

# UNDERWOOD

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November 15, 2017

Ms. Stephanie Jones  
Research Analyst  
Economic Analysis  
Local Government Assistance and Economic Development Division  
Texas Comptroller of Public Accounts  
LBJ State Office Building  
111 E. 17<sup>th</sup> Street  
Austin, TX 78774

Via Email and Federal Express

Re: App. No. 1134 –Petersburg ISD-Hale Wind Energy, LLC

Dear Stephanie:

Enclosed please find a hard copy of the fully executed Amendment No. 1 to the Agreement for Limitation on Appraised Value between the above-noted parties. A CD containing this document is also enclosed.

Please feel free to contact us if you require anything further.

Sincerely,



Fred Stormer

FS/ph  
Encl.  
M8X3TYTL0DCMOS

**AMENDMENT NO. 1**  
**TO AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR**  
**SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES**  
**BETWEEN PETERSBURG INDEPENDENT SCHOOL DISTRICT**  
**AND HALE WIND ENERGY, LLC**  
*(Comptroller Application No. 1134)*

This **AMENDMENT NO. 1 TO THE AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES** (this “**Amendment No. 1**”) is entered into by and between **PETERSBURG INDEPENDENT SCHOOL DISTRICT** (the “**District**”), a lawfully created independent school district of the State of Texas operating under and subject to the TEXAS EDUCATION CODE, and **HALE WIND ENERGY, LLC**, a Texas limited liability company, Texas Taxpayer Identification Number 32057900931 (“**Applicant**”). The Applicant and the District may hereafter be referred together as the “**Parties**” and individually as a “**Party**.” Undefined capitalized terms herein shall have the meaning given to them in the Agreement (as defined below).

**WHEREAS**, on or about November 17, 2016, pursuant to Chapter 313 of the TEXAS TAX CODE, after conducting a public hearing on the matter, the District made factual findings (the “**Findings of Fact**”), and passed, approved, and executed that certain Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes dated November 17, 2016, by and between the District and the Applicant (the “**Agreement**”).

**WHEREAS**, pursuant to Section 10.2 of the Agreement, the District and the Applicant desire and have agreed to (i) delay the start date of the Tax Limitation Period until January 1, 2019 and (ii) amend Sections 2.3.D and 2.3.E and **EXHIBIT 5** of the Agreement to reflect the foregoing change;

**WHEREAS**, the Parties notified the Comptroller of the Amended Application and the request for this Amendment No. 1 on October 20, 2017, and the Comptroller issued its notice of completeness letter on October 27, 2017, issued its amended certification of the Amended Application on October 30, 2017, and approved the form of this Amendment No. 1 on October 27, 2017; and

**WHEREAS**, on November 15, 2017, after conducting a public hearing and providing interested persons an opportunity to be heard on the matter, the Board of Trustees determined that this Amendment No. 1 is in the best interest of the District and the State of Texas and is consistent with and authorized by Chapter 313 of the TEXAS TAX CODE, and has hereby approved this Amendment No. 1 and authorized the District’s representative, whose signature appears below, to execute and deliver such Amendment No. 1 to the Applicant.

**NOW, THEREFORE**, in consideration of the foregoing recitals, the mutual benefits to be derived by the Parties and other good and valuable considerations, the receipt and adequacy of which are hereby acknowledged, and in compliance with Section 10.2 of the Agreement, the undersigned Parties intending to be legally bound, do hereby covenant and agree to amend the Agreement as follows:

1. **Amendments.** The Agreement is hereby amended as follows:
  - a. **Section 2.3.D.** Section 2.3.D of the Agreement is deleted in its entirety and replaced with the following:
    - D. The Tax Limitation Period for this Agreement:
      - i. Starts on January 1, 2019, first complete Tax Year that begins after the end of Qualifying Time Period; and,
      - ii. Ends on December 31, 2028.
  - b. **Section 2.3.E.** Section 2.3.E of the Agreement is amended to reflect that the Final Termination Date for this Agreement is December 31, 2033.
  - c. **EXHIBIT 5.** EXHIBIT 5 of the Agreement shall be deleted and replaced with the Agreement Schedule attached hereto.

2. **Effect.** Except as modified and amended by the terms of this Amendment No. 1, all of the terms, conditions, provisions and covenants of the Agreement are ratified and shall remain in full force and effect, and the Agreement and this Amendment No. 1 shall be deemed to constitute a single instrument or document. Should there be any inconsistency between the terms of this Amendment No. 1 and the Agreement; the terms of this Amendment No. 1 shall prevail. A copy of this Amendment No. 1 shall be delivered to the Hale County Appraisal District and to the Texas Comptroller to be posted to the Texas Comptroller's internet website. A copy of this Amendment shall be recorded with the official Minutes of the meeting at which it has been approved, and a copy of this Amendment shall also be recorded with the Findings of Fact in the official Minutes of the meeting of November 17, 2016.

3. **Binding on Successors and Assigns.** The Agreement, as amended by this Amendment No. 1, shall be binding upon and inure to the benefit of the Parties and each other person and entity having any interest therein during their ownership thereof, and their respective successors and assigns.

4. **Counterparts.** This Amendment No. 1 may be executed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same document.

IN WITNESS HEREOF, the District and Applicant have caused this Amendment No. 1 to be executed and delivered by their duly authorized representatives as of the Effective Date.

*[signatures follow on next page]*

APPROVED AND EFFECTIVE as of the 15th day November, 2017.

**PETERSBURG INDEPENDENT SCHOOL  
DISTRICT**

BY: Chad Byrd  
NAME: Chad Byrd  
TITLE: President

**HALE WIND ENERGY, LLC**

BY: [Signature]  
NAME: John Di Donato  
TITLE: Vice President

**DISTRICT ATTEST:**

BY: Tommy Roden  
NAME: Tommy Roden  
TITLE: Secretary

**EXHIBIT 5**

**AGREEMENT SCHEDULE**

	<u>Year of Agreement</u>	<u>Date of Appraisal</u>	<u>School Year</u>	<u>Tax Year</u>	<u>Summary Description</u>
Limitation Pre-Years	1	January 1, 2016	2016-17	2016	Limitation Pre-Year, QTP begins November 17, 2016
	2	January 1, 2017	2017-18	2017	Limitation Pre-Year
	3	January 1, 2018	2018-19	2018	Limitation Pre-Year, QTP ends December 31, 2018
Limitation Period (10 Years)	4	January 1, 2019	2019-20	2019	\$20 million appraisal limitation
	5	January 1, 2020	2020-21	2020	\$20 million appraisal limitation
	6	January 1, 2021	2021-22	2021	\$20 million appraisal limitation
	7	January 1, 2022	2022-23	2022	\$20 million appraisal limitation
	8	January 1, 2023	2023-24	2023	\$20 million appraisal limitation
	9	January 1, 2024	2024-25	2024	\$20 million appraisal limitation
	10	January 1, 2025	2025-26	2025	\$20 million appraisal limitation
	11	January 1, 2026	2026-27	2026	\$20 million appraisal limitation
	12	January 1, 2027	2027-28	2027	\$20 million appraisal limitation
	13	January 1, 2028	2028-29	2028	\$20 million appraisal limitation
Maintain a Viable Presence (5 Years)	14	January 1, 2029	2029-30	2029	No appraisal limitation; must maintain a viable presence
	15	January 1, 2030	2030-31	2030	No appraisal limitation; must maintain a viable presence
	16	January 1, 2031	2031-32	2031	No appraisal limitation; must maintain a viable presence
	17	January 1, 2032	2032-33	2032	No appraisal limitation; must maintain a viable presence
	18	January 1, 2033	2033-34	2033	No appraisal limitation; must maintain a viable presence

**Agreement for Limitation on Appraised Value**  
 Between Petersburg ISD and Hale Wind Energy, LLC  
 (App No. 1134), November 15, 2017  
 Exhibit 5

*Texas Economic Development Act Agreement*  
*Comptroller Form 50-826 (January 2016)*