

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILE: (512) 494-9919

June 23, 2020

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

RE: (1360) Amendment003 Execution001 to the Angleton Independent School District from MarkWest Energy West Texas Gas Company, L.L.C.

To the Local Government Assistance & Economic Analysis Division:

Enclosed. Please find Amendment003 Execution001 to the Angleton Independent School District from MarkWest Energy West Texas Gas Company, L.L.C. The following changes have been made:

- Section 2 – Applicant Information, Question 2 has been updated to Stephen Krzyzak
- Section 9 – Projected Timeline, Question 2, 3, 4, an 5 have been updated
- New Signature Page
- Updated Tab 14 schedules A1 - C

A copy of Amendment003 Execution 001 will be submitted to the Brazoria County

Appraisal District.

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Brazoria County Appraisal District
MarkWest Energy West Texas Gas
Company, L.L.C.

MARKWEST

Energy West Texas Gas Company, L.L.C.

CHAPTER 313 APPLICATION TO ANGLETON ISD

MARKWEST

Energy West Texas Gas Company, L.L.C.
CHAPTER 313 APPLICATION TO ANGLETON ISD

TAB 1

Pages 1 through 9 of Application

See Attached

SECTION 1: School District Information *(continued)*

3. Authorized School District Consultant (If Applicable)

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Mobile Number (optional)

Email Address

4. On what date did the district determine this application complete?

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)

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number (optional)

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

Mobile Number (optional)

Business Email Address

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

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
- 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? 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

NOTE: Only construction beginning after the application review start date (the date the Texas Comptroller of Public Accounts deems the application complete) can be considered qualified property and/or qualified investment.

- 1. Estimated school board ratification of final agreement _____
- 2. Estimated commencement of construction _____
- 3. Beginning of qualifying time period(MM/DD/YYYY) _____
- 4. First year of limitation(MM/DD/YYYY) _____
- 4a. For the beginning of the limitation period, notate which one of the following will apply according to provision of 313.027(2): "A" "B" or "C":
 - A. January 1 following the application date
 - B. January 1 following the end of QTP
 - C. January 1 following the commencement of commercial operations
- 5. Commencement of commercial operations _____

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located _____
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property _____
- 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:

M&O (ISD): _____ (Name, tax rate and percent of project)	I&S (ISD): _____ (Name, tax rate and percent of project)
County: _____ (Name, tax rate and percent of project)	City: _____ (Name, tax rate and percent of project)
Hospital District: _____ (Name, tax rate and percent of project)	Water District: _____ (Name, tax rate and percent of project)
Other (describe): _____ (Name, tax rate and percent of project)	Other (describe): _____ (Name, tax rate and percent of project)

Texas Comptroller of Public Accounts

- 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? 66,222.20
- 7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 66,222.20
- 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 12 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 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.

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

Phil Edwards

Print Name (Authorized School District Representative)

Superintendent

Title

sign here



Signature (Authorized School District Representative)

June 22, 2020

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

Nicole Busey

Print Name (Authorized Company Representative (Applicant))

Assistant Secretary

Title

sign here



Signature (Authorized Company Representative (Applicant))

June 15, 2020

Date

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A



RITA A. FOLLAS
Notary Public - State of Ohio
My Commission Expires **October 28, 2022**

GIVEN under my hand and seal of office this, the

15th day of June, 2020
Rita A. Follas
Notary Public in and for the State of Texas
My Commission expires: 10-28-22

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.

TAB	ATTACHMENT
1	Pages of the application including the signature and certification page, signed and dated by Authorized School District Representative and Authorized Company Representative. Sections 1-16
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 (if applicable)
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 (if applicable)
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 (if applicable)
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> a) Project boundary and project vicinity, including county and school district boundaries 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 c) Qualified property including location of new buildings or new improvements d) Any existing property within the project area e) Any facilities owned or operated by the applicant having interconnections to the proposed project f) Location of project, and related nearby projects within vicinity map g) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size <p>Note: Electronic maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information (if applicable)
13	Calculation of non-qualifying wage target and two possible qualifying job wage requirements with TWC documentation
14	Schedules A1, A2, B, and C completed and signed Economic Impact (if applicable)
15	Economic Impact Analysis, other payments made in the state or other economic information (if applicable)
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* <p>* To be submitted with application or before date of final application approval by school board</p>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative (applicant)

MARKWEST

Energy West Texas Gas Company, L.L.C.
CHAPTER 313 APPLICATION TO ANGLETON ISD

TAB 14

Schedules A1, A2, B, and C

See Attached

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 tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Column C Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Column D Other new investment made during this year that may become Qualified Property [SEE NOTE]	Column E Total Investment (Sum of Columns A+B+C+D)	
Investment made before filing complete application with district	--	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2022	Not eligible to become Qualified Property				[The only other investment made before filing complete application with district that may become Qualified Property is land.]	0
Investment made after filing complete application with district, but before final board approval of application				0	0	0	0	0	
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period				0	Qualified Investment	Qualified Investment	0	0	
Complete tax years of qualifying time period	QTP1	2023-2024	2023	400,000,000	Qualified Investment	Qualified Investment	0	400,000,000	
	QTP2	2024-2025	2024	60,000,000	Qualified Investment	Qualified Investment	0	60,000,000	
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				460,000,000	0	0	0	460,000,000	
Enter amounts from TOTAL row above in Schedule A2									
Total Qualified Investment (sum of green cells)				460,000,000					

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)

1360-Angleton-MPLX-Amendment003Execution001
June 23, 2020

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 tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	--	TOTALS FROM SCHEDULE A1		460,000,000	0	0	0	460,000,000
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2023-2024	2023	400,000,000	0	0	0	
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2024-2025	2024	60,000,000	0	0	0	
Value limitation period***	1	2025-2026	2025		0	0	0	0
	2	2026-2027	2026		0	0	0	0
	3	2027-2028	2027	0	0	0	0	0
	4	2028-2029	2028	0	0	0	0	0
	5	2029-2030	2029	0	0	0	0	0
	6	2030-2031	2030	0	0	0	0	0
	7	2031-2032	2031	0	0	0	0	0
	8	2032-2033	2032	0	0	0	0	0
	9	2033-2034	2033	0	0	0	0	0
	10	2034-2035	2034	0	0	0	0	0
Total Investment made through limitation				460,000,000	0	0	0	460,000,000
Continue to maintain viable presence	11	2035-2036	2035			0		0
	12	2036-2037	2036			0		0
	13	2037-2038	2037			0		0
	14	2038-2039	2038			0		0
	15	2039-2040	2039			0		0
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2040-2041	2040			0		0
	17	2041-2042	2041			0		0
	18	2042-2043	2042			0		0
	19	2043-2044	2043			0		0
	20	2044-2045	2044			0		0
	21	2045-2046	2045			0		0
	22	2046-2047	2046			0		0
	23	2047-2048	2047			0		0
	24	2048-2049	2048			0		0
	25	2049-2050	2049			0		0

* 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)

Date

6/11/2020

Applicant Name

MarkWest Energy West Texas Gas Company, L.L.C.

1360-Angleton-MPLX-Amendment003Execution001

June 23, 2020

Form 50-296A

ISD Name

Angleton ISD

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	2023-2024	2023	0	0	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2024-2025	2024	0	0	\$ 350,000,000	\$ 350,000,000	\$ 350,000,000	\$ 350,000,000
Value Limitation Period	1	2025-2026	2025	0	0	\$ 400,000,000	\$ 380,000,000	\$ 380,000,000	\$ 30,000,000
	2	2026-2027	2026	0	0	\$ 530,000,000	\$ 503,500,000	\$ 503,500,000	\$ 30,000,000
	3	2027-2028	2027	0	0	\$ 745,500,000	\$ 708,225,000	\$ 708,225,000	\$ 30,000,000
	4	2028-2029	2028	0	0	\$ 708,225,000	\$ 672,814,000	\$ 672,814,000	\$ 30,000,000
	5	2029-2030	2029	0	0	\$ 672,813,750	\$ 639,173,000	\$ 639,173,000	\$ 30,000,000
	6	2030-2031	2030	0	0	\$ 639,173,000	\$ 607,214,000	\$ 607,214,000	\$ 30,000,000
	7	2031-2032	2031	0	0	\$ 607,214,000	\$ 576,853,000	\$ 576,853,000	\$ 30,000,000
	8	2032-2033	2032	0	0	\$ 576,853,000	\$ 548,010,000	\$ 548,010,000	\$ 30,000,000
	9	2033-2034	2033	0	0	\$ 548,010,000	\$ 520,610,000	\$ 520,610,000	\$ 30,000,000
	10	2034-2035	2034	0	0	\$ 520,610,000	\$ 494,580,000	\$ 494,580,000	\$ 30,000,000
Continue to maintain viable presence	11	2035-2036	2035	0	0	\$ 494,580,000	\$ 469,851,000	\$ 469,851,000	\$ 469,851,000
	12	2036-2037	2036	0	0	\$ 469,851,000	\$ 446,358,000	\$ 446,358,000	\$ 446,358,000
	13	2037-2038	2037	0	0	\$ 446,358,000	\$ 424,040,000	\$ 424,040,000	\$ 424,040,000
	14	2038-2039	2038	0	0	\$ 424,040,000	\$ 402,838,000	\$ 402,838,000	\$ 402,838,000
	15	2039-2040	2039	0	0	\$ 402,838,000	\$ 382,696,000	\$ 382,696,000	\$ 382,696,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2040-2041	2040	0	0	\$ 382,696,000	\$ 363,561,000	\$ 363,561,000	\$ 363,561,000
	17	2041-2042	2041	0	0	\$ 363,561,000	\$ 345,383,000	\$ 345,383,000	\$ 345,383,000
	18	2042-2043	2042	0	0	\$ 345,383,000	\$ 328,114,000	\$ 328,114,000	\$ 328,114,000
	19	2043-2044	2043	0	0	\$ 328,114,000	\$ 311,708,000	\$ 311,708,000	\$ 311,708,000
	20	2044-2045	2044	0	0	\$ 311,708,000	\$ 296,123,000	\$ 296,123,000	\$ 296,123,000
	21	2045-2046	2045	0	0	\$ 296,123,000	\$ 281,317,000	\$ 281,317,000	\$ 281,317,000
	22	2046-2047	2046	0	0	\$ 281,317,000	\$ 267,251,000	\$ 267,251,000	\$ 267,251,000
	23	2047-2048	2047	0	0	\$ 267,251,000	\$ 253,888,000	\$ 253,888,000	\$ 253,888,000
	24	2048-2049	2048	0	0	\$ 253,888,000	\$ 241,194,000	\$ 241,194,000	\$ 241,194,000
	25	2049-2050	2049	0	0	\$ 241,194,000	\$ 229,134,000	\$ 229,134,000	\$ 229,134,000

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 **6/11/2020**
 Applicant Name **MarkWest Energy West Texas Gas Company, L.L.C**
 ISD Name **Angleton ISD**

1360-Angleton-MPLX-Amendment003Execution001
June 23, 2020

Form 50-296A
 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	2023-2024	2023	500 FTE	66,222	0	2	66,222
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2024-2025	2024	100 FTE	66,222	0	10	66,222
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2025-2026	2025	400 FTE	66,222	0	10	66,222
	2	2026-2027	2026	200 FTE	66,222	0	10	66,222
	3	2027-2028	2027	N/A	N/A	0	10	66,222
	4	2028-2029	2028	N/A	N/A	0	10	66,222
	5	2029-2030	2029	N/A	N/A	0	10	66,222
	6	2030-2031	2030	N/A	N/A	0	10	66,222
	7	2031-2032	2031	N/A	N/A	0	10	66,222
	8	2032-2033	2032	N/A	N/A	0	10	66,222
	9	2033-2034	2033	N/A	N/A	0	10	66,222
Years Following Value Limitation Period	11 through 25	2035-2049	2035-2049	N/A	N/A	0	10	66,222

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