

**EPIC Y-Grade Logistics, LP**

November 2017

Application for appraised value limitation on qualified property

Calallen Independent School District



## Table of Contents

- 1) Application
- 2) Proof of payment
- 3) Documentation of combined group
- 4) Project description
- 5) Determining factor documentation
- 6) Documentation of multiple districts
- 7) Description of Qualified Investment
- 8) Description of Qualified Property
- 9) *Description of Land*
- 10) Description of ineligible property
- 11) Maps
- 12) Job creation waiver
- 13) Wage requirement calculation
- 14) *Schedules A1, A2, B, C and D*
- 15) Economic impact analysis
- 16) Description of Reinvestment Zone
- 17) Signature and certification page

Application for Appraised Value Limitation on Qualified Property

Tax Code, Chapter 313, Subchapter B or C

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
- the date on which the school district received the application;
- the date the school district determined that the application was complete;
- the date the school board decided to consider the application; and
- a request that the Comptroller prepare an economic impact analysis of the application;
provide a copy of the notice to the appraisal district;
must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at comptroller.texas.gov/economy/local/ch313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

November 13, 2017
Date Application Received by District

Arturo
First Name
Superintendent
Title

Almendarez, Ed. D.
Last Name

Calallen Independent School District
School District Name

4205 Wildcat Drive
Street Address

Corpus Christi
City TX 78410

(361) 242-5600
Phone Number (361) 242-5620
Fax Number

File Number (optional) AAImendarez@calallen.org
Email Address

2. Does the district authorize the consultant to provide and obtain information related to this application? [X] Yes [ ] No

**SECTION 1: School District Information (continued)**

**3. Authorized School District Consultant (If Applicable)**

Bob	Popinski
First Name	Last Name
Title	
Moak Casey & Associates	
Firm Name	
(512) 485-7878	(512) 485-7888
Phone Number	Fax Number
	bpopinski@moakcasey.com
	Email Address

4. On what date did the district determine this application complete? ..... November 29, 2017
5. Has the district determined that the electronic copy and hard copy are identical? .....  Yes  No

**SECTION 2: Applicant Information**

**1. Authorized Company Representative (Applicant)**

Weston	Mokry	
First Name	Last Name	
Controller	EPIC Y-Grade Logistics, LP	
Title	Organization	
18615 Tuscany Stone, STE 300		
Street Address		
18615 Tuscany Stone, STE 300		
Mailing Address		
San Antonio	Texas	78258-3498
City	State	ZIP
(210) 446-1055		
Phone Number	Fax Number	
	weston.mokry@texstarlogistics.com	
	Business Email Address	

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? .....  Yes  No
- 2a. If yes, please fill out contact information for that person.

First Name	Last Name	
Title	Organization	
Street Address		
Mailing Address		
City	State	ZIP
Phone Number	Fax Number	
	Business Email Address	

3. Does the applicant authorize the consultant to provide and obtain information related to this application? .....  Yes  No

SECTION 2: Applicant Information (continued)

Authorized Company Consultant (If Applicable)

Form fields for Authorized Company Consultant including First Name (elley), Last Name (Rendziperis), Title (Principal), Firm Name (Site Selection Group, LLC), Phone Number ((214) 271-0584), and Business Email Address (krendziperis@siteselectiongroup.com).

SECTION 3: Fees and Payments

- 1. Has an application fee been paid to the school district? [checked] Yes [ ] No
The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.
1a. If yes, attach in Tab 2 proof of application fee paid to the school district.
For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.
2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? [ ] Yes [checked] No [ ] N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? [ ] Yes [ ] No [checked] N/A

SECTION 4: Business Applicant Information

- 1. What is the legal name of the applicant under which this application is made? EPIC Y-Grade Logistics, LP
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32065261490
3. List the NAICS code 324120
4. Is the applicant a party to any other pending or active Chapter 313 agreements? [ ] Yes [checked] No
4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

- 1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Partnership
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? [checked] Yes [ ] No
2a. If yes, attach in Tab 3 a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? [checked] Yes [ ] No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? [checked] Yes [ ] No [ ] N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in Tab 3)

Large empty rectangular box for providing explanation or documentation for question 5.

SECTION 6: Eligibility Under Tax Code Chapter 313.024

- Are you an entity subject to the tax under Tax Code, Chapter 171?  Yes  No
- The property will be used for one of the following activities:
  - (1) manufacturing  Yes  No
  - (2) research and development  Yes  No
  - (3) a clean coal project, as defined by Section 5.001, Water Code  Yes  No
  - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code  Yes  No
  - (5) renewable energy electric generation  Yes  No
  - (6) electric power generation using integrated gasification combined cycle technology  Yes  No
  - (7) nuclear electric power generation  Yes  No
  - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7)  Yes  No
  - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051  Yes  No
- 3. Are you requesting that any of the land be classified as qualified investment?  Yes  No
- 4. Will any of the proposed qualified investment be leased under a capitalized lease?  Yes  No
- 5. Will any of the proposed qualified investment be leased under an operating lease?  Yes  No
- 6. Are you including property that is owned by a person other than the applicant?  Yes  No
- 7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment?  Yes  No

SECTION 7: Project Description

- 1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
- 2. Check the project characteristics that apply to the proposed project:
  - Land has no existing improvements  Land has existing improvements (*complete Section 13*)
  - Expansion of existing operation on the land (*complete Section 13*)  Relocation within Texas

SECTION 8: Limitation as Determining Factor

- 1. Does the applicant currently own the land on which the proposed project will occur?  Yes  No
- 2. Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?  Yes  No
- 3. Does the applicant have current business activities at the location where the proposed project will occur?  Yes  No
- 4. Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location?  Yes  No
- 5. Has the applicant received any local or state permits for activities on the proposed project site?  Yes  No
- 6. Has the applicant received commitments for state or local incentives for activities at the proposed project site?  Yes  No
- 7. Is the applicant evaluating other locations not in Texas for the proposed project?  Yes  No
- 8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities?  Yes  No
- 9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project?  Yes  No
- Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas?  Yes  No

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

**SECTION 9: Projected Timeline**

- Application approval by school board ..... February 2018
- 2. Commencement of construction ..... Q1 2018
- 3. Beginning of qualifying time period ..... Q1 2018
- 4. First year of limitation ..... 2020
- 5. Begin hiring new employees ..... 2018
- 6. Commencement of commercial operations ..... 2019
- 7. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (*date your application is finally determined to be complete*)? .....  Yes  No
- Note:** Improvements made before that time may not be considered qualified property.
- 8. When do you anticipate the new buildings or improvements will be placed in service? ..... 12/2019

**SECTION 10: The Property**

- 1. Identify county or counties in which the proposed project will be located ..... Nueces County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property ..... Nueces County Appraisal District
- 3. Will this CAD be acting on behalf of another CAD to appraise this property? .....  Yes  No
- 4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:
 

County: <u>Nueces County, 0.304092, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>Hospital 0.126836, 100%</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Other ( <i>describe</i> ): <u>Del Mar College, 0.246159, 100%</u> <small>(Name, tax rate and percent of project)</small>	Other ( <i>describe</i> ): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
- 5. Is the project located entirely within the ISD listed in Section 1? .....  Yes  No
  - 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
- 6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? .....  Yes  No
  - 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

**SECTION 11: Investment**

**NOTE:** The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at [comptroller.texas.gov/economy/local/ch313/](http://comptroller.texas.gov/economy/local/ch313/).

- 1. At the time of application, what is the estimated minimum qualified investment required for this school district? ..... 30,000,000.00
- 2. What is the amount of appraised value limitation for which you are applying? ..... 30,000,000.00
- Note:** The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
- 3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? .....  Yes  No
- 4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
  - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
  - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
  - c. a detailed map of the qualified investment showing location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, with vicinity map (**Tab 11**).
- 5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? .....  Yes  No

SECTION 12: Qualified Property

Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:

- 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).

2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? [X] Yes [ ] No

- 2a. If yes, attach complete documentation including:
a. legal description of the land (Tab 9);
b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
c. owner (Tab 9);
d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
e. a detailed map showing the location of the land with vicinity map (Tab 11).

3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? [ ] Yes [X] No

- 3a. If yes, attach the applicable supporting documentation:
a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
b. legal description of reinvestment zone (Tab 16);
c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
d. guidelines and criteria for creating the zone (Tab 16); and
e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)

3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? 11/29/17

SECTION 13: Information on Property Not Eligible to Become Qualified Property

1. In Tab 10, attach a specific and detailed description of all existing property. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.

2. In Tab 10, attach a specific and detailed description of all proposed new property that will not become new improvements as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).

3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:

- a. maps and/or detailed site plan;
b. surveys;
c. appraisal district values and parcel numbers;
d. inventory lists;
e. existing and proposed property lists;
f. model and serial numbers of existing property; or
g. other information of sufficient detail and description.

4. Total estimated market value of existing property (that property described in response to question 1): \$ 0.00

5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.

6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ 0.00

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

SECTION 14: Wage and Employment Information

What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? ..... 0

2. What is the last complete calendar quarter before application review start date:

First Quarter     Second Quarter     Third Quarter     Fourth Quarter of 2017  
(year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? ..... 2

**Note:** For job definitions see TAC §9.1051 and Tax Code §313.021(3).

4. What is the number of new qualifying jobs you are committing to create? ..... 10

5. What is the number of new non-qualifying jobs you are estimating you will create? ..... 0

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? .....  Yes  No

6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).

- a. Average weekly wage for all jobs (all industries) in the county is ..... 888.00
- b. 110% of the average weekly wage for manufacturing jobs in the county is ..... 1,717.00
- c. 110% of the average weekly wage for manufacturing jobs in the region is ..... 1,225.00

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? .....  §313.021(5)(A) or  §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? ..... 63,713.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... 63,714.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? .....  Yes  No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.021(3)(F)? .....  Yes  No

12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? .....  Yes  No

13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. (not required)

3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

## APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> <li>a) Project vicinity</li> <li>b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period</li> <li>c) Qualified property including location of new buildings or new improvements</li> <li>d) Existing property</li> <li>e) Land location within vicinity map</li> <li>f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size</li> </ul> <p><b>Note:</b> Electronic maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> <li>a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office</li> <li>b) legal description of reinvestment zone*</li> <li>c) order, resolution or ordinance establishing the reinvestment zone*</li> <li>d) guidelines and criteria for creating the zone*</li> </ul> <p><b>* To be submitted with application or before date of final application approval by school board</b></p>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

Proof of payment of filing fee received by the  
Comptroller of Public Accounts per TAC Rule  
§9.1054 (b)(5)

*(Page Inserted by Office of Texas Comptroller of Public  
Accounts)*

**Tab 3**

**Documentation of Combined Group membership under Texas Tax Code**

EPIC Y-Grade Logistics LP ("EPIC") was recently formed. The Texas Franchise Tax Affiliate Schedule and the Texas Franchise Tax Extension Affiliate List are not yet available. EPIC will file as part of a combined group. See attached organizational chart.



## Franchise Tax Account Status

As of : 10/31/2017 13:56:27

**This Page is Not Sufficient for Filings with the Secretary of State**

### EPIC Y-GRADE LOGISTICS, LP

**Texas Taxpayer Number** 32065261490

**Mailing Address** 211 E 7TH ST STE 620 AUSTIN, TX 78701-3218

**Right to Transact Business in Texas** ACTIVE

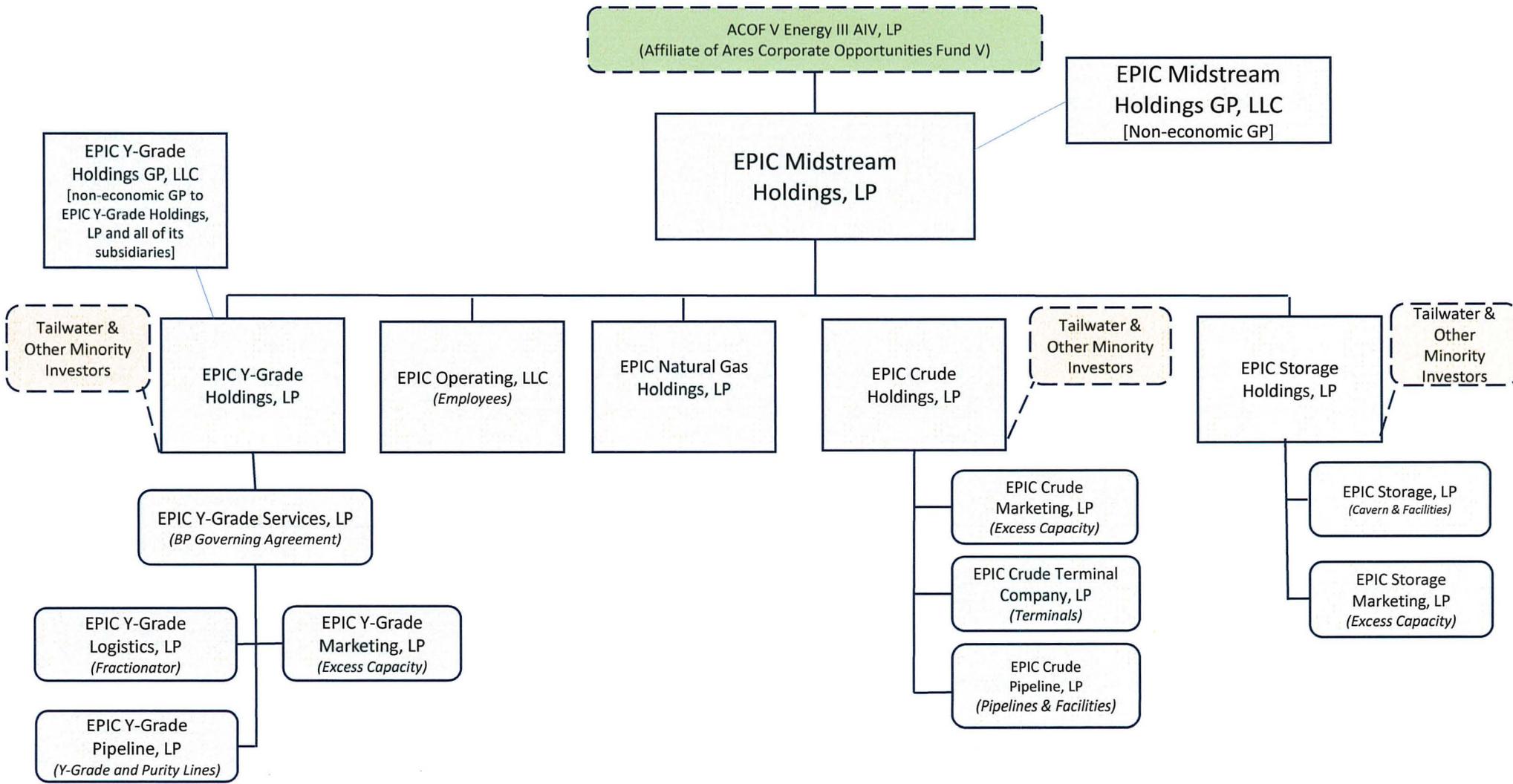
**State of Formation** DE

**Effective SOS Registration Date** 10/27/2017

**Texas SOS File Number** 0802848262

**Registered Agent Name** CORPORATION SERVICE COMPANY DBA CSC - LAWYERS INCO

**Registered Office Street Address** 211 E. 7TH STREET, SUITE 620 AUSTIN, TX 78701



## Tab 4

### Project Description

EPIC Y-Grade Logistics, LP, ("EPIC") proposes to construct two new fractionator units that split raw-mix natural gas liquid ("NGL") into individual purity products using a sequence of towers. The towers regulate temperatures and pressures so that the boiling point will be reached by only one product in each tower. The fractionators are designed to accommodate an affiliate's proposed pipeline that could initially transport up to 220,000 barrels per day. The NGL supply will originate from New Mexico and the Permian Basin in south Texas. The end users will be Gulf Coast refiners, petrochemical companies and export markets.

This project would be a significant investment for the company with an estimated investment of approximately \$400 million dollars for both fractionator units. The fractionator plants and ancillary infrastructure is anticipated to contain the following processing units and related equipment:

- Treating Equipment
- Storage Tanks and other facilities
- DeEthanizer Towers
- Product Loading Rack
- DePropanizer Towers
- Compression Equipment
- DeButanizer Towers
- Product Pipeline Interconnects
- Gasoline Treaters

The ability for EPIC to construct the first fractionator, and subsequent fractionators, is heavily dependent upon the overall return on investment of the project and whether the company can secure property tax benefits at an optimal location along the pipeline. Upon approval of such economic incentives, EPIC would move forward in acquiring land in the 4<sup>th</sup> quarter of 2017/early 2018. The construction of the facility and hiring of employees is estimated to occur in 2018 through 2020, with a goal of beginning operations in 2019.

Tab 5

**Documentation to assist in determining if limitation is a determining factor**

**Section 8, #4: Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location?**

As mandated and required by the Federal Energy Regulatory Commission ("FERC"), EPIC Y-Grade Pipeline, LP, a subsidiary of EPIC Y-Grade Services, LP and EPIC Midstream Holdings, LP, announced its intent to develop a 650-mile natural gas liquids pipeline. The FERC is an independent agency that regulates the interstate transmission of electricity, natural gas, and oil and because the pipeline will cross state borders, the proposed project is required to be announced in advance of final details and commitments.

As part of the proposed project, EPIC Y-Grade Logistics, LP ("EPIC") will construct two fractionator units that split raw-mix natural gas liquids into individual purity products. While the FERC announcement indicated that the likely site location for the fractionator units may be in the Corpus Christi, Texas region; EPIC has not yet made a firm commitment to any site, purchased land, etc.

**Section 8, #6 and #7: Has the applicant received commitments for state or local incentives for activities at the proposed project sites? Is the applicant evaluating other locations not in Texas for the proposed project?**

EPIC Y-Grade Logistics, LP ("EPIC") is currently applying for state and local incentives for sites located in Texas and New Mexico. The fractionators could either be located at the beginning of the pipeline in New Mexico, due to existing infrastructure, or at the end of the pipeline in the Corpus Christi region. Within the State of Texas, EPIC is working with the Corpus Christi Regional Economic Development Corporation to request and apply for property tax abatements from Nueces County and Del Mar College. At this time the location decision is not complete and will depend on the potential projects return on investment.

**Section 8, #10. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas?**

EPIC Y-Grade Logistics, LP ("EPIC") is comparing the economic return for the project within and outside of Texas and based on the magnitude of the proposed capital investment, economic incentives are a key determining factor in this evaluation. In making the required FERC announcement mentioned above, EPIC's management considered the potential benefit of realizing the limitation on appraised value under Chapter 313 and property tax abatements under Chapter 312 because without these available property tax incentives, the economics of the project become far less attractive and the likelihood of completing the project in Texas decrease. EPIC has limited capital resources and its investors may allocate those resources to a location or project with more favorable economics if EPIC is unable to obtain a Limitation on Appraised Value Agreement. The final decision will be made upon review of all incentive offers and analysis of the final project economics.



## **EPIC Pipeline Announces Capacity Agreement with BP Energy Company & Secures Capital Commitment for New 650-Mile NGL Pipeline from the Permian Basin to Corpus Christi**

San Antonio, TX, September 29, 2017 --([PR.com](http://PR.com))-- EPIC Y Grade Pipeline, LP, a subsidiary of EPIC Y Grade Services, LP and EPIC Midstream Holdings, LP, today announced that it has signed a definitive agreement with BP Energy Company to anchor a new 650-mile natural gas liquids (NGL) pipeline that will be known as “EPIC NGL Pipeline,” which will link producers' NGL reserves in the Permian and Eagle Ford Basins to Gulf Coast refiners, petrochemical companies and export markets. The EPIC NGL Pipeline has secured a capital commitment from funds managed by Ares Management, L.P. (NYSE: ARES). The EPIC NGL Pipeline, which has commenced construction, will run side-by-side with the previously announced EPIC Crude Oil Pipeline for most of the route.

The EPIC NGL Pipeline will have throughput capacity of at least 220,000 barrels per day with multiple origin points in the Delaware and Midland Basins. Destinations will include interconnects near Orla, Benedum and Corpus Christi, Texas, where EPIC's affiliate plans to build a fractionation complex to accommodate the pipeline's volume. In the fourth quarter of 2017, EPIC will conduct a FERC open season, when interested shippers will have an opportunity to secure firm capacity on the EPIC NGL Pipeline.

EPIC is actively acquiring rights of way, and in some cases, multi-line rights will be pursued to accommodate both EPIC's NGL and crude oil projects. EPIC plans to have the initial phase of the pipeline in-service in early 2018.

“We are delighted to collaborate with BP, which brings to this project global commercial expertise for both NGLs and purity products,” said Phil Mezey, EPIC's Chief Executive Officer. “We look forward to providing a straight-forward, independent solution to shippers' NGL marketing and transportation needs.”

“BP is excited to extend its producer services reach into the prolific Delaware and Midland basins, while at the same time serving the growing needs of the petrochemical and refining sectors along the U.S. Gulf Coast,” said Orlando Alvarez, BP Energy Company's President and CEO.

“Ares is looking forward to collaborating with the EPIC team and BP on building this important infrastructure project,” commented Nate Walton, Partner at Ares Management.

### About EPIC Y Grade Pipeline

EPIC Y Grade Pipeline, LP (“EPIC”) was formed in 2017 to own and operate an NGL pipeline system between west Texas and the Gulf Coast. EPIC's predecessors, TexStar Midstream Logistics, LP and TexStar Midstream Services, LP, owned and operated oil and gas midstream infrastructure throughout south Texas including crude oil and gas gathering systems, trunklines, treating and processing plants as well as an integrated NGL system with 120 miles of trunklines and a purpose-built fractionator near Corpus Christi. For more information, visit <http://www.epicpipelinelp.com>

[HTTP://EPICPIPELINE.COM](http://epicpipeline.com)

# EPIC ANNOUNCES NEW 650-MILE NGL PIPELINE

29 September | San Antonio, TX

EPIC PIPELINE ANNOUNCES CAPACITY AGREEMENT WITH BP  
ENERGY COMPANY & SECURES CAPITAL COMMITMENT FOR NEW  
650-MILE NGL PIPELINE FROM THE PERMIAN BASIN TO CORPUS  
CHRISTI

[SEE PRESS RELEASE](#)

---

## EPIC NGL PIPELINE

The EPIC NGL Pipeline is a 650-mile natural gas liquids pipeline linking NGL reserves in the Permian and Eagle Ford to gulf coast refiners, petrochemical companies, and export markets. By providing producers with new options for takeaway and downstream players with an alternative source of feedstocks, the NGL Pipeline is the first of many projects EPIC is developing to drive growth throughout Texas and New Mexico.

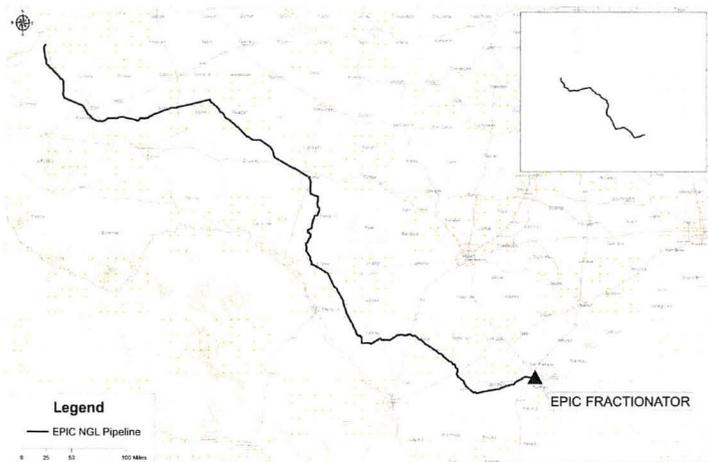
## EPIC CRUDE PIPELINE

The EPIC Crude Pipeline is a 700-mile crude oil pipeline providing an initial 550,000 barrels per day of capacity from the Permian and Eagle Ford Basins to both refining and export markets in and around Corpus Christi. Nearly 3 years in the making, the EPIC Crude Pipeline intends to upend the industry by providing upstream producers and marketers with a takeaway solution that sports customer-friendly contract terms. Nearing

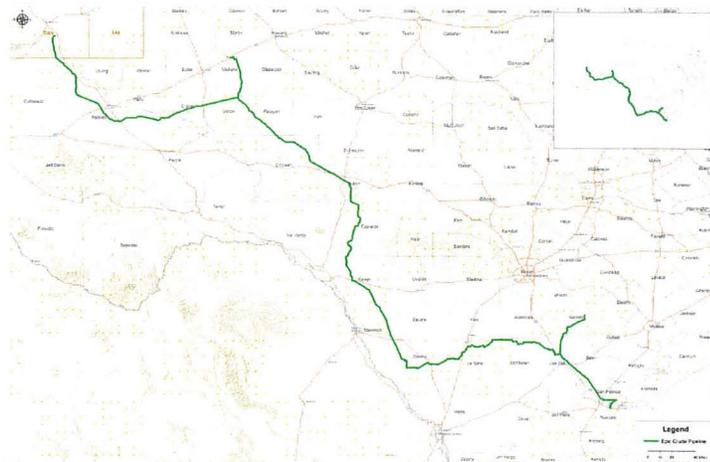
The initial capacity of the line will be a minimum of 220,000 barrels per day, with plans to build multiple 100,000 barrel per day fractionators in the Corpus Christi area. With ROW acquisition and construction already begun alongside its sister project, EPIC Crude, the EPIC NGL Pipeline's initial phase will be in-service in early 2018 and fully complete in 2019.

completion of its first open season, work on the EPIC Crude Pipeline has already begun alongside the EPIC NGL Pipeline. Check back soon for more news on current and potential future open seasons.

PROJECT MAP



PROJECT MAP



Tab 6

**Description of how project is located in more than one district**

NOT APPLICABLE

**Tab 7**

**Description of Qualified Investment**

The qualified investment for the fractionator project may contain the following main processing units and utility systems:

- DeEthanizer
- DePropanizer
- DeButanizer
- Towers
- Compression Equipment
- Gasoline Treaters

**Tab 8**

**Description of Qualified Property**

The qualified property for the fractionator project may contain the following property, main processing units and utility systems:

- Land
- DeEthanizer
- DePropanizer
- DeButanizer
- Towers
- Compression Equipment
- Gasoline Treaters

**Tab 9**

**Description of Land**

The properties under consideration for the applicant project are currently utilized as farm land.

**Property #245816**

Address: Violet Rd (FM RD 24)

Assessed Value \$179,641

Land Type:

DC1 – Dry Crop (Good) 293.55 Acres

PAD – Pad/Tank Site 6.26 Acres

**Property #245817**

Address: FM RD 1694 (Callicoatte Rd)

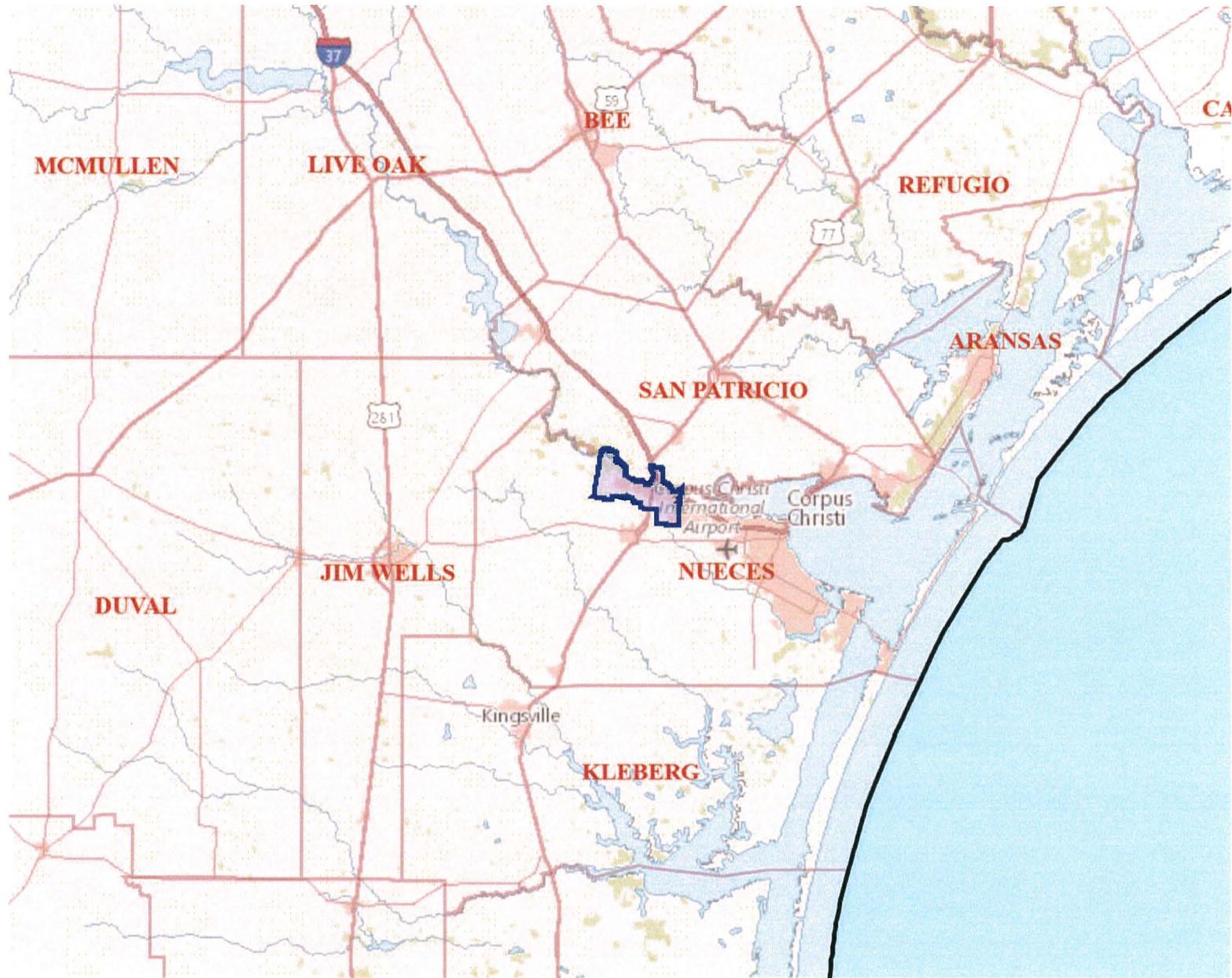
Assessed Value \$10,999

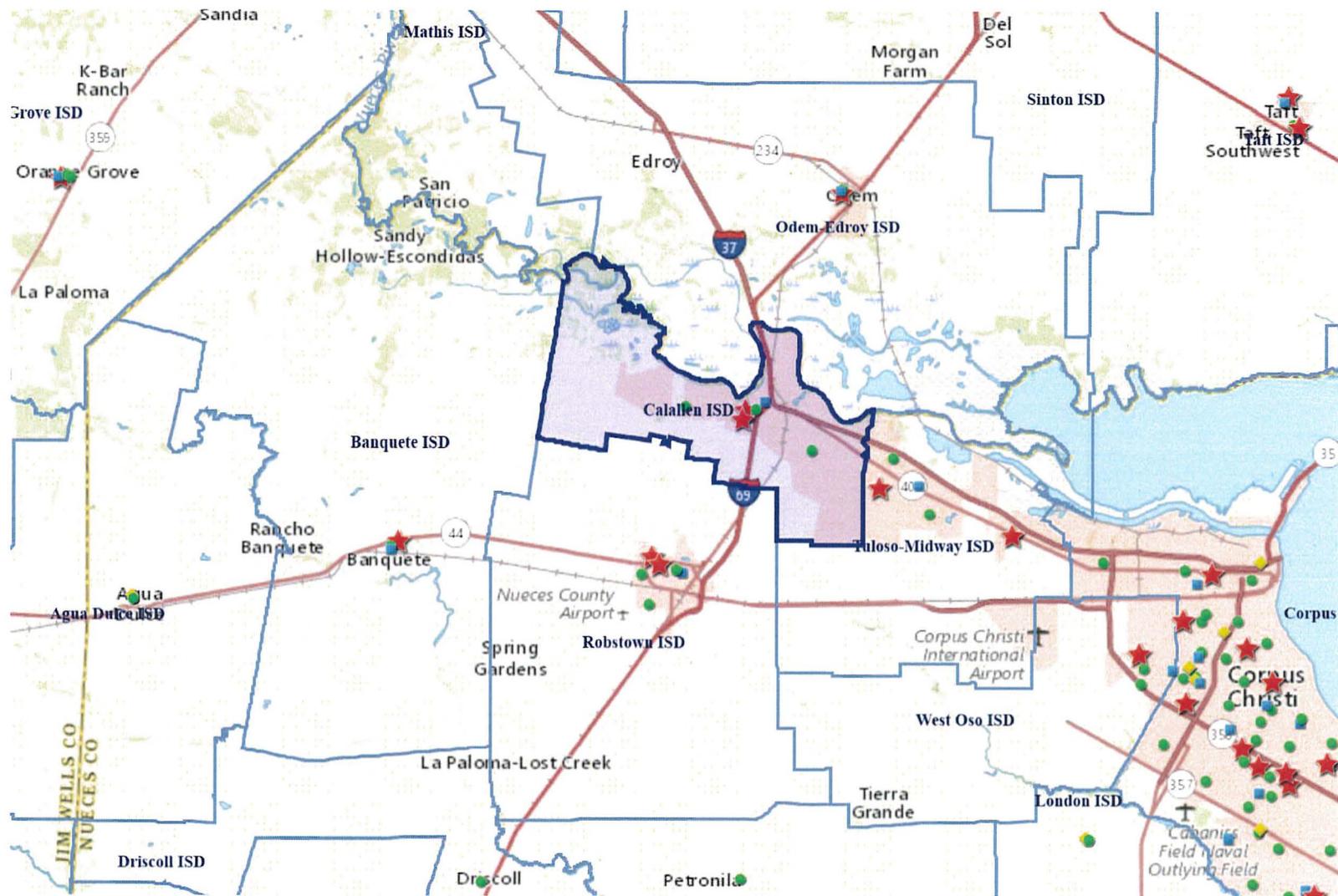
Land Type: Agricultural

**Tab 10**

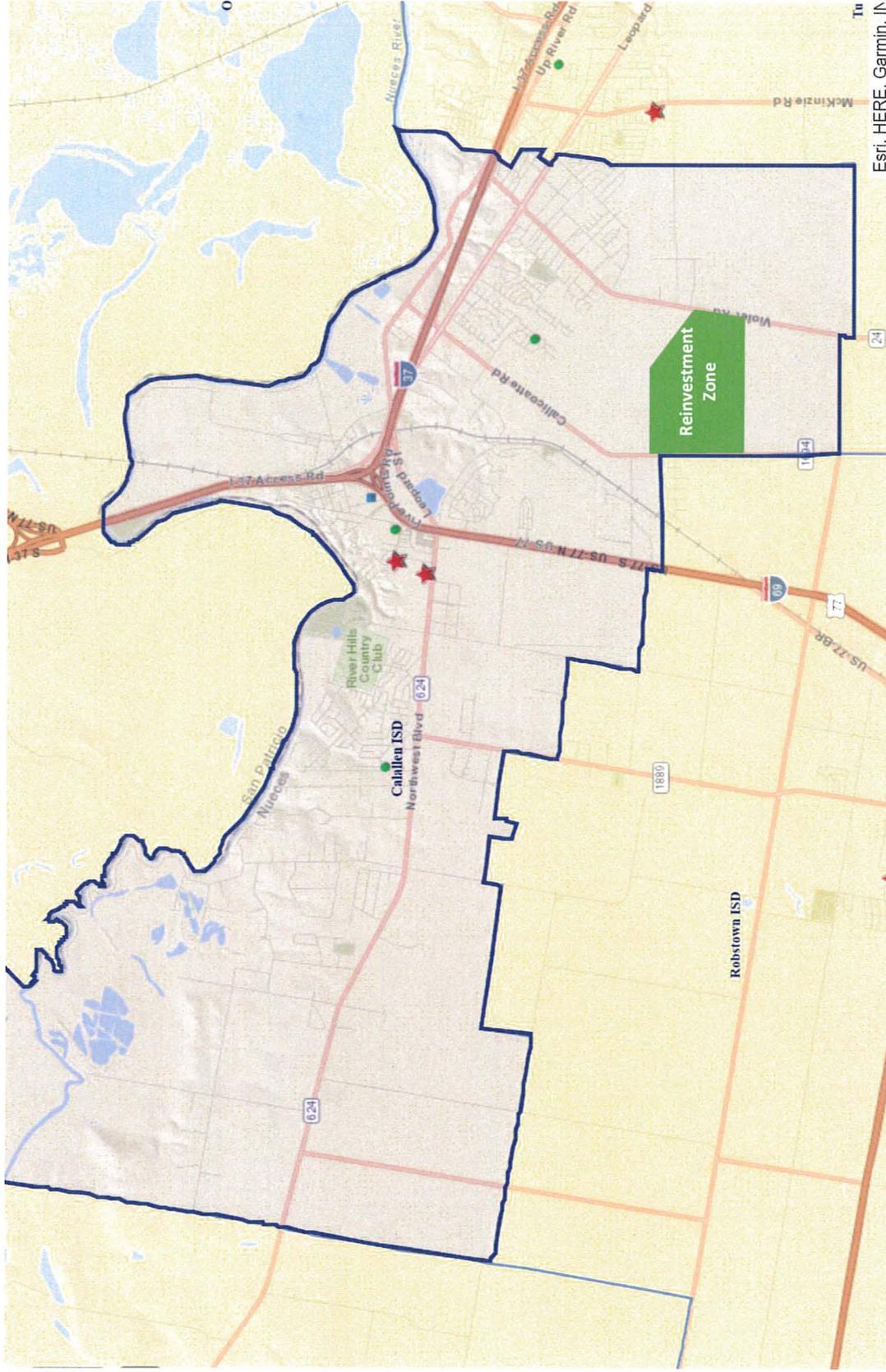
**Description of all property not eligible to become qualified property**

NOT APPLICABLE





Map of Calallen ISD and Reinvestment Zone





Google Map of property #245816 and #245817





**Tab 12**

**Request of Waiver of Job Creation Requirement**

NOT APPLICABLE

Tab 13

Calculation of three possible wage requirements with TWC documentation

a) Average weekly wage for all jobs (all industries) in Nueces County

Year	Period	Area	Ownership	Industry	Avg Weekly Wages
2017	1st Qtr	Nueces County	Total All	Total, all industries	\$912
2016	4th Qtr	Nueces County	Total All	Total, all industries	\$901
2016	3rd Qtr	Nueces County	Total All	Total, all industries	\$890
2016	2nd Qtr	Nueces County	Total All	Total, all industries	\$850
Average weekly					\$888
Average annual					\$46,176

Source Data: Texas Workforce Commission 10/19/2017

Quarterly Employment and Wages (QCEW)

Restart Back Print Download  
[Help with Download](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2016	1st Qtr	Nueces County	Total All	00	0	10	Total, all industries	\$848
2017	1st Qtr	Nueces County	Total All	00	0	10	Total, all industries	\$912
2016	2nd Qtr	Nueces County	Total All	00	0	10	Total, all industries	\$850
2016	3rd Qtr	Nueces County	Total All	00	0	10	Total, all industries	\$890
2016	4th Qtr	Nueces County	Total All	00	0	10	Total, all industries	\$901

b) 110% of the average weekly wage for manufacturing jobs in Nueces County

Year	Period	Area	Ownership	Industry	Avg Weekly Wages
2017	1st Qtr	Nueces County	Private	Manufacturing	\$1,826
2016	4th Qtr	Nueces County	Private	Manufacturing	\$1,492
2016	3rd Qtr	Nueces County	Private	Manufacturing	\$1,503
2016	2nd Qtr	Nueces County	Private	Manufacturing	\$1,424
Average Weekly:					\$1,561
110% Average weekly:					\$1,717
110% Average annual:					\$89,304

Source Data: Texas Workforce Commission  
10/31/2017

### Quarterly Employment and Wages (QCEW)

[Restart](#)
[Back](#)
[Print](#)
[Download](#)
  
[Help with Download](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2016	1st Qtr	Nueces County	Private	31	2	31-33	Manufacturing	\$1,736
2017	1st Qtr	Nueces County	Private	31	2	31-33	Manufacturing	\$1,826
2016	2nd Qtr	Nueces County	Private	31	2	31-33	Manufacturing	\$1,424
2016	3rd Qtr	Nueces County	Private	31	2	31-33	Manufacturing	\$1,503
2016	4th Qtr	Nueces County	Private	31	2	31-33	Manufacturing	\$1,492

Sign up to receive workforce updates you can use.



c) 110% of the average weekly wage for manufacturing jobs in the Coastal Bend Region

**2016 Manufacturing Average Wages**

by Council of Government Region Wages for all Occupations

Published July, 2017

Coastal Bend	Avg Wages
Average Annual:	\$57,921
110% Average Annual:	\$63,713
110% Average Weekly:	\$1,225

**2016 Manufacturing Average Wages by Council of Government Region  
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas	\$25.41	\$52,850
<a href="#">1. Panhandle Regional Planning Commission</a>	\$22.52	\$46,834
<a href="#">2. South Plains Association of Governments</a>	\$18.27	\$38,009
<a href="#">3. NORTEX Regional Planning Commission</a>	\$24.14	\$50,203
<a href="#">4. North Central Texas Council of Governments</a>	\$26.06	\$54,215
<a href="#">5. Ark-Tex Council of Governments</a>	\$19.07	\$39,663
<a href="#">6. East Texas Council of Governments</a>	\$20.52	\$42,677
<a href="#">7. West Central Texas Council of Governments</a>	\$20.31	\$42,242
<a href="#">8. Rio Grande Council of Governments</a>	\$19.32	\$40,188
<a href="#">9. Permian Basin Regional Planning Commission</a>	\$26.00	\$54,079
<a href="#">10. Concho Valley Council of Governments</a>	\$18.78	\$39,066
<a href="#">11. Heart of Texas Council of Governments</a>	\$21.14	\$43,962
<a href="#">12. Capital Area Council of Governments</a>	\$30.06	\$62,522
<a href="#">13. Brazos Valley Council of Governments</a>	\$17.66	\$36,729
<a href="#">14. Deep East Texas Council of Governments</a>	\$18.06	\$37,566
<a href="#">15. South East Texas Regional Planning Commission</a>	\$33.42	\$69,508
<a href="#">16. Houston-Galveston Area Council</a>	\$27.52	\$57,246
<a href="#">17. Golden Crescent Regional Planning Commission</a>	\$26.38	\$54,879
<a href="#">18. Alamo Area Council of Governments</a>	\$21.67	\$45,072
<a href="#">19. South Texas Development Council</a>	\$15.02	\$31,235
<a href="#">20. Coastal Bend Council of Governments</a>	\$27.85	\$57,921
<a href="#">21. Lower Rio Grande Valley Development Council</a>	\$17.55	\$36,503
<a href="#">22. Texoma Council of Governments</a>	\$20.98	\$43,648
<a href="#">23. Central Texas Council of Governments</a>	\$18.65	\$38,783
<a href="#">24. Middle Rio Grande Development Council</a>	\$23.05	\$47,950

Source: Texas Occupational Employment and Wages

Data published: July 2017

Data published annually, next update will be July 31, 2018

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

Date

Applicant Name EPIC Y-Grade Logistics, LP

Tab 14 Schedules

Form 50-296A

ISD Name Calallen Independent School District

Revised May 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in <b>tangible personal property</b> placed in service during this year that will become Qualified Property	New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	<b>Total Investment</b> (Sum of Columns A+B+C+D)
Investment made before filing complete application with district				Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application	--	2018-2019	2018					
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				0	\$ 95,000,000	0	\$ 5,000,000	\$ 100,000,000
Complete tax years of qualifying time period	QTP1	2019-2020	2019	\$ -	\$ 200,000,000	\$ -		\$ 200,000,000
	QTP2	2020-2021	2020	\$ -	\$ 100,000,000	\$ -		\$ 100,000,000
<b>Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]</b>				\$ -	\$ 395,000,000	\$ -	\$ 5,000,000	\$ 400,000,000
				<b>Enter amounts from TOTAL row above in Schedule A2</b>				
<b>Total Qualified Investment (sum of green cells)</b>				<b>\$ 400,000,000</b>				

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.

Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

**Schedule A2: Total Investment for Economic Impact (including Qualified Property and other investments)**

Date

Applicant Name EPIC Y-Grade Logistics, LP

Tab 14 Schedules

Form 50-296A

ISD Name Calallen Independent School District

Revised May 2014

PROPERTY INVESTMENT AMOUNTS									
(Estimated Investment in each year. Do not put cumulative totals.)									
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A New investment (original cost) in <b>tangible personal property</b> placed in service during this year that will become Qualified Property	Column B New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> that will become Qualified Property	Column C Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other investment made during this year that will become Qualified Property [SEE NOTE]	Column E Total Investment (A+B+C+D)	
Total Investment from Schedule A1*	--	<b>TOTALS FROM SCHEDULE A1</b>		\$ -	\$ 395,000,000	0	5000000	\$	400,000,000
Each year prior to start of value limitation period** <small>Insert as many rows as necessary</small>									
Value limitation period***	1	2021-2022	2021						
	2	2022 - 2023	2022						
	3	2023-2024	2023						
	4	2024-2025	2024						
	5	2025-2026	2025						
	6	2026-2027	2026						
	7	2027-2028	2027						
	8	2028-2029	2028						
	9	2029-2030	2029						
	10	2030-2031	2030						
<b>Total Investment made through limitation</b>				\$ -	\$ 395,000,000	\$ -	\$ 5,000,000	\$	400,000,000
Continue to maintain viable presence	11	2031-2032	2031						
	12	2032-2033	2032						
	13	2033-2034	2033						
	14	2034-2035	2034						
	15	2035-2036	2035						
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2036-2037	2036						
	17	2037-2038	2037						
	18	2038-2039	2038						
	19	2039-2040	2039						
	20	2040-2041	2040						
	21	2041-2042	2041						
	22	2042-2043	2042						
	23	2043-2044	2043						
	24	2044-2045	2044						
	25	2045-2046	2045						

\* All investments made through the qualifying time period are captured and totaled on Schedule A1 [blue box] and incorporated into this schedule in the **first row**.

\*\* Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line.

\*\*\* If your qualifying time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments/years that were **not** captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.

Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

**Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)**

Tab 14 Schedules

Date

Applicant Name

EPIC Y-Grade Logistics, LP

Form 50-296A

ISD Name

Calallen Independent School District

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Estimated Taxable Value		
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0								
Value Limitation Period	1	2020-2021	2020	\$ 4,250,000		\$ 335,750,000		\$ 340,000,000	\$ 30,000,000
	2	2021-2022	2021	\$ 4,250,000		\$ 318,962,500		\$ 323,212,500	\$ 30,000,000
	3	2022-2023	2022	\$ 4,250,000		\$ 303,014,375		\$ 307,264,375	\$ 30,000,000
	4	2023-2024	2023	\$ 4,250,000		\$ 287,863,656		\$ 292,113,656	\$ 30,000,000
	5	2024-2025	2024	\$ 4,250,000		\$ 273,470,473		\$ 277,720,473	\$ 30,000,000
	6	2025-2026	2025	\$ 4,250,000		\$ 259,796,949		\$ 264,046,949	\$ 30,000,000
	7	2026-2027	2026	\$ 4,250,000		\$ 246,807,102		\$ 251,057,102	\$ 30,000,000
	8	2027-2028	2027	\$ 4,250,000		\$ 234,466,747		\$ 238,716,747	\$ 30,000,000
	9	2028-2029	2028	\$ 4,250,000		\$ 222,743,409		\$ 226,993,409	\$ 30,000,000
	10	2029-2030	2029	\$ 4,250,000		\$ 211,606,239		\$ 215,856,239	\$ 30,000,000
Continue to maintain viable presence	11	2030-2031	2030	\$ 4,250,000		\$ 201,025,927		\$ 205,275,927	\$ 205,275,927
	12	2031-2032	2031	\$ 4,250,000		\$ 190,974,630		\$ 195,224,630	\$ 195,224,630
	13	2032-2033	2032	\$ 4,250,000		\$ 181,425,899		\$ 185,675,899	\$ 185,675,899
	14	2033-2034	2033	\$ 4,250,000		\$ 172,354,604		\$ 176,604,604	\$ 176,604,604
	15	2034-2035	2034	\$ 4,250,000		\$ 163,736,874		\$ 167,986,874	\$ 167,986,874
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2035-2036	2035	\$ 4,250,000		\$ 155,550,030		\$ 159,800,030	\$ 159,800,030
	17	2036-2037	2036	\$ 4,250,000		\$ 147,772,528		\$ 152,022,528	\$ 152,022,528
	18	2037-2038	2037	\$ 4,250,000		\$ 140,383,902		\$ 144,633,902	\$ 144,633,902
	19	2038-2039	2038	\$ 4,250,000		\$ 133,364,707		\$ 137,614,707	\$ 137,614,707
	20	2039-2040	2039	\$ 4,250,000		\$ 126,696,472		\$ 130,946,472	\$ 130,946,472
	21	2040-2041	2040	\$ 4,250,000		\$ 120,361,648		\$ 124,611,648	\$ 124,611,648
	22	2041-2042	2041	\$ 4,250,000		\$ 114,343,566		\$ 118,593,566	\$ 118,593,566
	23	2042-2043	2042	\$ 4,250,000		\$ 108,626,387		\$ 112,876,387	\$ 112,876,387
	24	2043-2044	2043	\$ 4,250,000		\$ 103,195,068		\$ 107,445,068	\$ 107,445,068
	25	2044-2045	2044	\$ 4,250,000		\$ 98,035,314		\$ 102,285,314	\$ 102,285,314

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.

Only include market value for eligible property on this schedule.

Schedule C: Employment Information

Date

Applicant Name

EPIC Y-Grade Logistics, LP

Form 50-296A

ISD Name

Calallen Independent School District

Revised May 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
				Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0			500	\$35/hr			
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2020-2021	2020				10	64000
	2	2021-2022	2021				10	64000
	3	2022-2023	2022				10	64000
	4	2023-2024	2023				10	64000
	5	2024-2025	2024				10	64000
	6	2025-2026	2025				10	64000
	7	2026-2027	2026				10	64000
	8	2027-2028	2027				10	64000
	9	2028-2029	2028				10	64000
	10	2029-2030	2029				10	64000
Years Following Value Limitation Period	11 through 25	2030-2045	2030 -2045				10	64000

Notes: See TAC 9.1051 for definition of non-qualifying jobs.  
Only include jobs on the project site in this school district.

- C1.** Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25  Yes  No  
qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)  
If yes, answer the following two questions:
- C1a.** Will the applicant request a job waiver, as provided under 313.025(f-1)?  Yes  No
- C1b.** Will the applicant avail itself of the provision in 313.021(3)(F)?  Yes  No

Schedule D: Other Incentives (Estimated)

Date  
 Applicant Name EPIC Y-Grade Logistics, LP  
 ISD Name Calallen Independent School District

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County:					
	City:					
	Other:					
Tax Code Chapter 312	County: Nueces	2019	8 years	\$ 1,000,000	\$ 510,000	\$ 490,000
	City:					
	Other: Del Mar College	2019	8 years	\$ 850,000	\$ 480,000	\$ 370,000
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
<b>TOTAL</b>						

Additional information on incentives for this project:

Tab 15

**Economic Impact Analysis**

NOT APPLICABLE

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in Tab 17. NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here Arturo Almendarez Superintendent
Print Name (Authorized School District Representative) Title
sign here Arturo Almendarez 11/13/2017
Signature (Authorized School District Representative) Date

2. Authorized Company Representative (Applicant) Signature and Notarization

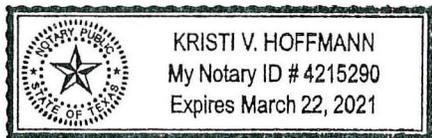
I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here Weston Mckery Controller
Print Name (Authorized Company Representative (Applicant)) Title
sign here Weston Mckery 11/10/17
Signature (Authorized Company Representative (Applicant)) Date

GIVEN under my hand and seal of office this, the

10th day of November 2017
Kristi V. Hoffmann
Notary Public in and for the State of Texas
My Commission expires: 03/22/21



(Notary Seal)

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.