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December 16, 2019

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

RE: 1334 – Amendment No. 1 Agreement for Limitation on Appraised Value of Property for
School District Maintenance and Operations Taxes between Sweeny ISD and Phillips 66
Company No. 1334

To the Local Government Assistance & Economic Analysis Division:

Enclosed. Please find Amendment No. 1 Agreement for Limitation on Appraised Value of Property
for School District Maintenance and Operations Taxes between Sweeny ISD and Phillips 66
Company No. 1334

A copy of the application will be submitted to the Brazoria County Appraisal District.

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Brazoria County Appraisal District
Phillips 66 Company

**AMENDMENT NO. 1
TO AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR
SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES
BETWEEN SWEENY INDEPENDENT SCHOOL DISTRICT AND PHILLIPS 66
COMPANY**

(Comptroller Application No. 1334)

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 **SWEENY 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 **PHILLIPS 66 COMPANY**, a Texas limited liability company, Texas Taxpayer Identification Number 13716527026 (“**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 July 9, 2019, 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 July 9, 2019, by and between the District and Applicant (the “**Agreement**”);

WHEREAS, pursuant to Section 10.2 of the Agreement, the Applicant has requested to (i) delay the start date of the Tax Limitation Period until January 1, 2022, and change the QTP date to January 1, 2020 (ii) amend Sections 2.3C and 2.3.D and 2.3.E and Exhibit 5, accordingly, to reflect the foregoing change;

WHEREAS, the Parties notified the Texas Comptroller of Public Accounts (the “**Comptroller**”) of the Amended Application and the request for this Amendment No. 1 on November 15, 2019, and the Comptroller issued its notice of completeness letter on November December 9, 2019, issued its amended certification of the Amended Application on December 9, 2019, and approved the form of this Amendment No. 1 on December 9, 2019; and

WHEREAS, on December 10, 2019, 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 hereby approves this Amendment No. 1 and authorizes 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 2.3C.** Section 2.3C of the Agreement is deleted in its entirety and replaced with the following:
 - C. The Qualifying Time Period for this Agreement:
 - 1. Starts on January 1, 2020, a date not later than January 1 of the fourth tax year following the Application approval Date for deferrals, as authorized by §313.027(h) of the Texas Tax Code;
 - 2. Ends on December 31, 2021, the last day of the second complete Tax Year following the Qualifying Time Period start date.
 - b. **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:
 - 1. Starts on January 1, 2022, the first complete Tax Year that begins after the commencement of Commercial Operations; and,
 - 2. Ends on December 31, 2031.
 - c. **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, 2036.
 - d. **Exhibit 5. EXHIBIT 5** to the Agreement is deleted in its entirety and replaced with the attached **EXHIBIT 5**.


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 Findings of Fact and 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 and the Findings of Fact 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 or this Amendment No. 1 and the Findings of Fact; the terms of this Amendment No. 1 shall prevail. A copy of this Amendment No. 1 shall be delivered to the Texas Comptroller to be posted to the Texas Comptroller's internet website. A copy of this Amendment No. 1 shall be recorded with the official Minutes of the meeting at which it has been approved and a copy of this Amendment No. 1 shall also be recorded with the Findings of Fact in the official Minutes of the meeting of December 10, 2019.

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 WHEREOF, this Agreement has been executed by the Parties in multiple originals on this 10th day of December, 2019.

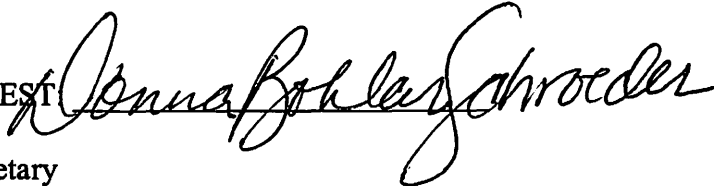
PHILLIPS 66 COMPANY
DISTRICT

By: 
Name: CHRIS G. CISNEROS
Title: SR. ADVISOR, PROPERTY TAX
PHILLIPS 66 COMPANY.

SWEENEY INDEPENDENT SCHOOL

By: 

President
Board of Trustees

ATTEST 

Secretary
Board of Trustee

EXHIBIT 5
AGREEMENT SCHEDULE

	Year	Date of Appraisal	School Year	Tax Year	Summary Description
Pre-Limitation Period	Partial Year Beginning on the Date Agreement Signed (7/9/2019)	January 1, 2019	2019-2020	2019	Agreement Signed (7/9/2019). No limitation on appraised value. Qualifying Time Period Deferred until January 1, 2020
	1	January 1, 2020	2020-2021	2020	Qualifying Time Period. No limitation on appraised value.
	2	January 1, 2021	2021-2022	2021	Qualifying Time Period. No limitation on appraised value.
Limitation Period (10 Years)	1	January 1, 2022	2022-2023	2022	\$30 million appraised value limitation.
	2	January 1, 2023	2023-2024	2023	\$30 million appraised value limitation.
	3	January 1, 2024	2024-2025	2024	\$30 million appraised value limitation.
	4	January 1, 2025	2025-2026	2025	\$30 million appraised value limitation.
	5	January 1, 2026	2026-2027	2026	\$30 million appraised value limitation.
	6	January 1, 2027	2027-2028	2027	\$30 million appraised value limitation.
	7	January 1, 2028	2028-2029	2028	\$30 million appraised value limitation.
	8	January 1, 2029	2029-2030	2029	\$30 million appraised value limitation.
	9	January 1, 2030	2030-2031	2030	\$30 million appraised value limitation.
	10	January 1, 2031	2031-2032	2031	\$30 million appraised value limitation.
Maintain Viable Presence (5 Years)	1	January 1, 2032	2032-2033	2032	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	2	January 1, 2033	2033-2034	2033	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	3	January 1, 2034	2034-2035	2034	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.

	Year	Date of Appraisal	School Year	Tax Year	Summary Description
	4	January 1, 2035	2035-2036	2035	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	5	January 1, 2036	2036-2037	2036	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.