
SARA LEON
& ASSOCIATES, LLC

August 13, 2019

Via Hand Delivery and Electronic Mail: Desiree.Caufield@cpa.texas.gov

Ms. Desiree Caufield
Senior Research Analyst
Economic Development & Local Government
Data Analysis & Transparency Division
Texas Comptroller of Public Accounts
111 E. 17th Street, Room 311
Austin, Texas 78774

Re: Application #1391 between the Barbers Hill Independent School District and
Enterprise Products Operating LLC – Amendment 001 Transmittal Letter

Dear Ms. Caufield:

This letter is in response to your email dated August 6, 2019. Per your request, Enterprise Products Operating LLC has made the following changes to Application #1391. Enumerated below are each of the changes contained in Amendment #001:

1. **Transmittal Letter:** Updated Cover Letter enclosed
2. **Section 9 Projected Timeline:** Questions 1 and 3 revised
3. **Section 14 Wage and Employment Information:** Questions 7, 9 and 10 updated
4. **Tab 11 Maps:** Revised map provided
5. **Tab 13 Calculation of three possible wage requirements:** Calculation of Wages and COG updated
6. **Tab 14 Schedules:** Schedule C revised
7. **Section 16 Authorized Signatures:** New signature page attached

Thanks so much for your kind attention to this matter.

Respectfully submitted,



Sara Hardner Leon

Enclosures

cc: *Via Electronic Mail: gpoole@bhisd.net*
Dr. Greg Poole, Superintendent of Schools, Barbers Hill Independent School District

Via Electronic Mail: bmcmanus@bhisd.net
Ms. Rebecca McManus, Assistant Superintendent of Finance, Barbers Hill ISD

Via Electronic Mail: ctate@eprod.com
Mr. Curt Tate, Senior Tax Director, Enterprise Products Operating LLC

Via Electronic Mail: tim@ikardwynne.com
Mr. Tim Young, Counsel for Applicant, Ikard Wynne LLP

SECTION 9: Projected Timeline

- 1. Application approval by school board
2. Commencement of construction
3. Beginning of qualifying time period
4. First year of limitation
5. Begin hiring new employees
6. Commencement of commercial operations
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)?
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?

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?
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: (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)
5. Is the project located entirely within the ISD listed in Section 1?
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)?
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/.

- 1. At the time of application, what is the estimated minimum qualified investment required for this school district?
2. What is the amount of appraised value limitation for which you are applying?
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)?
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?

SECTION 14: Wage and Employment Information

1. 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)?
2. What is the last complete calendar quarter before application review start date:
 First Quarter Second Quarter Third Quarter Fourth Quarter of _____
(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)?
- 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?
5. What is the number of new non-qualifying jobs you are estimating you will create?
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
 - b. 110% of the average weekly wage for manufacturing jobs in the county is
 - c. 110% of the average weekly wage for manufacturing jobs in the region is
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?
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property?
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**.

Amendment No. 1 to Application No. 1391 {8/12/2019}

Calculations of Wages for Chambers County

Based on Most Recent Data Available

Average Weekly Wage for all jobs (all Industries) in the County		
Year	Period	Wages
2018	1 st Qtr	\$1,348
2018	2nd Qtr	\$1,144
2018	3rd Qtr	\$1,174
2018	4th Qtr	\$1,299
Average		\$1,241.25

110% Average Weekly Wage for Manufacturing jobs in the County		
Year	Period	Wages
2018	1 st Qtr	\$3,083
2018	2nd Qtr	\$1,986
2018	3rd Qtr	\$2,096
2018	4th Qtr	\$2,037
Average Weekly Wage		\$2,301
110% of Average Weekly Wage		\$2,530.55

110% of Average Weekly Wage for Manufacturing jobs in the Region	
Houston-Galveston Area Council	
Rate per Hour	\$29.76
Hours Per Week	40
Average Weekly Wage	\$1,190.40
110% of Average Weekly Wage	\$1,309.44

Minimum Required Annual(52 weeks) Wage	\$68,090.88
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Amendment No. 1 to Application No. 1391 {8/12/2019}

2018 Manufacturing Average Wages by Council of Government Region Wages for All Occupations

COG	COG Number	Wages	
		Hourly	Annual
Texas		\$27.04	\$56,240
Alamo Area Council of Governments	18	\$22.80	\$47,428
Ark-Tex Council of Governments	5	\$18.73	\$38,962
Brazos Valley Council of Governments	13	\$18.16	\$37,783
Capital Area Council of Governments	12	\$32.36	\$67,318
Central Texas Council of Governments	23	\$19.60	\$40,771
Coastal Bend Council of Governments	20	\$28.52	\$59,318
Concho Valley Council of Governments	10	\$21.09	\$43,874
Deep East Texas Council of Governments	14	\$18.28	\$38,021
East Texas Council of Governments	6	\$21.45	\$44,616
Golden Crescent Regional Planning Commission	17	\$28.56	\$59,412
Heart of Texas Council of Governments	11	\$22.71	\$47,245
Houston-Galveston Area Council	16	\$29.76	\$61,909
Lower Rio Grande Valley Development Council	21	\$17.21	\$35,804
Middle Rio Grande Development Council	24	\$20.48	\$42,604
NORTEX Regional Planning Commission	3	\$25.14	\$52,284
North Central Texas Council of Governments	4	\$27.93	\$58,094
Panhandle Regional Planning Commission	1	\$24.19	\$50,314
Permian Basin Regional Planning Commission	9	\$25.90	\$53,882
Rio Grande Council of Governments	8	\$18.51	\$38,493
South East Texas Regional Planning Commission	15	\$36.26	\$75,430
South Plains Association of Governments	2	\$20.04	\$41,691
South Texas Development Council	19	\$17.83	\$37,088
Texoma Council of Governments	22	\$21.73	\$45,198
West Central Texas Council of Governments	7	\$21.84	\$45,431

Calculated by the Texas Workforce Commission Labor Market and Career Information Department.

Data published: July 2019

Data published annually, next update will be July 31, 2020

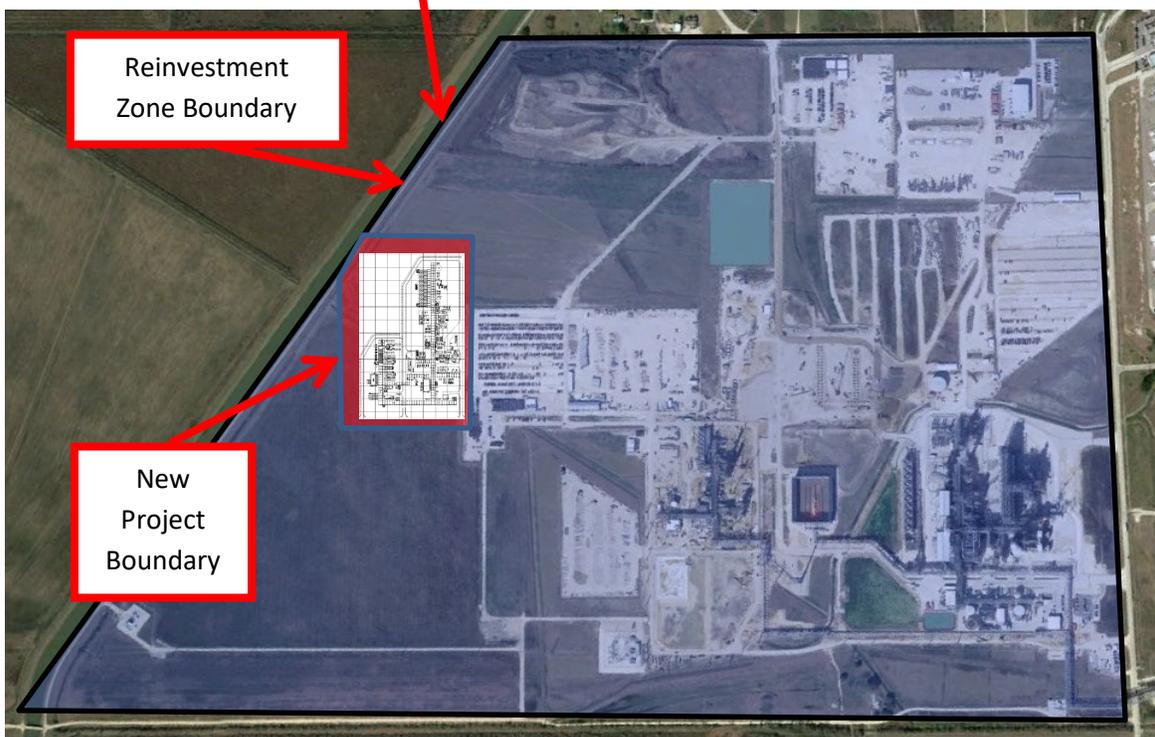
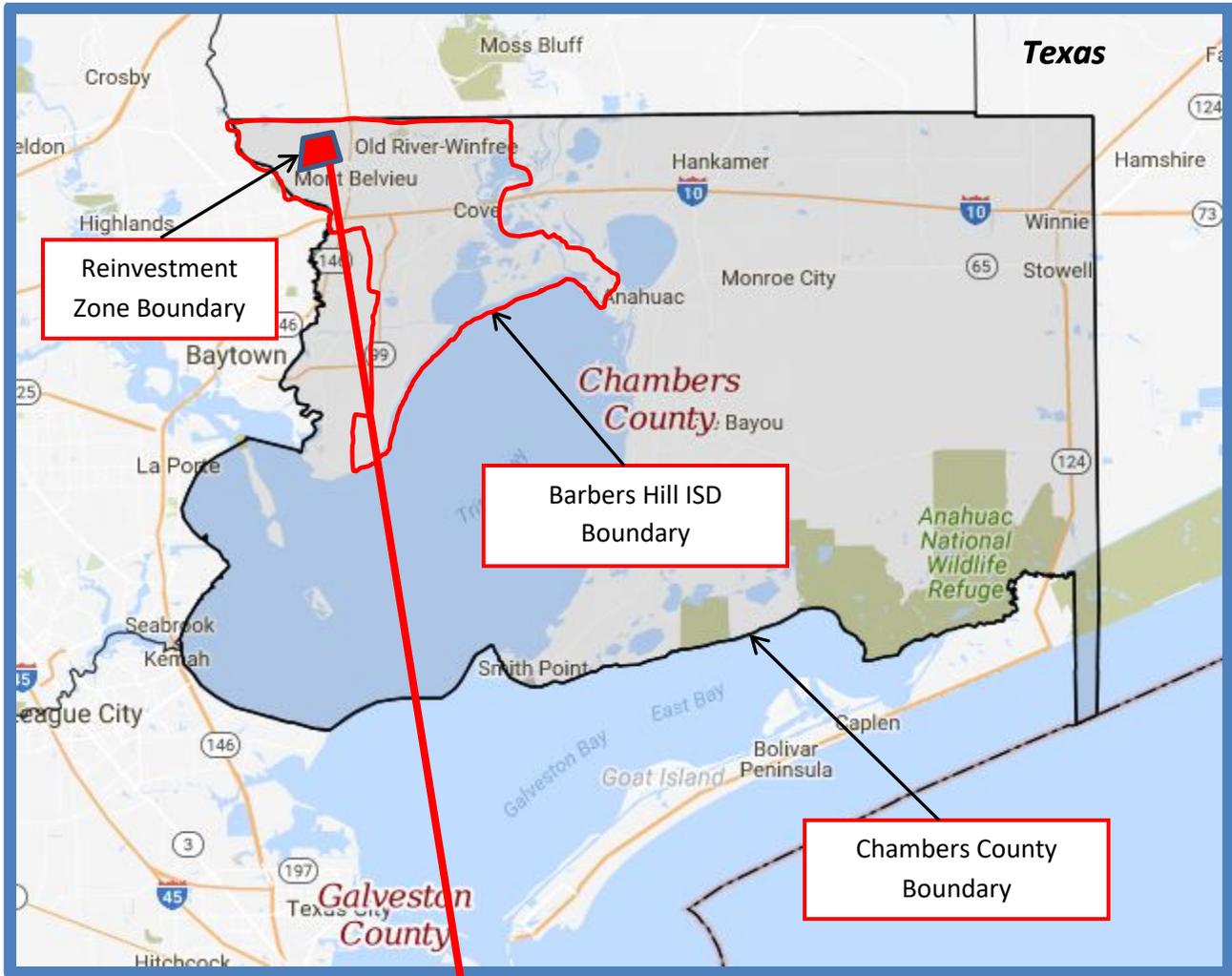
Annual wage figure assumes a 40-hour work week.

Note: Data is not supported by the Bureau of Labor Statistics (BLS).

Wage data is produced from Texas Occupational Employment Statistics (OES) data, and is not to be compared to BLS estimates.

Data intended only for use in implementing Chapter 313, Tax Code.

Qualified Investment / Qualified Property Map



Amendment No. 1 to Application No. 1391 {8/12/2019}

Schedule C: Employment Information

Date **August 12, 2019**
 Applicant Name **Enterprise Products Operating LLC**
 ISD Name **Barbers Hill ISD**

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 Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non-qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs
	Pre	2019-2020	2019	380 FTE	68,500			68,500
Each year prior to start of Value Limitation Period <small>Insert as many rows as necessary</small>	QTP1	2020-2021	2020	500 FTE	68,500			68,500
	QTP2	2021-2022	2021	113 FTE	68,500		15	68,500
Value Limitation Period <small>The qualifying time period could overlap the value limitation period.</small>	1	2022-2023	2022				15	68,500
	2	2023-2024	2023				15	68,500
	3	2024-2025	2024				15	68,500
	4	2025-2026	2025				15	68,500
	5	2026-2027	2026				15	68,500
	6	2027-2028	2027				15	68,500
	7	2028-2029	2028				15	68,500
	8	2029-2030	2029				15	68,500
	9	2030-2031	2030				15	68,500
	10	2031-2032	2031				15	68,500
Years Following Value Limitation Period	11 through 25	2032-2047	2046				15	68,500

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

Amendment No. 1 to Application No. 1391 {8/12/2019}

Texas Comptroller of Public Accounts

Data Analysis and
Transparency
Form 50-296-A

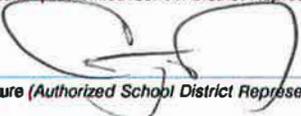
SECTION 16: Authorized Signatures and Applicant Certification

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 → Greg Poole Superintendent
Print Name (Authorized School District Representative) Title

sign here →  8/13/2019
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 → Curt Tate Senior Tax Director
Print Name (Authorized Company Representative (Applicant)) Title

sign here →  August 12, 2019
Signature (Authorized Company Representative (Applicant)) Date

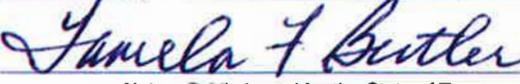
GIVEN under my hand and seal of office this, the

12th day of August 2019



(Notary Seal)

TAMEA F. BUTLER
My Notary ID # 5042731
Expires July 16, 2022


Notary Public in and for the State of Texas

My Commission expires: 7-16-22

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.