



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O.Box 13528 • Austin, TX 78711-3528

December 3, 2019

Carlos Gonzales
Superintendent
Zapata County Independent School District
1302 Glenn St
Zapata, Texas 78076

Re: Certificate for Limitation on Appraised Value of Property for School District
Maintenance and Operations taxes by and between Zapata County Independent School
District and Barranca Wind Energy, LLC, Application 1401

Dear Superintendent Gonzales:

On September 25, 2019, the Comptroller issued written notice that Barranca Wind Energy, LLC (applicant) submitted a completed application (Application 1401) for a limitation on appraised value under the provisions of Tax Code Chapter 313.¹ This application was originally submitted on July 16, 2019, to the Zapata County Independent School District (school district) by the applicant.

This presents the results of the Comptroller's review of the application and determinations required:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to issue a certificate for a limitation on appraised value of the property and provide the certificate to the governing body of the school district or provide the governing body a written explanation of the Comptroller's decision not to issue a certificate, using the criteria set out in Section 313.026.

Determination required by 313.025(h)

Sec. 313.024(a) Applicant is subject to tax imposed by Chapter 171.
Sec. 313.024(b) Applicant is proposing to use the property for an eligible project.

¹ All Statutory references are to the Texas Tax Code, unless otherwise noted.

Sec. 313.024(d) Applicant has requested a waiver to create the required number of new qualifying jobs and pay all jobs created that are not qualifying jobs a wage that exceeds the county average weekly wage for all jobs in the county where the jobs are located.

Sec. 313.024(d-2) Not applicable to Application 1401.

Based on the information provided by the applicant, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

Certificate decision required by 313.025(d)

Determination required by 313.026(c)(1)

The Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district's maintenance and operations *ad valorem* tax revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period, see Attachment B.

Determination required by 313.026(c)(2)

The Comptroller has determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state, see Attachment C.

Based on these determinations, the Comptroller issues a certificate for a limitation on appraised value. This certificate is contingent on the school district's receipt and acceptance of the Texas Education Agency's determination per 313.025(b-1).

The Comptroller's review of the application assumes the accuracy and completeness of the statements in the application. If the application is approved by the school district, the applicant shall perform according to the provisions of the Texas Economic Development Act Agreement (Form 50-826) executed with the school district. The school district shall comply with and enforce the stipulations, provisions, terms, and conditions of the agreement, applicable Texas Administrative Code and Chapter 313, per TAC 9.1054(i)(3).

This certificate is no longer valid if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this certificate is contingent on the school district approving and executing the agreement within a year from the date of this letter.

Note that any building or improvement existing as of the application review start date of September 25, 2019, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2) and the Texas Administrative Code.

Should you have any questions, please contact Will Counihan, Director, Data Analysis & Transparency, by email at will.counihan@cpa.texas.gov or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,

A handwritten signature in blue ink that reads "Lisa Craven". The signature is written in a cursive, flowing style.

Lisa Craven
Deputy Comptroller

Enclosure

cc: Will Counihan

Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of Barranca Wind Energy, LLC (project) applying to Zapata County Independent School District (district), as required by Tax Code, 313.026 and Texas Administrative Code 9.1055(d)(2).

Table 1 is a summary of investment, employment and tax impact of Barranca Wind Energy, LLC.

Applicant	Barranca Wind Energy, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy - Wind
School District	Zapata County ISD
2018-2019 Average Daily Attendance	3,118
County	Zapata
Proposed Total Investment in District	\$148,600,000
Proposed Qualified Investment	\$148,600,000
Limitation Amount	\$25,000,000
Qualifying Time Period (Full Years)	2021-2022
Number of new qualifying jobs committed to by applicant	2*
Number of new non-qualifying jobs estimated by applicant	0
Average weekly wage of qualifying jobs committed to by applicant	\$785
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$785
Minimum annual wage committed to by applicant for qualified jobs	\$40,797
Minimum weekly wage required for non-qualifying jobs	\$998
Minimum annual wage required for non-qualifying jobs	\$51,871
Investment per Qualifying Job	\$74,300,000
Estimated M&O levy without any limit (15 years)	\$14,236,762
Estimated M&O levy with Limitation (15 years)	\$5,799,289
Estimated gross M&O tax benefit (15 years)	\$8,437,474

* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).

Table 2 is the estimated statewide economic impact of Barranca Wind Energy, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2020	8	9	17	\$320,000	\$873,000	\$1,193,000
2021	61	70	130.658	\$2,440,000	\$6,885,000	\$9,325,000
2022	2	11	13	\$81,594	\$1,608,406	\$1,690,000
2023	2	11	13	\$81,594	\$1,474,406	\$1,556,000
2024	2	8	10	\$81,594	\$1,230,406	\$1,312,000
2025	2	7	9	\$81,594	\$1,077,406	\$1,159,000
2026	2	6	8	\$81,594	\$983,406	\$1,065,000
2027	2	6	8	\$81,594	\$933,406	\$1,015,000
2028	2	6	8	\$81,594	\$917,406	\$999,000
2029	2	6	8	\$81,594	\$923,406	\$1,005,000
2030	2	6	8	\$81,594	\$942,406	\$1,024,000
2031	2	6	8	\$81,594	\$968,406	\$1,050,000
2032	2	5	7	\$81,594	\$860,406	\$942,000
2033	2	4	6	\$81,594	\$816,406	\$898,000
2034	2	4	6	\$81,594	\$798,406	\$880,000
2035	2	4	6	\$81,594	\$798,406	\$880,000
2036	2	4	6	\$81,594	\$804,406	\$886,000

Source: CPA REMI, Barranca Wind Energy, LLC

Table 3 examines the estimated direct impact on ad valorem taxes to the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate*	Zapata County ISD I&S Tax Levy	Zapata County ISD M&O Tax Levy	Zapata County ISD M&O and I&S Tax Levies	Zapata County Tax Levy	Zapata County WCID Tax Levy	Estimated Total Property Taxes
				0.0000	0.9700		0.6940	0.3600	
2022	\$145,628,000	\$145,628,000		\$0	\$1,412,592	\$1,412,592	\$1,010,696	\$524,261	\$2,947,549
2023	\$136,890,320	\$136,890,320		\$0	\$1,327,836	\$1,327,836	\$950,054	\$492,805	\$2,770,696
2024	\$128,676,901	\$128,676,901		\$0	\$1,248,166	\$1,248,166	\$893,051	\$463,237	\$2,604,454
2025	\$120,956,287	\$120,956,287		\$0	\$1,173,276	\$1,173,276	\$839,468	\$435,443	\$2,448,187
2026	\$113,698,910	\$113,698,910		\$0	\$1,102,879	\$1,102,879	\$789,100	\$409,316	\$2,301,295
2027	\$106,876,975	\$106,876,975		\$0	\$1,036,707	\$1,036,707	\$741,754	\$384,757	\$2,163,218
2028	\$100,464,356	\$100,464,356		\$0	\$974,504	\$974,504	\$697,249	\$361,672	\$2,033,425
2029	\$94,436,495	\$94,436,495		\$0	\$916,034	\$916,034	\$655,414	\$339,971	\$1,911,419
2030	\$88,770,305	\$88,770,305		\$0	\$861,072	\$861,072	\$616,089	\$319,573	\$1,796,734
2031	\$83,444,087	\$83,444,087		\$0	\$809,408	\$809,408	\$579,124	\$300,399	\$1,688,930
2032	\$78,437,442	\$78,437,442		\$0	\$760,843	\$760,843	\$544,376	\$282,375	\$1,587,594
2033	\$73,731,195	\$73,731,195		\$0	\$715,193	\$715,193	\$511,714	\$265,432	\$1,492,339
2034	\$69,307,324	\$69,307,324		\$0	\$672,281	\$672,281	\$481,011	\$249,506	\$1,402,798
2035	\$65,148,884	\$65,148,884		\$0	\$631,944	\$631,944	\$452,150	\$234,536	\$1,318,630
2036	\$61,239,951	\$61,239,951		\$0	\$594,028	\$594,028	\$425,021	\$220,464	\$1,239,513
			Total	\$0	\$14,236,762	\$14,236,762	\$10,186,271	\$5,283,747	\$29,706,780

Source: CPA, Barranca Wind Energy, LLC

*Tax Rate per \$100 Valuation

Table 4 examines the estimated direct impact on ad valorem taxes to the school district and Zapata County, with all property tax incentives sought being granted using estimated market value from the application. The project has applied for a value limitation under Chapter 313, Tax Code and tax abatement with the county.

The difference noted in the last line is the difference between the totals in Table 3 and Table 4.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O		Zapata County ISD I&S Tax Levy	Zapata County ISD M&O Tax Levy	Zapata County ISD M&O and I&S Tax Levies	Zapata County Tax Levy	Zapata County WCID Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.0000	0.9700		0.6940	0.3600	
2022	\$145,628,000	\$25,000,000		\$0	\$242,500	\$242,500	\$242,567	\$524,261	\$1,009,328
2023	\$136,890,320	\$25,000,000		\$0	\$242,500	\$242,500	\$228,013	\$492,805	\$963,318
2024	\$128,676,901	\$25,000,000		\$0	\$242,500	\$242,500	\$214,332	\$463,237	\$920,069
2025	\$120,956,287	\$25,000,000		\$0	\$242,500	\$242,500	\$201,472	\$435,443	\$879,415
2026	\$113,698,910	\$25,000,000		\$0	\$242,500	\$242,500	\$189,384	\$409,316	\$841,200
2027	\$106,876,975	\$25,000,000		\$0	\$242,500	\$242,500	\$178,021	\$384,757	\$805,278
2028	\$100,464,356	\$25,000,000		\$0	\$242,500	\$242,500	\$167,340	\$361,672	\$771,511
2029	\$94,436,495	\$25,000,000		\$0	\$242,500	\$242,500	\$157,299	\$339,971	\$739,771
2030	\$88,770,305	\$25,000,000		\$0	\$242,500	\$242,500	\$147,861	\$319,573	\$709,934
2031	\$83,444,087	\$25,000,000		\$0	\$242,500	\$242,500	\$579,124	\$300,399	\$1,122,022
2032	\$78,437,442	\$78,437,442		\$0	\$760,843	\$760,843	\$544,376	\$282,375	\$1,587,594
2033	\$73,731,195	\$73,731,195		\$0	\$715,193	\$715,193	\$511,714	\$265,432	\$1,492,339
2034	\$69,307,324	\$69,307,324		\$0	\$672,281	\$672,281	\$481,011	\$249,506	\$1,402,798
2035	\$65,148,884	\$65,148,884		\$0	\$631,944	\$631,944	\$452,150	\$234,536	\$1,318,630
2036	\$61,239,951	\$61,239,951		\$0	\$594,028	\$594,028	\$425,021	\$220,464	\$1,239,513
			Total	\$0	\$5,799,289	\$5,799,289	\$4,719,686	\$5,283,747	\$15,802,721
			Diff	\$0	\$8,437,474	\$8,437,474	\$5,466,585	\$0	\$13,904,059
Assumes School Value Limitation and Tax Abatements with the County.									

Source: CPA, Barranca Wind Energy, LLC

*Tax Rate per \$100 Valuation

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment B – Tax Revenue before 25th Anniversary of Limitation Start

This represents the Comptroller’s determination that Barranca Wind Energy, LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy directly related to this project, using estimated taxable values provided in the application.

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2019	\$0	\$0	\$0	\$0
	2020	\$0	\$0	\$0	\$0
	2021	\$0	\$0	\$0	\$0
Limitation Period (10 Years)	2022	\$242,500	\$242,500	\$1,170,092	\$1,170,092
	2023	\$242,500	\$485,000	\$1,085,336	\$2,255,428
	2024	\$242,500	\$727,500	\$1,005,666	\$3,261,094
	2025	\$242,500	\$970,000	\$930,776	\$4,191,870
	2026	\$242,500	\$1,212,500	\$860,379	\$5,052,249
	2027	\$242,500	\$1,455,000	\$794,207	\$5,846,456
	2028	\$242,500	\$1,697,500	\$732,004	\$6,578,460
	2029	\$242,500	\$1,940,000	\$673,534	\$7,251,994
	2030	\$242,500	\$2,182,500	\$618,572	\$7,870,566
	2031	\$242,500	\$2,425,000	\$566,908	\$8,437,474
Maintain Viable Presence (5 Years)	2032	\$760,843	\$3,185,843	\$0	\$8,437,474
	2033	\$715,193	\$3,901,036	\$0	\$8,437,474
	2034	\$672,281	\$4,573,317	\$0	\$8,437,474
	2035	\$631,944	\$5,205,261	\$0	\$8,437,474
	2036	\$594,028	\$5,799,289	\$0	\$8,437,474
Additional Years as Required by 313.026(c)(1) (10 Years)	2037	\$558,386	\$6,357,674	\$0	\$8,437,474
	2038	\$524,883	\$6,882,557	\$0	\$8,437,474
	2039	\$493,390	\$7,375,947	\$0	\$8,437,474
	2040	\$463,786	\$7,839,733	\$0	\$8,437,474
	2041	\$435,959	\$8,275,692	\$0	\$8,437,474
	2042	\$409,802	\$8,685,494	\$0	\$8,437,474
	2043	\$385,214	\$9,070,708	\$0	\$8,437,474
	2044	\$362,101	\$9,432,808	\$0	\$8,437,474
	2045	\$340,375	\$9,773,183	\$0	\$8,437,474
	2046	\$319,952	\$10,093,135	\$0	\$8,437,474

\$10,093,135

is greater than

\$8,437,474

Analysis Summary	
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?	Yes

NOTE: The analysis above only takes into account this project's estimated impact on the M&O portion of the school district property tax levy directly related to this project.

Source: CPA, Barranca Wind Energy, LLC

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachment C – Limitation as a Determining Factor

Tax Code 313.026 states that the Comptroller may not issue a certificate for a limitation on appraised value under this chapter for property described in an application unless the comptroller determines that “the limitation on appraised value is a determining factor in the applicant’s decision to invest capital and construct the project in this state.” This represents the basis for the Comptroller’s determination.

Methodology

Texas Administrative Code 9.1055(d) states the Comptroller shall review any information available to the Comptroller including:

- the application, including the responses to the questions in Section 8 (Limitation as a Determining Factor);
- public documents or statements by the applicant concerning business operations or site location issues or in which the applicant is a subject;
- statements by officials of the applicant, public documents or statements by governmental or industry officials concerning business operations or site location issues;
- existing investment and operations at or near the site or in the state that may impact the proposed project;
- announced real estate transactions, utility records, permit requests, industry publications or other sources that may provide information helpful in making the determination; and
- market information, raw materials or other production inputs, availability, existing facility locations, committed incentives, infrastructure issues, utility issues, location of buyers, nature of market, supply chains, other known sites under consideration.

Determination

The Comptroller has determined that the limitation on appraised value is a determining factor in the Barranca Wind Energy, LLC’s decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- Per Barranca Wind Energy, LLC. in Tab 5 of their Application for a Limitation on Appraised Value:
 - A. “Barranca Wind Energy, LLC is a Delaware limited liability company. Barranca Wind Energy, LLC has one member with 100% ownership, Lincoln Clean Energy, LLC (“LCE”). LCE has successfully developed projects involving over \$1 billion in capital investment in some of the largest electricity markets in the United States, including California, New Jersey, and Texas.”
 - B. “The Applicant for this Project has entered into several contracts related to the project, including long-term lease option agreements with area landowners and service agreements and scopes with various consultants (environmental, airspace, etc.) to assess the suitability of the site, and a request for studies leading to an interconnection agreement with the transmission provider. None of these contracts obligate Applicant to construct the Project, and each of these contracts may be terminated by Applicant without incurring any significant liability. The Project has obtained the following state and local permits: Tax Abatement Agreement with Jim Hogg County, Tax Abatement Agreement with Zapata County.”
 - C. “The Project was previously referred to as the Vaquero Wind Project when it was a wholly owned subsidiary of Bordas Renewable Energy. The project is now a wholly owned subsidiary of Lincoln Clean Energy, LLC. The Project has applied to ERCOT and it has been assigned GIR #19INR0165, which was assigned to Barranca Wind Energy, LLC on February 28, 2018.”
 - D. “The Applicant is a national wind developer with the ability to locate projects of this type in other states within the United States and other regions within Texas with favorable wind characteristics. The Applicant is actively assessing and developing other projects outside of Texas that are competing for limited investment funds. The applicant’s current projects in development include projects in the following states: Nebraska, South Dakota, New Mexico, Colorado, and Virginia. This appraised value limitation is critical to the ability of the Project to move forward as currently sited.”

- E. "Without the available tax incentives, the economics of the Project become far less attractive and the likelihood of selling the electricity at a competitive price will significantly decrease. The Applicant for this project is competing against other developers who have been offered or are in the process of applying for Value Limitation Agreements with other school districts. Obtaining the limitation is critical to the economic and competitive viability of this Project. Without the limitation approval, the Applicant would likely terminate the Project, including the contracts, leases, and limited improvements, in order to reallocate resources in areas with more favorable economics."
- According to Public Notice of Regular Commissioners Court meeting dated March 26, 2018, "To approve a resolution designating the area of Zapata County as a reinvestment zone as authorized by the Property Redevelopment and Tax Abatement Act, as amended (Texas Property Code 312.001, et. seq.) and pursuant to the Tax Abatement Guidelines and Criteria of Zapata County."
 - A Board Meeting of the Board of Trustees of Zapata County ISD dated July 16, 2019, "Accept for Consideration an Application for an Appraised Value Limitation on Qualified Property to Texas Comptroller form Barranca Wind Energy Project."

Supporting Information

- a) Section 8 of the Application for a Limitation on Appraised Value
- b) Attachments provided in Tab 5 of the Application for a Limitation on Appraised Value
- c) Additional information provided by the Applicant or located by the Comptroller

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Supporting Information

**Section 8 of the Application for
a Limitation on Appraised Value**

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? Yes No
2. 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:

<input checked="" type="checkbox"/> Land has no existing improvements	<input type="checkbox"/> Land has existing improvements (<i>complete Section 13</i>)
<input type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>)	<input type="checkbox"/> 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
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.

Supporting Information

Attachments provided in Tab 5
of the Application for a
Limitation on Appraised Value

Tab Item 5**Documentation to assist in determining if limitation is a determining factor:**

Barranca Wind Energy, LLC is a Delaware limited liability company. Barranca Wind Energy, LLC has one member with 100% ownership, Lincoln Clean Energy, LLC ("LCE"). LCE has successfully developed projects involving over \$1 billion in capital investment in some of the largest electricity markets in the United States, including California, New Jersey, and Texas.

The Applicant for this Project has entered into several contracts related to the project, including long-term lease option agreements with area landowners and service agreements and scopes with various consultants (environmental, airspace, etc.) to assess the suitability of the site, and a request for studies leading to an interconnection agreement with the transmission provider. None of these contracts obligate Applicant to construct the Project, and each of these contracts may be terminated by Applicant without incurring any significant liability.

The Project has obtained the following state and local permits:

- Tax Abatement Agreement with Jim Hogg County
- Tax Abatement Agreement with Zapata County

The Project was previously referred to as the Vaquero Wind Project when it was a wholly owned subsidiary of Bordas Renewable Energy. The project is now a wholly owned subsidiary of Lincoln Clean Energy, LLC. The Project has applied to ERCOT and it has been assigned GIR #19INR0165, which was assigned to Barranca Wind Energy, LLC on February 28, 2018.

The Applicant is a national wind developer with the ability to locate projects of this type in other states within the United States and other regions within Texas with favorable wind characteristics. The Applicant is actively assessing and developing other projects outside of Texas that are competing for limited investment funds. The applicant's current projects in development include projects in the following states: Nebraska, South Dakota, New Mexico, Colorado, and Virginia. This appraised value limitation is critical to the ability of the Project to move forward as currently sited.

Without the available tax incentives, the economics of the Project become far less attractive and the likelihood of selling the electricity at a competitive price will significantly decrease. The Applicant for this project is competing against other developers who have been offered or are in the process of applying for Value Limitation Agreements with other school districts. Obtaining the limitation is critical to the economic and competitive viability of this Project. Without the limitation approval, the Applicant would likely terminate the Project, including the aforementioned contracts, leases, and limited improvements, in order to reallocate resources in areas with more favorable economics.

Supporting Information

Additional information
provided by the Applicant or
located by the Comptroller



MARY JAYNE
CLERK OF COURTS - DONOAN
COUNTY CLERK

2018 MAR 23 A 8:43

Zapata County Commissioners Court

Joseph Rathmell
County Judge

FILED
COUNTY TEXAS
BY *[Signature]* DEPUTY

Paco Mendoza
Commissioner, Pct. 1

Eddie Martinez
Commissioner, Pct. 3

Olga M. Elizondo
Commissioner, Pct. 2

Norberto Garza
Commissioner, Pct. 4

Public Notice Regular Commissioners Court Meeting March 26, 2018 9:15 A.M.

Zapata County Courthouse
200 E. 7th Ave, Suite 108
Zapata, Texas 78076

CALL TO ORDER BY HONORABLE JOE RATHMELL, ZAPATA COUNTY JUDGE

1. Roll Call By: Honorable Mary Jayne Villarreal-Bonoan
2. Invocation: Pastor Roger Miller, Commissioners Court Chaplain
3. Pledge of Allegiance
4. Communications
5. **Public Comment – This section provides the public the opportunity to address the Commissioners Court on any items on the Agenda. Members of the public wishing to participate must complete a public participation form specifying which agenda item they wish to comment on.**
6. Approval of Invoices.
[Requested by: Triunfo Gonzalez, County Auditor]
7. Approval of Checks Issued.
[Requested by: Romeo Salinas, County Treasurer]

REPORTS AND PRESENTATION

8. Presentation on 2020 US Census and Redistricting of Zapata County.
[Requested by: Rolando Rios, Rolando R. Rios & Associates, PLLC]
9. Presentation on Laredo Housing Authority Section 8 Voucher Program.
[Requested by: Bertha Galvan, Laredo Housing Authority]
10. Presentation by the U.S Post Office on the logistics of encouraging Zapata County residents to identify their homes with a physical address.
[Requested by: Martina Rodriguez, Zapata Postmaster]

DELIBERATE AND CONSIDER ACTION ON THE FOLLOWING ITEMS:

11. To approve the installation of a digital billboard on the corner of U.S. Highway 83 and Rathmell Avenue for Gateway Community Health Center. All required permits/forms will be filed with TXDOT before installation.
[Requested by: Paco Mendoza, Commissioner Pct. 1]
12. To consider the development of a wind farm in Zapata County, Texas. EDP, along with its consulting firm Ryan LLC, would like to present an application for potential support in the form of a Chapter 312 property tax abatement.
[Requested by: Henry Woltag, EDP Renewables & Joe Molina, Ryan LLC]

13. To approve a redistricting legal services retainer agreement between Rolando Rios & Associates, PLLC and Zapata County for the purpose of providing redistricting services.
[Requested by: Rolando Rios, Rolando R. Rios & Associates, PLLC]
14. To approve the purchase of Webroot Antivirus software (3 year license) for computers countywide at a cost of \$3,798.30. To be paid out of Non-Department (Computer Hardware).
[Requested by: Rene Garcilazo, Computer IT Specialist]
15. To review project status and approve invoices for the Zapata County Sewer Plant Project.
[Requested by: Manuel Gonzalez, Premier Engineering]
16. To review project status and approve invoices for Colorado Acres project.
[Requested by: Manuel Gonzalez, Premier Engineering]
17. To review project status and approve invoices for golf course sewer line replacement project.
[Requested by: Manuel Gonzalez, Premier Engineering]
18. Discussion and possible action to consider amending the Animal & Fowl Ordinance.
[Requested by: Paco Mendoza, Commissioner Pct. 1]

CONSENT ITEMS:

Line-item Transfers

19. To approve the following line item transfer to meet departmental needs.

	<u>DEPARTMENT</u>	<u>LINE ITEM</u>	<u>FUND</u>	<u>AMOUNT</u>
FROM	49 th District Court	10-435-402	District Court Criminal	\$3,226.86
TO	49 th District Court	10-435-462	Equipment Rental	\$3,226.86

[Requested by: Noemi Elizondo, 49th District Court]

20. To approve the following line item transfer to meet departmental needs.

	<u>DEPARTMENT</u>	<u>LINE ITEM</u>	<u>FUND</u>	<u>AMOUNT</u>
FROM	Zapata Community Center	10-518-336	Supplies	\$1,291.29
TO	Zapata Community Center	10-518-454	Pavilion/Fairgrounds Repairs	\$1,291.29

[Requested by: Laura Garza, Zapata County Community Center]

21. To approve the following line item transfer to meet departmental needs.

	<u>DEPARTMENT</u>	<u>LINE ITEM</u>	<u>FUND</u>	<u>AMOUNT</u>
FROM	Zapata Co. Public Library	10-650-427	Workshops Travel Expenses	\$1,000.00
TO	Zapata Co. Public Library	10-650-335	Computer Maintenance	\$1,000.00

[Requested by: Yanira Salinas, Public Library]

22. To approve the following line item transfer to meet departmental needs.

	<u>DEPARTMENT</u>	<u>LINE ITEM</u>	<u>FUND</u>	<u>AMOUNT</u>
FROM	General Fund	10-370-925	Shady Haven	\$17,261.13
TO	Non Department	10-409-730	Consulting & Engineering	\$17,261.13

[Requested by: Roxana Ellizondo, County Judge's Office]

RESOLUTIONS AND PROCLAMATIONS:

23. To approve a resolution designating the area of Zapata County as a reinvestment zone as authorized by the Property Redevelopment and Tax Abatement Act, as amended(Texas Property Code 312.001, et. seq.) and pursuant to the Tax Abatement Guidelines and Criteria of Zapata County.

[Requested by: Juan Cruz & Fortunato G. Paredes, J. Cruz & Associates, LLC]

24. To approve the Autism Awareness Resolution and recognize the month of April as Autism Awareness Month.

[Requested by: Nellie Treviño, Personnel Director]

25. Proclamation for World Down Syndrome Awareness Day in Zapata County.

[Requested by: Anette Arambula, Border Region Behavioral Health Center]

Note 1 Gov't Code Ann 551.071, Consultation with Attorney

Note 2 Gov't Code Ann 551.072, Real Property

Note 3 Gov't Code Ann 551.074, Personnel Matters

Note 4 Gov't Code Ann 551.076, Security

The Commissioners Court will consider the following items in Executive Session. The Commissioners Court may also consider any other matter posted on the agenda if there are issues that require consideration in Executive Session and the Commissioners Court announces that the item will be considered during Executive Session.

EXECUTIVE SESSION

26. *Discussion and possible action to consider amending the Animal & Fowl Ordinance. [Executive Session is requested pursuant to Texas Government Code Title 5, Sub Chapter D, Section 551.071 (Consultation with Attorney)]*

[Requested by: Paco Mendoza, Commissioner Pct. 1]

ADJOURN

Pursuant to the authority granted under Government Code, Chapter 551, the Commissioners Court may convene a closed session to discuss any of the above agenda items. Immediately before any closed session, the specific section or sections of Government Code, Chap. 551 that provide statutory authority will be announced.

DATED THIS 23rd DAY OF March, 2018

HONORABLE JOSEPH RATHMELL, COUNTY JUDGE, ZAPATA COUNTY, TEXAS

By: Monica Alanis
Monica Alanis
Agenda Coordinator

CERTIFICATION OF NOTICE AND POSTING

I, the undersigned, County Clerk, do hereby certify that the above notice of meeting of the Zapata County Commissioners Court, is a true and correct copy of said notice, and that I posted a true and correct copy of said notice on the bulletin board at the Courthouse of Zapata County, Texas, at a place readily accessible to the general public at all times on the 23rd day of March, 2018 and said notice remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

DATED THIS 23rd DAY OF March, 2018.

MARY JAYNE VILLARREAL-BONOAN, COUNTY CLERK, ZAPATA COUNTY, TEXAS

Mary Jayne Villarreal-Bonoan - Clerk




**Notice of Special Called Board Meeting
The Board of Trustees
Zapata County ISD**

A Special Called Board Meeting of the Board of Trustees of Zapata County ISD will be held July 16, 2019, beginning at 6:00 PM in the Professional Development Center, located at 702 E. 17th Ave., Zapata, Texas.

The subjects to be discussed or considered or upon which any formal action may be taken are listed below. Items do not have to be taken in the same order as shown on this meeting notice. Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

1. Call Meeting to Order
 2. Establish Quorum
 3. Discussion/Possible Action:
Accept for Consideration an Application for an Appraised Value Limitation on Qualified Property to Texas Comptroller form Barranca Wind Energy Project
 4. Discussion/Possible Action:
Approval of Contracts for Legal and Financial Services relating to Limitation on Appraised Value of Property, Texas Tax Code, Chapter 313 for Barranca Wind Energy Project
 5. Action:
Approval of Interlocal Agreement and Resolution with Region 19, Allied States Cooperation
 6. Action:
Approval of Contracts - Purchases of \$50,000 or more OF18-19-09
 7. Action:
Approval of Partnership Support Agreement with Communities in Schools - Laredo
 8. **Discussion: CLOSED SESSION: Pursuant to Section 551.071/551.074 of the Texas Govt. Code, the Board will discuss Resignations, Retirements, Leaves of Absence, New Employment, New Personnel Positions, Return from Leave of Absence, and Contract Renewal for Teachers and Administrators.**
 - A) Consideration/Possible Action regarding the Appointment of Fidel and Andrea R. Villarreal Elementary School Principal
 9. **Action: OPEN SESSION: Action, if any on items discussed in closed session: Action as necessary, on Resignations, Retirements, Leaves of Absence, New Employment, New Personnel Positions, Return from Leave of Absence, and Contract Renewal for Teachers and Administrators, as discussed in closed session.**
 - A) Consideration/Possible Action regarding the Appointment of Fidel and Andrea R. Villarreal Elementary School Principal
 10. Adjournment
-

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E or Texas Government Code section 418.183(f). Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting. [See BEC(LEGAL)]

The notice for this meeting was posted in compliance with the Texas Open Meeting Act on:
Thursday, July 11, 2019 @ 2:30 PM



Carlos M. Gonzalez, Jr.
Superintendent of Schools

Pursuant to Texas Penal Code Sections 46.035© and (i), the school district forbids licensed handguns at this Board of Trustees Meeting held in compliance with the Texas Open Meetings Act and provides the following written communications:

“Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.”

“Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun.”