CITY COUNCIL

September 14, 2026

AGENDA

The City Council of the City of Daingerfield shall meet in Regular Session Monday, September 14, 2026, at 6:00 p.m. in the Daingerfield Volunteer Fire Department located at 823 W.W.M. Watson Blvd. The order of business will be as follows:

1. **Call Meeting to Order.**
2. **Invocation, Pledge of Allegiance and Texas Pledge.**
3. **Public Comments**
4. **Consent Agenda**
   All Consent items are considered to be routine and will be enacted by one motion and vote.
   A. Deliberate and Act to Approve **Minutes of September 8, 2026.**
5. **Business**
   Discuss, Consider, and Possibly Take Action Regarding:

   A. Deliberate and Act on Ordinance 20260914-01 Adopting a Budget for Fiscal Year 2026-2027.
   B. Deliberate and Act on Ordinance 2026-2027 Voting to Ratify the Property Tax Increase Reflected in the Budget Pursuit to Texas Local Government Code 102.007.
   C. Deliberate and Act on Resolution 09142026-01 approving Investment Policy for FY 2026-2027
   D. Deliberate and Act on Ordinance 20260914-02 Setting an Ad Valorem Tax Rate for the Year 2026.
   E. Deliberate and Act on Resolution 09142026-02 Allowing Discounts for Early Payment of Ad Valorem Taxes
   F. Discuss, consider, and take action regarding approval of a Lease Agreement between the City of Daingerfield and LifeNet, Inc. for crew quarters, office space, helipad, Conex, and fuel-tank space at the Daingerfield Fire Department complex, effective October 1, 2026, and authorize the City Manager to execute the agreement.

6. **Adjournment.**
   Note: This meeting shall be conducted pursuant to the Texas Government Code Section 551.001 et seq. At any time during the meeting the City Council reserves the right to adjourn into executive session on any of the above posted agenda items in accordance with the sections 551.071, and Section 1.05, Texas Disciplinary Rules of Professional Conduct (Consultation with Attorney), §551.072 (Deliberations about Real Property), §551.073 (Deliberations about Gifts and Donations), §551.074 (Personnel Matters), and/or §551.087 (Economic Development). All items listed above are eligible for Council discussion and/or action.

Wade Kerley, Mayor

I, Amanda Sanders, certify that the above notice of meeting was posted in a public place before 4:30 p.m. on Tuesday, September 8, 2026.

Amanda Sanders, City Secretary

SEAL

CITY OF DAINGERFIELD

FY 2026-2027 TAXPAYER IMPACT STATEMENT

Prepared pursuant to Texas Government Code §551.043(c) for meetings at which the City Council will discuss or adopt the proposed FY 2026-2027 budget.

Proposed Tax Rate

Rate	Tax Year 2026	Position	Meaning
No-New-Revenue	$0.574462	Baseline	Rate calculated to raise approximately the same revenue from the same properties.
Proposed	$0.628884	Above NNR	Same numerical rate as Tax Year 2025; legally treated as a proposed tax increase because it exceeds the NNR.
Voter-Approval	$0.818942	Above proposed	Certified voter-approval rate including the applicable unused increment.
Debt (I&S)	$0.213715	Included	Portion of the total rate calculated for debt service.

Citywide Revenue Effect

Tax Year 2025 adopted taxable value	$180,687,648
Tax Year 2026 certified taxable value	$192,354,714
Certified taxable-value growth	6.46%
Total levy at NNR	$1,105,005
Total levy at proposed rate	$1,209,688
Additional levy above NNR	$104,683
M&O levy at proposed rate	$798,597
I&S levy	$411,091

Required Median-Homestead Comparison

The comparison below shows the City of Daingerfield property tax bill for the median-valued residence homestead for the current fiscal year and the estimated bills for the upcoming fiscal year under the proposed budget and under a balanced budget funded at the no-new-revenue tax rate.

Fiscal year / scenario	Median taxable homestead value	Tax rate per $100	Estimated City tax bill
FY 2025-2026 Current adopted budget	$110,132	$0.628884	**$692.60**
FY 2026-2027 Proposed budget	$102,730	$0.628884	**$646.05**
FY 2026-2027 Balanced budget at NNR rate	$102,730	$0.574462	**$590.14**

What This Means

- The proposed $0.628884 rate is the same numerical rate adopted for Tax Year 2025. Based on the applicable annual median taxable homestead values, the estimated bill decreases from $692.60 to $646.05, a decrease of $46.55.
- The proposed rate is $0.054422 above the no-new-revenue rate and is approximately 9.47% higher than the NNR rate. The estimated bill under the proposed budget is $55.91 higher than the estimated bill under a balanced budget funded at the NNR rate.
- The proposed rate is $0.190058 below the voter-approval rate of $0.818942, which includes the applicable unused increment. Based on the certified rates provided, the proposed rate would not by itself require an automatic voter-approval election.

Posting Requirement

This Taxpayer Impact Statement must be included with the posted meeting notice each time the City Council will discuss or adopt the proposed budget. A physical copy of the proposed budget must also accompany the notice unless the proposed budget is clearly accessible from the homepage of the City's website.

Tax-Rate Notice and Final Adoption

This statement is required with the budget-related meeting notice but does not replace the separate Truth-in-Taxation notice, public hearing, record-vote, and tax-rate adoption requirements. The proposed rate has not been finally adopted and may be reduced before final adoption by the City Council.

Sources: Morris County Appraisal District certified appraisal and median-homestead information; City of Daingerfield 2026 Truth-in-Taxation calculations; Texas Government Code §551.043(c); Texas Tax Code Chapter 26. Prepared July 27, 2026.

Wade Kerley, Mayor

Amanda Sanders, City Secretary

CITY OF DAINGERFIELD, TEXAS

CITY SECRETARY'S AGENDA NOTES

September 14, 2026

2. **Invocation, Pledge of Allegiance and Texas Pledge.**
3. **Public Comments:** *At this time, anyone will be allowed to speak on any matter other than personnel matters and matters under litigation, for length of time not to exceed three minutes. No Council discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with the law*

   If, at a meeting of a governmental body, a member of the public or of the governmental body inquiries about a subject for which notice has not been given as required by this subchapter, the notice provisions of this subchapter do not apply to:

   (1) a statement of specific factual information given in response to the inquiry; or
   (2) a recitation of existing policy in response to the inquiry.

4. **Consent Agenda**
   All consent items are considered to be routine and will be enacted by one motion and vote.

   A. **Deliberate and Act to Approve Minutes of September 8, 2026.** Draft of the Minutes can be found on pages 5-6 of your packets.

5. **Business**
   Discuss, Consider, and Possibly Take Action Regarding
   - **A. Deliberate and Act on Ordinance 20260914-01 Adopting a Budget for Fiscal Year 2026-2027:** There have been no changes since Proposed Budget Version 2 was presented at the September 8, 2026, Meeting. Please note that the Daingerfield Economic Development Budget-Type B is included. A copy of the ordinance is on page 7 of your packet. (must adopt the budget by roll call vote)
   - **B. Deliberate and Act on Ordinance 2026-2027 Voting to Ratify the Property Tax Increase Reflected in the Budget Pursuit to Texas Local Government Code 102.007:** This vote is in addition to and separate from the vote to adopt the budget. We are mandated to have an additional and separate vote to ratify. A copy of the Ordinance is on page 8.
   - **C. Deliberate and Act on Resolution 09142026-01 approving Investment Policy for FY 2026-2027.** This Policy must be adopted by resolution annually. Policy on page 9-13. Resolution on page 14.
   - **D. Deliberate and Act on Ordinance 20260914-02 Setting an Ad Valorem Tax Rate for the Year 2026.** This ordinance is on page 15, followed by a copy of the tax analysis sheet on page 16. (must adopt by roll call vote)
   - **E. Deliberate and Act on Resolution 09142026-02 Allowing Discounts for Early Payment of Ad Valorem Taxes:** If you wish to allow the discounts again this year, a copy of the required Resolution is on page 17 of your packet.
   - **F. Discuss, consider, and take action regarding approval of a Lease Agreement between the City of Daingerfield and LifeNet, Inc. for crew quarters, office space, helipad, Conex, and fuel-tank space at the Daingerfield Fire Department complex, effective October 1, 2026, and authorize the City Manager to execute the agreement:** Lease agreement on pages 18-32.

6. **Adjournment**

CITY OF DAINGERFIELD

Regular Session - September 8, 2026
Meeting Minutes

Call to Order

Mayor Wade Kerley called the City Council meeting for the City of Daingerfield to order at 6:00 PM on Tuesday, September 8, 2026, at the Daingerfield Volunteer Fire Department located at 823 W.W.M. Watson Blvd.

Attendance

Council Present: Mayor Wade Kerley, Jessie Ayers, Ben Ramirez, David Hood, and Vicki Smith.

Council Absent: Bob Thorne.

City Staff Present: Michelle Jones - City Manager; Amanda Sanders - City Secretary; and Jonathan Jordan - Patrol Officer.

Others Present: None.

Invocation Pledge of Allegiance and Texas Pledge

The invocation, Pledge of Allegiance, and Texas Pledge were conducted.

Public Comments

None.

Public Hearings

A. Conduct Public Hearing Regarding Proposed Budget for Fiscal Year 2026-2027.

Mayor Kerley opened the public hearing at 6:02 PM. No one signed up to speak. The public hearing closed at 6:02 PM.

B. Conduct Public Hearing Regarding Proposed Tax Rate for Fiscal Year 2026-2027.

Mayor Kerley opened the public hearing at 6:02 PM. No one signed up to speak. The public hearing closed at 6:03 PM.

Consent Agenda

A. Deliberate and Act to Approve Minutes of August 11, 2026.

Motion made by Mr. David Hood to approve the minutes as presented. Seconded by Mrs. Vicki Smith. All Council members present voted for; motion carried.

Business - Discuss Consider and Possibly Take Action Regarding

A. Presentation and Discussion of the Proposed Budget, Proposed Tax Rate, and Taxpayer Impact Statement for Fiscal Year 2026-2027.

The proposed budget, proposed tax rate, and taxpayer impact statement were presented and discussed. Discussion only; no action was taken.

B. Consider and act upon Resolution No. 20260908 adopting the FEMA-approved Morris County Hazard Mitigation Action Plan Update 2026; committing the City of Daingerfield to implementation of applicable mitigation actions; designating the City Hazard Mitigation Plan Coordinator; and establishing the City's Hazard Mitigation Implementation Team and monitoring procedures.

Motion made by Mr. Jessie Ayers to approve Resolution No. 20260908 as presented. Seconded by Mr. David Hood. All Council members present voted for; motion carried.

C. Discuss, consider, and act upon Ordinance No. 20260908-01, repealing and replacing Ordinance No. 20251013-01 and amending Chapters 10, 14, and 20 of the City Code of Ordinances to align the City's regulations for small-scale food businesses and mobile food vendors with House Bill 2844 and applicable state law.

Motion made by Mr. David Hood to approve Ordinance No. 20260908-01 as presented. Seconded by Mrs. Vicki Smith. All Council members present voted for; motion carried.

D. Discuss, consider, and act upon a request from the Daingerfield Economic Development Corporation to approve the Discover the Magic of Daingerfield year-round festival and tourism marketing campaign and authorize related advertising expenditures within the approved budget and applicable statutory limits.

Motion made by Mr. Jessie Ayers to approve the marketing campaign as presented. Seconded by Mr. Ben Ramirez. All Council members present voted for; motion carried.

E. Discuss, consider, and take action regarding approval of Ordinance No. 20260908-02 repealing and replacing the City's regulations governing dangerous and substandard buildings and superseding Ordinance No. 20250904.

Motion made by Mr. David Hood to approve Ordinance No. 20260908-02 as presented. Seconded by Mr. Jessie Ayers. All Council members present voted for; motion carried.

Monthly Departmental Reports - Informational Only No Action Taken

A. Animal Shelter, Code Enforcement, EMS, Fire, Library, Municipal Court, Police, and Public Works

B. Financial

C. City Manager - Economic Development, Parks, Water Operations, and Hazard Mitigation

Monthly Boards and Commissions Minutes - Informational Only No Action Taken

A. Northeast Texas Municipal Water District

B. Daingerfield Economic Development Corporation

C. Morris County Appraisal District

Adjournment

There being no further business, Mayor Kerley asked for a motion to adjourn.

Motion made by Mr. Jessie Ayers to adjourn. Seconded by Mrs. Vicki Smith. All Council members present voted for; motion carried.

The meeting was adjourned at 6:38 PM.

_____

Wade Kerley, Mayor

SEAL

ATTEST:

_____

Amanda Sanders, City Secretary

ORDINANCE 20260914-01

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF DAINGERFIELD FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2026, AND ENDING SEPTEMBER 30, 2027, AND ADOPTING THE ANNUAL BUDGET OF THE CITY OF DAINGERFIELD FOR THE 2026-2027 FISCAL YEAR.

WHEREAS, the budget, appended here as Exhibit A, for the fiscal year beginning October 1, 2026 and ending September 30, 2027, was duly presented to the City Council by Michelle Jones, City Manager, and a public hearing was ordered by the City Council and a public notice of said hearing was caused to be given by the City Council and said notice was published in *The Steel Country Bee*, and said public hearing was held according to said notice; now therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAINGERFIELD:

SECTION 1. That the appropriations for the fiscal year beginning October 1, 2026, and ending September 30, 2027, for the support of the general government of the City of Daingerfield, Texas, be fixed and determined for said terms in accordance with the expenditures shown in the City's Fiscal Year 2026-2027 Budget, a copy of which is appended hereto as Exhibit A;

SECTION 2. That the Budget, as shown in words and figures in Exhibit A, is hereby approved in all respects and adopted as the City's Budget for the fiscal year beginning October 1, 2026, and ending September 30, 2027.

PASSED AND APPROVED this 14th day of September 2026.

_____
Wade Kerley, Mayor

ATTEST:

_____
Amanda Sanders, City Secretary

CITY OF DAINGERFIELD, TEXAS
ORDINANCE NO. 2026-2027

AN ORDINANCE OF THE CITY OF DAINGERFIELD, TEXAS, RATIFYING THE PROPERTY TAX INCREASE REFLECTED IN THE FISCAL YEAR 2026 – 2027 CITY OF DAINGERFIELD, TEXAS BUDGET AS REQUIRED BY TEXAS LOCAL GOVERNMENT CODE 102.007; PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; AND AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAINGERFIELD, TEXAS:

I. Ratification of Property Tax Increase

The City of Daingerfield, Texas acting through its duly elected Council, hereby ratifies the property tax increase of 6.58 % reflected in its fiscal year 2026-2027 budget adopted by the Council at a prior vote. This ratification was adopted in a separate vote from a vote to adopt the fiscal year 2026-2027 budget and separate from a vote to set the current tax rate required by the Texas Tax Code. This vote was taken in compliance with Texas Local Government Code 102.007

II. Repeal of Conflicting Ordinances

That all ordinances, orders, resolutions heretofore passed and adopted by the City Council of the City of Daingerfield, Texas, are hereby repealed to the extent that said ordinances, orders, or resolutions, or parts thereof, are in conflict herewith.

III. Severability

If any section, subsection, clause, phrase or provision of this Ordinance is for any reason held to be unconstitutional or void by a court of competent jurisdiction, such holding shall not affect any valid provision of this or any other ordinance of the City of Daingerfield, Texas.

IV. Effective Date of Ordinance

This Ordinance shall take effect and be in full force immediately after passage, approval and adoption.

PASSED, APPROVED AND ADOPTED THIS THE 14TH DAY OF SEPTEMBER 2026.

_____
Wade Kerley, Mayor

ATTEST:

_____
Amanda Sanders, City Secretary

PURPOSE, SCOPE AND GOVERNANCE

Investment Policy

Policy Statement

The administration and investment of City funds shall be handled as a public trust. This policy applies to all financial assets and funds of the City unless specifically exempted by law or Council action.

Objectives

Investment objectives, in priority order, are: (1) safety and preservation of principal; (2) liquidity sufficient to meet operating needs; (3) diversification; and (4) a market rate of return consistent with the first three objectives.

Governing Law

All activity shall comply with the Texas Public Funds Investment Act, Government Code Chapter 2256; the Public Funds Collateral Act, Government Code Chapter 2257; the City's depository agreement; and other applicable law. If this policy conflicts with law, the law controls.

Delegation of Authority

The City Council retains ultimate fiduciary responsibility. The City Manager is designated Investment Officer. Daily administrative duties may be delegated in writing to qualified finance staff, but responsibility and required reporting remain with the Investment Officer.

Prudence and Ethics

Investment officers shall use the prudent-person standard in the context of the entire portfolio, avoid speculative activity, and disclose personal business relationships and relationships by blood or marriage as required by law.

ELIGIBILITY, SUITABILITY AND LIMITATIONS

Authorized and Prohibited Investments

Authorized Investments

Authorized investments are limited to instruments permitted by the Public Funds Investment Act and specifically allowed by this policy, including eligible U.S. obligations, properly insured or collateralized certificates of deposit, eligible local government investment pools, eligible no-load money-market mutual funds, and other instruments expressly approved by Council and law.

Prohibited Investments

The City shall not purchase obligations prohibited by Government Code Section 2256.009(b), including certain interest-only and principal-only mortgage obligations, collateralized mortgage obligations with a stated final maturity greater than 10 years, and inverse-floater collateralized mortgage obligations.

Maturity and Diversification

No individual security or certificate of deposit may have a stated maturity longer than two years unless Council specifically authorizes a longer maturity consistent with law and the applicable strategy.

The maximum dollar-weighted average maturity for pooled operating funds is 365 days.

The portfolio shall be diversified by issuer, institution, instrument type, and maturity when practical.

Investments shall be selected only after considering liquidity needs, anticipated cash flow, suitability, marketability, and compliance with the strategy for the applicable fund group.

Offering Documents and Council Authorization

The City shall obtain and review required offering documents before participating in an investment pool or discretionary investment arrangement, and Council authorization shall be obtained when required.

BY FUND OR POOLED FUND GROUP

Investment Strategies

All strategies prioritize safety and liquidity over yield. Investments must mature no later than the time funds are reasonably expected to be needed.

Operating Funds

Preserve principal and maintain daily liquidity for payroll, accounts payable, and routine operations. Use short, laddered maturities tied to forecast cash needs. Target weighted average maturity: no more than 365 days.

Debt-Service Funds

Preserve principal and match maturities to known principal and interest payment dates. Funds not immediately required may be invested only through the date needed for scheduled payments.

Capital-Project Funds

Preserve project principal and schedule maturities to construction draws, equipment purchases, and contractual commitments. Investment maturity may not exceed the reasonably expected project expenditure date.

Water and Sewer Enterprise Funds

Maintain liquidity for operations, emergency repairs, capital needs, and debt requirements. Use a maturity structure aligned with utility cash flow and planned capital spending.

Special Revenue, Grant and Restricted Funds

Comply with grant agreements, bond covenants, donor restrictions, and other legal limitations. Match maturities to the anticipated timing of the authorized program or project.

CONTROLS AND RISK MANAGEMENT

Safekeeping, Collateral and Monitoring

Safekeeping

Securities shall be purchased using delivery versus payment and held by an independent third-party custodian or authorized depository under a written agreement. Safekeeping records must identify each security and the City's ownership or pledge.

Collateral

Deposits exceeding federal deposit insurance shall be collateralized in accordance with Chapter 2257 and the depository agreement. The City requires collateral with a market value of at least 102% of uninsured deposits plus accrued interest, subject to lawful exclusions and appropriate monitoring.

Market-Price Monitoring

Market values shall be obtained at least quarterly from an independent custodian, investment pool statement, nationally recognized pricing service, or other independent source. The Investment Officer shall compare book and market values and investigate material differences.

Credit-Rating Monitoring

The Investment Officer shall monitor required ratings using issuer notices, rating-agency information, investment-pool disclosures, custodian information, or other reliable sources. An investment that loses its required rating shall be reviewed promptly and liquidated as soon as prudently possible when required by law.

Internal Controls

Written controls shall address authorization, confirmation, settlement, custody, reconciliation, wire transfers, separation of duties, access security, and business continuity. Investment practices and controls shall be subject to independent audit review as appropriate.

COMPLIANCE AND ANNUAL APPROVAL

Counterparties, Reporting and Review

Authorized Institutions

The Investment Officer shall maintain an approved list of authorized depositories, broker/dealers, investment pools, and counterparties. Required written certifications or acknowledgments must be received before transactions occur.

Training

The treasurer, chief financial officer if different, and investment officer shall complete at least 10 hours of training within 12 months after assuming duties and at least 8 hours in each subsequent two-year period from an independent source approved by the governing body or its designated committee.

Quarterly Reporting

Each investment officer shall prepare and sign quarterly reports satisfying Government Code Section 2256.023. Reports shall include portfolio position, book and market value, maturity, transactions, earnings, and a statement of compliance with this policy and the investment strategies.

Benchmark and Performance

Performance may be compared with a benchmark appropriate to the portfolio's safety and liquidity objectives, such as a comparable U.S. Treasury rate or eligible local government investment-pool yield.

Annual Review and Adoption

The City Council shall review this policy and the investment strategies at least annually and adopt a written instrument stating that the review occurred and recording any changes. Inclusion in the budget book does not replace the separate annual resolution.

Resolution No. 09142026-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DAINGERFIELD, TEXAS, ADOPTING THE CITY'S INVESTMENT POLICY AND INVESTMENT STRATEGIES FOR FISCAL YEAR 2026-2027, AS REQUIRED BY THE PUBLIC FUNDS INVESTMENT ACT (CHAPTER 2256, TEXAS GOVERNMENT CODE).

WHEREAS, the City of Daingerfield is required by the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act"), to adopt a written investment policy regarding the investment of its funds and funds under its control;

WHEREAS, the Act requires the investment policy and investment strategies to be reviewed and adopted at least annually by written instrument of the governing body;

WHEREAS, the City Council has reviewed the City's Investment Policy and Investment Strategies for Fiscal Year 2026-2027 and finds them to be in compliance with the Act and appropriate for the prudent investment of City funds;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DAINGERFIELD, TEXAS, THAT:

1. The City Council hereby adopts the attached document titled *City of Daingerfield Investment Policy and Investment Strategies, Fiscal Year 2026-2027* as the official Investment Policy and Investment Strategies of the City.

2. The City Manager, as the designated Investment Officer, and any other officers delegated authority under the Policy shall invest City funds in accordance with the Policy, the investment strategies, and the Public Funds Investment Act.

3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED this 14th day of September, 2026, by the City Council of the City of Daingerfield, Texas.

_____

Wade Kerley, Mayor

ATTEST:

_____

Amanda Sanders, City Secretary

AN ORDINANCE 20260914-02 LEVYING A TAX RATE FOR THE CITY OF DAINGERFIELD FOR THE TAX YEAR 2026

BE IT ORDAINED AND ORDERED by the City Council of the City of DAINGERFIELD that:

WE, the City Council of the City of DAINGERFIELD do hereby levy or adopt the tax rate on each $100.00 worth of property located within the present city limits of the City of DAINGERFIELD, made taxable by law, for tax year 2026 as follows:

For the General Fund.....$0.415169
For the purposes of paying the accrued
interest and to provide a sinking fund.....$0.213715

TOTAL TAX RATE.....$0.628884

WHEREAS, these funds are necessary and appropriate for the funding of the 2026 City of DAINGERFIELD budget, and
WHEREAS, said budget has been heretofore regularly adopted by the City Council of the City of DAINGERFIELD, and
WHEREAS, all other things required by law to be done have been done properly by the appropriate officials, now therefore
IT IS HEREBY RESOLVED, by affirmative vote of the City Council of the City of DAINGERFIELD, Texas at a special meeting held at the Daingerfield Fire Department, in the City of DAINGERFIELD on the 14TH day of September 2026.

PASSED, ADOPTED and APPROVED this day.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 10.05 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY $15.83.

THE TAX ASSESSOR-COLLECTOR is hereby authorized to assess and collect the taxes of the City of DAINGERFIELD.

_____ _____
Date Wade Kerley- Mayor

ATTEST:

_____
Amanda Sanders – City Secretary

Property Tax Rate Analysis

Scenario	Rate per $100	Total levy
FY 2025-2026 adopted	$0.628884	$1,134,984
FY 2026-2027 no-new-revenue	$0.574462	$1,105,005
FY 2026-2027 proposed	$0.628884	$1,209,688
FY 2026-2027 voter-approval	$0.818942	$1,575,274

The proposed tax rate is the same nominal rate as FY 2025-2026. Because taxable values changed, the proposed rate is above the no-new-revenue rate and is expected to generate additional property-tax revenue.

Illustrative Tax on Taxable Value

Taxable value	NNR tax	Proposed tax	Difference
$25,000	$144	$157	$14
$50,000	$287	$314	$27
$75,000	$431	$472	$41
$100,000	$574	$629	$54
$150,000	$862	$943	$82
$200,000	$1,149	$1,258	$109

RESOLUTION 09142026-02

A RESOLUTION ADOPTING AND APPROVING DISCOUNTS ON AD VALOREM TAXES PAID IN ADVANCE FOR THE CALENDAR YEAR 2026

WHEREAS, Section 31.05(b) Vernon's Annotated Texas Property Tax Code, as amended, allows discounts on ad valorem taxes if paid in advance; and

WHEREAS, the governing body of the City of Daingerfield, Texas, is of the opinion that the best interest of the City and its citizens would be served by allowing said discounts:

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DAINGERFIELD, TEXAS that discounts on ad valorem taxes paid in advance for the taxing year 2026 are:

(1) three (3%) percent if the tax is paid in October or earlier;

(2) two (2%) percent if the tax is paid in November; and

(3) one (1%) percent if the tax is paid in December.

PASSED, ADOPTED AND SIGNED on the 14th day of September 2026.

_____
Wade Kerley, Mayor

ATTEST:

_____
Amanda Sanders
City Secretary

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is hereby made and entered into as of October 1, 2026 (the "Effective Date"), by and between the **City of Daingerfield, Texas,** having its principal place of business at 101 Linda Drive, Daingerfield, TX 75638 ("Landlord"), and **LifeNet, Inc.**, an Arkansas nonprofit corporation, having its principal place of business at 6225 St. Michael Drive, Texarkana, Texas 75503 ("Tenant") (with the "Landlord" and Tenant" constituting the "Parties" and each, "Party").

WHEREAS, Landlord desires to have an air ambulance service located within the community; and,

WHEREAS, Landlord currently owns certain real estate, which the Landlord constructed certain improvements and operates the Daingerfield Fire Department, located at 823 West W M Watson Boulevard, Daingerfield, TX 75638, (the "Land"); and

WHEREAS, Landlord and Tenant deem it advantageous to enter into this Lease to allow Tenant to operate an air ambulance service while new hangar is being constructed.

NOW THEREFORE, Landlord and Tenant, for and in consideration of the rents, covenants and mutual agreements hereinafter contained, the receipt and adequacy of which is acknowledged, agree as follows:

1. **Leased Premises.** Landlord hereby demises and leases to Tenant, and Tenant hereby rents from Landlord, the following Premises located on a portion of the Land (collectively, the "Premises"):

    a. Crew Quarters and Office Space. Approximately 885 square feet of improved space located inside the Daingerfield Fire Department complex, and further identified in **Exhibit A**, which is attached hereto and incorporated as if set forth fully herein, to be used as crew quarters and office space (collectively, "Crew Quarters").

    b. Helipad, Conex, and Fuel Tank. Tenant will have the exclusive right to use and occupy the existing helipad ("Helipad"), Conex ("Conex"), and fuel storage tank for Tenant's air ambulance services ("Fuel Tank"), all located within the Land consisting of approximately 5.06 acres and more particularly depicted in **Exhibit B**, attached hereto and incorporated herein by reference. Landlord agrees that Tenant may keep Tenant's helicopter on the Helipad at all times when the helicopter is not in use.

    Together with all Landlord's easements and appurtenances in adjoining and adjacent land, highways, roads, streets, lanes, whether public or private, reasonably required for installation, maintenance, and for driveways and approaches to and from abutting highways for the use and benefit of the above-described Premises, including the improvements to be erected thereon.

2. **Term.** The term of this Lease shall be for one (1) years ("Initial Term"), commencing on the

Effective Date. Thereafter, Tenant will have the option to renew this Lease on a month-to-month basis until construction of the new hangar and associated crew quarters is substantially completed and the premises are ready for Tenant's occupancy. The new hangar will be constructed on property owned by Landlord and shall be governed by a separate lease agreement negotiated and executed by the parties.

This Lease shall terminate upon the effective date of the separate lease agreement for the new hangar, unless otherwise agreed to in writing by Landlord and Tenant. Prior to that date, either party may terminate this Lease by providing at least thirty (30) calendar days' prior written notice to the other party.

3. **Use**. Tenant's use and occupancy of the Premises shall be for the purpose of operating an air ambulance service and uses which are necessary for such operation and which are not excluded by this Lease. Tenant shall not commit an intentional act or omission on the Premises which would be in violation of any statute, regulation, or ordinance of any governmental body, quasi-governmental, or regulatory body having jurisdiction over the Premises or the activities conducted thereon. Tenant and Tenant's employees, agents, guests, and invitees shall the right to use, in common with other occupants on the Land of which the Premises are a part, the common areas, surface parking, and all other rights and privileges appurtenant thereto, subject to reasonable rules and regulations for the use thereof as prescribed from time to time by Landlord.

4. **Rent and Payment Terms.**

   a. **Rent.** Beginning October 1, 2026, Tenant shall pay Landlord base monthly rent for use of the Premises in the amount of Two Thousand Five Hundred Fifty Dollars ($2,550.00) per month ("Base Rent") and thereafter due on the first day of each month during the Term, subject to annual adjustment as set forth in Section 4(b) (CPI Escalator). Such Base Rent shall be inclusive of any and all applicable federal, state, and local taxes for which Landlord may be liable as a result of this Lease.

   b. **CPI Escalator.** Beginning October 1, 2027, and on each anniversary of the Effective Date thereafter during the Term (each, an "Adjustment Date"), the Base Rent shall be increased by the percentage increase, if any, in the Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average, All Items, as published by the U.S. Bureau of Labor Statistics (or a successor index if that index is discontinued), measured from the previous anniversary date to the applicable Adjustment Date (the "CPI Adjustment").

   c. **Payment Terms.** Base Rent payments shall be sent by check to the following address: 101 Linda Drive, Daingerfield, TX 75638. Base Rent shall be paid in advance of the lst day of each month and shall not be considered delinquent if received by the tenth (10th) day of the month due. Tenant agrees to pay a late charge of five percent (5%) as additional rent for each payment due hereunder that is more than ten (10) days delinquent. Base Rent for partial months shall be pro-rated. The Parties represent that in entering into this Lease, the Parties have

bargained at arm's length, that the Base Rent is set at a fair market value taking into account the geographic location and facts and circumstances of the market, and that this Lease is entered into in furtherance of the purpose of operating an air ambulance service.

5. **Inspections.** Landlord and the Tenant shall complete, sign, and date inspection reports at the beginning and at the end of the Term, for the purpose of ascertaining any damage for which Tenant is responsible.

6. **Utilities.** Landlord shall be responsible for the payment of all fees associated with the use of the water, gas, electricity, sewer/septic, telephone, cable/internet and any other public utilities furnished to the Crew Quarters, the common areas, and surface parking, the cost of which is included in Tenant's Rent payment. In the event that a certain public utility is necessary but not available for the Crew Quarters, Landlord shall furnish, at Landlord's cost, said utility and all utilities reasonably necessary for Tenant's use of the Crew Quarters. Notwithstanding the foregoing, Landlord shall not be responsible for furnishing, maintaining, repairing, replacing, upgrading, extending, installing, or paying for any utilities relating to the New Hangar Site or any other utilities exclusively serving and separately metered to the Helipad, Conex, Fuel Tank, or any other improvements, systems, or operations constructed, installed, placed, or used by Tenant for its exclusive use, excluding the Crew Quarters, (collectively, "Tenant's Improvements"), unless expressly approved by Landlord in writing. Tenant shall be responsible, at Tenant's sole cost and expense, for the installation, connection, maintenance, repair, replacement, and payment of all utilities separately metered to or exclusively serving Tenant's Improvements, including any additional electrical power line for Tenant's exclusive use at the Helipad, Conex, and Fuel Tank. To the extent practical, utilities serving Tenant's Improvements shall be separately metered or separately accounted for. Landlord consents to any acts necessary for Tenant to furnish such utilities and shall provide unrestricted access to and use of the Land as needed for that purpose.

7. **Landlord's Repairs and Maintenance.** Landlord, at Landlord's own cost and expense, shall maintain, repair, and make replacements of the following, to the extent part of the existing Daingerfield Fire Department complex located on the Land and not part of Tenant's Improvements (as defined in Section 6): roof, foundation, concrete floors, interior and exterior walls, windows, doors, and all HVAC, electrical, plumbing and other mechanical systems of the common areas, surface parking, and within and exclusively serving the Crew Quarters. Landlord shall not be responsible for maintaining, repairing, or replacing the New Hangar Site, hangar doors and hoists, Helipad, Conex, Fuel Tank, or any other Tenant's Improvements, and Landlord's ownership, or future ownership, of Tenant's Improvements shall not shift such maintenance, repair, or replacement responsibility to Landlord while Tenant is occupying and using those improvements during the Term. Tenant will promptly give Landlord written notice of any known defect or need for repairs relating to the Crew Quarters, common areas, or surface parking, after which Landlord will have reasonable opportunity to make repairs or cure the defect. If Landlord fails to make the repairs or cure

the defect within a reasonable period of time, but in no event later than ninety (90) calendar days, Tenant may make the necessary repairs and Landlord shall be obligated to reimburse Tenant for the reasonable costs of same. Additionally, Landlord, at its own cost and expense, shall furnish snow removal, grounds maintenance, and refuse removal services for the Crew Quarters, common areas, surface parking, and the general grounds on the Land, excluding areas exclusively serving Tenant's Improvements, unless otherwise approved by Landlord in writing.

8. **Tenant's Repairs and Maintenance.** Tenant shall maintain the Premises in a safe and clean condition, free from waste or nuisance. Additionally, Tenant, at Tenant's own cost and expense, shall maintain the Helipad, Conex, and Fuel Tank. Tenant shall maintain the Premises in a safe and clean condition, free from waste or nuisance. Additionally, Tenant, at Tenant's own cost and expense, shall provide for the safe removal of biological or hazardous waste. Tenant shall be responsible, at Tenant's sole cost and expense, for maintaining, repairing, and replacing the New Hangar Site, which includes but not limited to hangar doors and hoists, roof, foundation, concrete floors, interior and exterior walls, windows, doors, HVAC, electrical, plumbing, mechanical systems, utility connections, fixtures, and equipment, and in addition, the Helipad, Conex, Fuel Tank, and all other improvements, systems, and appurtenances constructed, installed, placed, or used by Tenant for Tenant's operations of the same. Notwithstanding the foregoing, Tenant shall not be responsible for any Landlord's repairs and maintenance or any other maintenance, repairs, or replacements resulting from acts or omissions of Landlord, or Landlord's employees, agents, or contractors.

9. **Tenant's Work.** Subject to Landlord's prior written review and approval, Tenant may, during the Term, construct and install, at its sole cost and expense, a new aircraft hangar at 823 West W M Watson Boulevard, Daingerfield, TX 75638. Before commencing any site preparation, construction, or installation, Tenant shall submit to Landlord complete plans and specifications, including the proposed design, dimensions, materials, site plan, exact location, access, setbacks, drainage, utility connections, and other information reasonably requested by Landlord. Construction shall not begin unless and until Landlord affirmatively approves the plans, design, and location in writing. Notwithstanding Section 11(a) or any other provision of this Lease, Landlord's failure to respond within any stated period shall not constitute approval of the new aircraft hangar. Any material change to the approved plans, design, or location also requires Landlord's prior written approval. Tenant shall obtain all permits and governmental approvals required for the work and shall comply with all applicable laws, codes, ordinances, and regulations. Irrespective of the fact that the same may be affixed or attached to the Premises, and otherwise by operation of law would become or could be deemed to become a part of the Premises, unless Tenant shall be in default hereunder, such aircraft hangar and all such signs and other improvements, additions and alterations shall not be nor be deemed to be a part of the Premises and shall at all times remain chattels and the sole and exclusive property of Tenant, free and clear of all claims of Landlord. Provided, however, Tenant shall, at the termination of this Lease, abandon to Landlord any and/or all improvements to the Premises except Tenant's personal property,

which shall be removed by Tenant. Following Landlord's written approval of the plans, design, and location, Landlord shall execute required consents, permits, and other documents and submit required approvals related to Tenant's work in a timely manner. Landlord, Landlord's employees, agents, contractors, and representatives shall cooperate with Tenant to provide timely feedback and consents reasonably required for Tenant's progress in completing the approved work. Landlord shall provide Tenant and Tenant's contractors and representatives reasonable access to and use of the Land as needed to complete the approved work. Landlord's approval of the construction plans, design, or location shall not constitute approval of any rental rate, rent abatement, construction credit, or other terms governing Tenant's occupancy or use of the completed hangar and associated crew quarters. Tenant's occupancy and use of the completed improvements shall be governed exclusively by a separate lease agreement negotiated, approved, and executed by the Parties. That separate lease shall address rent, any credit or abatement attributable to Tenant's construction investment, ownership of the improvements, maintenance obligations, utilities, insurance, and the area included within the leased premises.

10. **Signage.** Tenant shall have the right to attach any signage to the Premises necessary to comply with any statute, regulation, or rule for operation of Tenant's air medical transportation services.

11. **Alterations and Fixtures.**

    a. **Alterations.** Except as otherwise set forth herein, Tenant shall not make any structural alterations or improvements to the Premises without first obtaining Landlord's written consent, which shall not be unreasonably withheld. Tenant shall submit the plans and specifications for any improvements or alterations to Landlord for approval prior to commencement of such work. Landlord shall have ten (10) calendar days from the date of receipt of said plans to approve the plans, Landlord's approval not to be unreasonably withheld. Failure of Landlord to respond within ten (10) calendar days shall constitute an approval of said plans. If Landlord approves such plan or specification, apportionment of financial responsibility for the associated costs must be mutually agreed upon, in writing, by both Parties prior to contracting with third parties to perform work and prior to the commencement of work.

    b. **Removal and Restoration by Tenant.** All alterations and improvements, whether or not paid fully or in part by Landlord, shall remain Tenant's property for the Term. Except for items used primarily in the conduct of Tenant's business and commonly considered "trade fixtures," all alterations and improvements shall immediately upon the termination or expiration of this Lease become Landlord's property.

12. **Landlord's Access.** Landlord, Landlord's employees and agents shall have access to the Premises at reasonable times to inspect, repair, make alterations, or make improvements to the Premises. Landlord must provide Tenant with at least twenty-four (24) hours' notice prior to entry, except in emergencies, in which case Landlord shall provide Tenant with as much

notice as possible prior to entry.

13. **Parking.** Tenant, Tenant's employees and guests shall have the right to use parking lots proximate to the Premises for the purpose of parking motor vehicles to the extent reasonably necessary in connection with Tenant's use of the Premises. Such right of use shall be without any additional charge and on a first-come, first-served basis.

14. **Warranties of Title and Quiet Enjoyment.** Landlord covenants and warrants that Landlord has full right and title and is lawfully seized of the Land, and Landlord has full right to make this Lease subject to the terms of this Lease. Tenant shall have quiet and peaceable possession of the Premises, subject to the terms and conditions of this Lease, during the Term as against the acts of any parties claiming title to, or a right to possession of, the Premises.

15. **Assignment and Subletting.** Tenant shall not assign this Lease or sublet the Premises, whether by voluntary act, operation of law or otherwise, without the prior written consent of Landlord, which shall not be unreasonably withheld; provided, however, that Tenant may, without the prior consent of the Landlord, assign all of its rights under this Lease to (i) a parent, subsidiary, or affiliate, (ii) a purchaser of all or substantially all assets of the Tenant related to this Lease, or (iii) a third party participating in a merger, acquisition, sale of assets or other corporate reorganization in which Tenant is participating. Any permitted assignee shall assume all obligations of the assignor under this Lease.

16. **Fire or Other Casualty.** If the Premises is destroyed or rendered untenable for Tenant's accustomed use by fire or other casualty, this Lease shall terminate immediately, and any prepayment of Rent shall be refunded pro rata to Tenant by Landlord. If the Premises is damaged or rendered partially untenable for Tenant's accustomed use by fire or other casualty, and if the Premises can be repaired within ninety (90) calendar days from the date of such casualty, Landlord, at Landlord's option, shall repair the Premises to substantially the same condition as immediately prior to such casualty. If Landlord chooses to repair the Premises, Landlord shall provide thirty (30) calendar days written notice to Tenant of Landlord's intent to repair. From the date of such casualty until the Premises are so repaired and restored, the Base Rent payments shall abate in such proportion as the part of the Premises so damaged or untenable bears to the total Premises. Notwithstanding the foregoing, if the damaged portion of the Premises cannot be repaired within ninety (90) calendar days of such casualty, or if said damage materially interferes with Tenant's use of the remainder of the Premises, then either Landlord or Tenant may terminate this Lease and any prepayment of Base Rent shall be refunded pro rata to Tenant by Landlord. Landlord shall not be obligated to repair and restore if such casualty is caused in whole or in part by the negligence of Tenant, Tenant's agents or employees.

17. **Rules and Regulations.** Landlord may, from time to time, impose reasonable rules and regulations regarding the Premises. Tenant, its employees, agents, invitees and licensees shall comply with all such rules and regulations for which Tenant has been provided written notice.

18. **Insurance.**

a. **Tenant's Obligations.** Tenant. at Tenant's own cost and expense, shall maintain in effect during the whole of the Term:

i. Comprehensive General Liability Insurance: against claims for property damage and bodily injury, including death, in such form and subject to such deductions and exceptions as Tenant may determine in an amount not less than $1 *million* per occurrence. Landlord shall be named as an additional insured under the policy.

ii. Property Insurance: on Tenant's contents and Tenant's Improvements located at the Premises.

iii. Pollution Insurance: with minimum limits of $1 million per claim, incident, or location to cover all above ground fuel and/or chemical storage tanks and any and all hazardous fuels, chemicals, or materials stored on the Premises that may or may not be stored in a DEP regulated storage tank.

iv. Workers' Compensation Insurance: for Tenant's employees, as required by law, at all times. Tenant agrees to ensure agents, contractors, invitees, licensees, or anyone for whose safety Tenant is responsible, is appropriately covered by Tenant's workers' compensation insurance or said individual's employer's workers' compensation insurance as required by law.

v. Aviation Commercial General Liability Insurance: against claims for property damage and bodily injury, including death, in such form and subject to such deductions and exceptions as Tenant may determine in an amount not less than $5 million per occurrence. Landlord shall be named as an additional insured under the policy.

b. **Landlord's Obligations.** Landlord, at its own cost and expense, shall maintain in effect during the whole Term:

i. Property Insurance: written on an ISO special cause of loss form, or other acceptable insurance coverage on the Premises, except foundations, on a replacement cost basis, subject to such deductions and exceptions as the Landlord may determine. Such insurance will be in a form or forms normally in use from time to time for buildings and improvements of a similar nature similarly situated.

ii. Workers" Compensation Insurance: for Landlord's employees, as required by law, at all times. Landlord agrees to ensure agents, contractors, invitees, licensees or anyone for whose safety Landlord is responsible for is appropriately covered by Landlord's workers' compensation insurance or said individual's employer's workers' compensation insurance as

required by law.

c. **General Requirements.** All required insurance shall be placed with a reputable insurance company. The Parties shall provide to each other evidence of all required insurance upon reasonable request following the Effective Date. The Parties agree to notify one another in writing, pursuant to policy terms, of any cancellation or non-renewal affecting the insurance coverage required hereunder.

19. **Indemnification.** Tenant agrees to indemnify and save Landlord harmless from and against any and all claims, liabilities, losses, damages, costs, or expenses (including reasonable attorneys' fees) that Landlord may sustain: (a) to the extent caused by or arising out of the negligence or willful misconduct on the part of Tenant or Tenant's employees, agents, or contractors, on, in, or about the Premises or other common areas of the Land, or (b) to the extent caused by or arising out of any breach or default by Tenant in the performance of Tenant's obligations under this Lease beyond applicable periods of notice and cure; provided however, such indemnification shall not include claims, liabilities, losses, damages, costs, or expenses caused by or arising out of the negligence or willful misconduct on the part of Landlord or Landlord's employees, agents, or contractors. Landlord agrees to indemnify and save Tenant, Tenant's officers, directors, members, representatives, agents, and employees harmless from and against any and all claims, liabilities, losses, damages, costs, or expenses (including reasonable attorneys' fees) that such indemnitees may sustain: (a) to the extent caused by or arising out of the negligence or willful misconduct on the part of Landlord or Landlord's employees, agents, or contractors, on, in, or about the Land, or (b) to the extent caused by or arising out of any breach or default by Landlord in the performance of Landlord's obligations under this Lease beyond applicable periods of notice and cure; provided however, such indemnification shall not include claims, liabilities, losses, damages, costs, or expenses caused by or arising out of the negligence or willful misconduct on the part of Tenant or Tenant's employees, agents, or contractors.

20. **Limitation of Liability.** In no event shall either Party, or either Party's employees, agents, or contractors, be liable under this Lease to the other Party for any consequential, incidental, indirect, exemplary, special, or punitive damages, including any damages for business interruption, loss of use, revenue or profit, whether arising out of breach of contract, tort (including negligence) or otherwise, regardless of whether such damages were foreseeable and whether or not either Party was advised of the possibility of such damages. No individual who is Tenant, or any shareholder, member, partner, trustee of any joint venture or trust, corporation, limited liability company, tenancy in common, firm, partnership, or other form of ownership that is Landlord, or their heirs, personal representatives, successors, or assigns, shall have any personal liability to Landlord, or to any person claiming under or through Landlord, for any amount or in any capacity. Such exculpation of liability shall be absolute and without exception whatsoever.

21. **Surrender.** Upon expiration of the Term or upon earlier termination, Tenant shall return the Premises in the same repair and condition as when this Lease commenced, reasonable wear and tear excepted. Tenant, at its own cost and expense, shall remove all personal property from the Premises.

22. **Holding Over.** In the event Tenant remains in possession of the Premises beyond the Term,

Landlord may take legal action to remove Tenant. If Landlord accepts a Base Rent payment for a period of time beyond the Term, or otherwise acknowledges the tenancy, Tenant shall be deemed a Tenant from month-to-month and shall pay Base Rent at the rate established by this Lease. Any month-to-month tenancy is subject to the conditions, provisions, and obligations of this Lease.

23. **Default by Tenant.**

    a. **Events of Default.** The following are events of default under and a breach of this Lease (each an "Tenant Default"):

        i. Any failure by Tenant to pay any undisputed Base Rent due hereunder, after ten (10) business days written notice to Tenant of any non-received payment;

        ii. Any failure of Tenant to perform pursuant to the Lease for more than thirty (30) calendar days after written notice from Landlord of such failure, provided, however, such failure shall not constitute an event of default if such failure is not susceptible of being cured within thirty (30) calendar days and Tenant diligently pursues such cure to completion; or

        iii. If Tenant shall become insolvent, make an assignment for the benefit of Tenant's creditors, file a voluntary bankruptcy proceeding, be subjected to an involuntary bankruptcy proceeding, or if a receiver is appointed for Tenant.

    b. **Landlord's Remedies.** In the event of a Tenant Default, Landlord shall have the right to enter and take possession of the Premises and has an affirmative duty to mitigate by re-letting the same upon such terms as Landlord deems prudent, for the account of the Tenant. Tenant shall be liable to Landlord for any Base Rent due and owing for the remaining portion of the Term, less the net rent received from other parties for the use of said Premises.

24. **Default by Landlord.** In the event that Landlord defaults under the terms of this Lease, Tenant shall give Landlord written notice specifying the nature of the default and Landlord shall have thirty (30) calendar days after receipt of such notice to cure said default. Any default by Landlord which shall continue uncured beyond the time prescribed above shall give Tenant the right to terminate the Lease immediately, in addition to all available rights or remedies in law or in equity.

25. **No Partnership, Joint Venture or Principal/Agent Relationship.** Nothing in this Lease shall be interpreted as creating a partnership, joint venture, or relationship of principal and agent between the Parties.

26. **Cumulative Rights.** No right or remedy provided under this Lease is intended to be exclusive of any other right or remedy hereof provided by law or equity. Each right and remedy shall be cumulative and in addition to every other right or remedy provided under this Lease.

27. **Subordination.** This Lease shall be subordinate to any mortgage, trust, deed or other security instrument now or hereafter placed on the Premises by Landlord. Tenant shall execute and deliver to Landlord all instruments necessary to evidence such subordination; provided however, that the mortgage, trust, deed, or other security instrument creating such encumbrance shall contain provisions under the term of which the existence of this Lease shall be recognized, and shall provide that so long as Tenant, Tenant's successors and assigns, shall keep and perform the terms, covenants, and conditions in this Lease contained on Tenant's part to be kept and performed and is not in default beyond the period to cure, neither the holder of the indebtedness secured thereby, nor any other person shall, in attempting to enforce collection of said indebtedness or to realize upon such security have any power to impair, modify, abrogate, or adversely affect the rights of Tenant, Tenant's successors and assigns, under this Lease, to the full enjoyment of the entire term thereof to the end that the Tenant, while not in default hereunder, shall, notwithstanding the creation of or default under any such encumbrance or indebtedness secured thereby, peacefully and quietly have, hold and enjoy Tenant's premises for the entire term hereof, and all other rights, privileges and benefits to which Tenant may be entitled under and pursuant to the terms of this Lease.

28. **Taxes.** All real property taxes and special assessments levied or assessed against the Land during the Term shall be paid, or caused to be paid, by Landlord. Tenant will be responsible for taxes levied or assessed against Tenant's personal property and Tenant's Improvements to real property that are separately assessed to Tenant.

29. **Miscellaneous.**

a. **Notice.** Notice required by this Lease shall be sufficient if in writing and personally delivered or mailed via U.S.P.S., first class and postage prepaid to:

In the case of Landlord:	In the case of Tenant:
The City of Daingerfield, Texas 101 Linda Drive Daingerfield, TX 75638 Attention: City Manager and the Mayor for the City of Daingerfield	LifeNet, Inc. 6225 St. Michael Drive, Texarkana, Texas 75503 Attention: Chief Executive Officer, copy, which shall not constitute notice, to Legal Dept.

b. **Communications with the City.** All communications and requests to the Landlord related to any matters under this Lease shall be directed to the City Manager for the City of Daingerfield, Texas.

c. **Successors and Assigns.** This Lease shall extend to and be binding upon the Parties to this Lease and their respective assigns, executors, heirs, personal representatives, and successors.

d. **Amendment.** No amendment of this Lease shall be valid unless it is in writing, specifies the nature and extent of the amendment, and is signed by the Parties.

e. **Severable Provisions.** Each provision, section, sentence, clause, phrase, and

word of this Lease is intended to be severable. If any provision, section, sentence, clause, phrase, or word hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Lease, unless to do so would materially and substantially impair the rights or duties of the Parties.

f. **Entire Agreement.** This Lease contains the entire understanding of, and supersedes all prior agreements and understandings between, the Parties with respect to the subject matter of the Lease.

g. **Counterparts; Facsimile or Electronic Signature.** This Lease may be executed in counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party. Any executed counterpart to this Lease may be delivered by .pdf or other electronic means, and any counterpart so delivered shall constitute an original for all purposes.

h. **Captions, Headings, or Titles.** All captions, headings, or titles in the paragraphs or sections of this Lease are inserted for convenience only and shall not constitute a part of this Lease as a limitation of the scope of the particular paragraphs or sections to which they refer.

i. **Waiver.** Any waiver by any Party of default of any other Party to this Lease shall not affect or impair any right arising from any subsequent default. No custom or practice of the Parties which varies from the terms of this Lease shall be a waiver of any Party's right to demand exact compliance with the terms of this Lease. A waiver will only be effective when signed by the Party against which it is used.

j. **Governing Law; Venue.** This Lease shall be governed. construed and enforced in accordance with the laws in the State of Texas. Venue for any dispute arising under this Lease shall lie exclusively in a state district court or a justice court located in Morris County, Texas.

IN WITNESS WHEREOF, the undersigned Parties have executed this Lease on the date set forth below,

LifeNet, Inc.	The City of Daingerfield, Texas
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT A

Crew Quarters and Office Space

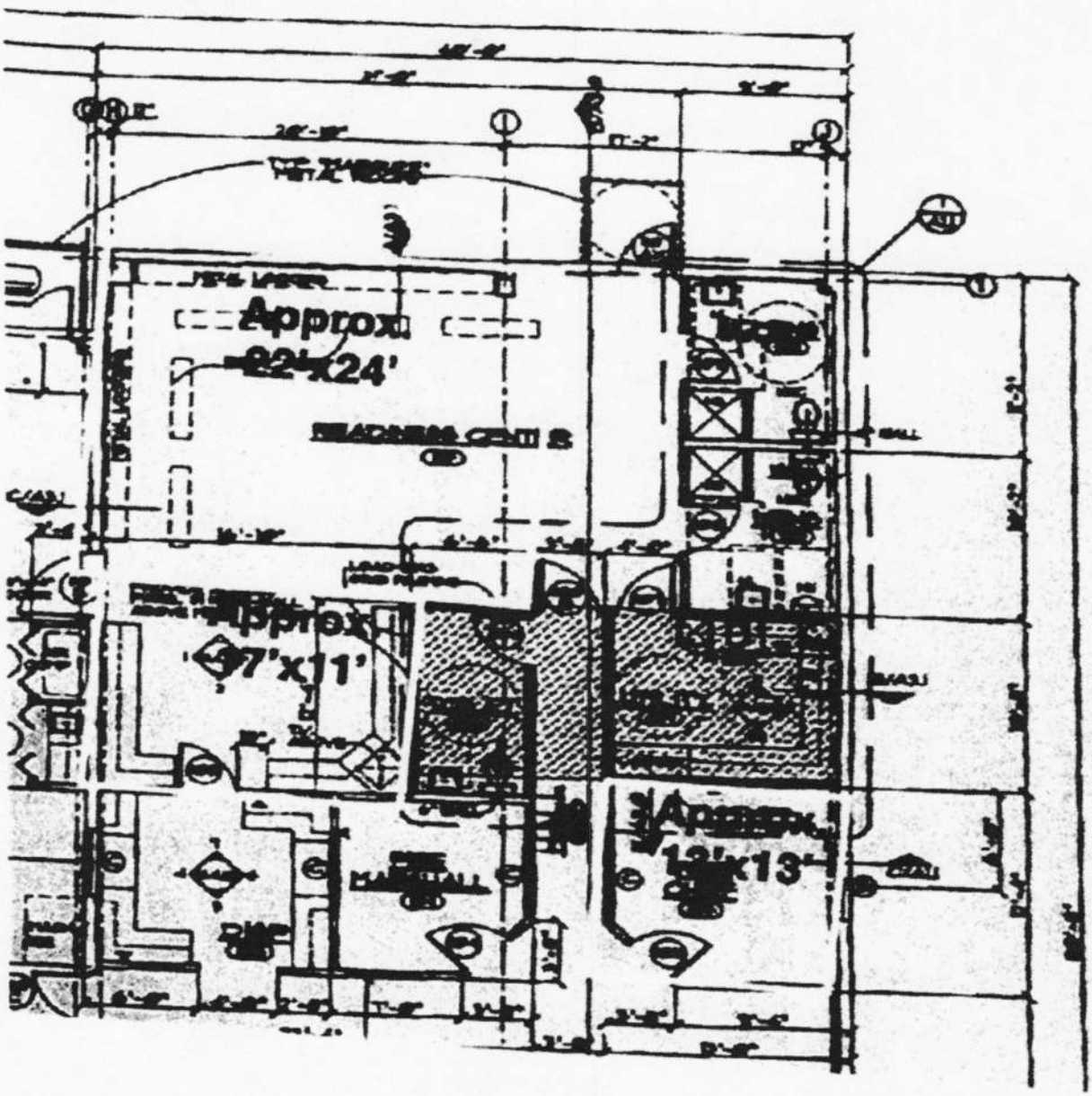
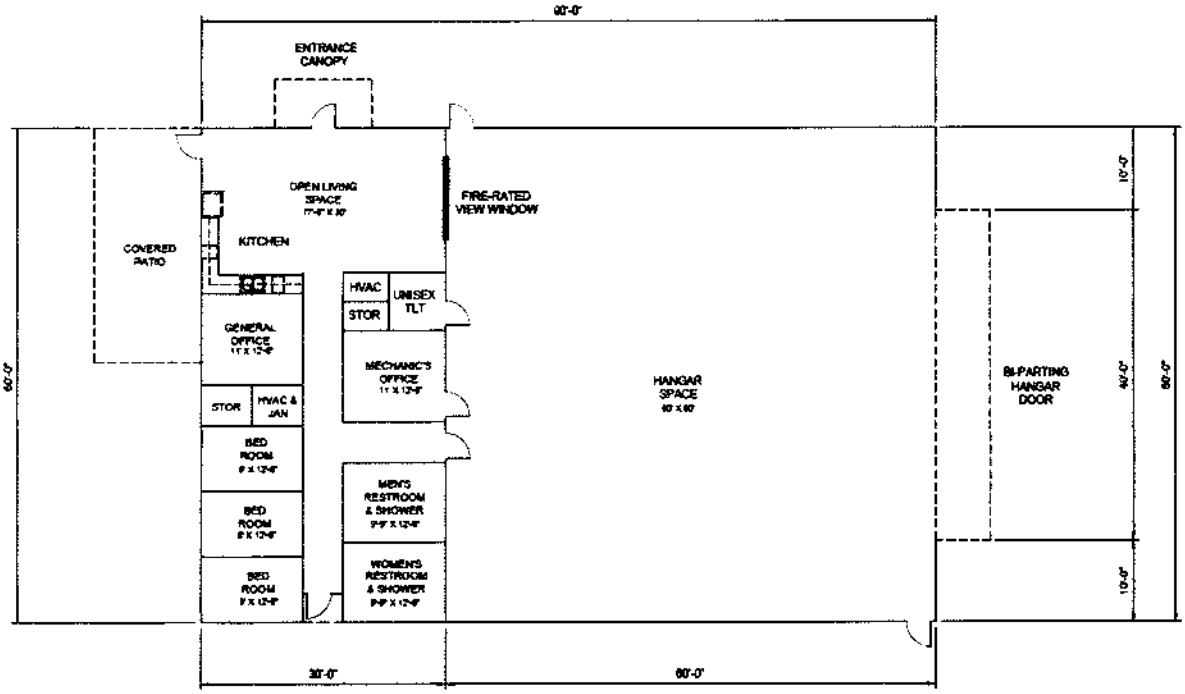


EXHIBIT B

Helipad, Conex, and Fuel Tank

EXHIBIT C

Hangar and Crew Quarters



PROPOSED LIFENET
AIR-4 HANGAR
DAINGERFIELD, TX