

**FINDINGS OF THE HARROLD  
INDEPENDENT SCHOOL DISTRICT BOARD  
OF TRUSTEES  
UNDER THE  
TEXAS ECONOMIC DEVELOPMENT ACT  
ON THE  
APPLICATION SUBMITTED  
BY  
ADAMS CREEK SOLAR PROJECT, LLC (#1466)**



July 27, 2020

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DISTRICT BOARD OF TRUSTEES UNDER THE  
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*STATE OF TEXAS* §

*COUNTY OF WILBARGER* §

On the 27<sup>th</sup> day of July 2020, a public meeting of the Board of Trustees of the Harrold Independent School District (“District”) was held. The meeting was duly posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. At the meeting, the Board of Trustees took up and considered the application of Adams Creek Solar Project, LLC (“Applicant”) for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Board of Trustees solicited input into its deliberations on the Application from interested parties within the District. The Board of Trustees has considered the economic impact analysis and the project certification issued by the Texas Comptroller of Public Accounts. After hearing presentations from the District’s administrative staff, and from consultants retained by the District to advise the Board in this matter, and after considering the relevant documentary evidence, the Board of Trustees makes the following findings with respect to application from Applicant, and the economic impact of that application:

On February 17<sup>th</sup>, 2020, the Superintendent of the District, acting as agent of the Board of Trustees, and the Texas Comptroller of Public Accounts (“Comptroller”) received an Application from Applicant for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Application was determined to be complete as of April 1, 2020. A copy of the Application is attached as **Attachment A**.

The Applicant, (Texas Taxpayer Id. 32067584329), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See **Attachment B**.

The Board of Trustees acknowledged receipt of the Application, along with the requisite application fee, established pursuant to Texas Tax Code § 313.025(a)(1) and Local District Policy.

The Application was delivered to the Comptroller for review pursuant to Texas Tax Code § 313.025(d). A copy of the Application was delivered to the Wilbarger County Appraisal District for review pursuant to 34 Tex. Admin. Code § 9.1054.

The Application was reviewed by the Comptroller pursuant to Texas Tax Code §313.026, and a Comptroller Certificate was issued on May 18, 2020 in which the Comptroller has determined, inter alia, that: 1) Application is subject to the provisions of Chapter 171, Texas Tax Code; 2) the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised values; 3) the proposed project is reasonably likely to generate 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 before the 25<sup>th</sup> anniversary of the beginning of the limitation period; and, 4) the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state. A copy of the Certificate is attached to the findings as **Attachment C**.

The Board of Trustees has previously directed that a specific financial analysis be conducted concerning the impact of the proposed value limitation on the finances of District. A copy of the report prepared by Moak, Casey & Associates, Inc., is attached to these findings as **Attachment D**.

The Board of Trustees has confirmed that the taxable value of property in the District for the preceding tax year, as determined under Subchapter M, Chapter 403, Government Code, is as stated in **Attachment E**.

The Texas Education Agency has evaluated the impact of the project on the District's facilities. TEA's determination is to be attached to these findings as **Attachment F**.

The Board has adopted the Texas Economic Development Agreement (Form 50-826) as promulgated by the Comptroller's Office. Form 50-826 has been altered only in accordance only the provisions of the template that the Comptroller permitted. The proposed Agreement is attached to these findings as **Attachment G**.

After review of the Comptroller's Certificate and economic analysis, and in consideration of its own studies the Board finds:

### **Board Finding Number 1.**

**The Board finds that the property described in the Application meets the requirements of Tex. Tax Code §313.024 for eligibility for a limitation on appraised value.**

In support of Finding 1, the Application indicates that:

Adams Creek Solar Project, LLC (“Applicant”) is requesting an appraised value limitation from Harrold ISD for a proposed solar energy project (“Project”) to be located in Harrold ISD (Wilbarger County). The Project will be located within a reinvestment zone that encompasses 2,618 acres in the northeastern portion of the county. The facility is expected to have a total capacity of 250 MW-AC and will feature 796,000 photovoltaic panels and 67 central inverters. The Project includes: solar modules and panels; inverter boxes and battery storage; meteorological equipment; an operation and maintenance building; electrical substations; racking and mounting structures; combiner boxes; foundations; roadways, paving, and fences; generation transmission tie lines; interconnection facilities; and associated towers.

Construction of the Project is expected commence in October of 2021 and is anticipated to be complete in December of 2022.

Property used for renewable energy electric generation is eligible for a limitation under §313.024(b)(5).

### **Board Finding Number 2.**

**The project proposed by the applicant is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue, including state tax revenue, school district maintenance and operations ad valorem tax revenue attributable to the project, and any other tax revenue attributable to the effect of the project on the economy of the state, in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement (as detailed in Attachment B of the Comptroller’s Certification).**

### **Board Finding Number 3.**

**Based on the information certified by the Comptroller, the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state (as detailed in Attachment C of the Comptroller’s Certification).**

**Board Finding Number 4.**

**The Board finds that the Application Fee received was reasonable and only in such an amount as was necessary to cover the District's costs of processing the Application under consideration.**

In support of Finding 4, the Board reviewed the Application Fee payment included in the Application at Attachment A, the contract with the District's consultants and the internal costs for processing the application, if any.

**Board Finding Number 5.**

**Based upon the Application and in the Comptroller's Economic Impact Evaluation and Certification, Attachment A, the Board finds that the number of jobs to be created and the wages to be paid comply with the requirements of statute; and, the Board further finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions and information related to job creation requirements, to wit: the provisions set forth in Subsections 9.1C&D of such Agreement.**

In its Application, the Applicant has committed to creating two (2) new qualifying jobs. The average salary level of qualifying jobs must be at least \$57,512 per year. The review of the application by the Comptroller's indicated that this amount—based on Texas Workforce Commission data—complies with current Tex. Tax Code §313.021(3) requirement that qualifying jobs must pay 110 percent of the county average manufacturing wage. As defined in Section 313.021 of the Tax Code, "Qualifying Job" means a permanent full-time job that:

- (A) requires at least 1,600 hours of work a year;
- (B) is not transferred from one area in this state to another area in this state;
- (C) is not created to replace a previous employee;
- (D) is covered by a group health benefit plan for which the business offers to pay at least 80 percent of the premiums or other charges assessed for employee-only coverage under the plan, regardless of whether an employee may voluntarily waive the coverage; and
- (E) pays at least 110 percent of the county average weekly wage for manufacturing jobs in the county where the job is located.

**Board Finding Number 6.**

**Based upon the information provided to the District with regard to the industry standard for staffing ratios of similar projects in the State of Texas, the District has determined that if the job creation requirement set forth in Texas Tax Code § 313.021(2)(A)(iv)(b) was applied, for the size and scope of the project described in the Application, the required number of jobs meets or exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.**

**Board Finding Number 7.**

**The Applicant does not intend to create any non-qualifying jobs.**

In its Application, Applicant has indicated that it does not intend to create any non-qualifying jobs. For any non-qualifying jobs the Applicant should create, the Applicant will be required to pay at least the county average wage of \$38,220 for all jobs in the county in accordance with the provisions of Tex. Tax Code §313.024(d).

**Board Finding Number 8.**

**The Project remains fully taxable for debt services taxes. Harrold ISD, however, is currently not levying an I&S tax rate. While the value of the Project is expected to depreciate over the life of the Agreement and beyond, full access to the additional I&S taxable value could be of benefit to local taxpayers if the District ever pursues a future bond issue.**

The analysis prepared by Moak, Casey & Associates projects that the project would initially add \$225 million to the tax base that would be available for debt service purposes at the peak investment level for the 2023-24 school year. As stated above, the full value of the Project is subject to I&S taxes. Harrold ISD, however, does not currently levy an I&S tax. While the value of the Project is expected to depreciate over the life of the Agreement and beyond, full access to the additional I&S taxable value could be of benefit to local taxpayers if the District ever pursues a future bond issue.

**Board Finding Number 9.**

**The effect of the applicant's proposal, if approved, on the number or size of needed school district instructional facilities is not expected to**

**increase the District's facility needs, with current trends suggest little underlying enrollment growth based on the impact of the project.**

The summary of financial impact prepared by Moak, Casey & Associates, Inc., indicates that there will be little to no impact on school facilities created by the new project. This finding is confirmed by the TEA evaluation of this project's impact on the number and size of school facilities in the District as stated in **Attachment F**.

**Board Finding Number 10.**

**The Board finds that with the adoption of District Policy CCGB (Local), implemented in conformance with both Comptroller and Texas Education Agency Rules governing Chapter 313 Agreements, it has developed a process to verify, either directly or through its consultants, the accuracy and completeness of information in annual eligibility reports and biennial progress reports regarding (1) the reported number of jobs created and (2) the reported amount invested in the property.**

**Board Finding Number 11.**

**The Board of Trustees hired consultants to review and verify the information in the Application. Based upon the consultants' review, the Board has determined that the information provided by the Applicant is true and correct.**

The Board has developed a written policy CCGB (Local) which requires, upon the filing of an Application under Tax Code Chapter 313, the retention of consultants in order to verify: (1) that Applicant's information contained in the Application as to existing facts is true and correct; (2) that Applicant's information contained in the Application with respect to projections of future events are commercially reasonable and within the ability of Applicant to execute; (3) that information related to job creation is commercially reasonable and within the ability of Applicant to execute; (4) that Applicant's representations concerning and economic incentives being offered, if any, and (5) the proposed project meets eligibility requirements.

As a part of its verification process the Board notes that the Chapter 313 Application for which these Findings are being made has been submitted by the Applicant under oath. Chapter 313 Applications are governmental records under Tex. Penal Code §37.01(2)(A); as a result, all statements contained therein are representations of fact within the meaning of Tex. Penal Code § 37.01(3). Since Board action upon the adoption of these Findings and the approval of the Chapter 313 Tax Limitation Agreement (**Attachment G**) is an “official proceeding,” a false statement on a Chapter 313 application constitutes perjury under Tex. Penal Code § 37.03.

The Board finds that sworn statements are routinely used as an acceptable verification method for reliance by fact finders in each of the three separate branches of government, including trials.

The consultants have prepared signed statements that the consultants have reviewed and verified the contents of the Application and have determined that the current statements of fact contained in the Application are true and correct. (**Attachment H**) The Board finds that reliance by the Board and its consultants upon verified statements of the Applicant, especially as to Applicant’s future intentions which cannot be objectively verified is reasonable and within the intent of Chapter 313, Texas Tax Code.

**Board Finding Number 12.**

**The Board of Trustees has determined that the Tax Limitation Amount requested by Applicant is currently Twenty-Five Million Dollars, which is consistent with the minimum values currently set out by Tax Code, Chapter 313.**

The Board finds that the Chapter 313 Tax Limitation Agreement (**Attachment G**), in accordance with Comptroller’s Form 50-826, contains all required provisions and information related to the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement. According to the Texas Comptroller of Public Accounts’ School and Appraisal Districts’ Property Value Study 2018 Final Findings made under Subchapter M, Chapter 403, Government Code for the preceding tax year (**Attachment E**), the total industrial value for the District is \$98.2 million. The District is categorized as

Subchapter C, which applies only to a school district that has territory in a strategic investment area, as defined under Subchapter O, Chapter 171, Tax Code or in a county: (1) that has a population of less than 50,000 and (2) in which, from 1990 to 2000, according to the federal decennial census, the population: (A) remained the same; (B) decreased; or (C) increased, but at a rate of not more than three percent per annum. The District is classified as a “rural” district due to its demographic characteristics. Given that the value of industrial property is \$90 million or more but less than \$200 million, it is classified as a Category II district which can offer a minimum value limitation of \$25 million.

**Board Finding Number 13.**

**The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all necessary provisions and information related to establishing the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement.**

The Board relies on the certifications of its consultants and the Comptroller’s Approval of the Agreement form to make this Finding. (**Attachment I**)

**Board Finding Number 14.**

**The Applicant (Taxpayer No. 32067584329) is eligible for the limitation on appraised value of qualified property as an active franchise-tax paying entity.**

The Applicant, (Texas Taxpayer No. 32067584329), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See **Attachment B**. The Board also finds that the Chapter 313 Tax Limitation Agreement (**Attachment G**) contains all required provisions necessary for the Board to assess eligibility of any business to which an agreement is transferred.

**Board Finding Number 15.**

**The project will be located within an area that is designated as a reinvestment zone, pursuant to Chapter 312 of the Texas Tax Code.**

**Board Finding Number 16.**

**The Agreement for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment G, includes adequate and appropriate revenue protection provisions for the District, and such provisions comply with the specific terms of Texas Tax Code, Chapter 313.**

In support of this finding, the report of Moak, Casey & Associates, Inc. shows that the District will incur a relatively large revenue loss in the initial year that the value limitation is in effect, with smaller losses in the out-years, without the proposed Agreement under current law. However, with this Agreement, the negative consequences of granting the value limitation are offset through the revenue protection provisions agreed to by the Applicant and the District. The Agreement contains adequate revenue protection measures for the duration of the Agreement. In support of this Finding, the Board relies upon the recommendation of its consultants. (**Attachment H**)

**Board Finding Number 17.**

**The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions necessary for the Board to assess performance standards and to require periodic deliverables that will enable it to hold businesses accountable for achieving desired results, to wit: the reporting requirements set forth in Article VIII of said Agreement.**

**Board Finding Number 18.**

**The Board finds that there are no conflicts of interest at the time of considering the agreement.**

The Board finds that with the adoption of District Policies BBFA and BBFB set forth at <https://pol.tasb.org/Home/Index/1232> that it has taken appropriate action to ensure that all District Trustees and the Superintendent, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

In addition, at the public hearing, the Board caused the statement set forth in **Attachment J** to be read into the public record and that only Board members audibly responding that

no conflict of interest existed either deliberated or voted on the Tax Limitation Agreement, these Findings or any matter relating to the Application upon which these Findings have been premised.

The Board finds that with the adoption of District Policies DBD, DGA, DH, and BBFB that it has taken appropriate action to ensure that all District employees and/or consultants, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

The Board finds that that no non-disclosed conflicts of interest exist as to the Application for which these Findings are being made, as of the time of action on these Findings.

**Board Finding Number 19.**

**The Board directs that a link on its Web site to the Comptroller's Office's Web site where appraisal limitation related documents are made available to the public.**

**Board Finding Number 20.**

**Considering the purpose and effect of the law and the terms of the Agreement, that it is in the best interest of the District and the State to enter into the attached Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.**

It is therefore ORDERED that the Agreement attached hereto as **Attachment G** is approved and hereby authorized to be executed and delivered by and on behalf of the District. It is further ORDERED that these findings and the Attachments referred to herein be attached to the Official Minutes of this meeting and maintained in the permanent records of the Board of Trustees of the District.

Dated the 27<sup>th</sup> day of July 2020.

HARROLD INDEPENDENT SCHOOL DISTRICT

By:

  
\_\_\_\_\_  
Tim Clouse  
President, Board of Trustees

ATTEST:

By:

  
\_\_\_\_\_  
LaRue Rainwater  
Secretary, Board of Trustees

Attachment A

Application



LYNN M. MOAK, PARTNER

DANIEL T. CASEY, PARTNER

February 19, 2020

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

RE: *Chapter 313 Application Submitted to the Harrold Independent School District from Adam's Creek Solar LLC*

To the Local Government Assistance & Economic Analysis Division:

By copy of this letter forwarding this application for review to the Comptroller's Office, the Harrold Independent School District is notifying Adam's Creek Solar LLC of its intent to consider the Chapter 313 application for appraised value limitation on qualified property, should a positive certificate be issued by the Comptroller. The Applicant submitted the Application to the School District on February 17, 2020. The Board voted to accept the application on February 17, 2020. The application has been determined complete as of February 19, 2020. We request that the Comptroller's Office prepare the economic impact analysis for this application.

The Applicant has provided the schedules in both electronic format and paper copies. The electronic copy is identical to the hard copy that will be hand delivered to the Comptroller's Office. A copy of the application will be submitted to the Wilbarger County Appraisal District.

Thank you for your assistance in this matter. If you have any questions or need additional information, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Daniel T. Casey".

Daniel T. Casey  
School District Consultant

cc: Ms. Sandy Burkett, Chief Appraiser, Wilbarger County Appraisal District  
Mr. Wade Gungoll, Vice President of Development, Savion, LLC  
Ms. Brianna Baca, Development Manager, Savion, LLC  
Mr. Mike Fry, Director-Energy Services, KE Andrews  
Ms. Jordan Christman, KE Andrews  
Mr. David Thweatt, Superintendent, Harrold ISD

[www.moakcasey.com](http://www.moakcasey.com)



KE Andrews  
1900 Dalrock Road  
Rowlett, Texas 75088

February 17, 2020

Superintendent David Thweatt  
Harrold Independent School District  
cc. Texas Comptroller of Public Accounts  
18106 Stewart Street  
Harrold, TX 76364

**Re: Application for Texas Property Tax Code Section 313 Value Limitation Agreement**

Dear Superintendent David Thweatt:

Please find attached an application for a Section 313 Value Limitation Agreement. On behalf of our client, Savion, LLC and in accordance with the guidelines and principles outlined in Section 313 of the Texas Property Tax Code, it is our request that Harrold ISD consider the approval of a Section 313 Value Limitation Agreement. The approval of this agreement would undoubtedly prove beneficial to the economic development of Harrold ISD, as well as the viability of Adams Creek Solar Project, LLC to be located within the state of Texas.

Adams Creek Solar Project, LLC is a 250 MW-AC solar electric generating facility, that when established will provide 2, full-time salary competitive jobs.

Adams Creek Solar Project, LLC is a solar energy facility developed by Savion, LLC. Their mission is to integrate U.S. solar energy and energy storage development through a platform of industry-leading enterprise and site evaluation systems. Their current project portfolio includes 6 GW pipeline of solar and energy storage development projects. Their team of experienced professionals are committed to renewable energy development as well as building quality stakeholder relationships in the communities they choose to invest in.

If you have any questions, please feel free to contact me at 469-298-1594 or [mike@keatax.com](mailto:mike@keatax.com). We look forward to working with you.

Sincerely,

Mike Fry  
Director—Energy Services



# Adams Creek Solar Project, LLC

## *Chapter 313 Application for Appraised Value Limitation to Harrold ISD*



# Tab 1

*Pages 1-9 of the application*

# Application for Appraised Value Limitation on Qualified Property

(Tax Code, Chapter 313, Subchapter B or C)

**INSTRUCTIONS:** This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
  - the date on which the school district received the application;
  - the date the school district determined that the application was complete;
  - the date the school board decided to consider the application; and
  - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at [comptroller.texas.gov/economy/local/ch313/](http://comptroller.texas.gov/economy/local/ch313/). There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

## SECTION 1: School District Information

### 1. Authorized School District Representative

February 17, 2020

Date Application Received by District

David

First Name

Thweatt

Last Name

Superintendent

Title

Harrold Independent School District

School District Name

18106 Stewart Street, Harrold, Texas 76364

Street Address

18106 Stewart Street

Mailing Address

Harrold

City

Texas

State

76364

ZIP

940-886-2213

Phone Number

N/A

Fax Number

david.thweatt@harroldisd.net

Email Address

Mobile Number (optional)

2. Does the district authorize the consultant to provide and obtain information related to this application? .....

Yes

No

**SECTION 1: School District Information (continued)**

**3. Authorized School District Consultant (If Applicable)**

<u>Daniel</u> First Name	<u>Casey</u> Last Name
<u>Partner</u> Title	
<u>Moak, Casey &amp; Associates</u> Firm Name	
<u>512-485-7878</u> Phone Number	<u>512-485-7888</u> Fax Number
	<u>dcasey@moakcasey.com</u> Email Address
<u>Mobile Number (optional)</u>	

4. On what date did the district determine this application complete? ..... February 19, 2020
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)**

<u>Wade</u> First Name	<u>Gungoll</u> Last Name
<u>Vice President of Development</u> Title	<u>Savion, LLC</u> Organization
<u>1806 Big Canyon Drive, Austin, Texas 78746</u> Street Address	
<u>1806 Big Canyon Drive</u> Mailing Address	
<u>Austin</u> City	<u>Texas</u> State
<u>512-804-8944</u> Phone Number	<u>78746</u> ZIP
	<u>N/A</u> Fax Number
<u>Mobile Number (optional)</u>	<u>wgungoll@savionenergy.com</u> 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.

<u>Brianna</u> First Name	<u>Baca</u> Last Name
<u>Development Manager</u> Title	<u>Savion, LLC</u> Organization
<u>422 Admiral Boulevard, Kansas City, MO 64106</u> Street Address	
<u>422 Admiral Boulevard</u> Mailing Address	
<u>Kansas City</u> City	<u>MO</u> State
<u>531-203-0181</u> Phone Number	<u>64106</u> ZIP
	<u>N/A</u> Fax Number
<u>Mobile Number (optional)</u>	<u>bbaca@savionenergy.com</u> Business Email Address

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

**SECTION 2: Applicant Information (continued)**

**4. Authorized Company Consultant (If Applicable)**

Mike <hr/> First Name Director-Energy Services <hr/> Title KE Andrews <hr/> Firm Name 469-298-1594 <hr/> Phone Number mfry@keatax.com <hr/> Business Email Address	Fry <hr/> Last Name <hr/> 469-331-1357 <hr/> Fax Number
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**SECTION 3: Fees and Payments**

1. Has an application fee been paid to the school district?  Yes  No  
 The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.  
 1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.  
 For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.
2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)?  Yes  No  N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)?  Yes  No  N/A

**SECTION 4: Business Applicant Information**

1. What is the legal name of the applicant under which this application is made? Adams Creek Solar Project, LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32067584329
3. List the NAICS code 221114
4. Is the applicant a party to any other pending or active Chapter 313 agreements?  Yes  No  
 4a. If yes, please list application number, name of school district and year of agreement

**SECTION 5: Applicant Business Structure**

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Company
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)?  Yes  No  
 2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas?  Yes  No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas?  Yes  No  N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

**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.**

**SECTION 9: Projected Timeline**

- 1. Application approval by school board ..... July 1, 2020
- 2. Commencement of construction ..... October 1, 2021
- 3. Beginning of qualifying time period ..... January 1, 2021
- 4. First year of limitation ..... January 1, 2023
- 5. Begin hiring new employees ..... January 1, 2023
- 6. Commencement of commercial operations ..... December 31, 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? ..... December 31, 2022

**SECTION 10: The Property**

- 1. Identify county or counties in which the proposed project will be located ..... Wilbarger County
- 2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property ..... Wilbarger CAD
- 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: Wilbarger County, .517960 100% City: N/A  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)  
 Hospital District: Wilbarger Co. Hosp. Dist .27 100% Water District: N/A  
(Name, tax rate and percent of project) (Name, tax rate and percent of project)  
 Other (describe): Vernon Junior College .221055 100% Other (describe): N/A  
(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/](http://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 12: Qualified Property**

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
  - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
  - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
  - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).
  
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)?  Yes  No
  - 2a. If yes, attach complete documentation including:
    - a. legal description of the land (Tab 9);
    - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
    - c. owner (Tab 9);
    - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
    - e. a detailed map showing the location of the land with vicinity map (Tab 11).
  
3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303?  Yes  No
  - 3a. If yes, attach the applicable supporting documentation:
    - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
    - b. legal description of reinvestment zone (Tab 16);
    - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
    - d. guidelines and criteria for creating the zone (Tab 16); and
    - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
  - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? Please See Tab 16

**SECTION 13: Information on Property Not Eligible to Become Qualified Property**

1. In Tab 10, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In Tab 10, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:
  - a. maps and/or detailed site plan;
  - b. surveys;
  - c. appraisal district values and parcel numbers;
  - d. inventory lists;
  - e. existing and proposed property lists;
  - f. model and serial numbers of existing property; or
  - g. other information of sufficient detail and description.
  
4. Total estimated market value of existing property (that property described in response to question 1): \$ \_\_\_\_\_ 0.00
5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
  
6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ \_\_\_\_\_ 0.00

**Note:** Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

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? ..... 2
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 ..... 734.00
  - b. 110% of the average weekly wage for manufacturing jobs in the county is ..... 1,071.68
  - c. 110% of the average weekly wage for manufacturing jobs in the region is ..... 1,106.01
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? ..... 57,512.40
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... 57,512.40
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**.

Proof of payment of filing fee received by the  
Comptroller of Public Accounts per TAC Rule  
§9.1054 (b)(5)

*(Page Inserted by Office of Texas Comptroller of  
Public Accounts)*



## Tab 3

*Documentation of Combined Group Membership-N/A*

Applicant is not part of a combined group.



## Tab 4

### *Detailed Description of the Project*

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.

In compliance with the criteria and guidelines set forth in Title 3, Chapter 313 of the Texas Property Tax Code, Adams Creek Solar Project, LLC requests an appraised value limitation from Harrold Independent School District. Savion, LLC is proposing to construct a solar electric generating facility in Wilbarger County. The project will be located within a reinvestment zone that encompasses 2,618 acres in the northeastern portion of the county. Adams Creek Solar Project, LLC will be contained 100% in Harrold ISD in the reinvestment zone to be designated. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 250 MW-AC and will feature 796,000 photovoltaic panels, and 67 central inverters.

Adams Creek Solar Project, LLC requests that this application includes all eligible and auxiliary equipment including the following:

- Solar Modules & Panels
- Inverter Boxes & Battery Storage
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities

Adams Creek Solar Project, LLC is a solar energy facility under development by Savion, LLC. Their mission is to integrate U.S. solar energy and energy storage development through a platform of industry-leading enterprise and site evaluation systems. Their current project portfolio includes 6 GW pipeline of solar and energy storage development projects. Their team of experienced professionals are committed to renewable energy development as well as building quality stakeholder relationships in the communities they choose to invest in.



## Tab 5

### *Limitation as a Determining Factor*

Currently, Savion, LLC is considering a variety of other locations for Adams Creek Solar Project, LLC but believes Harrold ISD would be an ideal location for this solar facility. Other locations being evaluated for the establishment of the site include New Mexico, Ohio, Kansas, Oklahoma, Georgia, Louisiana, Alabama, South Carolina, Missouri, and Illinois--all locations where the development of this project would easily be feasible due to current company activity as well as previous development, and the presence of tax incentives. In the event a 313 agreement is not permitted Savion, LLC will reallocate the capital for this project to establish a facility in another location more financially viable. Unfortunately, this would dismiss Harrold ISD from receiving the economic benefits associated with the development a solar facility within their jurisdiction. It is our goal to reach a 313 value limitation agreement for the benefit of both Adams Creek Solar Project, LLC and Harrold ISD. Savion, LLC is constantly evaluating various locations for development and where to commit substantial long-term investment based on economic rate of return with the proposed projects. The economic benefits provided by a Chapter 313 Value Limitation is one of the most important components in their analysis.

Not only Savion, LLC but all prudent energy developers, recognize the importance of tax incentives in establishing capital intensive facilities. Due to the high property tax burden in Texas, the decision to invest within the state requires any capital investment by Savion, LLC to be based on expected economic return on their investment.

Property tax liabilities compose a substantial ongoing cost of operation that directly impacts the rate of return on the investment. Without the 313 Value Limitation tax incentive, the economics of this project could be less competitive with other capital-intensive projects and the viability of the proposed project becomes uncertain. Savion, LLC evaluates the economic viability of proposed projects through comparing the proposed project's rate of return with the Chapter 313 appraised value limitation agreement and without the value limitation agreement. To move forward, the model must show a rate of return where the project, with the valuation limitation agreement, would exceed the minimum rate of return required to proceed with the proposed investment. Therefore, receiving a value limitation agreement under Chapter 313 results in significant annual operating cost savings which would incentivize Savion, LLC to invest capital in the proposed project rather than making an alternative investment. This makes the ability to enter into a Chapter 313 appraised value limitation agreement with the school district "the determining factor" to invest in this project.



## Tab 6

<b>Taxing Jurisdiction</b>	<b>Percentage of Project located within Jurisdiction</b>	<b>Tax Rate</b>
Wilbarger County	100%	0.517960
Harrold ISD	100%	1.068350
Wilbarger County Hospital District	100%	0.27
Vernon Junior College	100%	0.221055



## Tab 7

### *Description of Qualified Investment*

Adams Creek Solar Project, LLC is a proposed solar electric generating facility anticipated to be established in Wilbarger County, Texas. The facility, which will encompass an approximately 2,618 acre reinvestment zone, will be located in the northeastern portion of the county. Additionally, the entirety of the project will be within Harrold ISD. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 250 MW-AC and will feature 796,000 photovoltaic panels, and 67 central inverters.

Adams Creek Solar Project, LLC requests that this application includes all eligible and auxiliary equipment including the following:

- Solar Modules & Panels
- Inverter Boxes & Battery Storage
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities



## Tab 8

### *Description of Qualified Property*

Adams Creek Solar Project, LLC is a proposed solar electric generating facility anticipated to be established in Wilbarger County, Texas. The facility, which will encompass an approximately 2,618 acre reinvestment zone will be located in the northeastern portion of the county. Additionally, the entirety of the project will be within Harrold ISD. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 250 MW-AC Megawatts and will feature 796,000 photovoltaic panels, and 67 central inverters.

Adams Creek Solar Project, LLC requests that this application includes all eligible and auxiliary equipment including the following:

- Solar Modules & Panels
- Inverter Boxes & Battery Storage
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities



## Tab 9

*Description of Land: N/A*



## Tab 10

### *Description of Existing Improvement*

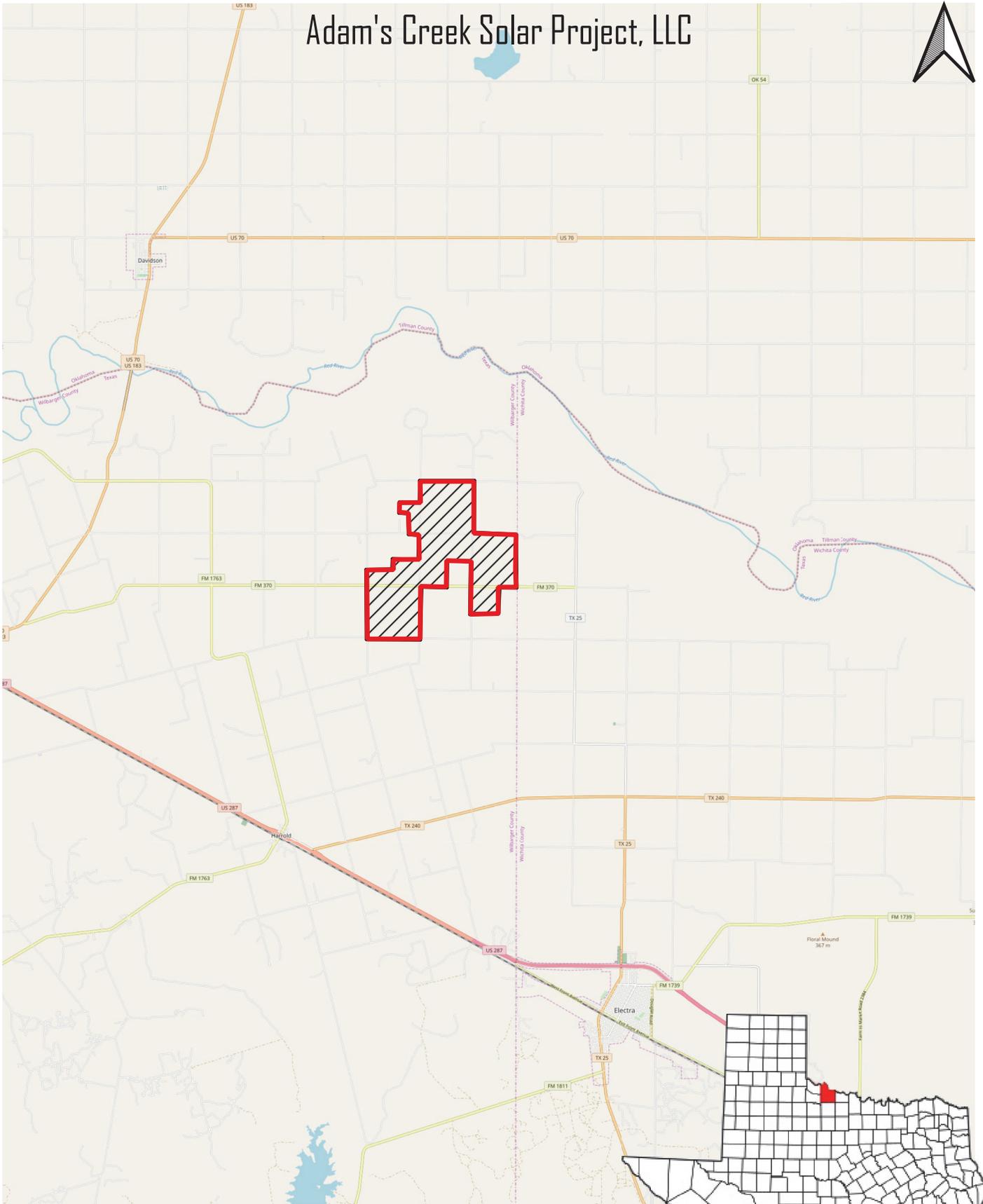
There are no existing improvements related to the project at the proposed site..



# Tab 11

*Maps*

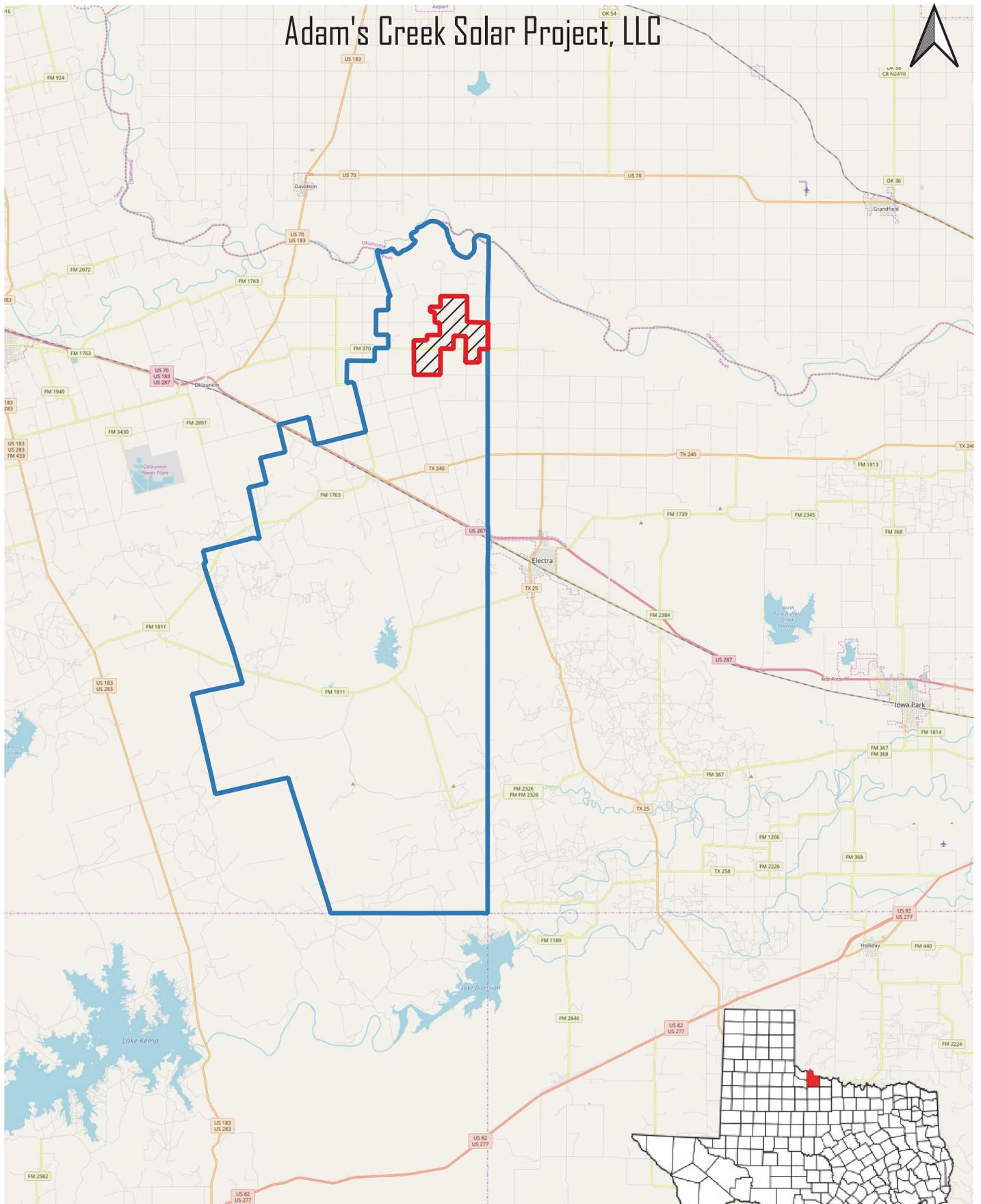
# Adam's Creek Solar Project, LLC



-  Project Boundary
-  Proposed Reinvestment Zone



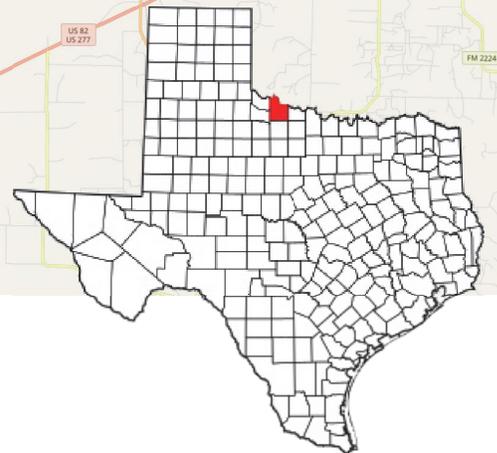
# Adam's Creek Solar Project, LLC



0 2.5 5 mi



-  Project Boundary
-  Proposed Reinvestment Zone
-  Harrod ISD





## Tab 12

*Request for Waiver of Job Requirements*

Please refer to the proceeding letter attached.



November 25, 2019

Superintendent David Thweatt  
Harrold Independent School District  
18106 Stewart Street  
Harrold, TX 76364

**RE: Adams Creek Solar Project, LLC Chapter 313 Job Waiver Request**

Dear Mr. David Thweatt,

Savion, LLC is requesting that Harrold ISD's Board of Trustees waive the job requirement provision as allowed by Section 313.025 (f-1) of the Texas Tax Code. This waiver would be based on the school district's board findings that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.

Savion, LLC requests that Harrold ISD makes such finding and waive the job creation requirement for 10 permanent jobs. In line with the current industry standards for job requirements, Adams Creek Solar Project, LLC has committed to create 2 qualifying jobs in Harrold ISD.

Solar projects create many jobs, both full and part time. Additionally, during the construction phase, solar projects create many temporary jobs; however, after construction is completed solar facilities only require a relatively small number of workers to operate and maintain the plant. The number of jobs Adams Creek Solar Project, LLC has committed to create is congruent with current industry standards for maintenance and operation of a facility of this capacity. This is evidenced by previously certified limitation agreement applications by solar developers who also requested and were granted a waiver of the job requirements based on the industry standard of 1 job per 115 MW.

The permanent employees of a solar facility maintain and service the photovoltaic panels and inverters, underground electrical connections, substations, as well as other infrastructure associated with the safe and reliable operation of the facilities. In addition to onsite employees, there may also be managers and/or technicians who provide support to the facility remotely.

The establishment of Adams Creek Solar Project, LLC will undoubtedly be beneficial to the economic development of Harrold ISD and the advancement of renewable energy. Thank you for your consideration of this request. If you have any questions, feel free to contact us.

Sincerely,

Mike Fry, Director—Energy Services

mike@keatax.com



# Tab 13

## Calculation of Wage Requirements

### Wilbarger County Average Weekly Wage:

Calculations were computed using the following data for the last four fiscal quarter:

**\$734.00**

1.  $\$729.00 + \$741.00 + \$732.00 + \$734.00 = \$2,936.00$
2.  $\$2,936.00/4 = \$734.00$

### Quarterly Census of Employment and Wages (QCEW) Report

[Customize the report/Help with Accessibility](#)

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	Wilbarger	Total All	10	Total, All Industries	730
2018	02	Wilbarger	Total All	10	Total, All Industries	700
2018	03	Wilbarger	Total All	10	Total, All Industries	705
2018	04	Wilbarger	Total All	10	Total, All Industries	729
2019	01	Wilbarger	Total All	10	Total, All Industries	741
2019	02	Wilbarger	Total All	10	Total, All Industries	732
2019	03	Wilbarger	Total All	10	Total, All Industries	734



**2019 Wilbarger County Average Manufacturing Weekly Wage: \$1,071.68**

Calculations were computed using the following data for the last four fiscal quarters:

1.  $\$956.00 + \$969.00 + \$1,006.00 + \$966.00 = \$3897.00$
2.  $\$3,897.00/4 = \$974.25$
3.  $\$974.25 * 1.10 = \$1,071.68$

Quarterly Census of Employment and Wages (QCEW) Report

[Customize the report/Help with Accessibility](#)

Drag a column header and drop it here to group by that column							
Year	Period	Area	Ownership	Industry	Average Weekly Wage		
2018	01	Wilbarger	Private	Manufacturing	1,159		
2018	02	Wilbarger	Private	Manufacturing	949		
2018	03	Wilbarger	Private	Manufacturing	956		
2018	04	Wilbarger	Private	Manufacturing	969		
2019	01	Wilbarger	Private	Manufacturing	1,006		
2019	02	Wilbarger	Private	Manufacturing	966		



**2018 NORTEX Regional Planning Council of Government 110% Regional Manufacturing Wage:  
\$57,512.40 annually or \$1,106.01 per week**

Calculations were completed using the data available for 2018 Manufacturing Average Weekly Wages by Council of Government Region Wages for All Occupations:

1.  $\$52,284 * 1.10 = \$57,512.40$
2.  $\$57,512.40/52 = \$1,106.01$



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

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



# Tab 14

*Schedules A1-D*

Date: 2/17/2020  
 Applicant Name: Adam's Creek Solar Project, LLC  
 ISD Name: Harold ISD

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

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-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 other nonremovable components of buildings that will become Qualified Property	Column C Other new investment made during this year that will not 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			Not eligible to become Qualified Property						
Investment made after filing complete application with district, but before final board approval of application	-	2020							
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period									
Complete tax years of qualifying time period	QTP1	2021	\$ 50,000,000.00				\$ 50,000,000.00		
	QTP2	2022	\$ 174,500,000.00	\$ 500,000.00			\$ 175,000,000.00		
<b>Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]</b>			\$ 224,500,000.00	\$ 500,000.00	Enter amounts from TOTAL row above in Schedule A2			\$ 225,000,000.00	
<b>Total Qualified Investment (sum of green cells)</b>			\$ 225,000,000.00					\$ 225,000,000.00	

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.  
 Column B: Only tangible personal property that is specifically described in the application can become qualified property.  
 Column C: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.  
 Column D: 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 313.02(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 E: 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)

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 investment made during this year that will not become Qualified Property [SEE NOTE]	Column D Other investment made during this year that will become Qualified Property (SEE NOTE)	Column E Total Investment (A+B+C+D)		
		<b>TOTALS FROM SCHEDULE A1</b>	\$ 224,500,000.00	500,000.00		\$	225,000,000.00		
		0							
		0	\$ 50,000,000.00				\$ 50,000,000.00		
		0	\$ 174,500,000.00	500,000.00			\$ 175,000,000.00		
		1							
		2							
		3							
		4							
		5							
		6							
		7							
		8							
		9							
		10							
		<b>Total Investment made through limitation</b>	\$ 224,500,000.00	500,000.00		\$	225,000,000.00		
		11							
		12							
		13							
		14							
		15							
		16							
		17							
		18							
		19							
		20							
		21							
		22							
		23							
		24							
		25							
		<b>Total Investment made through limitation</b>	\$ 224,500,000.00	500,000.00		\$	225,000,000.00		
		11							
		12							
		13							
		14							
		15							
		16							
		17							
		18							
		19							
		20							
		21							
		22							
		23							
		24							
		25							
		<b>Total Investment made through limitation</b>	\$ 224,500,000.00	500,000.00		\$	225,000,000.00		

\* 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.  
 Column B: Only tangible personal property that is specifically described in the application can become qualified property.  
 Column C: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.  
 Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment—described in SECTION 13, question #6 of the application.  
 Column E: 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)**

	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	0	2020-2021	2020							
Each year prior to start of Value Limitation Period	0	2021-2022	2021							
Each year prior to start of Value Limitation Period	0	2022-2023	2022							
Value Limitation Period	1	2023-2024	2023		\$ 500,000.00	\$ 25,000,000.00	\$ 25,000,000.00	\$ 25,000,000.00	\$ 25,000,000.00	\$ 25,000,000.00
	2	2024-2025	2024		\$ 490,000.00	\$ 202,050,000.00	\$ 225,000,000.00	\$ 225,000,000.00	\$ 225,000,000.00	\$ 25,000,000.00
	3	2025-2026	2025		\$ 480,000.00	\$ 179,600,000.00	\$ 202,540,000.00	\$ 202,540,000.00	\$ 202,540,000.00	\$ 25,000,000.00
	4	2026-2027	2026		\$ 470,000.00	\$ 157,150,000.00	\$ 180,080,000.00	\$ 180,080,000.00	\$ 180,080,000.00	\$ 25,000,000.00
	5	2027-2028	2027		\$ 460,000.00	\$ 134,700,000.00	\$ 157,620,000.00	\$ 157,620,000.00	\$ 157,620,000.00	\$ 25,000,000.00
	6	2028-2029	2028		\$ 450,000.00	\$ 112,250,000.00	\$ 135,160,000.00	\$ 135,160,000.00	\$ 135,160,000.00	\$ 25,000,000.00
	7	2029-2030	2029		\$ 440,000.00	\$ 89,800,000.00	\$ 112,700,000.00	\$ 112,700,000.00	\$ 112,700,000.00	\$ 25,000,000.00
	8	2030-2031	2030		\$ 430,000.00	\$ 67,350,000.00	\$ 90,240,000.00	\$ 90,240,000.00	\$ 90,240,000.00	\$ 25,000,000.00
	9	2031-2032	2031		\$ 420,000.00	\$ 44,900,000.00	\$ 67,780,000.00	\$ 67,780,000.00	\$ 67,780,000.00	\$ 25,000,000.00
	10	2032-2033	2032		\$ 410,000.00	\$ 44,900,000.00	\$ 45,320,000.00	\$ 45,320,000.00	\$ 45,320,000.00	\$ 25,000,000.00
Continue to maintain viable presence	11	2033-2034	2033		\$ 400,000.00	\$ 44,900,000.00	\$ 45,310,000.00	\$ 45,310,000.00	\$ 45,310,000.00	\$ 25,000,000.00
	12	2034-2035	2034		\$ 390,000.00	\$ 44,900,000.00	\$ 45,300,000.00	\$ 45,300,000.00	\$ 45,300,000.00	\$ 45,300,000.00
	13	2035-2036	2035		\$ 380,000.00	\$ 44,900,000.00	\$ 45,290,000.00	\$ 45,290,000.00	\$ 45,290,000.00	\$ 45,290,000.00
	14	2036-2037	2036		\$ 370,000.00	\$ 44,900,000.00	\$ 45,280,000.00	\$ 45,280,000.00	\$ 45,280,000.00	\$ 45,280,000.00
	15	2037-2038	2037		\$ 360,000.00	\$ 44,900,000.00	\$ 45,270,000.00	\$ 45,270,000.00	\$ 45,270,000.00	\$ 45,270,000.00
	16	2038-2039	2038		\$ 350,000.00	\$ 44,900,000.00	\$ 45,260,000.00	\$ 45,260,000.00	\$ 45,260,000.00	\$ 45,260,000.00
Additional years for 25 year economic impact as required by 313.026(c)(1)	17	2039-2040	2039		\$ 340,000.00	\$ 44,900,000.00	\$ 45,250,000.00	\$ 45,250,000.00	\$ 45,250,000.00	\$ 45,250,000.00
	18	2040-2041	2040		\$ 330,000.00	\$ 44,900,000.00	\$ 45,240,000.00	\$ 45,240,000.00	\$ 45,240,000.00	\$ 45,240,000.00
	19	2041-2042	2041		\$ 320,000.00	\$ 44,900,000.00	\$ 45,230,000.00	\$ 45,230,000.00	\$ 45,230,000.00	\$ 45,230,000.00
	20	2042-2043	2042		\$ 310,000.00	\$ 44,900,000.00	\$ 45,220,000.00	\$ 45,220,000.00	\$ 45,220,000.00	\$ 45,220,000.00
	21	2043-2044	2043		\$ 300,000.00	\$ 44,900,000.00	\$ 45,210,000.00	\$ 45,210,000.00	\$ 45,210,000.00	\$ 45,210,000.00
	22	2044-2045	2044		\$ 290,000.00	\$ 44,900,000.00	\$ 45,200,000.00	\$ 45,200,000.00	\$ 45,200,000.00	\$ 45,200,000.00
	23	2045-2046	2045		\$ 280,000.00	\$ 44,900,000.00	\$ 45,190,000.00	\$ 45,190,000.00	\$ 45,190,000.00	\$ 45,190,000.00
	24	2046-2047	2046		\$ 270,000.00	\$ 44,900,000.00	\$ 45,180,000.00	\$ 45,180,000.00	\$ 45,180,000.00	\$ 45,180,000.00
	25	2047-2048	2047		\$ 260,000.00	\$ 44,900,000.00	\$ 45,170,000.00	\$ 45,170,000.00	\$ 45,170,000.00	\$ 45,170,000.00

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: 2/17/2020  
 Applicant Name: Adam's Creek Solar Project, LLC  
 ISD Name: Harrold ISD

	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	
Each year prior to start of Value Limitation Period	0	2020-2021	2020						
Each year prior to start of Value Limitation Period	0	2021-2022	2021	250 FTE	\$ 57,512.40	N/A	N/A		N/A
Each year prior to start of Value Limitation Period	0	2022-2023	2022	250 FTE	\$ 57,512.40	N/A	N/A		N/A
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2023-2024	2023	N/A	N/A	N/A	2	\$	57,512.40
	2	2024-2025	2024	N/A	N/A	N/A	2	\$	57,512.40
	3	2025-2026	2025	N/A	N/A	N/A	2	\$	57,512.40
	4	2026-2027	2026	N/A	N/A	N/A	2	\$	57,512.40
	5	2027-2028	2027	N/A	N/A	N/A	2	\$	57,512.40
	6	2028-2029	2028	N/A	N/A	N/A	2	\$	57,512.40
	7	2029-2030	2029	N/A	N/A	N/A	2	\$	57,512.40
	8	2030-2031	2030	N/A	N/A	N/A	2	\$	57,512.40
	9	2031-2032	2031	N/A	N/A	N/A	2	\$	57,512.40
	10	2032-2033	2032	N/A	N/A	N/A	2	\$	57,512.40
Years Following Value Limitation Period	11 through 25	2033-2047	2033-2047	N/A	N/A	N/A	N/A		N/A

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
- Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25)  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

**Schedule D: Other Incentives (Estimated)**

Date: 2/17/2020

Applicant Name: Adam's Creek Solar Project, LLC

ISD Name: Harrold ISD

Form 50-296A

Revised May 2014

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County: City: Other:					
Tax Code Chapter 312	County: Wilbarger County Other: Vernon Jr. College Other: Wilbarger Hospital District	2023 2023 2023	10 Years 10 Years 10 Years	\$ 429,937.00 \$ 278,529.00 \$ 340,200.00	70% 70% 70%	\$ 128,981.00 \$ 83,559.00 \$ 102,060.00
Local Government Code Chapters 380/381	County: City: Other:					
Freeport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
<b>TOTAL</b>				<b>\$ 1,048,666.00</b>	<b>70%</b>	<b>\$ 314,600.00</b>

Additional information on incentives for this project:



# Tab 15

*Economic Impact Study-N/A*



## Tab 16

### *Description of Reinvestment Zone*

Adams Creek Solar Project, LLC is to be located within a proposed reinvestment zone. The adoption of this measure will not be complete until Harrold ISD or Wilbarger County designates and creates the reinvestment zone. At this time, it is anticipated that Wilbarger County will create the reinvestment zone sometime within the first fiscal quarter of 2020. Therefore, upon the creation of the proposed reinvestment zone, the legal description of the zone as well as the order, resolution, or ordinance that establishes the reinvestment zone will be submitted to the Texas Comptroller.



# Tab 17

*Signatures and Certification*

**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** → David Thweatt  
Print Name (Authorized School District Representative)

Superintendent  
Title

**sign here** → [Signature]  
Signature (Authorized School District Representative)

2/17/2020  
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.

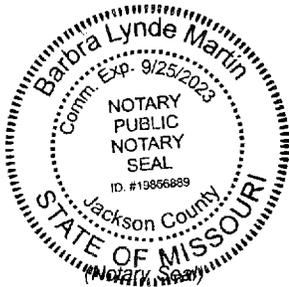
I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

**print here** → Scott Zemetz  
Print Name (Authorized Company Representative (Applicant))

Authorized Person  
Title

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

2-7-20  
Date



GIVEN under my hand and seal of office this, the  
4th day of February, 2020  
Barbara Lynde Martin  
Notary Public in and for the State of Texas Missouri  
My Commission expires: 09/25/2023

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.



**KE ANDREWS**

VALUATION • TAX • SOLUTIONS

KE Andrews  
1900 Dalrock Road  
Rowlett, Texas 75088

March 17, 2020

Superintendent David Thweatt  
Harold Independent School District  
cc. Texas Comptroller of Public Accounts  
18106 Stewart Street  
Harrod, TX 76364

**Re: Application #1466 Adams Creek Solar Project, LLC Amendment One**

Dear Superintendent David Thweatt:

Please find attached Amendment One for Section 313 Value Limitation Application#1466 Adams Creek Solar Project, LLC. On behalf of our client, Savion, LLC and in accordance with the guidelines and principles outlined in Section 313 of the Texas Property Tax Code, it is our request that Harold ISD considers the following changes:

- Tab 4: Spelling of "battery" corrected.
- Tab 4, 7, & 8: Statement added regarding the intended use of the battery storage.
- Tab 16: Revised to clarify that Harold ISD will be creating the proposed reinvestment zone; letter included from school district with the intention.

If you have any questions, please feel free to contact me at 469-298-1594 or [mike@keatax.com](mailto:mike@keatax.com). We look forward to working with you.

Sincerely,

Mike Fry  
Director—Energy Services

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1900 DALROCK ROAD • ROWLETT, TX 75088 • T (469) 298-1594 • F (469) 298-1595 • keatax.com



## Tab 4

### *Detailed Description of the Project*

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.

In compliance with the criteria and guidelines set forth in Title 3, Chapter 313 of the Texas Property Tax Code, Adams Creek Solar Project, LLC requests an appraised value limitation from Harrold Independent School District. Savion, LLC is proposing to construct a solar electric generating facility in Wilbarger County. The project will be located within a reinvestment zone that encompasses 2,618 acres in the northeastern portion of the county. Adams Creek Solar Project, LLC will be contained 100% in Harrold ISD in the reinvestment zone to be designated. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 250 MW-AC and will feature 796,000 photovoltaic panels, and 67 central inverters.

Adams Creek Solar Project, LLC requests that this application includes all eligible and auxiliary equipment including the following:

- Solar Modules & Panels
- Inverter Boxes & Battery Storage
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities

Adams Creek Solar Project, LLC is a solar energy facility under development by Savion, LLC. Their mission is to integrate U.S. solar energy and energy storage development through a platform of industry-leading enterprise and site evaluation systems. Their current project portfolio includes 6 GW pipeline of solar and energy storage development projects. Their team of experienced professionals are committed to renewable energy development as well as building quality stakeholder relationships in the communities they choose to invest in.



## Tab 7

### *Description of Qualified Investment*

Adams Creek Solar Project, LLC is a proposed solar electric generating facility anticipated to be established in Wilbarger County, Texas. The facility, which will encompass an approximately 2,618 acre reinvestment zone, will be located in the northeastern portion of the county. Additionally, the entirety of the project will be within Harrold ISD. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 250 MW-AC and will feature 796,000 photovoltaic panels, and 67 central inverters.

Adams Creek Solar Project, LLC requests that this application includes all eligible and auxiliary equipment including the following:

- Solar Modules & Panels
- Inverter Boxes & Battery Storage
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities

Please Note: The battery storage portion of this project will be used solely for the storage of energy generated from the Adam's Creek Solar Project.



## Tab 8

### *Description of Qualified Property*

Adams Creek Solar Project, LLC is a proposed solar electric generating facility anticipated to be established in Wilbarger County, Texas. The facility, which will encompass an approximately 2,618 acre reinvestment zone will be located in the northeastern portion of the county. Additionally, the entirety of the project will be within Harrold ISD. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 250 MW-AC Megawatts and will feature 796,000 photovoltaic panels, and 67 central inverters.

Adams Creek Solar Project, LLC requests that this application includes all eligible and auxiliary equipment including the following:

- Solar Modules & Panels
- Inverter Boxes & Battery Storage
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities

Please Note: The battery storage portion of this project will be used solely for the storage of energy generated from the Adam's Creek Solar Project.



## Tab 16

### *Description of Reinvestment Zone*

Adams Creek Solar Project, LLC is to be located within a proposed reinvestment zone. The adoption of this measure will not be complete until Harrold ISD designates and creates the reinvestment zone. Please find attached a letter from Harrold ISD with stating their intent to create the reinvestment zone.

**HARROLD INDEPENDENT SCHOOL DISTRICT**

**RESOLUTION CREATING ADAMS CREEK REINVESTMENT ZONE**

*WHEREAS*, Section 312.0025 of the Texas Tax Code permits a school district to designate a reinvestment zone if that designation is reasonably likely to contribute to the expansion of primary employment in the reinvestment zone, or attract major investment in the reinvestment zone that would be a benefit to property in the reinvestment zone and to the school district and contribute to the economic development of the region of this state in which the school district is located; and,

*WHEREAS*, the Harrold Independent School District (the “District”) desires to encourage the development of primary employment and to attract major investment in the District and contribute to the economic development of the region in which the school district is located; and,

*WHEREAS*, a public hearing is required by Chapter 312 of the Texas Tax Code prior to approval of a reinvestment zone; and,

*WHEREAS*, the District published notice of a public hearing regarding the possible designation of the area described in the attached **Exhibit A** as a reinvestment zone for the purposes of Chapter 313 of the Texas Tax Code; and,

*WHEREAS*, the District wishes to create a reinvestment zone within the boundaries of the school district in Wilbarger County, Texas as shown on the map attached as **Exhibit B**; and,

*WHEREAS*, the District has given written notice of the proposed action and the Public Hearing to all political subdivisions and taxing authorities having jurisdiction over the property proposed to be designated as the reinvestment zone, described in the attached **Exhibits A & B**; and,

*WHEREAS*, all interested members of the public were given an opportunity to make comments at the public hearing.

***NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE HARROLD INDEPENDENT SCHOOL DISTRICT:***

**SECTION 1.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

**SECTION 2.** That the Board of Trustees of the Harrold Independent School District, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on the adoption of *ADAMS CREEK REINVESTMENT ZONE* has been called, held and conducted, and that notices of such hearing have been published and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone; and,
- (b) That the boundaries of *ADAMS CREEK REINVESTMENT ZONE* be and, by the adoption of this Resolution, are declared and certified to be the area as described in the description attached hereto as “**Exhibit A**”; and,
- (c) That the map attached hereto as “**Exhibit B**” is declared to be and, by the adoption of this Resolution, is certified to accurately depict and show the boundaries of *ADAMS CREEK REINVESTMENT ZONE* which is described in **Exhibit A**; and further certifies that the property described in **Exhibit A** is inside the boundaries shown on **Exhibit B**; and,
- (d) That creation of *ADAMS CREEK REINVESTMENT ZONE* with boundaries as described in **Exhibit A** and **Exhibit B** will result in benefits to the Harrold Independent School District and to land included in the zone, and that the improvements sought are feasible and practical; and,
- (e) That the *ADAMS CREEK REINVESTMENT ZONE* described in **Exhibit A** and **Exhibit B** meets the criteria set forth in Texas Tax Code §312.0025 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, in that it is reasonably likely that the designation will contribute to the retention or expansion of primary employment, and/or will attract investment in the zone that will be a benefit to the property, and would contribute to economic development within the Harrold Independent School District.

**SECTION 3.** That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, the Harrold Independent School District hereby creates a reinvestment zone under the provisions of Texas Tax Code §312.0025, encompassing the area described by the descriptions in **Exhibit A** and **Exhibit B**, and such reinvestment zone is hereby designated and shall hereafter be referred to as *ADAMS CREEK REINVESTMENT ZONE*.

**SECTION 4.** That the existence of the *ADAMS CREEK REINVESTMENT ZONE* shall first take effect upon, **XXX XX<sup>th</sup>**, 2020, the date of the adoption of this Resolution by the Board of Trustees and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of such adoption.

**SECTION 5.** That if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this

Resolution.

**SECTION 6.** That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject of the meeting of the Harrold Independent School District Board of Trustees, at which this Resolution was adopted, was posted at a place convenient and readily accessible at all times, as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended; and that a public hearing was held prior to the designation of such reinvestment zone, and that proper notice of the hearing was published in newspapers of general circulation in Wilbarger County of the State of Texas, and furthermore, such notice was, in fact, delivered to the presiding officer of any effected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED AND ADOPTED on this **XX** day of **XXXX**, 2020.

**HARROLD  
INDEPENDENT SCHOOL DISTRICT**

By: \_\_\_\_\_  
President  
Board of Trustees

ATTEST: \_\_\_\_\_  
Secretary  
Board of Trustees

**EXHIBIT A**  
**LEGAL DESCRIPTION OF**  
**ADAMS CREEK REINVESTMENT ZONE**

**Joe A. Kohler (a/k/a Joe Kohler) and Karen Kohler, husband and wife**

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTY OF WILBARGER, STATE OF TEXAS:

**ONE THOUSAND FOUR HUNDRED SEVENTY TWO (1,472) ACRES**, MORE OR LESS, AS DEPICTED ON EXHIBIT A-1 AND LYING WITHIN THE FOLLOWING DESCRIBED REAL PROPERTY:

The North One-Half (N/2) and the Southeast One-Quarter (SE/4) of Subdivision No. 140, Waggoner Colony Lands, Wilbarger County, Texas, containing 120 acres more or less.

AND

The Southwest Quarter (SW/4) of Subdivision One Hundred Forty (140), Waggoner Colony Lands, Wilbarger County, Texas, containing 40 acres, more or less.

AND

All of Subdivision One Hundred Thirty-nine (139) of the Waggoner Colony Lands, Wilbarger County, Texas.

AND

All of Subdivision No. One hundred thirty-eight (138) of the Waggoner Colony Lands of Wilbarger County, Texas, containing 160 acres more or less.

AND

Being a 96.87 acre tract out of Subdivision One Hundred One (101) and One Hundred Two (102), of the Waggoner Colony Lands in Wilbarger County, Texas, being Tract "D" and a part of Tract "A" of the Marriott Estate Partition as shown in Vol. 129, Page 107 of the Deed Records of Wilbarger County, Texas, this tract being described as follows:

BEGINNING at the Southeast corner of said Subdivision 102, a spike in the center of a road intersection, for the Southeast corner of this tract; THENCE North 0° 7' West with the East line of said Subdivision 102 and 101, at 2335 feet pass the Northeast corner of said Tract "D", in all 3147.26 feet to a point for the Northeast corner of this tract;

THENCE South 89° 55' West 1890.69 feet to a point for the Northwest corner of this tract;

THENCE South 0° 7' East 811.44 feet to a point for the Southwest corner of this tract, being the Northwest corner of a Harris 50 acre tract;

THENCE North 89° 55' East 741.00 feet to a point for an ell corner in this tract, being the Northeast corner of the Harris 50 acre tract;

THENCE South 0° 7' East 2335.82 feet to a point in the South line of said Subdivision 102, for the most Southern Southwest corner of this tract

THENCE North 89° 56' East 1149.69 feet to the place of BEGINNING.

AND

All of Subdivision No. 116, Waggoner Colony Lands in Wilbarger County, Texas, containing 160 acres, more or less, as shown by plat of said Subdivision of record in Vol. No.1, page 23 of the Plat Records of Wilbarger County, Texas.

AND

All of Subdivision One Hundred Twenty-Two (122), of the Waggoner Colony Lands, Wilbarger County, Texas.

LESS AND EXCEPT:

THAT CERTAIN PART OF A TRACT OF LAND CONTAINING 25 ACRES, MORE OR LESS, AS DEPICTED ON THE ATTACHED EXHIBIT "A-1" AS THE EXCLUDED AREA.

AND

All of Subdivision one hundred fourteen (114) of the Waggoner Colony Lands, Wilbarger County, Texas.

AND

One hundred sixty acres, more or less, out of Section No.884 of the M. E. P. & P. RR Co. Surveys, and being Subdivision No. One hundred twenty three (123) of the Waggoner Colony Lands and being the same property described in a deed from W. T. Waggoner to A. Allen, dated January 24, 1906, of record in Vol.45, page 478, Deed Records of Wilbarger County, Texas, to which reference is here made for a more complete description.

LESS AND EXCEPT:

THAT CERTAIN PART OF A TRACT OF LAND CONTAINING 25 ACRES, MORE OR LESS, AS DEPICTED ON THE ATTACHED EXHIBIT "A-1" AS THE EXCLUDED AREA.

AND

The North one-half (N/2) of Subdivision one hundred four (104) of the Waggoner Colony Lands, Wilbarger County, Texas, containing 80 acres, more or less.

AND

The Southwest quarter (SW/4) of Subdivision one hundred four (104) of the Waggoner Colony Lands, Wilbarger County, Texas, containing 40 acres, more or less.

AND

West one-half (W/2) of Subdivision one hundred thirteen (113) of the Waggoner Colony Subdivision, containing 80 acres, more or less.

AND

The East One-Half (1/2) of Section One Hundred Thirteen (113) of the Waggoner Colony Lands, Wilbarger County, Texas.

AND

All of Subdivision 121 of the Waggoner Colony Lands, Wilbarger County, Texas

**Steve Kemple, a single person, and James C. Kemple and Jacqueline Tarlton Kemple, husband and wife (as to an undivided one-half (1/2) interest) and Jacqueline Tarlton Kemple and James C. Kemple, wife and husband (as to an undivided one-half (1/2) interest)**

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTY OF WILBARGER, STATE OF TEXAS:

Subdivision No. One Hundred Fifteen (115) of the Waggoner Colony Lands in Wilbarger County, Texas.

**Allen Lemon and Glenda Sue Lemon, husband and wife**

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTY OF WILBARGER, STATE OF TEXAS:

TRACT 1:

Subdivision Number Ninety (90) of the Waggoner Colony Lands, in Wilbarger County, Texas, as shown by plat of record in Vol. No. 1, at page No. 23, of the Plat Records of said county.

TRACT 2:

Subdivision Number one hundred five (105) of the Waggoner Colony Lands, in Wilbarger County, Texas, as shown by plat of record in Vol. No. 1, page No. 23, of the Plat Records of said County.

**Edward B. Gillis and Susan G. Gillis, husband and wife**

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTY OF WILBARGER, STATE OF TEXAS:

TRACT 1:

Subdivision No. 91 of the Waggoner Colony Subdivision in Wilbarger County, Texas, as shown by plat of record in Volume A6, page 23 of the Plat Record of Wilbarger County, Texas,

LESS AND EXCEPT:

A right-of-way deed to the State of Texas, covering 2.13 acres more fully described in a right-of-way deed dated February 10, 1947, of record in Vol. 170, page 247, Deed Records, Wilbarger County, Texas. Being more particularly described as follows, to wit:

A strip of land 35 feet wide off of the North side of Block 91, Waggoner Colony subdivision in Wilbarger County, the Northerly boundary which is described as follows:

Beginning at the Northwest corner of Block 91, said corner being at Station 364 / 31 on center line of Highway FM 370;

Thence S 86 deg. 21' E on the north line of block and center line of Highway 2657 feet to the Northeast corner of property, said corner being at Station 390 / 88 on center line of Highway FM 370.

Containing 2.13 acres, more or less, of which 1.21 acres is old right of way and 0.92 acres is new right of way.

TRACT 2:

Subdivision No. 106 of the Waggoner Colony Subdivision in Wilbarger County, Texas, as shown by plat of record in Volume A6, page 23 of the Plat Records of Wilbarger County, Texas.

**Terry Lemon and Paula Lemon, husband and wife**

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTY OF WILBARGER, STATE OF TEXAS:

The South 100 acres of Subdivision Ninety-two (92), Waggoner Colony Lands, Wilbarger County, Texas.

**James Brockriede (a/k/a James R. Brockriede) and Sheila Brockriede, husband and wife**

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTIES OF WICHITA AND WILBARGER, STATE OF TEXAS:

A tract of land being part of Blocks 147, 148, 175 & 176, and all of Blocks 149, 174, 179 & 180, Waggoner Colony Subdivision, Wichita and Wilbarger Counties, Texas, and being more specifically described by metes and bounds as follows:

BEGINNING at a square Bolt at the point of intersection of the centerline at State Highway No. 25 and F.M. Highway No. 370, said square Bolt being the occupied Southeast corner of said Block 180, Waggoner Colony Subdivision, for the Southeast corner and Place of Beginning of this description;

THENCE along said centerline of F.M. Highway No 370 and the occupied South lines of said Blocks 180, 174 and 149 as follows:

North 86° 17' 00" West 1485.00 feet;

North 86° 22' 00" West 3800.30 feet;

North 86° 31' 59" West 2646.09 feet to a point for the occupied Southwest corner of said Block 149 for the Southwest corner of this tract:

THENCE North 03° 33' 24" East 5285.39 feet along the occupied West line of Blocks 149 and 148 to a 3/8" steel spike for the occupied Northwest corner of said Block 148 and the most Westerly Northwest corner of this tract;

THENCE South 86° 28' 30" East 2137.47 feet along the occupied North line of said Block 148 to a point for corner;

THENCE North 04 deg. 06' 01" East 199.86 feet to a point for corner; THENCE South 86 deg. 28' 30" East 120.30 feet to a 1/2" iron rod for corner;

THENCE South 04° 06' 01" West 69.91 feet to a 1/2" iron rod in a fence line for corner;

THENCE South 42° 50' 32" East 486.86 feet to an angle point for corner;

THENCE South 32° 03' 13" East 119.21 feet along a fence line to a corner post for corner;

THENCE South 01° 09' 00" East 49.27 feet to a point in the centerline of an East-west Public Road for corner;

THENCE North 89° 10' 34" East 620.46 feet along the centerline of said Public Road to a point for corner;

THENCE North 56° 39' 14" East 457.29 feet along said centerline to a point for corner;

THENCE North 03° 16' 34" East 1259.54 feet to an angle point in a fence line for corner;

THENCE North 17° 57' 12" East 1059.25 feet along a fence line to a corner post for corner;

THENCE South 77° 56' 07" East 74.08 feet along said fence line to a corner post for corner;

THENCE South 32° 17' 36" East 106.92 feet along said fence line to an angle point for corner;

THENCE South 26° 44' 04" East 1554.24 feet along said fence line to an angle point for corner;

THENCE South 39 deg. 43' 47" East 672.55 feet along said fence line to a point in the East line of said Block 176 for corner;

THENCE South 03°14' 56" West 324.72 feet along said East line of Block 176 to a Nail in the centerline of an East-West Public Road for the occupied Southeast corner of said Block 176 and an interior corner of this tract;

THENCE South 86° 25' 39" East 2624.20 feet along said centerline of a Public Road for the occupied North line of said Block 179 to a point in the centerline of said State Highway No. 25 for the occupied Northeast corner of said Block 179 and the most Easterly Northeast corner of this tract;

THENCE South 03° 34' 45" West 5292.68 feet along said centerline of State Highway No. 25 and the occupied East lines of said Blocks 179 and 180 to the Place of Beginning and containing 1006.56 Acres, more or less.

SAVE AND EXCEPT:

TRACT ONE:

A tract of land out of Block No. One Hundred Forty-Seven (147), Waggoner Colony Subdivision, Wichita County, Texas, and being more specifically described by metes and bounds as follows: BEGINNING at a point in the South line of said Block 147, said point bears South 86° 28' 30" East 2395.37 feet from the occupied Southwest corner of said Block 147, said point also lies in a fence line of the Northeast line of a public road for the Southeast corner and Place of Beginning of this tract; THENCE North 42° 50' 32" West 188.30 feet along a fence line to a 1/2" iron rod for an interior corner of this tract; THENCE North 04° 06' 01" East 69.91 feet to a 1/2" iron rod for the Northeast corner of this tract; THENCE North 86° 28' 30" West 120.30 feet to a 1/2" iron rod for the Northwest corner of this tract; THENCE South 04° 06' 01" West 199.86 feet to a point in the centerline of road for the occupied South line of said Block 147 for the Southwest corner of this tract; THENCE South 86° 28' 30" East 257.90 feet along said centerline and said South line of Block 147 to the Place of Beginning and containing 0.76 acres, more or less.

TRACT TWO:

A tract of land out of Block 176, Waggoner Colony Subdivision, Wichita County, Texas, and being more specifically described by metes and bounds as follows: BEGINNING at a steel spike in the centerline of a public road for the occupied Southeast corner of said Block 176 for the Southeast corner and place of beginning of this tract; THENCE North 03° 14' 56" East 324.72 feet along the East line of said Block 176 to a point in a fence line for the most Easterly Northeast corner of this tract; THENCE North 39° 43' 37" West 672.55 feet along a fence line to an angle point for corner; THENCE North 26° 44' 04" West 1554.24 feet along a fence line to an angle point for corner; THENCE North 32° 17' 36" West 106.92 feet to a fence corner for the most Northerly Northeast corner of this tract; THENCE North 77° 56' 07" West 74.08 feet to a fence corner for the Northwest corner of this tract; THENCE South 17° 57' 12" West 1059.25 feet along a fence line to an angle point for corner; THENCE South 03° 16' 34" West 1259.54 feet along a fence line to a point in the centerline of said public road for the occupied South line of said Block 176 for the Southwest corner of this tract; THENCE South 86 deg. 28' 30" East 1640.05 feet along said centerline and said South line of Block 176 to the Place of Beginning and containing 50.17 acres, more or less.

TRACT THREE:

Tract of land situated in Subdivision No. One Hundred Seventy Nine (179) and No. One Hundred Eighty (180), of Waggoner Colony, Wichita County, Texas, according to the recorded Plat in Volume 4, Page 38, Plat Records, said tract being described by metes and bounds as follows:

BEGINNING at a square bolt at the point of intersection of the centerline of State Highway No. 25 and F.M. Highway No. 370, said square bolt being the occupied Southeast corner of said Block 180, Waggoner Colony, Subdivision, for the Southeast corner and place of beginning of this description;

THENCE North 86° 17' 00" West 1317.25 feet along said centerline of F.M. Highway No. 370 and the occupied South line of said Block 180 to a 3/8 inch spike for the Southwest corner of this tract;

THENCE leaving said centerline, North 03° 34' 45" East, at 35.00 feet pass a 1/2 inch iron rod in a fence line, in all a distance of 4224.56 feet to a "T" post in a fence line for an interior corner of this tract;

THENCE North 60° 24' 00" West 392.90 feet along said fence line to a wooden gate post for corner;

THENCE North 55° 12' 32" West 17.91 feet to a wooden gate post for corner;

THENCE North 46° 33' 21" West 290.63 feet along a fence line to a wooden fence post for corner;

THENCE North 34 °19' 05" West 829.81 feet along a fence line to a wooden fence corner post for corner;

THENCE North 35° 12' 45" West, at 29.45 feet pass a fence line for the South right-of- way line of a public road, in all a distance of 53.77 feet to a 1/2 inch iron rod in the centerline of said public road and the occupied North line of said Block 179, for the Northwest corner of this tract;

THENCE along said centerline of a public road and the occupied north line of said Block 179, South 86° 25' 39" East 2452.12 feet to a 3/8 inch spike in the centerline of said State Highway No. 25, for the Northeast corner of said Block 179 and the Northeast corner of this tract;

THENCE along said centerline of State Highway No. 25 and the occupied East lines of said Block 179 and said Block 180, South 03° 34' 45" West 5292.68 feet to the place of beginning and containing 176.63 acres, more or less.

**Schoppa, Mary Ann**

BEING a part of and out of Survey No. 883, M. E. P. & P. Ry. Co., Certificate No. 196, Patent No. 90, Volume 11, dated June 17, 1882, and being further described as the Southeast one-fourth (SE¼) of Subdivision No. 104, of the Waggoner Colony Lands in Wilbarger County, Texas.

Application #1466\_Harrold ISD\_Adams Creek Solar Project, LLC\_Amendment One\_3\_17\_18

Parcel ID	Owner	Legal Description	Acres	Comments
2069001	James Brockriede	Sec 148 Waggoner Colony Subdivision 7900 County Line Rd. North	105	the remainder of Sect 148 is in Witchita County
2070001	James Brockriede	Sec 149 Waggoner Colony Subdivision 7900 County Line Rd. North	105	the remainder of Sect 149 is in Witchita County
108152	James Brockriede	N/A	47.2	in Witchita County
109974	James Brockriede	N/A	46.5	in Witchita County
110014	James Brockriede	N/A	151.7	in Witchita County
110013	James Brockriede	N/A	157.8	in Witchita County
109875	James Brockriede	N/A	64.1	in Witchita County
109876	James Brockriede	N/A	79.5	in Witchita County
9096092	Edward & Susan B Gillis	Sec 91 Waggoner Colony Subdivision	160	
9096093	Gillis Edward B & Susan	Sec 106 Waggoner Colony Subdivision	160	
4813001	Lemon Allen D & Glenda S	Section 90 Waggoner Colony Subdivision 20101 CR 132 East	158	
4814001	Lemon Allen D & Glenda S	Section 105 Waggoner Colony Subdivision 20700 FM RD 370 East	160	
4463001	Kemple, James C.	Section 115 1/2 UND INT Waggoner Colony Subdivision 23001 CR 128 East	160	
2974001	Lemon, Terry & Paula	Section 92 SO 100 AC Waggoner Colony Subdivision 20001 FM RD 370 East	100	
4235	Kohler Joe A & Karen	Out of SE/4 Sec 101 Waggoner Colony	27.87	
2067001	Kohler, Joe A & Karen	E 69 AC SEC 102 Waggoner Colony Subdivision 8501 CR 129 North	69	
8683001	Kohler, Joe A & Karen	Section 104 Except So. East Corner Waggoner Colony Subdivision	120	
8131001	Kohler, Joe A & Karen	Section 113 W 1/2 Waggoner Colony Subdivision	80	
4539001	Kohler, Karen J.	Section 113 East 1/2 Waggoner Colony Subdivision	80	
286	Kohler Joe A & Karen J.	Section 114	2	
100445	Kohler Joe A & Karen	Sec 114 Waggoner Colony	158	
8100001	Joe A. & Karen Kohler	Sec 116 Waggoner Colony Subdivision 9006 CR 129 North	160	
7904001	Kohler Joe A & Karen	Sec 121 Waggoner Colony Subdivision	160	
3139001	Joe A. & Karen Kohler	Section 122 Waggoner Colony Subdivision	2	The legal description is for all of Section 122 "LESS AND EXCEPT: THAT CERTAIN PART OF A TRACT OF LAND CONTAINING 25 ACRES, MORE OR LESS, AS DEPICTED ON THE ATTACHED EXHIBIT "A-1" AS THE EXCLUDED AREA."
100446	Kohler Joe A & Karen	Section 122 Waggoner Colony Subdivision	158	The legal description is for a 160 acre tract "LESS AND EXCEPT: THAT CERTAIN PART OF A TRACT OF LAND CONTAINING 25 ACRES, MORE OR LESS, AS DEPICTED ON THE ATTACHED EXHIBIT "A-1" AS THE EXCLUDED AREA."
4749001	Kohler, Joe A.	Section 123 Waggoner Colony Subdivision	2	THE EXCLUDED AREA."
100447	Kohler Joe A & Karen	Section 123 Waggoner Colony Subdivision	158	
4747001	Kohler, Joe A	Section 138 Waggoner Colony Subdivision	160	
4745001	Kohler Joe A & Karen J.	Section 139	160	
4748001	Kohler Joe A & Karen J.	Section 140	160	
100435	Schoppa, Mary Ann	Section 104 Waggoner Colony	38	The legal description is for the SE 1/4 of Sect 104, Waggoner Colony Subdivision

**EXHIBIT B**  
**SURVEY MAPS OF**  
**ADAMS CREEK REINVESTMENT ZONE**





# Tab 17

## *Signatures and Certification*

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** ▶ David Thweatt Superintendent  
Print Name (Authorized School District Representative) Title

**sign here** ▶ [Signature] March 24, 2020  
Signature (Authorized School District Representative) Date

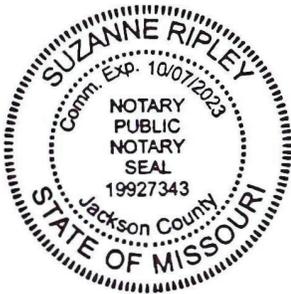
**2. Authorized Company Representative (Applicant) Signature and Notarization**

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** ▶ Scott Zeimetz Authorized Person  
Print Name (Authorized Company Representative (Applicant)) Title

**sign here** ▶ [Signature] 3.19.2020  
Signature (Authorized Company Representative (Applicant)) Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

19<sup>th</sup> day of March, 2020

Suzanne Ripley  
Notary Public in and for the State of Texas Missouri

My Commission expires: 10/07/2023

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.

SECTION 1: School District Information *(continued)*3. Authorized School District Consultant *(If Applicable)*

<u>Daniel</u>	<u>Casey</u>
First Name	Last Name
<u>Partner</u>	
Title	
<u>Moak, Casey &amp; Associates</u>	
Firm Name	
<u>512-485-7878</u>	<u>512-485-7888</u>
Phone Number	Fax Number
<u>N/A</u>	<u>dcasey@moakcasey.com</u>
Mobile Number (optional)	Email Address
4. On what date did the district determine this application complete? .....	<u>February 19, 2020</u>
5. Has the district determined that the electronic copy and hard copy are identical? .....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

<u>Wade</u>	<u>Gungoll</u>
First Name	Last Name
<u>Vice President of Development</u>	<u>Savion, LLC</u>
Title	Organization
<u>1806 Big Canyon Drive, Austin, TX 78746</u>	
Street Address	
<u>1806 Big Canyon Drive</u>	
Mailing Address	
<u>Austin</u>	<u>Texas</u>
City	State
<u>512-804-8944</u>	<u>N/A</u>
Phone Number	Fax Number
<u>N/A</u>	<u>wgungoll@savionenergy.com</u>
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? .....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2a. If yes, please fill out contact information for that person.	

<u>Eric</u>	<u>Cliff</u>
First Name	Last Name
<u>Sr. Development Manager</u>	<u>Savion, LLC</u>
Title	Organization
<u>1806 Big Canyon Drive, Austin, TX 78746</u>	
Street Address	
<u>1806 Big Canyon Drive</u>	
Mailing Address	
<u>Austin</u>	<u>Texas</u>
City	State
<u>512-820-5197</u>	<u>N/A</u>
Phone Number	Fax Number
<u>N/A</u>	<u>ecliff@savionenergy.com</u>
Mobile Number (optional)	Business Email Address
3. Does the applicant authorize the consultant to provide and obtain information related to this application? .....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## Attachment B

### Franchise Tax Account Status



## Franchise Tax Account Status

As of : 07/10/2020 10:05:56

This page is valid for most business transactions but is not sufficient for filings with the Secretary of State

<b>ADAMS CREEK SOLAR PROJECT, LLC</b>	
<b>Texas Taxpayer Number</b>	32067584329
<b>Mailing Address</b>	422 ADMIRAL BLVD KANSAS CITY, MO 64106-1560
<b>Right to Transact Business in Texas</b>	ACTIVE
<b>State of Formation</b>	DE
<b>Effective SOS Registration Date</b>	06/21/2018
<b>Texas SOS File Number</b>	0803049818
<b>Registered Agent Name</b>	CORPORATION SERVICE COMPANY D/B/A CSC-LAWYERS INCO
<b>Registered Office Street Address</b>	211 E. 7TH STREET SUITE 620 AUSTIN, TX 78701

# Attachment C

## State Comptroller's Certification



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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P.O. Box 13528 • Austin, TX 78711-3528

May 18, 2020

David Thweatt  
Superintendent  
Harrold Independent School District  
18106 Steward St  
Harrold, Texas 76364

Re: Certificate for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Harrold Independent School District and Adams Creek Solar Project, LLC, Application 1466

Dear Superintendent Thweatt:

On April 1, 2020, the Comptroller issued written notice that Adams Creek Solar Project, LLC (applicant) submitted a completed application (Application 1466) for a limitation on appraised value under the provisions of Tax Code Chapter 313.<sup>1</sup> This application was originally submitted on February 17, 2020, to the Harrold 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.

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<sup>1</sup> 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 1466.

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 by December 31, 2020.

Note that any building or improvement existing as of the application review start date of April 1, 2020, 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](mailto:will.counihan@cpa.texas.gov) or by phone toll-free at 1-800-531-5441, ext. 6-0758, or at 512-936-0758.

Sincerely,

DocuSigned by:  
  
11EA6DEF0EC441E...  
Lisa Craven  
Deputy Comptroller

Enclosure

cc: Will Counihan

## Attachment A – Economic Impact Analysis

The following tables summarize the Comptroller’s economic impact analysis of Adams Creek Solar Project, LLC (project) applying to Harrold 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 Adams Creek Solar Project, LLC.

Applicant	Adams Creek Solar Project, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation
School District	Harrold ISD
2018-2019 Average Daily Attendance	239
County	Wilbarger
Proposed Total Investment in District	\$225,000,000
Proposed Qualified Investment	\$225,000,000
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	\$1,106
Minimum weekly wage required for each qualifying job by Tax Code, 313.021(5)(B)	\$1,106
Minimum annual wage committed to by applicant for qualified jobs	\$57,512
Minimum weekly wage required for non-qualifying jobs	\$735
Minimum annual wage required for non-qualifying jobs	\$38,220
Investment per Qualifying Job	\$112,500,000
Estimated M&O levy without any limit (15 years)	\$16,165,738
Estimated M&O levy with Limitation (15 years)	\$5,356,707
Estimated gross M&O tax benefit (15 years)	\$10,809,031

\* 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 Adams Creek Solar Project, LLC (modeled).

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2021	250	230	480	\$14,378,100	\$20,621,900	\$35,000,000
2022	250	244	494	\$14,378,100	\$24,621,900	\$39,000,000
2023	2	23	25	\$115,025	\$6,884,975	\$7,000,000
2024	2	0	2	\$115,025	\$3,884,975	\$4,000,000
2025	2	(4)	-2	\$115,025	\$1,884,975	\$2,000,000
2026	2	(10)	-8	\$115,025	\$884,975	\$1,000,000
2027	2	(12)	-10	\$115,025	\$884,975	\$1,000,000
2028	2	(10)	-8	\$115,025	-\$115,025	\$0
2029	2	(8)	-6	\$115,025	-\$115,025	\$0
2030	2	(6)	-4	\$115,025	-\$115,025	\$0
2031	2	(6)	-4	\$115,025	-\$115,025	\$0
2032	2	0	2	\$115,025	-\$115,025	\$0
2033	2	0	2	\$115,025	-\$115,025	\$0
2034	2	0	2	\$115,025	-\$115,025	\$0
2035	2	4	6	\$115,025	-\$115,025	\$0
2036	2	2	4	\$115,025	-\$115,025	\$0

Source: CPA REMI, Adams Creek Solar Project, 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*	Harrold ISD I&S Tax Levy	Harrold ISD M&O Tax Levy	Harrold ISD M&O and I&S Tax Levies	Wilbarger County Tax Levy	Wilbarger County Hospital Tax Levy	Vernon Junior College Tax Levy	Estimated Total Property Taxes
				0.0000	1.0684		0.5180	0.2700	0.2211	
2022	\$25,000,000	\$25,000,000		\$0	\$267,088	\$267,088	\$129,490	\$67,500	\$55,264	\$519,341
2023	\$225,000,000	\$225,000,000		\$0	\$2,403,788	\$2,403,788	\$1,165,410	\$607,500	\$497,374	\$4,674,071
2024	\$202,540,000	\$202,540,000		\$0	\$2,163,836	\$2,163,836	\$1,049,076	\$546,858	\$447,725	\$4,207,495
2025	\$180,080,000	\$180,080,000		\$0	\$1,923,885	\$1,923,885	\$932,742	\$486,216	\$398,076	\$3,740,919
2026	\$157,620,000	\$157,620,000		\$0	\$1,683,933	\$1,683,933	\$816,409	\$425,574	\$348,427	\$3,274,343
2027	\$135,160,000	\$135,160,000		\$0	\$1,443,982	\$1,443,982	\$700,075	\$364,932	\$298,778	\$2,807,767
2028	\$112,700,000	\$112,700,000		\$0	\$1,204,030	\$1,204,030	\$583,741	\$304,290	\$249,129	\$2,341,190
2029	\$90,240,000	\$90,240,000		\$0	\$964,079	\$964,079	\$467,407	\$243,648	\$199,480	\$1,874,614
2030	\$67,780,000	\$67,780,000		\$0	\$724,128	\$724,128	\$351,073	\$183,006	\$149,831	\$1,408,038
2031	\$45,320,000	\$45,320,000		\$0	\$484,176	\$484,176	\$234,739	\$122,364	\$100,182	\$941,462
2032	\$45,310,000	\$45,310,000		\$0	\$484,069	\$484,069	\$234,688	\$122,337	\$100,160	\$941,254
2033	\$45,300,000	\$45,300,000		\$0	\$483,963	\$483,963	\$234,636	\$122,310	\$100,138	\$941,046
2034	\$45,290,000	\$45,290,000		\$0	\$483,856	\$483,856	\$234,584	\$122,283	\$100,116	\$940,839
2035	\$45,280,000	\$45,280,000		\$0	\$483,749	\$483,749	\$234,532	\$122,256	\$100,094	\$940,631
2036	\$45,270,000	\$45,270,000		\$0	\$483,642	\$483,642	\$234,480	\$122,229	\$100,072	\$940,423
2037	\$45,260,000	\$45,260,000		\$0	\$483,535	\$483,535	\$234,429	\$122,202	\$100,049	\$940,215
			<b>Total</b>	<b>\$0</b>	<b>\$16,165,738</b>	<b>\$16,165,738</b>	<b>\$7,837,512</b>	<b>\$4,085,505</b>	<b>\$3,344,894</b>	<b>\$31,433,648</b>

Source: CPA, Adams Creek Solar Project, LLC

\*Tax Rate per \$100 Valuation

**Table 4** examines the estimated direct impact on ad valorem taxes to the school district and Wilbarger 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 and county hospital.

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		Harrold ISD I&S Tax Levy	Harrold ISD M&O Tax Levy	Harrold ISD M&O and I&S Tax Levies	Wilbarger County Tax Levy	Wilbarger County Hospital Tax Levy	Vernon Junior College Tax Levy	Estimated Total Property Taxes
			Tax Rate*	0.0000	1.0684		0.5180	0.2700	0.2211	
2022	\$25,000,000	\$25,000,000		\$0	\$267,088	\$267,088	\$129,490	\$67,500	\$55,264	\$519,341
2023	\$225,000,000	\$25,000,000		\$0	\$267,088	\$267,088	\$349,623	\$182,250	\$497,374	\$1,296,334
2024	\$202,540,000	\$25,000,000		\$0	\$267,088	\$267,088	\$314,723	\$164,057	\$447,725	\$1,193,593
2025	\$180,080,000	\$25,000,000		\$0	\$267,088	\$267,088	\$279,823	\$145,865	\$398,076	\$1,090,851
2026	\$157,620,000	\$25,000,000		\$0	\$267,088	\$267,088	\$244,923	\$127,672	\$348,427	\$988,109
2027	\$135,160,000	\$25,000,000		\$0	\$267,088	\$267,088	\$210,022	\$109,480	\$298,778	\$885,367
2028	\$112,700,000	\$25,000,000		\$0	\$267,088	\$267,088	\$175,122	\$91,287	\$249,129	\$782,626
2029	\$90,240,000	\$25,000,000		\$0	\$267,088	\$267,088	\$140,222	\$73,094	\$199,480	\$679,884
2030	\$67,780,000	\$25,000,000		\$0	\$267,088	\$267,088	\$105,322	\$54,902	\$149,831	\$577,142
2031	\$45,320,000	\$25,000,000		\$0	\$267,088	\$267,088	\$70,422	\$36,709	\$100,182	\$474,401
2032	\$45,310,000	\$25,000,000		\$0	\$267,088	\$267,088	\$70,406	\$36,701	\$100,160	\$474,355
2033	\$45,300,000	\$45,300,000		\$0	\$483,963	\$483,963	\$234,636	\$122,310	\$100,138	\$941,046
2034	\$45,290,000	\$45,290,000		\$0	\$483,856	\$483,856	\$234,584	\$122,283	\$100,116	\$940,839
2035	\$45,280,000	\$45,280,000		\$0	\$483,749	\$483,749	\$234,532	\$122,256	\$100,094	\$940,631
2036	\$45,270,000	\$45,270,000		\$0	\$483,642	\$483,642	\$234,480	\$122,229	\$100,072	\$940,423
2037	\$45,260,000	\$45,260,000		\$0	\$483,535	\$483,535	\$234,429	\$122,202	\$100,049	\$940,215
			<b>Total</b>	<b>\$0</b>	<b>\$5,356,707</b>	<b>\$5,356,707</b>	<b>\$3,262,760</b>	<b>\$1,700,798</b>	<b>\$3,344,894</b>	<b>\$13,665,158</b>
			<b>Diff</b>	<b>\$0</b>	<b>\$10,809,031</b>	<b>\$10,809,031</b>	<b>\$4,574,752</b>	<b>\$2,384,708</b>	<b>\$0</b>	<b>\$17,768,491</b>

Assumes School Value Limitation and Tax Abatements with the County.

Source: CPA, Adams Creek Solar Project, 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 25<sup>th</sup> Anniversary of Limitation Start

This represents the Comptroller’s determination that Adams Creek Solar Project, 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 and direct, indirect and induced tax effects from project employment 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)
<b>Limitation Pre-Years</b>	2020	\$0	\$0	\$0	\$0
	2021	\$0	\$0	\$0	\$0
	2022	\$267,088	\$267,088	\$0	\$0
<b>Limitation Period (10 Years)</b>	2023	\$267,088	\$534,175	\$2,136,700	\$2,136,700
	2024	\$267,088	\$801,263	\$1,896,749	\$4,033,449
	2025	\$267,088	\$1,068,350	\$1,656,797	\$5,690,246
	2026	\$267,088	\$1,335,438	\$1,416,846	\$7,107,092
	2027	\$267,088	\$1,602,525	\$1,176,894	\$8,283,986
	2028	\$267,088	\$1,869,613	\$936,943	\$9,220,929
	2029	\$267,088	\$2,136,700	\$696,992	\$9,917,920
	2030	\$267,088	\$2,403,788	\$457,040	\$10,374,961
	2031	\$267,088	\$2,670,875	\$217,089	\$10,592,049
	2032	\$267,088	\$2,937,963	\$216,982	\$10,809,031
<b>Maintain Viable Presence (5 Years)</b>	2033	\$483,963	\$3,421,925	\$0	\$10,809,031
	2034	\$483,856	\$3,905,781	\$0	\$10,809,031
	2035	\$483,749	\$4,389,530	\$0	\$10,809,031
	2036	\$483,642	\$4,873,172	\$0	\$10,809,031
	2037	\$483,535	\$5,356,707	\$0	\$10,809,031
<b>Additional Years as Required by 313.026(c)(1) (10 Years)</b>	2038	\$483,428	\$5,840,135	\$0	\$10,809,031
	2039	\$483,322	\$6,323,457	\$0	\$10,809,031
	2040	\$483,215	\$6,806,672	\$0	\$10,809,031
	2041	\$483,108	\$7,289,779	\$0	\$10,809,031
	2042	\$483,001	\$7,772,780	\$0	\$10,809,031
	2043	\$482,894	\$8,255,675	\$0	\$10,809,031
	2044	\$482,787	\$8,738,462	\$0	\$10,809,031
	2045	\$482,681	\$9,221,143	\$0	\$10,809,031
	2046	\$482,574	\$9,703,716	\$0	\$10,809,031
	2047	\$482,467	\$10,186,183	\$0	\$10,809,031
		<b>\$10,186,183</b>	is less than	<b>\$10,809,031</b>	
<b>Analysis Summary</b>					
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?					No

Source: CPA, Adams Creek Solar Project, LLC

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2021	250	230	480	\$14,378,100	\$20,621,900	\$35,000,000	1660000	-910000	\$2,570,000
2022	250	244	494	\$14,378,100	\$24,621,900	\$39,000,000	1780000	-580000	\$2,360,000
2023	2	23	25	\$115,025	\$6,884,975	\$7,000,000	300000	630000	-\$330,000
2024	2	0	2	\$115,025	\$3,884,975	\$4,000,000	260000	600000	-\$340,000
2025	2	(4)	-2	\$115,025	\$1,884,975	\$2,000,000	180000	570000	-\$390,000
2026	2	(10)	-8	\$115,025	\$884,975	\$1,000,000	160000	520000	-\$360,000
2027	2	(12)	-10	\$115,025	\$884,975	\$1,000,000	140000	470000	-\$330,000
2028	2	(10)	-8	\$115,025	-\$115,025	\$0	140000	410000	-\$270,000
2029	2	(8)	-6	\$115,025	-\$115,025	\$0	150000	370000	-\$220,000
2030	2	(6)	-4	\$115,025	-\$115,025	\$0	150000	310000	-\$160,000
2031	2	(6)	-4	\$115,025	-\$115,025	\$0	110000	290000	-\$180,000
2032	2	0	2	\$115,025	-\$115,025	\$0	110000	270000	-\$160,000
2033	2	0	2	\$115,025	-\$115,025	\$0	80000	180000	-\$100,000
2034	2	0	2	\$115,025	-\$115,025	\$0	80000	140000	-\$60,000
2035	2	4	6	\$115,025	-\$115,025	\$0	80000	110000	-\$30,000
2036	2	2	4	\$115,025	-\$115,025	\$0	60000	70000	-\$10,000
2037	2	2	4	\$115,025	-\$115,025	\$0	30000	30000	\$0
2038	2	0	2	\$115,025	-\$115,025	\$0	20000	0	\$20,000
2039	2	2	4	\$115,025	\$884,975	\$1,000,000	30000	-20000	\$50,000
2040	2	0	2	\$115,025	-\$115,025	\$0	20000	-80000	\$100,000
2041	2	6	8	\$115,025	\$884,975	\$1,000,000	80000	-110000	\$190,000
2042	2	2	4	\$115,025	\$884,975	\$1,000,000	60000	-120000	\$180,000
2043	2	0	2	\$115,025	\$884,975	\$1,000,000	110000	-130000	\$240,000
2044	2	4	6	\$115,025	\$884,975	\$1,000,000	120000	-140000	\$260,000
2045	2	6	8	\$115,025	\$884,975	\$1,000,000	90000	-210000	\$300,000
2046	2	4	6	\$115,025	\$1,884,975	\$2,000,000	200000	-150000	\$350,000
2047	2	8	10	\$115,025	\$1,884,975	\$2,000,000	230000	-150000	\$380,000
						<b>Total</b>	<b>\$6,430,000</b>	<b>\$2,370,000</b>	<b>\$4,060,000</b>
							<b>\$14,246,183</b>	is greater than	<b>\$10,809,031</b>

**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
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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 Adams Creek Solar Project, 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 Adams Creek Solar Project, LLC in Tab 5 of their Application for a Limitation on Appraised Value:
  - A. “In the event a 313 agreement is not permitted Savion, LLC will reallocate the capital for this project to establish a facility in another location more financially viable. Unfortunately, this would dismiss Harrold ISD from receiving the economic benefits associated with the development a solar facility within their jurisdiction. It is our goal to reach a 313 value limitation agreement for the benefit of both Adams Creek Solar Project, LLC and Harrold ISD.”
  - B. “Due to the high property tax burden in Texas, the decision to invest within the state requires any capital investment by Savion, LLC to be based on expected economic return on their investment.”
  - C. “Without the 313 Value Limitation tax incentive, the economics of this project could be less competitive with other capital-intensive projects and the viability of the proposed project becomes uncertain. Savion, LLC evaluates the economic viability of proposed projects through comparing the proposed project’s rate of return with the Chapter 313 appraised value limitation agreement and without the value limitation agreement. To move forward, the model must show a rate of return where the project, with the valuation limitation agreement, would exceed the minimum rate of return required to proceed with the proposed investment. Therefore, receiving a value limitation agreement under Chapter 313 results in significant annual operating cost savings which would incentivize Savion, LLC to invest capital in the proposed project rather than making an alternative investment. This makes the ability to enter into a Chapter 313 appraised value limitation agreement with the school district “the determining factor” to invest in this project.”
- Provided by Applicant
  - A. The application was filed with ERCOT on October 10, 2018, and the IGNR was assigned on or about November 20, 2018. The IGNR number 21INR0210 and it was assigned

- B. “Adams Creek Solar Project, LLC is a solar energy facility under development by Savion, LLC. Their mission is to integrate U.S. solar energy and energy storage development through a platform of industry-leading enterprise and site evaluation systems. Their current project portfolio includes 6 GW pipeline of solar and energy storage development projects. Their team of experienced professionals are committed to renewable energy development as well as building quality stakeholder relationships in the communities they choose to invest in.”

**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 5

### *Limitation as a Determining Factor*

Currently, Savion, LLC is considering a variety of other locations for Adams Creek Solar Project, LLC but believes Harrold ISD would be an ideal location for this solar facility. Other locations being evaluated for the establishment of the site include New Mexico, Ohio, Kansas, Oklahoma, Georgia, Louisiana, Alabama, South Carolina, Missouri, and Illinois--all locations where the development of this project would easily be feasible due to current company activity as well as previous development, and the presence of tax incentives. In the event a 313 agreement is not permitted Savion, LLC will reallocate the capital for this project to establish a facility in another location more financially viable. Unfortunately, this would dismiss Harrold ISD from receiving the economic benefits associated with the development a solar facility within their jurisdiction. It is our goal to reach a 313 value limitation agreement for the benefit of both Adams Creek Solar Project, LLC and Harrold ISD. Savion, LLC is constantly evaluating various locations for development and where to commit substantial long-term investment based on economic rate of return with the proposed projects. The economic benefits provided by a Chapter 313 Value Limitation is one of the most important components in their analysis.

Not only Savion, LLC but all prudent energy developers, recognize the importance of tax incentives in establishing capital intensive facilities. Due to the high property tax burden in Texas, the decision to invest within the state requires any capital investment by Savion, LLC to be based on expected economic return on their investment.

Property tax liabilities compose a substantial ongoing cost of operation that directly impacts the rate of return on the investment. Without the 313 Value Limitation tax incentive, the economics of this project could be less competitive with other capital-intensive projects and the viability of the proposed project becomes uncertain. Savion, LLC evaluates the economic viability of proposed projects through comparing the proposed project's rate of return with the Chapter 313 appraised value limitation agreement and without the value limitation agreement. To move forward, the model must show a rate of return where the project, with the valuation limitation agreement, would exceed the minimum rate of return required to proceed with the proposed investment. Therefore, receiving a value limitation agreement under Chapter 313 results in significant annual operating cost savings which would incentivize Savion, LLC to invest capital in the proposed project rather than making an alternative investment. This makes the ability to enter into a Chapter 313 appraised value limitation agreement with the school district "the determining factor" to invest in this project.

# **Supporting Information**

Additional information  
provided by the Applicant or  
located by the Comptroller

COMPTROLLER QUERY RELATED TO TAX CODE CHAPTER 313.026(c)(2)  
– Harrold ISD– Adams Creek Solar Project, LLC App. #1466

Comptroller Questions (via email on April 28, 2020):

1. Is Adams Creek Solar Project, LLC currently known by any other project names?
2. Please also list any other names by which this project may have been known in the past--in media reports, investor presentations, or any listings with any federal or state agency.
3. Has this project applied to ERCOT at this time? If so, please provide the project's IGNR number and when was it assigned.

Applicant Response (via email on April 30, 2020):

1. No
2. None.
3. Yes, 21INR0210 is the solar interconnection filing with ERCOT. The application was filed with ERCOT on October 10, 2018, and the IGNR was assigned on or about November 20, 2018.



## Tab 4

### *Detailed Description of the Project*

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.

In compliance with the criteria and guidelines set forth in Title 3, Chapter 313 of the Texas Property Tax Code, Adams Creek Solar Project, LLC requests an appraised value limitation from Harrold Independent School District. Savion, LLC is proposing to construct a solar electric generating facility in Wilbarger County. The project will be located within a reinvestment zone that encompasses 2,618 acres in the northeastern portion of the county. Adams Creek Solar Project, LLC will be contained 100% in Harrold ISD in the reinvestment zone to be designated. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 250 MW-AC and will feature 796,000 photovoltaic panels, and 67 central inverters.

Adams Creek Solar Project, LLC requests that this application includes all eligible and auxiliary equipment including the following:

- Solar Modules & Panels
- Inverter Boxes & Battery Storage
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities

Adams Creek Solar Project, LLC is a solar energy facility under development by Savion, LLC. Their mission is to integrate U.S. solar energy and energy storage development through a platform of industry-leading enterprise and site evaluation systems. Their current project portfolio includes 6 GW pipeline of solar and energy storage development projects. Their team of experienced professionals are committed to renewable energy development as well as building quality stakeholder relationships in the communities they choose to invest in.

# Attachment D

## Summary of Financial Impact

**CHAPTER 313 PROPERTY VALUE LIMITATION  
FINANCIAL IMPACT OF THE PROPOSED  
ADAMS CREEK SOLAR PROJECT, LLC PROJECT IN THE  
HARROLD INDEPENDENT SCHOOL DISTRICT  
(PROJECT # 1466)**

**PREPARED BY**



**APRIL 1, 2020**

## Executive Summary

Adams Creek Solar Project, LLC (Company) has requested that the Harrold Independent School District (HISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to HISD on February 17, 2020, the Company plans to invest \$225 million in new taxable value to construct a renewable solar energy electric generation facility. Moak, Casey & Associates (MCA) has been retained to prepare an analysis of this value limitation and help the district navigate the overall application and agreement process.

The Adams Creek project is consistent with the state’s goal to “encourage large scale capital investments in this state.” When enacted as House Bill 1200 in 2001, Chapter 313 of the Tax Code granted eligibility to companies engaged in manufacturing, research and development, and renewable electric energy production to apply to school districts for property value limitations. Subsequent legislative changes expanded eligibility to clean coal projects, nuclear power generation and data centers, among others, although few of these other types of projects have been the basis for Chapter 313 applications.

Under the provisions of Chapter 313, HISD may offer a minimum value limitation of \$25 million. This value limitation, under the proposed application, will begin in the 2023-24 school year and remain at that level of taxable value for Maintenance and Operations (M&O) tax purposes for ten years. The entire project value will remain taxable for I&S or debt service purposes for the term of the agreement and beyond.

MCA’s initial school finance analysis is detailed in this report. This analysis incorporates to the fullest extent possible the changes approved in House Bill 3 as approved in 2019, the most significant school finance revisions in more than 30 years. The overall conclusions are as follows, but please read all of the subsequent details in the report below for more information.

Total Revenue Loss Payment owed to HISD	\$2,6 million
Total Savings to Company after Revenue Loss Payment. (This does not include any supplemental benefit payments to the district.)	\$8.1 million

## Application Process

After the school district has submitted an application to the Comptroller’s Office (Comptroller), the Comptroller begins reviewing the application for completeness. The purpose of this review is to ensure all necessary information and attachments are included in the application before moving forward with the formal review process. A Completeness Letter was issued for this application on April 1, 2020.

The issuance of a Completeness Letter is important because it sets the timeline for the rest of process. From the date of issuance, the Comptroller has 90 days to conduct its full review of

the project and provide its certificate for a limitation on appraised value. After the certificate is received, the district has until the 150<sup>th</sup> day from the receipt of the Completeness Letter to adopt an agreement, although extensions may be requested by the Company and granted by the District.

After the Comptroller's certificate is received, Eichelbaum Wardell will contact the school district to discuss the value limitation agreement and begin negotiations of the supplemental benefit payment with the Company. A final version of the agreement must be submitted to the Comptroller for review 30 days prior to final adoption by the school district's board of trustees.

Prior to final board meeting, Eichelbaum Wardell will provide the district with the necessary agenda language and any additional action items. The school board will review the Value Limitation Agreement and Findings of Fact that detail the project's conformance with state law. In some instances, the school board may also be required to adopt a job waiver or create a reinvestment zone during this meeting.

## **How the 313 Agreement Interacts with Texas School Finance**

A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 1-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation period (and thereafter).

M&O funding for Texas schools relies on two methods of finance: local school district property taxes and state aid. State aid consists of two components: Tier I (based on ADA, special student populations and M&O taxes at the compressed tax rate) and Tier II (based on weighted ADA for each penny of tax effort above a specified level). Recapture costs are primarily a Tier I issue, although Tier II also can involve recapture costs for some school districts.

The basic allotment is now set at \$6,160 per weighted ADA (WADA) and is the basis for Tier I calculations. In the case of Tier II, the first eight cents of additional tax effort can be used to generate state aid of up to \$98.56 per WADA for what are known as "golden" pennies. Tax effort for golden pennies is not subject to recapture. Up to an additional nine cents may be levied to generate \$49.28 per WADA for what are known as "copper" pennies (generating half the revenue per WADA of the golden pennies).

Changes in the recapture calculation are an important part of HB 3, for those districts subject to recapture under the new law. Rather than being tied to property wealth exceeding an equalized wealth level per WADA, recapture is now defined as the amount of revenue collected in excess of a district's Tier I allotment, or for Tier II the amount of collections in excess of the entitlement provided for tax effort generating copper-penny level state aid. (Golden pennies are not subject to recapture.) The changes in the recapture methodology may affect the results of revenue protection payments relative to what was calculated when the equalized wealth level was used to determine the amount of recapture owed the state by school districts subject to recapture. It does not appear to be an issue for HISD, based on the calculations shown below.

Another significant school funding change is establishing current-year property values to determine state funding and recapture under the Foundation School Program. The traditional

approach for the last 30 years has been to rely upon prior-year state property values as determined annually under the Comptroller's State Property Value Study (Section 403 of the Government Code). The change in House Bill 3 calls for using current-year property values as determined by the Comptroller's Property Value Study, without an explanation as to how the property value study is to be completed on a real-time basis.

While school district funding will now be determined based on current-year property values, House Bill 3 included language that addressed the property values to be used in determining calculating revenue protection payments under Chapter 313 agreements. This information is contained in Section 48.256(d), Education Code, as shown below:

- d) This subsection applies to a school district in which the board of trustees entered into a written agreement with a property owner under Section 313.027, Tax Code, for the implementation of a limitation on appraised value under Subchapter B or C, Chapter 313, Tax Code. For purposes of determining "DPV" under Subsection (a) for a school district to which this subsection applies, the commissioner shall exclude a portion of the market value of property not otherwise fully taxable by the district under Subchapter B or C, Chapter 313, Tax Code, before the expiration of the subchapter. The comptroller shall provide information to the agency necessary for this subsection. **A revenue protection payment required as part of an agreement for a limitation on appraised value shall be based on the district's taxable value of property for the preceding tax year [emphasis added].**

Given the directive with regard to the use of preceding-tax-year values to calculate revenue protection payments required under Chapter 313 agreements, the amounts collected are expected to be consistent with the patterns shown since these calculations were first calculated under the standard Chapter 313 agreement language, dating back to 2004. The most significant impact is typically in the first limitation year, although major value increases in project values in later limitation years may also trigger a revenue protection payment. The additional factor that may generate a variance with the traditional pattern of revenue protection amounts is the new methodology in the calculation of recapture, as noted previously.

The calculations shown below are based on the Section 48.256(d), Education Code directive to use preceding-tax-year property values to determine the revenue protection payment, if any, owed to the school district under the terms of the Chapter 313 Agreement between the Applicant and the School District. These calculations are to be made for each of the 10 limitation years under the terms of the Agreement. Chapter 313 will be subject to legislative renewal in 2021 and any changes made may impact these calculations moving forward.

(For more detailed information on the school finance funding system, please review the Texas Education Agency's (TEA) website. [The current information is expected to be updated as the details of House Bill 3 implementation are determined by TEA.](#)

The implementation of recent legislative action on school funding in House Bill 3 could potentially affect the impact of the value limitation on the school district's finances and result in revenue-loss estimates that differ from the estimates presented in this report.

## Underlying School District Data Assumptions

The agreement between the school district and the applicant calls for a calculation of the revenue impact of the value limitation in years 1-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. The Basic Allotment is now set to \$6,160, the Tier II golden penny yield is set to \$98.56 per WADA for up to eight cents, while the copper penny yield is \$49.28 per WADA for up to nine cents of local tax effort. These are maintained for future years at this time.

Static school district enrollment and property values are used to isolate the effects of the value limitation under the school finance system. Any previously approved Chapter 313 projects are also factored into the M&O tax bases used.

ADA:	103
Local M&O Tax Base	\$81.1 million
2019-20 M&O Tax Rate:	\$1.0684 per \$100 of Taxable Value
2020-21 Projected M&O Tax Rate:	\$1.0548 per \$100 of Taxable Value
I&S Tax Rate:	\$0.00 per \$100 of Taxable Value

Table 1 summarizes the enrollment and property value assumptions for the 15 years that are the subject of this analysis.

**Table 1 – Base District Information with Adams Creek Project Value and Limitation Values**

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	Sec. 48.256(d) District Revenue Protection District Property Value with Project	Sec. 48.256(d) District Revenue Protection District Property Value with Limitation	DPV Value with Project per WADA	DPV Value with Limitation per WADA
QTP0	2020-21	103.17	254.72	\$1.0548	\$0.0000	\$97,617,866	\$97,617,866	\$383,230	\$383,230
QTP1	2021-22	103.17	254.72	\$1.0548	\$0.0000	\$97,617,866	\$97,617,866	\$383,230	\$383,230
QTP2	2022-23	103.17	254.72	\$1.0548	\$0.0000	\$97,617,866	\$97,617,866	\$383,230	\$383,230
VL1	2023-24	103.17	254.72	\$1.0548	\$0.0000	\$97,617,866	\$97,617,866	\$383,230	\$383,230
VL2	2024-25	103.17	254.72	\$1.0548	\$0.0000	\$322,617,866	\$122,617,866	\$1,266,539	\$481,375
VL3	2025-26	103.17	254.72	\$1.0548	\$0.0000	\$300,157,866	\$122,617,866	\$1,178,365	\$481,375
VL4	2026-27	103.17	254.72	\$1.0548	\$0.0000	\$277,697,866	\$122,617,866	\$1,090,191	\$481,375
VL5	2027-28	103.17	254.72	\$1.0548	\$0.0000	\$255,237,866	\$122,617,866	\$1,002,017	\$481,375
VL6	2028-29	103.17	254.72	\$1.0548	\$0.0000	\$263,150,719	\$152,990,719	\$1,033,082	\$600,614
VL7	2029-30	103.17	254.72	\$1.0548	\$0.0000	\$237,164,619	\$149,464,619	\$931,065	\$586,771
VL8	2030-31	103.17	254.72	\$1.0548	\$0.0000	\$211,425,346	\$146,185,346	\$830,017	\$573,897
VL9	2031-32	103.17	254.72	\$1.0548	\$0.0000	\$185,915,623	\$143,135,623	\$729,871	\$561,924
VL10	2032-33	103.17	254.72	\$1.0548	\$0.0000	\$160,619,380	\$140,299,380	\$630,562	\$550,790
VP1	2033-34	103.17	254.72	\$1.0548	\$0.0000	\$157,971,674	\$137,661,674	\$620,168	\$540,435
VP2	2034-35	103.17	254.72	\$1.0548	\$0.0000	\$155,508,607	\$155,508,607	\$610,498	\$610,498
VP3	2035-36	103.17	254.72	\$1.0548	\$0.0000	\$153,217,255	\$153,217,255	\$601,503	\$601,503
VP4	2036-37	103.17	254.72	\$1.0548	\$0.0000	\$151,085,598	\$151,085,598	\$593,135	\$593,135
VP5	2037-38	103.17	254.72	\$1.0548	\$0.0000	\$149,102,457	\$149,102,457	\$585,349	\$585,349

\*Basic Allotment: \$6,160; Golden Penny Yield: \$98.56; Copper Penny Yield: \$49.28

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

## M&O Impact of the Adams Creek Project on HISD

A model is established to make a calculation of the “Baseline Revenue Model” (Table 2) by adding the total value of the project to the model, without assuming a value limitation is approved. A separate model is established to make a calculation of the “Value Limitation Revenue Model” (Table 3) by adding the project’s limited value of \$25 million to the model. The difference between the two models (Table 4) indicates there will be a total revenue loss of \$2.6 million over the course of the Agreement, with nearly all the loss reflected in the first limitation year (2023-24).

**Table 2- “Baseline Revenue Model” --Project Value Added to DPV with No Value Limitation**

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid (includes HH Funds)	Total General Fund
QTP0	2020-21	\$885,609	\$699,653	\$0	\$133,688	\$137,655	\$0	\$0	\$1,856,605
QTP1	2021-22	\$885,609	\$699,653	\$0	\$133,688	\$137,655	\$0	\$0	\$1,856,605
QTP2	2022-23	\$885,609	\$699,653	\$0	\$133,688	\$137,655	\$0	\$0	\$1,856,605
VL1	2023-24	\$2,943,148	\$699,653	\$0	\$444,284	\$457,437	\$0	\$0	\$4,544,522
VL2	2024-25	\$2,737,302	\$46,425	-\$1,189,408	\$413,210	\$0	-\$106,429	\$0	\$1,901,101
VL3	2025-26	\$2,531,457	\$25,543	-\$962,681	\$382,137	\$0	-\$93,760	\$0	\$1,882,696
VL4	2026-27	\$2,325,611	\$46,425	-\$777,717	\$351,064	\$0	-\$81,107	\$0	\$1,864,277
VL5	2027-28	\$2,392,565	\$25,543	-\$770,474	\$361,170	\$0	-\$77,386	\$0	\$1,931,418
VL6	2028-29	\$2,155,049	\$46,425	-\$607,155	\$325,316	\$0	-\$71,702	\$0	\$1,847,933
VL7	2029-30	\$1,919,750	\$25,543	-\$350,974	\$289,797	\$9,822	-\$57,493	\$0	\$1,836,445
VL8	2030-31	\$1,686,513	\$46,425	-\$138,619	\$254,588	\$27,583	-\$43,606	\$0	\$1,832,885
VL9	2031-32	\$1,455,193	\$25,543	\$0	\$219,669	\$44,491	-\$30,073	\$0	\$1,714,823
VL10	2032-33	\$1,431,411	\$122,246	\$0	\$216,079	\$70,360	-\$19,897	\$0	\$1,820,199
VP1	2033-34	\$1,405,565	\$146,512	\$0	\$212,177	\$72,326	-\$18,363	\$0	\$1,818,217
VP2	2034-35	\$1,384,985	\$169,086	\$0	\$209,071	\$74,240	-\$16,999	\$0	\$1,820,383
VP3	2035-36	\$1,365,839	\$190,086	\$0	\$206,180	\$76,119	-\$15,658	\$0	\$1,822,566
VP4	2036-37	\$1,348,027	\$209,623	\$0	\$203,492	\$77,877	-\$14,517	\$0	\$1,824,502
VP5	2037-38	\$1,331,456	\$227,798	\$0	\$200,990	\$79,422	-\$13,344	\$0	\$1,826,322

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

### M&O Impact on the Taxpayer

Under the assumptions used here, the potential tax savings from the value limitation total \$10.7 million over the life of the agreement. The HISD revenue losses are expected to total approximately \$2.6 million. The total potential net tax benefits (after hold-harmless payments are made) are estimated to total \$8.1 million, prior to any negotiations with Adams Creek on supplemental payments. (See Table 5.)

It should be noted that a key element in the revenue-loss calculation appears to be linked to the retention of prior-year property values in the calculation of the revenue protection amount for the 2023-24 school year. Under the standard agreement, these calculations are based on whatever school finance and property tax laws are in effect each year. With a legislative session occurring in 2021, there could be changes made to current school finance law. While the District will still be protected against revenue losses, these calculations may be reduced below what we are projecting under what is now current law.

**Table 3- "Value Limitation Revenue Model" --Project Value Added to DPV with Value Limitation in Effect**

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid (includes HH Funds)	Total General Fund
QTP0	2020-21	\$885,609	\$699,653	\$0	\$133,688	\$137,655	\$0	\$0	\$1,856,605
QTP1	2021-22	\$885,609	\$699,653	\$0	\$133,688	\$137,655	\$0	\$0	\$1,856,605
QTP2	2022-23	\$885,609	\$699,653	\$0	\$133,688	\$137,655	\$0	\$0	\$1,856,605
VL1	2023-24	\$1,110,151	\$699,653	\$0	\$167,583	\$172,571	\$0	\$0	\$2,149,958
VL2	2024-25	\$1,110,151	\$470,529	\$0	\$167,583	\$103,142	\$0	\$0	\$1,851,405
VL3	2025-26	\$1,110,151	\$470,529	\$0	\$167,583	\$103,142	\$0	\$0	\$1,851,405
VL4	2026-27	\$1,110,151	\$470,529	\$0	\$167,583	\$103,142	\$0	\$0	\$1,851,405
VL5	2027-28	\$1,382,950	\$470,529	\$0	\$208,764	\$128,472	\$0	\$0	\$2,190,715
VL6	2028-29	\$1,351,280	\$192,162	\$0	\$203,983	\$75,608	-\$15,434	\$0	\$1,807,599
VL7	2029-30	\$1,321,827	\$224,479	\$0	\$199,537	\$78,428	-\$13,477	\$0	\$1,810,794
VL8	2030-31	\$1,294,435	\$254,533	\$0	\$195,402	\$81,065	-\$11,614	\$0	\$1,813,821
VL9	2031-32	\$1,268,961	\$282,484	\$0	\$191,556	\$83,530	-\$9,930	\$0	\$1,816,601
VL10	2032-33	\$1,245,270	\$308,478	\$0	\$187,980	\$85,836	-\$8,346	\$0	\$1,819,218
VP1	2033-34	\$1,405,565	\$332,653	\$0	\$212,177	\$101,034	-\$7,887	\$0	\$2,043,542
VP2	2034-35	\$1,384,985	\$169,086	\$0	\$209,071	\$74,240	-\$16,999	\$0	\$1,820,383
VP3	2035-36	\$1,365,839	\$190,086	\$0	\$206,180	\$76,119	-\$15,658	\$0	\$1,822,566
VP4	2036-37	\$1,348,027	\$209,623	\$0	\$203,492	\$77,877	-\$14,517	\$0	\$1,824,502
VP5	2037-38	\$1,331,456	\$227,798	\$0	\$200,990	\$79,422	-\$13,344	\$0	\$1,826,322

QTP= Qualifying Time Period  
 VL= Value Limitation  
 VP= Viable Presence

**Table 4 - Value Limitation Revenue Model Less Baseline Revenue Model with No Limitation**

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid (includes HH Funds)	Total General Fund
QTP0	2020-21	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP1	2021-22	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
QTP2	2022-23	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VL1	2023-24	-\$1,832,997	\$0	\$0	-\$276,701	-\$284,866	\$0	\$0	-\$2,394,564
VL2	2024-25	-\$1,627,151	\$424,104	\$1,189,408	-\$245,627	\$103,142	\$106,429	\$0	-\$49,696
VL3	2025-26	-\$1,421,306	\$444,986	\$962,681	-\$214,554	\$103,142	\$93,760	\$0	-\$31,291
VL4	2026-27	-\$1,215,460	\$424,104	\$777,717	-\$183,481	\$103,142	\$81,107	\$0	-\$12,872
VL5	2027-28	-\$1,009,615	\$444,986	\$770,474	-\$152,406	\$128,472	\$77,386	\$0	\$259,297
VL6	2028-29	-\$803,769	\$145,737	\$607,155	-\$121,333	\$75,608	\$56,268	\$0	-\$40,335
VL7	2029-30	-\$597,923	\$198,936	\$350,974	-\$90,260	\$68,606	\$44,016	\$0	-\$25,651
VL8	2030-31	-\$392,078	\$208,108	\$138,619	-\$59,186	\$53,482	\$31,992	\$0	-\$19,064
VL9	2031-32	-\$186,232	\$256,941	\$0	-\$28,113	\$39,039	\$20,143	\$0	\$101,778
VL10	2032-33	-\$186,141	\$186,232	\$0	-\$28,099	\$15,476	\$11,551	\$0	-\$981
VP1	2033-34	\$0	\$186,141	\$0	\$0	\$28,708	\$10,476	\$0	\$225,325
VP2	2034-35	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP3	2035-36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP4	2036-37	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
VP5	2037-38	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

QTP= Qualifying Time Period  
 VL= Value Limitation  
 VP= Viable Presence

**Table 5 - Estimated Financial Impact of the Adams Creek Project Property Value Limitation Request Submitted to HISD at \$1.05485 per \$100 M&O Tax Rate**

Year of Agreement	School Year	Project Taxable Value for M&O If No Limitation	Project Taxable Value for M&O with Limitation	Assumed M&O Tax Rate	Tax Savings to Company	School District Revenue Protection	Estimated Net Tax Benefits
QTP0	2020-21	\$0	\$0	\$1.05485	\$0	\$0	\$0
QTP1	2021-22	\$0	\$0	\$1.05485	\$0	\$0	\$0
QTP2	2022-23	\$25,000,000	\$25,000,000	\$1.05485	\$0	\$0	\$0
VL1	2023-24	\$225,000,000	\$25,000,000	\$1.05485	\$2,109,697	-\$2,394,564	-\$284,867
VL2	2024-25	\$202,540,000	\$25,000,000	\$1.05485	\$1,872,778	-\$49,696	\$1,823,083
VL3	2025-26	\$180,080,000	\$25,000,000	\$1.05485	\$1,635,859	-\$31,291	\$1,604,568
VL4	2026-27	\$157,620,000	\$25,000,000	\$1.05485	\$1,398,940	-\$12,872	\$1,386,068
VL5	2027-28	\$135,160,000	\$25,000,000	\$1.05485	\$1,162,021	\$0	\$1,162,021
VL6	2028-29	\$112,700,000	\$25,000,000	\$1.05485	\$925,102	-\$40,335	\$884,767
VL7	2029-30	\$90,240,000	\$25,000,000	\$1.05485	\$688,183	-\$25,651	\$662,532
VL8	2030-31	\$67,780,000	\$25,000,000	\$1.05485	\$451,264	-\$19,064	\$432,200
VL9	2031-32	\$45,320,000	\$25,000,000	\$1.05485	\$214,345	\$0	\$214,345
VL10	2032-33	\$45,310,000	\$25,000,000	\$1.05485	\$214,240	-\$981	\$213,259
VP1	2033-34	\$45,300,000	\$45,300,000	\$1.05485	\$0	\$0	\$0
VP2	2034-35	\$45,290,000	\$45,290,000	\$1.05485	\$0	\$0	\$0
VP3	2035-36	\$45,280,000	\$45,280,000	\$1.05485	\$0	\$0	\$0
VP4	2036-37	\$45,270,000	\$45,270,000	\$1.05485	\$0	\$0	\$0
VP5	2037-38	\$45,260,000	\$45,260,000	\$1.05485	\$0	\$0	\$0
<b>\$10,672,430</b>						<b>-\$2,574,453</b>	<b>\$8,097,977</b>

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

**Note: School district revenue-loss estimates are subject to change based on numerous factors, including:**

- Legislative and Texas Education Agency administrative changes to the underlying school finance formulas used in these calculations, which could be significant under HB 3.
- Legislative changes addressing property value appraisals and exemptions.
- Year-to-year appraisals of project values and district taxable values.
- Changes in school district tax rates and student enrollment.

### **I&S Funding Impact on School District**

The project remains fully taxable for debt services taxes, with HISD currently not levying an I&S tax rate. At its current I&S tax base, the wealth level per ADA exceeds the yield per penny of tax effort available under either the Existing Debt Allotment (EDA) or Instructional Facilities Allotment (IFA) programs. Adding additional value from the Adams Creek Solar Project offers a potential benefit to the District and its taxpayers if a bond issue for school facilities improvements is pursued in the future.

The project is not expected to affect HISD in terms of enrollment. It is not expected to affect the capacity of the District’s existing facilities.

# Attachment E

## Taxable Value of Property

## 244-901/Harrold ISD

Category	Local Tax Roll Value	2018 WTD Mean Ratio	2018 PTAD Value Estimate	2018 Value Assigned
<b>A. SINGLE-FAMILY RESIDENCES</b>	1,661,590	N/A	1,661,590	1,661,590
<b>B. MULTIFAMILY RESIDENCES</b>	0	N/A	0	0
<b>C1. VACANT LOTS</b>	133,000	N/A	133,000	133,000
<b>C2. COLONIA LOTS</b>	0	N/A	0	0
<b>D1. QUALIFIED AG LAND</b>	5,419,080	0.8884	6,100,024	5,419,080
<b>D2. REAL PROP:FARM &amp; RANCH</b>	756,060	N/A	756,060	756,060
<b>E. REAL PROP NONQUAL ACREAGE</b>	1,673,980	N/A	1,673,980	1,673,980
<b>F1. COMMERCIAL REAL</b>	889,360	N/A	889,360	889,360
<b>F2. INDUSTRIAL REAL</b>	97,767,310	N/A	97,767,310	97,767,310
<b>G. OIL,GAS,MINERALS</b>	17,636,750	1.0169	17,343,642	17,636,750
<b>J. UTILITIES</b>	30,840,060	0.9467	32,576,381	30,840,060
<b>L1. COMMERCIAL PERSONAL</b>	1,643,730	N/A	1,643,730	1,643,730
<b>L2. INDUSTRIAL PERSONAL</b>	439,530	N/A	439,530	439,530
<b>M. MOBILE HOMES</b>	181,950	N/A	181,950	181,950
<b>N. INTANGIBLE PERSONAL PROP</b>	0	N/A	0	0
<b>O. RESIDENTIAL INVENTORY</b>	0	N/A	0	0
<b>S. SPECIAL INVENTORY</b>	0	N/A	0	0
<b>Subtotal</b>	159,042,400	0	161,166,557	159,042,400
<b>Less Total Deductions</b>	78,044,792	0	78,044,792	78,044,792
<b>Total Taxable Value</b>	80,997,608	0	83,121,765	80,997,608

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302(J) AND(K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation(M & O) tax purposes and for interest and sinking fund(I & S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

**Value Taxable For M & O Purposes**

T1	T2	T3	T4
81,307,338	80,997,608	81,307,338	80,997,608

Loss To the Additional \$10,000 Homestead Exemption	50% of the loss to the Local Optional Percentage Homestead Exemption
309,730	0

T1 = School district taxable value for M & O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M & O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

**Value Taxable For I & S Purposes**

T7	T8	T9	T10
158,085,378	157,775,648	158,085,378	157,775,648

T7 = School district taxable value for I & S purposes before the loss to the additional \$10,000 homestead exemption

T8 = School district taxable value for I & S purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50 % of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50 % of the loss to the local optional percentage homestead exemption

THE PVS FOUND YOUR LOCAL VALUE TO BE VALID, AND LOCAL VALUE WAS CERTIFIED

## 244-901-02/Harrold ISD

Category	Local Tax Roll Value	2018 WTD Mean Ratio	2018 PTAD Value Estimate	2018 Value Assigned
<b>A. SINGLE-FAMILY RESIDENCES</b>	1,661,590	N/A	1,661,590	1,661,590
<b>B. MULTIFAMILY RESIDENCES</b>	0	N/A	0	0
<b>C1. VACANT LOTS</b>	133,000	N/A	133,000	133,000
<b>C2. COLONIA LOTS</b>	0	N/A	0	0
<b>D1. QUALIFIED AG LAND</b>	5,419,080	0.8884	6,100,024	5,419,080
<b>D2. REAL PROP:FARM &amp; RANCH</b>	756,060	N/A	756,060	756,060
<b>E. REAL PROP NONQUAL ACREAGE</b>	1,673,980	N/A	1,673,980	1,673,980
<b>F1. COMMERCIAL REAL</b>	889,360	N/A	889,360	889,360
<b>F2. INDUSTRIAL REAL</b>	97,767,310	N/A	97,767,310	97,767,310
<b>G. OIL,GAS,MINERALS</b>	17,636,750	1.0169	17,343,642	17,636,750
<b>J. UTILITIES</b>	30,840,060	0.9467	32,576,381	30,840,060
<b>L1. COMMERCIAL PERSONAL</b>	1,643,730	N/A	1,643,730	1,643,730
<b>L2. INDUSTRIAL PERSONAL</b>	439,530	N/A	439,530	439,530
<b>M. MOBILE HOMES</b>	181,950	N/A	181,950	181,950
<b>N. INTANGIBLE PERSONAL PROP</b>	0	N/A	0	0
<b>O. RESIDENTIAL INVENTORY</b>	0	N/A	0	0
<b>S. SPECIAL INVENTORY</b>	0	N/A	0	0
<b>Subtotal</b>	159,042,400		161,166,557	159,042,400
<b>Less Total Deductions</b>	78,044,792		78,044,792	78,044,792
<b>Total Taxable Value</b>	80,997,608		83,121,765	80,997,608

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302(J) AND(K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation(M & O) tax purposes and for interest and sinking fund(I & S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

**Value Taxable For M & O Purposes**

T1	T2	T3	T4
81,307,338	80,997,608	81,307,338	80,997,608

Loss To the Additional \$10,000 Homestead Exemption	50 % of the loss to the Local Optional Percentage Homestead Exemption
309,730	0

T1 = School district taxable value for M & O purposes before the loss to the additional \$10, 000 homestead exemption

T2 = School district taxable value for M & O purposes after the loss to the additional \$10, 000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50 % of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50 % of the loss to the local optional percentage homestead exemption

**Value Taxable For I & S Purposes**

T7	T8	T9	T10
158,085,378	157,775,648	158,085,378	157,775,648

T7 = School district taxable value for I & S purposes before the loss to the additional \$10, 000 homestead exemption

T8 = School district taxable value for I & S purposes after the loss to the additional \$10, 000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50 % of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50 % of the loss to the local optional percentage homestead exemption

# Attachment F

## TEA's Facilities Value



Commissioner Mike Morath

1701 North Congress Avenue • Austin, Texas 78701-1494 • 512 463-9734 • 512 463-9838 FAX • [tea.texas.gov](http://tea.texas.gov)

**IMPORTANT:** You must provide a copy of this letter to the law firm working on the value limitation agreement. Please keep this letter with your district's records.

April 6, 2020

Tim Clouse, President  
Board of Trustees  
Harrold Independent School District  
18106 Stewart St  
Harrold Texas, 76364-0400

Dear Mr. Clouse:

As required by the Tax Code, §313.025 (b-1), the Texas Education Agency (TEA) has evaluated the impact of the proposed Adam's Creek Solar, LLC project #1466 on the number and size of school facilities in Harrold Independent School District (HISD). Based on an examination of HISD enrollment and the number of potential new jobs, the TEA has determined that the Adam's Creek Solar, LLC project should not have a significant impact on the number or size of school facilities in HISD.

Please feel free to contact me by phone at (512) 463-8732 or by email at [amy.copeland@tea.texas.gov](mailto:amy.copeland@tea.texas.gov) if you have any questions.

Sincerely,

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

Amy Copeland  
Director of State Funding

Cc: Mr. David Thweatt

Attachment G

Participation Agreement

**AGREEMENT FOR LIMITATION ON APPRAISED  
VALUE OF PROPERTY FOR SCHOOL DISTRICT  
MAINTENANCE AND OPERATIONS TAXES**

---

by and between

**HARROLD INDEPENDENT SCHOOL DISTRICT**

and

**ADAMS CREEK SOLAR PROJECT, LLC**

*(Texas Taxpayer ID #32067584329)*

Comptroller Application #1466

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Dated

July 27, 2020

*Texas Economic Development Act Agreement  
Comptroller Form 50-826 (Jan 2020)*

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR  
SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES**

*STATE OF TEXAS* §

*COUNTY OF WILBARGER* §

THIS AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES, hereinafter referred to as this “Agreement,” is executed and delivered by and between the **Harrold Independent School District**, hereinafter referred to as the “District,” a lawfully created independent school district within the State of Texas operating under and subject to the TEXAS EDUCATION CODE, and **Adams Creek Solar Project, LLC**, Texas Taxpayer Identification Number 32067584329 hereinafter referred to as the “Applicant.” The Applicant and the District are hereinafter sometimes referred to individually as a “Party” and collectively as the “Parties.”

**RECITALS**

**WHEREAS**, on February 17, 2020, the Superintendent of Schools of the Harrold Independent School District, acting as agent of the Board of Trustees of the District, received from the Applicant an Application for Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the TEXAS TAX CODE;

**WHEREAS**, on February 17, 2020, the Board of Trustees has acknowledged receipt of the Application, and along with the requisite application fee as established pursuant to Section 313.025(a) of the TEXAS TAX CODE and Local District Policy CCG (Local), and agreed to consider the Application;

**WHEREAS**, the Application was delivered to the Texas Comptroller’s Office for review pursuant to Section 313.025 of the TEXAS TAX CODE;

**WHEREAS**, the District and the Texas Comptroller’s Office have determined that the Application is complete and April 1, 2020 is the Application Review Start Date as that term is defined by 34 TEXAS ADMIN. CODE Section 9.1051;

**WHEREAS**, pursuant to 34 TEXAS ADMIN. CODE Section 9.1054, the Application was delivered to the Wilbarger County Appraisal District established in Wilbarger County, Texas (the “Wilbarger County Appraisal District”), pursuant to Section 6.01 of the TEXAS TAX CODE;

**WHEREAS**, the Texas Comptroller’s Office reviewed the Application pursuant to Section 313.025 of the TEXAS TAX CODE, conducted an economic impact evaluation pursuant to Section 313.026 of the TEXAS TAX CODE, and on May 18, 2020, issued a certificate for limitation on appraised value of the property described in the Application and provided the certificate to the District;

**WHEREAS**, the Board of Trustees has reviewed and carefully considered the economic impact evaluation and certificate for limitation on appraised value submitted by the Texas Comptroller’s Office pursuant to Section 313.025 of the TEXAS TAX CODE;

**WHEREAS**, on July 27,2020, the Board of Trustees conducted a public hearing on the Application at which it solicited input into its deliberations on the Application from all interested parties within the District;

**WHEREAS**, on July 27,2020, the Board of Trustees made factual findings pursuant to Section 313.025(f) of the TEXAS TAX CODE, including, but not limited to findings that: (i) the information in the Application is true and correct; (ii) the Applicant is eligible for the limitation on appraised value of the Applicant’s Qualified Property; (iii) the project proposed by the Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the 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; (iv) the limitation on appraised value is a determining factor in the Applicant’s decision to invest capital and construct the project in this State; and (v) this Agreement is in the best interest of the District and the State of Texas;

**WHEREAS**, on July 27,2020, pursuant to the provisions of 313.025(f-1) of the TEXAS TAX CODE, the Board of Trustees waived the job creation requirement set forth in Section 313.051(b) of the TEXAS TAX CODE;

**WHEREAS**, on July 27,2020, the Texas Comptroller’s Office approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes;

**WHEREAS**, on July 27,2020, the Board of Trustees approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the Board President and Secretary, or in the event the Board President and Secretary are unavailable or have disclosed a conflict of interest, the Board of Trustees have authorized the Board Vice President to execute and deliver such Agreement to the Applicant;

***NOW, THEREFORE***, for and in consideration of the premises and the mutual covenants and agreements herein contained, the Parties agree as follows:

## **ARTICLE I** **DEFINITIONS**

**Section 1.1 DEFINITIONS.** Wherever used in this Agreement, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning. Words or terms defined in 34 TEXAS ADMIN. CODE Section 9.1051 and not defined in this Agreement shall have the meanings provided by 34 Texas Admin. Code Section 9.1051.

***“Act”*** means the Texas Economic Development Act set forth in Chapter 313 of the Texas Tax Code, as amended.

***“Agreement”*** means this Agreement, as the same may be modified, amended, restated, amended and restated, or supplemented as approved pursuant to Sections 10.2 and 10.3.

***“Applicant”*** means Adams Creek Solar Project, LLC, (Texas Taxpayer ID# 32067584329), the entity listed in the Preamble of this Agreement and that is listed as the Applicant on the Application as of the Application Approval Date. The term “Applicant” shall also include the Applicant’s assigns and successors-in-interest as approved according to Sections 10.2 and 10.3 of this Agreement.

***“Applicant’s Qualified Investment”*** means the Qualified Investment of the Applicant during the Qualifying Time Period and as more fully described in **EXHIBIT 3** of this Agreement.

***“Applicant’s Qualified Property”*** means the Qualified Property of the Applicant to which the value limitation identified in the Agreement will apply and as more fully described in **EXHIBIT 4** of this Agreement.

***“Application”*** means the Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C of the TEXAS TAX CODE) filed with the District by the Applicant on February 17, 2020. The term includes all forms required by the Comptroller, the schedules attached thereto, and all other documentation submitted by the Applicant for the purpose of obtaining an Agreement with the District. The term also includes all amendments and supplements thereto submitted by the Applicant.

***“Application Approval Date”*** means the date that the Application is approved by the Board of Trustees of the District and as further identified in Section 2.3.B of this Agreement.

***“Application Review Start Date”*** means the later date of either the date on which the District issues its written notice that the Applicant has submitted a completed Application or the date on which the Comptroller issues its written notice that the Applicant has submitted a completed Application and as further identified in Section 2.3.A of this Agreement.

“Appraised Value” shall have the meaning assigned to such term in Section 1.04(8) of the TEXAS TAX CODE.

“Appraisal District” means the Wilbarger County Appraisal District.

“Board of Trustees” means the Board of Trustees of the Harrold Independent School District.

“Commercial Operation” means the date on which the project becomes commercially operational, has installed or constructed Quality Property on the Land, and is able to generate electricity and is connected to the grid with an interconnection agreement.

“Comptroller” means the Texas Comptroller of Public Accounts, or the designated representative of the Texas Comptroller of Public Accounts acting on behalf of the Comptroller.

“Comptroller’s Rules” means the applicable rules and regulations of the Comptroller set forth in Chapter 34 TEXAS ADMIN. CODE Chapter 9, Subchapter F, together with any court or administrative decisions interpreting same.

“County” means Wilbarger County, Texas.

“District” or “School District” means the Harrold Independent School District, being a duly authorized and operating school district in the State, having the power to levy, assess, and collect ad valorem taxes within its boundaries and to which Subchapter C of the Act applies. The term also includes any successor independent school district or other successor governmental authority having the power to levy and collect ad valorem taxes for school purposes on the Applicant’s Qualified Property or the Applicant’s Qualified Investment.

“Final Termination Date” means the last date of the final year in which the Applicant is required to Maintain Viable Presence and as further identified in Section 2.3.E of this Agreement.

“Force Majeure” means acts of God, war, fires, explosions, hurricanes, floods, or other causes that are beyond the reasonable control of either party and that by exercise of due foresight such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome. Each Party must inform the other in writing with proof of receipt within 60 business days of the existence of such Force Majeure or otherwise waive this right as a defense.

“Land” means the real property described on **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes.

“Maintain Viable Presence” means (i) the operation during the term of this Agreement of the facility or facilities for which the tax limitation is granted; and (ii) the Applicant’s maintenance of jobs and wages as required by the Act and as set forth in its Application.

“Market Value” shall have the meaning assigned to such term in Section 1.04(7) of the TEXAS TAX CODE.

“New Qualifying Jobs” means the total number of jobs to be created by the Applicant after the Application Approval Date in connection with the project that is the subject of its Application that meet the criteria of Qualifying Job as defined in Section 313.021(3) of the TEXAS TAX CODE and the Comptroller’s Rules.

“New Non-Qualifying Jobs” means the number of Non-Qualifying Jobs, as defined in 34 TEXAS ADMIN. CODE Section 9.1051(14), to be created by the Applicant after the Application Approval Date in connection with the project which is the subject of its Application.

“Qualified Investment” has the meaning set forth in Section 313.021(1) of the TEXAS TAX CODE, as interpreted by the Comptroller’s Rules.

“Qualified Property” has the meaning set forth in Section 313.021(2) of the TEXAS TAX CODE and as interpreted by the Comptroller’s Rules and the Texas Attorney General, as these provisions existed on the Application Review Start Date.

“Qualifying Time Period” means the period defined in Section 2.3.C, during which the Applicant shall make investment on the Land where the Qualified Property is located in the amount required by the Act, the Comptroller’s Rules, and this Agreement.

“State” means the State of Texas.

“Supplemental Payment” means any payments or transfers of things of value made to the District or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the Agreement and that is not authorized pursuant to Sections 313.027(f)(1) or (2) of the TEXAS TAX CODE, and specifically includes any payments required pursuant to Article VI of this Agreement.

“Tax Limitation Amount” means the maximum amount which may be placed as the Appraised Value on the Applicant’s Qualified Property for maintenance and operations tax assessment in each Tax Year of the Tax Limitation Period of this Agreement pursuant to Section 313.054 of the TEXAS TAX CODE.

“Tax Limitation Period” means the Tax Years for which the Applicant’s Qualified Property is subject to the Tax Limitation Amount and as further identified in Section 2.3.D of this Agreement.

“Tax Year” shall have the meaning assigned to such term in Section 1.04(13) of the TEXAS TAX CODE (*i.e.*, the calendar year).

“Taxable Value” shall have the meaning assigned to such term in Section 1.04(10) of the TEXAS TAX CODE.

**Section 1.2 NEGOTIATED DEFINITIONS.** Wherever used in Articles IV, V, and VI, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning or otherwise; provided however, if there is a conflict between a term defined in this section and a term defined in the Act, the Comptroller’s Rules, or Section 1.1 of Agreement, the conflict shall be resolved by reference to Section 10.9.C.

“Applicable School Finance Law” means Chapters 41, 42, 48 and 49 of the TEXAS EDUCATION CODE, the Texas Economic Development Act (Chapter 313 of the TEXAS TAX CODE), Chapter 403, Subchapter M, of the TEXAS GOVERNMENT CODE applicable to District, and the Constitution and general laws of the State applicable to the school districts of the State for each and every year of this Agreement, including specifically, the applicable rules and regulations of the agencies of the State having jurisdiction over any matters relating to the public school systems and school districts of the State, and judicial decisions construing or interpreting any of the above. The term includes any and all amendments or successor statutes that may be adopted in the future that could impact or alter the calculation of Applicant’s ad valorem tax obligation to District, either with or without the limitation of property values made pursuant to this Agreement. For each year of this Agreement, the “Applicable School Finance Law” shall be interpreted to include all provisions made applicable for any calculations made for the specific year for which calculations are being made.

“M&O Amount” means the amount to be paid by Applicant to compensate District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year starting in the year of the Application Approval Date and ending on the Final Termination Date, which amount shall be calculated by the following formula: the Original M&O Revenue *minus* the New M&O Revenue.

“Original M&O Revenue” means the total State and local Maintenance and Operations Revenue that the District would have received for the Tax Year under the Applicable School Finance Law had this Agreement not been entered into by the Parties and the Applicant’s Qualified Property had been subject to the District’s ad valorem maintenance and operations tax without any limitation on value at the rate applicable for such Tax Year. For purposes of this calculation, the Third-Party Consultant (as defined in Section 4.5) will base its calculations upon (1) the total Taxable Values for the prior Tax Year as certified by the Appraisal District for all taxable accounts in the District for the District’s maintenance and operations ad valorem tax purposes, save and except for the Applicant’s Qualified Property subject to this Agreement, plus (2) the total Taxable Values for the prior Tax Year as certified by the Appraisal District for the Applicant’s Qualified Property subject to this Agreement for the District’s debt service (interest and sinking fund) ad valorem tax purposes (which total Taxable Values for the Applicant’s Qualified Property subject to this Agreement shall be used in lieu of the total Taxable Values for such applicable Tax Year as certified by the Appraisal District for the Applicant’s Qualified Property subject to this Agreement for the District’s maintenance and operations ad valorem tax purposes).

“*New M&O Revenue*” means the total State and local Maintenance and Operations Revenue that District would have actually received for such school year if calculated using prior year taxable values.

## **ARTICLE II**

### **AUTHORITY, PURPOSE AND LIMITATION AMOUNTS**

**Section 2.1. AUTHORITY.** This Agreement is executed by the District as its written agreement with the Applicant pursuant to the provisions and authority granted to the District in Section 313.027 of the TEXAS TAX CODE.

**Section 2.2. PURPOSE.** In consideration of the execution and subsequent performance of the terms and obligations by the Applicant pursuant to this Agreement, identified in Sections 2.5 and 2.6 and as more fully specified in this Agreement, the value of the Applicant’s Qualified Property listed and assessed by the County Appraiser for the District’s maintenance and operation ad valorem property tax shall be the Tax Limitation Amount as set forth in Section 2.4 of this Agreement during the Tax Limitation Period.

#### **Section 2.3. TERM OF THE AGREEMENT.**

A. The Application Review Start Date for this Agreement is April 1, 2020, which will be used to determine the eligibility of the Applicant’s Qualified Property and all applicable wage standards.

B. The Application Approval Date for this Agreement is July 27, 2020.

C. The Qualifying Time Period for this Agreement:

- i. Starts on July 27, 2020, the Application Approval Date and
- ii. Ends on December 31, 2022, the last day of the second complete Tax Year following the Qualifying Time Period start date.

D. The Tax Limitation Period for this Agreement:

- i. Starts on January 1, 2023, the first complete Tax Year that begins after the date of the commencement of Commercial Operation and
- ii. Ends on December 31, 2032; which is the year the Tax Limitation Period starts as identified in Section 2.3.D.i plus 9 years.

E. The Final Termination Date for this Agreement is December 31, 2037; which is the last year of the Tax Limitation Period as defined in Section 2.3.D.ii. plus 5 years.

F. This Agreement, and the obligations and responsibilities created by this Agreement, shall be and become effective on the Application Approval Date identified in Section 2.3.B. This Agreement, and the obligations and responsibilities created by this Agreement, terminate on the Final Termination Date identified in Section 2.3.E, unless extended by the express terms of this Agreement.

**Section 2.4. TAX LIMITATION.** So long as the Applicant makes the Qualified Investment as required by Section 2.5, during the Qualifying Time Period, and unless this Agreement has been terminated as provided herein before such Tax Year, on January 1 of each Tax Year of the Tax Limitation Period, the Appraised Value of the Applicant’s Qualified Property

for the District's maintenance and operations ad valorem tax purposes shall not exceed the lesser of:

- A. the Market Value of the Applicant's Qualified Property; or
- B. \$25,000,000.00.

This Tax Limitation Amount is based on the limitation amount for the category that applies to the District on the Application Approval Date, as set out by Section 313.022(b) of the TEXAS TAX CODE.

**Section 2.5. TAX LIMITATION ELIGIBILITY.** In order to be eligible and entitled to receive the value limitation identified in Section 2.4 for the Qualified Property identified in Article III, the Applicant shall:

- A. have completed the Applicant's Qualified Investment in the amount of \$20,000,000.00 during the Qualifying Time Period;
- B. have created and maintained, subject to the provisions of Section 313.0276 of the TEXAS TAX CODE, New Qualifying Jobs as required by the Act; and
- C. pay an average weekly wage of at least \$735 for all New Non-Qualifying Jobs created by the Applicant.

**Section 2.6. TAX LIMITATION OBLIGATIONS.** In order to receive and maintain the limitation authorized by Section 2.4, Applicant shall:

- A. provide payments to District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV;
- B. provide payments to the District that protect the District from the payment of extraordinary education- related expenses related to the project, as more fully specified in Article V;
- C. provide such Supplemental Payments as more fully specified in Article VI;
- D. create and Maintain Viable Presence on or with the Qualified Property and perform additional obligations as more fully specified in Article VIII of this Agreement; and
- E. No additional conditions are identified in the certificate for a limitation on appraised value by the Comptroller for this project.

### **ARTICLE III QUALIFIED PROPERTY**

**Section 3.1. LOCATION WITHIN ENTERPRISE OR REINVESTMENT ZONE.** At the time of the Application Approval Date, the Land is within an area designated either as an enterprise zone, pursuant to Chapter 2303 of the TEXAS GOVERNMENT CODE, or a reinvestment zone, pursuant to Chapter 311 or 312 of the TEXAS TAX CODE. The legal description, and information concerning the designation, of such zone is attached to this Agreement as **EXHIBIT 1** and is incorporated herein by reference for all purposes.

**Section 3.2. LOCATION OF QUALIFIED PROPERTY AND INVESTMENT.** The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made

is described in **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes. The Parties expressly agree that the boundaries of the Land may not be materially changed from its configuration described in **EXHIBIT 2** unless amended pursuant to the provisions of Section 10.2 of this Agreement.

**Section 3.3. DESCRIPTION OF QUALIFIED PROPERTY.** The Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 4**, which is attached hereto and incorporated herein by reference for all purposes. Property which is not specifically described in **EXHIBIT 4** shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Property for purposes of this Agreement, unless by official action the Board of Trustees provides that such other property is a part of the Applicant's Qualified Property for purposes of this Agreement in compliance with Section 313.027(e) of the TEXAS TAX CODE, the Comptroller's Rules, and Section 10.2 of this Agreement.

**Section 3.4. CURRENT INVENTORY OF QUALIFIED PROPERTY.** In addition to the requirements of Section 10.2 of this Agreement, if there is a material change in the Qualified Property described in **EXHIBIT 4**, then within 60 days from the date commercial operation begins, the Applicant shall provide to the District, the Comptroller, the Appraisal District or the State Auditor's Office a specific and detailed description of the tangible personal property, buildings, and/or permanent, nonremovable building components (including any affixed to or incorporated into real property) on the Land to which the value limitation applies including maps or surveys of sufficient detail and description to locate all such described property on the Land.

**Section 3.5. QUALIFYING USE.** The Applicant's Qualified Property described in Section 3.3 qualifies for a tax limitation agreement under Section 313.024(b)(5) of the TEXAS TAX CODE as renewable energy electric generation.

#### **ARTICLE IV**

#### **PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES**

**Section 4.1. INTENT OF THE PARTIES.** Subject to the limitations contained in this Agreement (including Section 7.1, except as provided in Section 4.11), it is the intent of the Parties that the District shall, in accordance with the provisions of Section 313.027(f)(1) of the TEXAS TAX CODE, be compensated by Applicant for any loss that District incurs in its Maintenance and Operations Revenue to the extent resulting from or on account of, at least in part, entering into this Agreement and application of the Tax Limitation set out in Section 2.4 of this Agreement to Applicant's Qualified Property, in each year of this Agreement for which this Agreement was a proximate and producing cause. Such payments shall be independent of, and in addition to such other payments as set forth in Articles V and VI in this Agreement.

The Parties expressly understand and agree that, for all Tax Years to which the Tax Limitation amount set out in Section 2.4 is applied to Applicant's Qualified Property that is the subject of this Agreement, the calculation of negative financial consequences will be defined for each applicable Tax Year in accordance with the Applicable School Finance Law, as defined in Section 1.2 above, and that such definition specifically contemplates that calculations made under this

Agreement may well periodically change in accordance with changes in the Applicable School Finance Law. The Parties further agree that the printouts and projections produced during the negotiations and approval of this Agreement are: (i) for illustrative purposes only, and are not intended to be relied upon, and have not been relied upon by the Parties as a prediction of future consequences to either Party; (ii) based upon current Applicable School Finance Law which is subject to change by statute, by administrative regulation (or interpretation thereof), or by judicial decision at any time; and (iii) may change in future years to reflect changes in the Applicable School Finance Law.

**Section 4.2. CALCULATING THE AMOUNT OF LOSS OF REVENUES BY THE DISTRICT.** Subject to the provisions of Section 7.1, the M&O Amount shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formula:

A. In this Agreement, the M&O Amount owed by Applicant to District means the Original M&O Revenue *minus* the New M&O Revenue

B. In making the calculations for the M&O Amount required by this Section 4.2 of this Agreement:

- i. The Taxable Value of property for each school year will be determined under the Applicable School Finance Law.
- ii. For purposes of this calculation, the tax collection rate on the Applicant's Qualified Property will be presumed to be one hundred percent (100%).
- iii. If, for any year of this Agreement, the difference between the Original M&O Revenue and the New M&O Revenue as calculated under this Section 4.2 results in a negative number, the negative number will be considered to be zero.
- iv. All calculations made for any year during the Tax Limitation Period under this Section 4.2, the New M&O Revenue will reflect the Tax Limitation Amount stated in Section 2.4 for such year.
- v. All calculations made under this Section 4.2 shall be made using a methodology which isolates only the revenue impact caused by this Agreement. The Applicant shall not be responsible to reimburse the District for other revenue losses created by other agreements or any other factor not contained in this Agreement.

**Section 4.3. STATUTORY CHANGES AFFECTING M&O REVENUE.** Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Section 7.1 (except as provided in Section 4.11) of this Agreement, in the event that, by virtue of statutory changes to the Applicable School Finance Law, administrative interpretations by Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other reason attributable to statutory change, District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State, because of its participation in this Agreement, Applicant shall make payments to District, up to the limit set forth in Section 4.10 of this Agreement that are necessary to offset any negative impact on District as a result of its participation in this Agreement. Such calculation shall take into account any adjustments to the amount calculated for the current fiscal year that should be made in order to reflect the actual impact on District.

**Section 4.4. INTENTIONALLY DELETED.**

**Section 4.5. CALCULATIONS TO BE MADE BY THIRD-PARTY CONSULTANT.** All calculations under this Agreement shall be made annually by an independent Third-Party consultant (the “Third-Party Consultant”) selected and appointed each year by the District, subject to approval by Applicant, which approval shall not unreasonably be withheld.

**Section 4.6. DATA FOR CALCULATIONS.** The calculations for payments under this Agreement shall be initially based upon the valuations placed upon all taxable property in the District, including the Applicant’s Qualified Property by the Wilbarger County Appraisal District in its annual certified tax roll submitted to the District pursuant to TEXAS TAX CODE § 26.01 on or about July 25 of each year of this Agreement. Immediately upon receipt of the valuation information by the District, the District shall submit the valuation information to the Third-Party Consultant selected under Section 4.5. The certified tax roll data shall form the basis of the calculation of any and all amounts due under this Agreement. All other data utilized by the Third-Party Consultant to make the calculations contemplated by this Agreement shall be based upon the best available current estimates. The data utilized by the Third-Party Consultant shall be adjusted from time-to-time by the Third-Party Consultant to reflect actual amounts, subsequent adjustments by the Wilbarger County Appraisal District to the District's certified tax roll, or any other changes in student counts, tax collections, or other applicable data.

**Section 4.7. DELIVERY OF CALCULATIONS.** On or before November 1 of each year for which this Agreement is effective, the Third-Party Consultant appointed pursuant to Section 4.5 shall forward to the Parties a certification containing the calculations required under Articles IV, V and VI of this Agreement in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Third-Party Consultant shall simultaneously submit his, her or its invoice for fees for services rendered to the Parties, if any fees are being claimed. Upon reasonable prior notice, the employees and agents of the Applicant shall have access, at all reasonable times, to the Third-Party Consultant's offices, personnel, books, records, and correspondence pertaining to the calculation and fee for the purpose of verification. The Third-Party Consultant shall maintain supporting data consistent with generally accepted accounting practices, and the employees and agents of the Applicant shall have the right to reproduce and

retain for purpose of audit, any of these documents. The Third-Party Consultant shall preserve all documents pertaining to the calculation and fee for a period of four (4) years after payment. The Applicant shall not be liable for any of Third-Party Consultant's costs resulting from a review or audit of the Third-Party Consultant's books, records, correspondence, or work papers pertaining to the calculations contemplated by this Agreement or the fee paid by the Applicant to the Third-Party Consultant pursuant to Section 4.8, if such fee is timely paid.

**Section 4.8. PAYMENT BY APPLICANT.** The Applicant shall pay any amount determined by the Third-Party Consultant to be due and owing to the District under this Agreement on or before the January 31 next following the tax levy for each year for which this Agreement is effective subject to Applicant's rights to dispute such calculations pursuant to Section 4.9 below. By such date, the Applicant shall also pay any amount billed by the Third-Party Consultant for all calculations under this Agreement under Section 4.7, above, plus any reasonable and necessary legal expenses incurred by the District to its attorneys arising from this Agreement (including enforcement thereof), or incurred by the District to its auditors or financial consultants for the preparation and filing of any financial reports, disclosures, or tax credit or other reimbursement application filed with or sent to the State of Texas which are, or may be, required under the terms or because of the execution of this Agreement. Notwithstanding the foregoing, for no Tax Year during the term of this Agreement shall the Applicant be responsible for the payment of an aggregate amount of fees and expenses to the Third-Party Consultant and the District's attorneys, auditors, and financial consultants under this Section 4.8 and Section 4.7, above, in excess of (i) Fifteen Thousand Dollars (\$15,000.00) for any Tax Year during the Tax Limitation Period and (ii) Seven Thousand Five Hundred Dollars (\$7,500.00) for any Tax Year not included in the Tax Limitation Period and for which Comptroller Biennial reports are not required.

**Section 4.9. RESOLUTION OF DISPUTES.** Should the Applicant disagree with the certification containing the calculations prepared and delivered pursuant to Section 4.7, the Applicant may appeal the findings, in writing, to the Third-Party Consultant within thirty (30) District business days following the later of (i) receipt of the certification, or (ii) the date the Applicant is granted access to the books, records, and other information in accordance with Section 4.7 for purposes of auditing or reviewing the information in connection with the certification. Within ten (10) District business days of receipt of the Applicant's appeal, the Third-Party Consultant will issue, in writing, a final determination of the certification containing the calculations. Thereafter, the Applicant may appeal the final determination of the certification containing the calculations to the District's Board of Trustees. Any such appeal by the Applicant of the final determination of the Third-Party Consultant may be made, in writing, to the District's Board of Trustees within thirty (30) District business days of the Applicant's receipt of the Third-Party Consultant's final determination of the certification containing the calculations in accordance with District Policy GF (Local) and exhaustion of administrative remedies under District Policy GF (Local) shall be a condition precedent to the Applicant's other rights and remedies available hereunder, at law or in equity.

**Section 4.10. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT.** If at the time the Third-Party Consultant selected and appointed under Section 4.5 makes its calculations under this Agreement, the Applicant has appealed any matter relating to the valuations

placed by the Appraisal District on the Applicant's Qualified Property, and such appeal remains unresolved, the Third-Party Consultant shall base its calculations upon the values placed upon the Applicant's Qualified Investment and/or the Applicant's Qualified Property, respectively, by the Appraisal District. If as a result of an appeal or for any other reason the Taxable Value of the Applicant's Qualified Property is changed, once the determination of the new Taxable Value becomes final, the Parties shall immediately notify the Third-Party Consultant who shall immediately issue new calculations required by this Agreement for the applicable year or years using the new Taxable Value. Upon completion of the new calculations, the Third-Party Consultant shall transmit the new calculations to the Parties. In the event the new calculations result in a change of any amount paid or payable by the Applicant under this Agreement, the Party owing funds to the other Party shall pay any amounts owed within thirty (30) days of receipt of the new calculations from the Third-Party Consultant.

**Section 4.11. OPTION TO TERMINATE AGREEMENT.** In the event the Applicant determines that it will not commence or complete construction of the Applicant's Qualified Investment, the Applicant shall have the option, prior to the beginning of the Tax Limitation Period, to terminate this Agreement by notifying the District in writing of its exercise of such option.

## **ARTICLE V**

### **PAYMENT OF EXTRAORDINARY EDUCATION RELATED EXPENSES**

**Section 5.1. EXTRAORDINARY EXPENSES.** In addition to the amounts determined pursuant to Article IV or Article VI of this Agreement above, Applicant on an annual basis shall also indemnify and reimburse District for the following:

All non-reimbursed costs, certified by District's external auditor to have been incurred by District for extraordinary education-related expenses related to the project that are not directly funded in state aid formulas, including expenses for the purchase or lease of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment to the extent proximately attributable to the Project. The Applicant shall have the right to contest the findings of the District's external auditor in accordance with the procedures set forth in Section 4.9

**Section 5.2. PAYMENTS.** Payments of amounts due under this Article shall be made as set forth in Section 4.8 above.

## **ARTICLE VI**

### **SUPPLEMENTAL PAYMENTS**

**Section 6.1. SUPPLEMENTAL PAYMENTS.** Applicant shall pay to the District the Supplemental Payments set forth on the following schedule on the payment due dates shown on the following schedule.

<b>Tax Year</b>	<b>Payment Due Date</b>	<b>Amount of Supplemental Payment</b>
<b>2020*</b>	<b>January 31, 2022</b>	<b>\$50,000</b>
<b>2021</b>	<b>January 31, 2022</b>	<b>\$50,000</b>
<b>2022</b>	<b>January 31, 2023</b>	<b>\$50,000</b>
<b>2023</b>	<b>January 31, 2024</b>	<b>\$50,000</b>
<b>2024</b>	<b>January 31, 2025</b>	<b>\$50,000</b>
<b>2025</b>	<b>January 31, 2026</b>	<b>\$50,000</b>
<b>2026</b>	<b>January 31, 2027</b>	<b>\$50,000</b>
<b>2027</b>	<b>January 31, 2028</b>	<b>\$50,000</b>
<b>2028</b>	<b>January 31, 2029</b>	<b>\$50,000</b>
<b>2029</b>	<b>January 31, 2030</b>	<b>\$50,000</b>
<b>2030</b>	<b>January 31, 2031</b>	<b>\$50,000</b>
<b>2031</b>	<b>January 31, 2032</b>	<b>\$50,000</b>
<b>2032</b>	<b>January 31, 2033</b>	<b>\$50,000</b>
<b>2033</b>	<b>January 31, 2034</b>	<b>\$50,000</b>
<b>2034</b>	<b>January 31, 2035</b>	<b>\$50,000</b>
<b>2035</b>	<b>December 31, 2035</b>	<b>\$50,000</b>

\* The Tax Year 2020 payment shall be deferred to, and shall not be due and payable until January 31, 2022.

**Section 6.2. SUPPLEMENTAL PAYMENT LIMITATION.**

Notwithstanding the foregoing:

A. the total of the Supplemental Payments made pursuant to this Article shall not exceed for any calendar year of this Agreement an amount equal to the greater of One Hundred Dollars (\$100.00) per student per year in average daily attendance, as defined by Section 42.005 of the TEXAS EDUCATION CODE, or Fifty Thousand Dollars (\$50,000.00) per year or for a period that exceeds the period beginning with the period described by Section 313.021(4) and ending December 31 of the third tax year after the date the person's eligibility for a limitation under this chapter expires.;

B. Supplemental Payments may only be made during the period starting the first year of the Qualifying Time Period and ending December 31 of the third year following the end of the Tax Limitation Period.

C. The limitation in Section 6.2.A does not apply to amounts described by Section 313.027(f)(1)-(2) of the TEXAS TAX CODE as implemented in Articles IV and V of this Agreement.

D. For purposes of this Agreement, the calculation of the limit of the annual Supplemental Payment shall be the greater of \$50,000 or \$100 multiplied by the District's Average Daily Attendance as calculated pursuant to Section 42.005 of the Texas Education Code, based upon the District's 2019-2020 Average Daily Attendance of 103, rounded to the whole number.

### **Section 6.3. PROCEDURES FOR SUPPLEMENTAL PAYMENT CALCULATIONS**

A. All calculations required by this Article shall be calculated by the Third Party selected pursuant to Section 4.3, above.

B. The calculations made by the Third Party shall be made at the same time and on the same schedule as the calculations made pursuant to Section 4.6, above.

C. The payment of all amounts due under this Article shall be made and shall be paid on the dates set forth in the table in Section 6.1 above.

**Section 6.4. DISTRICT'S OPTION TO DESIGNATE SUCCESSOR BENEFICIARY.** At any time during this Agreement, the District's Board of Trustees may, in its sole discretion, so long as such decision does not result in additional costs to the Applicant under this Agreement, direct that the Applicant's payment obligations under Article VI of this agreement be made to its educational foundation, or to a similar entity. The alternative entity may only use such funds received under this Article to support the educational mission of the District and its students. Any designation of an alternative entity must be made by recorded vote of the District's Board of Trustees at a properly posted public Board meeting. Any such designation will become effective after public vote and the delivery of notice of said vote to the Applicant in conformance with the provisions of Section 10.1, below. Such designation may be rescinded, with respect to future payments only, by action of the District's Board of Trustees at any time.

Any designation of a successor beneficiary under this Section shall not alter the Supplemental Payments calculated as described in Section 6.4, above.

## **ARTICLE VII ANNUAL LIMITATION OF PAYMENTS BY APPLICANT**

**Section 7.1 EFFECT OF OPTIONAL TERMINATION.** Upon the exercise of the option to terminate, this Agreement shall terminate and be of no further force or effect; provided, however, that:

A. the Parties respective rights and obligations under this Agreement with respect to the Tax Year or Tax Years (as the case may be) through and including the Tax Year during which such notification is delivered to the District, shall not be impaired or modified as a result of such termination and shall survive such termination unless and until satisfied and discharged; and

B. the provisions of this Agreement regarding payments (including liquidated damages and tax payments), records and dispute resolution shall survive the termination or expiration of this Agreement.

**ARTICLE VIII**  
**ADDITIONAL OBLIGATIONS OF APPLICANT**

**Section 8.1. APPLICANT’S OBLIGATION TO MAINTAIN VIABLE PRESENCE.** In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall Maintain Viable Presence in the District commencing at the start of the Tax Limitation Period through the Final Termination Date of this Agreement. Notwithstanding anything contained in this Agreement to the contrary, the Applicant shall not be in breach of, and shall not be subject to any liability for failure to Maintain Viable Presence to the extent such failure is caused by Force Majeure, provided the Applicant makes commercially reasonable efforts to remedy the cause of such Force Majeure.

**Section 8.2. REPORTS.** In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall submit all reports required from time to time by the Comptroller, listed in 34 TEXAS ADMIN. CODE Section 9.1052 and as currently located on the Comptroller’s website, including all data elements required by such form to the satisfaction of the Comptroller on the dates indicated on the form or the Comptroller’s website and starting on the first such due date after the Application Approval Date.

**Section 8.3. COMPTROLLER’S REPORT ON CHAPTER 313 AGREEMENTS.** During the term of this Agreement, both Parties shall provide the Comptroller with all information reasonably necessary for the Comptroller to assess performance under this Agreement for the purpose of issuing the Comptroller’s report, as required by Section 313.032 of the TEXAS TAX CODE.

**Section 8.4. DATA REQUESTS.** Upon the written request of the District, the State Auditor’s Office, the Appraisal District, or the Comptroller during the term of this Agreement, the Applicant, the District or any other entity on behalf of the District shall provide the requesting party with all information reasonably necessary for the requesting party to determine whether the Applicant is in compliance with its rights, obligations or responsibilities, including, but not limited to, any employment obligations which may arise under this Agreement.

**Section 8.5. SITE VISITS AND RECORD REVIEW.** The Applicant shall allow authorized employees of the District, the Comptroller, the Appraisal District, and the State Auditor’s Office to have reasonable access to the Applicant’s Qualified Property and business records from the Application Review Start Date through the Final Termination Date, in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant’s Qualified Property.

A. All inspections will be made at a mutually agreeable time after the giving of not less than ninety-six (96) hours prior written notice, and will be conducted in such a manner so as not to unreasonably interfere with either the construction or operation of the Applicant’s Qualified Property.

B. All inspections may be accompanied by one or more representatives of the Applicant and shall be conducted in accordance with the Applicant’s safety, security, and operational standards. Notwithstanding the foregoing, nothing contained in this Agreement shall require the

Applicant to provide the District, the Comptroller, or the Appraisal District with any technical or business information that is proprietary, a trade secret, or is subject to a confidentiality agreement with any third party.

**Section 8.6. RIGHT TO AUDIT; SUPPORTING DOCUMENTS; AUTHORITY OF STATE AUDITOR.**

By executing this Agreement, implementing the authority of, and accepting the benefits provided by Chapter 313 of the TEXAS TAX CODE, the Parties agree that this Agreement and their performance pursuant to its terms are subject to review and audit by the State Auditor as if they are parties to a State contract and subject to the provisions of Section 2262.154 of the TEXAS GOVERNMENT CODE and Section 313.01O(a) of the TEXAS TAX CODE. The Parties further agree to comply with the following requirements:

A. The District and the Applicant shall maintain and retain supporting documents adequate to ensure that claims for the Tax Limitation Amount are in accordance with applicable Comptroller and State of Texas requirements. The Applicant and the District shall maintain all such documents and other records relating to this Agreement and the State's property for a period of four (4) years after the latest occurring date of:

- i. date of submission of the final payment;
- ii. Final Termination Date; or
- iii. date of resolution of all disputes or payment.

B. During the time period defined under Section 8.6.A, the District and the Applicant shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all information related to this Agreement; the Applicant's Application; and the Applicant's Qualified Property, Qualified Investment, New Qualifying Jobs, and wages paid for New Non-Qualifying Jobs such as work papers, reports, books, data, files, software, records, calculations, spreadsheets and other supporting documents pertaining to this Agreement, for purposes of inspecting, monitoring, auditing, or evaluating by the Comptroller, State Auditor's Office, State of Texas or their authorized representatives. The Applicant and the District shall cooperate with auditors and other authorized Comptroller and State of Texas representatives and shall provide them with prompt access to all of such property as requested by the Comptroller or the State of Texas. By example and not as an exclusion to other breaches or failures, the Applicant's or the District's failure to comply with this Section shall constitute a Material Breach of this Agreement.

C. In addition to and without limitation on the other audit provisions of this Agreement, the acceptance of tax benefits or funds by the Applicant or the District or any other entity or person directly under this Agreement acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, the Applicant or the District or other entity that is the subject of an audit or investigation by the State Auditor must provide the State Auditor with access to any information the State Auditor considers relevant to the investigation or audit. The Parties agree that this Agreement shall for its duration be subject to all rules and procedures of the State Auditor acting under the direction of the legislative audit committee.

D. The Applicant shall include the requirements of this Section 8.6 in its subcontract with any entity whose employees or subcontractors are subject to wage requirements under the Act, the Comptroller's Rules, or this Agreement, or any entity whose employees or subcontractors are

included in the Applicant’s compliance with job creation or wage standard requirement of the Act, the Comptroller’s Rules, or this Agreement.

**Section 8.7. FALSE STATEMENTS; BREACH OF REPRESENTATIONS.** The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application, and any supplements or amendments thereto, without which the Comptroller would not have approved this Agreement and the District would not have executed this Agreement. By signature to this Agreement, the Applicant:

A. represents and warrants that all information, facts, and representations contained in the Application are true and correct to the best of its knowledge;

B. agrees and acknowledges that the Application and all related attachments and schedules are included by reference in this Agreement as if fully set forth herein; and

C. acknowledges that if the Applicant submitted its Application with a false statement, signs this Agreement with a false statement, or submits a report with a false statement, or it is subsequently determined that the Applicant has violated any of the representations, warranties, guarantees, certifications, or affirmations included in the Application or this Agreement, the Applicant shall have materially breached this Agreement and the Agreement shall be invalid and void except for the enforcement of the provisions required by Section 9.2 of this Agreement.

## **ARTICLE IX**

### **MATERIAL BREACH OR EARLY TERMINATION**

**Section 9.1. EVENTS CONSTITUTING MATERIAL BREACH OF AGREEMENT.** The Applicant shall be in Material Breach of this Agreement if it commits one or more of the following acts or omissions (each a “Material Breach”):

A. The Application, any Application Supplement, or any Application Amendment on which this Agreement is approved is determined to be inaccurate as to any material representation, information, or fact or is not complete as to any material fact or representation or such application;

B. The Applicant failed to complete Qualified Investment as required by Section 2.5.A. of this Agreement during the Qualifying Time Period;

C. The Applicant failed to create and maintain the number of New Qualifying Jobs required by the Act.

D. The Applicant failed to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application;

E. The Applicant failed to pay at least the average weekly wage of all jobs in the county in which the jobs are located for all New Non-Qualifying Jobs created by the Applicant;

F. The Applicant failed to provide payments to the District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV of this Agreement;

G. The Applicant failed to provide the payments to the District that protect the District from the payment of extraordinary education-related expenses related to the project to the extent and in the amounts that the Applicant agreed to provide such payments in Article V of this Agreement;

H. The Applicant failed to provide the Supplemental Payments to the extent and in the amounts that the Applicant agreed to provide such Supplemental Payments in Article VI of this Agreement;

I. The Applicant failed to create and Maintain Viable Presence on or with the Qualified Property as more fully specified in Article VIII of this Agreement;

J. The Applicant failed to submit the reports required to be submitted by Section 8.2 to the satisfaction of the Comptroller;

K. The Applicant failed to provide the District or the Comptroller with all information reasonably necessary for the District or the Comptroller to determine whether the Applicant is in compliance with its obligations, including, but not limited to, any employment obligations which may arise under this Agreement;

L. The Applicant failed to allow authorized employees of the District, the Comptroller, the Appraisal District, or the State Auditor's Office to have access to the Applicant's Qualified Property or business records in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant's Qualified Property under Sections 8.5 and 8.6;

M. The Applicant failed to comply with a request by the State Auditor's office to review and audit the Applicant's compliance with this Agreement;

N. The Applicant has made any payments to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on Appraised Value made pursuant to Chapter 313 of the TEXAS TAX CODE, in excess of the amounts set forth in Articles IV, V and VI of this Agreement;

O. The Applicant failed to comply with the conditions included in the certificate for limitation issued by the Comptroller.

## **Section 9.2. DETERMINATION OF BREACH AND TERMINATION OF AGREEMENT.**

A. Prior to making a determination that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the District shall provide the Applicant with a written notice of the facts which it believes have caused the breach of this Agreement, and if cure is possible, the cure proposed by the District. After receipt of the notice, the Applicant shall be given ninety (90) days to present any facts or arguments to the Board of Trustees showing that it is not in breach of its obligations under this Agreement, or that it has cured or undertaken to cure any such breach.

B. If the Board of Trustees is not satisfied with such response or that such breach has been cured, then the Board of Trustees shall, after reasonable notice to the Applicant, conduct a hearing called and held for the purpose of determining whether such breach has occurred and, if so, whether such breach has been cured. At any such hearing, the Applicant shall have the opportunity, together with their counsel, to be heard before the Board of Trustees. At the hearing, the Board of Trustees shall make findings as to:

- i. whether or not a breach of this Agreement has occurred;
- ii. whether or not such breach is a Material Breach;
- iii. the date such breach occurred, if any;
- iv. whether or not any such breach has been cured; and

C. In the event that the Board of Trustees determines that such a breach has occurred and has not been cured, it shall at that time determine:

- i. the amount of recapture taxes under Section 9.4.C (net of all credits under Section 9.4.C);
- ii. the amount of any penalty or interest under Section 9.4.E that are owed to the District; and
- iii. in the event of a finding of a Material Breach, whether to terminate this Agreement.

D. After making its determination regarding any alleged breach, the Board of Trustees shall cause the Applicant to be notified in writing of its determination (a “Determination of Breach and Notice of Contract Termination”) and provide a copy to the Comptroller.

### **Section 9.3. DISPUTE RESOLUTION.**

A. After receipt of notice of the Board of Trustee’s Determination of Breach and Notice of Contract Termination under Section 9.2, the Applicant shall have 90 days in which either to tender payment or evidence of its efforts to cure, or to initiate mediation of the dispute by written notice to the District, in which case the District and the Applicant shall be required to make a good faith effort to resolve, without resort to litigation and within 90 days after the Applicant initiates mediation, such dispute through mediation with a mutually agreeable mediator and at a mutually convenient time and place for the mediation. If the Parties are unable to agree on a mediator, a mediator shall be selected by the senior state district court judge then presiding in Wilbarger County, Texas. The Parties agree to sign a document that provides the mediator and the mediation will be governed by the provisions of Chapter 154 of the TEXAS CIVIL PRACTICE AND REMEDIES CODE and such other rules as the mediator shall prescribe. With respect to such mediation, (i) the District shall bear one-half of such mediator’s fees and expenses and the Applicant shall bear one-half of such mediator’s fees and expenses, and (ii) otherwise each Party shall bear all of its costs and expenses (including attorneys’ fees) incurred in connection with such mediation.

B. In the event that any mediation is not successful in resolving the dispute or that payment is not received within the time period described for mediation in Section 9.3.A, either the District or the Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in a judicial proceeding in a state district court in Wilbarger County, assert any rights or defenses, or seek any remedy in law or in equity, against the other Party with respect to any claim relating to any breach, default, or nonperformance of any contract, agreement or undertaking made by a Party pursuant to this Agreement.

C. If payments become due under this Agreement and are not received before the expiration of the 90 days provided for such payment in Section 9.3.A, and if the Applicant has not contested such payment calculations under the procedures set forth herein, including judicial proceedings, the District shall have the remedies for the collection of the amounts determined under Section 9.4 as are set forth in Chapter 33, Subchapters B and C, of the TEXAS TAX CODE for the collection of delinquent taxes. In the event that the District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney’s fees to the attorneys representing the District pursuant to Section 6.30 of the TEXAS

TAX CODE and a tax lien shall attach to the Applicant's Qualified Property and the Applicant's Qualified Investment pursuant to Section 33.07 of the TEXAS TAX CODE to secure payment of such fees.

**Section 9.4. Consequences of Early Termination or Other Breach by Applicant.**

A. In the event that the Applicant terminates this Agreement without the consent of the District, except as provided in Section 7.1 of this Agreement, the Applicant shall pay to the District liquidated damages for such failure within thirty (30) days after receipt of the notice of breach.

B. In the event that the District determines that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the Applicant shall pay to the District liquidated damages, as calculated by Section 9.4.C, prior to, and the District may terminate the Agreement effective on the later of: (i) the expiration of the 90 days provided for in Section 9.3.A, and (ii) thirty (30) days after any mediation and judicial proceedings initiated pursuant to Sections 9.3.A and 9.3.B are resolved in favor of the District.

C. The sum of liquidated damages due and payable shall be the sum total of the District ad valorem taxes for all of the Tax Years for which a tax limitation was granted pursuant to this Agreement prior to the year in which the default occurs that otherwise would have been due and payable by the Applicant to the District without the benefit of this Agreement, including penalty and interest, as calculated in accordance with Section 9.4.E. For purposes of this liquidated damages calculation, the Applicant shall be entitled to a credit for all payments made to the District pursuant to Articles IV, V, and VI. Upon payment of such liquidated damages, the Applicant's obligations under this Agreement shall be deemed fully satisfied, and such payment shall constitute the District's sole remedy.

D. In the event that the District determines that the Applicant has committed a Material Breach identified in Section 9.1, after the notice and mediation periods provided by Sections 9.2 and 9.3, then the District may, in addition to the payment of liquidated damages required pursuant to Section 9.4.C, terminate this Agreement.

E. In determining the amount of penalty or interest, or both, due in the event of a breach of this Agreement, the District shall first determine the base amount of recaptured taxes less all credits under Section 9.4.C owed for each Tax Year during the Tax Limitation Period. The District shall calculate penalty or interest for each Tax Year during the Tax Limitation Period in accordance with the methodology set forth in Chapter 33 of the TEXAS TAX CODE, as if the base amount calculated for such Tax Year less all credits under Section 9.4.C had become due and payable on February 1 of the calendar year following such Tax Year. Penalties on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(a) of the TEXAS TAX CODE, or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(c) of the TEXAS TAX CODE, or its successor statute.

**Section 9.5. LIMITATION OF OTHER DAMAGES.** Notwithstanding anything contained in this Agreement to the contrary, in the event of default or breach of this Agreement by the Applicant, the District's damages for such a default shall under no circumstances exceed the amounts calculated under Section 9.4. In addition, the District's sole right of equitable relief under this Agreement shall be its right to terminate this Agreement. The Parties further agree that the

limitation of damages and remedies set forth in this Section 9.5 shall be the sole and exclusive remedies available to the District, whether at law or under principles of equity.

**Section 9.6. STATUTORY PENALTY FOR INADEQUATE QUALIFIED INVESTMENT.**

Pursuant to Section 313.0275 of the TEXAS TAX CODE, in the event that the Applicant fails to make \$20,000,000.00 of Qualified Investment, in whole or in part, during the Qualifying Time Period, the Applicant is liable to the State for a penalty. The amount of the penalty is the amount determined by: (i) multiplying the maintenance and operations tax rate of the school district for that tax year that the penalty is due by (ii) the amount obtained after subtracting the Tax Limitation Amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the Tax Year the penalty is due. This penalty shall be paid on or before February 1 of the year following the expiration of the Qualifying Time Period and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE. The Comptroller may grant a waiver of this penalty in the event of Force Majeure which prevents compliance with this provision.

**Section 9.7. REMEDY FOR FAILURE TO CREATE AND MAINTAIN REQUIRED NEW QUALIFYING JOBS.**

Pursuant to Section 313.0276 of the TEXAS TAX CODE, for any full Tax Year that commences after the project has become operational, in the event that it has been determined that the Applicant has failed to meet the job creation or retention requirements defined in Sections 9.1.C, the Applicant shall not be deemed to be in Material Breach of this Agreement until such time as the Comptroller has made a determination to rescind this Agreement under Section 313.0276 of TEXAS TAX CODE, and that determination is final.

**Section 9.8. REMEDY FOR FAILURE TO CREATE AND MAINTAIN COMMITTED NEW QUALIFYING JOBS.**

A. In the event that the Applicant fails to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application, an event constituting a Material Breach as defined in Section 9.1.D, the Applicant and the District may elect to remedy the Material Breach through a penalty payment.

B. Following the notice and mediation periods provided by Sections 9.2 and 9.3, the District may request the Applicant to make a payment to the State in an amount equal to: (i) multiplying the maintenance and operations tax rate of the school district for that Tax Year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the market value of the property identified on the Appraisal District's records for each tax year the Material Breach occurs.

C. In the event that there is no tax limitation in place for the tax year that the Material Breach occurs, the payment to the State shall be in an amount equal to: (i) multiplying the maintenance and operations tax rate of the School District for each tax year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the tax limitation amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the last Tax Year for which the Applicant received a tax limitation.

D. The penalty shall be paid no later than 30 days after the notice of breach and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE.

**ARTICLE X**  
**MISCELLANEOUS PROVISIONS**

**Section 10.1. INFORMATION AND NOTICES.**

A. Unless otherwise expressly provided in this Agreement, all notices required or permitted hereunder shall be in writing and deemed sufficiently given for all purposes hereof if (i) delivered in person, by courier (*e.g.*, by Federal Express) or by registered or certified United States Mail to the Party to be notified, with receipt obtained, or (ii) sent by facsimile or email transmission, with notice of receipt obtained, in each case to the appropriate address or number as set forth below. Each notice shall be deemed effective on receipt by the addressee as aforesaid; provided that, notice received by facsimile or email transmission after 5:00 p.m. at the location of the addressee of such notice shall be deemed received on the first business day following the date of such electronic receipt.

B. Notices to the District shall be addressed to the District's Authorized Representative as follows:

David Thweatt, Superintendent  
Harrold ISD  
18106 Stewart St.  
Harrold, TX 76364  
940-886-2213  
david.thweet@harroldisd.net  
with copy to: Carol Simpson  
Eichelbaum Wardell Hansen Powell and Munoz, P.C.  
5801 Tennyson Pkwy, Ste 360  
Plano, TX 76027  
Email: cs@edlaw.com  
Phone: (972) 377-7900

C. Notices to the Applicant shall be addressed to its Authorized Representative as follows:

Scott Zeimetz, Vice President of Development  
Adams Creek Solar Project, LLC  
422 Admiral Blvd  
Kansas City, MO 64106  
Phone: (913) 888-9463  
Email: szeimetz@savionenergy.com

or at such other address or to such other facsimile transmission number and to the attention of such other person as a Party may designate by written notice to the other.

D. A copy of any notice delivered to the Applicant shall also be delivered to any lender for which the Applicant has provided the District notice of collateral assignment information pursuant to Section 10.3.C, below.

**Section 10.2. AMENDMENTS TO APPLICATION AND AGREEMENT; WAIVERS.**

A. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties and after completing the requirements of Section 10.2.B. Waiver of any term, condition, or provision of this Agreement by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same term, condition, or provision, or a waiver of any other term, condition, or provision of this Agreement.

B. By official action of the District's Board of Trustees, the Application and this Agreement may only be amended according to the following:

i. The Applicant shall submit to the District and the Comptroller:

a. a written request to amend the Application and this Agreement, which shall specify the changes the Applicant requests;

b. any changes to the information that was provided in the Application that was approved by the District and considered by the Comptroller;

c. and any additional information requested by the District or the Comptroller necessary to evaluate the amendment or modification;

ii. The Comptroller shall review the request and any additional information for compliance with the Act and the Comptroller's Rules and provide a revised Comptroller certificate for a limitation within 90 days of receiving the revised Application and, if the request to amend the Application has not been approved by the Comptroller by the end of the 90--day period, the request is denied; and

iii. If the Comptroller has not denied the request, the District's Board of Trustees shall approve or disapprove the request before the expiration of 150 days after the request is filed.

C. Any amendment of the Application and this Agreement adding additional or replacement Qualified Property pursuant to this Section 10.2 of this Agreement shall:

i. require that all property added by amendment be eligible property as defined by Section 313.024 of the TEXAS TAX CODE;

ii. clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the original Agreement; and

D. The Application and this Agreement may not be amended to extend the value limitation time period beyond its ten-year statutory term.

E. The Comptroller determination made under Section 313.026(c)(2) of the TEXAS TAX CODE in the original certificate for a limitation satisfies the requirement of the Comptroller to make the same determination for any amendment of the Application and this Agreement, provided that the facts upon which the original determination was made have not changed.

F. The Applicant shall amend the Application and this Agreement to identify the changes in the information that was provided in the Application and was approved by the District and as considered by the Comptroller no earlier than 180 days and no later than 90 days prior to the start of the Qualifying Time Period as identified in Section 2.3.C.i of this Agreement.

i. The Applicant shall comply with written requests from the District or the Comptroller to provide additional information necessary to prepare a Comptroller certificate for a limitation for the conditions prior to the start of the Qualifying Time Period; and

ii. If the Comptroller provides its certificate for a limitation with conditions different from the existing agreement, the District shall hold a meeting and determine whether to

amend this Agreement to include the conditions required by the Comptroller or terminate this Agreement; or

iii. If the Comptroller withdraws its certificate for a limitation based on the revised Application, the District shall terminate this Agreement.

**Section 10.3. ASSIGNMENT.**

A. Any assignment of any rights, benefits, obligations, or interests of the Parties in this Agreement, other than a collateral assignment purely for the benefit of creditors of the project, is considered an amendment to the Agreement and such Party may only assign such rights, benefits, obligations, or interests of this Agreement after complying with the provisions of Section 10.2 regarding amendments to the Agreement. Other than a collateral assignment to a creditor, this Agreement may only be assigned to an entity that is eligible to apply for and execute an agreement for limitation on appraised value pursuant to the provisions of Chapter 313 of the TEXAS TAX CODE and the Comptroller’s Rules.

B. In the event of a merger or consolidation of the District with another school district or other governmental authority, this Agreement shall be binding on the successor school district or other governmental authority.

C. In the event of an assignment to a creditor, the Applicant must notify the District and the Comptroller in writing no later than 30 days after the assignment. This Agreement shall be binding on the assignee.

**Section 10.4. MERGER.** This Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement.

**Section 10.5. Governing Law.** This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of another jurisdiction. Venue in any legal proceeding shall be in a state district court in Wilbarger County, Texas.

**Section 10.6. AUTHORITY TO EXECUTE AGREEMENT.** Each of the Parties represents and warrants that its undersigned representative has been expressly authorized to execute this Agreement for and on behalf of such Party.

**Section 10.7. SEVERABILITY.** If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal, or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision, or condition cannot be so reformed, then such term, provision, or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement, as the case may be, and the validity, legality, and enforceability of the remaining terms, provisions, and conditions contained herein (and any other application such term, provision, or condition) shall not in any way be affected or impaired thereby. Upon such determination that any

term or other provision is invalid, illegal, or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in an acceptable manner so as to effect the original intent of the Parties as closely as possible so that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 10.7, the term “Law” shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree, or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

**Section 10.8. PAYMENT OF EXPENSES.** Except as otherwise expressly provided in this Agreement, or as covered by the application fee, each of the Parties shall pay its own costs and expenses relating to this Agreement, including, but not limited to, its costs and expenses of the negotiations leading up to this Agreement, and of its performance and compliance with this Agreement.

**Section 10.9. INTERPRETATION.**

A. When a reference is made in this Agreement to a Section, Article, or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

B. The words “include,” “includes,” and “including” when used in this Agreement shall be deemed in such case to be followed by the phrase, “but not limited to”. Words used in this Agreement, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require.

C. The provisions of the Act and the Comptroller’s Rules are incorporated by reference as if fully set forth in this Agreement. In the event of a conflict, the conflict will be resolved by reference to the following order of precedence:

- i. The Act;
- ii. The Comptroller’s Rules as they exist at the time the Agreement is executed, except as allowed in the definition of Qualified Property in Section 1.1; and
- iii. This Agreement and its Attachments including the Application as incorporated by reference.

**Section 10.10. EXECUTION OF COUNTERPARTS.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

**Section 10.11. PUBLICATION OF DOCUMENTS.** The Parties acknowledge that the District is required to publish the Application and its required schedules, or any amendment thereto; all economic analyses of the proposed project submitted to the District; and the approved and executed copy of this Agreement or any amendment thereto, as follows:

A. Within seven (7) days of receipt of such document, the District shall submit a copy to the Comptroller for publication on the Comptroller's Internet website;

B. The District shall provide on its website a link to the location of those documents posted on the Comptroller's website;

C. This Section does not require the publication of information that is confidential under Section 313.028 of the TEXAS TAX CODE.

**Section 10.12. CONTROL; OWNERSHIP; LEGAL PROCEEDINGS.** The Applicant shall immediately notify the District and Comptroller's office in writing of any actual or anticipated change in the control or ownership of the Applicant and of any legal or administrative investigations or proceedings initiated against the Applicant related to the project regardless of the jurisdiction from which such proceedings originate.

**Section 10.13. DUTY TO DISCLOSE.** If circumstances change or additional information is obtained regarding any of the representations and warranties made by the Applicant in the Application or this Agreement, or any other disclosure requirements, subsequent to the date of this Agreement, the Applicant's duty to disclose continues throughout the term of this Agreement.

**Section 10.14. CONFLICTS OF INTEREST.**

A. The District represents that, after diligent inquiry, each local public official or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, has disclosed any conflicts of interest in obtaining or performing this Agreement and related activities, appropriately recused from any decisions relating to this Agreement when a disclosure has been made, and the performance of this Agreement will not create any appearance of impropriety. The District represents that it, the District's local public officials or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

B. The Applicant represents that, after diligent inquiry, each of its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, involved in the representation of the Applicant with the District has complied with the provisions of Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE. The Applicant represents that it and its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

C. The District and the Applicant each separately agree to notify the other Party and the Comptroller immediately upon learning of any conflicts of interest.

**Section 10.15. PROVISIONS SURVIVING EXPIRATION OR TERMINATION.** Notwithstanding the expiration or termination (by agreement, breach, or operation of time) of this Agreement, the provisions of this Agreement regarding payments (including liquidated damages

and tax payments), reports, records, and dispute resolution of the Agreement shall survive the termination or expiration dates of this Agreement until the following occurs:

- A. all payments, including liquidated damage and tax payments, have been made;
- B. all reports have been submitted;
- C. all records have been maintained in accordance with Section 8.6.A; and
- D. all disputes in controversy have been resolved.

**Section 10.16. ELECTRONIC DELIVERY.**

A. This Agreement may be duly executed and delivered in person, by mail, or by other electronic format (including portable document format (pdf) transmitted by e-mail). The executing Party must promptly deliver a complete, executed original or counterpart of this Agreement to the other executing Parties. This Agreement shall be binding on and enforceable against the executing Party whether or not it delivers such original or counterpart.

B. Delivery is deemed complete as follows:

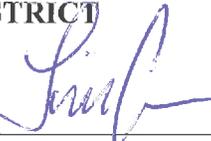
- i. When delivered if delivered personally or sent by express courier service;
- ii. Three (3) business days after the date of mailing if sent by registered or certified U.S. mail, postage prepaid, with return receipt requested;
- iii. When the recipient, by an e-mail sent to the e-mail address for the executing Parties acknowledges having received that e-mail (an automatic "read receipt" does not constitute acknowledgment of an e-mail for delivery purposes).

*IN WITNESS WHEREOF*, this Agreement has been executed by the Parties in multiple originals on this 27 day of July 2020.

**ADAMS CREEK SOLAR PROJECT, LLC**

**HARROLD INDEPENDENT SCHOOL DISTRICT**

By:   
NAME Scott Zeimet  
Title Authorized Person

By:   
PRESIDENT, BOARD OF TRUSTEES

By:   
NAME Aaron Lipscomb  
Title Authorized Person

ATTEST:

By:   
SECRETARY, BOARD OF TRUSTEES

## **EXHIBIT 1**

### **DESCRIPTION AND LOCATION OF ENTERPRISE OR REINVESTMENT ZONE**

On July 27, 2020, the Harrold Independent School District adopted an Order creating the Adams Creek Reinvestment Zone. A legal description and map of the Adams Creek Reinvestment Zone is attached as the last page of this **EXHIBIT 1** following the legal description of the zone. All of the Applicant's Qualified Property and Applicant's Qualified Investment will be located within the boundaries of the Adams Creek Reinvestment Zone and the Harrold Independent School District.

## HARROLD INDEPENDENT SCHOOL DISTRICT

### RESOLUTION CREATING ADAMS CREEK REINVESTMENT ZONE

**WHEREAS**, Section 312.0025 of the Texas Tax Code permits a school district to designate a reinvestment zone if that designation is reasonably likely to contribute to the expansion of primary employment in the reinvestment zone, or attract major investment in the reinvestment zone that would be a benefit to property in the reinvestment zone and to the school district and contribute to the economic development of the region of this state in which the school district is located; and,

**WHEREAS**, the Harrold Independent School District (the “District”) desires to encourage the development of primary employment and to attract major investment in the District and contribute to the economic development of the region in which the school district is located; and,

**WHEREAS**, a public hearing is required by Chapter 312 of the Texas Tax Code prior to approval of a reinvestment zone; and,

**WHEREAS**, the District published notice of a public hearing regarding the possible designation of the area described in the attached **Exhibit A** as a reinvestment zone for the purposes of Chapter 313 of the Texas Tax Code; and,

**WHEREAS**, the District wishes to create a reinvestment zone within the boundaries of the school district in Wilbarger County, Texas as shown on the map attached as **Exhibit B**; and,

**WHEREAS**, the District has given written notice of the proposed action and the Public Hearing to all political subdivisions and taxing authorities having jurisdiction over the property proposed to be designated as the reinvestment zone, described in the attached **Exhibits A & B**; and,

**WHEREAS**, all interested members of the public were given an opportunity to make comments at the public hearing.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE HARROLD INDEPENDENT SCHOOL DISTRICT:**

**SECTION 1.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

**SECTION 2.** That the Board of Trustees of the Harrold Independent School District, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on the adoption of *ADAMS CREEK REINVESTMENT ZONE* has been called, held and conducted, and that notices of such hearing have been published and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone; and,
- (b) That the boundaries of *ADAMS CREEK REINVESTMENT ZONE* be and, by the adoption of this Resolution, are declared and certified to be the area as described in the description attached hereto as “**Exhibit A**”; and,
- (c) That the map attached hereto as “**Exhibit B**” is declared to be and, by the adoption of this Resolution, is certified to accurately depict and show the boundaries of *ADAMS CREEK REINVESTMENT ZONE* which is described in **Exhibit A**; and further certifies that the property described in **Exhibit A** is inside the boundaries shown on **Exhibit B**; and,
- (d) That creation of *ADAMS CREEK REINVESTMENT ZONE* with boundaries as described in **Exhibit A** and **Exhibit B** will result in benefits to the Harrold Independent School District and to land included in the zone, and that the improvements sought are feasible and practical; and,
- (e) That the *ADAMS CREEK REINVESTMENT ZONE* described in **Exhibit A** and **Exhibit B** meets the criteria set forth in Texas Tax Code §312.0025 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, in that it is reasonably likely that the designation will contribute to the retention or expansion of primary employment, and/or will attract investment in the zone that will be a benefit to the property, and would contribute to economic development within the Harrold Independent School District.

**SECTION 3.** That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, the Harrold Independent School District hereby creates a reinvestment zone under the provisions of Texas Tax Code §312.0025, encompassing the area described by the descriptions in **Exhibit A** and **Exhibit B**, and such reinvestment zone is hereby designated and shall hereafter be referred to as *ADAMS CREEK REINVESTMENT ZONE*.

**SECTION 4.** That the existence of the *ADAMS CREEK REINVESTMENT ZONE* shall first take effect upon, July 27<sup>th</sup>, 2020, the date of the adoption of this Resolution by the Board of Trustees and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of such adoption.

**SECTION 5.** That if any section, paragraph, clause or provision of this Resolution shall for any reason beheld to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

**SECTION 6.** That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject of the meeting of the Harrold Independent School District Board of Trustees, at which this Resolution was adopted, was posted at a place convenient and readily accessible at all times, as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended; and that a public hearing was held prior to the designation of such reinvestment zone, and that proper notice of the hearing was published in newspapers of general circulation in Wilbarger County of the State of Texas, and furthermore, such notice was, in fact, delivered to the presiding officer of any effected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED AND ADOPTED on this 27<sup>th</sup> day of July, 2020.

**HARROLD  
INDEPENDENT SCHOOL DISTRICT**

By:



\_\_\_\_\_  
President  
Board of Trustees

ATTEST:



\_\_\_\_\_  
Secretary  
Board of Trustees

**EXHIBIT A**

**LEGAL DESCRIPTION OF**

*ADAMS CREEK REINVESTMENT ZONE*

Joe A. Kohler (a/k/a Joe Kohler) and Karen Kohler, husband and wife

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTY OF WILBARGER, STATE OF TEXAS:

ONE THOUSAND FOUR HUNDRED SEVENTY TWO (1,472) ACRES, MORE OR LESS, AS DEPICTED ON EXHIBIT A-1 AND LYING WITHIN THE FOLLOWING DESCRIBED REAL PROPERTY:

The North One-Half (N/2) and the Southeast One-Quarter (SE/4) of Subdivision No. 140, Waggoner Colony Lands, Wilbarger County, Texas, containing 120 acres more or less.

AND

The Southwest Quarter (SW/4) of Subdivision One Hundred Forty (140), Waggoner Colony Lands, Wilbarger County, Texas, containing 40 acres, more or less.

AND

All of Subdivision One Hundred Thirty-nine (139) of the Waggoner Colony Lands, Wilbarger County, Texas.

AND

All of Subdivision No. One hundred thirty-eight (138) of the Waggoner Colony Lands of Wilbarger County, Texas, containing 160 acres more or less.

AND

Being a 96.87 acre tract out of Subdivision One Hundred One (101) and One Hundred Two (102), of the Waggoner Colony Lands in Wilbarger County, Texas, being Tract "D" and a part of Tract "A" of the Marriott Estate Partition as shown in Vol. 129, Page 107 of the Deed Records of Wilbarger County, Texas, this tract being described as follows:

BEGINNING at the Southeast corner of said Subdivision 102, a spike in the center of a road intersection, for the Southeast corner of this tract; THENCE North 0° 7' West with the East line of said Subdivision 102 and 101, at 2335 feet pass the Northeast corner of said Tract "D", in all 3147.26 feet to a point for the Northeast corner of this tract;

THENCE South 89° 55' West 1890.69 feet to a point for the Northwest corner of this tract;

THENCE South 0° 7' East 811.44 feet to a point for the Southwest corner of this tract, being the Northwest corner of a Harris 50 acre tract;

THENCE North 89° 55' East 741.00 feet to a point for an ell corner in this tract, being the Northeast corner of the Harris 50 acre tract;

THENCE South 0° 7' East 2335.82 feet to a point in the South line of said Subdivision 102, for the most Southern Southwest corner of this tract

THENCE North 89° 56' East 1149.69 feet to the place of BEGINNING.

AND

All of Subdivision No. 116, Waggoner Colony Lands in Wilbarger County, Texas, containing 160 acres, more or less, as shown by plat of said Subdivision of record in Vol. No.1, page 23 of the Plat Records of Wilbarger County, Texas.

AND

All of Subdivision One Hundred Twenty-Two (122), of the Waggoner Colony Lands, Wilbarger County, Texas.

LESS AND EXCEPT:

THAT CERTAIN PART OF A TRACT OF LAND CONTAINING 25 ACRES, MORE OR LESS, AS DEPICTED ON THE ATTACHED EXHIBIT "A-1" AS THE EXCLUDED AREA.

AND

All of Subdivision one hundred fourteen (114) of the Waggoner Colony Lands, Wilbarger County, Texas.

AND

One hundred sixty acres, more or less, out of Section No.884 of the M. E. P. & P. RR Co. Surveys, and being Subdivision No. One hundred twenty three (123) of the Waggoner Colony Lands and being the same property described in a deed from W. T. Waggoner to A. Allen, dated January 24, 1906, of record in Vol.45, page 478, Deed Records of Wilbarger County, Texas, to which reference is here made for a more complete description.

LESS AND EXCEPT:

THAT CERTAIN PART OF A TRACT OF LAND CONTAINING 25 ACRES, MORE OR LESS, AS DEPICTED ON THE ATTACHED EXHIBIT "A-1" AS THE EXCLUDED AREA.

AND

The North one-half (N/2) of Subdivision one hundred four (104) of the Waggoner Colony Lands, Wilbarger County, Texas, containing 80 acres, more or less.

AND

The Southwest quarter (SW/4) of Subdivision one hundred four (104) of the Waggoner Colony Lands, Wilbarger County, Texas, containing 40 acres, more or less.

AND

West one-half (W/2) of Subdivision one hundred thirteen (113) of the Waggoner Colony Subdivision, containing 80 acres, more or less.

AND

The East One-Half (1/2) of Section One Hundred Thirteen (113) of the Waggoner Colony Lands, Wilbarger County, Texas.

AND

All of Subdivision 121 of the Waggoner Colony Lands, Wilbarger County, Texas

Steve Kemple, a single person, and James C. Kemple and Jacqueline Tarlton Kemple, husband and wife (as to an undivided one-half (1/2) interest) and Jacqueline Tarlton Kemple and James C. Kemple, wife and husband (as to an undivided one-half (1/2) interest)

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTY OF WILBARGER, STATE OF TEXAS:

Subdivision No. One Hundred Fifteen (115) of the Waggoner Colony Lands in Wilbarger County, Texas.

Allen Lemon and Glenda Sue Lemon, husband and wife

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTY OF WILBARGER, STATE OF TEXAS:

TRACT 1:

Subdivision Number Ninety (90) of the Waggoner Colony Lands, in Wilbarger County, Texas, as shown by plat of record in Vol. No. 1, at page No. 23, of the Plat Records of said county.

TRACT 2:

Subdivision Number one hundred five (105) of the Waggoner Colony Lands, in Wilbarger County, Texas, as shown by plat of record in Vol. No. 1, page No. 23, of the Plat Records of said County.

Edward B. Gillis and Susan G. Gillis, husband and wife

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTY OF WILBARGER, STATE OF TEXAS:

TRACT 1:

Subdivision No. 91 of the Waggoner Colony Subdivision in Wilbarger County, Texas, as shown by plat of record in Volume A6, page 23 of the Plat Record of Wilbarger County, Texas,

LESS AND EXCEPT:

A right-of-way deed to the State of Texas, covering 2.13 acres more fully described in a right-of-way deed dated February 10, 1947, of record in Vol. 170, page 247, Deed Records, Wilbarger County, Texas. Being more particularly described as follows, to wit:

A strip of land 35 feet wide off of the North side of Block 91, Waggoner Colony subdivision in Wilbarger County, the Northerly boundary which is described as follows:

Beginning at the Northwest corner of Block 91, said corner being at Station 364 / 31 on center line of Highway FM 370;

Thence S 86 deg. 21' E on the north line of block and center line of Highway 2657 feet to the Northeast corner of property, said corner being at Station 390 / 88 on center line of Highway FM 370.

Containing 2.13 acres, more or less, of which 1.21 acres is old right of way and 0.92 acres is new right of way.

TRACT 2:

Subdivision No. 106 of the Waggoner Colony Subdivision in Wilbarger County, Texas, as shown by plat of record in Volume A6, page 23 of the Plat Records of Wilbarger County, Texas.

Terry Lemon and Paula Lemon, husband and wife

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTY OF WILBARGER, STATE OF TEXAS:

The South 100 acres of Subdivision Ninety-two (92), Waggoner Colony Lands, Wilbarger County, Texas.

James Brockriede (a/k/a James R. Brockriede) and Sheila Brockriede, husband and wife

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTIES OF WICHITA AND WILBARGER, STATE OF TEXAS:

A tract of land being part of Blocks 147, 148, 175 & 176, and all of Blocks 149, 174, 179 & 180, Waggoner Colony Subdivision, Wichita and Wilbarger Counties, Texas, and being more specifically described by metes and bounds as follows:

BEGINNING at a square Bolt at the point of intersection of the centerline at State Highway No. 25 and F.M. Highway No. 370, said square Bolt being the occupied Southeast corner of said Block 180, Waggoner Colony Subdivision, for the Southeast corner and Place of Beginning of this description;

THENCE along said centerline of F.M. Highway No 370 and the occupied South lines of said Blocks 180, 174 and 149 as follows:

North 86° 17' 00" West 1485.00 feet;

North 86° 22' 00" West 3800.30 feet;

North 86° 31' 59" West 2646.09 feet to a point for the occupied Southwest corner of said Block 149 for the Southwest corner of this tract:

THENCE North 03° 33' 24" East 5285.39 feet along the occupied West line of Blocks 149 and 148 to a 3/8" steel spike for the occupied Northwest corner of said Block 148 and the most Westerly Northwest corner of this tract;

THENCE South 86° 28' 30" East 2137.47 feet along the occupied North line of said Block 148 to a point for corner;

THENCE North 04 deg. 06' 01" East 199.86 feet to a point for corner; THENCE South 86 deg. 28' 30" East 120.30 feet to a 1/2" iron rod for corner;

THENCE South 04° 06' 01" West 69.91 feet to a 1/2" iron rod in a fence line for corner;

THENCE South 42° 50' 32" East 486.86 feet to an angle point for corner;

THENCE South 32° 03' 13" East 119.21 feet along a fence line to a corner post for corner; THENCE

South 01° 09' 00" East 49.27 feet to a point in the centerline of an East-west Public Road for corner;

THENCE North 89° 10' 34" East 620.46 feet along the centerline of said Public Road to a point for corner;

THENCE North 56° 39' 14" East 457.29 feet along said centerline to a point for corner; THENCE North

03° 16' 34" East 1259.54 feet to an angle point in a fence line for corner; THENCE North 17° 57' 12"

East 1059.25 feet along a fence line to a corner post for corner; THENCE South 77° 56' 07" East 74.08

feet along said fence line to a corner post for corner; THENCE South 32° 17' 36" East 106.92 feet along

said fence line to an angle point for corner; THENCE South 26° 44' 04" East 1554.24 feet along said

fence line to an angle point for corner; THENCE South 39 deg. 43' 47" East 672.55 feet along said fence

line to a point in the East line of said Block 176 for corner;

THENCE South 03° 14' 56" West 324.72 feet along said East line of Block 176 to a Nail in the centerline of an East-West Public Road for the occupied Southeast corner of said Block 176 and an interior corner of this tract;

THENCE South 86° 25' 39" East 2624.20 feet along said centerline of a Public Road for the occupied

North line of said Block 179 to a point in the centerline of said State Highway No. 25 for the occupied

Northeast corner of said Block 179 and the most Easterly Northeast corner of this tract;

THENCE South 03° 34' 45" West 5292.68 feet along said centerline of State Highway No. 25 and the occupied East lines of said Blocks 179 and 180 to the Place of Beginning and containing 1006.56 Acres, more or less.

SAVE AND EXCEPT:

TRACT ONE:

A tract of land out of Block No. One Hundred Forty-Seven (147), Waggoner Colony Subdivision, Wichita County, Texas, and being more specifically described by metes and bounds as follows: BEGINNING at a point in the South line of said Block 147, said point bears South 86° 28' 30" East 2395.37 feet from the occupied Southwest corner of said Block 147, said point also lies in a fence line of the Northeast line of a public road for the Southeast corner and Place of Beginning of this tract; THENCE North 42° 50' 32" West 188.30 feet along a fence line to a 1/2" iron rod for an interior corner of this tract; THENCE North 04° 06' 01" East 69.91 feet to a 1/2" iron rod for the Northeast corner of this tract; THENCE North 86° 28' 30" West 120.30 feet to a 1/2" iron rod for the Northwest corner of this tract; THENCE South 04° 06' 01" West 199.86 feet to a point in the centerline of road for the occupied South line of said Block 147 for the Southwest corner of this tract; THENCE South 86° 28' 30" East 257.90 feet along said centerline and said South line of Block 147 to the Place of Beginning and containing 0.76 acres, more or less.

TRACT TWO:

A tract of land out of Block 176, Waggoner Colony Subdivision, Wichita County, Texas, and being more specifically described by metes and bounds as follows: BEGINNING at a steel spike in the centerline of a public road for the occupied Southeast corner of said Block 176 for the Southeast corner and place of beginning of this tract; THENCE North 03° 14' 56" East 324.72 feet along the East line of said Block 176 to a point in a fence line for the most Easterly Northeast corner of this tract; THENCE North 39° 43' 37" West 672.55 feet along a fence line to an angle point for corner; THENCE North 26° 44' 04" West 1554.24 feet along a fence line to an angle point for corner; THENCE North 32° 17' 36" West 106.92 feet to a fence corner for the most Northerly Northeast corner of this tract; THENCE North 77° 56' 07" West 74.08 feet to a fence corner for the Northwest corner of this tract; THENCE South 17° 57' 12" West 1059.25 feet along a fence line to an angle point for corner; THENCE South 03° 16' 34" West 1259.54 feet along a fence line to a point in the centerline of said public road for the occupied South line of said Block 176 for the Southwest corner of this tract; THENCE South 86 deg. 28' 30" East 1640.05 feet along said centerline and said South line of Block 176 to the Place of Beginning and containing 50.17 acres, more or less.

TRACT THREE:

Tract of land situated in Subdivision No. One Hundred Seventy Nine (179) and No. One Hundred Eighty (180), of Waggoner Colony, Wichita County, Texas, according to the recorded Plat in Volume 4, Page 38, Plat Records, said tract being described by metes and bounds as follows: BEGINNING at a square bolt at the point of intersection of the centerline of State Highway No. 25 and F.M. Highway No. 370, said square bolt being the occupied Southeast corner of said Block 180, Waggoner Colony, Subdivision, for the Southeast corner and place of beginning of this description; THENCE North 86° 17' 00" West 1317.25 feet along said centerline of F.M. Highway No. 370 and the occupied South line of said Block 180 to a 3/8 inch spike for the Southwest corner of this tract;

THENCE leaving said centerline, North 03° 34' 45" East, at 35.00 feet pass a 1/2 inch iron rod in a fence line, in all a distance of 4224.56 feet to a "T" post in a fence line for an interior corner of this tract; THENCE North 60° 24' 00" West 392.90 feet along said fence line to a wooden gate post for corner; THENCE North 55° 12' 32" West 17.91 feet to a wooden gate post for corner; THENCE North 46° 33' 21" West 290.63 feet along a fence line to a wooden fence post for corner; THENCE North 34 °19' 05" West 829.81 feet along a fence line to a wooden fence corner post for corner; THENCE North 35° 12' 45" West, at 29.45 feet pass a fence line for the South right-of- way line of a public road, in all a distance of 53.77 feet to a 1/2 inch iron rod in the centerline of said public road and the occupied North line of said Block 179, for the Northwest corner of this tract; THENCE along said centerline of a public road and the occupied north line of said Block 179, South 86° 25' 39" East 2452.12 feet to a 3/8 inch spike in the centerline of said State Highway No. 25, for the Northeast corner of said Block 179 and the Northeast corner of this tract; THENCE along said centerline of State Highway No. 25 and the occupied East lines of said Block 179 and said Block 180, South 03° 34' 45" West 5292.68 feet to the place of beginning and containing 176.63 acres, more or less.

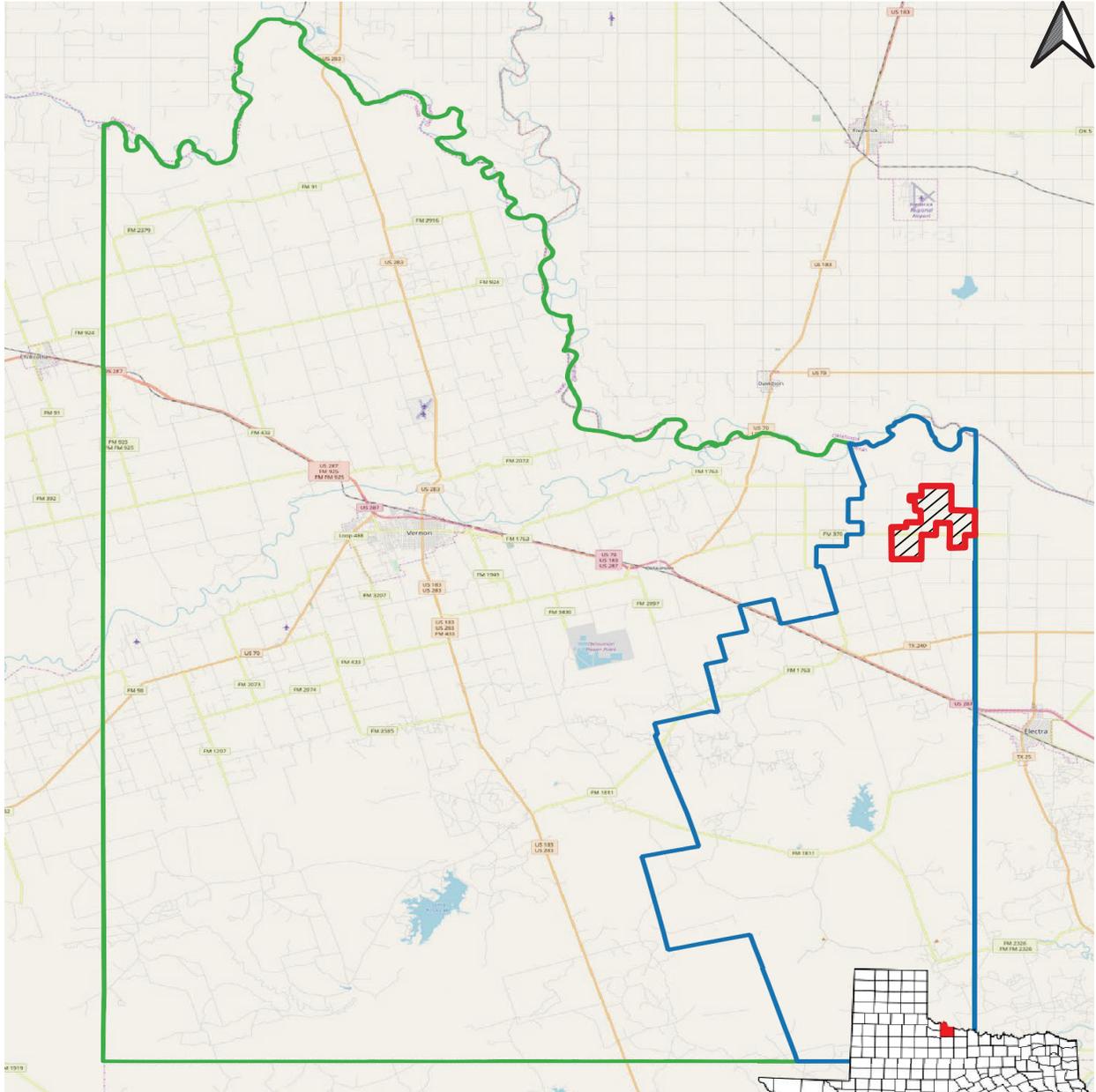
Schoppa, Mary Ann

BEING a part of and out of Survey No. 883, M. E. P. & P. Ry. Co., Certificate No. 196, Patent No. 90, Volume 11, dated June 17, 1882, and being further described as the Southeast one- fourth (SE¼) of Subdivision No. 104, of the Waggoner Colony Lands in Wilbarger County, Texas.

Parcel ID	Owner	Legal Description	Acres	Comments
2069001	James Brockriede	Sec 148 Waggoner Colony Subdivision 7900 County Line Rd. North	105	the remainder of Sect 148 is in Witchita County
2070001	James Brockriede	Sec 149 Waggoner Colony Subdivision 7900 County Line Rd. North	105	the remainder of Sect 149 is in Witchita County
108152	James Brockriede	N/A	47.2	in Witchita County
109974	James Brockriede	N/A	46.5	in Witchita County
110014	James Brockriede	N/A	151.7	in Witchita County
110013	James Brockriede	N/A	157.8	in Witchita County
109875	James Brockriede	N/A	64.1	in Witchita County
109876	James Brockriede	N/A	79.5	in Witchita County
9096092	Edward & Susan B Gillis	Sec 91 Waggoner Colony Subdivision	160	
9096093	Gillis Edward B & Susan	Sec 106 Waggoner Colony Subdivision	160	
4813001	Lemon Allen D & Glenda	Section 90 Waggoner Colony Subdivision 20101 CR 132 East	158	
4814001	Lemon Allen D & Glenda	Section 105 Waggoner Colony Subdivision 20700 FM RD 370 East	160	
4463001	Kemple, James C.	Section 115 1/2 UND INT Waggoner Colony Subdivision 23001 CR 128 East	160	
2974001	Lemon, Terry & Paula	Section 92 SO 100 AC Waggoner Colony Subdivision 20001 FM RD 370	100	
4235	Kohler Joe A & Karen	Out of SE/4 Sec 101 Waggoner Colony	27.87	
2067001	Kohler, Joe A & Karen	E 69 AC SEC 102 Waggoner Colony Subdivision 8501 CR 129 North	69	
8683001	Kohler, Joe A & Karen	Section 104 Except So. East Corner Waggoner Colony Subdivision	120	
8131001	Kohler, Joe A & Karen	Section 113 W 1/2 Waggoner Colony Subdivision	80	
4539001	Kohler, Karen J.	Section 113 East 1/2 Waggoner Colony Subdivision	80	
286	Kohler Joe A & Karen J.	Section 114	2	
100445	Kohler Joe A & Karen	Sec 114 Waggoner Colony	158	
8100001	Joe A. & Karen Kohler	Sec 116 Waggoner Colony Subdivision 9006 CR 129 North	160	
7904001	Kohler Joe A & Karen	Sec 121 Waggoner Colony Subdivision	160	
3139001	Joe A. & Karen Kohler	Section 122 Waggoner Colony Subdivision	2	The legal description is for all of Section 122 "LESS AND EXCEPT: THAT CERTAIN PART OF A TRACT OF LAND CONTAINING 25 ACRES, MORE OR LESS, AS DEPICTED ON THE ATTACHED EXHIBIT "A-1"
100446	Kohler Joe A & Karen	Section 122 Waggoner Colony Subdivision	158	The legal description is for a 160 acre tract "LESS AND EXCEPT: THAT CERTAIN PART OF A TRACT OF LAND CONTAINING 25 ACRES, MORE OR LESS, AS DEPICTED ON THE ATTACHED EXHIBIT "A-1" AS THE EXCLUDED
4749001	Kohler, Joe A.	Section 123 Waggoner Colony Subdivision	2	
100447	Kohler Joe A & Karen	Section 123 Waggoner Colony Subdivision	158	
4747001	Kohler, Joe A	Section 138 Waggoner Colony Subdivision	160	
4745001	Kohler Joe A & Karen J.	Section 139	160	
4748001	Kohler Joe A & Karen J.	Section 140	160	
100435	Schoppa, Mary Ann	Section 104 Waggoner Colony	38	The legal description is for the SE 1/4 of Sect 104, Waggoner Colony Subdivision

# EXHIBIT B

## SURVEY MAPS OF ADAMS CREEK REINVESTMENT ZONE



-  Project Boundary
-  Proposed Reinvestment Zone
-  Harrold ISD
-  Willbarger County



## **EXHIBIT 2**

### **DESCRIPTION AND LOCATION OF LAND**

All of the Applicant's Qualified Property and Applicant's Qualified Investment will be located within the boundaries of the Adams Creek Reinvestment Zone and the Harrold Independent School District. The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described by the legal description and maps attached to EXHIBIT 1.

## **EXHIBIT 3**

### **APPLICANT'S QUALIFIED INVESTMENT**

Adams Creek Solar Project, LLC is a proposed solar electric generating facility anticipated to be established in Wilbarger County, Texas. The facility, which will encompass an approximately 2,618 acre reinvestment zone, will be located in the northeastern portion of the county. Additionally, the entirety of the project will be within Harrold ISD. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 250 MW-AC and will feature 796,000 photovoltaic panels, and 67 central inverters.

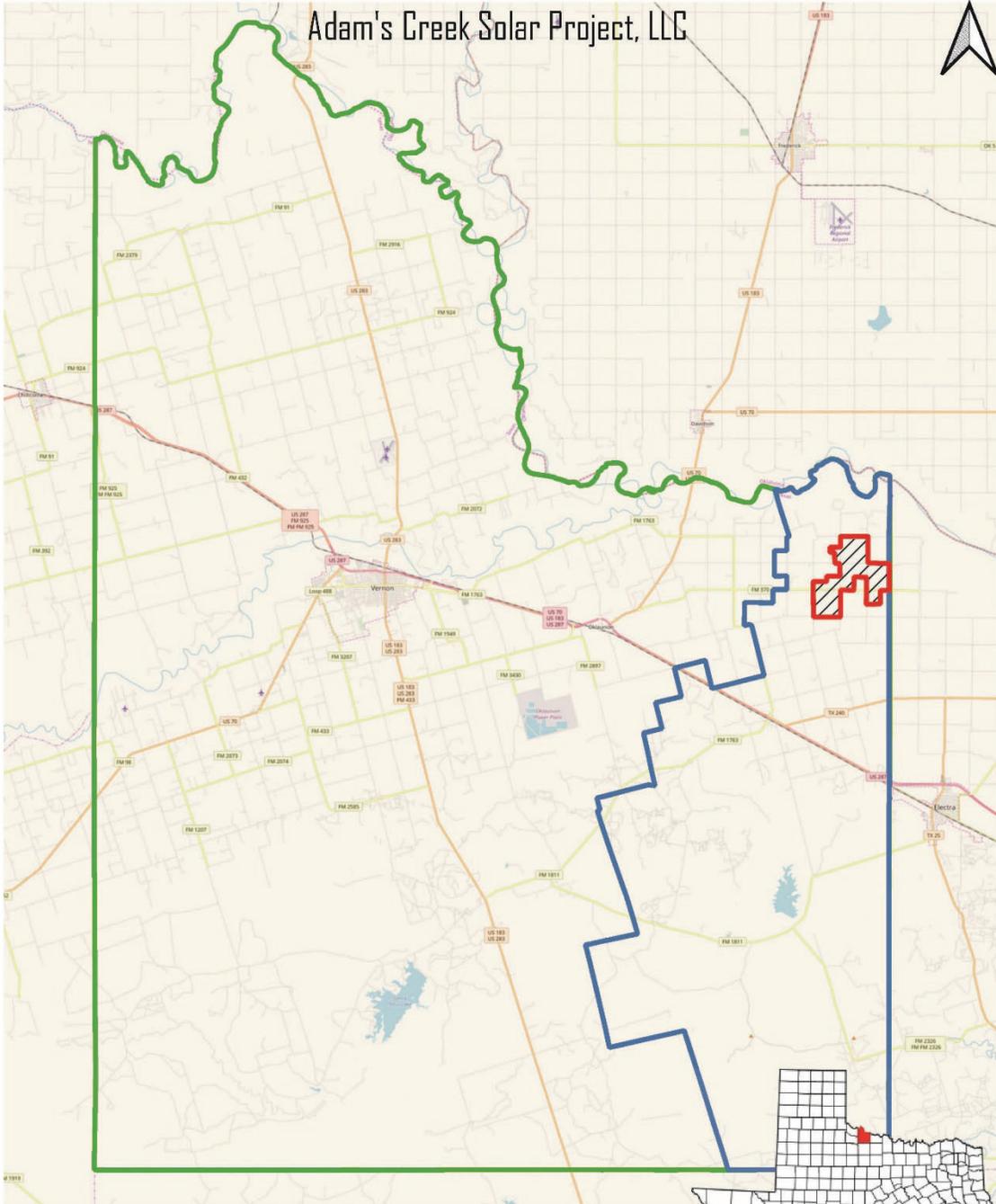
Adams Creek Solar Project, LLC requests that this application includes all eligible and auxiliary equipment including the following:

- Solar Modules & Panels
- Inverter Boxes & Battery Storage
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities

Please Note: The battery storage portion of this project will be used solely for the storage of energy generated from the Adam's Creek Solar Project.



# Adam's Creek Solar Project, LLC



0 2.5 5 mi



-  Project Boundary
-  Proposed Reinvestment Zone
-  Harrold ISD
-  Willbarger County





## EXHIBIT 4

### DESCRIPTION AND LOCATION OF QUALIFIED PROPERTY

Adams Creek Solar Project, LLC is a proposed solar electric generating facility anticipated to be established in Wilbarger County, Texas. The facility, which will encompass an approximately 2,618 acre reinvestment zone will be located in the northeastern portion of the county. Additionally, the entirety of the project will be within Harrold ISD. Please find attached in Tab 11 maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 250 MW-AC Megawatts and will feature 796,000 photovoltaic panels, and 67 central inverters.

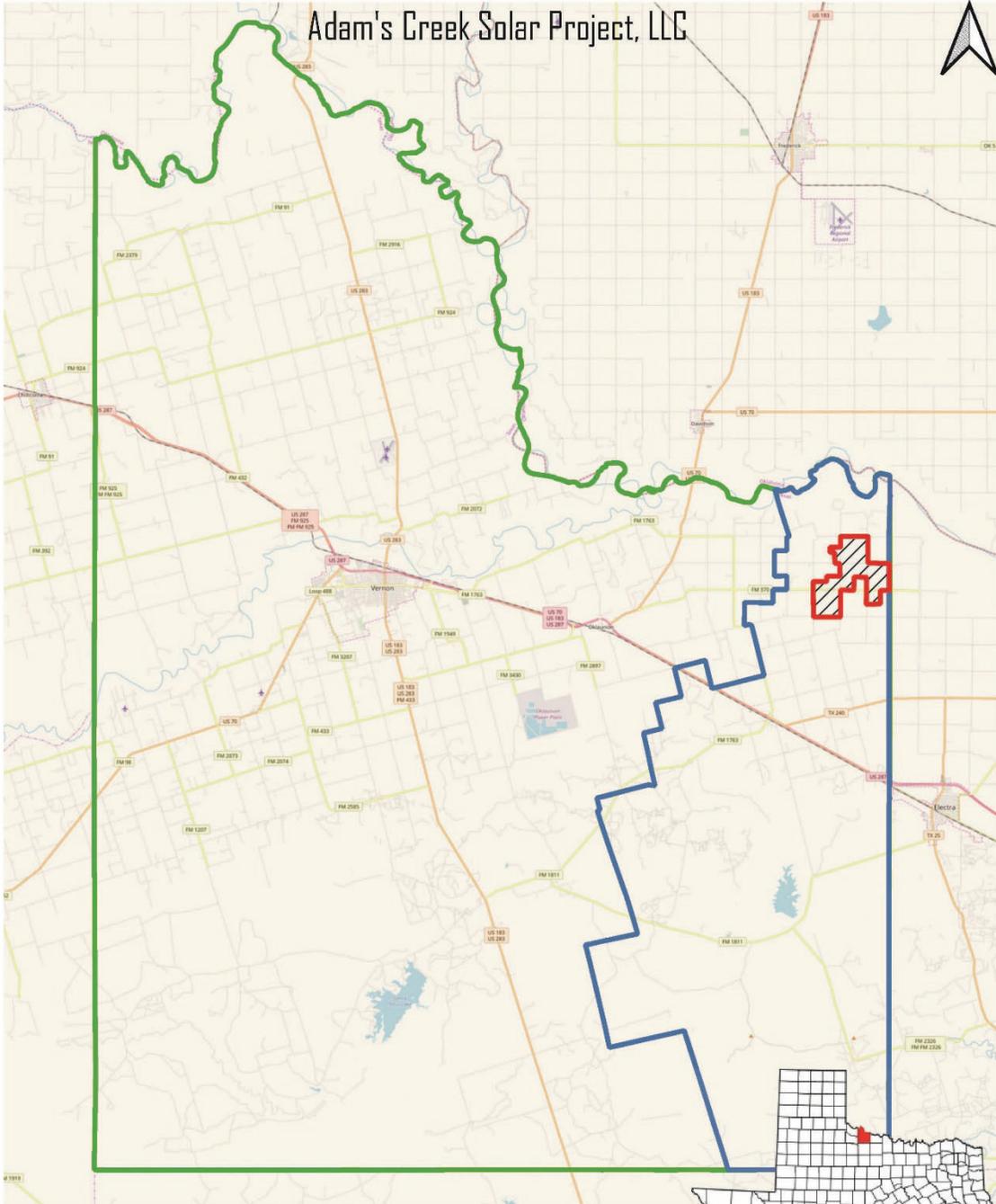
Adams Creek Solar Project, LLC requests that this application includes all eligible and auxiliary equipment including the following:

- Solar Modules & Panels
- Inverter Boxes & Battery Storage
- Meteorological Equipment
- Operation & Maintenance Building
- Electrical Substations
- Associated Towers
- Racking & Mounting Structures
- Combiner Boxes
- Foundations
- Roadways, Paving, & Fencing
- Generation Transmission Tie Line
- Interconnection Facilities

Please Note: The battery storage portion of this project will be used solely for the storage of energy generated from the Adam's Creek Solar Project.



# Adam's Creek Solar Project, LLC



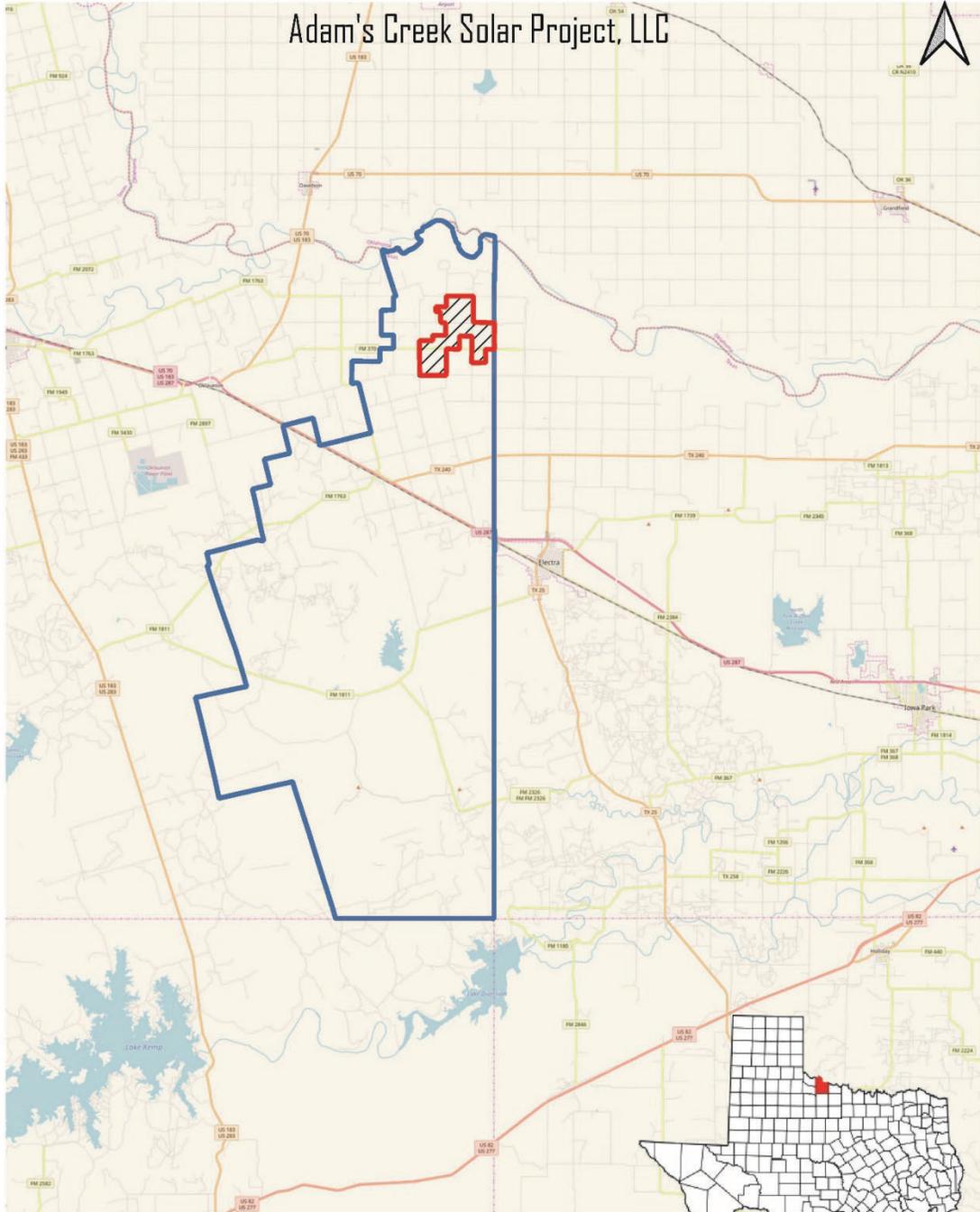
0 2.5 5 mi



-  Project Boundary
-  Proposed Reinvestment Zone
-  Harrold ISD
-  Willbarger County



# Adam's Creek Solar Project, LLC



0 2.5 5 mi

-  Project Boundary
-  Proposed Reinvestment Zone
-  Harrold ISD



# Attachment H

## Consultant Verification Letter



LYNN M. MOAK, PARTNER

DANIEL T. CASEY, PARTNER

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July 27, 2020

President and Members  
Board of Trustees  
Harrold Independent School District  
18106 Stewart Street  
Harrold, Texas 76364

*Re: Recommendations and Findings of the Firm Concerning the Application of Adams Creek Solar Project, LLC (#1466) for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes*

Dear President and Members of the Board of Trustees:

Please accept this letter as formal notification of the completion of due diligence research on behalf of the Harrold Independent School District, with respect to the pending Application of Adams Creek Solar Project, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes. Since our engagement on behalf of the District, we have been actively engaged in reviewing the pending Application and verifying its contents. Based upon our review, we have drawn the following conclusions:

1. All statements of current fact contained in the Application are true and correct.
2. The project proposed in the Application meets all applicable eligibility criteria of Chapter 313 of the Texas Tax Code.
3. The Applicant has the current means and ability to complete the proposed project.
4. All applicable school finance implications arising from the contemplated Agreement have been explored.
5. The proposed Agreement contains adequate revenue protection provisions to protect the interests of the District over the course of the Agreement.

Because of the foregoing, it is our recommendation that the Board of Trustees approve the Application of Adams Creek Solar Project, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

Sincerely,

A handwritten signature in blue ink that reads "Daniel T. Casey".

Daniel T. Casey  
Partner

[www.moakcasey.com](http://www.moakcasey.com)

Attachment I

Agreement Review Letter



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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P.O. Box 13528 • Austin, TX 78711-3528

July 7, 2020

David Thweatt  
Superintendent  
Harrold Independent School District  
18106 Steward St  
Harrold, Texas 76364

Re: Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Harrold Independent School District and Adams Creek Solar Project, LLC, Application 1466

Dear Superintendent Thweatt:

This office has been provided with the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Harrold Independent School District and Adams Creek Solar Project, LLC (Agreement). As requested, the Agreement has been reviewed pursuant to 34 TAC 9.1055(e)(1).

Based on our review, this office concludes that the Agreement complies with the provisions of Tax Code, Chapter 313 and 34 TAC Chapter 9, Subchapter F.

Should you have any questions, please contact Tabita Collazo with our office. She can be reached by email at [tabita.collazo@cpa.texas.gov](mailto:tabita.collazo@cpa.texas.gov) or by phone at 1-800-531-5441, ext. 5-5626, or at 512-475-5626.

Sincerely,

DocuSigned by:  
  
45D47260A6AB46C...

Will Counihan  
Director  
Data Analysis & Transparency Division

cc: Dan Casey, Moak, Casey & Associates  
Wade Gungoll, Savion, LLC  
Eric Clift, Savion, LLC  
Mike Fry, KE Andrews

# Attachment J

## Conflict Of Interest Disclosure

## **Conflicts of Interest Disclosure Procedure**

In its recent audits of Chapter 313 Agreements, The Texas State Auditor's Office has required documentation of inquiries concerning Board Member conflicts of interest at critical junctions in the Chapter 313 approval process. A local public official or a person related to a local public official in the first degree by either affinity or consanguinity has a substantial interest in a business entity or in real property, the local public official, before a vote or decision on any matter involving the business entity or the real property, is required to file an affidavit with an official Board record keeper stating the nature and extent of the interest and shall abstain from further participation in the matter if:

1. In the case of a substantial interest in a business entity, the action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public; or
2. In the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.
3. A person has a substantial interest in a business entity if:  
The person owns at least:
  - a. Ten percent of the voting stock or shares of the business entity, or
  - b. Either ten percent or \$15,000 of the fair market value of the business entity; or
  - c. Funds received by the person from the business entity exceed ten percent of the person's gross income for the previous year.
4. In the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.

The Board may contract with a business entity in which a Trustee has a substantial interest if the Trustee follows the disclosure and abstention procedure set out above.

Does any Board Member have a conflict of interest as defined above?

If so, has the required Affidavit, set forth at District Policy BBFA (Exhibit) been filed?

Please have the answers to the foregoing 2 questions and a copy of this Procedure included in the minutes of this meeting.