

STATE OF TEXAS §
§
COUNTY OF BEXAR §

**FUNDING AGREEMENT FOR THE
SAN ANTONIO ALAMO REGIONAL
SECURITY OPERATIONS CENTER**

This **FUNDING AGREEMENT FOR THE SAN ANTONIO ALAMO REGIONAL SECURITY OPERATIONS CENTER** (“Agreement”) is hereby made and entered into by and between the City of San Antonio, a Texas Municipal Corporation (“City”), CPS Energy, a Texas electric and gas utility owned by City (“CPS”), and Port Authority of San Antonio, a Texas Defense-Base Development Authority (“Port SA”). City, CPS, and Port SA are referred to herein as “Parties” collectively and as a “Party” individually.

I. RECITALS

WHEREAS, the Parties desire to create a centralized security operations facility, to be called the Alamo Regional Security Operations Center (“ARSOC”) to, among other things as further described in the attached and incorporated **Exhibit A**, provide real-time, collaborative, cyber-security information sharing among entities in the San Antonio Area; and

WHEREAS, the ARSOC will serve as a 24/7 operational facility committed to protecting San Antonio’s infrastructure and critical systems from threats using advanced and emerging technology; and

WHEREAS, the ARSOC will allow the San Antonio region to monitor, train, defend, and respond together to cybersecurity threats; and

WHEREAS, Port SA will take all actions necessary to design and build out the ARSOC at the Project Facility (as defined below) in accordance with the terms and conditions of this Agreement (collectively, the “Project”); and

WHEREAS, Port SA will provide and be responsible for all equipment, personnel, and related services necessary to complete the Project and will exercise its best judgment in the completion of the Project; and

WHEREAS, subject to the terms of this Agreement, Port SA shall complete the Project by April 30, 2021; and

WHEREAS, the total cost of the Project is estimated at **TWO MILLION SEVEN HUNDRED FIVE THOUSAND EIGHT HUNDRED NINETY-FIVE DOLLARS AND NO/100 (\$2,705,895.00)**, which includes an interest payment of **TEN DOLLARS AND NO/100 (\$10.00)**; and

WHEREAS, City has agreed to contribute funds toward the completion of the Project in the amount of **ONE MILLION TWO HUNDRED FIVE THOUSAND EIGHT HUNDRED NINETY-FIVE DOLLARS AND NO/100 (\$1,205,895.00)**; and

WHEREAS, CPS has agreed to contribute funds toward the built-out costs of the Project in the amount of **ONE MILLION FIVE HUNDRED THOUSAND DOLLARS AND NO/100**

(\$1,500,000.00); and

WHEREAS, the Parties desire to enter into this Agreement, through which City will provide the total combined funding of **TWO MILLION SEVEN HUNDRED FIVE THOUSAND EIGHT HUNDRED NINETY-FIVE DOLLARS AND NO/100 (\$2,705,895.00)** to Port SA to oversee and administer the Project; and

WHEREAS, Port SA is the fee simple owner of the proposed location of the Project located at 638 Davy Crockett, Port San Antonio, San Antonio, Texas 78226 (the “Project Facility”); and

WHEREAS, City will enter into a 15-year lease agreement with one 5-year renewal option with Port SA for the Project Facility described more fully in the attached and incorporated **Exhibit B** (“Primary Lease”); and

WHEREAS, City will enter into a rent-free sublease with CPS for a term concurrent with the term of the Primary Lease for the Project Facility (the “Sublease”).

NOW THEREFORE, in consideration of the mutual promises and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed including the Recitals set forth above, the Parties agree as follows:

II. AGREEMENT

1. Term

1.01 This Agreement begins upon the date the last Party signs this Agreement and ends upon completion of all obligations described herein (the “Term”), unless terminated earlier in accordance with the provisions of this Agreement.

2. Performance by City and CPS

2.01 City shall contribute **ONE MILLION TWO HUNDRED FIVE THOUSAND EIGHT HUNDRED NINETY-FIVE DOLLARS AND NO/100 (\$1,205,895.00)** (“City Funds”) towards the Project.

2.02 CPS shall pay City **ONE MILLION FIVE HUNDRED THOUSAND DOLLARS AND NO/100 (\$1,500,000.00)** (“CPS Funds”) upon the later of (i) fifteen (15) calendar days following CPS’ receipt of written notice from City indicating that the Commencement Date (as defined in the Primary Lease) has occurred, or (ii) the date the Sublease has been fully executed. CPS’ obligation to pay City the CPS Funds shall be contingent on full execution of the Sublease.

2.03 City Funds and CPS Funds shall be paid by City to Port SA for the Project in an amount not to exceed **TWO MILLION SEVEN HUNDRED FIVE THOUSAND EIGHT HUNDRED NINETY-FIVE DOLLARS AND NO/100 (\$2,705,895.00)** (“Project Funding”). Project Funding will be paid as follows:

- (A) \$2,205,885.00 by City to Port SA within thirty (30) calendar days of the Commencement Date (as defined in the Primary Lease) of the Primary Lease; and
- (B) \$500,010.00 by City to Port SA no later than December 31, 2021, which includes an interest payment of \$10.00.

2.04 The Parties acknowledge and agree that: (i) this Agreement does not obligate City's General Fund monies or any other monies or credits of City unless budgeted and appropriated by City, provided, however, Port SA is not obligated to proceed with construction of the Project unless and until City has confirmed in writing that the Project Funding has been budgeted and appropriated by City; (ii) the CPS Funds shall be the only financial contribution required of CPS relating to the Project and shall be used solely for buildout costs of the Project; (iii) except as expressly provided in the Sublease, CPS shall not be required to pay operating or maintenance costs relating to the Project Facility; and (iv) upon payment of the CPS Funds to City, CPS shall have (A) the right to participate in all aspects of the ARSOC to the same extent as the rights of City, and (B) the same access rights to the Project Facility that City has as tenant under the Primary Lease. Notwithstanding anything to the contrary in the Primary Lease, at the expiration of the Term or earlier termination of this Agreement pursuant to the terms hereof, City and CPS shall in good faith inventory the ARSOC equipment and agree as to the specific items of ARSOC equipment each Party owns, and Port SA acknowledges and agrees that City and CPS shall have the right to remove their respective ARSOC equipment, provided, however, after such removal of the ARSOC equipment, City will properly restore the leased premises in accordance with the terms of the Primary Lease.

2.05 Promptly following the date of this Agreement, City and CPS shall enter into the Sublease by which City will sublease to CPS rights to the Project Facility (equivalent to City's rights as tenant under the Primary Lease), for a term concurrent with the term of the Primary Lease, and such Sublease will contain, *inter alia*, provisions regarding the following: (i) the right to access and use common space and equipment purchased by City for shared use as generally described in the attached and incorporated **Exhibit E**; (ii) the process for allowing third parties to participate in the ARSOC, which shall include joint approval by City and CPS for subtenants (other than SAWS, VIA, and Bexar County, which are hereby pre-approved), third-party participants, and the scope and nature of any third-party participant's rights; (iii) security requirements; (iv) the process for information sharing; (v) the allocation of ownership of intellectual property rights, if any; and (vi) contribution by CPS for its pro rata share of the maintenance costs contemplated by Section 10 of the Primary Lease, provided that CPS shall not be required to contribute to such costs prior to the third (3rd) anniversary of the Commencement Date (as defined in the Primary Lease) of the Primary Lease. Joint approval will not be required for City's and CPS' interns, contractors providing services to City or CPS, vendors, federal agencies, and staff.

3. Performance by Port SA

3.01 Subject to the appropriation of the Project Funding by City as set out in Section 2.04 above, and subject to the terms and conditions of this Agreement, Port SA hereby accepts full responsibility for the performance of all services and activities required to design, build out, and complete the Project by April 30, 2021.

3.02 Port SA shall use the Project Funding only for work directly related to the Project. City shall not be obligated nor liable to any party other than Port SA for payment of any monies or the provision of any goods or services pursuant to this Agreement.

3.03 Port SA shall provide to City and CPS its plans and specifications for the Project (“Plans”) and such Plans shall be subject to the review and approval of City and CPS. After approval by City and CPS, the Plans shall be attached and incorporated into this Agreement as **Exhibit C** and Port SA shall not make any substantial changes to the Plans without the prior written approval of City and CPS. The approval authority given in this Section does not relieve the Parties of the burden of obtaining all other necessary governmental approvals. Approval of the Plans by City and CPS does not release Port SA of the responsibility for the correction of Port SA’s mistakes, defects, errors, or omissions contained in the Plans, including any mistakes, defects, errors or omissions which may be the result of circumstances unforeseen at the time the Plans were developed or approved. City and CPS shall have authority to inspect the Project throughout the Term of this Agreement to ensure compliance with the Plans.

3.04 In connection with the procurement of contractors and subcontractors for the construction of the Project, Port SA shall comply with the requirements of the City of San Antonio Small Business Economic Development Advocacy Ordinance (Ordinance No. 2010-06-17-0531, as amended), as further described in the Small Business Economic Development Advocacy (“SBEDA”) Program Requirements, attached hereto and incorporated herein for all purposes as **Exhibit D**, for Project Funding used for the Project.

4. Compliance with Local, State, and Federal Laws

4.01 Port SA warrants and represents that (i) the Project will be constructed in compliance with all federal, state, and local laws and regulations; and (ii) it will ensure such compliance by all contractors and subcontractors who work on the Project.

4.02 If applicable, the Plans shall conform to Americans with Disabilities Act requirements and must be approved by the Texas Department of Licensing and Regulation before construction may begin.

4.03 As a Party to this contract, Port SA understands and agrees to comply with the Non-Discrimination Policy of the City of San Antonio contained in Chapter 2, Article X of the City Code and further, shall not discriminate on the basis of race, color, religion, national origin, sex, sexual orientation, gender identity, veteran status, age, or disability, unless exempted by state or federal law, or as otherwise established herein.

5. Authority

5.01 Each Party represents, warrants, assures and guaranties it possesses the legal authority, pursuant to any proper, appropriate and official motion, resolution or action passed or taken, to enter into this Agreement and to perform the responsibilities herein required.

5.02 Unless written notification by Port SA to the contrary is received and approved by City, Curtis Casey, Director of Finance and Asset Management is the authorized representative responsible for the management of this Agreement on the part of Port SA.

5.03 City's Information Technology Services Department Director or his/her designee is responsible for the administration of this Agreement on behalf of City.

5.04 CPS' Vice President & Chief Integrated Security Officer or his/her designee shall be responsible for the administration of this Agreement on behalf of CPS.

6. Notice

6.01 For purposes of this Agreement, all official communications and notices among the Parties shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, to the addresses set forth below:

If to City: City of San Antonio
Information Technology Services Department
Attn: Craig Hopkins, Chief Information Officer
P.O. Box 839966
San Antonio, Texas 78283-3966

If to CPS: Vice President & Chief Integrated Security Officer
CPS Energy
P.O. Box 1771
San Antonio, Texas 78296

With a copy to:

CPS Energy
Attn: General Counsel
P.O. Box 1771
San Antonio, Texas 78296
LegalNotices@cpsenergy.com

If to Port SA: Port Authority of San Antonio
907 Billy Mitchell Road
San Antonio, Texas 78226
Attn: James E. Perschbach, President & CEO

6.02 Notice of change of address by any Party must be made in writing and mailed to the other Party's last known addresses within five (5) business days of such change.

7. Receipt, Disbursement, and Account of Funds

7.01 Port SA shall maintain a numbered account for the receipt and disbursement of all Project Funding. All checks and withdrawals from such account will have itemized documentation in support thereof, pertaining to the use of Project Funding provided under this Agreement. No later than thirty (30) calendar days following completion of the Project, Port SA shall provide to City and CPS an itemized breakdown of all costs of the Project.

7.02 Port SA shall maintain records that provide accurate, current, separate, and complete disclosure of the status of any Project Funding. Port SA's maintenance of said records shall be in compliance with all terms, provisions, and requirements of this Agreement and with all generally accepted accounting principles.

7.03 Port SA shall retain all books, records, documents, written accounting policies and procedures, and all other relevant materials pertaining to activities pertinent to this Agreement for a minimum of four (4) years from the completion of the Project.

8. Accessibility of Records

8.01 At any time during normal business hours and as often as City or CPS may deem necessary, upon three (3) days written notice, Port SA shall make all of its records pertaining to this Agreement available to City, CPS, and any of their authorized representatives, and shall permit City, CPS, and any of their authorized representatives to audit, examine, and make excerpts and/or copies of same.

8.02 Port SA agrees and represents that it shall cooperate with City and CPS, at no charge to City or CPS, to satisfy, to the extent required by law, any and all requests for information received by City or CPS under the Texas Public Information Act or related laws pertaining to this Agreement.

9. Insurance

9.01 Prior to the commencement of any work under this Agreement, Port SA shall furnish copies of all required endorsements and completed Certificate(s) of Insurance to City's Information Technology Services Department, which shall be clearly labeled "San Antonio Alamo Regional Security Operations Center" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. City shall not accept a Memorandum of Insurance or Binder as proof of insurance. The Certificate(s) must have the agent's signature and phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to City. City shall have no duty to pay or perform under this Agreement until such certificate and endorsements have been received and approved by City's Information Technology Services Department. No officer or employee, other than City's Risk Manager, shall have authority to waive this requirement.

9.02 City reserves the right to review the insurance requirements of this Article during the effective period of this Agreement and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by City's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this Agreement. In no instance shall City allow modification whereby City may incur increased risk.

9.03 Port SA's financial integrity is of interest to City; therefore, subject to Port SA's right to maintain reasonable deductibles in such amounts as are approved by City, Port SA shall obtain and maintain in full force and effect for the duration of this Agreement, and any extension hereof, at Port SA's sole expense, insurance coverage written on an occurrence basis, unless

otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M. Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below:

<u>TYPE</u>	<u>AMOUNTS</u>
1. Workers' Compensation 2. Employers' Liability	Statutory \$1,000,000/\$1,000,000/\$1,000,000
3. Broad form Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations b. Independent Contractors c. Products/Completed Operations d. Personal/Advertising Injury e. Contractual Liability f. Damage to property rented by Port SA	For <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence; \$2,000,000 General Aggregate, or its equivalent in Umbrella or Excess Liability Coverage f. \$100,000
4. Business Automobile Liability a. Owned/leased vehicles b. Non-owned vehicles c. Hired Vehicles	<u>Combined Single Limit</u> for <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence
5. Builder's Risk (if applicable)	All Risk Policy written on an occurrence basis for 100% replacement cost during construction phase of any new or existing structure.
6. Property Insurance:	For physical damage to the property of Lessee including improvements and betterment to the Leased Premises. Coverage for replacement value with a minimum co-insurance factor of eighty percent (80%) of the cost of the Contractor's property
7. Professional Liability (Claims-made Coverage)	\$1,000,000 per claim damages by reason of any act, malpractice, error, or omission in the professional service.
8. Explosion, Collapse, Underground Property Hazard Liability	\$2,000,000 per claim

9.04 Port SA agrees to require, by written contract, that all subcontractors providing goods or services hereunder obtain the same insurance coverages required of Port SA herein, and provide a certificate of insurance and endorsement that names the Port SA, CPS, and City as additional insureds. Port SA shall provide City and CPS with said certificate and endorsement prior to the commencement of any work by the subcontractor. This provision may be modified by City's Risk Manager, without subsequent City Council approval, when deemed necessary and prudent, based upon changes in statutory law, court decisions, or circumstances surrounding this

agreement. Such modification may be enacted by letter signed by City's Risk Manager, which shall become a part of this Agreement for all purposes.

9.05 As they apply to the limits required by City, City shall be entitled, upon request and without expense, to receive copies of the policies, declaration page, and all endorsements thereto and may require the deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the Parties hereto or the underwriter of any such policies). Port SA shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Port SA shall pay any costs incurred resulting from said changes.

City of San Antonio
Attn: Information Technology Services Department
Contract Services Division
P.O. Box 839966
San Antonio, Texas 78283-3966

9.06 Port SA agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:

- Name City and CPS, their respective officers, officials, trustees, employees, volunteers, and elected representatives as additional insureds by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with City, with the exception of the workers' compensation and professional liability policies.
- Provide for an endorsement that the "other insurance" clause shall not apply to City or CPS where City or CPS are additional insureds shown on the policy.
- Workers' compensation, employers' liability, general liability and automobile liability policies shall provide a waiver of subrogation in favor of City and CPS.
- Provide advance written notice directly to City and CPS of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.

9.07 Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, Port SA shall provide a replacement Certificate of Insurance and applicable endorsements to City and CPS. City and CPS shall have the option to suspend Port SA's performance should there be a lapse in coverage at any time during this Agreement. Failure to provide and to maintain the required insurance shall constitute a material breach of this Agreement.

9.08 In addition to any other remedies City or CPS may have upon Port SA's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, City and CPS shall have the right to order Port SA to stop work hereunder,

and/or withhold any payment(s) which become due to Port SA hereunder until Port SA demonstrates compliance with the requirements hereof.

9.09 Nothing herein contained shall be construed as limiting in any way the extent to which Port SA may be held responsible for payments of damages to persons or property resulting from Port SA's or its subcontractors' performance of the work covered under this Agreement.

9.10 It is agreed that Port SA's insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by City or CPS for liability arising out of operations under this Agreement.

9.11 It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this Agreement and that no claim or action by or on behalf of City or CPS shall be limited to insurance coverage provided.

9.12 Port SA and any Subcontractors are responsible for all damage to their own equipment and/or property.

9.13 With respect to insurance proceeds under any policy required under this Article 9 payable to City and CPS: (i) if such proceeds are paid to Port SA, Port SA shall, within five (5) days of receipt thereof, pay City and CPS each fifty percent (50%) of the total amount of such proceeds; and (ii) if such proceeds are paid to City or CPS directly, City shall be entitled to fifty percent (50%) of such proceeds and CPS shall be entitled to fifty percent (50%) of such proceeds, and City and CPS agree to promptly remit such share to the other.

10. Changes and Amendments

10.01 Except when the terms of this Agreement expressly provide otherwise, any alterations, additions, or deletions to the terms hereof shall only be by amendment in writing executed by the Parties.

10.02 It is understood and agreed by the Parties hereto that changes in local, state, and federal rules, regulations, or laws applicable hereto may occur during the term of this Agreement and that any such changes shall be automatically incorporated into this Agreement without written amendment hereto, and shall become a part hereof as of the effective date of the rule, regulation, or law.

11. Assignments

11.01 Port SA may not sell, assign, pledge, transfer, or otherwise convey this Agreement, any interest in and to same, or any claim arising thereunder, without the prior written consent of City's Information Technology Services Department Director and CPS. Any attempt at transfer, pledge, or other assign without said written approval shall be void ab initio and shall confer no rights upon any third person.

12. Conflicts of Interest

12.01 Port SA covenants that neither it nor any member of its governing body or of its staff presently has any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Port SA further covenants that in the performance of this Agreement, no persons having such interest shall be employed or appointed as a member of its governing body or of its staff.

12.02 Port SA further covenants that no member of its governing body or of its staff shall possess any interest in, or use their position for, a purpose that is or gives the appearance of being motivated by desire for private gain for themselves or others, particularly those with which they have family, business, or other ties.

12.03 No member of City's governing body or of its staff who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this Agreement shall:

- (A) Participate in any decision relating to this Agreement which may affect his or her personal interest or the interest of any corporation, partnership, or association in which he or she has a direct or indirect interest; or
- (B) Have any direct or indirect interest in this Agreement or the proceeds thereof.

12.04 None of the activities performed hereunder shall involve, and no portion of the funds received hereunder shall be used, either directly or indirectly, for any political activity including, but not limited to, an activity to further the election or defeat of any candidate for public office or for any activity undertaken to influence the passage, defeat or final content of local, state or federal legislation.

13. Default

13.01 Upon default by Port SA in the performance of its obligations hereunder, City and CPS shall give Port SA notice of the same, and Port SA shall have thirty (30) calendar days following receipt of written notice of default from City and CPS (or such reasonably longer time as may be necessary provided Port SA commences the cure within thirty (30) calendar days and continuously and diligently pursues the cure to completion) to cure such default. If Port SA fails to timely cure such default, City and CPS may pursue all remedies available in law or at equity and/or other rights City and CPS may have in this Agreement; provided that it is expressly agreed that no Party to this Agreement shall have the right to seek consequential or punitive damages against any other Party for any default under this Agreement.

14. Severability of Provisions

14.01 If any clause or provision of this Agreement is held invalid, illegal, or unenforceable under present or future federal, state, or local laws including, but not limited to, the City Charter, City Code, or ordinances of City, then and in that event it is the intention of the Parties hereto such invalidity, illegality, or unenforceability shall not affect any other clause or provision hereof and the remainder of this Agreement shall be construed as if such invalid,

illegal, or unenforceable clause or provision was never contained herein; it also is the intention of the Parties hereto, in lieu of each clause or provision of this Agreement that is determined to be invalid, illegal, or unenforceable, there be added as a part of the Agreement a clause or provision as similar in terms to such invalid, illegal, or unenforceable clause or provision as may be possible, legal, valid, and enforceable.

15. Non-Waiver of Performance

15.01 No waiver by any Party of a breach of any of the terms, conditions, covenants, or guarantees of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, condition, covenant, or guarantee herein contained. Further, any failure of any Party to insist in any one or more cases upon the strict performance of any of the covenants of this Agreement, or to exercise any option herein contained, shall in no event be construed as a waiver or relinquishment for the future of such covenant or option. In fact, no waiver, change, modification, or discharge by any Party hereto of any provision of this Agreement shall be deemed to have been made or shall be effective unless expressed in writing and signed by the Party to be charged.

15.02 No act or omission of a Party shall in any manner impair or prejudice any right, power, privilege, or remedy available to a Party hereunder or by law or in equity, such rights, powers, privileges, or remedies to be always specifically preserved hereby.

15.03 No representative or agent of City or CPS may waive the effect of the provisions of this Section without formal action from the San Antonio City Council or the CPS Board of Trustees, as applicable.

16. Force Majeure

16.01 Performance of obligations under this Agreement by the Parties shall be subject to extension, due to delay by reason of events of force majeure. For purposes of this Agreement, force majeure shall include damage or destruction by fire or other casualty, condemnation, strike, lockout, civil disorder, epidemic, war, unusually adverse weather or flooding, or other causes beyond the Parties' reasonable control, including, but not limited to, any court or judgment resulting from any litigation affecting the Project or this Agreement.

17. Entire Agreement

17.01 This Agreement constitutes the final and entire agreement between the Parties hereto relating to the Project. No other agreements, oral or otherwise, regarding the Project shall be deemed to exist or to bind the Parties.

18. Parties Bound

18.01 This Agreement shall be binding on and inure to the benefit of the Parties hereto and their respective legal representatives, successors, and assigns, except as otherwise expressly provided herein.

19. Relationship of Parties

19.01 Nothing contained herein shall be deemed or construed by the Parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint ventures, or any other similar such relationship between the Parties hereto.

20. Texas Law to Apply and Venue

20.01 This Agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the Parties created hereunder are performable in Bexar County, Texas, and exclusive venue shall lie in Bexar County, Texas.

21. Publicity

21.01 The Parties acknowledge and agree that all public announcements, press releases or statements regarding the Project or ARSOC issued by any Party shall reference City and CPS as being the original participants, or similar nomenclature indicating participatory interest, and the partnership with Port SA in the Project.

22. Counterparts

22.01 This Agreement may be executed in three counterparts, each of which is deemed an original, but all constitute one and the same instrument. Scanned signatures sent by electronic means shall constitute original signatures.

[Signatures on Next Page]

EXECUTED and AGREED as of the dates indicated below.

CITY OF SAN ANTONIO

By: _____

Craig Hopkins
Printed Name

Chief Information Officer
Title

Date: _____

APPROVED AS TO FORM:

Assistant City Attorney

CPS ENERGY

By: _____

Fred Bonewell
Printed Name

Chief Security, Safety & Gas Solution Officer
Title

Date: _____

PORT AUTHORITY OF SAN ANTONIO

By: _____

James E. Perschbach
Printed Name

President & CEO
Title

Date: _____

EXHIBIT A

DESCRIPTION OF ARSOC

The ARSOC facility will be a security focused operations center with co-located teams for the initial purpose of:

1. Real-time intelligence exchange;
2. Identification and response to common security threats to the Parties, the power grid or the community;
3. Collective and/or community preparation, training and incident response;
4. Cross-training and professional development sharing between Parties;
5. Expertise and security resource tool sharing;
6. Collective workforce training and development;
7. Technical and security support for joint projects between the Parties;
8. Other activities that increase the security posture of the Parties, the power grid or the community;
9. Serve as a hub for regional cyber security activity; and
10. Serve as a model for communities on cyber security collaborations between municipal partners.

EXHIBIT B

PRIMARY LEASE

(attached as a separate document)

EXHIBIT C

PLANS

(attached as a separate document)

EXHIBIT D

SMALL BUSINESS ECONOMIC DEVELOPMENT ADVOCACY (SBEDA) PROGRAM

REQUIREMENTS FOR

ARSOC LEASE & BUILDOUT – PORTSA

(attached as a separate document)

EXHIBIT E

COMMON SPACE AND JOINT USE EQUIPMENT

At the time of entering into this Agreement, the Parties intend for the following common space to be incorporated into the design plans and for the correlated equipment to be purchased by City for joint use among all future subtenants and participants:

- Training Room – Computer systems, AV equipment
- Break Room and Kitchen
- Conference Rooms – conferencing equipment/AV equipment
- Gym – donated equipment
- Bathrooms – 3 sets total
- Paging system/digital signage system
- Observation Deck
- IDF/MDF closet - routers and switches, cabinets, network equipment (not inclusive of individual organization's routers and switches)
- Parking spaces
- Physical security systems
- Billeting Room, lockers
- Fiber and data cabling for facility-wide internet access
- VoIP phones
- Office furniture
- Radio Maintenance and Issuing Center