any reporting requirements, regardless if **Company** received or relied on certain information provided to **Company** by any other entity or party, and **Company** shall certify that such information reported is true and accurate. If it is determined by any Party, at any time, that such information provided to the **County** by **Company** or by any other entity or party (through the **Company**’s Grant Submittal Package) is incomplete, untrue, or inaccurate, **Company** agrees that **Company** will be in breach of this Agreement, pursuant to Section 5.
- I.** Notwithstanding anything contained herein to the contrary, the **Company** shall not be entitled to receive, and the **County** shall not be obligated to pay any Grant accrued unless **Company** has complied with this Agreement. Under no circumstances shall the **County** be required to disburse more than **Eight Hundred Twenty-Two Thousand Eight Hundred Ninety Three Dollars and Twelve Cents (\$822,893.12)**.

SECTION 4. OBLIGATIONS OF COUNTY.

During the term of this Agreement and so long as an Event of Default has not occurred, **County** shall comply with the following terms and conditions:

- A.** The **County** agrees to approve or reject any Grant Submittal Package within sixty (60) business days after its receipt, if the Grant Submittal Package is timely filed in

accordance with this Agreement. The **County** agrees to process any Grant payments to **Company** within ninety (90) business days after its approval of the **Company**'s Grant Submittal Package. It is expressly understood by the Parties to this Agreement that, except as otherwise provided herein, the payments contemplated in this Agreement in no way obligates the **County**'s general fund or any monies or credits of the **County** and creates no debt of, nor any liability to, **Company, Plexxar**, their respective Affiliates, or third parties beyond the specific obligations contained herein. All payments made by the **County** under this Agreement are subject to appropriation of such funds for such payments to be paid in the budget year for which they are appropriated.

- B.** Pursuant to the **County**'s "Comprehensive Incentives Policy" and a cost/benefit calculation completed solely by and at the **County**'s reasonable discretion, the **County** shall determine the total amount of Grant payments due to the **Company**, if any, on an annual basis.
- C.** Provided the **Company** satisfies all the requirements of this Agreement, **Company** shall be eligible for an annual Grant payment in an amount equal to Seventy Five percent (75%) of the total value of the **County**'s portion of the incremental ad valorem real property tax revenue generated by the subject property above the Base Year Value for the Development for the given tax year during the Grant Period.

SECTION 5. EVENTS OF DEFAULT.

Each of the following shall constitute an Event of Default ("Event of Default") under this Agreement and the **County**, under the circumstances outlined in this section, may at its sole discretion, suspend its obligations under this Agreement, recapture past Grant payments, and all future payment obligations shall automatically cease.

- A. Failure to Maintain Development.** **Company** or its Affiliates failure, refusal, or inability (for any reason) to operate the Development or maintain Full-Time Employment requirements through the Grant Period, shall be deemed an Event of Default.
- B. False Statements.** In the event the **Company** provides any written warranty, representation or statement under this Agreement or any document(s) related hereto that is/are false, misleading, or inaccurate in any material respect, either now or at the time made or furnished, **Company** is deemed to be in default of this Agreement, regardless if the information was received by **Company** from any other entity or party. Further, if **Company** obtains actual knowledge that any previously provided warranty, representation or statement has become materially false, misleading, or inaccurate after the time that it was made and **Company** fails to provide written notice to the **County** of the false, misleading, or inaccurate nature of such warranty, representation or statement within ten (10) business days after **Company** learns of its false, misleading, or inaccurate nature, such action or omission, shall be deemed an Event of Default.
- C. Fraudulent Acts.** In the event the **Company** commits a fraudulent act, as described in Section 1.N., it shall be deemed an Event of Default from the moment of the fraudulent

act, and **Company** will be in breach of this Agreement. This includes instances where any other entity or party commits a fraudulent act which **Company** received or relied on and was submitted to the County in the Grant Submittal Package. This Event of Default does not allow for **Company** to cure, even if the fraudulent acts were committed by any other entity or party.

D. **Insolvency.** The dissolution or termination of **Company's** existence as an ongoing business, **Company's** insolvency, appointment of receiver for any part of **Company's** portion of the Property, any assignment of all or substantially all of the assets of **Company** for the benefit of creditors of **Company** or the commencement of any proceeding under any bankruptcy or insolvency laws by or against **Company**, shall all be deemed Events of Default. However, in the case of involuntary proceedings, if such proceedings are discharged within sixty (60) calendar days after filing, no event of default shall be deemed to have occurred.

E. **Foreclosure on Current Structure or Property.** Subject to Section 7.D, in the event:

- a. (i) the conveyance of the Current Structure or Property pursuant to an action to foreclose or otherwise enforce a lien, mortgage or deed of trust on the Current Structure or Property; (ii) the involuntary conveyance to a third party of the Current Structure or Property; (iii) execution of any assignment of the Current Structure or Property or deed in lieu of foreclosure to the Current Structure or Property; or (iv) appointment of a trustee or receiver for the Current Structure or Property and such appointment is not terminated within one hundred twenty (120) calendar days after the appointment (collectively "Landlord Insolvency") occurs, **and**
- b. the **Company** terminates its lease with **Plexxar** or the successor landlord as a result of such landlord insolvency, this shall be considered an Event of Default. However, if the successor landlord is bound by this Agreement, pursuant to Section 7.D., and the **Company** remains a tenant on the Property despite such landlord insolvency, and continues to operate on the Property, the Agreement shall not be terminated pursuant to this Section 5.E.

F. Nothing in this Agreement will restrict or prevent a voluntary conveyance of the Development Location by **Plexxar**, its successors or assigns or the execution of any mortgage, deed of trust, assignment of rents or other security agreement encumbering the Development Location by **Plexxar** or its successors.

- a. **Company** will notify **County** of any voluntary conveyance of the Property and/or Development by **Plexxar** within ten (10) business days from the date the deed consummating such conveyance is filed in the public records of El Paso County. This provision is a material term of this Agreement and the failure by **Company** to notify the **County** of such voluntary conveyance shall constitute an Event of Default.

- G. **Construction of Development.** **Company's** failure to materially comply with the construction obligations set forth in this Agreement, shall be deemed an Event of Default.
- H. **Other Defaults.** Failure of **Company** to materially comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any related documents, shall be deemed an Event of Default. Notwithstanding any provision of this Agreement, Plexxar has joined this Agreement on a pro forma basis and as an accommodation to the County and Company. Neither Plexxar, its successors or assigns or Plexxar's property will be liable or responsible for any, claim, default, act or omissions under this Agreement. However, **Company** agrees to be liable for any claim, default, act or omission that is caused by any other entity or party which **Company** certifies to in the Grant Submittal Package.
- I. **Cure Period and Recapture of Property Tax Rebates.** **Company** is responsible for notifying the **County** in writing of any default under this Agreement within ten (10) business days of Company becoming aware of such default ("**Notice of Default**") and must cure such default within ninety (90) business days after receipt of such Notice of Default ("**Cure Period**"). The Notice of Default shall describe the nature of the default and whether the **Company** intends to attempt to cure the Event of Default.

If **County** determines that **Company** has failed to notify the **County** of any Event of Default under this Agreement, **County** has the option to terminate this Agreement immediately and **Company** acknowledges and agrees to pay **County** the Property Tax Rebates paid to **Company** as provided in **Section J.** below. All recaptured taxes assessed under the terms of this Agreement must be paid to the **County** by **Company** within sixty (60) business days from Notice of Default by the **County**.

J. **Remedies.** In the Event of Default, the Parties agree that:

1. The **County** may recapture from **Company** any amount equal to the amount actually paid to **Company** as a Grant Payment and/or Property Tax Rebate made by the County ("**Recapture Amount**").
 2. **Payment of Recapture Amount.** The Recapture Amount shall be due and payable to the **County** no later than sixty (60) business days after the **Company's** receipt of written notice of Recapture Amount from the **County**.
- K. **Liability.** In no event will any Party be liable to the other Party for any indirect, special, punitive, exemplary, incidental or consequential damages. In no event shall the liability of any Party exceed the value of Grant payments paid pursuant to this Agreement, plus interest at a rate in accordance with the Texas Prompt Payment Act in Chapter 2251 of the Texas Government Code As Plexxar will receive no Grant payment, Plexxar will have no liability or responsibility of any kind pursuant to this Agreement. This limitation will apply regardless of whether or not the other Party has been advised of the possibility of such damages.

SECTION 6. TERMINATION OF AGREEMENT BY COUNTY WITHOUT DEFAULT OF COMPANY.

The **County** may terminate this Agreement for its convenience and without the requirement of an event of default by Company or their respective Affiliate(s), which shall become effective immediately if any local, state or federal statute, regulation, case law, or other law renders this Agreement ineffectual, impractical or illegal, including any case law holding that a Chapter 381, such as this Agreement, is an unconstitutional debt.

SECTION 7. MISCELLANEOUS PROVISIONS.

The following miscellaneous provisions are a part of this Agreement:

- A. **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by all parties.
- B. **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in **El Paso County, Texas**. Venue for any action arising under this Agreement shall lie in the state district courts of **El Paso County, Texas**.
- C. **Assignment of Company's Rights.** Company understands and agrees that the **County** expressly prohibits Company or its Affiliate from selling, transferring, assigning or conveying in any way any rights to receive the Grant proceeds without the **County's** prior written consent. Any such attempt to sell, transfer, assign or convey without the **County's** prior written consent is void, will be deemed an Event of Default, and may result in the immediate termination of this Agreement, with no ability for the Company to cure.
- D. **Plexxar's Sale or Transfer of Property or Development Location.** Plexxar may sell, transfer and convey the Property and / or Development without the consent of the **County**. However, **Company** will notify **County** of any sale, transfer, or conveyance of the Property and / or Development by **Plexxar** within ten (10) business days from the date such sale, transfer, or conveyance is filed in the public records of El Paso County, Texas. This provision is a material term of this Agreement and the failure by **Company** to notify the **County** of such voluntary conveyance shall constitute an Event of Default.
- E. **Binding Obligation.** This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. **County** warrants and represents that the individual executing this Agreement on behalf of **County** has full authority to execute this Agreement and bind **County** to the same. The individual executing this Agreement on **Company's** behalf warrants and represents that he or she has full authority to execute this Agreement and bind **Company** to the same. The individual executing this Agreement

on **Plexxar's** behalf warrants and represents that he or she has full authority to execute this Agreement.

- F. **Completion of Development.** As consideration for the agreement of the **County** as contained herein, **Company** agrees that it will diligently and faithfully in a good and workmanlike manner pursue the completion of the Development and that the construction of same will be in accordance with all applicable federal, state and local laws and regulations.
- G. **Confidentiality Obligations.** The confidentiality of **Company's** employment records and any other records related to the **County's** economic development considerations and incentives provided herein, if any, will be maintained in accordance with and subject to all applicable laws, including the Texas Public Information Act, Chapter 552 of Texas Government Code, which includes any information provided to **Company** by any other entity or party. Specifically, the **County** will maintain the confidentiality of any proprietary information to the extent permitted by law and agrees that, as required by the Public Information Act, it will notify **Company** if a request relating to such proprietary information is received. **Company** represent that it understands that the Public Information Act exempts disclosure of trade secret and confidential commercial information and that it is **Company's** and responsibility to assert its proprietary interest as a basis for nondisclosure, regardless if the information was provided to **Company** by any other entity or party. **Company** agrees that **Company** is solely responsible for identifying any proprietary information that may be exempt from disclosure. **Company** represents that it understands that the Texas Attorney General Open Records Division has the authority to issue a decision on whether the **County** is permitted to withhold the requested information or if the **County** must release the information to the requestor. The **County's** obligations under this Section do not impose a duty upon the **County** to challenge any court order or ruling of the Texas Attorney General to release information in response to a specific request for information under the Act.
- H. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.
- I. **Filing.** The **County** shall promptly file this Agreement in the deed records of El Paso County, Texas.
- J. **Force Majeure.** It is expressly understood and agreed by the Parties to this Agreement that if the performance of any obligations hereunder is delayed beyond such Party's reasonable control by reason of war, civil commotion, acts of God, pandemic, epidemic, severe weather, fire or other casualty, or court injunction, labor troubles, such as strikes or lockouts, inability to procure material, failure of power, restrictive governmental laws or regulations, permitting delays, inspection delays, or utility provider delays the party so obligated or permitted shall be excused from doing or performing the same during such period of delay and for the period caused by the delay. Should the Force Majeure

Event be extended for a period more than ninety (90) calendar days, then the Parties may agree to amend this Agreement to reflect changes.

K. Indemnity. THE COUNTY AFFIRMS THAT IT ENJOYS GOVERNMENTAL IMMUNITY. TO THE EXTENT ALLOWED BY LAW AND EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, AND SUBJECT TO THE LIMITATION OF LIABILITY SET FORTH IN SECTION 5(K), COMPANY WILL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE COUNTY AND THE COUNTY'S OFFICERS AND EMPLOYEES FROM ALL THIRD-PARTY CLAIMS OF PROPERTY DAMAGE, PROPERTY LOSS, PERSONAL INJURY, DEATH, ILLNESS, INTELLECTUAL PROPERTY RIGHT INFRINGEMENT, REGULATORY COMPLIANCE RELATED TO THE PERFORMANCE OF THE COMPANY AND/OR ITS EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, INVITEES, OR LICENSEES ACTIONS OR OMISSIONS RELATED TO THIS AGREEMENT, REGARDLESS IF COMPANY RECEIVED OR RELIED ON CERTAIN INFORMATION FROM ANY OTHER ENTITY OR PARTY. THE OBLIGATION UNDER THIS SECTION REMAINS IN EFFECT FOR ALL CLAIMS ARISING DURING THE TERM OF THIS AGREEMENT.

a. THE COMPANY SHALL NOT, HOWEVER, BE REQUIRED TO INDEMNIFY THE COUNTY AGAINST CLAIMS CAUSED BY THE COUNTY'S SOLE NEGLIGENCE OR WILLFUL MISCONDUCT, AND IF THE COUNTY INCURS CLAIMS THAT ARE CAUSED BY THE CONCURRENT FAULT OR NEGLIGENCE OF COMPANY AND THE COUNTY, THE COMPANY'S INDEMNITY OBLIGATION WILL BE LIMITED TO A FRACTION OF THE TOTAL CLAIMS EQUIVALENT TO THE COMPANY'S OWN RESPECTIVE PERCENTAGE OF RESPONSIBILITY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

b. FURTHER, TO THE EXTENT ALLOWABLE BY TEXAS LAW, THE COUNTY HEREBY RELEASES AND AGREES TO HOLD HARMLESS COMPANY AND PLEXXAR AND THEIR RESPECTIVE OFFICERS, AGENTS, AFFILIATES AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS, LAWSUITS, ACTIONS, COSTS AND EXPENSES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO THOSE FOR PROPERTY DAMAGE OR LOSS AND/OR PERSONAL INJURY, INCLUDING DEATH, THAT MAY RELATE TO, ARISE OUT OF OR BE OCCASIONED BY (i) THE COUNTY'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT OR (ii) ANY NEGLIGENT ACT OR OMISSION OR INTENTIONAL MISCONDUCT OF THE COUNTY, ITS OFFICERS, SERVANTS, AGENTS, ASSOCIATES, EMPLOYEES, CONTRACTORS OR SUBCONTRACTORS, RELATED TO THIS AGREEMENT.

L. Relationship of the Parties. The relationship of the County, Company, and Plexxar under this Agreement is not and shall not be construed or interpreted to be a partnership,

joint venture or agency. It is expressly understood and agreed that **Company** and **Plexxar** will operate as independent contractors in each and every respect hereunder and not as agents, representatives or employees of the **County**.

- M. **Liability of Plexxar.** Plexxar is consenting to the provisions of this Agreement as an accommodation to, and at the request of, **Company**. Accordingly, notwithstanding anything to the contrary contained herein, in no event will **Plexxar** be responsible for any damages, clawbacks, fees, penalties, interest, or increase in ad valorem taxes as a result of any default under this Agreement.
- N. **Third Party Beneficiaries.** This Agreement is not intended to confer any rights, privileges, or causes of action upon any third party, to include **Plexxar**.
- O. **Authorization to Enter into Agreement.** The Parties warrant and represent that they have full authority to enter into this Agreement and to consummate the transactions contemplated hereby and that this Agreement is not in conflict with any other agreement to which the Parties are a party or by which they may be bound.
- P. **Contractor/Subcontractor Terms:** Nothing contained in this Agreement shall create any contractual relation between the County and the Contractor and any subcontractors that Company hires.
- Q. **Non-Compliance.** Non-compliance under this agreement will be considered an event of default and subject to termination and recapture of incentives provided to the **Company** for each grant period during which an event of default exists.
- R. **Exhibits.** The following exhibits are attached to and incorporated into this Agreement for all purposes.

EXHIBIT A: Property and Development Description

EXHIBIT A-1: Development Location

EXHIBIT B: Grant Submittal Package Form

EXHIBIT C: Annual Report Form

- S. **Notices.** All notices required to be given under this Agreement shall be given in writing and shall be effective when actually delivered or when deposited in the United States mail, first class, postage prepaid, addressed to the party to whom the notice is to be given at the addresses shown below. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, each party must keep the other informed at all times of its current address.

County:	El Paso County Judge
	El Paso County Courthouse
	500 E. San Antonio, Suite 301
	El Paso, Texas 79901

Copy To: Roberto Ransom, Director
El Paso County Economic Development Department
500 E. San Antonio #312
El Paso, Texas 79901

Company: Schneider Electric USA Inc.
1004 Commercial Avenue #303
Anacortes, WA 98221
Attn: Jeff Morris, Senior Director State Government
Strategy, Business Development & Government Relations

With a copy to:

Schneider Electric USA Inc.
One Boston Place, Suite 2700
Boston, Massachusetts 02108
Attn: Robert A. Nathan, Manager, Government Relations

Plexxar: Plexxar 1625, LLC
1865 Northwestern Dr.
El Paso, Texas 79912
Attn: Brent D. Harris, President

[SIGNATURES INCLUDED ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Agreement effective on the date all Parties and **Plexxar** sign and execute this Agreement.

COUNTY OF EL PASO, TEXAS

County Judge Ricardo Samaniego

Date: _____

APPROVED AS TO CONTENT:

Roberto Ransom
El Paso County Economic Development Director

COMPANY:
Schneider Electric USA, Inc.

By: _____
Printed Name: _____
Senior Director State Government Relations

Date: _____

PLEXXAR:
Plexxar 1625, LLC

By: _____
Printed Name: _____
Title: _____

Date: _____

EXHIBIT A
[Development and Property Legal Description]

DEVELOPMENT:

The proposed Development is part of a major expansion of Company's Existing Facilities which includes the Property located at 1625 N. Resler Dr., El Paso, Texas 79912. The incremental real property component of the Development is proposed as a proximately located standalone state-of-the-art 273,442-square foot build-to-suit facility to be developed by Plexxar and operated under lease at 1625 N. Resler Dr., El Paso, Texas 79912. The Development is estimated to require approximately 273,442 square feet of industrial facility.

The Development will significantly boost Company's manufacturing capabilities for switchgears with low-voltage switchgears designed for residential and commercial data centers. Reinforcing the Company's commitment to innovation and growth of American made products. The Property is strategically located at the corner of Northern Pass and Resler, 1625 N. Resler Drive in El Paso, Texas 79912. The Development will position Company to better integrate with its Existing Facilities while driving economic growth in the El Paso region.

EXHIBIT A-1
Development Location

Address: 1625 N RESLER DR EL PASO, TX 79912

Property ID: 268792

Legal Description of Development: A portion of Lot 1, Block 6, Northwestern Corporate Center Unit Five, pursuant to Book 73, Page 61, El Paso County Real Property Records containing approximately (15.9810 Acres) as more particularly described below:

Legal Description of Development Location: 6 NORTHWESTERN CORPORATE CTR #5 LOT 1 (EXC WLY PT).

Geographic ID: N495-999-0060-0100

EXHIBIT B

[Grant Submittal Package Form]

Schneider Electric USA Inc. certifies that it has substantially met its obligations under the Chapter 381 Agreement dated the _____ day of _____, 2025 and signed by _____ of **Schneider Electric USA Inc.**, County contract #2025-0166. Pursuant to the Agreement, Schneider Electric USA Inc. submits this Grant Submittal Package Form in compliance with the Agreement and certifies the information provided herein is true and accurate and is in compliance with its obligations under the Agreement. **Schneider Electric USA Inc.** understands it is solely responsible for the certifications provided herein and will be held liable for any Event of Default caused by the certifications, regardless of whether the certifications made herein are based on information received from any other entity or party.

As required by the Agreement, the following information is submitted.

1. Site Development approvals and permits;
2. Certificate(s) of Occupancy;
3. Timeframe for which Tax Rebate is requested;
4. Property Tax Payment Receipt(s);
5. Qualified expenditures to date not previously verified in the form of invoices, receipts, proof of payment, and or cancelled checks;
6. Unconditional waiver and release of final payment to Construction Company;
7. Annual report, including:
 - a. information on any new investments in the Development, and any other information relevant to the Development and the County's economic development goals, and
 - b. information on any new investments in the Development beyond the scope of the Agreement (personal and real).
 - c. employee rosters that show the hours worked and the positions filled. Documentation for jobs may be in the form of quarterly IRS 941 returns, or Texas Workforce Commission Employer Quarterly reports.
 - d. Full-Time Employment List which includes:
 - i. an employee identification number assigned to each new Full-Time Employment employee,
 - ii. the corresponding hire date of the new Full-Time Employment employee,
 - iii. the hourly rate of the employee,
 - iv. the job occupation title, and
 - v. the total hours paid, number of weeks worked, and the average hours worked per week for each respective Full-Time Employment employee.
 - e. Company shall also provide the County with such other reports as may reasonably be requested and required to verify Company's compliance with its obligations under this Agreement.

It is understood by Schneider Electric USA Inc. that El Paso County has up to ninety (90) calendar days to process this request and reserves the right to deny the Grant payment(s) as provided by the Agreement.

Schneider Electric USA Inc.

By: _____

Name: _____

Title: _____

Signature: _____

EXHIBIT C
[Annual Report Form]



ECONOMIC DEVELOPMENT DEPARTMENT

Schneider Electric USA, Inc.

ANNUAL REPORT

Prepared By		Report Year	
Position Title		Department	
Phone Number		Email	

CAPITAL INVESTMENT – New investments in the Department relevant to the Development and the County’s economic development goals and information on any new investments in the Development beyond the scope of the Agreement (personal and real).

Category	Description	Amount
Business Personal		
Real		

EMPLOYMENT – Documentation for jobs may be in the form of quarterly IRS 941 returns, or Texas Workforce Commission Employer Quarterly reports, and employee rosters that show the hours worked and the positions filled.

Category	Quantity	Full-Time	Part-Time	Average Salary	Benefits
Jobs Retained					
New Jobs					

TRAINING INVESTMENT

Category	# Employees Trained	Proprietary Training	Non-Proprietary Training	Amount
Jobs Retained				
New Jobs				

I certify that, to the best of my knowledge and belief, the information submitted in this report is true and correct.

Signature

Date