

O'HANLON, DEMERATH & CASTILLO

ATTORNEYS AND COUNSELORS AT LAW

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February 13, 2020

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

RE: Amendment 1 to the Pawnee Independent School District from Helena Wind, LLC

To the Local Government Assistance & Economic Analysis Division:

Enclosed. Please find Amendment 1 to the Pawnee Independent School District from Helena Wind, LLC.
The following changes have been made:

1. Section 10: The Property - The webpage is listed here:
<http://www.co.bee.tx.us/upload/page/5290/2019/2019%20tax%20rates.pdf>
2. Section 11: Investment – Updated Qualified Investment to \$20,000,000 and Limitation to \$25,000,000.
3. Section 14: Wage and Employment Information, Question 4 – Jobs changed to 3
4. Tab 7 and 8 – Company had to add the following line: “This Application covers all qualified property in the reinvestment zone and project boundary within Pawnee ISD necessary for commercial operations.”
5. Tab 12 – Jobs changed from 4 to 3
6. Updated Schedule C – Column D. Changed from 4 to 3 jobs.

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

Sincerely,



Kevin O'Hanlon
School District Consultant

Cc: Bee County Appraisal District
Helena Wind, LLC

SECTION 9: Projected Timeline

- 1. Application approval by school board 01/14/2020
- 2. Commencement of construction Q1 2021
- 3. Beginning of qualifying time period 01/14/2020
- 4. First year of limitation 2022
- 5. Begin hiring new employees Q1 2022
- 6. Commencement of commercial operations Q1 2022
- 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*)? Yes No
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? Q1 2022

SECTION 10: The Property

- 1. Identify county or counties in which the proposed project will be located Bee County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Bee County Central Appraisal District
- 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:
 County: Bee County, 0.67782, 100% City: _____
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Hospital District: _____ Water District: _____
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
 Other (*describe*): Coastal Bend College, .17687, 100% Other (*describe*): _____
(Name, tax rate and percent of project) (Name, tax rate and percent of project)
- 5. Is the project located entirely within the ISD listed in Section 1? Yes No
 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)? Yes No
 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? 20,000,000.00
- 2. What is the amount of appraised value limitation for which you are applying? 25,000,000.00
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)? Yes No
- 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? Yes No

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)? 0
2. What is the last complete calendar quarter before application review start date:
 First Quarter Second Quarter Third Quarter Fourth Quarter of 2019
(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)? 0
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? 3
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
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 710.25
 b. 110% of the average weekly wage for manufacturing jobs in the county is 960.58
 c. 110% of the average weekly wage for manufacturing jobs in the region is 1,254.80
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? 49,950.16
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 49,951.00
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**.

Tab Item 7

Description of Qualified Investment

Helena Wind, LLC plans to construct a 252 MW wind farm consisting of 60 turbines in Bee county within the boundaries of Pawnee ISD and Pettus ISD. This application covers all qualified property in the reinvestment zone and project boundary within Pawnee ISD necessary for commercial operations.

The applicant is requesting an appraised value limitation on all the qualified investment and the qualified property constructed or placed upon the real property within Pawnee ISD. For purposes of this application, the Project anticipates using Vestas V150-4.2 4.2 MW turbines. The qualified investment in Pawnee ISD is expected to include approximately forty-eight (48) Vestas V150-4.2 4.2 MW wind turbine generators, including 105m towers, nacelles, rotors with 150m rotor diameter, and reinforced concrete foundations, pads, underground and overhead electric collection cables, met towers, and control systems as necessary for the commercial generation of electricity. While the turbine locations have not yet been finalized, they are expected to be sited in a series of rows running approximately east to west in the northern part of Bee county. The map in Tab 11 shows the preliminary turbine locations. The exact placement of these turbines, as well as the exact specifications, heights, and component parts, is subject to ongoing planning, soil and geotechnical studies, and engineering and will be determined before construction commences.

In addition to the wind turbines, the project will also include the following qualified investment in Pawnee ISD:

- Access roads to the turbines
- Underground electrical collection cables
- Permanent meteorological towers
- Overhead transmission line connecting the project substation to the Point of Interconnection
- Operations and Maintenance Building
- Project Substation

The approximate location of each of these improvements is shown on the map in Tab 11.

Tab Item 8

Description of Qualified Property

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Tab Item 12
Request for Waiver of Job Creation Requirement

See attached letter. Based on the attached letter, Helena Wind, LLC is committing to creating four (4) jobs to support the entire project. Although no individual employees will be assigned specifically to manage the portions of the Project in Pawnee ISD or Pettus ISD, based on the number of turbines located in each school district, the created jobs will be allocated among the school districts as follows:

Pawnee ISD

3 jobs

Pettus ISD

1 job

September 4, 2019

Superintendent Hartmann
Pawnee ISD
6229 FM 798 P.O. Box 569
Pawnee, TX 78145

Re: Chapter 313 Job Waiver Request

Dear Superintendent Hartmann,

Please consider this letter to be Helena Wind, LLC's formal request to waive the minimum new job creation requirement, as provided under Texas Tax Code 313.025(f-l).

The governing body of a school district may waive the new jobs creation requirement in Section 313.021(2)(A)(iv)(b) or 313.051(b) and approve an application if the governing body makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility of the property that is described in this application. Wind energy projects create many full-time jobs during the construction phase, but these jobs are temporary by nature. Once the project is in operation, a small crew of full-time employees will maintain and operate the facility. Based upon our experience in the wind industry, approximately 1 full time job is required for every 15 wind turbine generators installed. We expect to install forty-eight (48) wind turbine generators in Pawnee ISD. As such we can commit to creating three (3) full-time positions in Pawnee ISD. This position would be a qualifying job as described in Section 313.021(3) of the Texas Tax Code.

The applicant requests that the Pawnee ISD's Board of Trustees make such a finding and waive the job creation requirement. This waiver request is in line with industry standards for the job requirements for a wind energy facility of this size, as evidenced by limitation agreement applications that have been filed by other wind energy developers, and by documentation related to the development and operation of wind generation facilities.

The project stands to provide significant benefits to the community with respect to increased tax base and the ongoing royalty payments it will make to local landowners.

Kind Regards,



Eric Barnett
Development Director
Helena Wind, LLC

Tab Item 13

Calculation of three possible wage requirements with TWC documentation

Quarterly Employment and Wages (QCEW)

Average Weekly Wage for All Jobs (All Industries) in Bee County

Year	Period	Area	Ownership	Ind-Code	Industry	Avg. Weekly Wages
2018	4 th Qtr	Bee	Total All	10	Total, All Industries	\$716
2019	1 st Qtr	Bee	Total All	10	Total, All Industries	\$692
2019	2 nd Qtr	Bee	Total All	10	Total, All Industries	\$717
2019	3 rd Qtr	Bee	Total All	10	Total, All Industries	\$716
Average						\$710.25

110% of \$710.25 = \$781.28

Drag a column header and drop it here to group by that column								
Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage		
2018	01	Bee	Total All	10	Total, All Industries	735		
2018	02	Bee	Total All	10	Total, All Industries	691		
2018	03	Bee	Total All	10	Total, All Industries	705		
2018	04	Bee	Total All	10	Total, All Industries	716		
2019	01	Bee	Total All	10	Total, All Industries	692		
2019	02	Bee	Total All	10	Total, All Industries	717		
2019	03	Bee	Total All	10	Total, All Industries	716		

Quarterly Employment and Wages (QCEW)

Average Weekly Wage for Manufacturing Jobs in Bee County

Year	Period	Area	Ownership	Ind-Code	Industry	Avg. Weekly Wages
2018	4 th Qtr	Bee	Private	31-33	Manufacturing	\$994
2019	1 st Qtr	Bee	Private	31-33	Manufacturing	\$763
2019	2 nd Qtr	Bee	Private	31-33	Manufacturing	\$920
2019	3 rd Qtr	Bee	Private	31-33	Manufacturing	\$816
Average						\$873.25

110% of \$873.25 = \$960.58

Drag a column header and drop it here to group by that column

Year	Period	Area	Ownership	Industry Code	Industry	Average Weekly Wage
2018	01	Bee	Private	31-33	Manufacturing	1,323
2018	02	Bee	Private	31-33	Manufacturing	1,028
2018	03	Bee	Private	31-33	Manufacturing	873
2018	04	Bee	Private	31-33	Manufacturing	994
2019	01	Bee	Private	31-33	Manufacturing	763
2019	02	Bee	Private	31-33	Manufacturing	920
2019	03	Bee	Private	31-33	Manufacturing	816

Quarterly Employment and Wages (QCEW)

Average Weekly Wage for Manufacturing Jobs in Region

Bee County is included in the Coastal Bend Council of Governments. The most recently reported (2018) average wage for the Coastal Bend Council of Governments is \$59,318.

$$\$59,318 / 52 = \$1,140.73$$

$$110\% \text{ of } \$1,140 = \$1,254.80$$

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.

Schedule C: Employment Information

Amendment 1 – 1462 – Pawnee ISD – Helena Wind, LLC – 02/10/20

Date

Applicant Name

Helena Wind, LLC

Form 50-296A

ISD Name

Pawnee ISD

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	2020-2021	2020					
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2021-2022	2021	180 FTEs	\$40,000	0	0	
	1	2022-2023	2022	N/A	N/A	0	3	\$49,951.00
	2	2023-2024	2023	N/A	N/A	0	3	\$49,951.00
	3	2024-2025	2024	N/A	N/A	0	3	\$49,951.00
	4	2025-2026	2025	N/A	N/A	0	3	\$49,951.00
	5	2026-2027	2026	N/A	N/A	0	3	\$49,951.00
	6	2027-2028	2027	N/A	N/A	0	3	\$49,951.00
	7	2028-2029	2028	N/A	N/A	0	3	\$49,951.00
	8	2029-2030	2029	N/A	N/A	0	3	\$49,951.00
	9	2030-2031	2030	N/A	N/A	0	3	\$49,951.00
	10	2031-2032	2031				3	\$49,951.00
Years Following Value Limitation Period	11 through 25	2032-2047	2032-2046	N/A	N/A	0	3	\$49,951.00

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
qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)
If yes, answer the following two questions:

Yes No

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

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 Michelle Hartmann
Print Name (Authorized School District Representative)

Superintendent
Title

sign here Michelle Hartmann
Signature (Authorized School District Representative)

2-13-2020
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 Philip Moore
Print Name (Authorized Company Representative (Applicant))

Senior Vice President
Title

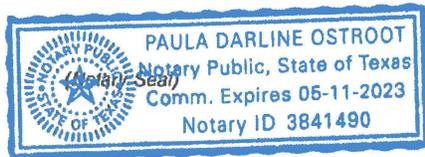
sign here [Signature]
Signature (Authorized Company Representative (Applicant))

2/7/2020
Date

GIVEN under my hand and seal of office this, the

7th day of February 2020
Paula Darline Ostroot
Notary Public in and for the State of Texas

My Commission expires: 5/11/2023



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.