

South Texas College
Board of Trustees
Finance, Audit, and Human Resources Committee
Ann Richards Administration Building A, Conference Room A 142
Pecan Campus, McAllen, Texas
Tuesday, November 14, 2023 @ 5:00 p.m.

Agenda

“At anytime during the course of this meeting, the Board of Trustees may retire to Executive Session under Texas Government Code 551.071(2) to confer with its legal counsel on any subject matter on this agenda in which the duty of the attorney to the Board of Trustees under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Texas Government Code. Further, at anytime during the course of this meeting, the Board of Trustees may retire to Executive Session to deliberate on any subject slated for discussion at this meeting, as may be permitted under one or more of the exceptions to the Open Meetings Act set forth in Title 5, Subtitle A, Chapter 551, Subchapter D of the Texas Government Code.”

- I. Approval of October 17, 2023 Finance, Audit, and Human Resources Committee Minutes.....1-20
- II. Discussion and Action as Necessary to Amend and Restate the Monte Cristo Windpower, LLC (Terra-Gen Development Company, LLC) and South Texas College Tax Abatement Agreement.....21-59
- III. Discussion and Recommend Action as Necessary on Monte Cristo Phase II Windpower, LLC (Terra-Gen Development Company, LLC) Tax Abatement Application.....60-80
- IV. Review and Action as Necessary on Award of Proposals, Purchases, and Renewals.....81-118
 - A. Award of Proposals
 - 1) Ambulance Cots and Stair Chairs (Award) – **Grant Funded**
 - 2) Equipment Rental Services (Award)
 - 3) Graduation Regalia (Award)
 - 4) Signs, Banners, and Related Products (Award)
 - 5) Vehicle Maintenance and Repair Services – II (Award)
 - B. Purchases and Renewals
 - a. Instructional Items
 - 6) Instructional Equipment (Purchase) – **Grand Funded**
 - 7) Laser System (Purchase) – **Grand Funded**
 - 8) Case Management Services (Renewal)
 - 9) Graduation Facility Agreement (Purchase/Lease)
 - b. Non-Instructional Items
 - 10) Furniture (Purchase)
 - 11) Campus Dining and Food Truck Services – II (Renewal)
 - c. Technology Items
 - 12) Computers, Laptops, and Tablets (Purchase)
 - 13) Server Hardware Equipment, Software, and Support (Purchase) – **Grant Funded**
 - 14) Backup Data Storage Hardware Maintenance Agreement (Renewal)

V.	Review and Recommend Action on 2023 Tax Roll/Tax Levy for Hidalgo and Starr Counties	119-127
VI.	Review and Recommend Action on Annual Investment Report for FY 2022 – 2023.....	128-130
VII.	Review and Recommend Action on Resolution 2024-007 Authorizing Investment Brokers/Dealers	131-134
VIII.	Review and Recommend Action to Adopt New Local Policy DEAA - Compensation and Benefits: Incentives and Stipends.....	135-136
IX.	Review and Recommend Acceptance of Internal Audit Report in the Area of Financial Aid Federal Awards	137-146

**Approval of October 17, 2023 Finance, Audit, and Human Resources Committee
Minutes**

The Minutes for the Finance, Audit, and Human Resources Committee Meeting of October 17, 2023, are presented for Committee approval.

**South Texas College
Board of Trustees
Finance, Audit, and Human Resources Committee
Ann Richards Administration Building Board Room
Pecan Campus, McAllen, Texas
Tuesday, October 17, 2023 @ 5:15 p.m.**

Minutes

The Finance, Audit, and Human Resources Committee Meeting was held on Tuesday, October 17, 2023 in the Ann Richards Administration Building Board Room at the Pecan Campus in McAllen, Texas. The meeting commenced at 6:27 p.m. with Mr. Rene Guajardo presiding.

Members present: Mr. Rene Guajardo, Dr. Alejo Salinas, Jr., and Mr. Paul R. Rodriguez

Other Trustees Present: Mrs. Victoria Cantu, Mrs. Dalinda Gonzalez-Alcantar, and Mr. Danny Guzman

Members absent: None

Also present: Dr. Ricardo J. Solis, Mrs. Mary Elizondo, Dr. David Plummer, Mr. Matthew Hebbard, Dr. Rodney Rodriguez, Dr. Rebecca De Leon, Mr. George McCaleb, Dr. Zachary Suarez, Ms. Alicia Correa, Lt. Johnny Barboza, Ms. Olivia De La Rosa, Mr. Billy Langley, Mr. Lucio Gonzalez, Mr. Daniel Montez, Ms. Luisa Rodriguez, Mrs. Gardenia Perez, Mr. Rudy Juarez, and Mr. Andrew Fish.

**Approval of September 12, 2023 Finance, Audit, and Human Resources Committee
Minutes**

Upon a motion by Dr. Alejo Salinas, Jr. and a second by Mr. Paul R. Rodriguez, the Minutes for the Finance, Audit, and Human Resources Committee Meeting of September 12, 2023, were approved as written. The motion carried.

**Review and Action as Necessary on Award of Proposal, Rescind of Award,
Purchases, Renewals, and Interagency Agreements**

Purpose and Justification – Administration requested the Committee recommend Board approval of the following award of proposal, rescind of award, purchases, renewals, and interagency agreements.

The Director of Purchasing reviewed each item, including the procurement procedures and evaluation of all responses, and recommended approval as follows.

Upon a motion by Dr. Alejo Salinas, Jr. and a second by Mr. Paul R. Rodriguez, the Committee recommended Board approval of the award of proposal, rescind of award, purchases, renewals, and interagency agreements at a total cost of \$1,581,592.62 as listed below:

A. Award of Proposal

- 1) **Lease of Trucks (Award):** award the proposal for the lease of trucks to **Trancasa USA, Inc.** (Pharr, TX), for the period beginning November 1, 2023 through October 31, 2024, as follows:

Term	One year with two (2) one-year options to renew
Total Monthly Amount	\$6,000.00
Total Annual Amount	\$72,000.00

On October 17, 2023, the Finance Committee requested staff to have the vendor submit a revised offer. Administration agreed to provide the vendor's response for the Board's consideration.

B. Rescind of Award

- 2) **Campus Dining and Food Truck Services – III (Rescind):** rescind the July 25, 2023, Board award to **Tacos Matamoros and More, LLC.** (Pharr, TX) for the campus dining and food truck services – III at the Regional Center for Public Safety Excellence and Starr County Campus, since the vendor withdrew their proposal on September 13, 2023;

C. Purchases and Renewals (C-a. Instructional Items)

- 3) **Radiology Equipment Maintenance Agreements (Renewal):** renew the radiology equipment maintenance agreements with **GE Precision Healthcare, LLC.** (Waukesha, WI), a sole source vendor, for the period beginning November 1, 2023 through October 31, 2028 as follows:

Term	Five (5) Year Agreement
Estimated Annual Amount	\$38,924.00
Estimated Contract Amount	\$184,620.00

- 4) **Sonography Equipment Maintenance Agreements (Renewal):** renew the sonography equipment maintenance agreements with **GE Precision Healthcare, LLC.** (Waukesha, WI), a sole source vendor, for the period beginning November 1, 2023 through October 31, 2028 as follows:

Term	Five (5) Year Agreement
Estimated Annual Amount	\$25,630.00
Estimated Contract Amount	\$128,150.00

C. Purchases and Renewals (C-b. Non-Instructional Items)

- 5) **Furniture (Purchase):** purchase of furniture from OMNIA Partners and The Interlocal Purchasing System (TIPS) cooperatives approved vendors, at an estimated total amount of \$51,624.78 as follows:

#	Vendor	Purchasing Cooperative	Amount
A	Datum Storage Solutions, Inc. / Gateway Printing and Office Supply, Inc. (Emigsville, PA / Edinburg, TX)	TIPS	\$1,586.68
B	Gateway Printing and Office Supply, Inc. (Edinburg, TX)	TIPS	\$3,441.32
C	National Office Furniture, Inc. / Gateway Printing and Office Supply, Inc. (Jasper, IN / Edinburg, TX)	OMNIA Partners	\$42,372.81
D	Versteel / Gateway Printing and Office Supply, Inc. (Jasper, IN / Edinburg, TX)	OMNIA Partners	\$4,223.97
	Furniture Total		\$51,624.78

- 6) **Law Enforcement Vehicles (Purchase):** purchase of law enforcement vehicles from **Caldwell County Chevrolet** (Caldwell, TX), a Texas Association of School Boards (TASB) – Buyboard approved vendor, at a total amount of \$104,700.00;
- 7) **HEP Grant Consultant (Renewal) - Grant Funded:** renew the HEP grant consultant contract with **Leadership Empowerment Group** (Mercedes, TX), for the period beginning February 1, 2024 through January 31, 2025, at an estimated total amount of \$60,000.00;
- 8) **Vehicle Fuel Program (Renewal):** renew the vehicle fuel program with **U.S. Bank/Voyager Fleet Systems** (Kansas City, MO), a State of Texas Procurement and Support Services (TPASS) approved vendor, acting by and through the State of Texas Council of Competitive Government (CCG), for the period beginning January 1, 2024 through December 31, 2024, at an estimated total amount of \$180,000.00, which is based on prior year expenditures;

C. Purchases and Renewals (C-c. Technology Items)

- 9) **Computers, Laptops, Tablets, Monitors, and Server (Purchase):** purchase of computers, laptops, tablets, monitors, and server as follows:

Vendor	Purchasing Cooperative	Amount
Dell Marketing, LP. (Dallas, TX)	State of Texas Department of Information Resources (DIR)	\$139,556.72
Apple, Inc. (Dallas, TX)	Choice Partners Cooperative	\$12,931.00
	Total Amount	\$152,487.72

- 10) **Network Equipment, Software, and Installation Services (Purchase) – Grant Funded:** purchase network equipment, software, and installation services from **Netsync Network Solutions** (McAllen, TX), a State of Texas Department of Information Resources (DIR) approved vendor, at a total amount of \$186,391.26;
- 11) **Dual Enrollment Software License Agreement (Renewal):** renew the dual enrollment software license agreement with **DualEnroll.com, a wholly owned subsidiary of CourseMaven, Inc.** (Leesburg, VA), a sole source vendor, for the period beginning December 1, 2023 through November 30, 2024, at an estimated total amount of \$67,330.00;

12)Microsoft Campus License Agreement (Renewal): renew the Microsoft Campus license agreement with **Software House International (SHI) Government Solutions, Inc.** (Somerset, NJ), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning November 1, 2023 through October 31, 2024, at a total amount of \$288,624.86;

13)Online Training and Professional Development Resource Library Subscription (Renewal): renew the online training and professional development resource library subscription with **Innovative Educators** (Boulder, CO), a sole source vendor, for the period beginning November 1, 2023 through October 31, 2028 as follows:

Term	Five (5) Year Agreement
Total Annual Amount	\$12,951.00
Total Contract Amount	\$64,755.00

D. Interagency Agreements

14)Employee Assistance Program (EAP) Agreement (Renewal): renew the employee assistance program (EAP) with **The University of Texas Health Science Center at Houston** (Houston, TX) through an interagency agreement, for the period beginning November 1, 2023 through October 31, 2024, with automatic annual renewals at an estimated total annual amount of \$20,909.00. The estimated annual cost is for 1,584 full-time employees at a per-employee monthly rate of \$1.10;

15)State Record Inquiry Access Agreement (Purchase/Renewal): enter into a state records inquiry access interlocal agreement with the **Texas Department of Public Safety** (DPS) (Austin, TX), a state agency/sole source vendor, for the period beginning January 1, 2024 through December 31, 2024, at an estimated total amount of \$10,000.00.

The motion carried.

Review and Recommend Action on Disposal of Surplus Property Valued at \$5,000 and Over

Purpose and Justification – Administration requested the Committee recommend Board approval on the disposal of surplus property valued at \$5,000 and over through a live auction to dispose of obsolete, damaged, and items not functioning properly for safety purposes, and also due to the lack of storage area for surplus property. The Fixed Assets Department requests that these capital assets, which are part of the College's inventory, be removed from the fixed assets ledger.

Background – The surplus property goes through an evaluation process by the departments to determine if the items are damaged beyond repair and unable to be utilized throughout the College district. After this evaluation process, the department submitted a request to have the property removed from their department and relocated to the Technology Campus Shipping and Receiving Warehouse surplus area.

The auction items were located at the South Texas College Receiving Department, 3700 W Military Hwy, McAllen, TX. The auction would be located at the auctioneers' site due to a lack of space at the Central Receiving Warehouse.

The items valued at \$5,000 and over were included in the College's Banner inventory Banner system.

Enclosed Documents - The list of the items to be auctioned followed in the packet for the Committee's information and review.

Mary Elizondo, Vice President for Finance and Administrative Services, and Becky Cavazos, Director of Purchasing, attended the Committee Meeting to address questions.

Upon a motion by Mr. Paul R. Rodriguez and a second by Dr. Alejo Salinas, Jr., the Committee recommend Board approval on the disposal of surplus property valued at \$5,000 and over through a live auction and for these capital assets, which are part of the College's inventory, to be removed from the fixed assets ledger as presented. The motion carried.

Review and Discussion on Options for Contracting Electric Power Services

Purpose and Justification – The Options for Contracting Electric Power Services were presented for review and feedback on the preferred procurement method option for electric power services.

A procurement method option for electric power services must be selected to secure a contract for the electric power services prior to the end of the existing contract.

In the past, the College has procured the electric power services through an interagency contract with the State of Texas, General Land Office, or by advertising a Request for Proposal (RFP).

The College's current contract for electric power services with Cavallo Energy Texas through the General Land Office was entered into on June 1, 2019 and will expire on May 31, 2024.

Background - The following reflects South Texas College's electric service contracts since FY 2002:

Procurement Method	Service Provider	Period	Electricity Rate per kWh
General Land Office	Reliant Energy	4/1/02 – 3/31/04	\$0.03944
General Land Office	Reliant Energy	4/1/04 – 5/31/06	\$0.05397
Request for Proposal	Hino Electric	6/1/06 – 5/31/07	\$0.08099
Request for Proposal	Hino Electric	6/1/07 – 5/31/08	\$0.08650
Request for Proposal	Gexa Energy	6/1/08 – 5/31/11	\$0.08989

Procurement Method	Service Provider	Period	Electricity Rate per kWh
Request for Proposal / General Land Office	Cavallo Energy Texas	6/1/11 – 5/31/14	\$0.05676
General Land Office	Cavallo Energy Texas	6/1/14 – 5/31/19	\$0.05482
General Land Office	Cavallo Energy Texas	6/1/19 – 5/31/24	\$0.04450

Comparison Between Procurement Methods

- Key points of the procurement methods are as follows:

Request for Proposals	Interlocal Agreement - TASB
Consultant Required	Consultant Not Required
Advertisement of RFP	No Advertisement of RFP
Consultant Fee	No Consultant Fee

- Key points processes are defined as follows:
 - ⇒ Request for Proposals (RFP) – An energy consultant would be contracted to prepare the request for proposals, analysis and evaluate for proposal rates, associated fees and taxes, and review the final service agreement. A detailed report of the proposals received will be provided which will include a short list of energy providers for the Committee. After the shortlist is determined by the Committee, the energy providers will be required to submit a final and executable kWh rate for the Board meeting.
 - ⇒ Interlocal Agreement – The Texas Association of School Boards (TASB) has an energy cooperative that the College can participate in through an interlocal agreement. TASB provides contract term options from 12 months to 120 months.

Mary Elizondo, Vice President for Finance and Administrative Services, George McCaleb, Director for Operations and Maintenance, and Becky Cavazos, Director of Purchasing, attended the October 17, 2023, Finance, Audit, and Human Resources Committee meeting to address any questions by the Committee.

The Committee members advised administration that they would like to see proposals, and therefore recommended staff to pursue an RFP as appropriate.

The Committee was not asked to take formal action, as this item was presented for their information and feedback to staff.

Discussion and Action as Necessary on College Bookstore Contract Extension

Purpose and Justification – Administration requested that the Committee recommend to the Board reject either of the Barnes & Noble College Booksellers, LLC. (“B&N”) bookstore contract extension requests.

On February 27, 2023, on its own initiative, B&N provided a proposed Amendment that would add two years to the current five (5) year contract with a modified ending date of October 31, 2026. In addition to the extended term, this proposed Amendment includes the modification and addition of several other terms in the current contract including, among other changes, the following:

1	Implementation of the First Day Complete Program
	Administration cannot make a definite determination of the advantages or disadvantages, both for STC and its students, of accepting and implementing the First Day Complete Program. Administration will conduct research on its implementation at other colleges and universities to determine its benefits for both STC and students to determine its use in a future contract for bookstore operations.
2	Removal of the Annual Minimum Guarantee
	There would be no Annual Minimum Guarantee. The original amount of the guarantee was \$500,000. STC subsequently agreed to accept a lower amount primarily as a result of the COVID epidemic’s impact on sales. The proposed Amendment would eliminate the guarantee completely.

On June 14, 2023, on its own initiative, B&N provided another proposed Amendment to the existing contract to extend the term for an additional one (1) year period through October 31, 2025. There would be no other changes to the existing contract.

Background – On August 27, 2019, the Board of Trustees awarded a five (5) year contract to B&N for the operation of the College’s bookstore for the period beginning November 1, 2019 and ending October 31, 2024.

The original contract and previously approved modifications are as follows:

Modifications	Period	Minimum Annual Guarantee
Original Contract	11/1/19 – 10/31/24	\$500,000
1 st Contract Modification Amount Board Approved 5/26/20	11/1/19 – 10/31/20	\$400,000
2 nd Contract Modification Amount Board Approved 3/29/22	11/1/20 – 10/31/21	\$325,000
3 rd Contract Modification Amount Board Approved 3/28/23	11/1/22 – 10/31/23 11/1/23 – 10/31/24	\$300,000 \$300,000
Proposed Contract Extension Amendment No. 1 dated 2/27/23		

Modifications	Period	Minimum Annual Guarantee
-Removal of the minimum annual guarantee for the last year of the current contract period (11/1/23 – 10/31/24)	11/1/23 – 10/31/24	\$300,000
-Two (2) Year Contract Extension amendment with additional modifications noted above. Several other changes to the contract including adding the First Day Complete Program and changing the manner in which the commissions payable are calculated.	11/1/24 – 10/31/25	\$0.00
	11/1/25 – 10/31/26	\$0.00
Proposed Contract Extension Amendment No. 1 dated 6/14/23		
-One year extension of the current term	11/1/24 – 10/31/25	
-No change to the minimum guarantee payment	11/1/23 – 10/31/24	\$300,000
	11/1/24 – 10/31/25	\$500,000

Administration previously considered and recommended that to the Board approve the three (3) contract modification requests due to the pandemic and the sales minimum sale guarantee not being met. According to B&N the current extension and other modifications are being requested to due to challenging times in higher education.

Enclosed Document – The B&N contract amendments dated 2/27/23 and 6/14/23 followed in the packet for the Committee’s information and review.

Mary Elizondo, Vice President for Finance and Administrative Services, George McCaleb, Director of Operations and Maintenance, and Becky Cavazos, Director of Purchasing, attended the Committee meeting to address any questions by the Committee.

Administration recommended the continuation of the current contract as last modified and accepted by the Board on March 28, 2023, with the term ending after five (5) years as originally agreed. In addition, Administration recommended that Purchasing engage the services of a bookstore consultant and solicit competitive proposals for a new contract a few months before the current termination of the contract on October 31, 2024. It should be noted that, notwithstanding the five-year term, B&N did have the right to terminate the current contract for convenience upon providing a one hundred eighty (180) days’ notice.

Upon a motion by Mr. Paul R. Rodriguez and a second by Dr. Alejo Salinas, Jr., the Committee recommended that the Board reject the Barnes & Noble College Booksellers, LLC., bookstore contract extension requests, as presented. The motion carried.

Discussion and Action as Necessary on Evaluation Criteria for Competitive Procurement of Non-Construction Products, Services, and Products and Services

Purpose and Justification – Administration requested that the Committee recommend to the Board updated evaluation criteria for competitive procurement of non-construction

products, services, and products and services used by the College to evaluate competitive sealed proposals as stated in Section 44.031 of the Texas Education Code.

The Purchasing Department reviewed the existing criteria and proposes an additional step for the request for proposals evaluation process as follows:

- Pass/Fail Determination(s):
 - ⇒ The following documents of the request for proposals (RFP) submission will be given a pass/fail determination:
 - Execution of Offer
 - Incomplete Proposal
 - References (if applicable)

Background – On November 29, 2022, the Board of Trustees approved the evaluation criteria and weights provided below. The Purchasing Department did not propose any changes to the criteria and weight that follow:

#	Criteria	Products	Products and Services	Services
1	The purchase price	47	42	37
2	The reputation of the vendor and of the vendor's goods or services	10	15	18
3	The quality of the vendor's goods or services	16	14	16
4	The extent to which the goods or services meet the district's needs	18	20	15
5	The vendor's past relationship with the district	3	3	3
6	The impact on the ability of the district to comply with laws and rules relating to historically underutilized businesses	1	1	1
7	The total long-term cost to the district to acquire the vendor's goods or services	N/A	N/A	5
8	For a contract for goods and services, other than goods and services related to telecommunications and information materials, whether the vendor or the vendor's ultimate parent company or majority owner: <ul style="list-style-type: none"> a. has its principal place of business in this state; or b. employs at least 500 persons in this state. 	5	5	5
9	Any other relevant factor specifically listed in the request for bids or proposals.	Up to 5 points will be used from the purchase price if applicable.		

The Code of Federal Regulations, which governs procurement using federal funds states, in part, as follows: "The non-Federal entity must conduct procurements in a manner that

prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference.” [2CFR 200.319(c)]. Therefore, the preference indicated in Criterion #8 as currently written cannot be used in evaluating competitive proposals when federal funds are used.

Enclosed Document – The current evaluation criteria and weighted points for the solicitation of products, products and services, and services were provided in the packet for the Board’s information and review.

Mary Elizondo, Vice President for Finance and Administrative Services, and Becky Cavazos, Director of Purchasing, attended the Committee meeting to address any questions by the Committee.

Upon a motion by Dr. Alejo Salinas, Jr. and a second by Mr. Paul R. Rodriguez, the Committee recommended the Board approval of the updated evaluation criteria for competitive procurement of non-construction products, services, and products and services used by the College to evaluate competitive sealed proposals as stated in Section 44.031 of the Texas Education Code. The motion carried.

Discussion and Action as Necessary on Jurisdictional and Interagency Support Memorandums of Understanding (MOUs) Between South Texas College Police Department and the City Police Departments

Purpose and Justification – Administration requested the Committee recommend Board approval of Jurisdictional and Interagency Support Memorandums of Understanding (MOUs) between the South Texas College Police Department and the City Police Departments for McAllen, Pharr, Weslaco, and Rio Grande City.

The new MOUs included the following revisions:

- ⇒ Update the name of the current Chief of Police for each City
- ⇒ Update the name of the South Texas College President
- ⇒ Add a section to include the College’s Emergency Alert System, where the police departments from each city are added to ensure the timely sharing of information regarding public safety alerts

Background - The South Texas College Police Department currently had an MOU with the following:

Police Department	Campus/Center Serviced	Board Approved
City of McAllen	Pecan Campus, Nursing and Allied Health Campus, Technology Campus	October 2012
Pharr Police Department	Regional Center for Public Safety Excellence	May 2017
Weslaco Police Department	Mid Valley Campus	November 2015

Police Department	Campus/Center Serviced	Board Approved
Rio Grande City Police Department	Starr County Campus	November 2015

The MOU outlines the jurisdiction of each police department, cooperation protocols, and identifies which police department is responsible for responding to incidents in geographical locations within the respective City.

Funding Source - No funds were required for the MOUs with each City Police Department.

Reviewers - Each Jurisdictional and Interagency Support Memorandum of Understanding (MOU) was reviewed by the Vice President for Finance and Administrative Services, the Chief of Police for Department of Public Safety, the Contract Manager, the College's Legal Counsel, and the respective Chiefs of Police as follows:

- ⇒ Victor Rodriguez, Chief of Police for the City of McAllen Police Department
- ⇒ Juan F. Gonzalez, Chief of Police for the Pharr Police Department
- ⇒ Dr. Joel Rivera, Chief of Police for the Weslaco Police Department
- ⇒ Noe Castillo, Chief of Police for the Rio Grande City Police Department

Enclosed Documents - The Memorandums of Understanding (MOUs) for each City followed in the packet for the Committee's information and review.

Mary Elizondo, Vice President for Finance and Administrative Services, and Johnny Barboza, Police Lieutenant for the Department of Public Safety, attended the Committee meeting to address any questions.

Upon a motion by Dr. Alejo Salinas, Jr. and a second by Mr. Paul R. Rodriguez, the Committee recommended Board approval on Jurisdictional and Interagency Support Memorandums of Understanding (MOUs) between the South Texas College Police Department and the City Police Departments for McAllen, Pharr, Weslaco, and Rio Grande City as presented. The motion carried.

Presentation on Key Benefits for Full-Time Eligible Employees

Purpose and Justification – At the September 26, 2023 Board Meeting, the Board of Trustees requested that management provide a comprehensive summary of employee benefits. A presentation on the key benefits for full-time eligible employees at South Texas College was provided on October 17, 2023.

Investing in the College's employees is imperative in recruitment and retention efforts. A competitive labor market has required employers to remain innovative in the offering of employer-sponsored benefits in order to attract and retain top talent.

The following summary of key employee benefits managed in accordance with pertinent laws and institutional policy and guidelines is as follows:

- State Mandated (Partially Funded)

- ⇒ Higher Education Group Insurance (HEGI) (Medical Insurance)
- ⇒ Teacher Retirement System (TRS)
- ⇒ Optional Retirement Program (ORP)
- Leaves
 - ⇒ Vacation
 - ⇒ Sick Leave
 - ⇒ Catastrophic Sick Leave Pool
 - ⇒ Sabbatical Leave
 - ⇒ Personal (Faculty/Staff) Leave
- Tuition Grant and Reimbursement and Dependent Tuition
- Employee Assistance Program (EAP)
- Other Payments/Reimbursements
 - ⇒ Retention Incentive Payment
 - ⇒ HEERF Return to Campus Payment
 - ⇒ Technology Support Reimbursement Benefit
- Other Incentives/Benefits
 - ⇒ Remote Work
 - ⇒ Employee Performance: Promotion and Demotion
 - ⇒ Innovative Work Week Schedule
 - ⇒ Professional Development Training

Additional information for the key employee benefits are as follows:

1. Medical Insurance: The College pays 100 percent of medical health insurance coverage through Blue Cross Blue Shield (BCBS) for full-time benefit eligible employees and 50% for dependents.
 - Higher Education Group Insurance (HEGI) is appropriated to the College based on the number of employees eligible for the state contribution.
 - The state funds 50% of employer total costs of health insurance for eligible employees, which include 100% of the employee health insurance cost and 50% of the dependent insurance cost.
 - New employees become eligible for health insurance coverage after completing a 60-day waiting period working for the College.
2. Retirement: The college provides secured retirement options, including and competitively matching employee contributions for Teacher Retirement System (TRS) and Optional Retirement Program (ORP).
 - Participation in the ORP is only allowed for faculty, executive, and administrative employees within 90 days of beginning employment in an eligible position. The employees that opt to participate in ORP are required to contribute 6.65% of their gross salary. The College also contributes 6.6% of the employee's gross salary into the employee's ORP account, with the exception of a few employees that are grandfathered with a contribution of 8.5%.
 - The state funds 50% of the employer ORP costs for eligible employees.

- Employees not participating in ORP must participate in TRS. Employees are required to contribute 8.25% of their gross salary. The College also contributes 8.25% of the employee's gross salary into the employee's TRS account.
- The state funds 50% of the employer TRS costs for eligible employees.

3. Institutional Grants:

- Employees – Employees have a maximum of 9 credit hours per semester covered at STC after one year of being employed with the college.
- Dependents - Dependents have a maximum of 12 credit hours per semester covered at STC, which is dependent on the years of service of the employee requesting the grant.

4. Tuition Reimbursement: All benefit eligible full-time faculty and staff who have been employed in a full-time benefit eligible position at the College for a minimum of one (1) year are eligible to receive \$800 per employee per fiscal year for courses taken at other universities.

5. Leave:

- a. Vacation - With the exception of faculty members who have appointments of less than 12 months, employees accrue between 8 to 16 hours of **vacation leave** per month based on their length of continuous.
- b. Holidays - In FY 2023-2024, each full-time benefit eligible employee receives a total of 26 days of **paid holidays**.
- c. Sick - Each full-time employee earns eight hours of **paid sick leave** per month.
 - i. Effective August 22, 2023, an eligible employee who separates from employment with the College is eligible for payment of fifty percent of **accumulated sick leave** over 480 hours.
 - ii. Employees may use up to a maximum of four days of accrued sick leave during any fiscal year as **personal leave**.
- d. Sabbatical - A full-time faculty member may be granted **faculty development leave (often referred to as sabbatical leave)** for study, research, writing, field observations, or other suitable purpose.
- e. Faculty - Personal Leave - Full-time faculty members who do not accrue vacation leave may use **four of the accrued sick leave days as personal leave days per academic year** (two per long semester), to conduct personal business.
- f. Bereavement - A full-time employee is allowed up to three days of **paid bereavement leave** upon the death of a member of the employee's immediate family, including grandparents. This leave is reduced from the employee's available sick leave.

6. Employee Assistance Program (EAP): All full-time benefit eligible employees currently have access to services offered through the College's employee assistance program partnership with the University of Texas Health – Houston.
 - Services include Mental Health Services, Legal/Financial/Identity Theft Services, WorkLife Services, Promotional Resources, and On-site/Virtual Services.
7. Retention and Return to Campus Payments: Active Full-time employees have received five (5) payments funded by HERFF fund or the Unrestricted Fund for retention initiative or HERFF Return to Campus.
8. Technology Benefit Payment: The college has made a technology benefit available to Full-Time Regular and Full-Time Temporary Employees. This benefit helps support employees with the cost of conducting college business via their personal technology devices or equipment.
9. Promotion(s): As of March 02, 2023, college policy allows for employee promotions for movement into a position of increased responsibility or complexity of duties and in a higher salary range.
10. Telecommuting: During emergencies, specific circumstances, and when feasible, as approved by the supervisor, employees may be permitted or required to perform their job duties remotely. Procedures have been established.
11. Professional Talent Development and Learning Resources: The newly formed Talent and Learning unit within the Office of Human Resources provides comprehensive trainings, leadership development, and opportunities for professional growth of employees. The Talent & Learning team serves and empowers employees across South Texas College through:
 - a. Cohort-based Leadership Academies
 - b. Training workshops
 - c. Customized team-building opportunities
 - d. LinkedIn Learning support
 - e. New Staff Orientation
 - f. Employee appreciation and recognition
12. Innovative Workweek Schedules: The College has implemented the Board approved Four-and-a-half-day workweek during regular semesters and a four-day workweek during the summer session.

National associations surveying employee benefits have identified important benefit categories to employers, which align with the above listed benefits.

Management is continually benchmarking the College's benefits to other institutions to remain competitive in the current environment, and have already identified other benefits that may be presented in the future.

Mary Elizondo, Vice President for Finance and Administrative Services, and Dr. Zachary Z. Suarez, Executive Director of Human Resources and Talent Development, attended the Committee Meeting to address questions by the Committee.

At the October 17, 2023 Finance, Audit, and Human Resources Committee meeting, a Committee Board Member requested information related to Bereavement Leave, Personal Time Off (PTO), a matrix of total cost of benefits, and the sustainability of the benefits. Administration agreed to provide an update including the requested information.

No action was required from the Committee. This item was presented for information purposes.

Discussion and Action as Necessary on Technology Support Reimbursement Benefit Payment for Full-Time Regular and Full-Time Temporary Employees

Purpose and Justification – Administration requested the Committee recommend Board approval of a technology support reimbursement benefit payment for full-time regular and full-time temporary employees for the period of January 2023 through December 2023 for Regular and Temporary full-time employees for expenses conducted by means of an employee's personal device or equipment (non-College-owned assets).

The Board of Trustees did not approve the Technology Support Reimbursement at their September Board meeting and requested a comprehensive report of employee benefits, which is included in this month's Committee agenda.

The reimbursement benefit payment was proposed to be \$900 per qualified employee or \$75 a month for 12 months, January 2023 through December 2023, and to be paid on December 15, 2023.

Background – As a result of the pandemic and the continuously evolving work/office landscape, various operations and functions, including instructional courses, transitioned to be conducted remotely/off-site. College departments have incorporated employee rotational work schedules to complete business functions.

There are numerous advantages of providing a technology support benefit to employees at South Texas College. Advantages include, but are not limited to, supporting employee recruitment and retention strategies, promoting team flexibility, promoting a better work-life balance, maximizing institutional use and efficiency of technology resources (i.e., Workday, etc.), and supporting institutional security controls for off-campus work (i.e., duo-factor authentication). The primary disadvantages associated with providing a technology support benefit to employees, including, cost and the risk of negatively impacting work-life balance. However, the advantages definitely outweigh the disadvantages.

Work from home/off-site procedures were prepared and were in place as a guide for supervisors and employees.

Proposed Technology Support Payment Plan

The Finance and Human Resources Committee asked that additional information be provided at the Board Meeting on the practice of technology support reimbursements at other community colleges.

A common practice at other community colleges and universities is to provide monthly cell phone stipends/allowances to selected employees to defray the cost of conducting College business when away from their assigned work location. These stipends are primarily provided to exempt staff and administration, which had also been the practice at South Texas College. This system was developed when cell phones were used primarily to reach administration when they were out of their office, either in meetings or after hours. This practice has not been updated to reflect the current wide-spread use of various devices and resources for more than only voice communication, and at various locations on and off campus.

The proposed new reimbursement model recognizes that employees from across the College, in each division and department and of every pay classification, regularly use their personal devices, home internet, and other resources to execute their duties for South Texas College. Administration believes it is more equitable to allow all employees, rather than only the exempt employees, to claim partial reimbursement for their personal expenses that contribute to their professional responsibilities. Additionally, the proposed reimbursements would be provided tax-free to employees, as opposed to the standard stipends, which are taxable income.

	Cell Phone Stipend	Technology Reimbursement
Processing Time	Individual stipend NOEs	Online self-attesting
Tax implications	Taxed	Not taxed
Eligibility	Benefits select exempt staff and administration	Benefits for regular and temporary full-time faculty and staff
Complexity	Varying stipend amounts	Flat reimbursement rate
Cost	Lower Cost	Higher Cost

Considering the new remote work practices and as an effort to boost employee recruitment and retention, STC management proposes a technology support payment reimbursement in lieu of a cell phone stipend as planned and substantiated below:

The proposed Technology Support Reimbursement Plan is as follows:

- Discontinue monthly employee cell phone stipends due to the following challenges:
 - ⇒ Time consuming manual requests and approvals
 - ⇒ Inconsistent designation of employees receiving stipends due to varying qualifying factors.
- Initiate a non-taxable reimbursement for Regular and Temporary Full-Time employees, encompassing both exempt and non-exempt employees in all job

categories who have used personal technology device or equipment for College related business.

- Acknowledgement by Employee
 - ⇒ The reimbursement will be processed at the request of the employee, electronically, no receipts or documentation is required to support this payment.
 - ⇒ The Employee acknowledges with a self-attesting statement that the employee uses a personal device or equipment for College related business.
- Provide to qualifying employees, a reimbursement to assist in defraying the costs related to accomplishing College-related business on personally acquired, owned, and maintained devices and equipment such as:
 - ⇒ Internet and cell phone data plans.
 - ⇒ Purchase, repairs, of cell phones
 - ⇒ home printer,
 - ⇒ personal computer/laptop, and
 - ⇒ other technology resources used to perform College related operations while working remotely.
- The technology benefit of \$75 monthly is not intended to cover 100% of the costs incurred by an employee's personal device or equipment given that the device or equipment is expected to be owned by the employee and used for both personal and business use. The \$75 monthly stipend is a fraction, approximately 30%, of the total technology expenses incurred by the employee. Administration believes the proposed \$75 per month is reasonable and a fraction of actual expenses.
- Employees will be required to submit a request electronically by Friday, November 17, 2023, in adherence to the College's reimbursement process.
- The reimbursement benefit payment will be reduced by the amount the employee received in Cell Phone Stipend Payments in calendar year 2023, if applicable.
- The reimbursement for the months of January 2023 through December 2023 will be non-taxable and will be paid to eligible current full-time regular employees and full-time temporary employees upon request, at a rate of \$75 per month per the qualifications for reimbursement as specified below.
- The proposed monthly amount of \$75.00 is an increase of \$25 per month from last year in consideration of increasing costs.
- This technology benefit payment will be issued on Friday, December 15, 2023.
- Qualifications for technology benefit:
 - ⇒ Regular or Temporary Full-time employment status.
 - ⇒ Employees must have received a payroll check in the month during the time period of January 2023 to December 2023 in order for the month to qualify for the technology benefit.

- ⇒ Employees must have worked in the month.
- ⇒ Employees out for a specific month(s) due to approved leave such as FMLA, will not qualify for payment for that specific month(s).
- ⇒ Employees must request payment electronically from the College by Friday, November 17, 2023.
- ⇒ Employees must have an active assignment date as of December 4, 2023.

Total Estimated Technology Benefit for January 2023 to December 2023

Estimated Number of Employees Eligible to Receive Payment	Estimated Total Technology Benefit Amount
1,678	\$1,475,175

The College would not incur any employer benefit expenses for this technology benefit payment.

A budget amendment to fund this cost from the Unrestricted Fund was Board approved in September 26, 2023.

Funding Source – The technology benefit payment would be funded by Unrestricted Funds.

Reviewers – The Technology Benefit Payment was reviewed by Cabinet Members and Administrative Staff.

Dr. Ricardo Solis, President, and Mary Elizondo, Vice President for Finance and Administrative Services, attended the Board meeting to address any questions.

The Committee took no action on this item, deferring to deliberation and action by the full Board of Trustees.

Review and Recommend Action to Adopt New Local Policy DEAA - Compensation and Benefits: Incentives and Stipends

Purpose and Justification – Administration requested the Committee recommend Board approval of Local Policy DEAA - Compensation and Benefits: Incentives and Stipends to align with the Texas Association of School Boards (TASB) policy manual.

The adoption of the policy would ensure the College has provisions to manage the pay schedule of stipends and compensate exempt personnel for supplemental duties they are assigned.

Background – On March 31, 2020, the Board of Trustees approved an interlocal agreement with TASB for Policy Management Service. Throughout FY 2022 and FY 2023, current College board policies will be reviewed, retired, and transitioned into the TASB formatted policies. TASB will then provide a comprehensive, current, and legally sound Policy Manual.

Reviewers – The new policy was reviewed by staff, administrators, TASB staff, STC Legal Counsel, and the Vice President for Finance and Administrative Services.

Enclosed Documents - The new policy followed in the packet for the Committee's information and review.

Mary Elizondo, Vice President for Finance and Administrative Services, and Dr. Zachary Suarez, Executive Director of Human Resources and Talent Development, attended the Committee Meeting to address questions.

Upon a motion by Dr. Alejo Salinas, Jr. and a second by Mr. Paul R. Rodriguez, the Committee recommended Board approval to Adopt New Local Policy DEAA - Compensation and Benefits: Incentives and Stipends as presented, and which supersedes any previously adopted Board Policy. The motion carried.

Adjournment

There being no further business to discuss, the Finance, Audit, and Human Resources Committee Meeting of the South Texas College Board of Trustees adjourned at 7:34 p.m.

I certify that the foregoing are the true and correct Minutes of the October 17, 2023 Finance, Audit, and Human Resources Committee Meeting of the South Texas College Board of Trustees.

Mr. Rene Guajardo, Presiding

Discussion and Action as Necessary to Amend and Restate the Monte Cristo Windpower, LLC (Terra-Gen Development Company, LLC) and South Texas College Tax Abatement Agreement

Purpose and Justification – Administration requests the Committee recommend Board approval to amend and restate the Monte Cristo Windpower, LLC (Terra-Gen Development Company, LLC) and South Texas College tax abatement agreement to reflect a new construction commencement date.

Terra-Gen Development Company, LLC proposed to amend and restate the agreement as follows:

- Terra-Gen Development Company, LLC was originally approved by the Board of Trustees on November 26, 2019, for four (4) windpower projects.
- On May 22, 2023, the College received an updated application for Monte Cristo Windpower, LLC that the project will have two phases, Monte Cristo Phase I Windpower, LLC and Monte Cristo Phase II Windpower, LLC.

The Monte Cristo Phase II Windpower, LLC application follows in the packet as a separate item.

The change to the commencement date (now Phase I) is as follows:

Project	Commencement Date	
	Current Agreement Approved on 02/22/22	Proposed Dates Requested by Terra-Gen on 05/22/23
Monte Cristo Windpower, LLC	June 30, 2023	July 30, 2024

- On November 3, 2023, the College was notified that Terra-Gen Development Company, LLC will fulfill their obligation of the scholarship payment of \$40,000 that was committed on the commencement date of June 30, 2023. Terra-Gen Development Company, LLC has requested to change the scholarship payment from \$40,000 to \$80,000. The first \$40,000 scholarship payment will be issued upon the Board's approval of this amendment, and a second \$40,000 scholarship payment will be issued on the commencement date of this project, July 30, 2024.

Background – Board of Trustees approvals and Terra-Gen requests are as follows:

- On November 26, 2019, the Board of Trustees approved the Terra-Gen Tax Abatement Agreements for the following projects:
 - A. Buenos Aires Windpower, LLC
 - B. Monte Cristo Windpower, LLC

C. La Joya Windpower, LLC
D. West Willacy Windpower, LLC (Monte Alto)

- The Monte Cristo project commencement date was June 30, 2023.
- On February 25, 2020, the Board of Trustees approved the revisions to the agreements regarding the scholarship's payment dates.
- On November 5, 2021, Terra-Gen requested an amendment for the "Commencement Date" for three (3) of the agreements due to the COVID-19 Pandemic impact on the workforce and material availability, which caused a delay in the approval commencement date.
- On February 22, 2022, the Board of Trustees approved the amendment and restatement of agreements regarding the commencement dates of the projects. Monte Alto Windpower, LLC and Monte Alto Windpower, Phase II, LLC project commencement date was changed from December 31, 2020 to March 31, 2023 due to the impact of the COVID-19 Pandemic.
- On February 22, 2022, The Board of Trustees approved the withdrawal/termination of the Buenos Aires Windpower, LLC project requested by Terra-Gen Development, LLC due to the COVID-19 Pandemic impact on the workforce and material availability, which caused a delay and did not meet the development and construction.

Reviewers – The Agreement has been reviewed by Mary G. Elizondo, Vice President of Finance and Administration Services, Myriam Lopez, Comptroller, and Mr. Javier Villalobos, South Texas College Legal Counsel.

Enclosed Documents – The proposed agreement and the revised application follow in the packet for the Committee's information and review.

Mary Elizondo, Vice President for Finance and Administrative Services, and Robert Peña, President of Texas Energy Consultants, will be present at the Committee Meeting to address questions.

It is requested that the Committee recommends Board approval to amend and restate the Monte Cristo Windpower, LLC (Terra-Gen Development Company, LLC) and South Texas College tax abatement agreement, as presented.

Amended & Restated Tax Abatement Agreement
between
South Texas College and
Monte Cristo Windpower, LLC

State of Texas

County of Hidalgo

This Amended and Restated Tax Abatement Agreement (this “Agreement”) is made and entered into by and between South Texas College (the “College”), acting through its duly elected officers, and Monte Cristo Windpower, LLC, a Texas limited liability company (the “Owner”) as owner of Eligible Property (as hereinafter defined) to be located on the tract of land within the Hidalgo County Enterprise Zone more specifically described in Attachment A to this Agreement. This Agreement amends and restates in its entirety and supersedes and replaces the prior Tax Abatement Agreement entered into by and between South Texas College and Monte Cristo Windpower, LLC dated February 25, 2020. This Agreement becomes effective upon final execution by both parties (the “Effective Date”).

I. Authorization

This Agreement is authorized and its terms governed by Chapter 312 of the Texas Tax Code, as amended, and by the College’s Tax Abatement Guidelines and Criteria, adopted December 10, 2019. The Agreement remains in effect until fulfillment of the obligations described in Paragraph IV (D) herein, unless terminated earlier as provided herein.

II. Definitions

As used in this Agreement, the following terms shall have the meanings set forth below, and any undefined terms shall be given the meanings provided in the Owner’s Application for Chapter 312 Tax Abatement Agreement, a copy of which is attached hereto as Exhibit A, and the College’s Tax Abatement Guidelines and Criteria, as applicable

- A. “Abatement” means the full or partial abatement from ad valorem Maintenance Taxes levied by the College on property in an Enterprise Zone as provided herein, commencing on the date of Final Completion of Construction of the Eligible Property and in no event will the duration of the Abatement period exceed 10 years.
- B. “Act” shall mean Chapter 312 of the Texas Tax Code.
- C. “Calendar Year” means each year beginning on January 1 and ending on December 31.
- D. “Certificate” means a letter, provided by the Owner to the College, certifying that Owner has completed construction of the wind power project or any phase thereof described herein (the “Project”), outlining the Improvements and stipulating the overall Turbine Nameplate Capacity of the Project. Upon receipt of the Certificate,

and upon reasonable notice to the Owner, the College may inspect the Site in accordance with this Agreement to determine that the Improvements are in place as certified.

- E. “Certified Appraised Value” means the appraised value, for property tax purposes, of the Facility within the Hidalgo County Enterprise Zone as certified to by the County Appraisal District for each taxable year.
- F. “Eligible Property” means the Facility which has been approved and designated by the College as property eligible for Abatement under the College’s Tax Abatement Guidelines and Criteria, and this agreement as described in Attachment B hereto, including: designated new, expanded or modernized buildings and structures; fixed machinery and equipment; Site Improvements; related fixed improvements; other tangible items necessary to the operation and administration of the Facility; and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code and the College Tax Abatement Guidelines and Criteria adopted December 10, 2019. Maintenance Taxes on Real Property may be abated only to the extent the property’s value for a given year exceeds its value for the year in which the Agreement is executed. Tangible personal property eligible for Abatement shall not include inventory or supplies.
- G. “Facility” means that certain, approximately two hundred and one megawatt (201 MW) wind generation facility, to be developed in Hidalgo County by the Owner.
- H. “Force Majeure” means any contingency or cause beyond the reasonable control of the party claiming Force Majeure including, without limitation, acts of God or a public enemy, war, riot, civil commotion, insurrection, governmental or de facto governmental action (unless caused by acts or omissions of such party), fires, explosions, floods, tornadoes, and strikes.
- I. “Improvements” means Eligible Property as defined herein and includes, but is not limited to, any building, structure, or fixture erected on or affixed to the land. Improvements specifically include the Owner’s substation and switching station if located within Enterprise Zone. Improvements also shall include any other property in the Enterprise Zone owned by Owner and meeting the definition of “Eligible Property” that is used to produce wind power and perform other functions related to the production, distribution and transmission of electric power. The College agrees, without limitation, that the wind turbines, towers, transmission lines, substations, operations & maintenance buildings and other related materials and equipment affixed to the Eligible Property will constitute Improvements under this Agreement.
- J. “Maintenance Taxes” means the College’s maintenance and operations tax, as distinguished from its debt taxes.
- K. “Owner” means Monte Cristo Windpower, LLC, the entity that owns or holds under fee simple title, or one or more leasehold interests, to the Real Property for which Abatement is being granted, and any assignee or successor thereof.

- L. “Real Property” means buildings and structures; Site Improvements and related fixed improvements.
- M. “Enterprise Zone” means Hidalgo County Enterprise Zone, (as that term is defined in Chapter 312 of the Texas Tax Code) created by Hidalgo County Commissioners Court and described in Attachment A to this Agreement.
- N. “Site” means the area of the Enterprise Zone on which Owner makes the Improvements for which the Abatement is granted hereunder.
- O. “Turbine Nameplate Capacity” means the generating capacity of an individual wind turbine as designated by the manufacturer(s) of the turbines to be constructed as Improvements hereunder and, where appropriate, may refer to the total or overall generating capacity or “MW”.

III. Improvements in Enterprise Zone

Owner agrees to construct the following Improvements in consideration for the Abatement set forth herein:

- A. The Owner anticipates that it will begin construction of the Improvements on or before **July 30, 2024** (the “Commencement Date”) and that upon completion, the improvements will have an estimated appraised value of Two Hundred Twenty Three Million Three Hundred Eighty Eight Thousand Dollars (\$223,388,000).
- B. The Improvements are described in Attachment A attached hereto and are generally referred to as 82 wind turbines with a nameplate capacity of 2.2 MW and 6 wind turbines with a nameplate capacity of 3.45 MW.
- C. Owner shall complete construction of the Improvements no later than twelve months from the Commencement Date.

IV. Term and Percentage of Tax Abatement; Taxability of Property; Recoupment

- A. The College and Owner specifically agree and acknowledge that the Facility in the Enterprise Zone shall be taxable in the following ways before and during the term of this Agreement:
 - 1. Owner’s property not eligible for Abatement, if any, shall be fully taxable at all times;
 - 2. Prior to commencement of the Abatement period designated in Paragraph IV(B)(1.), 100% of property taxes levied on the Certified Appraised Value of real and personal property owned by Owner and located in the Enterprise Zone will be owed and taxes thereon payable by Owner;
 - 3. College property Maintenance Taxes on the Certified Appraised Value of Eligible Property shall be abated for the periods and in the amounts provided for by Paragraph IV(B) below; and

4. One Hundred percent (100%) of the Certified Appraised Value of Eligible Property existing in the Enterprise Zone shall be fully taxable after expiration of the Abatement period designated in Paragraph IV(B).
- B. The College and Owner specifically agree and acknowledge that this Agreement shall provide for tax Abatement of Owner's property Maintenance Taxes under the conditions set forth herein:
1. In consideration of the Owner's obligation herein and its payment of annual pilot payments in lieu of payment of Maintenance Taxes, there shall be granted and allowed hereunder a property tax abatement of Maintenance Taxes on the approved Eligible Property and/or Improvements constructed, expanded, or acquired hereunder on the Property at a rate based on the sliding scale as set out in Exhibit B, commencing on January 1 of the tax year next after the date that College President receives and approves the Certificate of Completion for the Improvements.
 2. As an inducement for the College to enter into the Agreement, the Owner shall make certain payments in lieu of taxes ("**PILOT**") as further described in Paragraph IV(D).
 3. The foregoing percentage of property Maintenance Taxes on the Certified Appraised Value of all Eligible Property and/or Improvements approved by the College and described in the Certificate (and actually in place in the Enterprise Zone) are abated in the respective period designated above up to the maximum taxable value approved in this Agreement.
 4. There shall be a \$2,500 application fee. (see Guidelines)
- C. Part or all of the Improvements may be eligible for complete or partial abatement, now or in the future, from maintenance ad valorem taxes as a result of existing law or future legislation. Should any such existing abatement not have been addressed herein or should any new abatement be proposed or adopted by the Texas Legislature, (a) Owner may request a modification of this Agreement, and (b) College may reconsider the effect of such abatement on its property maintenance taxes, and may amend the Agreement accordingly to the extent that the abatement as applied to the Eligible Property would materially reduce the College's tax benefits as anticipated in this Agreement. This Agreement is not to be automatically construed as evidence that such abatements shall automatically apply to the Improvements. If additional improvements are undertaken By Owner during the Abatement period and exceed in the aggregate five percent (5%) of the Certified Appraisal Value as of the effective date of this agreement; no additional abatement shall be permitted without approval by College.

- D. As partial consideration for granting tax abatement in Paragraph IV(B) hereof, the Owner agrees to make two (2) contributions in the amount of \$40,000, to be used by the College for student scholarships, first contribution payable at the approval of the amendment tax abatement agreement and second contribution at commencement of construction. Owner shall pay the College the sum of \$10,000 and a like amount each year thereafter payable on or before December 31st thereafter for a total sum of \$100,000.

In the event the amounts due under this Paragraph IV(D) are not paid by December 31 of the year in which they are due, the College shall notify the Owner that such payments are due and owing by January 15 of the following year. Delinquent payments shall accrue penalty and interest as provided in the Texas Tax Code commencing thirty days after receipt of notice of such delinquency from the College. A continuing breach hereunder may subject Owner to a default.

In consideration of the Owner's performance of its obligations under this Agreement, the College agrees that the Owner shall receive a tax abatement relative to the Added Value of the Eligible Property located on the Site based on the percentage amounts set out in Exhibit B attached hereto during the Incentive Period for the College's Maintenance and Operation's ad valorem taxes. The tax abatement does not apply to the College's interest and sinking fund tax. The PILOT amount shall be paid in ANNUAL installments no later than December 31, of each Operational Year during the abatement period (the "**PILOT Payments**").

- E. Owner agrees, warrants and represents that the Improvements described in Paragraph III hereof, once constructed, will remain in place until at least twenty (20) Calendar Years after the date the Certificate for such Improvements is provided to the College by the Owner ("Term"); provided that nothing herein prevents Owner from replacing equipment or fixtures comprising the Improvements prior to that date, as long as such replacement does not result in a reduction of the Certified Appraised Value of the Improvements. In the event that Owner removes Improvements (comprising in the aggregate amount of more than 5% of all Improvements), the Owner's removal shall not be deemed a default under this Agreement if Owner pays to the College liquidated damages for such removal (a) within thirty (30) days after demand, amounts equal to the pro rata portion of maintenance and debt taxes relating to such removed Improvements which otherwise would have been paid to the College through the date of such removal without the benefit of a tax abatement, and (b) during the remaining term of the abatement period, payable by Owner and recoupable by College, an amount equal to the maintenance and debt taxes which would otherwise be payable to College on the projected Residual Value of the Property less the Removed Improvements at the maintenance and debt rates then in effect on the date of the removal of Improvements. Notwithstanding the amendment to address the reduction in taxable value, College may assert its right to recoup abatements based on the lesser residual value of the Eligible Property after the abatement period. IN THE EVENT OF A BREACH OF THIS PARAGRAPH IV(E), THE SOLE REMEDY OF THE COLLEGE, AND OWNER'S SOLE LIABILITY, WILL BE FOR OWNER TO PAY TO THE COLLEGE THE FULL AMOUNT OF ACTUAL TAXES

ABATED DURING EACH YEAR OF DEFAULT UNDER THIS AGREEMENT AND PRO RATA PORTION OF THE DEBT TAXES WHICH WOULD OTHERWISE HAVE BEEN PAID WITHOUT REMOVAL OF THE PORTION OF THE IMPROVEMENTS FOR THE TEN YEAR ABATEMENT TERM. IN THE EVENT OF A BREACH OF THIS PARAGRAPH IV(E), ANY TAXES DUE BY OWNER SHALL BE SUBJECT TO ANY AND ALL STATUTORY RIGHTS FOR THE PAYMENT AND COLLECTION OF TAXES IN ACCORDANCE WITH THE TEXAS TAX CODE.

V. Representations

The College and Owner make the following respective representations:

Owner has all necessary right, title, license and authority to enter into this Agreement and the execution and performance of this Agreement by Owner have been duly authorized by all necessary laws, resolutions and corporate or other entity action.

- A. Owner has submitted evidence to the College that the economic life of the Facility and Eligible Property exceeds the duration of the tax abatement period for at least ten (10) years. Based on such evidence and the representations by Owner, the College has determined, in accordance with the Guidelines and Criteria that the economic life of the Facility and Eligible Property exceeds the duration of the tax abatement granted herein. This is an essential term of this Agreement as College is relying on the Residual Value of the Property to grant the abatement.
- B. Owner represents and agrees that (i) Owner, its successors and/or assigns, will have the taxable interest with respect to Improvements to be placed on the Site; (ii) construction of the proposed Improvements described in Paragraph III will be performed by the Owner, its successors and/or assigns and/or their contractors or subcontractors, (iii) Owner's, its successors' and assigns', use of the property in the Enterprise Zone is limited to that which is consistent with the general purpose of encouraging development or redevelopment of the area during the period of the Abatement, (iv) all representations made in this Agreement and in the Application for Abatement, are incorporated herein, are true and correct in all material respects to the best of Owner's knowledge, and (v) Owner will make required filings, if any, by Owner with the Office of the Comptroller of Public Accounts and other governmental entities concerning this Agreement that may be required in the future.
- C. The College represents that (i) this Agreement has been entered into in accordance with Chapter 312 of the Texas Tax Code and the College Tax Abatement Guidelines and Criteria as both exist on the effective date of this Agreement; (ii) no interest in the Improvements or the land on which they are located is held or subleased by an officer of the College or a member of the College Board of Trustees, (iii) the property within the Enterprise Zone is located within the legal boundaries of the College; and (iv) the College has made and will continue to make all required filings with the Office of the Comptroller of Public Accounts and other governmental entities concerning this Agreement.

- D. At least 24 hours prior to Owner issuing a press release relating to the Project announcing the commencement of commercial operation, Owner shall email or fax a copy of such press release to the College. The College shall maintain the confidentiality of any press release and shall not disclose any information in the press release until such time as such information is made public by Owner.
- E. Owner represents and agrees that, if built, the Project will, within the proposed time lines, (i) add at least Two Hundred Twenty Three Million Three Hundred Eighty Eight Thousand Dollars (\$223,388,000) to the tax roll of Eligible Property, (ii) create no fewer than eight (8) new, permanent, full-time jobs in Hidalgo County, and (iii) lead to a positive net economic benefit to Hidalgo County of at least Twenty Five Million Dollars (\$25,000,000) over the life of this Agreement, computed to include (but not limited to) new sustaining payroll and/or capital improvement.
- F. Owner acknowledges that the College has relied on Owner's representations made in its application for Tax Abatement and in this Agreement. In particular, College has relied on the Owner's representations as to the projected taxable Residual Value of the Property remaining after the ten-year tax abatement period. Notwithstanding anything to the contrary in this Agreement, the abatement granted by the College is expressly made subject to Owner's estimated projections of the remaining taxable values of the Property after the abatement period.

VI. Access to and Inspection of Property by College Employees

- A. Upon completion and commencement of operation of the Facility, Owner shall file (i) "as built" construction plans with College, which plans shall detail improvements (which shall be certified to by the engineer(s)), including purchases of personal property and related expenditures undertaken to construct the Facility, (ii) the manufacturer's certificate of completion with respect to the manufacture of the wind turbines installed at the Facility and (iii) the general contractor's certification as to the completion of construction of the Facility (including the detail specified above). At the time of filing the as-built construction plans, Owner shall also provide College with reports as required by Section IX.B. of the Guidelines and Criteria (which are incorporated herein). On or before January 31, of each year of the Abatement Period (and the year immediately following the end thereof), Owner shall provide College with reports supporting job creation as of December 31 of each year of the Abatement Period, as required by Section IX.B. of the Guidelines and Criteria. On an annual basis, Owner shall also provide College a detailed list of Owner's eligible personal property at the Facility and the estimated value of each item.
- B. Owner shall allow the College employees or designees of the College access to the Improvements for the purpose of inspecting any Improvements erected to ensure that the same are conforming to the minimum specifications of this Agreement and to ensure that all terms and conditions of this Agreement are being met. All such inspections shall be made only after giving Owner forty-eight (48) hours' notice and shall be conducted in such a manner as to avoid any unreasonable interference with the construction and/or operation of the Improvements. All such inspections

shall be made with at least one (1) representative of Owner in accordance with all applicable safety standards.

- C. Owner shall, within ninety (90) days of the beginning of each Calendar Year, certify annually to the College its compliance with this Agreement by providing written testament of the same to the College Board of Trustees.
- D. Owner agrees to supply audited reports to the College and the Hidalgo County Appraisal District to establish the construction cost of improvements constructed pursuant to this Agreement and/or the jobs created. In its annual report to the College, the Owner shall include the Appraisal District's preliminary valuations, Owner's challenges to appraised values undertaken by Owner, and final appraised values; financial statements, including balance sheets and subsidiary ledgers of its tangible real and personal property in the Enterprise Zone.

VII. Default, Remedies and Limitation of Liability

- A. In the event Owner fails to commence construction of the Facility in the Enterprise Zone on or before **July 30, 2024**, this Agreement shall terminate effective as of the original date of this Agreement and College shall be entitled to recapture and collect payment of all ad valorem taxes abated under this Agreement by any and all means allowed by law, and as provided herein.
- B. In the event the Facility is completed and begins operation, and Owner:
 - 1. voluntarily ceases to operate the Facility for a continuous period exceeding eighteen (18) months;
 - 2. allows ad valorem taxes owed to College to become delinquent;
 - 3. relocates the Facility or the job creating activity outside the Enterprise Zone;
 - 4. breaches or fails to comply with any material term, condition, or representation contained in this Agreement; or
 - 5. uses or allows the use of the Facility for any purpose not related to the generation, storage and/or transmission of renewable energy for a period greater than 180 days in any calendar year of the abatement period, College may elect to terminate this Agreement and recapture abated taxes in accordance with Section VII(J). of this Agreement and the Guidelines and Criteria, unless such breach is cured within the Cure Period. Owner shall pay recaptured taxes to College within sixty (60) days from the date the Agreement terminates.
- C. Should College determine that Owner has breached this Agreement or the Guidelines and Criteria, College shall notify Owner in writing via certified or registered mail.
- D. No party may terminate this Agreement unless (i) such party provides written notice in accordance with Paragraph X hereof (a "Notice") to the other party specifying a material default in the performance of a material covenant or obligation under this

Agreement and (ii) such failure is not (x) excused by the occurrence an event of Force Majeure or (y) cured by the other party within sixty (60) days after Notice thereof, or if such failure cannot be cured within a sixty (60)-day period, the other party shall have such additional time to cure such default as is reasonably necessary as long as such party has commenced remedial action to cure such failure and continued to diligently and timely pursue the completion of such remedial action. Notwithstanding the preceding portions of this paragraph, if any default arises from a violation of law resulting from a change in law, or a change in the interpretation or enforcement of law, by a governmental entity, then such default shall not give rise to the termination of this Agreement so long as the defaulting party acts in accordance with a commercially reasonable plan of action to cure such default prepared by such defaulting party and delivered to the other party. If Owner believes that such termination was improper, Owner may file suit in the proper court challenging such termination. In the event of default which remains uncured after all applicable notice and cure periods, the College may pursue the remedies provided for in Paragraph VII(J).

- E. The College shall not declare a default, and no default will be deemed to have occurred, when the circumstances giving rise to such declaration are the result of Force Majeure.
- F. Except as provided in paragraph VII(B), the Parties shall not deem any default to have occurred in situations involving minor or immaterial (as reasonably determined) changes to the description of the Site, minor or immaterial (as reasonably determined) changes to the description of the Improvements and/or Eligible Property, or any changes in ownership or in management of Owner or of the Project (so long as Owner or any Related Entity provides notice as provided for herein of such changes to the extent such notice is otherwise required under this Agreement) and so long as any and all successors of any interest whatsoever of Owner in this matter, expressly accept all terms and conditions of this entire Abatement Agreement.
- G. The College shall notify Owner and any Owner lender, tax equity provider, or hedge provider of which the College has notice, of any default in writing in the manner prescribed herein. All contact information for purposes of a notice of default shall be provided to the College Board of Trustees and shall be updated annually on or before January 1st of each year. The notice shall specify the basis for the declaration of default, and Owner shall have the periods of time specified above to cure any default. Any Owner lender of which the College has notice shall have the right to cure any defect or default, including any defect caused by an assignee or contractor of Owner, during the same cure periods provided for Owner under this Agreement. The notice of default shall be substantially in the form set out in paragraph VII(L).
- H. Owner shall have sixty (60) days from the date of College's notice to cure any default (unless fulfillment of any obligations requires activity over a period of time, in which case performance shall be commenced within sixty (60) days after the actual receipt of notice and such performance shall be diligently continued until the

default is cured). The decision whether to cure any such default solely and absolutely belongs to Owner, and no party may compel Owner to cure.

- I. As required by section 312.205 of the Texas Tax Code, if Owner fails to make the Improvements as provided for by this Agreement, the College shall be entitled to cancel the Agreement and all future tax abatements under this Agreement shall be void, and the College shall have the right to recoup its tax abatements.
- J. RECAPTURE. College may be entitled to recapture property tax revenue lost as a result of the exercise of remedies under this Agreement. The amount of property tax revenue that may be recaptured is set forth below:
 - (1) If entitled under Article VII(B) to recapture property tax revenue lost as a result of this Agreement, College shall have the right to recapture taxes already actually abated under this Agreement (i.e., recapture for prior tax years only – no anticipatory/prospective recapture of future taxes) according to the recapture schedule attached as Exhibit C.
 - (2) If termination occurs during the Term of Abatement, then Owner shall have sixty (60) calendar days from its date of notice of demand from College to recapture under Article VII(H) to pay all recaptured property tax revenues.
 - (3) Any recapture under this Article VII(H) shall be subject to any and all lawful offsets, settlements, deductions, and credits to which Owner may be entitled.
- K. Owner and College agree that any litigation of any kind whatsoever that is or may be necessary to be filed to protect any interest of any party with any interest herein, arising from or under this agreement, shall be filed, if at all, and shall only be maintained, exclusively in a State of Texas court of competent jurisdiction in Hidalgo County, Texas, and no other legal forum or venue whatsoever. This legal venue stipulation expressly includes the prohibition of removal of any litigation based in whole or in part upon federal statutes, rights, or causes of action. Further, any administrative or legal protest or any other legal challenge procedure(s) permitted by law to be undertaken by Owner in connection with taxes due and owing pursuant to this Abatement Agreement shall not release, delay or relieve Owner from making and meeting any and all additional and other financial commitments, payments and obligations it has agreed to make and is undertaking pursuant to all and other terms of this Abatement Agreement. During the pendency of any suit (including any appeals thereto), Abatement shall remain in effect as though no event of default had occurred and Owner shall continue to pay any disputed amounts to the College; provided, that upon final adjudication of the matter, if Owner is the prevailing party, such disputed amounts, if applicable, shall be returned to Owner.
- L. Any notice of default under this Agreement shall prominently state the following at the top of the notice:

NOTICE OF DEFAULT UNDER TAX ABATEMENT AGREEMENT

YOU ARE HEREBY NOTIFIED OF THE FOLLOWING DEFAULT UNDER YOUR TAX ABATEMENT AGREEMENT WITH THE COLLEGE. FAILURE TO CURE THIS DEFAULT WITHIN SIXTY DAYS OF THE DATE OF THIS NOTICE OR OTHERWISE CURE THE DEFAULT WITHIN THE TIME PERIODS PROVIDED BY THE AGREEMENT SHALL RESULT IN TERMINATION OF THE TAX ABATEMENT AGREEMENT AND IF THE DEFAULT INVOLVED FAILURE TO MAKE IMPROVEMENTS UNDER THE AGREEMENT, MAY INCLUDE RECAPTURE OF TAXES ABATED PURSUANT TO THAT AGREEMENT.

VIII. Compliance with State and Local Regulations

Nothing in this Agreement shall be construed to alter or affect the obligations of Owner to comply with any order, rule, statute or regulation of the College, Hidalgo County, or the State of Texas.

IX. Assignment of Agreement

- A. Owner shall not have the right, without the written consent of College, to assign all or part of its interest in the Land, the Facility, or this Agreement and maintain the tax abatement hereunder. Such consent shall not be unreasonably withheld. It shall be deemed reasonable for College to withhold consent with respect to any party that is delinquent in the payment of any taxes to College or the failure of Owner or a proposed assignee or transferee to provide reasonable and sufficient assurances that the College's expectations as to Residual Value arising from the Agreement will be satisfied. Notwithstanding the foregoing, Owner shall have the right without the consent of the College to collaterally assign its interest in the Land, Project, or this Agreement to a creditor in connection with any financing of the Project; provided (i) such assignee is not delinquent in the payment of any taxes to the College, (ii) the College is given prompt notice of such assignment and (iii) Owner expressly remains liable under this Agreement.
- B. In this regard, Owner acknowledges that the annual reporting imposed by this Agreement is an essential requirement and term of this Agreement.
- C. Any assignment of this Agreement shall require that all conditions and obligations in this Agreement shall apply to and be binding upon assignee. Upon such assignment and assumption, only if expressly approved by the College will Owner have no duties or obligations under the Agreement.
- D. No assignment shall be allowed if (a) the College has declared a default hereunder that has not been cured within all applicable notice and cure periods, or (b) the assignee is delinquent in the payment of any amount or report required under this Agreement or ad valorem taxes owed to the College or any other taxing jurisdiction in Hidalgo County.

X. Notice

All notices, demands, or other communications of any type (collectively, "Notices") given shall be given in accordance with this Paragraph. All Notices shall be in writing and delivered, by

commercial delivery service, to the office of the person to whom the Notice is directed (provided that that delivery is confirmed by the courier delivery service); by United States Postal Service (USPS), postage prepaid, as a registered or certified item, return receipt requested in a proper wrapper and with proper postage; by recognized overnight delivery service as evidenced by a bill of lading; or by facsimile transmission. Notices delivered by commercial delivery service shall be deemed delivered on receipt or refusal; notices delivered by USPS shall be deemed to have been given upon deposit with the same; facsimile notice shall be effective upon receipt by the sender of an electronic confirmation. Regardless of the method of delivery, in no case shall notice be deemed delivered later than actual receipt. In the event of a notice of default given pursuant to Paragraph VII, such notice shall be given by at least two (2) methods of delivery and consistent with Paragraph VII(I). All Notices shall be mailed or delivered to the following addresses:

To the Owner: Monte Cristo Windpower, LLC
Attn: Milton Howard, Vice President of Development
11455 El Camino Real, Suite 160
San Diego, CA 92130
(858) 764-3745
MHoward@terra-gen.com

With Copies to: Damon Huplosky, Managing Director
437 Madison Avenue
New York, NY 10022-7001
(646) 829-3915
Dhuplosky@terra-gen.com

To the College: South Texas College Board of Trustees
3201 West Pecan
McAllen, Texas 78501
Attention: Dr. Ricardo J. Solis, President

Any party may designate a different address by giving the other party at least ten (10) days written notice in the manner prescribed above.

XI. Severability

In the event any paragraph or other part of this Agreement is held invalid, illegal, factually insufficient, or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended at all times to delete said invalid sections or other part. In the event that (i) the term of the Abatement with respect to any property is longer than allowed by law, or (ii) the Abatement applies to a broader classification of property than is allowed by law, then the Abatement shall be valid with respect to the classification of property not deemed overly broad, and for the portion of the term of the Abatement not deemed excessive. Any provision required by the Tax Code to be contained herein that does not appear herein is incorporated herein by reference.

XII. Applicable Law

This Agreement shall be construed under the laws of the State of Texas.

XIII. Amendment

Except as otherwise provided, this Agreement may be modified by the parties hereto upon mutual written consent to include other provisions which could have originally been included in this Agreement or to delete provisions that were not originally necessary to this Agreement pursuant to the procedures set forth in Chapter 312 of the Texas Tax Code.

XIV. Guidelines and Criteria

This Agreement is entered into by the parties consistent with the College Tax Abatement Guidelines and Criteria. To the extent this Agreement modifies any requirement or procedure set forth in the College Tax Abatement Guidelines and Criteria, those Guidelines and Criteria are deemed amended for purposes of this Agreement only.

XV. Entire Agreement

This Agreement contains the entire and integrated Tax Abatement Agreement between the College and Owner, and supersedes any and all other negotiations and agreements, whether written or oral, between the parties. This Agreement has not been executed in reliance upon any representation or promise except those contained herein.

XVI. Coordination of Local Hiring and Services

Owner shall use reasonable commercial efforts to maximize its use of Starr and Hidalgo County labor and services and supplies purchased from Starr and Hidalgo County businesses in the course of performing under this Agreement.

XVII. Provision of Health Insurance

As of the date this Agreement becomes effective, and until the earlier to occur of (i) the end of the tenth (10th) year of Abatement or (ii) the date this Agreement is terminated as provided herein, Owner shall provide health insurance to its full-time employees working in Starr and Hidalgo County. Owner also agrees to use commercially reasonable efforts to require that the prime engineering, procurement and construction contractor working on the Project provides health insurance to its full time employees.

XVIII. Attorney Fees

The Owner agrees to reimburse the College for its reasonable attorneys' fees incurred in the negotiation and preparation of this Agreement, up to a maximum amount of Twenty Thousand

Dollars (\$20,000).

(Signature Page Follows)

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the College as authorized by the College Board of Trustees and executed by the Owner on the respective dates shown below.

South Texas College

DATED: February __, 2022

South Texas College Board of Trustees

Rose Benavidez, Chair

Dr. Alejo Salinas Jr., Vice Chair

Attest:

Victoria Cantú, Secretary

Monte Cristo Windpower, LLC

By: _____
Milton R Howard, Vice-President of Development

Exhibit A

Application for Chapter 312 Tax Abatement Agreement by Monte Cristo Windpower, LLC

Exhibit B

Tax Abatement Rates

Exhibit C

Recapture Schedule

Year of Tax Abatement Period In Which Recapture Event Occurs	College Will Recapture Following Percentages of Total Taxes Previously Abated
1-5	100%
6	85%
7	75%
8	65%
9	55%
10	45%

Application for Chapter 312 Tax Abatement Agreement by Monte Cristo Windpower, LLC – (Monte Cristo Phase I)



Submitted by:

Terra-Gen, LLC



October 27, 2023

SCHEDULE I

“Buy Local” Annual Reports

The following information shall be reported to the College on a calendar-year basis during the first four years of the tax abatement program:

1. Dollar amount spent for materials* (local): \$500,000
2. Dollar amount spent for materials* (total): \$500,000.
3. Dollar amount spent for labor** (local): \$325,000.
4. Dollar amount spent for labor** (total): \$325,000.
5. Number of jobs created in the construction of the Facility (local): 150 FTE's.
6. Number of jobs created in the construction of the Facility (total): 200 FTEs.
7. Number of jobs created on a permanent basis (local): 2 per site.
8. Number of jobs created on a permanent basis (total): 2 per site.

* The term “materials” is defined to include all materials used in excavation, site improvement, demolition, concrete, structural steel, fireproofing, piping, electrical, instruments, paintings and scaffolding, insulation, temporary construction facilities, supplies, equipment rental in construction, small tools and consumables. This term does not include major items of machinery and equipment not readily available locally.

** The term “labor” is defined to include all labor in connection with the excavation, site improvement, demolition, concrete construction, structural steel, fireproofing, equipment placement, piping, electrical, instruments, painting and scaffolding, insulation, construction services, craft benefits, payroll burdens, and related labor expenses. This term does not include engineering services in connection with the design of the Facility.

The term “local” as used to describe manufacturers, suppliers, contractors and labor shall include firms, businesses, and persons who reside in or maintain an office in either Hidalgo County or Starr County.

SCHEDULE II

ADDITIONAL INFORMATION REQUIRED OF APPLICANT FOR TAX ABATEMENT

Section 1. Eligibility Criteria

1. To be eligible for consideration by College for a tax abatement under these Guidelines, an Owner of the Facility must meet or exceed all of the criteria described below:
 - The Facility must be one that will generate renewable energy;
 - The minimum amount of new real and/or personal property capital investment shall exceed \$200 million (at start of project or by year 2026);
 - Shall exceed minimum levels of full-time job creation;
 - Provide employee and dependent access to health care benefits;
 - Provide a minimum living and all-industry wage requirements for new and existing employees at project site;

Terra-Gen Development Company, LLC, ("Terra-Gen") is the exclusive developer of Monte Cristo, Windpower project (The Project). Each project is a special purpose entity formed to facilitate the development and commercialization of a utility-scale wind energy project. Terra-Gen is in the business of initiating, developing, producing and owning and operating electricity from renewable energy projects including wind and solar. The project is anticipating total capital costs of \$223,388,000. It is anticipated that all of the Monte Cristo project will be located within Hidalgo County and South Texas College boundaries. The Project will be providing 200 construction jobs for Hidalgo County residents and 2 permanent operations jobs, which includes: wind turbine technicians, electrical engineers and other management positions with a starting salary of \$49,392.20 with access to employee/dependent health care benefits.

Section 2. Amount and Terms of Tax Abatement Subject to Additional Commitments

- 2.1 The amount and term of the tax abatement offered will be dependent upon the Owner's commitment to exceed the minimum eligibility criteria, consideration of other public incentives offered for the same project and the overall benefit to the College and the community.
- 2.2 What resources will the Owner commit to, of the following:

- (a) Sponsorship of scientific events, teacher research grants to the College; materials and equipment, teaching materials to the College; R&D collaboration with local college;
- (b) Total number of jobs created and maintained in the area;
- (c) Number of high-wage jobs.

Terra Gen, LLC is committed to the continuing education of local workforce and employees through local scholarship and or student support services.

The Project will maintain a combined total of 2 permanent jobs with a base salary of \$49,392.20, which exceeds the current County average earnings which are above the Hidalgo County average weekly wage (average for the most recent four quarters) as reported quarterly by the Bureau of Labor Statistics (currently \$42,224 in 2021-2022) qualifying as a “High-Wage Job”, in addition to health care benefits, retirement, & leave time with pay

Section 3. Wage Requirements

Companies receiving a tax abatement from the College must meet certain minimum wage requirements for all new and existing (i.e., retained) jobs at the project site.

3.1 Living Hourly Wage Requirement: In order to be eligible for a tax abatement, one hundred percent (100%) of the company’s new and existing employees ***at the project location*** must earn no less than a “living wage” throughout the full term of the Tax Abatement Agreement. This wage is based on the poverty level for a family of four, as determined annually (January) by the U.S. Department of Health and Human Services (HHS). As of January 22, 2015, the living wage requirement is \$11.66 per hour.

3.2 All Industries Median Hourly Wage Requirement: In addition to the “Living Wage” requirement, after one year of initiating full operations at the project location, but not more than two years after execution of the Tax Abatement Agreement with the College, at least seventy percent (70%) of all new and existing employees, with at least one year of full employment with the company at the project location, must earn a cash wage at or exceeding the annual Edinburg, Pharr McAllen Metropolitan Statistical Area (MSA) Median Hourly Wage for All Industries (Companies) for the most recent year available. This wage is compiled by the Bureau of Labor Statistics (BLS) Occupational Employment Survey and published annually by the Texas Workforce Commission (TWC). This wage is updated annually, and for 2014 the current applicable wage is \$11.32 per hour.

High-Wage Jobs: High-wage jobs are either: (1) Qualified professional jobs reported in high-wage industries (e.g., advanced business services, aerospace, life sciences, renewable energy, high-tech/IT); or (2) Jobs for which earnings are above the Hidalgo County average weekly wage (average for the most recent four quarters) as reported quarterly by the Bureau

of Labor Statistics (currently \$33,592 in 2017).

- 3.3 If the company does not meet and maintain these wage requirements for all new and existing employees at the project location, the company will be in default of its Tax Abatement Agreement, which could result in termination of the Agreement and the recapture of all or a portion of the previously abated property taxes.

Monte Cristo Phase I is committed to creating 2 permanent jobs with a base salary of \$49,392.20, which exceeds the current County average earnings which are above the Hidalgo County average weekly wage (average for the most recent four quarters) as reported quarterly by the Bureau of Labor Statistics (currently \$42,224 in 2021-2022) qualifying as a “High-Wage Job”, in addition to health care benefits, retirement, & leave time with pay.

Section 4. Targeted and Qualifying Industries/Business Activities or Project team

The majority of the company’s business at the project location must be engaged in one of the following qualifying industries, business activities, or Project team:

Targeted Industries:

- Energy

Each special purpose entity is an entity created for the sole purpose of interconnecting 200-472 Megawatts (“MW”) of renewable energy into the ERCOT market.

Section 5. Local Assessment: County and Community:

- 5.1 Describe how has the company’s plan been prepared in consultation with the local community, property owners and local political leaders?
- (a) Local Community:
The projects are located in rural portions of Hidalgo County & do not have immediate impact on local communities other than the acquisition of goods & services, and employment.
 - (b) Property Owners:
During leasing and prior to construction Terra-Gen has consulted with each individual landowner to ensure the development meets the desired goals of each party.
 - (c) Local Political Leaders:
The projects have been introduced to Hidalgo County leadership and have already sought the guidance of County’s permitting office, fire marshal, and drainage/irrigation entities.
- 5.2 Identify the local, state and federal bodies that have jurisdiction over the design, construction, licensing, regulation and operation of the Facility and here any public records of review of the Facility may be accessed by the College and the public:
- (a) Local: Hidalgo County Permit, Fire Marshall, Solid Waste, Irrigation/Drainage Offices.
 - (b) State: TCEQ, Tx Parks & Wildlife, State Comptroller
 - (c) Federal: Federal Aviation Admin (FAA), U.S. Fish & Wildlife

- 5.3 Outline what processes, if any, were followed for community consultation for the Facility's development.

Per requirements of Hidalgo County permitting office, Terra Gen will be applying for County Permit for construction of the wind farm at each location. At their request, each permit will be routed for approval to the County's fire marshal, solid waste and irrigation/drainage districts.

- 5.4 Is there an Environmental Impact Statement and Clearance required for the Facility? If so, identify where any public records of environmental review may be assessed by the College and members of the public.

Neither an EIS or Clearance is required for the wind farm facilities by any state or federal regulatory agency.

- 5.5 If the Facility is a wind farm, did the assessment of the Facility by any governmental agency measure and assess potential environmental noise impacts from wind turbines? If so, please provide copies of any records with the Application.

To date, there have been no requirements or requests by any governmental agency for the assessment of environmental noise impacts.

- 5.6 Identify the Texas agency, if any, which has on-going regulatory authority over the Facility. Describe any approval process which has taken place in connection with locating the Facility.

There is no state regulatory agency currently required to oversee or monitor the wind farm projects. However, Electric Reliability Council of Texas ("ERCOT") is responsible for the reliability of the energy transmission grid and is the only authority that The Project will interface with on an ongoing basis.

- 5.7 Please state whether any of the following were considered in the assessment and location of wind turbines, and if so, how any negative impacts have/or will be addressed:

- landscape and visual amenity:
- noise impacts (have noise guidelines been developed to assess regulate noise):
- health issues (what health issues, if any, have been identified and what guidelines or policies have been adopted to address potential health impacts, if any:
- economic issues, including potential impacts on property values:
- ecological issues, including potential impacts on threatened species:
- decommissioning and rehabilitation:

Terra Gen, LLC as developer of the projects will rely on the review of the applicable County and State agencies with regulatory responsibility over the compatibility of the Facility site(s) with the

surrounding uses, to include aviation, noise impacts, visual amenity and ecological issues.

Section 6. Life of Facility and Decommissioning

Include life projections for the Facility, depreciation schedules for income tax purposes and the decommissioning plan. State if the Owner on the Application is a “pass-through” owner or intends to assign its interest in the Facility and the Abatement Agreement, include proposed contractual language that obligates Owner and any future assignee to comply with the decommissioning plan. To assure the College that the Owner, or Owner’s assignee, will perform the decommissioning plan, what financial security, bond or enforceable pledge does the Owner proposed.

The wind turbine generators that will make up the Project has an estimated life expectancy of 25 years. Within the leases executed with the local landowners, Terra-Gen has included a Removal Bond to insure funding for The Project decommissioning. Every turbine and associated infrastructure will be removed at the project’s end of life. The lessors have allowed for Terra-Gen to have an option to assign interests to a qualified party if the opportunity is considered, however the lease obligates the qualified party to comply with all aspects of the lease including the removal bond, term of lease, and payments to the landowner.

Section 7. Noise Auditing and compliance:

Has applicant developed a plan or procedure to undertake compliance monitoring and auditing. If so, please describe and submit relevant documents.

- Does Owner propose to maintain noise monitoring facilities? Will Special audible characteristics such as excessive amplitude modulation (including the van den Berg effect) together with cumulative impacts be considered?
- What noise standards and reporting of noise records have been developed? Does Owner propose to prepare and submit a noise compliance report on a regular basis? If so, to whom? Will Owner make noise compliance reports publicly available?

At this time there are no state or federal regulatory compliance regulations that require the developer to maintain noise monitoring facilities.

EXHIBIT A

Application for Tax Abatement South Texas College

Please submit the answers to the following questions and attach any additional pages as needed. Please complete and attach to the application along with completed Schedules I and II.

Part I. Applicant Information

Application Date: 05/22/2023

Applicant Name: Monte Cristo Windpower, LLC

Applicant's address: 11455 El Camino Real, Suite 160 San Diego, CA 92130

Applicant's phone number: 858-764-3754

Applicant's organization: Terra-Gen, LLC

Type of Business: Renewable Energy

Organization address: 11455 El Camino Real, Suite 160 San Diego, CA 92130

Organization's phone number: 858-764-3754

Authorized Representative: Milton Howard

Authorized Representative's address (if different than above): Same as above

Authorized Representative's phone number: 713-703-7044

Part II. Project Information

Proposed project or facility address: (see specifics for each Project below)

1. Provide brief description of project or facility for which tax abatement is sought.

Monte Cristo Windpower, LLC: - Monte Cristo Phase I

Monte Cristo Windpower, LLC ("Monte Cristo Phase I") is a Renewable Energy project located in Hidalgo County, Texas within the Edinburg CISD boundaries to be located on FM 490, 2 miles west of north I-69 (US Hwy 281). Monte Cristo seeks to develop and interconnect approximately 236 megawatts ("MW") of power into the ERCOT market via interconnect into the AEP 345 kV Lon C Hill transmission line.

The improvements for Monte Cristo Phase I will consist of a proposed wind power generation facility, comprised of approximately 236 megawatts ("MW") of nameplate capacity located in the Hidalgo County Enterprise Zone. Construction is anticipated to begin no later than the 3rd quarter of 2024 and it is currently anticipated that construction will be complete by the 4th quarter of 2025.

The improvements are expected to have an estimated value of at least \$223,388,000 upon

completion, although the actual value will be determined by the Hidalgo County Appraisal District. The Project is expected to include between 53 to 62 wind turbines ranging from 3.x and 4.x MW turbines from a tier 1 manufacturer, although the exact number may vary depending on factors such as the type and size of turbines used and site wind characteristics. Exact turbine specifications are reserved due to an unannounced competitive turbine supply procurement process between select manufacturers. However, such factors will not pose a significant impact on the anticipated investment amount. The improvements shall also include any other property in the Enterprise Zone meeting the definition of "Eligible Property" contained in the Tax Abatement Guidelines and criteria for South Texas College that will be used to produce wind power and perform other functions related to the production, distribution and transmission of electric power.

2. Does this property fall under the definition of "Eligible Property" provided in the Hidalgo County Guidelines & Criteria?

☒ Yes
☐ No

3. This application is for (*choose one*):

☒ New plant
☐ Expansion
☐ Modernization

4. Please list all the taxing jurisdictions in which the proposed projects or facilities will be located.

Taxing Entity #1: Hidalgo County

Taxing Entity #2: South Texas College

Taxing Entity #3: South Texas ISD

Taxing Entity #4: Edinburg CISD

- a. Are applications for tax abatement being submitted to all these jurisdictions?

☐ Yes
☒ No

Monte Cristo will not be receiving value limitation agreements with South Texas ISD or Edinburg CISD. A Tax abatement agreement with Hidalgo County has already been approved.

5. Please describe the nature and scope of the tax abatement that is sought. What is the total estimated taxable value or total range of taxable values of the project or facility for which abatement is sought?

Monte Cristo Phase I is seeking an 80% abatement of taxes effective for ten (10) full calendar years for the projects beginning on January 1 of the tax year following the date that the College President and/or the President of the Board of Trustees receives a letter certifying completion of construction of Project, outlining the Improvements included in the Project, and stipulating the overall turbine capacity.

Monte Cristo Phase I is anticipating individual capital costs of at least \$223,388,000. The improvements for The Project will consist of the proposed wind power generation facility, comprised of approximately 236 megawatts ("MW") of nameplate capacity located within the Hidalgo County Enterprise Zone.

The improvements for Monte Cristo Phase I is expected to have an individual estimated value of at least \$223,388,000 upon completion, although the actual value will be determined by the Hidalgo County Appraisal District. The Project is expected to include between 53 to 62 wind turbines each ranging from 3.x and 4.x MW turbines from a tier 1 manufacturer, although the exact number may vary depending on factors such as the type and size of turbines used and site wind characteristics. Exact turbine specifications are reserved due to an unannounced competitive turbine supply procurement process between select manufacturers. However, such factors will not pose a significant impact on the anticipated investment amount. Improvements should also include any other property in the Enterprise Zones meeting the definition of "Eligible Property" contained in the Tax Abatement Guidelines and criteria for South Texas College that will be used to produce wind power and perform other functions related to the production, distribution and transmission of electric power.

a. What is the extent of the abatement being requested?

Monte Cristo Windpower, LLC, seeks an abatement of taxes of the cited projects effective for ten (10) full calendar years for the project beginning on January 1 of the next tax year, after the date that the College President and/or the President of the Board of Trustees receives a letter certifying completion of construction of Projects, outlining the Improvements included in the Projects, and stipulating the overall turbine capacity.

b. Does applicant contemplate that the Project will be completed in Phases?

☐ Yes
☒ No

6. What will be the total estimated taxable value or total range of taxable values of the project or facility in the first year after the expiration of the abatement? (*The amount represents 5% depreciation over 10 years*)

The initial estimated taxable value of Monte Cristo Phase I when completed is expected to be \$223,388,000 within Hidalgo County. Although the actual value after year 10 will depend upon an annual appraisal by the Hidalgo County Appraisal District and specific decisions to be made by Terra Gen, LLC in the future, the developer estimates of each project, will have retained a value of approximately \$68,250,923.

7. Please attach information describing how the proposed project or facility meets the minimum Requirement for tax abatement outlined in the Guidelines & Criteria.

The Project will contribute to the expansion of employment, attract major investment to Hidalgo County, benefit the property on which it is constructed, and contribute to the economic development of the County.

Monte Cristo Phase I intends to construct a wind powered electric generating facility with an expected value of approximately \$223,388,000 in Hidalgo County for each phase. At a minimum, the phases will result in two wind power facilities with an estimated 236-megawatt nameplate capacity.

Monte Cristo Phase I estimates that the installation of the wind turbines will create 150 to 200 temporary construction jobs over the course of the Project's construction, which is estimated to last twelve to fourteen (12-14) months of construction. Monte Cristo further anticipates the creation of 2 total full-time jobs for the operation and maintenance of the Project. Continuing operations and maintenance activities in Hidalgo County will create opportunities for purchase of contracting services and supplies from Hidalgo County businesses. Over the course of construction of the Project, Terra Gen will make an effort to use local labor and purchase services and materials local businesses where practicable.

The Project will make use of land that is currently used for agricultural and ranching purposes. The location of the Projects is remote and not ideal for industrial or commercial development but is well suited for a wind farm. Without the Project, the land could remain in its current state and would be unlikely to attract new investment to the area.

The wind farm will provide "clean" renewable power to customers served by Terra Gen, LLC. Wind energy creates little or no emissions impacting the environment. The project will continue to provide this clean energy source for decades to come.

The addition of full-time and contract-related jobs, the purchase of local services, supplies and materials, and the productive use of land to generate revenue and spur investment are examples of the kind of economic benefit that the proposed wind farm will bring to Hidalgo County.

8. Please attach information on the following aspects of the proposed project or facility:

- (1) current value of land and existing improvements, if any;
- (2) type, value and purpose of proposed improvements;
- (3) productive life of proposed improvements;
- (4) impact of proposed improvements and other expenditures on existing jobs;
- (5) number and type of new jobs, if any, to be created by proposed improvements and expenditures;
- (6) costs to be incurred by County, if any, to provide facilities or services directly resulting from the new improvements;
- (7) types and values of public improvements, if any, to be made by applicant seeking abatement;
- (8) estimation of the amount of ad valorem property taxes to be paid to County after expiration of the abatement agreement;

- (9) the impact on the business opportunities of existing businesses and the attraction of new businesses to the area, if any;
- (10) the overall compatibility with the zoning ordinances and comprehensive plan, if any, for the area;
- (11) whether the applicant's proposed facility or improvement or modernization is an industry which is new to County.

9. Please attach the following information to this application:

- (1) A map and description of the property for which abatement is sought;
[See page 13-15](#)
- (2) A time schedule for completing the planned improvements; and,
[Monte Cristo Phase I is anticipating that construction will begin no later than the 3rd Quarter of 2024 and will be completed by the 4th Quarter of 2025.](#)
- (3) Basic financial information about yourself and your organization sufficient to enable evaluation of the applicant's financial capacity.
Please see: <https://www.ecpartners.com/> and <https://www.terra-gen.com/>

10. Please describe the proposed or existing Investment Zone in which this project will be located.

[Please see Attachment. The Project is located within the designated Hidalgo County Enterprise Zone. Hidalgo County Commissioners Court has previously recognized the existing enterprise zones for purposes of The Project.](#)

11. Please attach a copy of the County's approved Tax Abatement Agreement with applicant, or, if not yet approved, a copy of the proposed County's Tax Abatement Agreement.

[Please see Attachment.](#)

I attest that the information provided in this application is true and correct to the best of my knowledge.

Authorized Representative's Signature:

Milt Howard

Milton Howard
Vice President of Development
Terra-Gen, LLC

Date of application submission: _____

Exhibit A

Legal Descriptions of Investment Zones Containing Proposed Projects

Please attach a copy of the map of the Counties Zones and the locations of the facilities

Monte Cristo Windpower, LLC:

Monte Cristo Phase I:

The legal descriptions for Monte Cristo Phase I located in Hidalgo County, Texas are as follows:

Del Tule

Tracts 149-151

Desierto-La Jamaica Los Potrillos

Tracts 1-4

Jackson Tract

Blk 97, lots 5-8

Blk 98-99, lots 5-8

Blk 100 lots, 7-12

Blk 101-103, all lots

Blk 104, lots 1-8

Blk 117, all lots

Blks 118-119, lots 1-8

Blk 120, lots 5-8

Blks 121-123, lots 5-8

Blk 124, all lots

Blk 134-138, all lots

Blk 139, lots 1-8

Blk 140-147, all lots

Blk 147, lots 2-7

Blks 154-159, all lots

Blk 160, lots 1-12

Blks 161-165, all lots

Blk 167, all lots

Blks 174-180, all lots

Blk 181-182, all lots

Blk 183, lots 1-8

Blk 184, lots 3-7

Blks 185-187, all lots

Blks 196, lots 1 & 8

BLKS 198-200, all lots

Blk 201, lots 1-6

Blks 202-207, all lots

Blks 214-227 all lots

Blks 234-247 all lots

Blks 254-267 all lots

Laguna Seca

Pummil Strip

Retama & Brazil

Tract 160

Rio Grande Dev Co

Blk 1, lots 1-3

Blk 2-3, lots 1-4

Blk 4, lots 1 & 2

Blk 5, lots 1-5

Blks 6-11, 1-12

Blks 13 -16

Rio Grande Securities

Blks 6-7, lots 1-38

Blk 8, lots 20-38

Santa Anita

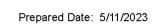
J.J. Young Tract

Tex-Mex Survey

Secs 202-212

Exhibit B
Maps of Project Areas

CONFIDENTIAL-PLEASE SEE ATTACHED



- (a) **Written Application.** Any current or potential owner of taxable property may request Abatement by filing a written application with the President of the College. **Exhibit A**
- (b) **Contents of Application.**
- a. The application shall consist of a completed application form (Exhibit A) accompanied by:
 - b. a general description of the new improvements to be undertaken;
 - c. a descriptive list of the improvements for which Abatement is requested;
 - d. a list of the kind, number and location of all proposed improvements of the property;
 - e. a map and property description; proposed turbine location (if a wind turbine Facility);
 - f. and a time schedule for undertaking and completing the proposed improvements.
 - g. In the case of a Modernization or Expansion Project, a statement of the Appraised Value of the Facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application.
- **The application form may require such financial and other information as the College or other Eligible Jurisdiction, as applicable, deems appropriate for evaluating the financial capacity and other relevant factors of the applicant.
- (c) **Local Employment and Procurement.** Owner shall, as part of the Application, provide: (i) a list and description of all component parts and equipment which are included in the construction and/or installation of the Facility, (ii) a list of maintenance and operations personnel or professional services anticipated or required for the operation and maintenance of the Facility on an on-going basis; and (iii) the identify of all persons or firms in Starr County and Hidalgo County, or within 100 miles thereof, with the capability of providing these services (a complete Schedule I and Schedule II).
- (d) **Written Notification.** Upon receipt of a completed application, the President shall evaluate the application for a determination of the proposed Facility's compliance with these Guidelines.
- (e) **Feasibility.** After receipt of an application for Abatement, the College shall consider the feasibility and the impact of the proposed Abatement. The study of feasibility shall include, but not be limited to, an estimate of the economic effect of the Abatement of taxes and the benefit to the College and the Facility to be covered by such Abatement.
- (f) **No Abatement if Construction has been Completed.** No Agreement shall be approved if the application for the Abatement was filed after the completion of construction, alteration or installation of improvements related to the proposed Modernization, Expansion or New Facility.
- (g) **Variance.** Requests for variance from the provisions of these Guidelines and Criteria may be made in written form; provided, however, that no variance may extend the term of Abatement beyond five (5) years after completion of the Construction Phase. Such requests shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of a request for variance requires a three-fourths (3/4ths) vote of the board of trustees of the College.

Project Description:**Monte Cristo Windpower, LLC: Monte Cristo Phase I**

Monte Cristo Windpower, LLC, Monte Cristo Phase I is requesting an appraised value limitation on all of the property constructed or placed upon the real property within South Texas College, which is located in Hidalgo County, Texas.

The property for which the Applicant is requesting an appraised value limitation shall include, but is NOT limited to, the following: **between 53 to 62 wind turbines ranging from 3.x and 4.x MW** turbines from a tier 1 manufacturer, although the exact number may vary depending on factors such as the type and size of turbines used and site wind characteristics, with an estimated total generating capacity of approximately 236 MW; between 53 to 62 steel reinforced concrete foundations supporting the weight of each turbine tower; between 53 to 62 electric power transformers; underground conductor cables used to transport electricity from each turbine tower to an electrical substation; and a new electrical substation interconnected to the ETT Lobo to North Edinburg, 345kV transmission line located in central Hidalgo County.

Additionally, the map provided does not represent the final location of the improvements; however, all of the improvements that make up the amount of Qualified Investment will be made within the Project Investment Area as shown on Map Exhibit B.

The Applicant intends to construct a shared Maintenance and Operations building to house equipment i.e. junction boxes, transformer equipment, and turbine electronic controls for both Monte Cristo Projects. The Applicant will also be constructing an electrical substation facility for integration and transmission of power into the electrical grid.

Construction of Monte Cristo Phase I is proposed to begin in the 3rd Quarter of 2024 with an estimated commercial operations date no later than the 4th Quarter of 2025, contingent upon favorable economics for the project.

Descriptive List for which Abatement is being requested:**Monte Cristo Windpower, LLC- Monte Cristo Phase I:**

Monte Cristo Windpower, LLC, Monte Cristo Phase I plans to construct an estimated 236 MW wind farm in Hidalgo County, located entirely within Edinburg CISD. Monte Cristo Phase I improvements of Qualified Property include:

- between 53 to 62 Wind Turbines with an approximate nameplate capacity ranging from 3.x and 4.x MW;
- between 53 to 62 Wind Turbine Foundations;
- Several thousand feet of Transmission Collection System cable & Junction Boxes;
- Overhead Transmission and Interconnection infrastructure;
- Additional meteorological towers;
- All-weather Road work sloped for drainage;

Monte Cristo Phase I & II will share:

- Operations and maintenance building for storage of control systems necessary for commercial

- generation of electricity;
- Electric substation including power transformers, associated circuit breakers, switches, reactive power compensation equipment and control building & fencing of perimeter.

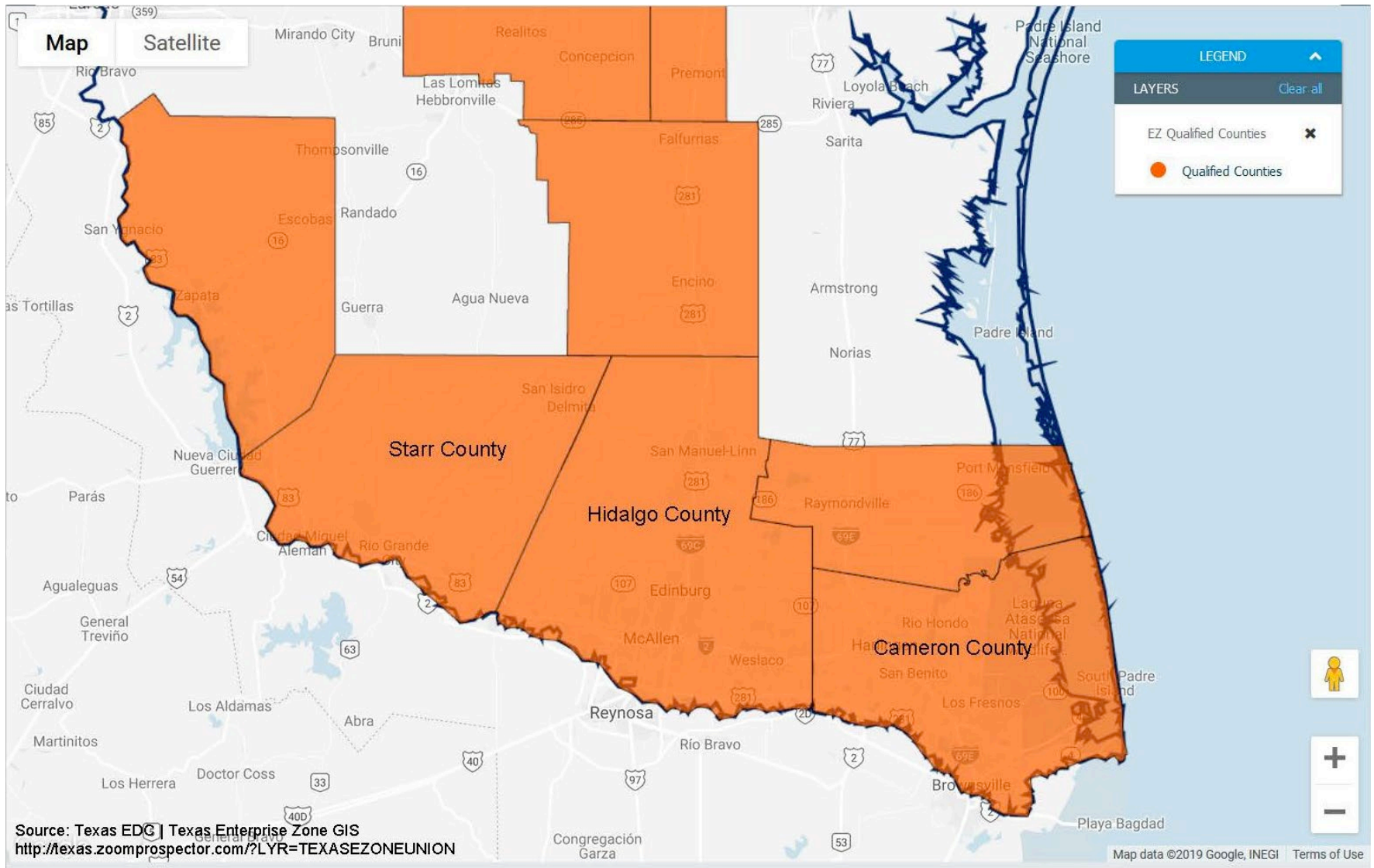
For purposes of this application, the Project anticipates using between 53 to 62 Wind Turbines, ranging from 3.x and 4.x MW turbines from a tier 1 manufacturer, although the exact number may vary depending on factors such as the type and size of turbines used and site wind characteristics, all equipment outlined above is expected to be located within South Texas College boundaries.

The exact placement of turbines is subject to ongoing planning, wind resource evaluation, engineering, land leasing, and turbine selection. The final number and location of turbines and supporting structures will be determined before construction begins. However, any changes in the number and location of turbines will not have a significant impact on the total investment. Monte Cristo intends to connect to AEP Lon C. Hill to North Edinburg, 345kV transmission line, located within South Texas College boundaries. All of the infrastructure will remain within the project boundary and within the Enterprise Zone. The map in Exhibit B shows the proposed project area with the anticipated improvement locations.

Enterprise Zones:

Hidalgo, County is designated enterprise zone county as defined under the Texas Governor's "[Governor's Economic Development Finance department online](#)" link provided by Texas Comptroller website under "[The Texas Enterprise Zone Program](#)." The Governor's website "Texas Enterprise Zone Program"- "[Economic Zone Program Rules, 10 TAC 176](#)" according to section (b), subsection (11); which defines a distressed county as: "a county that has a poverty rate above 15.4 percent based on the most recent decennial census; in which at least 25.4 percent of the adult population does not hold a high school diploma or high school equivalency certificate based on the most recent decennial census; and that has an unemployment rate that has remained above 4.9 percent during the preceding five years, based on Texas Workforce Commission data."

Source: <https://businessintexas.com/services/tax-incentives?view=texas%20enterprise%20zone%20program>



Discussion and Recommend Action as Necessary on Monte Cristo Phase II Windpower, LLC (Terra-Gen Development Company, LLC) Tax Abatement Application

Purpose and Justification – Administration requests the Committee recommend Board approval of the Monte Cristo Phase II Windpower, LLC (Terra-Gen Development Company, LLC), Tax Abatement Application in order for the College to participate in the new Phase II project that was recently added.

Terra-Gen Development Company, LLC, has submitted the application for tax abatements for their wind-powered electric generating facilities in Hidalgo County and South Texas College boundaries in order for the College to participate in the new tax abatement agreement with the windpower renewable energy company.

The application for Phase II for the Monte Alto Windpower, LLC was submitted by Terra-Gen with the following specs:

- Project will begin construction no later than the 3rd quarter of 2025, and it is currently anticipated that construction will be completed by the 4th quarter of 2026.
- The improvements are expected to have an estimated value of approximately \$223,388,000, although the actual value will be determined by an appraisal from the Hidalgo County Appraisal District. The improvements for Monte Cristo II Windpower, LLC will include:
 - ⇒ Proposed wind power generation facilities, expected to be comprised of 236 megawatts of nameplate capacity located in Hidalgo County.
 - ⇒ Expected to include between 53 to 62 wind turbines ranging from 3.x and 4.x megawatts turbines from a tier 1 manufacturer, although the exact number may vary substantially depending on factors such as the type and size of turbines used and site wind characteristics.

Background – Board of Trustees approvals are as follows:

- On February 22, 2022, adopted the current guidelines and criteria, and the resolution electing to participate in Tax Abatement Agreements, as established in the Property Tax Code Chapter 312 authorizing a taxing unit to enter into a tax abatement agreement. The College's Guidelines and Criteria for Granting Tax Abatements are effective for a two-year period from the adoption date. The current guidelines are valid until February 21, 2024. The current New Capital Investment minimum threshold is \$200 million.
- On November 26, 2019, the Terra-Gen Development Tax Abatement project, Monte Cristo Windpower, LLC tax abatement, was approved. The tax abatement agreement with Monte Cristo included the following:
 - ⇒ A 50% tax abatement of taxes with an estimated total project value of \$223,388,000

- ⇒ A scholarship payment in the amount of \$40,000
- ⇒ Annual Payments in Lieu of Taxes in the amount of \$10,000 for ten (10) years for each project.

Subsequent to the approval of the applications for the proposed tax abatement for the Terra-Gen Development Company, LLC Monte Cristo Phase II Windpower, LLC project, staff will obtain additional information such as the tax abatement agreements and tax abatement resolutions for Board of Trustees approval within the following months.

Robert Pena, Local Developer/Consultant – President of Texas Energy, will be present at the Committee meeting to discuss their proposal and answer any questions.

Reviewers – Mrs. Mary Elizondo, Vice President for Finance and Administrative Services, Myriam Lopez, Comptroller, and Mr. Javier Villalobos, South Texas College's Legal Counsel, have reviewed this item and will be present at the Committee meeting to address any questions.

Enclosed Documents – The application for Phase II follows in the packet for the Committee's information and review.

It is requested that the Committee recommend Board approval on the Monte Cristo Phase II Windpower, LLC (Terra-Gen Development Company, LLC), Tax Abatement Application as presented.

Application for Chapter 312 Tax Abatement Agreement by Monte Cristo Windpower, LLC – (Monte Cristo Phase II)



Submitted by:

Terra-Gen, LLC



October 27, 2023

SCHEDULE I

“Buy Local” Annual Reports

The following information shall be reported to the College on a calendar-year basis during the first four years of the tax abatement program:

1. Dollar amount spent for materials* (local): \$500,000
2. Dollar amount spent for materials* (total): \$500,000.
3. Dollar amount spent for labor** (local): \$325,000.
4. Dollar amount spent for labor** (total): \$325,000.
5. Number of jobs created in the construction of the Facility (local): 150 FTE's.
6. Number of jobs created in the construction of the Facility (total): 200 FTEs.
7. Number of jobs created on a permanent basis (local): 2 per site.
8. Number of jobs created on a permanent basis (total): 2 per site.

* The term “materials” is defined to include all materials used in excavation, site improvement, demolition, concrete, structural steel, fireproofing, piping, electrical, instruments, paintings and scaffolding, insulation, temporary construction facilities, supplies, equipment rental in construction, small tools and consumables. This term does not include major items of machinery and equipment not readily available locally.

** The term “labor” is defined to include all labor in connection with the excavation, site improvement, demolition, concrete construction, structural steel, fireproofing, equipment placement, piping, electrical, instruments, painting and scaffolding, insulation, construction services, craft benefits, payroll burdens, and related labor expenses. This term does not include engineering services in connection with the design of the Facility.

The term “local” as used to describe manufacturers, suppliers, contractors and labor shall include firms, businesses, and persons who reside in or maintain an office in either Hidalgo County or Starr County.

SCHEDULE II

ADDITIONAL INFORMATION REQUIRED OF APPLICANT FOR TAX ABATEMENT

Section 1. Eligibility Criteria

1. To be eligible for consideration by College for a tax abatement under these Guidelines, an Owner of the Facility must meet or exceed all of the criteria described below:
 - The Facility must be one that will generate renewable energy;
 - The minimum amount of new real and/or personal property capital investment shall exceed \$200 million (at start of project or by year 2026);
 - Shall exceed minimum levels of full-time job creation;
 - Provide employee and dependent access to health care benefits;
 - Provide a minimum living and all-industry wage requirements for new and existing employees at project site;

Terra-Gen Development Company, LLC, ("Terra-Gen") is the exclusive developer of Monte Cristo, Windpower projects (The Project). Each project is a special purpose entity formed to facilitate the development and commercialization of a utility-scale wind energy project. Terra-Gen is in the business of initiating, developing, producing and owning and operating electricity from renewable energy projects including wind and solar. Each project is anticipating total capital costs of \$223,388,000. It is anticipated that all of the Monte Cristo project will be located within Hidalgo County and South Texas College boundaries. The Project will be providing 200 construction jobs for Hidalgo County residents and 2 permanent operations jobs, which includes: wind turbine technicians, electrical engineers and other management positions with a starting salary of \$49,392.20 with access to employee/dependent health care benefits.

Section 2. Amount and Terms of Tax Abatement Subject to Additional Commitments

- 2.1 The amount and term of the tax abatement offered will be dependent upon the Owner's commitment to exceed the minimum eligibility criteria, consideration of other public incentives offered for the same project and the overall benefit to the College and the community.
- 2.2 What resources will the Owner commit to, of the following:

- (a) Sponsorship of scientific events, teacher research grants to the College; materials and equipment, teaching materials to the College; R&D collaboration with local college;
- (b) Total number of jobs created and maintained in the area;
- (c) Number of high-wage jobs.

Terra Gen, LLC is committed to the continuing education of local workforce and employees through local scholarship and or student support services.

Monte Cristo Phase II will maintain 2 permanent jobs with a base salary of \$49,392.20, which exceeds the current County average earnings which are above the Hidalgo County average weekly wage (average for the most recent four quarters) as reported quarterly by the Bureau of Labor Statistics (currently \$42,224 in 2021-2022) qualifying as a “High-Wage Job”, in addition to health care benefits, retirement, & leave time with pay

Section 3. Wage Requirements

Companies receiving a tax abatement from the College must meet certain minimum wage requirements for all new and existing (i.e., retained) jobs at the project site.

- 3.1 Living Hourly Wage Requirement: In order to be eligible for a tax abatement, one hundred percent (100%) of the company’s new and existing employees ***at the project location*** must earn no less than a “living wage” throughout the full term of the Tax Abatement Agreement. This wage is based on the poverty level for a family of four, as determined annually (January) by the U.S. Department of Health and Human Services (HHS). As of January 22, 2015, the living wage requirement is \$11.66 per hour.
- 3.2 All Industries Median Hourly Wage Requirement: In addition to the “Living Wage” requirement, after one year of initiating full operations at the project location, but not more than two years after execution of the Tax Abatement Agreement with the College, at least seventy percent (70%) of all new and existing employees, with at least one year of full employment with the company at the project location, must earn a cash wage at or exceeding the annual Edinburg, Pharr McAllen Metropolitan Statistical Area (MSA) Median Hourly Wage for All Industries (Companies) for the most recent year available. This wage is compiled by the Bureau of Labor Statistics (BLS) Occupational Employment Survey and published annually by the Texas Workforce Commission (TWC). This wage is updated annually, and for 2014 the current applicable wage is \$11.32 per hour.

High-Wage Jobs: High-wage jobs are either: (I) Qualified professional jobs reported in high-wage industries (e.g., advanced business services, aerospace, life sciences, renewable energy, high-tech/IT); or (2) Jobs for which earnings are above the Hidalgo County average weekly wage (average for the most recent four quarters) as reported quarterly by the Bureau of Labor Statistics (currently \$33,592 in 2017).

- 3.3 If the company does not meet and maintain these wage requirements for all new and existing employees at the project location, the company will be in default of its Tax Abatement Agreement, which could result in termination of the Agreement and the recapture of all or a portion of the previously abated property taxes.

Monte Cristo Phase II is committed to creating 2 permanent jobs with a base salary of \$49,392.20, which exceeds the current County average earnings which are above the Hidalgo County average weekly wage (average for the most recent four quarters) as reported quarterly by the Bureau of Labor Statistics (currently \$42,224 in 2021-2022) qualifying as a "High-Wage Job", in addition to health care benefits, retirement, & leave time with pay.

Section 4. Targeted and Qualifying Industries/Business Activities or Project team

The majority of the company's business at the project location must be engaged in one of the following qualifying industries, business activities, or Project team:

Targeted Industries:

- Energy

Each special purpose entity is an entity created for the sole purpose of interconnecting 200-472 Megawatts ("MW") of renewable energy into the ERCOT market.

Section 5. Local Assessment: County and Community:

- 5.1 Describe how has the company's plan been prepared in consultation with the local community, property owners and local political leaders?
- (a) Local Community:
The projects are located in rural portions of Hidalgo County & do not have immediate impact on local communities other than the acquisition of goods & services, and employment.
 - (b) Property Owners:
During leasing and prior to construction Terra-Gen has consulted with each individual landowner to ensure the development meets the desired goals of each party.
 - (c) Local Political Leaders:
The projects have been introduced to Hidalgo County leadership and have already sought the guidance of County's permitting office, fire marshal, and drainage/irrigation entities.
- 5.2 Identify the local, state and federal bodies that have jurisdiction over the design, construction, licensing, regulation and operation of the Facility and here any public records of review of the Facility may be accessed by the College and the public:
- (a) Local: Hidalgo County Permit, Fire Marshall, Solid Waste, Irrigation/Drainage Offices.
 - (b) State: TCEQ, Tx Parks & Wildlife, State Comptroller
 - (c) Federal: Federal Aviation Admin (FAA), U.S. Fish & Wildlife
- 5.3 Outline what processes, if any, were followed for community consultation for the

Facility's development.

Per requirements of Hidalgo County permitting office, Terra Gen will be applying for County Permit for construction of the wind farm at each location. At their request, each permit will be routed for approval to the County's fire marshal, solid waste and irrigation/drainage districts.

- 5.4 Is there an Environmental Impact Statement and Clearance required for the Facility? If so, identify where any public records of environmental review may be assessed by the College and members of the public.

Neither an EIS or Clearance is required for the wind farm facilities by any state or federal regulatory agency.

- 5.5 If the Facility is a wind farm, did the assessment of the Facility by any governmental agency measure and assess potential environmental noise impacts from wind turbines? If so, please provide copies of any records with the Application.

To date, there have been no requirements or requests by any governmental agency for the assessment of environmental noise impacts.

- 5.6 Identify the Texas agency, if any, which has on-going regulatory authority over the Facility. Describe any approval process which has taken place in connection with locating the Facility.

There is no state regulatory agency currently required to oversee or monitor the wind farm projects. However, Electric Reliability Council of Texas ("ERCOT") is responsible for the reliability of the energy transmission grid and is the only authority that The Project will interface with on an ongoing basis.

- 5.7 Please state whether any of the following were considered in the assessment and location of wind turbines, and if so, how any negative impacts have/or will be addressed:

- landscape and visual amenity:
- noise impacts (have noise guidelines been developed to assess regulate noise):
- health issues (what health issues, if any, have been identified and what guidelines or policies have been adopted to address potential health impacts, if any):
- economic issues, including potential impacts on property values:
- ecological issues, including potential impacts on threatened species:
- decommissioning and rehabilitation:

Terra Gen, LLC as developer of the projects will rely on the review of the applicable County and State agencies with regulatory responsibility over the compatibility of the Facility site(s) with the surrounding uses, to include aviation, noise impacts, visual amenity and ecological issues.

Section 6. Life of Facility and Decommissioning

Include life projections for the Facility, depreciation schedules for income tax purposes and the decommissioning plan. State if the Owner on the Application is a “pass-through” owner or intends to assign its interest in the Facility and the Abatement Agreement, include proposed contractual language that obligates Owner and any future assignee to comply with the decommissioning plan. To assure the College that the Owner, or Owner’s assignee, will perform the decommissioning plan, what financial security, bond or enforceable pledge does the Owner proposed.

The wind turbine generators that will make up the Projects have an estimated life expectancy of 25 years. Within the leases executed with the local landowners, Terra-Gen has included a Removal Bond to insure funding for The Projects decommissioning., Every turbine and associated infrastructure will be removed at the project’s end of life. The lessors have allowed for Terra-Gen to have an option to assign interests to a qualified party if the opportunity is considered, however the lease obligates the qualified party to comply with all aspects of the lease including the removal bond, term of lease, and payments to the landowner.

Section 7. Noise Auditing and compliance:

Has applicant developed a plan or procedure to undertake compliance monitoring and auditing. If so, please describe and submit relevant documents.

- Does Owner propose to maintain noise monitoring facilities? Will Special audible characteristics such as excessive amplitude modulation (including the van den Berg effect) together with cumulative impacts be considered?
- What noise standards and reporting of noise records have been developed? Does Owner propose to prepare and submit a noise compliance report on a regular basis? If so, to whom? Will Owner make noise compliance reports publicly available?

At this time there are no state or federal regulatory compliance regulations that require the developer to maintain noise monitoring facilities.

EXHIBIT A

Application for Tax Abatement South Texas College

Please submit the answers to the following questions and attach any additional pages as needed. Please complete and attach to the application along with completed Schedules I and II.

Part I. Applicant Information

Application Date: 05/22/2023

Applicant Name: Monte Cristo Windpower, LLC

Applicant's address: 11455 El Camino Real, Suite 160 San Diego, CA 92130

Applicant's phone number: 858-764-3754

Applicant's organization: Terra-Gen, LLC

Type of Business: Renewable Energy

Organization address: 11455 El Camino Real, Suite 160 San Diego, CA 92130

Organization's phone number: 858-764-3754

Authorized Representative: Milton Howard

Authorized Representative's address (if different than above): Same as above

Authorized Representative's phone number: 713-703-7044

Part II. Project Information

Proposed project or facility address: (see specifics for each Project below)

1. Provide brief description of project or facility for which tax abatement is sought.

Monte Cristo Windpower, LLC- Monte Cristo Phase II:

Monte Cristo Windpower, LLC ("Monte Cristo Phase II") is a Renewable Energy project located in Hidalgo County, Texas within the Edinburg CISD boundaries to be located on FM 490, 15 miles west of north I-69 (US Hwy 281). Monte Cristo Phase II seeks to develop and interconnect approximately 236 megawatts ("MW") of power into the ERCOT market via interconnect into the AEP 345 kV Lon C Hill transmission line.

The improvements for Monte Cristo Phase II will consist of a proposed wind power generation facility, comprised of approximately 236 megawatts ("MW") of nameplate capacity located in the Hidalgo County Enterprise Zone. Construction is anticipated to begin no later than the 3rd quarter of 2025 and it is currently anticipated that construction will be complete by the 4th quarter of 2026.

The improvements are expected to have an estimated value of at least \$223,388,000 upon

completion, although the actual value will be determined by the Hidalgo County Appraisal District. The Project is expected to include between 53 to 62 wind turbines ranging from 3.x and 4.x MW turbines from a tier 1 manufacturer, although the exact number may vary depending on factors such as the type and size of turbines used and site wind characteristics. Exact turbine specifications are reserved due to an unannounced competitive turbine supply procurement process between select manufacturers. However, such factors will not pose a significant impact on the anticipated investment amount. The improvements shall also include any other property in the Enterprise Zone meeting the definition of "Eligible Property" contained in the Tax Abatement Guidelines and criteria for South Texas College that will be used to produce wind power and perform other functions related to the production, distribution and transmission of electric power.

2. Does this property fall under the definition of "Eligible Property" provided in the Hidalgo County Guidelines & Criteria?

☒ Yes
☐ No

3. This application is for (*choose one*):

☒ New plant
☐ Expansion
☐ Modernization

4. Please list all the taxing jurisdictions in which the proposed projects or facilities will be located.

Taxing Entity #1: Hidalgo County

Taxing Entity #2: South Texas College

Taxing Entity #3: South Texas ISD

Taxing Entity #4: Edinburg CISD

- a. Are applications for tax abatement being submitted to all these jurisdictions?

☐ Yes
☒ No

Monte Cristo will not be receiving value limitation agreements with South Texas ISD or Edinburg CISD. A Tax abatement agreement with Hidalgo County has already been approved.

5. Please describe the nature and scope of the tax abatement that is sought. What is the total estimated taxable value or total range of taxable values of the project or facility for which abatement is sought?

Monte Cristo Phase II is seeking an 80% abatement of taxes effective for ten (10) full calendar years for the projects beginning on January 1 of the tax year following the date that the College President and/or the President of the Board of Trustees receives a letter certifying completion of construction of Projects, outlining the Improvements included in the Projects, and stipulating the overall turbine capacity.

Monte Cristo Phase II is anticipating individual capital costs of at least \$223,388,000. The improvements for The Project will consist of the proposed wind power generation facility, comprised of approximately 236 megawatts ("MW") of nameplate capacity located within the Hidalgo County Enterprise Zone.

The improvements for Monte Cristo Phase II is expected to have an individual estimated value of at least \$223,388,000 upon completion, although the actual value will be determined by the Hidalgo County Appraisal District. The Project phases are expected to include between 53 to 62 wind turbines each ranging from 3.x and 4.x MW turbines from a tier 1 manufacturer, although the exact number may vary depending on factors such as the type and size of turbines used and site wind characteristics. Exact turbine specifications are reserved due to an unannounced competitive turbine supply procurement process between select manufacturers. However, such factors will not pose a significant impact on the anticipated investment amount. Improvements should also include any other property in the Enterprise Zones meeting the definition of "Eligible Property" contained in the Tax Abatement Guidelines and criteria for South Texas College that will be used to produce wind power and perform other functions related to the production, distribution and transmission of electric power.

a. What is the extent of the abatement being requested?

Monte Cristo Windpower, LLC, seeks an abatement of taxes of the cited projects effective for ten (10) full calendar years for the project beginning on January 1 of the next tax year, after the date that the College President and/or the President of the Board of Trustees receives a letter certifying completion of construction of Projects, outlining the Improvements included in the Projects, and stipulating the overall turbine capacity.

b. Does applicant contemplate that the Project will be completed in Phases?

☐ Yes

☒ No

6. What will be the total estimated taxable value or total range of taxable values of the project or facility in the first year after the expiration of the abatement? *(The amount represents 5% depreciation over 10 years)*

The initial estimated taxable value of the Project phase when completed is expected to be \$223,388,000 within Hidalgo County. Although the actual value after year 10 will depend upon an annual appraisal by the Hidalgo County Appraisal District and specific decisions to be made by Terra Gen, LLC in the future, the developer estimates of each project, will have retained a value of approximately \$68,250,923.

7. Please attach information describing how the proposed project or facility meets the minimum Requirement for tax abatement outlined in the Guidelines & Criteria.

The Project will contribute to the expansion of employment, attract major investment to Hidalgo County, benefit the property on which it is constructed, and contribute to the economic development of the County.

Monte Cristo Windpower, LLC, Monte Cristo Phase II intends to construct a wind powered electric generating facility with an expected value of approximately \$223,388,000 in Hidalgo County for each phase. At a minimum, the phase will result in a wind power facility with an estimated 236-megawatt nameplate capacity.

Monte Cristo Phase II estimates that the installation of the wind turbines will create 150 to 200 temporary construction jobs over the course of the Project's construction, which is estimated to last twelve to fourteen (12-14) months of construction. Monte Cristo further anticipates the creation of 4 full-time jobs for the operation and maintenance of the Projects. Continuing operations and maintenance activities in Hidalgo County will create opportunities for purchase of contracting services and supplies from Hidalgo County businesses. Over the course of construction of the Projects, Terra Gen will make an effort to use local labor and purchase services and materials local businesses where practicable.

The Project will make use of land that is currently used for agricultural and ranching purposes. The location of the Projects is remote and not ideal for industrial or commercial development but is well suited for a wind farm. Without the Projects, the land could remain in its current state and would be unlikely to attract new investment to the area.

The wind farm will provide "clean" renewable power to customers served by Terra Gen, LLC. Wind energy creates little or no emissions impacting the environment. The project will continue to provide this clean energy source for decades to come.

The addition of full-time and contract-related jobs, the purchase of local services, supplies and materials, and the productive use of land to generate revenue and spur investment are examples of the kind of economic benefit that the proposed wind farm will bring to Hidalgo County.

8. Please attach information on the following aspects of the proposed project or facility:

- (1) current value of land and existing improvements, if any;
- (2) type, value and purpose of proposed improvements;
- (3) productive life of proposed improvements;
- (4) impact of proposed improvements and other expenditures on existing jobs;
- (5) number and type of new jobs, if any, to be created by proposed improvements and expenditures;
- (6) costs to be incurred by County, if any, to provide facilities or services directly resulting from the new improvements;
- (7) types and values of public improvements, if any, to be made by applicant seeking abatement;
- (8) estimation of the amount of ad valorem property taxes to be paid to County after expiration of the abatement agreement;

- (9) the impact on the business opportunities of existing businesses and the attraction of new businesses to the area, if any;
- (10) the overall compatibility with the zoning ordinances and comprehensive plan, if any, for the area;
- (11) whether the applicant's proposed facility or improvement or modernization is an industry which is new to County.

9. Please attach the following information to this application:

- (1) A map and description of the property for which abatement is sought;
[See page 13-15](#)
- (2) A time schedule for completing the planned improvements; and,
[Monte Cristo Phase II is anticipating that construction will begin no later than the 3rd Quarter of 2025 and will be completed by the 4th Quarter of 2026.](#)
- (3) Basic financial information about yourself and your organization sufficient to enable evaluation of the applicant's financial capacity.
Please see: <https://www.ecpartners.com/> and <https://www.terra-gen.com/>

10. Please describe the proposed or existing Investment Zone in which this project will be located.

[Please see Attachment. The Project is located within the designated Hidalgo County Enterprise Zone. Hidalgo County Commissioners Court has previously recognized the existing enterprise zones for purposes of The Project.](#)

11. Please attach a copy of the County's approved Tax Abatement Agreement with applicant, or, if not yet approved, a copy of the proposed County's Tax Abatement Agreement.

[Please see Attachment.](#)

I attest that the information provided in this application is true and correct to the best of my knowledge.

Authorized Representative's Signature:

Milt Howard

Milton Howard
Vice President of Development
Terra-Gen, LLC

Date of application submission: _____

Exhibit A

Legal Descriptions of Investment Zones Containing Proposed Projects

Please attach a copy of the map of the Counties Zones and the locations of the facilities

Monte Cristo II:

The legal descriptions for Monte Cristo II are as follows:

Homeville Association

Blk 21, Lots 1-6
Lots 71-100

Porcion 43

Porcion 44

Porcion 45

Lots 1-41

Porcion 46

Porcion 48

Porcion 74

Lot 3

Porcion 76

Porcion 77

Porcion 79

Schunior's

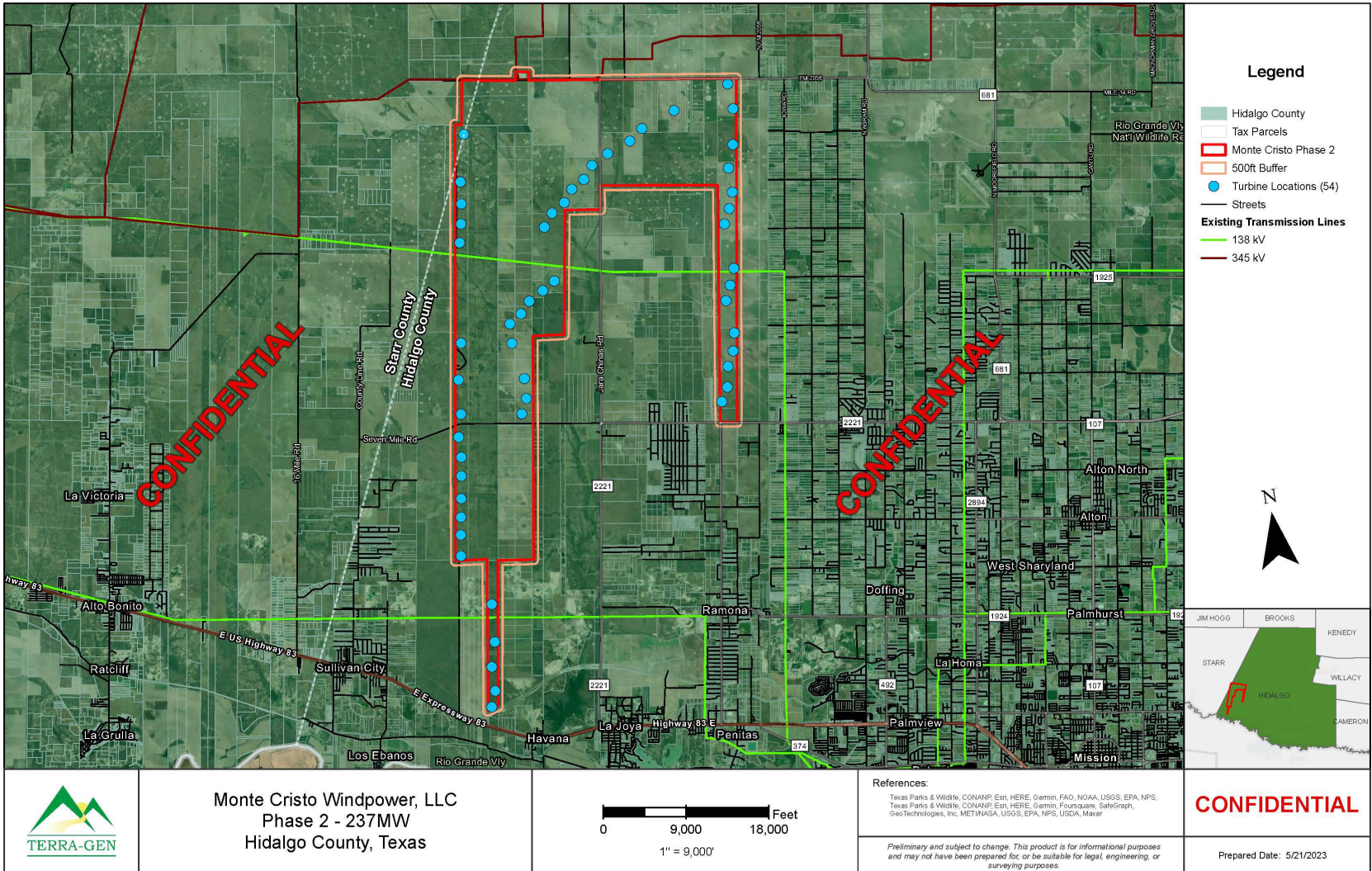
Tex-Mex Survey

Lot 38-39

Share 5, lots 3 & 4

Exhibit B
Maps of Project Areas

CONFIDENTIAL-PLEASE SEE ATTACHED



- (a) **Written Application.** Any current or potential owner of taxable property may request Abatement by filing a written application with the President of the College. **Exhibit A**
- (b) **Contents of Application.**
- a. The application shall consist of a completed application form (Exhibit A) accompanied by:
 - b. a general description of the new improvements to be undertaken;
 - c. a descriptive list of the improvements for which Abatement is requested;
 - d. a list of the kind, number and location of all proposed improvements of the property;
 - e. a map and property description; proposed turbine location (if a wind turbine Facility);
 - f. and a time schedule for undertaking and completing the proposed improvements.
 - g. In the case of a Modernization or Expansion Project, a statement of the Appraised Value of the Facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application.
- **The application form may require such financial and other information as the College or other Eligible Jurisdiction, as applicable, deems appropriate for evaluating the financial capacity and other relevant factors of the applicant.
- (c) **Local Employment and Procurement.** Owner shall, as part of the Application, provide: (i) a list and description of all component parts and equipment which are included in the construction and/or installation of the Facility, (ii) a list of maintenance and operations personnel or professional services anticipated or required for the operation and maintenance of the Facility on an on-going basis; and (iii) the identify of all persons or firms in Starr County and Hidalgo County, or within 100 miles thereof, with the capability of providing these services (a complete Schedule I and Schedule II).
- (d) **Written Notification.** Upon receipt of a completed application, the President shall evaluate the application for a determination of the proposed Facility's compliance with these Guidelines.
- (e) **Feasibility.** After receipt of an application for Abatement, the College shall consider the feasibility and the impact of the proposed Abatement. The study of feasibility shall include, but not be limited to, an estimate of the economic effect of the Abatement of taxes and the benefit to the College and the Facility to be covered by such Abatement.
- (f) **No Abatement if Construction has been Completed.** No Agreement shall be approved if the application for the Abatement was filed after the completion of construction, alteration or installation of improvements related to the proposed Modernization, Expansion or New Facility.
- (g) **Variance.** Requests for variance from the provisions of these Guidelines and Criteria may be made in written form; provided, however, that no variance may extend the term of Abatement beyond five (5) years after completion of the Construction Phase. Such requests shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of a request for variance requires a three-fourths (3/4ths) vote of the board of trustees of the College.

Project Descriptions:

Monte Cristo Windpower, LLC: Monte Cristo Phase II

Monte Cristo Windpower, LLC, Monte Cristo Phase II is requesting an appraised value limitation on all of the property constructed or placed upon the real property within South Texas College, which is located in Hidalgo County, Texas.

The property for which the Applicant is requesting an appraised value limitation shall include, but is NOT limited to, the following: **between 53 to 62 wind turbines ranging from 3.x and 4.x MW** turbines from a tier 1 manufacturer, although the exact number may vary depending on factors such as the type and size of turbines used and site wind characteristics, with an estimated total generating capacity of approximately 236 MW; between 53 to 62 steel reinforced concrete foundations supporting the weight of each turbine tower; between 53 to 62 electric power transformers; underground conductor cables used to transport electricity from each turbine tower to an electrical substation; and a new electrical substation interconnected to the ETT Lobo to North Edinburg, 345kV transmission line located in central Hidalgo County.

Additionally, the map provided does not represent the final location of the improvements; however, all of the improvements that make up the amount of Qualified Investment will be made within the Project Investment Area as shown on Map Exhibit B.

The Applicant intends to construct a shared Maintenance and Operations building to house equipment i.e. junction boxes, transformer equipment, and turbine electronic controls for both Monte Cristo Projects. The Applicant will also be constructing an electrical substation facility for integration and transmission of power into the electrical grid.

Construction of Monte Cristo Phase II is proposed to begin in the 3rd Quarter of 2025 with an estimated commercial operations date no later than the 4th Quarter of 2026, contingent upon favorable economics for the project.

Descriptive List for which Abatement is being requested:

Monte Cristo Windpower, LLC- Monte Cristo Phase II:

Monte Cristo Phase II plans to construct an estimated 236 MW wind farm in Hidalgo County, located entirely within Edinburg CISD. Monte Cristo Phase II improvements of Qualified Property include:

- between 53 to 62 Wind Turbines with an approximate nameplate capacity ranging from 3.x and 4.x MW;
- between 53 to 62 Wind Turbine Foundations;
- Several thousand feet of Transmission Collection System cable & Junction Boxes;
- Overhead Transmission and Interconnection infrastructure;
- Additional meteorological towers;
- All-weather Road work sloped for drainage;

Monte Cristo Phase I & II will share:

- Operations and maintenance building for storage of control systems necessary for commercial generation of electricity;

- Electric substation including power transformers, associated circuit breakers, switches, reactive power compensation equipment and control building & fencing of perimeter.

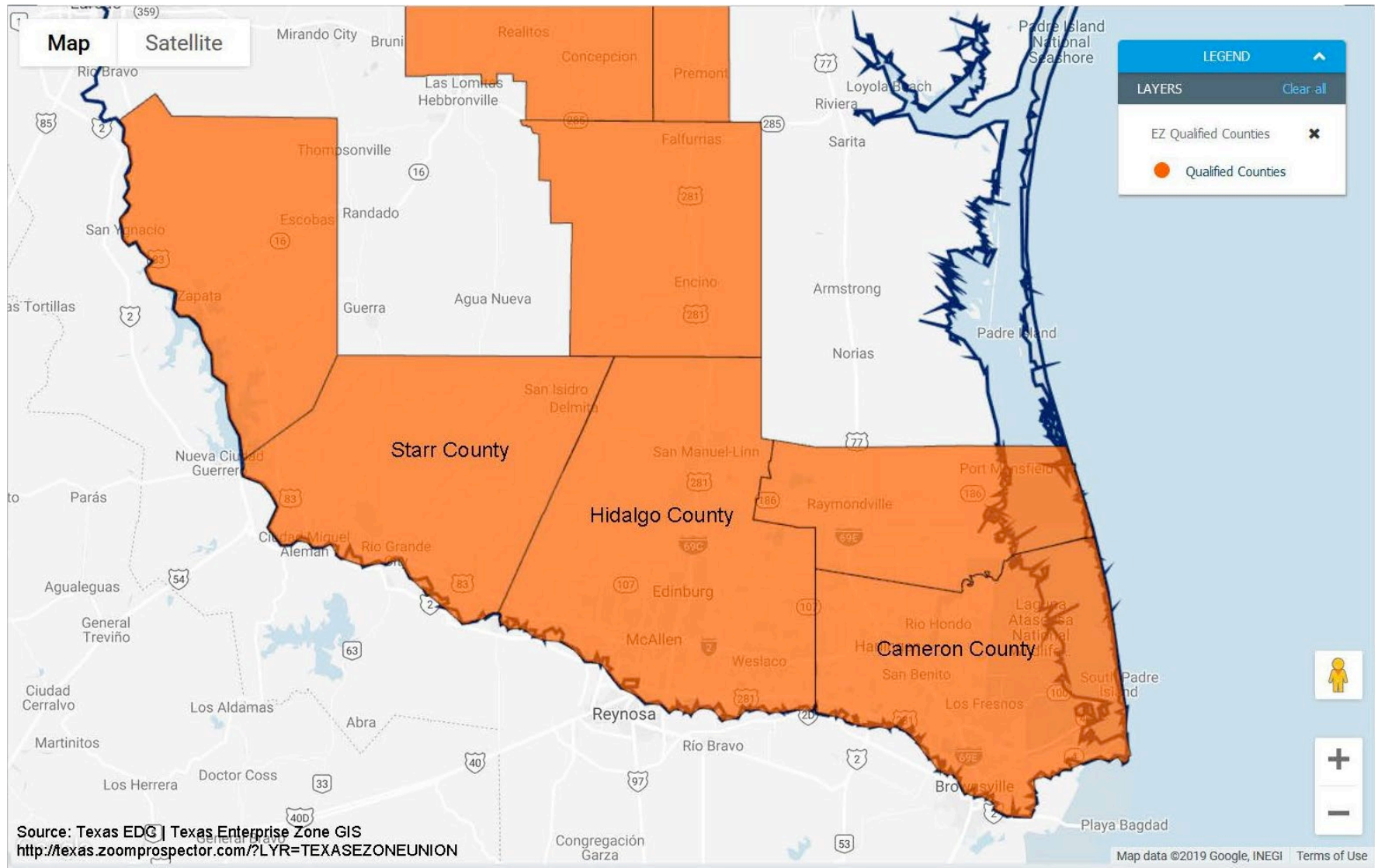
For purposes of this application, the Project anticipates using between 53 to 62 Wind Turbines, ranging from 3.x and 4.x MW turbines from a tier 1 manufacturer, although the exact number may vary depending on factors such as the type and size of turbines used and site wind characteristics, all equipment outlined above is expected to be located within South Texas College boundaries.

The exact placement of turbines is subject to ongoing planning, wind resource evaluation, engineering, land leasing, and turbine selection. The final number and location of turbines and supporting structures will be determined before construction begins. However, any changes in the number and location of turbines will not have a significant impact on the total investment. Monte Cristo intends to connect to AEP Lon C. Hill to North Edinburg, 345kV transmission line, located within South Texas College boundaries. All of the infrastructure will remain within the project boundary and within the Enterprise Zone. The map in Exhibit B shows the proposed project area with the anticipated improvement locations.

Enterprise Zones:

Hidalgo, County is designated enterprise zone county as defined under the Texas Governor's "[Governor's Economic Development Finance department online](#)" link provided by Texas Comptroller website under "[The Texas Enterprise Zone Program](#)." The Governor's website "Texas Enterprise Zone Program"- "[Economic Zone Program Rules, 10 TAC 176](#)" according to section (b), subsection (11); which defines a distressed county as: "a county that has a poverty rate above 15.4 percent based on the most recent decennial census; in which at least 25.4 percent of the adult population does not hold a high school diploma or high school equivalency certificate based on the most recent decennial census; and that has an unemployment rate that has remained above 4.9 percent during the preceding five years, based on Texas Workforce Commission data."

Source: <https://businessintexas.com/services/tax-incentives?view=texas%20enterprise%20zone%20program>



Review and Action as Necessary on Award of Proposals, Purchases, and Renewals

Purpose and Justification – Administration requests the Committee recommend Board approval of the following award of proposals, purchases, and renewals.

The Director of Purchasing has reviewed each item, including the procurement procedures and evaluation of all responses, and recommends approval as follows:

A. Award of Proposals

1) Ambulance Cots and Stair Chairs (Award) – Grant Funded

Award the proposal for ambulance cots and stair chairs to **Bound Tree Medical, LLC.** (Dublin, OH), at a total amount of \$40,349.91.

Purpose and Justification – The Emergency Medical Services in the Division of Nursing and Allied Health is requesting to purchase five (5) ambulance cots and three (3) stair chairs for student instruction. This equipment will provide students with the training required to complete their courses and obtain the necessary hands-on experience needed for future employment.

Background – The project timeline and information are as follows:

Advertised RFP	August 16, 2023 and August 23, 2023
RFP Responses Due	August 29, 2023
RFP Issued To	Twelve (12) Vendors
Responses Received From	Two (2) Vendors
Responses Reviewed By	Emergency Medical Services Program and the Purchasing Department

Funds for this expenditure are budgeted in the Jobs and Education for Texans (JET) grant and the Emergency Medical Services Program budgets for FY 2023 – 2024.

2) Equipment Rental Services (Award)

Award the proposal for equipment rental services for the period beginning December 1, 2023 through November 30, 2024 with two one-year options to renew, at an estimated total amount of \$80,000.00, which is based on prior year expenditures. The vendors are as follows:

Backstage Productions, LLC. (McAllen, TX)	Hawk Disposal Services, LLC. (McAllen, TX) (New)
Party With Us RGV, LLC. (Pharr, TX) (New)	Satori Exhibits, LLC. (Pharr, TX)
Texas First Rentals, LLC. (San Antonio, TX) (New)	

Purpose and Justification – Student Services – Graduation, Student Activities, and the Office of Public Relations and Marketing rent various types of equipment, tables, chairs, linens, lighting, audio systems, audiovisual equipment, and stages for various College events. The rental services will be used for South Texas College sponsored events and student events at all campuses.

Facilities Operations and Maintenance and the Security Department rent various types of heavy equipment for installation, maintenance, and repair of lighting, cameras, and other projects.

Background – The project timeline and information are as follows:

Advertised RFP	October 11, 2023 and October 18, 2023
RFP Responses Due	October 26, 2023
RFP Issued To	Eighteen (18) Vendors
Responses Received From	Five (5) Vendors
Responses Reviewed By	Facilities Operations and Maintenance, Public Relations and Marketing, Student Services, Educational Technologies, and the Purchasing Department

Funds for this expenditure are budgeted in the various department budgets for FY 2023 – 2024 and FY 2024 – 2025, pending Board approval of the budget.

3) Graduation Regalia (Award)

Award the proposal for graduation regalia to **Jostens, Inc.** (Minneapolis, MN) for the period beginning January 1, 2024 through December 31, 2024 with two one-year options to renew, at an estimated total amount of \$98,900.00, which is based on prior year expenditures.

Purpose and Justification – The Office of Admissions and Records is requesting to purchase graduation regalia as needed. It will include caps, gowns, and sashes that will be distributed to South Texas College graduates participating in the May 2024 and December 2024 ceremonies.

Background – The project timeline and information are as follows:

Advertised RFP	September 27, 2023 and October 4, 2023
RFP Responses Due	October 12, 2023
RFP Issued To	Five (5) Vendors
Responses Received From	Four (4) Vendors and One (1) Vendor did not meet the required specifications; therefore, not considered.
Responses Reviewed By	Student Services and the Purchasing Department
Highest Ranked Vendor	Jostens, Inc.

Funds for this expenditure are budgeted in the Graduation budget for FY 2023 – 2024 and FY 2024 – 2025, pending Board approval of the budget.

4) Signs, Banners, and Related Products (Award)

Award the proposal for signs, banners, and related products for the period beginning February 1, 2024 through January 31, 2025 with two one-year options to renew, at an estimated total amount of \$50,000.00, which is based on prior year expenditures. The vendors are as follows:

Brand Boosters, Co., LLC. (McAllen, TX) (New)	FedEx Office and Print Services, Inc. (Plano, TX)
Gateway Printing (Edinburg, TX)	Huntington Sky Production, Ltd./dba Fastsigns (McAllen, TX)
Imprezos Pro Uniforms, LLC. (Pharr, TX)	Promo Universal, LLC. (Corpus Christi, TX)
Rescue Sign, Co. (Edinburg, TX) (New)	Slate Group (Lubbock, TX)
UBEO, LLC./dba Copy Zone, Ltd. (McAllen, TX)	

Purpose and Justification – The Office of Public Relations and Marketing, Student Services, Facilities Planning and Construction, Department of Public Safety, and various departments are requesting the purchase of signs, banners, and related products for identification purposes and event awareness on an as-needed basis.

The signs, banners, and related products will be used by various departments college wide to promote and market South Texas College instructional programs, departments, and events to the community and public schools.

The proposal award to each vendor will be based on the services they provide, their pricing, and their availability (delivery timeline). It will include hanging banners, event directional yard signs, informational signage, table covers, metal signs, name plates, office entrance signs, and graduation posters.

Background – The project timeline and information are as follows:

Advertised RFP	September 27, 2023 and October 4, 2023
RFP Responses Due	October 12, 2023
RFP Issued To	Nineteen (19) Vendors
Responses Received From	Nine (9) Vendor
Responses Reviewed By	Public Relations and Marketing, Student Services, and the Purchasing Department

Funds for this expenditure are budgeted in the various department budgets for FY 2023 – 2024 and FY 2024 – 2025, pending Board approval of the budget.

5) Vehicle Maintenance and Repair Services – II (Award)

Award the proposal for vehicle maintenance and repair services - II for the period beginning December 1, 2023 through November 30, 2024, with two one-year options to renew, at an

estimated total amount of \$55,000.00, which is based on prior year expenditures. The vendors are as follows:

Quick Quack Car Wash Holdings, LLC. (McAllen, TX) (New)	McAllen Quick Lube, Inc./ dba RGV Tire Pros/ dba Valvoline Express Care (McAllen, TX) (New)
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Purpose and Justification – The Department of Public Safety, Central Receiving, Mail Services, Educational Technologies, Information Technology, and Facilities Maintenance and Operations are requesting maintenance and repairs services for the College owned vehicles.

The maintenance and repair services will include vehicle preventative maintenance, general repair work, air conditioning system repairs, towing services, state inspections, roadside assistance, routine oil changes, and vehicle washes. These services will maintain College vehicles in safe working conditions for the South Texas College staff and faculty to drive throughout the district and extend the longevity of the vehicles.

Background – The project timeline and information are as follows:

Advertised RFP	October 4, 2023 and October 11, 2023
RFP Responses Due	October 19, 2023
RFP Issued To	Seven (7) Vendors
Responses Received From	Two (2) Vendor
Responses Reviewed By	Department of Public Safety, Facilities Operations and Maintenance, and the Purchasing Department

Funds for this expenditure are budgeted in the various department budgets for FY 2023 – 2024 and FY 2024 – 2025, pending Board approval of the budget.

B. Purchases and Renewals (B-a. Instructional Items)

6) Instructional Equipment (Purchase) – Grant Funded

Purchase instructional equipment from **Technical Laboratory Systems, Inc. (Tech-Labs)** (Houston, TX), The Interlocal Purchasing System (TIPS) approved vendor, at a total amount of \$62,460.00.

Purpose and Justification – The Advanced Manufacturing and Mechatronics Technology Program is requesting a Basic Pneumatics Learning System for student instruction to enhance the quality of education and provide students with a comprehensive and practical understanding of pneumatics. This learning system will be a valuable tool in the program's educational curriculum, offering hands-on experience in pneumatics technology, which is essential in various engineering and industrial applications. Introducing this system into our educational environment will achieve the following objectives: Enhanced Learning, Practical Skills Development, Industry Credentialing, Problem-Solving and Critical Thinking, and Alignment with Industry Needs. This purchase will align with the evolving

needs of the industry, foster skill development, and ensure that our institution remains at the forefront of technical education.

Funds for this expenditure are budgeted in the Carl Perkins grant budget for FY 2023 – 2024.

7) Laser System (Purchase) – Grant Funded

Purchase a laser system from **Technical Laboratory Systems, Inc. (Tech-Labs)** (Houston, TX), The Interlocal Purchasing System (TIPS) approved vendor, at a total amount of \$59,999.00.

Purpose and Justification – The Architectural and Engineering Design Technology (AEDT) program is requesting to purchase a laser system for student instruction. It will be used for cutting, engraving, and marking materials through a computer-controlled software program. The equipment would be a new purchase and would be located at the Technology Campus in the AEDT production lab.

The system will provide students with versatile skill development, industry-relevant training, entrepreneurial opportunities customization, and personalization capabilities, efficient production and prototyping, material exploration, and portfolio development. It will ensure that graduates are equipped with practical skills and experience that are directly applicable to the job market.

Funds for this expenditure are budgeted in the Carl Perkins grant budget for FY 2023 – 2024.

8) Case Management Services (Renewal)

Renew the case management services contract with **Valley Initiative for Development and Advancement (VIDA)** (Mercedes, TX), a sole source vendor, for the period beginning January 1, 2024 through December 31, 2024, at an estimated total amount of \$81,000.00.

Purpose and Justification – The Office of Enrollment Services is requesting case management and mentoring services for fifty (50) economically disadvantaged students per semester. These services will be conducted in the Spring, Summer, and Fall 2024 semesters and will include financial assistance (books, childcare, transportation, etc.), intensive case management, and career counseling to help complete their education and training in high-demand occupations.

A qualifying student will have to meet the following requirements:

- Resident of the Rio Grande Valley
- 18 years or older
- Eligible to work in the United States
- Below the 200% federal poverty guidelines or
- Underemployed with family responsibilities, earning less than \$14.00, or
- Underemployed with family responsibilities registered with the Texas Workforce Commission

This is a six (6) week program, which includes one (1) counseling session per week for a total of forty-eight (48) hours per student per semester. An enrolled or qualifying student will automatically roll over to the next semester. Once a student graduates, a new student is accepted into the program.

The vendor has provided these services since FY 2018 – 2019.

Funds for this expenditure are budgeted in the Student Case Management Services budget for FY2023 – 2024 and FY2024 – 2025, pending Board approval of the budget.

9) Graduation Facility Agreement (Purchase/Lease)

Purchase/lease of a graduation facility with the **Vipers Arena, LLC. / dba Bert Ogden Arena** (Edinburg, TX), a sole source vendor, beginning May 2, 2024 through May 4, 2024, at an estimated total amount of \$65,000.00.

Purpose and Justification – The Division of Student Services is requesting a lease agreement for the rental of a facility for graduation ceremonies, which will be held on May 3, 2024 and May 4, 2024. The facility will be used for the South Texas College Spring 2024 graduation ceremonies.

Funds for this expenditure are budgeted in the Graduation budget for FY 2023 – 2024.

B. Purchases and Renewals (B-b. Non-Instructional Items)

10) Furniture (Purchase)

Purchase furniture from OMNIA Partner, Sourcewell, and The Interlocal Purchasing System (TIPS) purchasing cooperatives, an estimated total amount of \$86,377.75.

#	Vendor	Amount
A	Datum Storage Solutions, Inc. / Gateway Printing and Office Supply, Inc. (Emigsville, PA/Edinburg, TX)	\$5,616.96
B	Exemplis Corporation / Gateway Printing and Office Supply, Inc. (Cypress, CA/Edinburg, TX)	\$11,223.68
C	Gateway Printing and Office Supply, Inc. (Edinburg, TX)	\$7,565.00
D	Krueger International, Inc. / Gateway Printing and Office Supply, Inc. (Green Bay, WI/Edinburg, TX)	\$26,907.26
E	National Office Furniture, Inc. / Gateway Printing and Office Supply, Inc. (Jasper, IN/Edinburg, TX)	\$21,432.90
F	The Hon Company / Gateway Printing and Office Supply, Inc. (Muscatine, IA/Edinburg, TX)	\$13,631.95
Furniture Total		\$86,377.75

The purchases can be summarized as follows:

Datum Storage Solutions, Inc. / Gateway Printing and Office Supply, Inc. (Emigsville, PA / Edinburg, TX)	
Pecan Campus	
12	Storage Shelving Units for Accountability, Risk, and Records Management
Exemplis Corporation / Gateway Printing and Office Supply, Inc. (Cypress, CA / Edinburg, TX)	
Pecan Campus	
20	Faculty/Staff Chairs for Accountability, Risk, and Records Management
1	Faculty/Staff Chair for Computer Science Program
Gateway Printing and Office Supply, Inc. (Edinburg, TX)	
Mid Valley Campus	
16	Lab Stools for Art Program
Krueger International, Inc. / Gateway Printing and Office Supply, Inc. (Green Bay, WI / Edinburg, TX)	
Pecan Campus	
1	Faculty/Staff Desk, 1 Conference Table, and 4 Chairs for Accountability, Risk, and Records Management
40	Computer Lab Chairs for Library Services
Regional Center for Public Safety Excellence	
1	Conference Table for Law Enforcement Program
National Office Furniture / Gateway Printing and Office Supply, Inc. (Jasper, IN / Edinburg, TX)	
Pecan Campus	
1	Conference Table for Accountability, Risk, and Records Management
12	Computer Lab Tables for Library Services
The Hon Company / Gateway Printing and Office Supply, Inc. (Muscatine, IA / Edinburg, TX)	
Pecan Campus	
10	Faculty/Staff Chairs and 5 File Cabinets for Accountability, Risk, and Records Management
3	Storage Cabinets for Cybersecurity Program
1	Faculty/Staff Desk for Human Resources

Funds for these expenditures are budgeted in the requesting department budgets for FY 2023 – 2024: Art, Computer Science, Division of Math Science IT & BA Programs, Human Resources, Pecan Library Bldg F Space Reno-FFE, Pecan North Academic Humanities Bldg P Reno-FFE and RCPSE State.

11) Campus Dining and Food Truck Services – II (Renewal)

Renew the campus dining and food truck services – II contract with **All Affairs and Occasions** (Elsa, TX), for the period beginning February 1, 2024, through January 31, 2025, with a 0% commission.

Purpose and Justification – Facilities Operations and Maintenance and the Purchasing Department are requesting to renew the campus dining and food truck services for the Mid Valley Campus. The services are necessary Monday through Thursday for the faculty, staff, and students. It will include tacos, sandwiches, salads, burgers, oatmeal, sweets, fruit, and various other items.

Background – The Board awarded the contract as follows:

Term: January 25, 2022 – one year with two (2) one-year annual renewals			
Award	Board Meeting Date	Original Term	Renewal Term
Original	1/25/22	02/01/22 – 1/31/23	
1 st Renewal	11/17/22		02/01/23 – 1/31/24
2 nd Renewal	11/28/23		02/01/24 – 1/31/25 Last Renewal

B. Purchases and Renewals (B-c. Technology Items)

12) Computers, Laptops, and Tablets (Purchase)

Purchase of computers, laptops, and tablets as follows:

Vendor	Purchasing Cooperative	Amount
Dell Marketing, LP. (Dallas, TX)	State of Texas Department of Information Resources (DIR)	\$316,474.11
Apple, Inc. (Dallas, TX)	Choice Partners Cooperative	\$12,379.00
B&H Foto & Electronics (New York, NY)	E&I Cooperative Services	\$3,430.72
	Total Amount	\$332,283.83

Information Technology has evaluated all the purchase requests for computers, laptops, and tablets and does not have refurbished systems available for new hires. Instructional and/or business needs must be clearly identified/justified for any equipment outside standard configuration or if not replacing existing office systems. (Ex. mobile devices)

An itemized list with justification is included for your review and information.

Information Technology used the following criteria when recommending the purchase of technology:

- Systems being requested meet the South Texas College standard configuration
- The new system will replace an older model (5+ years and out of warranty)

- Software requirements exceed the system capacity

The purchases can be summarized as follows:

Student Computers	
70	Computer Science Program
144	Learning Commons and Open Labs
Staff Computers	
1	Division of Math, Science, IT, and Bachelor Programs
1	Educational Technologies
9	Educational Technology Maintenance and Replacement
1	Library Art Gallery
1	Professional and Organizational Development
2	Centers for Learning Excellence
Student Laptops	
1	Physical Therapy Program
Staff Laptops	
1	Regional Center for Public Safety Excellence – Non-State
3	New Faculty/Programs
17	Educational Technology Maintenance and Replacement
2	Electrician Assistant Program
1	Vocational Nursing Program
1	Dual Credit Programs
1	Business Office
4	Library Public Services
3	Facility Maintenance
1	Emergency Medical Services Program
2	Digital Learning
2	Student Completion Services
2	Library Acquisition
1	Centers for Learning Excellence
Faculty Laptops	
2	Cybersecurity Program
Staff Tablet	
1	Educational Technologies
Faculty Tablets	
2	Emergency Medical Services Program

Funds for these expenditures are budgeted in the requesting department budgets for FY 2023 - 2024 as follows: Computer Science, Division of Math, Science, IT, and Bachelor Programs, Educational Technologies, Educational Technology Maintenance and Replacement, Library Art Gallery, Professional and Organizational Development, Regional Center for Public Safety Excellence – Non-State, New Faculty/Programs, Electrician, Assistant, Vocational Nursing, Dual Credit Programs, Business Office, Library Public Services, Facility Maintenance, Emergency Medical Services, Digital Learning, Student Completion Services, Library Acquisition, Cybersecurity Program, Learning Commons and Open Labs, Physical Therapy, and Centers for Learning Excellence.

13) Server Hardware Equipment, Software, and Support (Purchase) – Grant Funded
Purchase server hardware equipment, software, and support from **Netsync Network Solutions** (Houston, TX), a State of Texas Department of Information Resources (DIR) approved vendor, at a total amount of \$737,845.74.

Purpose and Justification - Information Technology is requesting the purchase of server hardware equipment, software, and support for the Virtual Desktop Infrastructure (VDI) environment. The six (6) servers will improve the performance and capacity of the virtual desktop. This equipment will host the VDI that supports students, faculty, and staff when accessing STC resources and increases performance, capacity, and number of concurrent connections.

The servers will support desktops deployed to the Pecan Campus welcome center, call centers, podiums, computer labs district-wide, and virtual desktops that support staff working from home that need remote access to STC resources.

Funds for this expenditure are budgeted in the National Telecommunications and Information Administration (NTIA) federal grant budget for FY 2023 - 2024.

14) Backup Data Storage Hardware Maintenance Agreement (Renewal)
Renew the backup data storage hardware maintenance agreement with **Dell Marketing, LP**. (Dallas, TX), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning September 1, 2023 through August 31, 2024, at a total amount of \$17,321.62.

Purpose and Justification – Information Technology is requesting to renew the backup data storage hardware maintenance agreement for the College's backup data storage devices for the virtual desktops infrastructure (VDI) and Banner servers. The devices provide a central location to store the virtual desktops and the Banner applications that support student and faculty district-wide. The maintenance includes twenty-four (24) hours of year-round support for the hardware and software.

Funds for this expenditure are budgeted in the Systems and Networking budget for FY 2023 – 2024.

Recommendation:

It is requested that the Committee recommend for Board approval the award of proposals, purchases, and renewals at a total cost of \$1,766,537.85, as listed below:

A. Award of Proposals

- 1) **Ambulance Cots and Stair Chairs (Award) – Grant Funded:** award the proposal for ambulance cots and stair chairs to **Bound Tree Medical, LLC.** (Dublin, OH), at a total amount of \$40,349.91;
- 2) **Equipment Rental Services (Award):** award the proposal for equipment rental services for the period beginning December 1, 2023 through November 30, 2024 with two one-year options to renew, at an estimated total amount of \$80,000.00, which is based on prior year expenditures. The vendors are as follows:

Backstage Productions, LLC. (McAllen, TX)	Hawk Disposal Services, LLC. (McAllen, TX) (New)
Party With Us RGV, LLC. (Pharr, TX) (New)	Satori Exhibits, LLC. (Pharr, TX)
Texas First Rentals, LLC. (San Antonio, TX) (New)	

- 3) **Graduation Regalia (Award):** award the proposal for graduation regalia to **Jostens, Inc.** (Minneapolis, MN), for the period beginning January 1, 2024 through December 31, 2024 with two one-year options to renew, at an estimated total amount of \$98,900.00, which is based on prior year expenditures;
- 4) **Signs, Banners, and Related Products (Award):** award the proposal for signs, banners, and related products for the period beginning February 1, 2024 through January 31, 2025 with two one-year options to renew, at an estimated total amount of \$50,000.00, which is based on prior year expenditures. The vendors are as follows:

Brand Boosters, Co., LLC. (McAllen, TX) (New)	FedEx Office and Print Services, Inc. (Plano, TX)
Gateway Printing (Edinburg, TX)	Huntington Sky Production, Ltd./dba Fastsigns (McAllen, TX)
Imprezos Pro Uniforms, LLC. (Pharr, TX)	Promo Universal, LLC. (Corpus Christi, TX)
Rescue Sign, Co. (Edinburg, TX) (New)	Slate Group (Lubbock, TX)
UBEO, LLC./dba Copy Zone, Ltd. (McAllen, TX)	

- 5) **Vehicle Maintenance and Repair Services – II (Award):** award the proposal for vehicle maintenance and repair services – II for the period beginning December 1, 2023 through November 30, 2024 with two one-year options to renew, at an estimated total amount of \$55,000.00, which is based on prior year expenditures. The vendors are as follows:

Quick Quack Car Wash Holdings, LLC. (McAllen, TX) (New)	McAllen Quick Lube, Inc./ dba RGV Tire Pros/ dba Valvoline Express Care (McAllen, TX) (New)
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B. Purchases and Renewals (B-a. Instructional Items)

- 6) Instructional Equipment (Purchase) – Grand Funded:** purchase instructional equipment from **Technical Laboratory Systems, Inc. (Tech-Labs)** (Houston, TX), The Interlocal Purchasing System (TIPS) approved vendor, at a total amount of \$62,460.00;
- 7) Laser System (Purchase) – Grand Funded:** purchase a laser system from **Technical Laboratory Systems, Inc. (Tech-Labs)** (Houston, TX), The Interlocal Purchasing System (TIPS) approved vendor, at a total amount of \$59,999.00;
- 8) Case Management Services (Renewal):** renew the case management services contract with **Valley Initiative for Development and Advancement (VIDA)** (Mercedes, TX), a sole source vendor, for the period beginning January 1, 2024 through December 31, 2024, at an estimated total amount of \$81,000.00;
- 9) Graduation Facility Agreement (Purchase/Lease):** purchase/lease of a graduation facility with the **Vipers Arena, LLC. / dba Bert Ogden Arena** (Edinburg, TX), a sole source vendor, beginning May 2, 2024 through May 4, 2024, at an estimated total amount of \$65,000.00;

B. Purchases and Renewals (B-b. Non-Instructional Items)

- 10) Furniture (Purchase):** purchase furniture from OMNIA Partner, Sourcewell, and The Interlocal Purchasing System (TIPS) purchasing cooperatives, an estimated total amount of \$86,377.75.

#	Vendor	Amount
A	Datum Storage Solutions, Inc. / Gateway Printing and Office Supply, Inc. (Emigsville, PA/Edinburg, TX)	\$5,616.96
B	Exemplis Corporation / Gateway Printing and Office Supply, Inc. (Cypress, CA/Edinburg, TX)	\$11,223.68
C	Gateway Printing and Office Supply, Inc. (Edinburg, TX)	\$7,565.00
D	Krueger International, Inc. / Gateway Printing and Office Supply, Inc. (Green Bay, WI/Edinburg, TX)	\$26,907.26
E	National Office Furniture, Inc. / Gateway Printing and Office Supply, Inc. (Jasper, IN/Edinburg, TX)	\$21,432.90
F	The Hon Company / Gateway Printing and Office Supply, Inc. (Muscatine, IA/Edinburg, TX)	\$13,631.95
Furniture Total		\$86,377.75

- 11) Campus Dining and Food Truck Services – II (Renewal):** renew the campus dining and food truck services – II contract with **All Affairs and Occasions** (Elsa, TX), for the period beginning February 1, 2024 through January 31, 2025, with a 0% commission;

B. Purchases and Renewals (B-c. Technology Items)

12)Computers, Laptops, and Tablets (Purchase): purchase of computers, laptops, and tablets as follows:

Vendor	Purchasing Cooperative	Amount
Dell Marketing, LP. (Dallas, TX)	State of Texas Department of Information Resources (DIR)	\$316,474.11
Apple, Inc. (Dallas, TX)	Choice Partners Cooperative	\$12,379.00
B&H Foto & Electronics (New York, NY)	E&I Cooperative Services	\$3,430.72
	Total Amount	\$332,283.83

13)Server Hardware Equipment, Software, and Support (Purchase) – Grant Funded: Purchase server hardware equipment, software, and support from **Netsync Network Solutions** (Houston, TX), a State of Texas Department of Information Resources (DIR) approved vendor, at a total amount of \$737,845.74;

14)Backup Data Storage Hardware Maintenance Agreement (Renewal): renew the backup data storage hardware maintenance agreement with **Dell Marketing, LP.** (Dallas, TX), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning September 1, 2023 through August 31, 2024, at a total amount of \$17,321.62.

SOUTH TEXAS COLLEGE
1. AMBULANCE COTS AND STAIR CHAIRS
PROJECT NO. 23-24-1013

NAME			Bound Tree Medical, LLC.		Sombrero Advertising & Marketing	
ADDRESS			5000 Tuttle Crossing Blvd		2205 W Jackson Ave	
CITY/STATE/ZIP			Dublin, OH 43016		McAllen, TX 78501	
PHONE			800-533-0523		505-675-5733	
FAX			877-311-2437		512-290-5733	
CONTACT			Jon McGrew		Sam Benson	
#	Qty	Description	Unit Price	Extension	Unit Price	Extension
1	2	Powered Ambulance Cot			\$ 17,500.00	\$ 35,000.00
2	1	Shipping and Handling			\$ 350.00	\$ 350.00
3	3	Ambulance Cot	\$ 5,814.30	\$ 17,442.90	\$ 8,333.33	\$ 24,999.99
4	1	Shipping and Handling	\$ -	\$ -	\$ 375.00	\$ 375.00
5	3	Powered Patient Transport Chair	\$ 7,635.67	\$ 22,907.01	\$ 10,000.00	\$ 30,000.00
6	1	Shipping and Handling	\$ -	\$ -	\$ 350.00	\$ 350.00
Delivery to South Texas College			2-3 days		90-120 days	
TOTAL AMOUNT PROPOSED			\$ 40,349.91		\$ 91,074.99	
TOTAL EVALUATION POINTS			97.32		68.19	
RANKING			1		2	

The Director of Purchasing has reviewed all the responses and evaluations completed.

*The proposal criteria follows in the packet for further explanation of each criteria.

A recommendation for Items 1 & 2 was not considered because delivery could not be made by the vendor by the grant end date, which is 12/31/23.

SOUTH TEXAS COLLEGE
1. AMBULANCE COTS AND STAIR CHAIRS
PROJECT NO. 23-24-1013
EVALUATION SUMMARY

VENDOR		Bound Tree Medical, LLC.		Sombrero Advertising & Marketing	
ADDRESS		5000 Tuttle Crossing Blvd		2205 W Jackson Ave	
CITY/STATE/ZIP		Dublin, OH 43016		McAllen, TX 78501	
PHONE		800-533-0523		505-675-5733	
FAX		877-311-2437		512-290-5733	
CONTACT		Jon McGrew		Sam Benson	
1	The purchase price (up to 50 points)	50	50	36.2	36.2
		50		36.2	
		50		36.2	
2	The reputation of the vendor and of the vendor's goods or services. (up to 10 points)	9	9.66	6	6
		10		5	
		10		7	
3	The quality of vendor's goods or services. (up to 18 points)	17	17.33	16	15.33
		18		13	
		17		17	
4	The extent to which the goods or services meet the districts needs. (up to 18 points)	17	17.33	10	8.66
		18		8	
		17		8	
5	The vendor's past relationship with the district. (up to 3 points)	3	3	2	2
		3		2	
		3		2	
6	The impact on the ability of the district to comply with laws relating to historically underutilized businesses. (up to 1 point)	0	0	0	0
		0		0	
		0		0	
TOTAL EVALUATION POINTS		97.32		68.19	
RANKING		1		2	

The Director of Purchasing has reviewed all the responses and evaluations completed.

*The proposal criteria follows in the packet for further explanation of each criteria.

SOUTH TEXAS COLLEGE
1. PROPOSAL CRITERIA - PRODUCT ONLY - GRANT

	Product Only		
	Points	Score Key	
1 Criterion 1: The purchase price a. The low bidder gets the maximum points b. Divide the lowest proposal by each of the other proposal(s)	50		
2 Criterion 2: The reputation of the vendor and of the vendor's goods or services a. Number of Years in Business b. References (similar projects)	10	8-10 5-7 2-4 0-1	Excellent Acceptable Marginal Poor/No Response
3 Criterion 3: The quality of the vendor's goods or service a. Warranty b. Service Support/Response Time c. Goods/Product (manufacturer life) d. Product Performance	18	14-16 9-13 4-8 0-3	Excellent Acceptable Marginal Poor/No Response
4 Criterion 4: The extent to which the goods or services meet the district's needs a. Delivery Time Frame of product(s) b. Meet or exceed the specifications	18	14-18 9-13 4-8 0-3	Excellent Acceptable Marginal Poor/No Response
5 Criterion 5: The vendor's past relationship with the district a. Quality of Past Performances with STC ****New Vendors will receive two points	3	3 2 1 0	Excellent Acceptable/New Vendor Marginal Poor/No Response
6 Criterion 6: The impact on the ability of the district to comply with laws and rules relating to historically underutilized businesses a. Provided the Certification	1	1 0	Yes No
7 Criterion 7: The total long-term cost to the district to acquire the vendor's goods or services a. Annual Maintenance Cost b. Annual Escalation Increase			Up to 5 points will be used from the purchase price if applicable
8 Criterion 8: For a contract for goods and services, other than goods and services related to telecommunications and information materials, whether the vendor or the vendor's ultimate parent company or majority owner: a. Has its place of business in this state; or b. Employs at least 500 persons in this state.	0	5 0	Yes No
9 Criterion 9: Any other relevant factor specifically listed in the request for bids or proposals, e.g.: a. Financial Standing b. Potential or Pending Sale of Business c. Trade-In of outdated equipment			Up to 5 points will be used from the purchase price if applicable
Total Points	100		

Definitions of evaluation terms:

Excellent - respondent provided information which fully addressed or exceeded the requirements

Acceptable - respondent provided information which addressed most but not all of the requirements

Marginal - respondent provided minimal information on requirements

Poor/No response - respondent provided inadequate responses to requirements or did not respond

SOUTH TEXAS COLLEGE
2. EQUIPMENT RENTAL SERVICES
PROJECT NO. 23-24-1020

VENDOR		Backstage Productions, LLC.	Hawk Disposal Services, LLC.	Party With Us RGV, LLC.	Satori Exhibits, LLC.	Texas First Rentals, LLC.
ADDRESS		711 W Nolana Ste 104D	805 N Ware Rd	3600 N Birch St	1200 W Polk Ave Ste B	5665 SE Loop 410
CITY/STATE/ZIP		McAllen, TX 78504	McAllen, TX 78501	Pharr, TX 78577	Pharr, TX 78577	San Antonio, TX 78222
PHONE		956-776-4318	956-992-0496	956-358-3393	956-601-0161	210-648-1111
CONTACT		Maricela Salinas	Sendy Melendez	Saul Dominguez	Ana Cristina Tobias	Michael Puryear
#	Type of Equipment	Proposed	Proposed	Proposed	Proposed	Proposed
1	Audio	\$8.00 - \$650.00				
2	Lighting	\$20.00 - \$500.00				
3	Audio Visual	\$70.00 - \$3,995.00			\$45.00 - \$5,120.00	
4	Musical Instruments	\$22.00 - \$1,800.00				
5	Drapery	\$8.15- \$12.00				
6	Event Seating and Décor	\$45.00 - \$340.00		\$2.00 - \$75.00		
7	Miscellaneous	\$1.00 - \$595.00				
8	Photo Booth	\$650.00 - \$790.00				
9	Staging	\$80.00 - \$1,890.00			\$90.00 Price varies depending on the depth size of the stage	
10	Professional DJ	\$1999.00 - \$2,980.00				
11	Dance Floor	\$3,500.00				
12	Tents			\$95.00 -\$1,795.00		
13	Special Effects	\$165.00 - \$4,250.00				
14	Heavy Equipment Rental		\$125.00 - \$250.00		\$167.00 - \$1,280.00	\$80.00 - \$4,000.00
15	Site Services and Amenities		\$6.50 - \$400.00			
16	Entertainment Equipment Inflatables			\$249.00 - \$599.00		
17	Entertainment Equipment Games			\$149.00 - \$2,495.00		
19	Event Concessions Equipment			\$60.00 - \$99.00		
20	Other Equipment				\$120.00 - \$1,600.00	
Delivery/Pick-up & Overtime Charges						
1	Delivery Fee	\$195.00	Portable Restrooms: \$30.00	30%	Fee may vary depending on the size of event setup, labor	Fee may vary depending on location
2	Set up/ Teardown Fee	Fee may vary depending on the type of equipment rented	Temporary Fencing: \$15.00		Fee may vary depending on the size of event setup, labor	
3	Catalog Discount	5%	2%	Negotiable	10%	20% On monthly rate only
2nd Year Escalation		6%	4%	0%	10%	0%
3rd Year Escalation		6%	5%	0%	10%	0%

SOUTH TEXAS COLLEGE
3. GRADUATION REGALIA
PROJECT NO. 23-24-1018

VENDOR			AB Student Services		Jostens, Inc.		Oak Hall Cap and Gown		Pride Sash	
ADDRESS			6350 Rollins Rd		7760 France Ave S Ste 400		840 Union St		3341 Jack Northrop Ave	
CITY/STATE/ZIP			Granburg, TX 76049		Minneapolis, MN 55435		Salem, VA 24153		Hawthorne, CA 90250	
PHONE			817-307-0095		281-979-4436		540-387-0047		310-973-0106	
FAX							540-387-4385		310-973-0106	
CONTACT			Arlinda Bush		Chris Poitras		Lee Beekman		Greg Mandel	
#	Qty	Description	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
1	7,000	Student Caps and Gowns	\$ 18.95	\$ 132,650.00	\$ 12.30	\$ 86,100.00	\$ 15.75	\$ 110,250.00		
2	800	Graduation Stoles	\$ 18.95	\$ 15,160.00	\$ 16.00	\$ 12,800.00	\$ 26.75	\$ 21,400.00	\$ 38.50	\$ 30,800.00
3	1	Shipping and Handling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ESCALATION										
2nd Year			4%		0%		0%			
3rd Year			4%		0%		4%		3%	
TOTAL PROPOSAL AMOUNT			\$ 147,810.00		\$ 98,900.00		\$ 131,650.00		\$ 30,800.00	
TOTAL RANKING POINTS			77.92		92.8		****		68.97	
RANKING			2		1		****		3	

****The vendor did not meet the RFP required specification and therefore was not evaluated.

The Director of Purchasing has reviewed all the responses and evaluations completed.

*The proposal criteria follows in the packet for further explanation of each criteria.

SOUTH TEXAS COLLEGE
3. GRADUATION REGALIA
PROJECT NO. 23-24-1018
EVALUATION SUMMARY

VENDOR		AB Student Services		Jostens, Inc.		Pride Sash	
ADDRESS		6350 Rollins Rd		7760 France Ave S Ste 400		3341 Jack Northrop Ave	
CITY/STATE/ZIP		Granburg, TX 76049		Minneapolis, MN 55435		Hawthorne, CA 90250	
PHONE		817-307-0095		281-979-4436		310-973-0106	
FAX						310-973-0106	
CONTACT		Arlinda Bush		Chris Poitras		Greg Mandel	
1	The purchase price. (up to 37 points)	27.62	27.62	37	37	15.37	15.37
		27.62		37		15.37	
		27.62		37		15.37	
		27.62		37		15.37	
		27.62		37		15.37	
2	The reputation of the vendor's goods or services. (up to 15 points)	13	12	15	14.8	14	14.4
		11		14		14	
		12		15		15	
		12		15		14	
		12		15		15	
3	The quality of the goods or services. (up to 14 points)	12	11.2	14	13.4	14	13.8
		12		14		14	
		10		13		14	
		10		13		13	
		12		13		14	
4	The extent to which the vendor's goods or services meet the College's needs. (up to 20 points)	18	16.2	18	19.6	18	19.4
		15		20		19	
		16		20		20	
		16		20		20	
		16		20		20	
5	The vendor's past relationship with the College. (up to 3 points)	3	2.8	3	3	3	3
		3		3		3	
		3		3		3	
		2		3		3	
		3		3		3	
6	The impact on the ability of the College to comply with laws relating to Historically Underutilized Businesses. (up to 1 point)	1	1	0	0	0	0
		1		0		0	
		1		0		0	
		1		0		0	
		1		0		0	
7	The total long-term cost to the college to acquire the vendor's goods or services. (up to 5 points)	2.5	2.1	5	5	4	3
		2		5		4	
		2		5		2	
		2		5		3	
		2		5		2	
8	For a contract for goods and services, other than goods and services related to telecommunications and information materials, whether the vendor or the vendor's ultimate parent company or majority owner: a. Has its place of business in this state; or b. Employs at least 500 persons in this state. (up to 5 points)	5	5	0	0	0	0
		5		0		0	
		5		0		0	
		5		0		0	
		5		0		0	
TOTAL EVALUATION POINTS		77.92		92.8		68.97	
RANKING		2		1		3	

The Director of Purchasing has reviewed all the responses and evaluations completed.

*The proposal criteria follows in the packet for further explanation of each criteria.

SOUTH TEXAS COLLEGE
3. PROPOSAL CRITERIA - PRODUCT AND SERVICE

		Product and Service	
		Points	Score Key
1	Criterion 1: The purchase price a. The low bidder gets the maximum points b. Divide the lowest proposal by each of the other proposal(s)	42	
2	Criterion 2: The reputation of the vendor and of the vendor's goods or services a. Number of Years in Business b. References (similar projects) c. Services/Installation d. Professional Licenses/Certifications	15	13-15 8-12 3-7 0-2 Excellent Acceptable Marginal Poor/No Response
3	Criterion 3: The quality of the vendor's goods or service a. Warranty b. Service Support/Response Time c. Goods/Product (manufacturer life) d. Product Performance	14	13-14 9-12 3-8 0-2 Excellent Acceptable Marginal Poor/No Response
4	Criterion 4: The extent to which the goods or services meet the district's needs a. Time Frame to complete the project b. Delivery Time Frame of product(s) c. Number of staff d. Meet or exceed the specifications	20	16-20 11-15 6-10 0-5 Excellent Acceptable Marginal Poor/No Response
5	Criterion 5: The vendor's past relationship with the district a. Quality of Past Performances with STC ****New Vendors will receive two points	3	3 2 1 0 Excellent Acceptable/New Vendor Marginal Poor/No Response
6	Criterion 6: The impact on the ability of the district to comply with laws and rules relating to historically underutilized businesses a. Provided the Certification	1	1 0 Yes No
7	Criterion 7: The total long-term cost to the district to acquire the vendor's goods or services; and a. Annual Escalation Increase b. Annual Maintenance Cost		Up to 5 points will be used from the purchase price if applicable
8	Criterion 8: For a contract for goods and services, other than goods and services related to telecommunications and information materials, whether the vendor or the vendor's ultimate parent company or majority owner: a. Has its place of business in this state; or b. Employs at least 500 persons in this state.	5	5 0 Yes No
9	Criterion 9: Any other relevant factor specifically listed in the request for bids or proposals a. Financial Standing b. Potential or Pending Sale of Business c. SAS 70 d. Red Flag Rules e. Gramm-Leach-Bliley Act		Up to 5 points will be used from the purchase price if applicable
Total Points		100	

Definitions of evaluation terms:

Excellent - respondent provided information which fully addressed or exceeded the requirements
Acceptable - respondent provided information which addressed most but not all of the requirements
Marginal - respondent provided minimal information on requirements
Poor/No response - respondent provided inadequate responses to requirements or did not respond

SOUTH TEXAS COLLEGE
4. SIGNS, BANNERS, AND RELATED PRODUCTS
PROJECT NO. 23-24-1017

VENDOR		Brand Boosters Co, LLC.	FedEx Office and Print Services, Inc.	Gateway Printing	Huntington Sky Production, Ltd./ dba Fastsigns	Imprezos Pro Uniforms, LLC.	Promo Universal, LLC.	Rescue Sign, Co.	Slate Group	UBEO, LLC./ dba Copy Zone, Ltd.
ADDRESS		3607 S L Ln	7900 Legacy Dr	315 S Closner Blvd	3900 N 23rd St	802 E Interstate 2 Ste E	2741 Swanter St	4016 Gyr St	6024 45th	3701 N Bicentennial Blvd Ste100
CITY/STATE/ZIP		McAllen, TX 78503	Plano, TX 75024	Edinburg, TX 78539	McAllen, TX 78504	Pharr, TX 78577	Corpus Christi, TX 78404	Edinburg, TX 78539	Lubbock, TX 79407	McAllen, TX 78501
PHONE		956-607-7279	469-980-3000	956-383-3861	956-618-1800	956-685-5099	800-221-7419	956-380-4997	806-794-7752	956-668-9600
FAX			469-980-3022	956-383-1037			361-884-8015	956-380-3012	806-798-8190	956-668-7818
CONTACT		Bernardo Gomez	Aimee DiCicco	Kelly Huerta	Ernest Macias	Francisco Morales	Anthony Anzaldua	Arturo S Montes	Lorenzo Salazar	Pily Stevens
#	Description	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
1	Catalog Discount	5%	0%		20%	30%	10%			0%
2	Set-Up Charges			N/A for provided print ready art files		No Set Up Charges	Included		Included	No Set Up Charges
3	Shipping Charges	Shipping Charges vary depending on address.		Included	Dependent on product and quantity	No Shipping Charges	Delivered Prices		Included	No Shipping Charges
4	Return Policy	Returns only if defective.	If you're unhappy with our products or services, be assured the Store Manager will resolve most issues. Your concerns and escalations are documented, and we follow a process of implementing a resolution immediately. Tracking customer issues helps us identify and solve failures of all kinds, whether people, process, or system-related. That leads us to improved services, and ultimately, your happiness as our customer.	No Returns on custom printed items with approved proofs.	Our company specializes in custom-made orders, which means that all orders are unique and tailored specifically to your preferences. As a result, we have a non-returnable policy for our products. However, we take quality very seriously, and if you receive a defective item or encounter any issues with the materials used, we are committed to resolving the problem. The replacement process will depend on the specific item and the timeframe in which the issue is reported.	We follow our order and proof system to avoid returns, however we can return any item if it has a defect.	If the item is a stock item, returns are available with a small restocking fee. If the item ordered is custom, no returns are allowed.	Request within 5 Business Days of product receipt.		No Returns as all items are custom made upon request.
5	Number of days for delivery once order is placed	2 Days	1-3 Days	10-12 Days	1-14 Days Delivery time depends on the product and can vary.	1-4 Days	10-15 Days	3 Days	5-7 Days	3-5 Days after artwork has been approved and received. Custom jobs may require longer lead-times.
Hanging (Matte Material)										
6	6 ft x 4 ft Banner	\$ 90.00	\$ 119.49	\$ 75.00	\$ 139.20	\$ 50.00	\$ 80.00	\$ 69.36	\$ 167.00	\$ 116.00
7	Delivery Time	Next Day	3 Days	4-5 Business Days after Proof Approval	1-2 Days Artwork Ready	1-4 Days	2-3 Weeks	1-2 Days	5 Days	5-7 Business Days
Hanging (Vinyl Glossy)										
8	6 ft x 4 ft Banner	\$ 90.00	\$ 119.49	\$ 65.00	\$ 139.20	\$ 50.00	\$ 80.00	\$ 69.36	\$ 167.00	\$ 70.27
9	Delivery Time	Next Day	3 Days	10-12 Business Days after proof approval	1-2 Days Artwork Ready	1-4 Days	2-6 Weeks	1-2 Days	5 Days	5-7 Business Days
Retractable Banner Matte (anti-curl) and Stand										
10	33 in x 83 in banner including stand (large/standard)	\$ 220.00	\$ 139.99	\$ 325.00	\$ 475.00	\$ 108.00	\$ 480.00	\$ 211.92		\$ 159.93
11	33 in x 80 in banner including stand (large/standard)								\$ 248.00	

SOUTH TEXAS COLLEGE
4. SIGNS, BANNERS, AND RELATED PRODUCTS
PROJECT NO. 23-24-1017

VENDOR		Brand Boosters Co, LLC.	FedEx Office and Print Services, Inc.	Gateway Printing	Huntington Sky Production, Ltd./ dba Fastsigns	Imprezos Pro Uniforms, LLC.	Promo Universal, LLC.	Rescue Sign, Co.	Slate Group	UBEO, LLC./ dba Copy Zone, Ltd.
12	15.5 in x 31.5 in banner including stand (desktop/mini table-top)	\$ 75.00	\$ 109.99	\$ 103.00	\$ 94.00	\$ 45.00	\$ 145.00	\$ 47.98		
13	24 in x 36 in banner including stand (desktop/mini table-top)								\$ 207.88	
14	Delivery Time	3-5 Days	3 Days	10-12 Business Days	Depending on order quantity	1-4	2-3 Weeks	5-7 Days	4 Days plus shipping	5-7 Business Days
Replacement Banner Matte (anti-curl) Only										
15	33 in x 83 in banner only (large/standard)	\$ 110.00	\$ 98.99		\$ 160.00	\$ 49.00	\$ 250.00	\$ 103.99		\$ 81.18
16	15.5 in x 31.5 in banner only (desktop/mini table-top)	\$ 45.00	\$ 25.99		\$ 35.00	\$ 33.00		\$ 27.12		
17	Delivery Time	Next Day			1-2 days Depending on order quantity	1-4	2-3 Weeks	3-5 Days		5-7 Business Days
Yard Signs (Coroplast) with "H" Stake Frame; Printed; Double Sided; Full Color										
18	18 in x 12 in	\$ 6.00	\$ 29.00	\$ 98.00	\$ 15.00	\$ 6.95		\$ 23.17	\$ 162.33	\$ 56.69
19	24 in x 18 in	\$ 8.00	\$ 30.00	\$ 98.00	\$ 26.00	\$ 9.95	\$ 35.00	\$ 37.07	\$ 162.88	\$ 59.23
20	24 in x 12 in	\$ 7.00	\$ 28.00	\$ 98.00	\$ 18.00	\$ 7.99		\$ 24.71	\$ 162.52	\$ 56.69
21	Delivery Time	Next Day	3 Days	5-7 Business Days	1-2 Days Depending on quantity			3-5 Days	2-3 Days plus shipping	5-7 Business Days
Yard Signs (Coroplast) with "H" Stake Frame; Blank										
22	18 in x 12 in	\$ 3.00	\$ 6.99	\$ 98.00	\$ 15.00	\$ 3.47			\$ 83.53	\$ 12.79
23	24 in x 18 in	\$ 4.00	\$ 10.00	\$ 98.00	\$ 26.00	\$ 4.97	\$ 25.00		\$ 84.08	\$ 21.79
24	24 in x 12 in	\$ 3.50	\$ 10.00	\$ 98.00	\$ 18.00	\$ 3.99			\$ 83.72	\$ 15.29
25	Delivery Time	Next Day		5-7 Business Days	1-2 Days Depending on quantity		2-3 Weeks		2-3 Days plus shipping	2-3 Business Days
Metal Sign and Black Frame/Real Estate Sign										
26	24 in x 18 in	\$ 60.00	\$ 71.99	\$ 159.00	\$ 95.00	\$ 16.00		\$ 81.97	\$ 284.53	\$ 81.67
27	Delivery Time	Next Day	3 Days	12-15 Business Days	1-2 Days Depending on quantity	1-4		3-5 Days	3-4 Days plus shipping	5-7 Business Days
Table Covers (Blank)										
28	6 ft Table		Custom	\$ 294.00	\$ 255.00	\$ 99.00	\$ 175.00	\$ 260.16	\$ 369.00	
29	8 ft Table		Custom	\$ 319.00	\$ 287.00	\$ 99.00	\$ 195.00	\$ 305.93	\$ 404.00	
30	Delivery Time		7-10 Days	10-12 Business Days	5-10 Business Days	1-4	2-4 Weeks	3-5 Days	8 Days	
Table Runners with logo										
31	6 ft x 4 ft		Custom	\$ 98.00	\$ 97.00	\$ 135.00	\$ 135.00	\$ 79.54	\$ 331.00	

SOUTH TEXAS COLLEGE
4. SIGNS, BANNERS, AND RELATED PRODUCTS
PROJECT NO. 23-24-1017

VENDOR		Brand Boosters Co, LLC.	FedEx Office and Print Services, Inc.	Gateway Printing	Huntington Sky Production, Ltd./ dba Fastsigns	Imprezos Pro Uniforms, LLC.	Promo Universal, LLC.	Rescue Sign, Co.	Slate Group	UBEO, LLC./ dba Copy Zone, Ltd.
32	Delivery Time		7-10 Days	10-12 Business Days	5-10 Business Days	1-4	2-4 Weeks	3-5 Days	8 Days	
Feather Flags (single-sided)										
33	8 ft. feather flag	\$ 180.00	Custom	\$ 186.00	\$ 190.00	\$ 60.00	\$ 180.00	\$ 131.36		
34	9 ft. feather flag								\$ 330.00	\$ 133.06
35	10 ft. feather flag	\$ 220.00	Custom	\$ 199.00	\$ 210.00	\$ 75.00	\$ 205.00	\$ 131.36		
36	10.5 ft. feather flag									\$ 133.06
37	12.5 ft. feather flag								\$ 370.00	
38	Delivery Time	7 Days	7-10 Days	10-12 Business Days	5-10 Business Days	1-4	2-4 Weeks	3-5 Days	8 Days	5-7 Business Days
Feather Flags (double sided)										
39	8 ft. feather flag	\$ 280.00	Custom	\$ 228.00	\$ 209.00	\$ 99.00	\$ 200.00	\$ 166.75		
40	9 ft. feather flag								\$ 370.00	\$ 190.81
41	10 ft. feather flag	\$ 320.00	Custom	\$ 239.00	\$ 228.00	\$ 115.00	\$ 225.00	\$ 190.76		
42	10.5 ft. feather flag									\$ 190.81
43	12.5 ft. feather flag								\$ 405.00	
44	Delivery Time	5-7 Days		10-12 Business Days	5-10 Business Days	1-4	2-4 Weeks	3-5 Days	8 Days	5-7 Business Days
Escalation										
45	2nd Year	5%		6%	20%	0%	10%	5%	3%	0%
46	3rd Year	5%		12%	30%	0%	15%	10%	6%	0%

SOUTH TEXAS COLLEGE
5. VEHICLE MAINTENANCE AND REPAIR SERVICES - II
PROJECT NO. 23-24-1019

VENDOR		McAllen Quick Lube, Inc./ dba RGV Tire Pros/ dba Valvoline Express Care	Quick Quack Car Wash Holdings, LLC.
ADDRESS		2408 Pecan Blvd	6020 W Oaks Blvd Ste 300
CITY/STATE/ZIP		McAllen, TX 78501	Rocklin, CA 95765
PHONE		(956) 682-4278	(916) 883-3175
CONTACT		Daniel Ramirez	Cindy Schlesener
#	Description	Proposed	Proposed
Preventive Maintenance			
1	Oil Changes	\$39.99 - \$79.99 Gas \$109.99 - 162.99 Diesel	
Hazardous Waste Disposal			
2	Hazardous Waste		
Repair Work			
3	Labor for general repair work	\$ 125.00	
4	Markup over cost of parts	45%	
Other Services			
5	Tow Truck Services	\$95.00 Prices very depending on distance.	
6	Texas State Vehicle Inspection	\$ 7.00	
7	Emergency Roadside Service	N/A	
8	Vehicle Wash Services		Passenger Car - \$34.99/MO SUV - \$34.99/MO * Pick Up Truck- \$34.99/MO * Full-Size Van - \$34.99/MO * Box Truck - N/A Other Types - N/A
Price Escalation			
9	2nd Year	5%	TBD
10	3rd Year	5%	TBD

*Unable to wash any vehicle that is over 7'2" in height

SOUTH TEXAS COLLEGE
6. INSTRUCTIONAL EQUIPMENT

NAME			Technical Laboratory Systems, Inc. (Tech-Labs)	
ADDRESS			P O Box 218609	
CITY/STATE/ZIP			Houston, TX 77218	
PHONE			800-445-1088	
FAX			281-291-1113	
CONTACT			Mike Sudduth	
#	Qty	Description	Unit Price	Extension
1	1	Basic Pneumatics Learning System - Double Sided A-Frame Bench	\$ 10,530.00	\$ 10,530.00
2	1	Basic Pneumatics Learning System	\$ 6,155.00	\$ 6,155.00
3	2	Intermediate Pneumatics Learning System	\$ 3,995.00	\$ 7,990.00
4	2	Hand Tool Package - Pneumatic Systems	\$ 1,085.00	\$ 2,170.00
5	2	Advanced Pneumatics Learning System	\$ 1,895.00	\$ 3,790.00
6	2	Electro-Pneumatics Learning System	\$ 5,845.00	\$ 11,690.00
7	1	Power Supply	\$ 1,185.00	\$ 1,185.00
8	1	Portable Pneumatic Learning System	\$ 11,120.00	\$ 11,120.00
9	1	Hand Tool Package - Pneumatic Systems	\$ 1,085.00	\$ 1,085.00
10	1	Mobile Technology Workstation Type 1 White Surface 6 Foot	\$ 1,600.00	\$ 1,600.00
11	1	Shipping and Handling	\$ 2,295.00	\$ 2,295.00
12	1	Installation and Orientation	\$ 2,850.00	\$ 2,850.00
TOTAL AMOUNT			\$ 62,460.00	

SOUTH TEXAS COLLEGE
7. LASER SYSTEM

NAME			Technical Laboratory Systems, Inc. (Tech-Labs)	
ADDRESS			P O Box 218609	
CITY/STATE/ZIP			Houston, TX 77218	
PHONE			800-445-1088	
FAX			281-291-1113	
CONTACT			Mike Sudduth	
#	Qty	Description	Unit Price	Extension
1	1	Universal Laser VLS6.75 Platform w/Gas Assist	\$ 23,463.00	\$ 23,463.00
2	1	VLS/PLS 2.0 Final Focusing Lens Kit	\$ 607.00	\$ 607.00
3	1	ULR-40 Laser Source	\$ 8,013.00	\$ 8,013.00
4	1	Power Cord, C13, 10 AMP Right Angle UL/CSA	\$ -	\$ -
5	1	VLS6 Color Kit, Blue	\$ -	\$ -
6	1	VLS/PLS Coaxial Gas Assist - 2.0	\$ 188.00	\$ 188.00
7	1	VLA / PLS Lateral Gas Assist Attachment	\$ 303.00	\$ 303.00
8	1	110V External Air Compressor for Gas Assist	\$ 8,105.00	\$ 8,105.00
9	1	Power Cord, C13, 10 AMP Right Angle UL/CSA	\$ -	\$ -
10	1	VLS6 / PLS6 Flow-Through Cutting Table	\$ 1,755.00	\$ 1,755.00
11	1	Pin Table	\$ 1,802.00	\$ 1,802.00
12	1	VLS / PLS Cylindrical Material Indexer	\$ 2,492.00	\$ 2,492.00
13	1	1-Touch Laser Photo Software	\$ 290.00	\$ 290.00
14	1	Direct Import	\$ 1,013.00	\$ 1,013.00
15	1	VLS Desktop / VLS6 / PLS6 / ILS Collimator Kit	\$ 1,134.00	\$ 1,134.00
16	1	Bofa Advantage 1000 iQ	\$ 7,600.00	\$ 7,600.00
17	1	Installation and Orientation	\$ 2,250.00	\$ 2,250.00
18	1	Freight Including Insurance	\$ 1,592.00	\$ 1,592.00
19	1	Less Discount	\$ (608.00)	\$ (608.00)
TOTAL AMOUNT			\$ 59,999.00	

SOUTH TEXAS COLLEGE
8. CASE MANAGEMENT SERVICES

NAME			Valley Initiative for Development and Advancement (VIDA)	
ADDRESS			417 S Ohio Ave	
CITY/STATE/ZIP			Mercedes, TX 78570	
PHONE			956-903-1900	
FAX			956-903-1901	
CONTACT			Irma Garcia	
#	Qty	Description	Unit Price	Extension
1	1	Case Management Services and Mentoring Services Fifty (50) Students Per Semester Period 1/1/24 - 12/31/24	\$ 81,000.00	\$ 81,000.00
TOTAL AMOUNT			\$ 81,000.00	

SOUTH TEXAS COLLEGE
9. GRADUATION FACILITY AGREEMENT

NAME			Vipers Arena, LLC./ dba Bert Ogden Arena	
ADDRESS			4900 S I69 C	
CITY/STATE/ZIP			Edinburg, TX 78501	
PHONE			956-562-7362	
CONTACT			Hondo Candelaria	
#	Qty	Description	Unit Price	Extension
1	1	Graduation Facility Agreement Set Up Day: 5/2/24 Event Days: 5/3/24 - 5/4/24	\$ 65,000.00	\$ 65,000.00
TOTAL AMOUNT			\$ 65,000.00	

SOUTH TEXAS COLLEGE
10. DISTRICT WIDE FURNITURE REQUESTS
NOVEMBER 28, 2023

#	Qty	Description	Unit Price	Extension	Requesting Department
Datum Storage Solutions, Inc. / Gateway Printing and Office Supply, Inc. (TIPS)					
1	12	2036KH Heavy Duty Plus Trakslider Top Shelf 36"Wx20"D	\$ 42.20	\$ 506.40	Pecan North Academic Humanities Bldg P Reno FFE - Mary Elizondo
	48	2036TH Unslotted Heavy Duty Plus Shelf 36"Wx20"D	\$ 42.20	\$ 2,025.60	Shelving needed for Finance and Administrative Services and
	24	7620LO Open "L" Open L Upright 20"D x 76 1/4"	\$ 61.64	\$ 1,479.36	Accountability, Risk, and Records Management
	48	HR20 Heavy Duty Plus Shelf Reinforcement 20"	\$ 3.75	\$ 180.00	
	120	HS-3611 Heavy Duty Plus Shelf Support 36"	\$ 7.38	\$ 885.60	
2	1	Labor to receive, inspect, deliver, install and remove debris	\$ 540.00	\$ 540.00	
		Datum Storage Solutions, Inc. Total		\$ 5,616.96	
Exemplis Corporation / Gateway Printing and Office Supply, Inc. (OMNIA Partners)					
1	20	40Y.A17 TR2 Sit On It Task Enhanced Synchro Control Chair	\$482.08	\$9,641.60	Pecan North Academic Humanities Bldg P Reno FFE - Mary Elizondo
					Faculty/Staff Chairs needed for Finance and Administrative Services
					and Accountability, Risk, and Records Management
2	1	40Y.A17 TR2 Sit On It Task Enhanced Synchro Control Chair	\$482.08	\$482.08	Computer Science Program - Saeed Molki
					Chair needed to replace old Faculty/Staff Chair
3	1	Labor to receive, inspect, deliver, install and remove debris	\$1,100.00	\$1,100.00	
		Exemplis Corporation Total		\$ 11,223.68	
Gateway Printing and Office Supply, Inc. (TIPS)					
1	16	RP0H1 Cramer Lab Stools	\$ 398.75	\$ 6,380.00	Art Program - Joel Rodriguez
					Stools will be used for at the Mid Valley Campus Painting Studio
2	1	Labor to receive, inspect, deliver, install and remove debris	\$ 1,185.00	\$ 1,185.00	
		Gateway Printing and Office Supply, Inc. Total		\$ 7,565.00	
Krueger International, Inc. / Gateway Printing & Office Supply, Inc. (Sourcewell)					
1	4	SWNA Strive High Density Armless Chair, Poly	\$144.42	\$577.68	Pecan North Academic Humanities Bldg P Reno FFE - Mary Elizondo
	1	7D/D3066-74P-F Desk, Full Modesty Panel,74P Edge,30x66"W	\$939.60	\$939.60	Faculty/Staff Desk, Chairs, and Conference Table for Finance and
	1	7D/D2472-74P-F Desk, Full Modesty Panel,74P Edge,24x72"W	\$820.12	\$820.12	Administrative Services and Accountability, Risk and
	1	7D/B2442-74P-F Desk,Bridge,Full Modesty Panel,74P Edge,24x42"W	\$625.24	\$625.24	Records Management
	1	S7P/1524WFF Files Supporting Ped-File/File-24"	\$595.66	\$595.66	
	1	S7P/1530WBBF Files Supporting Ped-Box/Box/File-30"	\$686.14	\$686.14	
	1	BR3FX-74P Barron Round Table, X Base,74P Edge,36"Dia	\$876.38	\$876.38	
2	40	TGNAPB Torsion on the Go Armless Chair,Poly Back	\$472.50	\$18,900.00	Pecan Library Bldg F Space Reno FFE - Mary Elizondo
					Computer Lab Chairs for the Library

SOUTH TEXAS COLLEGE
10. DISTRICT WIDE FURNITURE REQUESTS
NOVEMBER 28, 2023

#	Qty	Description	Unit Price	Extension	Requesting Department
3	1	B357F-75P Barron Table Fixed Leg, Rect, TT Base, 74P	\$1,692.44	\$1,692.44	RCPSE State - Robert Vela
					Conference Table for the Regional Center for Public Safety Excellence
4	1	Labor to receive, inspect, deliver, install and remove debris	\$1,194.00	\$1,194.00	
		Krueger International, Inc. Total		\$26,907.26	
National Office Furniture, Inc. / Gateway Printing and Office Supply, Inc. (OMNIA Partners)					
1	3	CBV2928P2BP Base for Conference Table 29W x 28H	\$197.10	\$591.30	Pecan North Academic Humanities Bldg P Reno FFE - Mary Elizondo
	1	WWN48120RT2L Waveworks Conference Table Top 48D x 120W	\$2,448.45	\$2,448.45	Conference Table for Finance and Administrative Services and
	1	NACG15AELPGB Accessories, Double Pivot Power/USB Grommet, Black	\$870.75	\$870.75	Accountability, Risk, and Records Management
2	12	WW3060RTFML Waveworks Training Flip Table, 30Dx60W	\$1,080.90	\$12,970.80	Pecan Library Bldg F Space Reno FFE - Mary Elizondo
	12	NAC4812MP2M Modesty Panel Metal, 48Wx12H	\$366.80	\$4,401.60	Computer Lab Tables for the Library
3	1	Labor to receive, inspect, deliver, install and remove debris	\$150.00	\$150.00	
		National Office Furniture, Inc. Total		\$21,432.90	
The Hon Company / Gateway Printing and Office Supply, Inc. (OMNIA Partners)					
1	10	HIEH3 Ignition Executive Chair HB Pneu Syn Tilt Back Adjustable Tilt Sea	\$565.54	\$5,655.40	Pecan North Academic Humanities Bldg P Reno FFE - Mary Elizondo
	5	H314 Vertical File Cabinet 4 Drawer Letter w/Lock	\$460.27	\$2,301.35	Faculty/Staff Chairs and File Cabinets for Finance and Administrative
					Services and Accountability, Risk, and Records Management
2	3	HSC2472 Storage Cabinet 24D x 36W x 72H	\$804.58	\$2,413.74	Division of Math Science IT & BA Program - Ghanbar A. Esmaeili
					Storage cabinets will be used to store Cybersecurity classroom and
					laboratory equipment
3	1	H38291R Single Ped Desk 30D x 66W - 2R	\$1,063.36	\$1,063.36	Human Resources - Zachary Suarez
	1	H38216L Desk Flush Return 24D x 48W x 29-1/2H 2L	\$699.10	\$699.10	Faculty/Staff Desk for Human Resources
4	1	Labor to receive, inspect, deliver, install and remove debris	\$1,499.00	\$1,499.00	
		The Hon Company Total		\$13,631.95	
Furniture Total				\$86,377.75	

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SOUTH TEXAS COLLEGE
12. DISTRICT WIDE TECHNOLOGY REQUEST
NOVEMBER 28, 2023

#	Qty	Description	Unit Price	Extension	Requesting Department
COMPUTERS					
1	1	Dell OptiPlex Micro Tower 7010, 13th Gen Intel Core i7-13700, 16GB Memory	\$ 3,071.05	\$ 3,071.05	Dr. Ali Esmaceli - Division of Math, Science, IT, and Bachelor Programs
		512GB Hard Drive, 75" Interactive Touch Monitor, Warranty			New system for department staff
2	1	Dell OptiPlex Micro Tower 7010, 13th Gen Intel Core i7-13700, 16GB Memory	\$ 983.00	\$ 983.00	Maria Evans - Educational Technologies
		512GB Hard Drive, Warranty			Replacement of out-of-warranty system for department staff
3	3	Dell OptiPlex Micro Tower 7010, 13th Gen Intel Core i7-13700, 16GB Memory	\$ 983.00	\$ 2,949.00	Maria Evans - Educational Technology Maintenance and Replacement
		512GB Hard Drive, Warranty			Replacement of out-of-warranty systems for department staff
4	5	Dell OptiPlex Tower 7010, 13th Gen Intel Core i7-13700, 16GB Memory	\$ 898.71	\$ 4,493.55	Maria Evans - Educational Technology Maintenance and Replacement
		512GB Hard Drive, Warranty			Replacement of out-of-warranty systems for department staff
5	35	Dell OptiPlex Tower 7010, 13th Gen Intel Core i7-13700, 16GB Memory	\$ 1,100.30	\$ 38,510.50	Saeed Molki - Computer Science Program
		512GB Hard Drive, 24" Monitor, Warranty			Replacement of out-of-warranty systems for student lab
6	1	Dell Precision Tower 3660, 13th Gen Intel Core i7-13700, 32GB Memory,	\$ 2,399.00	\$ 2,399.00	Lisa Walters - Library Art Gallery
		512GB Hard Drive, Warranty			Replacement of out-of-warranty system for department staff
7	1	Dell OptiPlex Tower 7010, 13th Gen Intel Core i7-13700, 16GB Memory	\$ 972.70	\$ 972.70	Zachary Suarez - Professional and Organizational Development
		512GB Hard Drive, Keyboard and Mouse, Warranty			Replacement of out-of-warranty system for department staff
8	35	Dell OptiPlex Tower 7010, 13th Gen Intel Core i7-13700, 16GB Memory	\$ 1,100.30	\$ 38,510.50	Saeed Molki - Computer Science Program
		512GB Hard Drive, 24" Monitor, Warranty			Replacement of out-of-warranty systems for student lab
9	2	Dell OptiPlex Tower 7010, 13th Gen Intel Core i7-13700, 16GB Memory	\$ 1,251.49	\$ 2,502.98	Lynell Williams - Centers for Learning Excellence
		512GB Hard Drive, (4) 22" Monitor, Warranty			Replacement of out-of-warranty systems for department staff
10	1	Dell OptiPlex Tower 7010, 13th Gen Intel Core i7-13700, 16GB Memory	\$ 1,027.09	\$ 1,027.09	Maria Evans - Educational Technology Maintenance and Replacement
		512GB Hard Drive, (2) Keyboard and Mouse, Warranty			New system for department staff
11	144	Dell OptiPlex Tower 7010, 13th Gen Intel Core i7-13700, 16GB Memory	\$ 1,075.10	\$ 154,814.40	Arturo Solano - Learning Commons and Open Labs
		512GB Hard Drive, 22" Monitor, Warranty			Replacement of out-of-warranty systems for student lab
COMPUTER TOTAL				\$ 250,233.77	
LAPTOPS					
12	1	Laptop Latitude 5440 BTX Base, 13th Gen Intel Core i5-1355U, 16GB Memory,	\$ 1,367.31	\$ 1,367.31	Roberto Vela - Regional Center for Public Safety Excellence - Non State
		256GB Hard Drive, Docking Station, Warranty			New system for department staff

SOUTH TEXAS COLLEGE
12. DISTRICT WIDE TECHNOLOGY REQUEST
NOVEMBER 28, 2023

#	Qty	Description	Unit Price	Extension	Requesting Department
13	3	Laptop Mobile Precision 5680 CTO, Intel Core i7-13700H, 16GB Memory,	\$ 3,131.31	\$ 9,393.93	Anahid Petrosian - Equipment-New Faculty/Programs
		512GB Hard Drive, Docking Station, Warranty			Replacement of out-of-warranty systems for department staff
14	10	Laptop Latitude 5440 BTX Base, 13th Gen Intel Core i5-1355U, 16GB Memory,	\$ 1,193.43	\$ 11,934.30	Maria Evans - Educational Technology Maintenance and Replacement
		256GB Hard Drive, Docking Station, Briefcase, Warranty			Replacement of out-of-warranty systems for department staff
15	2	Laptop Latitude 5440 BTX Base, 13th Gen Intel Core i5-1355U, 16GB Memory,	\$ 1,367.31	\$ 2,734.62	Jorge S. Martinez - Electrician Assistant Program
		256GB Hard Drive, Docking Station, Warranty			Replacement of out-of-warranty systems for department staff
LAPTOPS					
16	1	Laptop Latitude 5440 BTX Base, 13th Gen Intel Core i5-1355U, 16GB Memory,	\$ 1,367.31	\$ 1,367.31	Margo Vargas-Ayala - Vocational Nursing Program
		256GB Hard Drive, Docking Station, Warranty			New system for department staff
17	1	Laptop Latitude 5440 BTX Base, 13th Gen Intel Core i5-1355U, 16GB Memory,	\$ 1,395.47	\$ 1,395.47	Dr. Rebecca De Leon - Dual Credit Programs
		256GB Hard Drive, Docking Station, Keyboard and Mouse, Warranty			New system for new department staff
18	1	Laptop Latitude 5440 BTX Base, 13th Gen Intel Core i5-1355U, 16GB Memory,	\$ 1,395.47	\$ 1,395.47	Myriam Lopez - Business Office
		256GB Hard Drive, Docking Station, Keyboard and Mouse, Warranty			Replacement of out-of-warranty system for department staff
19	2	Apple 16" MacBook Pro Space Gray, 16GB Memory, 512GB Storage,	\$ 2,588.00	\$ 5,176.00	Francisco Salinas - Cybersecurity Program
		3-Year Apple Care Warranty			New systems for department faculty
20	4	Laptop Latitude 5440 BTX Base, 13th Gen Intel Core i5-1355U, 16GB Memory,	\$ 1,522.79	\$ 6,091.17	Lisa Walters - Library Public Services
		256GB Hard Drive, (7) Docking Stations, Warranty			Replacement of out-of-warranty systems for department staff
21	3	Laptop Latitude 5430 Rugged, Intel Core i5-1135G7, 16GB Memory,	\$ 1,755.00	\$ 5,265.00	Luis De La Garza - Facility Maintenance
		256GB Hard Drive, Warranty			Replacement of out-of-warranty systems for department staff
22	1	Laptop Latitude 5440 BTX Base, 13th Gen Intel Core i5-1355U, 16GB Memory,	\$ 1,160.00	\$ 1,160.00	Carlos Tello - Emergency Medical Services Program
		256GB Hard Drive, Warranty			New system for department staff
23	2	Apple 14" MacBook Pro Silver, 64GB Memory, 512GB Storage,	\$ 3,188.00	\$ 6,376.00	Dr. Rachel Sale - Digital Learning
		3-Year Apple Care Warranty			Replacement of out-of-warranty systems for department staff
24	2	Laptop Latitude 5440 BTX Base, 13th Gen Intel Core i5-1355U, 16GB Memory,	\$ 1,395.47	\$ 2,790.94	Otoniel Matamoros - Student Completion Services
		256GB Hard Drive, Docking Station, Keyboard and Mouse, Warranty			Replacement of out-of-warranty systems for department staff
25	1	Laptop Mobile Precision 5480 Touch, Intel Core i7-13700H, 16GB Memory,	\$ 2,792.31	\$ 2,792.31	Lisa Walters - Library Acquisition
		512GB Hard Drive, Docking Station, Warranty			New system for department staff

SOUTH TEXAS COLLEGE
12. DISTRICT WIDE TECHNOLOGY REQUEST
NOVEMBER 28, 2023

#	Qty	Description	Unit Price	Extension	Requesting Department
26	1	Laptop Mobile Precision 5480 Touch, Intel Core i7-13700H, 16GB Memory,	\$ 2,792.31	\$ 2,792.31	Lisa Walters - Library Automation
		512GB Hard Drive, Docking Station, Warranty			New system for department staff
27	7	Laptop Latitude 7640 XCTO, 13th Gen Intel Core i5-1350P, 16GB Memory,	\$ 1,886.39	\$ 13,204.73	Maria Evans - Educational Technology Maintenance and Replacement
		256GB Hard Drive, Warranty			Replacement of out-of-warranty systems for department staff
28	1	Laptop Latitude 5440 BTX Base, 13th Gen Intel Core i5-1355U, 16GB Memory,	\$ 1,395.47	\$ 1,395.47	Lynell Williams - Centers for Learning Excellence
		256GB Hard Drive, Docking Station, Keyboard and Mouse, Warranty			New system for department staff
29	1	Laptop Latitude 5440 BTX Base, 13th Gen Intel Core i5-1355U, 16GB Memory,	\$ 1,160.00	\$ 1,160.00	Diana Hernandez - Physical Therapy Program
		256GB Hard Drive, Warranty			New system for student classroom
		LAPTOP TOTAL		\$ 77,792.34	
TABLETS					
30	1	Apple iPad Mini, Wi-Fi 256GB, Space Gray, Apple Pencil	\$ 827.00	\$ 827.00	Maria Evans - Educational Technologies
		4-Year Apple Care Warranty			New system for department staff
31	2	Samsung Tablet S7, Silver, 256GB Memory	\$ 1,715.36	\$ 3,430.72	Carlos Tello - Emergency Medical Services Program
		Protective Case, 4yr Warranty			New systems for department faculty
		TABLET TOTAL		\$ 4,257.72	
		COMPUTER/LAPTOP/TABLET/ TOTAL		\$ 332,283.83	

SOUTH TEXAS COLLEGE
13. SERVER HARDWARE EQUIPMENT, SOFTWARE, AND SUPPORT

NAME			Netsync Network Solutions	
ADDRESS			2500 W Loop S Ste 410/510	
CITY/STATE/ZIP			Houston, TX 77027	
PHONE			713-218-5000	
CONTACT			Michelle Bailey	
#	Qty	Description	Unit Price	Extension
1	1	Academic VMWare Horizon Universal Subscription - (Core) Concurrent User Qty: 50 - 12 Month Prepaid	\$ 12,614.70	\$ 12,614.70
2	75	Academic VMWare Horizon Universal Subscription - (Add-On to Core) Concurrent User Qty: 10 - 12 Month Prepaid	\$ 2,522.90	\$ 189,217.50
3	310	NVIDIA VPC Bundle Perpetual License Plus 5 Yr VPC Sums, 1CCU	\$ 212.61	\$ 65,909.10
4	6	VXRail V679F, All Flash	\$ 3,511.14	\$ 21,066.84
5	6	PSNT Info	\$ -	\$ -
6	6	VSAN Node	\$ -	\$ -
7	6	VXRail E660/F/N P670F/N V670F Firmware Lock	\$ -	\$ -
8	6	VXRail Software 7.0.405 Factory Install	\$ -	\$ -
9	6	No Transformational License Agreement	\$ -	\$ -
10	6	Informational Purposes Only	\$ -	\$ -
11	6	2.5" Chassis with up to 24 HDDS (SAS/SATA) Including 8 Universal Slots	\$ 382.78	\$ 2,296.68
12	6	GPU Enablement	\$ -	\$ -
13	6	VXRail 2U Bezel V2	\$ 63.03	\$ 378.18
14	6	Intel Xeon Gold 6342 2.8G, 24C/48T, 11.2GT/S, 36M Cache, Turbo, HT (230W) DDR4-3200	\$ 1,965.50	\$ 11,793.00
15	6	Intel Xeon Gold 6342 2.8G, 24C/48T, 11.2GT/S, 36M Cache, Turbo, HT (230W) DDR4-3200	\$ 1,965.50	\$ 11,793.00
16	6	Additional Processor Selected	\$ -	\$ -
17	6	3200MR/S LRDIMMS	\$ -	\$ -
18	6	Broadcom 57504 Quad Port 10/25GBE, SFP28, OCP NIC 3.0	\$ 311.09	\$ 1,866.54
19	6	Trusted Platform Module 2.0 V3	\$ 32.11	\$ 192.66
20	6	Readyrails Sliding Rails	\$ 48.34	\$ 290.04
21	6	Cable Management Arm, 2U	\$ 22.38	\$ 134.28
22	6	Dual, Hot-Plug, Power Supply 2400W Redundant, D Mixed Mode	\$ 749.02	\$ 4,494.12

SOUTH TEXAS COLLEGE
13. SERVER HARDWARE EQUIPMENT, SOFTWARE, AND SUPPORT

NAME			Netsync Network Solutions	
#	Qty	Description	Unit Price	Extension
23	6	Fan Foam HDD 2U	\$ -	\$ -
24	6	No Rear Storage	\$ -	\$ -
25	6	Dell Hardware Limited Warranty	\$ 210.50	\$ 1,263.00
26	6	ProSupport Mission Critical 4-Hour 7x24 Onsite Service with Emergency Dispatch 2 Years Extended	\$ 2,157.52	\$ 12,945.12
27	6	ProSupport Mission Critical 4-Hour 7x24 Onsite Service with Emergency Dispatch 3 Years	\$ 789.57	\$ 4,737.42
28	6	ProSupport Mission Critical 7x24 Technical Support and Assistance 5 Years	\$ 11,037.46	\$ 66,224.76
29	6	Dell Limited Hardware Warranty Extended Year(s)	\$ -	\$ -
30	6	Dell ProSupport for Tech Support	\$ -	\$ -
31	6	Informational Purposes Only	\$ -	\$ -
32	6	ProDeploy Plus No Charge Training 200	\$ 241.08	\$ 1,446.48
33	6	ProDeploy Plus Dell EMC VXRail Deployment	\$ 3,993.90	\$ 23,963.40
34	6	ProDeploy Plus Dell EMC VXRail Deployment Verification	\$ 201.56	\$ 1,209.36
35	6	PowerEdge R750 CE Marking No CCC Marking	\$ -	\$ -
36	6	Dell/EMC Label (BIS) for 2.5" Chassis	\$ -	\$ -
37	6	SAS/SATA/NVME Capable Backplane	\$ -	\$ -
38	6	P/V 670 Shipping DAO	\$ -	\$ -
39	6	PowerEdge R750 Shipping Material	\$ 32.11	\$ 192.66
40	6	2.5 Chassis	\$ -	\$ -
41	6	VXRail V670F Riser Config 2, 1A+2A+3A+4A, 2x16FH DW GPU 2x8FH 2x16LP	\$ 122.34	\$ 734.04
42	6	VXRail V670F Branding	\$ 17.83	\$ 106.98
43	6	R750 Motherboard with Broadcom 5720 Dual Port 1GB On-Board LOM	\$ -	\$ -
44	6	Heatsink for 2 CPU w GPU Configuration	\$ 64.55	\$ 387.30
45	6	Performance Optimized	\$ -	\$ -
46	6	C43, No Raid	\$ -	\$ -
47	6	Dell HBA355I Controller Front	\$ 233.23	\$ 1,399.38
48	6	Front Perc Mechanical Parts, for 2.5" x 24 SAS/SATA Chassis	\$ -	\$ -

SOUTH TEXAS COLLEGE
13. SERVER HARDWARE EQUIPMENT, SOFTWARE, AND SUPPORT

NAME			Netsync Network Solutions	
#	Qty	Description	Unit Price	Extension
49	6	Boss-S2 Controller Card + with 2 M.2 480GB (Raid 1)	\$ 551.14	\$ 3,306.84
50	6	Boss Cable and Bracket for R750 (Riser 1)	\$ 16.22	\$ 97.32
51	6	IDRAC9 Enterprise 15G	\$ 158.63	\$ 951.78
52	6	IDRAC Group Manager, Disabled	\$ -	\$ -
53	6	IDRAC Legacy Password	\$ -	\$ -
54	6	DHCP with Zero Touch Configuration	\$ -	\$ -
55	6	Very High Performance Fan x6	\$ 93.74	\$ 562.44
56	6	No Quick Sync	\$ -	\$ -
57	6	No Systems Documentation, No Open Manage DVD Kit	\$ -	\$ -
58	6	No Energy Star	\$ -	\$ -
59	6	UEFI Bios Boot Mode with GPT Partition	\$ -	\$ -
60	6	V670F Luggage Tag	\$ -	\$ -
61	48	128GB LRDIMM, 3200MT/S, Quad Rank	\$ 2,384.29	\$ 114,445.92
62	18	1.6TB Enterprise NVME Mixed Use AG Drive U.2 GEN4 with Carrier	\$ 1,172.73	\$ 21,109.14
63	18	3.84TB SATA Read Intensive 6GBPS 512 2.5In Hot-Plug AG Drive, 1 DWPD	\$ 1,091.42	\$ 19,645.56
64	12	PE R7525 Acceleration 12V Cable	\$ 9.72	\$ 116.64
65	12	NVIDIA Ampere A16, PCIE, 250W, 64GB Passive, DW, FH GPU, Requires VGPU SE for VDI	\$ 3,584.21	\$ 43,010.52
66	12	Power Cord, C19 to C20, PDU-Style, 16 AMPS, .6 Meter, Argentina Qty 1	\$ 3.56	\$ 42.72
67	24	SFP28 SR Optic, 25GBE, 85C, for All SFP28 Ports	\$ 239.72	\$ 5,753.28
68	12	VXRail VMWare, Vsan Advanced 5 Years	\$ -	\$ -
69	12	VXRail HCI System Software A	\$ 3,270.20	\$ 39,242.40
70	18	VXRail HCI System Software, Capacity Drive, 3.84TB SATA, SSD	\$ 729.90	\$ 13,138.20
71	48	VXRail HCI System Software Memory, 128GB	\$ 362.56	\$ 17,402.88
72	12	ProSupport Mission Critical, Vsan, Advanced, 1 Processor, 5 Years	\$ 1,863.63	\$ 22,363.56
TOTAL AMOUNT			\$ 737,845.74	

SOUTH TEXAS COLLEGE
14. BACKUP DATA STORAGE HARDWARE MAINTENANCE AGREEMENT

NAME			Dell Marketing, LP.	
ADDRESS			P O Box 676021	
CITY/STATE/ZIP			Dallas, TX 75267	
PHONE			512-647-6341	
CONTACT			Dennis Bradandt	
#	Qty	Description	Unit Price	Extension
1	1	Backup Data Storage Hardware Maintenance Agreement Period: 9/1/23 - 8/31/24	\$ 17,321.62	\$ 17,321.62
TOTAL AMOUNT			\$ 17,321.62	

Review and Recommend Action on 2023 Tax Roll/Tax Levy for Hidalgo and Starr Counties

Purpose and Justification – Administration requests the Committee recommend Board approval on the 2023 Tax Roll/Tax Levy for Hidalgo and Starr Counties in order to be in compliance with Section 26.09 Item (e) of the Property Tax Code.

Background - The 2023 Tax Roll/Tax Levy for Hidalgo and Starr Counties requires approval from the governing body in order to be in compliance with Section 26.09 Item (e) of the Property Tax Code, which reads:

“The assessor shall enter the amount of tax determined as provided by this section in the appraisal roll and submit it to the governing body of the unit for approval. The appraisal roll with amounts of tax entered as approved by the governing body constitutes the unit’s tax roll.”

Mr. Pablo “Paul” Villarreal, Jr., RTA, Assessor-Collector of Hidalgo County, and Ms. Maria Amedia Salinas, TAC, Assessor-Collector of Starr County, have entered in the appraisal roll the amount of tax determined as provided by Section 26.09 Item (e) of the Property Tax Code and have submitted to South Texas College the tax roll/tax levy totaling \$88,386,739.25.

The tax rolls for Tax Years 2022 and 2023 are as follows:

Tax Year	Hidalgo County	Starr County	Total
2023	\$83,552,787.83	\$4,833,955.92	\$88,386,743.75
2022	75,735,088.72	4,515,974.35	80,251,063.07
Increase/(Decrease)	\$ 7,817,699.11	\$ 317,981.57	\$ 8,135,680.68

Enclosed Documents - The 2023 Tax Roll Totals documents from each county follow in the packet for the Committee’s information and review.

Mary Elizondo, Vice President for Finance and Administrative Services, and Myriam Lopez, Comptroller, will be presented at the Committee Meeting to address any questions.

It is requested that the Committee recommend Board approval of the 2023 Tax Roll/Tax Levy for Hidalgo and Starr Counties in order to be in compliance with Section 26.09 Item (e) of the Property Tax Code, as presented.

Office of Tax Assessor-Collector

COUNTY of HIDALGO

Pablo "Paul" Villarreal, Jr. PCC.

October 31, 2023



Dr. Ricardo J. Solis
South Texas College
P.O. Box 9701
McAllen, TX. 78502

P.O. Box 178
Edinburg, Texas 78540-0178
Ph. (956) 318-2157
Fax (956) 318-2733
www.hidalgocountytax.org

Dear Dr. Solis,

Enclosed please find the 2023 Tax Roll Totals for your district.

Be advised these totals do not include totals for accounts currently under protest. Those totals will be added once the protests are resolved.

Please place this item on the agenda of your next meeting for approval by your governing body, as per Section 26.09(e), of the Texas Property Tax Code.

Should you have any questions in regards, do contact our office.

Sincerely,

Pablo (Paul) Villarreal Jr., PCC
Hidalgo County Tax Assessor-Collector

Xc: Hon. Linda Fong, CPFO
Hidalgo County Auditor



CERTIFIED TAX ROLL AS OF OCTOBER 1, 2023

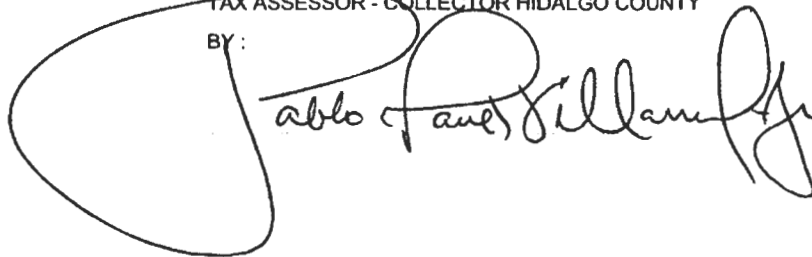
TAX ASSESSMENT ROLLS OF SOUTH TEXAS COLLEGE FOR THE YEAR 2023 SHOW THE FOLLOWING SUMMARIES:

ROLL	NUMBER ACCTS	MARKET VALUE	TAXABLE VALUE	FREEZE LOSS	TOTAL LEVY
REAL PROPERTY	326,136	64,961,462,241	49,932,800,078	2,559,066.64	75,440,222.47
PERSONAL PROPERTY	25,749	5,847,955,534	5,134,449,734	.00	8,112,565.36
MOBILE HOME PROPERTY	0	0	0	.00	.00
MINERAL PROPERTY	0	0	0	.00	.00
OTHER PROPERTY	0	0	0	.00	.00
TOTAL	351,885	70,809,417,775	55,067,249,812	2,559,066.64	83,552,787.83

RATE OF TAXATION ASSESSMENT RATIO 100%
TOTAL TAX RATE 00.156200

PABLO (PAUL) VILLARREAL JR., PCC
TAX ASSESSOR - COLLECTOR HIDALGO COUNTY

BY:



10/12/2023 06:18 pm

tc502_juris_summary.rep v1.16

Request Seq.: 43 / 9351

CAD Seq.: 758863

Processing On Tax Year: 2023 County Code: 108 Tax Unit: A11 Roll Codes: A11

Tax Collection System - HIDALGO COUNTY

Certified Roll Jurisdiction Summary

Page 41 of 230

Jurisdiction: 55 SOUTH TEXAS COLLEGE

Total Parcels:	351,885	Tax Rate:	0.1562000		
Market Value:	70,809,417,775	State Hom:	0	Opt Hom:	0.0000000
		State O65:	0	Opt O65:	0
		Disabled:	0	Opt Disabled:	0

AG Exclusion Count:	18,016	AG Exclusion Amt:	4,763,994,576
Timber Exclusion Count:	0	Timber Exclusion Amt:	0
HS Capped Count:	110,793	HS Capped Amt:	3,025,049,248
Assessed Value:	63,020,373,951		

Exempt Count/Amt:	119	45,907,584	Pro Charitable Org Count/Amt:	1	23,758
Pollution Control Count/Amt:	26	39,106,707	Chdo Count/Amt:	225	35,338,434
Immed Residential Homestead Count/Amt:	619	0	State Disaster Count/Amt:	3	59,550
Hb366 Count/Amt:	1,643	2,277,803	Solar Exemption Count/Amt:	56	2,429,942
Pro Non Profit Count/Amt:	96	27,258,563	Vet Charitable Homestead Disability Count/Amt:	1	144,569
Prorated-Exxl Count/Amt:	3	1,783,979			
Prorated-Exxv Count/Amt:	8,501	6,492,074,093	Surviving Spouse First Responder Count/Amt:	14	3,732,558
100% Exempt Vet Count/Amt:	3,118	623,552,179	Pro Misc Exempts Count/Amt:	24	32,676,321
Pro Youth Associations Count/Amt:	1	668,255	Pro Schools Count/Amt:	15	26,023,196
Freeport Count/Amt:	207	575,300,161	Pro Charitable Functions Count/Amt:	7	1,364,072

State Homestead Count:	131,885	State Homestead Amt:	0
Local Homestead Count:	0	Local Homestead Amt:	0
State Over 65 Count:	47,045	State Over 65 Amt:	0
Local Over 65 Count:	0	Local Over 65 Amt:	0
Surviving Spouse Count:	2,600	Surviving Spouse Amt:	0
State Disabled Count:	0	State Disabled Amt:	0
Local Disabled Count:	4,533	Local Disabled Amt:	0
Total VET Count:	4,020	Total VET Amt:	43,402,415
*VET Surviving Spouse Count:	219	*VET Surviving Spouse Amt:	2,023,070
*included in the Total VET Count/Amt			

Partial Exempt Values:	43,402,415		
Taxable Value:	55,067,249,812		
Total Levy Amt:	83,552,787.83		
2525D Count:	2	2525D Amt:	13.43
Late AG Penalty Count:	142	Late AG Penalty Amt:	4,237.88
Late Rendition Penalty Count:	10,981	Late Rendition Penalty Amt:	92,554.45
Frozen Account Count:	51,808		
Frozen Homesite Value:	6,263,712,724		
Frozen Taxable Value:	5,969,476,395		
Unfrozen Levy Amt:	9,324,322.72		
Frozen Levy Amt:	6,765,256.08		
Frozen Levy Loss Amt:	2,559,066.64		
Total Non-Exempt Parcel Count:	351,766		

ENTITY	South Texas College	2023
JURISDICTION	55	
EXEMPT VALUE (EXXV)		TOTAL PARCELS 351,885
AG EXCLUSION 4,763,994,576		TOTAL MARKET VALUE 70,809,417,775
HS CAPPED AMOUNT 3,025,049,248		TOTAL EXEMPT PROPERTY - 15,742,167,963
ABATED AMOUNT		TAXABLE VALUE = 55,067,249,812
FREEPORT VALUE 575,300,161		TAX RATE PER \$100 * 0.1562
HB366 VALUE 2,277,803		LEVY (Before Frozen Levy Loss) = 86,015,044.21
POLLUTION VALUE 39,106,707		LEVY LOSS DUE TO FREEZE - 2,559,066.64
CHDO EXEMPTION 35,338,434		2525D + 13.43
STATE DISASTER 59,550		LATE AG + 4,237.88
PRO CHARITABLE ORG 23,758		LATE RENDITION + 92,554.45
PRO CHARITBLE FUNCT 1,364,072		LEVY = 83,552,783.33
100% EXEMPT VET 623,552,179		TOTAL LEVY (From TC502) = 83,552,787.83
HOMESTEAD OVER 65 HOMESTEAD EXEMPTION OVER 65 HOMESTEAD SURVIVING SPOUSE		VARIANCE +/- -4.50
DISABLED		
VETERAN EXEMPTIONS 43,402,415		
SURVIVING SPOUSE 1ST RESPONDER 3,732,558		
PRORATED EXXV 6,492,074,093		
PRORATED EXXA		
PRO MISC EXEMPTS 32,676,321		
PRO YOUTH ASSOC 668,255		
SOLAR EXEMPTION 2,429,942		
PRO SCHOOLS 26,023,196		
EXEMPT 45,907,584		
PRO NON PROFIT 27,258,563		
CHARITABLE ORG		
VET CHARITABLE HS DP 144,569		
PRORATED EXXL 1,783,979		
TOTAL EXEMPT PROPERTY	15,742,167,963	



STARR

AMEIDA SALINAS

Tax Assessor-Collector

STARR COUNTY

RIO GRANDE CITY, TEXAS 78582

COUNTY COURT HOUSE

STARR COUNTY

RIO GRANDE CITY, TEXAS 78582

October 24, 2023

Dr. Ricardo J. Solis, President
South Texas College
P.O. Box 9701
McAllen, Texas 78502

Dear Dr. Solis:

Enclosed please find the 2023 Tax Roll totals for your district.

Please place this item on the agenda of your next meeting for approval by your governing body, as per Section 26.09(e), of the Texas Property Tax Code.

Should you have any questions in regards, do contact our office.

Sincerely,

Maria Ameida Salinas
Starr County Tax Assessor/Collector



COUNTY OF STARR
MA. AMEIDA SALINAS
TAX ASSESSOR-COLLECTOR

COUNTY OF



STARR

AMEIDA SALINAS

Tax Assessor-Collector

STARR COUNTY

RIO GRANDE CITY, TEXAS 78582

COUNTY COURT HOUSE

STARR COUNTY

RIO GRANDE CITY, TEXAS 78582

10/24/2023

2023 Starr County Tax Levy

Entity	Tax Levy
Starr Co. M&O	\$ 15,015,798.94
Starr Co. FM/FC	\$ 6,072,386.84
Starr Co. Drainage District	\$ 47,720.88
Starr Co. Memorial Hospital	\$ 7,746,568.43
South Texas College	\$ 4,833,955.92
City of Escobares	\$ 220,510.81

A handwritten signature in black ink, appearing to read "Ameida Salinas", is written over a horizontal line.

Ameida Salinas, Starr County TAC



COUNTY OF STARR
MA. AMEIDA SALINAS
TAX ASSESSOR-COLLECTOR

2023 CERTIFIED TOTALS

Property Count: 82,864

62 - SO TEXAS COLLEGE
ARB Approved Totals

7/26/2023

3:14:38PM

Land		Value			
Homesite:		314,609,181			
Non Homesite:		447,411,106			
Ag Market:		1,249,910,627			
Timber Market:		101,210	Total Land	(+)	2,012,032,124
Improvement		Value			
Homesite:		1,397,379,477			
Non Homesite:		540,385,782	Total Improvements	(+)	1,937,765,259
Non Real		Count	Value		
Personal Property:	3,696		1,239,522,280		
Mineral Property:	31,176		222,501,230		
Autos:	0		0	Total Non Real	(+)
			Market Value	=	1,462,023,510
					5,411,820,893
Ag	Non Exempt	Exempt			
Total Productivity Market:	1,249,768,337	243,500			
Ag Use:	79,183,062	14,240	Productivity Loss	(-)	1,170,574,725
Timber Use:	10,550	0	Appraised Value	=	4,241,246,168
Productivity Loss:	1,170,574,725	229,260	Homestead Cap	(-)	306,050,575
			Assessed Value	=	3,935,195,593
			Total Exemptions Amount (Breakdown on Next Page)	(-)	865,183,094
			Net Taxable	=	3,070,012,499

Freeze	Assessed	Taxable	Actual Tax	Ceiling	Count		
DP	36,641,438	35,403,233	36,838.46	37,806.40	742		
OV65	148,829,040	145,460,088	162,808.01	165,953.84	2,867		
Total	185,470,478	180,863,321	199,646.47	203,760.24	3,609	Freeze Taxable	(-) 180,863,321
Tax Rate	0.1615000						
						Freeze Adjusted Taxable	= 2,889,149,178

APPROXIMATE LEVY = (FREEZE ADJUSTED TAXABLE * (TAX RATE / 100)) + ACTUAL TAX
 4,865,622.39 = 2,889,149,178 * (0.1615000 / 100) + 199,646.47

Certified Estimate of Market Value: 5,411,820,893
 Certified Estimate of Taxable Value: 3,070,012,499

Tax Increment Finance Value: 0
 Tax Increment Finance Levy: 0.00

2023 CERTIFIED TOTALS

Property Count: 82,864

62 - SO TEXAS COLLEGE
ARB Approved Totals

7/26/2023

3:14:52PM

Exemption Breakdown

Exemption	Count	Local	State	Total
AB	14	537,145,001	0	537,145,001
DP	935	0	0	0
DV1	32	0	206,430	206,430
DV2	16	0	135,360	135,360
DV3	23	0	226,000	226,000
DV4	144	0	1,550,546	1,550,546
DV4S	1	0	12,000	12,000
DVHS	108	0	10,052,383	10,052,383
EX	430	0	9,640,534	9,640,534
EX-XU	1	0	409,290	409,290
EX-XV	1,362	0	300,883,960	300,883,960
EX366	8,129	0	1,311,250	1,311,250
HS	12,678	0	0	0
OV65	3,888	0	0	0
OV65S	11	0	0	0
PC	4	3,610,340	0	3,610,340
SO	1	0	0	0
Totals		540,755,341	324,427,753	865,183,094

Review and Recommend Action on Annual Investment Report for FY 2022 – 2023

Purpose and Justification – Administration requests the Committee recommend Board approval of the Annual Investment Report for FY 2022 - 2023.

The State Auditor's Office (SAO) requires that higher education institutions report to the SAO certain investment information prescribed by the General Appropriations Act (82nd Legislature), Article III, Rider 5-Investment Reports. The governing board of each of the educational institutions is required to file with the SAO, Comptroller of Public Accounts, Legislative Budget Board, and the Governor an annual report of all investment transactions involving endowment funds, short-term and long-term investment funds, and all other securities transactions. The College's Policy #5120: Investment Policy and Investment Strategy Statement, requires the independent auditor to review the Investment report at least annually, and the result of the review is to be reported to the Board of Trustees.

Background - The Administration brings the Annual Investment Report to the Board of Trustees annually, as required.

Reviewers – The College's Investments were reviewed by Carr, Riggs & Ingram, LLC (external auditors).

Enclosed Documents – The report prepared for the State Auditor's Office follows in the packet for the Committee's information and review.

Dr. Ricardo J. Solis, President, and Mary Elizondo, Vice President for Finance and Administrative Services, will be present at the Committee Meeting to address any questions.

It is requested that the Committee recommend Board approval of the Annual Investment Report for FY 2022 – 2023, as presented.

South Texas College

Annual Investment Report (Including Deposits)

August 31, 2023
Market Value

Investment or Deposit Type

Publicly Traded Equity and Similar Investments

Common Stock (U.S. and foreign stocks held in separately managed accounts or internally managed by institution investment staff; exclude mutual or commingled funds)

Equity/Stock Mutual Funds

Balanced Mutual Funds (where target allocation is > 50% equities)

"Commonfund" Equity Commingled Funds

Other Equity Commingled Funds (if primarily invested in publicly traded equities)

Preferred Stock

Other - list by type

Total Publicly Traded Equity and Similar Investments

-

"Other" Investments - Other than Publicly Traded Equity and Debt Investments

Real Estate (include direct ownership & investments in real estate limited partnerships, private REITs, or similar vehicles; include a portfolio of publicly traded REITs if managed as a separate asset allocation category rather than comprising part of a broadly diversified stock portfolio)

Other Real Asset Investments (e.g. investments in infrastructure funds)

Private Equity

Hedge Funds

"Commonfund" Alternative Asset Commingled Funds (Real Estate, Private Equity, Hedge Funds, Commodities, etc.)

Annuities

Commodities

Collectibles

Other - list by type

Total "Other" Investments - Other than Publicly Traded Equity & Debt Investments

-

Publicly Traded Debt & Similar Investments >1 year maturity

U.S. Government Securities ("Treasuries") 22,741,797

U.S. Government Agency Securities ("Agencies") 123,436,050

Mortgage Pass-Throughs - "Agency"

Mortgage Pass-Throughs - "Private Label"

Asset-Backed Securities (ABS) (other than mortgage-backed securities)

Sovereign Debt (non-U.S.)

Municipal Obligations

Collateralized Mortgage Obligations (CMOs) - list below by category

Interest Only Strips (IOs)

Principal Only Strips (POs)

Inverse Floaters

Stated Final Maturity longer than 10 years

Other CMOs - "Agency"

Other CMOs - "Private Label"

Corporate Obligations (U.S. or foreign companies) - list below by rating

Highly Rated (AAA/AA or equivalent)

Other Investment Grade (A/BBB or equivalent)

High Yield Bonds (<BBB or equivalent)

Not Rated (NR)

Fixed Income/Bond Mutual Funds (longer term; registered with the SEC)

Balanced Mutual Funds (where target allocation is > 50% bonds or other debt securities)

"Commonfund" Fixed Income/Bond Commingled Funds

South Texas College

Annual Investment Report (Including Deposits)

Investment or Deposit Type	August 31, 2023 Market Value
Other Fixed Income/Bond Commingled Funds (primarily invested in publicly traded debt securities; not registered with the SEC)	
GICs (Guaranteed Investment Contracts)	
Other - Miscellaneous Coins	5,590
Total "Other" Investments - Other than Publicly Traded Equity & Debt Investments	5,590
Short-Term Investments & Deposits	
U.S. Government Securities ("Treasuries")	
U.S. Government Agency Securities ("Agencies")	
Bankers' Acceptances	
Commercial Paper - A1/P1 (or equivalent)	
Other Commercial Paper - lower rated	
Repurchase Agreements (Repos)	
Money Market Mutual Funds (registered with the SEC)	
Short-Term Mutual Funds Other than Money Market Mutual Funds (registered with the SEC)	
but "2a7-like")	
TexPool (and TexPool Prime)	1,700,463
Other Public Funds Investment Pools Functioning as Money Market Mutual Funds	
Other Investment Pools - Short-Term (not created to function as a money market mutual fund)	
Certificates of Deposit (CD) - Nonnegotiable	127,470,645
Certificates of Deposit (CD) - Negotiable	
Bank Deposits	116,881,401
Cash Held at State Treasury	
Securities Lending Collateral Reinvestments (direct investments or share of pooled collateral)	
Other - Cash on Hand	6,375
Total Short-Term Investments & Deposits	246,058,884
TOTAL INVESTMENTS and DEPOSITS	392,242,320

Review and Recommend Action on Resolution 2024-007 Authorizing Investment Brokers/Dealers

Purpose and Justification – Administration requests the Committee recommend Board approval on Resolution 2024-007 Authorizing Investment Brokers/Dealers to update the list.

The Texas Public Funds Investment Act (PFIA) requires that the Board of Trustees approve annually any broker and dealer firms that will be used to transact investment business with the College. As per Policy #5120: *Investment Policy* and Investment Strategy Statement and in accordance with the PFIA, the Board of Trustees shall, at least annually, review, revise, and adopt a list of qualified Investment Brokers/Dealers.

The Resolution Authorizing Investment Brokers, Dealers, Banks, and Investment Pools was approved and authorized on October 18, 2022, as amended. A list of brokers/dealers, without the Banks/Investment Pools previously approved and not required to be approved annually, is included in Exhibit “A”.

The recommended changes are as follows:

	Section	From	To
1	List of Authorized Brokers/Dealers:	Duncan Williams	SouthState DuncanWilliams (name change)
2	List of Authorized Brokers/Dealers:	N/A	Add - PNC Financial Services Group (new)

Background – The Board adopted specific limitations on banks that could be used for College deposits with the adoption of Resolution Authorizing Investment Brokers, Dealers, Banks, and Investment Pools on October 18, 2022, as amended. Valley View Consulting, LLC, the investment advisor under contract with the College, has confirmed the changes.

Reviewers – The Resolution was reviewed by Valley View Consulting, LLC (Investment Advisor) and was previously reviewed by South Texas College’s legal counsel.

Enclosed Documents – The revised Resolution follows in the packet for the Committee’s information and review.

Dr. Ricardo J. Solis, President, and Mary Elizondo, Vice President for Finance and Administrative Services, will be present at the Committee meeting to address any questions.

It is requested that the Committee recommend Board approval of Resolution 2024-007 Authorizing Investment Brokers/Dealers as presented, and which supersedes any previously adopted Board Resolution.

Resolution No. 2024-007

A RESOLUTION BY THE SOUTH TEXAS COLLEGE RELATING TO THE COLLEGE'S ADOPTION AND ANNUAL REVIEW OF ITS LIST OF AUTHORIZED BROKERS/DEALERS/~~BANKS/INVESTMENT POOLS~~ AND AMENDING SUCH BROKERS/DEALER/~~BANK/INVESTMENT POOL~~ LIST AS REQUIRED BY BOARD POLICY AND STATE LAW; AND AUTHORIZING OTHER MATTERS INCIDENT AND RELATED THERETO.

WHEREAS, the Board of Trustees (the "Board") of the South Texas College (the "College") has adopted a written Investment Policy which primarily emphasizes safety of principal and liquidity and addresses investment diversification, yield, and maturity and the quality and capability of investment management provisions in accordance with the Public Funds Investment Act, Texas Government Code Chapter 2256, Subchapter A, as amended, (the *Act*); and

WHEREAS, the Board must annually review the list of authorized brokers/dealers/~~banks/investment pools~~ that are authorized to engage in investment transactions with the College and adopt a written instrument stating that it has reviewed such list of authorized brokers/dealers/~~banks/investment pools~~; and

WHEREAS, a written copy of the College's Investment Policy must be presented to any person offering to engage in an investment transaction with an investment entity or to an investment management firm under contract with an investing entity to invest or manage the entity's investment portfolio; and

WHEREAS, the authorized representatives of a business organization offering to engage in an investment transaction with the College must provide a written acknowledgement that the business organization has received the College's Investment Policy; now, therefore,

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE SOUTH TEXAS COLLEGE THAT:

SECTION 1: The Board has reviewed list of authorized brokers/dealers/~~banks/investment pools~~ authorized to engage in investment transactions with the College (Exhibit "A" attached hereto), and the Board further wishes to memorialize this review by the adoption of this Resolution.

SECTION 2: Prospective authorized brokers/dealers/~~banks/investment pools~~ will be provided with written copies of the College's Investment Policy and such authorized representatives will provide written acknowledgments of receipt of the College's Investment Policy.

SECTION 3: This Resolution may be relied upon by all appropriate government officials and others interested in this Resolution and establishes the College's compliance with the requirements of the Act and the College's Investment Policy.

SECTION 4: The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

SECTION 5: All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 6: This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 7: If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 8: It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

PASSED AND APPROVED this the ____ day of _____, 2023.

SOUTH TEXAS COLLEGE

Rose Benavidez, Chair
Board of Trustees

ATTEST:

Alejo Salinas, Jr., Vice Chair
Board of Trustees

(COLLEGE SEAL)

Exhibit “A”

List of Authorized Brokers/Dealers:

FHN Securities
Duncan Williams now SouthState|DuncanWilliams
Multi-Bank Securities
PNC Financial Services Group
Rice Financial
SAMCO
Wells Fargo Securities

**Review and Recommend Action to Adopt New Local Policy DEAA -
Compensation and Benefits: Incentives and Stipends**

Purpose and Justification – Administration requests the Committee recommend Board approval of Local Policy DEAA - Compensation and Benefits: Incentives and Stipends to align with the Texas Association of School Boards (TASB) policy manual.

The adoption of the policy will ensure the College has provisions to manage the pay schedule of stipends and compensate exempt personnel for supplemental duties they are assigned.

Background – On March 31, 2020, the Board of Trustees approved an interlocal agreement with TASB for Policy Management Service. Throughout FY 2022 and FY 2023, current College board policies will be reviewed, retired, and transitioned into the TASB formatted policies. TASB will then provide a comprehensive, current, and legally sound Policy Manual.

On October 31, 2023, the Policy was presented to the Board of Trustees. At this meeting, Dr. Alejo Salinas, Jr. recommended that the policy be revised to provide better clarity. The Board took no action, and administration agreed to provide a clarifying revision as requested.

Reviewers – The new policy has been reviewed by staff, administrators, TASB staff, STC Legal Counsel, and the Vice President for Finance and Administrative Services.

Enclosed Documents - The new policy follows in the packet for the Committee's information and review.

Mary Elizondo, Vice President for Finance and Administrative Services, and Dr. Zachary Suarez, Executive Director of Human Resources and Talent Development, will be present at the Committee Meeting to address questions.

It is requested that the Committee recommend Board approval to Adopt New Local Policy DEAA - Compensation and Benefits: Incentives and Stipends as presented, and which supersedes any previously adopted Board Policy.

Stipend

The College President shall recommend a stipend pay schedule **for supplemental duties** as part of the annual compensation plan of the College District.

*Supplemental
Duties*

The College President or designee may assign noncontractual supplemental duties to personnel exempt under the Fair Labor Standards Act (FLSA), as needed. [See DJ(LOCAL)] The employee shall be compensated for these **noncontractual supplemental duties with a stipend** ~~assignments~~ according to the compensation plan of the College District.

Review and Recommend Acceptance of Internal Audit Report in the Area of Financial Aid Federal Awards

Purpose and Justification – Administration requests the Committee recommend Board acceptance of the Internal Audit Report in the Area of Financial Aid Federal Awards after discussion of the procedures, finding, and recommendation conducted by Mr. Khalil Abdullah, Chief Internal Auditor.

Background - Policy #5460: Internal Audit Function, states that it is the policy of the College to maintain an internal audit function to review and appraise business activities, integrity of records, and effectiveness of operations of the College in accordance with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing.

The Financial Aid Federal Awards audit was included in the FY 2024 Audit Plan and encompassed a review of the Financial Aid Office's Procedures Manual, and criteria from the Federal Student Aid Handbook Volume 1 – 4.

Enclosed Documents – The Internal Audit Report follows in the packet for the Committee's information and review.

Dr. Ricardo J. Solis, President, Mary Elizondo, Vice President for Finance and Administrative Services, and Khalil Abdullah, Chief Internal Auditor, will be present at the Committee meeting to address any questions.

It is requested that the Committee recommend Board acceptance of the Internal Audit Report in the Area of Financial Aid Federal Awards as presented.



OFFICE OF INTERNAL AUDITS

SOUTH TEXAS COLLEGE

3201 W. Pecan Blvd. • McAllen, Texas 78501 • Office (956) 872-6709

October 26, 2023

Dr. Ricardo J. Solis, President
South Texas College
3201 W. Pecan Blvd.
McAllen, TX 78501

Dr. Solis,

As part of our fiscal year 2024 Audit Plan, the Office of Internal Audits completed the Financial Aid Audit – Federal Awards Audit.

The objective of the audit was to evaluate the adequacy and effectiveness of Student Financial Services' system of internal controls over the administration of federal student aid.

The assistance provided by South Texas College's management and other personnel was greatly appreciated. We hope the information and analyses presented in this report are helpful.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Khalil Abdullah".

Khalil M. Abdullah CPA, CIA, CGAP, MAcc
Chief Internal Auditor

cc: Mr. Matthew S. Hebbard, Vice President Student Affairs & Enrollment Management
Ms. Mary Elizondo, Vice President Finance and Administrative Services
Mr. Juan Galvan, Director of Student Financial Services
Finance, Audit, and Human Resources Committee, South Texas College Board of Trustees

FINANCIAL AID – FEDERAL AWARDS AUDIT REPORT



**SOUTH TEXAS
COLLEGE**

OFFICE OF INTERNAL AUDITS

October 26, 2023



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EXECUTIVE SUMMARY

The Financial Aid – Federal Awards Audit was included on the Finance, Audit, and Human Resources Committee’s approved FY 2024 Audit Plan. The audit included a review of the Financial Aid Office’s Procedures Manual, and criteria from the Federal Student Aid Handbook Volume 1 – 4.

The objective of the audit was to evaluate the adequacy and effectiveness of Student Financial Services’ system of internal controls over the administration of federal student aid.

The scope of the audit included activity from FY 2023 (September 1, 2022 – August 31, 2023) and testing was limited to criteria from the Federal Student Aid Handbook Volumes 1 – 4. The engagement was not designed or intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made. The audit generally conformed to guidelines set forth by South Texas College’s Policy 5460 *Internal Audit Function*.

Overall, the department established an adequate system of internal controls and the following controls were observed:

- The responsibilities of authorizing financial aid awards and the distribution of those funds were appropriately segregated;
- Notices that included information related to the Annual Security report, and other general discloser information was provided to students;
- The tested sample of students that received financial aid met all eligibility requirements.

Additionally, the following opportunity to improve internal control was identified:

- Notices to students related to their rights under FERPA are not distributed.



BACKGROUND

South Texas College's Student Financial Services department provides quality customer service to enhance student financial assistance, enrollment, retention, and success and is committed to helping students attain their education goals by providing quality assistance in addressing their financial needs. Funds are awarded to eligible students adhering to all federal regulations and guidelines governing the Student Financial Assistance Programs.

AUDIT OBJECTIVE

The objective of the audit was to evaluate the adequacy and effectiveness of Student Financial Services' system of internal controls over the administration of federal student aid.

AUDIT SCOPE & METHODOLOGY

The scope of the audit included activity from FY 2023 (September 1, 2022 – August 31, 2023). To accomplish the audit objective, the following was completed:

- Reviewed the Financial Aid Office Policy and Procedures Manual;
- Reviewed the Federal Student Aid Handbook Volumes 1-4;
- Interviewed the Director of Financial Services;
- Reviewed the College's eligibility requirements;
- Tested student eligibility requirements to receive federal aid;
- Reviewed components of the College's Cost of Attendance figures;
- Reviewed the processes in place for distributing financial aid;
- Reviewed the Colleges Satisfactory Academic Progress policy;
- Evaluating separation of duties for authorizing vs. distribution of aid.

The audit generally conformed to guidelines set forth by South Texas College's Policy 5460 *Internal Audit Function*.



AUDIT RESULTS

Student Eligibility

To evaluate student eligibility, a sample of thirty (30) students were selected. The selected student's information was evaluated to determine whether they were U.S. citizens, met academic qualifications, and were enrolled as regular students at least half-time in an eligible program. Each of the selected student's information was reviewed with the Director of Financial Services to verify that they met eligibility requirements to receive federal financial aid. Each of the students in the sample met all of the eligibility requirements. No exceptions were noted in this area.

Several factors are considered when reviewing a student's application for Federal Student Aid. Such as, whether the applicant made satisfactory academic progress (SAP). To be eligible for Title IV funds, a student must make satisfactory academic progress and the College must have a reasonable policy for monitoring that progress. The Education Department considers an SAP policy to be reasonable if it meets both the qualitative (grade-based) and quantitative (pace) criteria. The Financial Aid Office Policy and Procedures manual was reviewed. It was confirmed that the SAP policy of the College includes both quantitative and qualitative criteria for evaluating student's academic progress. No exceptions were noted in this area.

School Eligibility & Operation

To participate in the Financial Student Aid (FSA) programs, Colleges must demonstrate that it is administratively capable of properly managing the programs. Colleges are required to have systems in place for identifying and resolving discrepancies in all FSA-related information received by any school office. Resolution involves determining what information is correct and documenting any findings in the student's file.

Records were reviewed to substantiate that discrepancies in FSA-related information at STC are resolved by the Financial Aid Office. For example, conflicting or missing information in a student's record places on a hold on the student's ability to receive federal aid until the discrepancy is resolved. Additionally, Colleges must also demonstrate compliance with the following limitations, (a 50% limit on students without a high school diploma; a 25% limit on incarcerated students; and a 50% limitation on correspondence courses). These limitations are required to be



South Texas College
Office of Internal Audits
Financial Aid – Federal Awards

attested by an independent auditor. The College does not currently offer courses to incarcerated students or offer correspondence course work. With respect to the limitation calculation on students without a high school diploma, the Director was able to support that South Texas College was well below the 50% limitation requirement. No exceptions were noted in this area.

Additionally, notices are required to be distributed to students with the following information:

- Annual Security Report (ASR) and Annual Fire Safety Report;
- General disclosures for enrolled or prospective students (Financial assistance available to students, info about academic programs, costs, facilities, and policies, withdrawal procedures, refunds, and return of aid, net price calculator);
- FERPA information

The Financial Aid Office distributes postcards to enrolled students providing details on the availability of the ASR. The postcard states that the ASR is available on the Department of Public Safety's website. It also indicates that a paper copy of the ASR will be provided upon request. Information is also provided to students through their financial aid award notification letters. Specifically, the award letter informs students that they may access the Cost of Attendance figures as well as the terms and conditions of their award(s) by accessing JagNet and provides a link to the website. The student handbook, which includes other information related to disclosures, is also made available. Included in the student handbook is information related to the Family Education Rights and Privacy Act (FERPA). The information related to FERPA contained in the student handbook specifies that the College will not permit access or release personal identifiable information to parties without the written consent of the student. However, absent from the student handbook are details related to a student's rights under FERPA. The Department of Education provides a model notification of student's rights under FERPA. The model notification includes information on the following:

- A student's right to inspect and review their education records;
- A student's right to request an amendment of their education records;
- A student's right to file a complaint with the U.S. Dept. of Education concerning a school's alleged failures to comply with FERPA requirements;



Recommendation:

1. Ensure notices are provided to students that include information related to a student's rights under FERPA.

Management Response:

Accept audit recommendation, but with alternative corrective action

1. The College provides the annual FERPA notifications in the official College Catalog. The notice in the Student Handbook is the abridged version. The College Registrar is the designated FERPA official and reviews the statement annually prior to Catalog publishing. While the model statement is helpful, the College is not required to use the statement verbatim and complies because the statement includes the key components. The Office of Curriculum oversees the Catalog publication and sends out notifications to faculty and staff. The College Registrar will work with the Office of Curriculum to ensure that students are notified annually when the Catalog is published. The College eliminated hard copy Catalogs and the notice will be sent with the link to the Catalog.

Responsible Individual:

Dir. of Student Records & Registrar

Implementation Date:

10/30/2023

Awards & Packaging

The components of the College's cost of attendance (COA) figures were reviewed. The five basic cost components used to determine COA for Federal Student Aid purposes at STC include: tuition and fees; books and supplies, room and board; personal expenses; and transportation costs. Each of the components included in STC's COA calculations were referenced by the Federal Student Aid Handbook and permitted for inclusion in calculating COA. No exceptions were noted in this area. Additionally, eligible programs are required to have a defined academic year. Although a school may have different academic years for different programs, it must use the same academic year definition for all FSA awards for students enrolled in a particular program, and for all other FSA program purposes. An academic year must include a minimum number of weeks of



South Texas College
Office of Internal Audits
Financial Aid – Federal Awards

instructional time. STC's programs are offered in credit hours, and the academic year includes at least 30 weeks of instructional time. No exceptions were noted in this area.

Processing Aid and Managing FSA

Title IV program funds should be held in trust for their intended beneficiaries. Title IV funds may not be used as collateral or used in a manner that risks the loss of those funds. Colleges must exercise a level of care and diligence required of a fiduciary in managing funds.

In reviewing the College's practices in this area, we found that the Business Office draws down funds at different intervals for student book allowances, or for a percentage of tuition and fees. An estimate reserve is held back for potential student drops. The awarded amounts are monitored and reconciled on a monthly basis throughout the year. The Accounting Group Supervisor was able to provide documentation to show that monthly reconciliations were completed. No exceptions were noted in this area.

CONCLUSION

Overall it was determined that the College established an adequate system of internal controls over Financial Aid. Internal controls could be improved by ensuring that the notifications provided to students include information related to their specific rights under FERPA.

A handwritten signature in blue ink, appearing to read "Khalil M. Abdullah".

Khalil M. Abdullah CPA, CIA, CGAP, MAcc
Chief Internal Auditor

10/26/2023