

# O'HANLON, DEMERATH & CASTILLO

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November 18, 2022

Local Government Assistance & Economic  
Analysis Texas Comptroller of Public Accounts  
P.O. Box 13528  
Austin, Texas 78711-3528

RE: 1310\_PB ISD\_ETC Texas Pipeline, LTD\_Amendment001\_Execution001

To the Local Government Assistance & Economic Analysis Division:

Enclosed. Please find Amendment001 of the Application to Pecos-Barstow-Toyah ISD from ETC Texas Pipeline. The following changes have been made:

1. Section 14, Q1: Updated to 5 Qualifying Jobs
2. Job Waiver
3. Tab 14, Schedule C: Updated to 5 Qualifying Jobs beginning in Tax Year 2022
4. New Signature Page

Please do not hesitate to call with any questions.

Sincerely,



William Eggleston  
Legal Assistant to Kevin O'Hanlon



October 24, 2022

Pecos-Barstow-Toyah ISD  
ATT: Brent Jaco  
1301 S Eddy St.  
Pecos, TX 79772

RE: Agreement #1310-Pecos-Barstow-Toyah ISD-ETC Texas Pipeline, LTD-Amendment One

Superintendent Jaco:

Please find attached Amendment One for Agreement #1310-Pecos-Barstow-Toyah ISD-ETC Texas Pipeline, LTD. We kindly request you review and consider the following changes:

- Section 14, Q1: Updated to 5 Qualifying Jobs
- Job Waiver Included
- Tab 14, Schedule C: Updated to 5 Qualifying Jobs Beginning in Tax Year 2022
- Tab 17: Updated Signature Page

We appreciate your consideration of this request. Please let us know if you have any questions. Thank you!

Best Regards,

A handwritten signature in black ink that reads "Mike Fry". The signature is written in a cursive style.

Mike Fry

## Texas Comptroller of Public Accounts

## SECTION 14: Wage and Employment Information

1. What is the number of new qualifying jobs you are committing to create? ..... 5
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14)) ..... 0
3. 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
- 3a. If yes, attach evidence of industry standard 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.
4. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the Texas Workforce Commission 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 available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22). **Note:** If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.
- a. Non-qualified job wages  
- average weekly wage for all jobs (all industries) in the county is ..... \$ 1,073.25
- b. Qualifying job wage minimum option §313.021(5)(A)  
-110% of the average weekly wage for manufacturing jobs in the county is ..... N/A
- c. Qualifying job wage minimum option §313.021(5)(B)  
-110% of the average weekly wage for manufacturing jobs in the region is ..... \$ 1,154.49
5. 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)
6. What is the minimum required annual wage for each qualifying job based on the qualified property? ..... \$ 60,033.60
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... \$ 60,033.60
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ..... ☒ Yes ☐ No
9. 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
- 9a. If yes, attach in **Tab 13** supporting documentation from the TWC, pursuant to §313.021(3)(F).
10. 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
- 10a. 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, and C 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 an entity 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**.



October 24, 2022

Pecos-Barstow-Toyah ISD  
ATT: Brent Jaco  
1301 S Eddy St.  
Pecos, TX 79772

RE: Agreement #1310-Pecos-Barstow-Toyah ISD-ETC Texas Pipeline, LTD-Job Waiver Letter

Superintendent Jaco:

On behalf of our client, ETC Texas Pipeline, LTD, the operator of Arrowhead Plant III, we kindly request you consider a job waiver for the agreement holder. At the time of the application, ETC Texas Pipeline, LTD anticipated the project would create 10 qualifying jobs for the operation and maintenance of the project. This commitment was not, however easily fulfilled due to compliance reporting requirements and the nature of midstream operations.

In order for ETC Texas Pipeline, LTD to maintain compliance with the Texas Comptroller of Public Accounts, we are requesting a job waiver be granted for this agreement holder and the original commitment to 10 qualifying employees be reduced to 5 qualifying employees. Due to the nature of midstream operations, employees are often transferred to different facilities. The compliance requirements outlined by the Chapter 313 program does not allow for transferred employees to count as qualifying employees; thus, maintaining compliance for 10 qualifying jobs has not been feasible for the agreement holder, despite 8-10 individuals being employed at this facility. Please note: since commercial operations at this facility began, there has not been a reduction in the number of jobs created nor is a reduction in the future anticipated. The agreement holder has simply not created 10 *qualifying jobs* that meet the standards of the Texas comptroller's compliance requirements.

We appreciate your consideration of this request. Please let us know if you have any questions. Thank you!

Best Regards,

A handwritten signature in black ink that reads "Mike Fry". The signature is written in a cursive, slightly slanted style.

Mike Fry

## Schedule C: Employment Information

Date 10/24/2022  
Applicant Name ETC Texas Pipeline, LTD  
ISD Name Pecos-Barstow-Toyah ISD

Form 50-296A  
Revised October, 2020

Construction				Qualifying Jobs	
Column A		Column B	Column C	Column D	Column E
	Number of Construction FTE's	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)	Annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0		N/A	3	N/A
	0	\$ 60,033.60	N/A	10	N/A
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	1		N/A	10	\$ 60,033.60
	2		N/A	10	\$ 60,033.60
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	3		N/A	5	\$ 60,033.60
	4		N/A	5	\$ 60,033.60
	5		N/A	5	\$ 60,033.60
	6		N/A	5	\$ 60,033.60
	7		N/A	5	\$ 60,033.60
	8		N/A	5	\$ 60,033.60
	9		N/A	5	\$ 60,033.60
	10		N/A	5	\$ 60,033.60
Years Following Value Limitation Period	11 through 25		N/A	5	\$ 60,033.60

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



Texas Comptroller of Public Accounts

Data Analysis and  
Transparency  
Form 50-296-A

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

BRENT JACO  
Print Name (Authorized School District Representative)

Superintendent  
Title

sign  
here

[Signature]  
Signature (Authorized School District Representative)

11/18/2022  
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

Megan McKavanagh  
Print Name (Authorized Company Representative (Applicant))

Director Property Tax  
Title

sign  
here

Megan McKavanagh  
Signature (Authorized Company Representative (Applicant))

Oct. 24, 2022  
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

24 day of October 2022  
Beverly M. Hernandez  
Notary Public in and for the State of Texas  
My Commission expires 9.3.2026

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.