

AMENDMENT NO. 1
TO AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR
SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES
BETWEEN COVINGTON INDEPENDENT SCHOOL DISTRICT AND MIDPOINT
SOLAR, LLC
(Comptroller Application No. 1879)

This **AMENDMENT NO. 1 TO THE AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES** (this “Amendment No. 1”) is entered into by and between **COVINGTON INDEPENDENT SCHOOL DISTRICT** (the “**District**”), a lawfully created independent school district of the State of Texas operating under and subject to the Texas Education Code, and **MIDPOINT SOLAR, LLC**, Texas Taxpayer Identification Number 32076468423 (“**Applicant**”). The Applicant and the District may hereafter be referred to together as the “**Parties**” and individually as a “**Party**.” Undefined capitalized terms herein shall have the meaning given to them in the Agreement (as defined below).

WHEREAS, on or about December 15, 2022, pursuant to Chapter 313 of the Texas Tax Code, after conducting a public hearing on the matter, the District made factual findings (the “**Findings of Fact**”), and passed, approved, and executed that certain Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes dated December 15, 2022, by and between the District and Applicant (the “**Agreement**”);

WHEREAS, on July 30, 2024, pursuant to Section 10.2 of the Agreement, the Applicant submitted Amendment No. 1 and requested to modify the Projected Timeline;

WHEREAS, the Parties notified the Texas Comptroller of Public Accounts (the “**Comptroller**”) of the request for this Amendment No. 1, and the Comptroller issued its notice and approved the form of this Amendment No. 1 on September 20, 2024; and

WHEREAS, on November 11, 2024 the Board of Trustees determined that this Amendment No. 1 is in the best interest of the District and the State of Texas and is consistent with and authorized by Chapter 313 of the Texas Tax Code, and hereby approves this Amendment No. 1 and authorizes 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 has authorized the Board Vice President, to execute and deliver such Agreement to the Applicant.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual benefits to be derived by the Parties and other good and valuable considerations, the receipt and adequacy of which are hereby acknowledged, and in compliance with Section 10.2 of the Agreement, the undersigned Parties agree to amend the Agreement.

Article I Definitions is amended as follows:

“Applicant” means Midpoint Solar, LLC, (Texas Taxpayer Identification Number 32076468423), 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.

Section 2.3.C-E is amended as follows:

Section 2.3. TERM OF THE AGREEMENT.

- A. The Application Review Start Date for this Agreement is August 19, 2022, 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 December 15, 2022.
- C. The Qualifying Time Period for this Agreement:
 - i. Starts on January 2, 2025, a date not later than January 1 of the fourth Tax Year following the Application Approval Date for deferrals, as authorized by §313.027(h) of the TEXAS TAX CODE; and
 - ii. Ends on December 31, 2027, 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, 2026, first complete Tax Year that begins after the date of the commencement of Commercial Operation; and
 - ii. Ends on December 31, 2035.
- E. The Final Termination Date for this Agreement is December 31, 2040.
- 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 6.3 is amended as follows:

Section 6.3. CALCULATION OF ANNUAL SUPPLEMENTAL PAYMENTS TO THE DISTRICT.

For each Tax Year beginning with the period starting the first full or partial year of the Qualifying Time Period (2026) and ending December 31 of the third year following the end of the Tax Limitation Period (2038), Supplemental payments shall be owed. Supplemental Payments shall be owed. The amount of each Supplemental Payment shall be equal to the limitation amount calculated in accordance with Section 6.2 above, except that for all Tax Years during the Tax Limitation Period, the Supplemental Payment amount shall be subject to the Aggregate Limit as provided in the following paragraph.

If, for any Tax Year during the Tax Limitation Period of this Agreement the Cumulative Payments calculated under Sections IV, V and VI of this Agreement, exceed the Aggregate Limit for such Tax Year, the Applicant’s Supplemental Payment amount for each Tax Year shall be reduced by the difference between the Cumulative Payments and the Aggregate Limit for such Tax Year, with such difference being carried forward from year-to-

year until paid to the District. The Aggregate Limit shall not apply nor limit Supplemental Payment amounts due to the District during the Qualifying Time Period.

Section 10.1 is amended as follows:

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:

To the District

Name: Covington Independent School
Attn: Superintendent Dr. Christopher Heskett
or his successor
Address: 501 North Main Street
City/Zip: Covington, Texas 76636-0067
Phone: (254) 854-2215
Fax: (254) 854-2272
Email: chris.heskett@covingtonisd.org

With Copy to

Leon | Alcala, PLLC
Sara Hardner Leon
1114 Lost Creek #420
Austin, Texas 78746
(512) 637-4244
(512) 637-4245
saraleongroup@leoncalaca.com

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

To the Applicant

Name: Midpoint Solar, LLC
Attn: Erick Bauman
Authorized Signatory
Address: 901 Woodland Street
City/Zip: Nashville, TN 37206
Phone: (917) 690-7071
Email: ebauman@sunraycer.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.

C. 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.

Effect. Except as modified and amended by the terms of this Amendment No. 1, all of the terms, conditions, provisions and covenants of the Findings of Fact and Agreement are ratified and shall remain in full force and effect, and the Agreement and this Amendment No. 1 shall be deemed to constitute a single instrument or document and the Findings of Fact and this Amendment No. 1 shall be deemed to constitute a single instrument or document. Should there be any inconsistency between the terms of this Amendment No. 1 and the Agreement or this Amendment No. 1 and the Findings of Fact; the terms of this Amendment No. 1 shall prevail. A copy of this Amendment No. 1 shall be delivered to the Texas Comptroller to be posted to the Texas Comptroller's internet website. A copy of this Amendment No. 1 shall be recorded with the official Minutes of the meeting at which it has been approved on December 15, 2022.

Binding on Successors and Assigns. The Agreement, as amended by this Amendment No. 1, shall be binding upon and inure to the benefit of the Parties and each other person and entity having any interest therein during their ownership thereof, and their respective successors and assigns.

Counterparts. This Amendment No. 1 may be executed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same document.

IN WITNESS WHEREOF, the District and Applicant have caused this Amendment No. 1 to be executed and delivered by their duly authorized representatives on this 11th day of November, 2024.

MIDPOINT SOLAR, LLC

By: David Lillefloren
AUTHORIZED SIGNER

COVINGTON INDEPENDENT SCHOOL DISTRICT

By: Freedom B. Jay
PRESIDENT, BOARD OF TRUSTEES

ATTEST:

By: Georgia Whittington
SECRETARY, BOARD OF TRUSTEES

OR IN THE EVENT OF A CONFLICT OF INTEREST

By: _____
VICE PRESIDENT, BOARD OF TRUSTEES