



WALSH GALLEGOS  
TREVIÑO KYLE & ROBINSON P.C.

August 22, 2022

Mr. Nicholas Valles  
Economic Development & Local Government  
Data Analysis & Transparency Division  
Texas Comptroller of Public Accounts  
111 East 17<sup>th</sup> Street  
Austin, Texas 78774

**VIA EMAIL DELIVERY:**  
*Nicholas.Valles@cpa.texas.gov*

Re: Application #1911—Hardin-Jefferson Independent School District ("District") /  
Tax Limitation Agreement: Recurrent Energy Development Holdings, LLC  
("Applicant")

Dear Mr. Valles:

Pursuant to your email correspondence dated August 8, 2022, please see attached amendment related to the above-mentioned application materials submitted to your office on May 19, 2022. In particular, please note the following amendments to Application #1911:

1. Section 14 – wages for questions 4(a), 4(b), 4(c), Q6 and Q7 have been updated;
2. Tab 13 has been updated;
3. Tab 14 – Schedule C has been updated; and
4. Fully executed signature page.

Thank you for your consideration. Please feel free to contact me directly if you have any additional questions.

Sincerely,

EDDY HERNANDEZ PEREZ

EHP/arm  
Enclosures

Mr. Nicholas Valles  
August 22, 2022  
Page 2

cc: *(Via E-mail)*  
Mr. Brad McEachern, Superintendent of Schools  
Hardin-Jefferson Independent School District  
520 W. Herring  
Sour Lake, Texas 77659

*(Via E-mail)*  
Mr. Chris Grammer  
Culwell Consulting, LLC

*(Via E-mail)*  
Spivey Paup, Vice President  
Recurrent Energy Development Holdings, LLC  
98 San Jacinto Blvd., Suite 750  
Austin, Texas 78701

*(Via E-mail)*  
Michael Dennison  
Director, Central Region Development  
Recurrent Energy Development Holdings, LLC  
98 San Jacinto Blvd., Suite 750  
Austin, Texas 78701

*(Via E-mail)*  
Michael Lateur, Managing Director, Specialty Tax  
Kroll, LLC

Jefferson County Appraisal District  
4610 S. 4th Street  
Beaumont, Texas 77705

*(Via U.S. Postal Service Delivery)*



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Economic Development & Local Government  
Data Analysis & Transparency Division  
Texas Comptroller of Public Accounts  
111 East 17<sup>th</sup> Street, Room 427  
Austin, Texas 78774  
Attention: Mr. Nicholas Valles

August 18, 2022

Re: Amended Application to Hardin-Jefferson Independent School District from *RECURRENT ENERGY DEVELOPMENT HOLDINGS, LLC*

Dear Mr. Valles:

On behalf of our client, *RECURRENT ENERGY DEVELOPMENT HOLDINGS, LLC* we would like to submit the following amendments to their Chapter 313 application (#1911) with Hardin-Jefferson Independent School District:

- Tab 1:
  - Section 14, Q4.A – Wages updated from \$1,140.25 to \$1,148.50
  - Section 14, Q4.B – Wages updated from \$2,342.73 to \$2,364.45
  - Section 14, Q4.C – Wages updated from \$1,204.72 to \$969.35
  - Section 14, Q6 & 7 – Wages updated from \$62,645.44 to \$50,406.40
- Tab 13:
  - Calculation of Wage Requirements updated to include Four Most Recent Quarters
  - Avg. Weekly Wage for Manufacturing Jobs in Jefferson County Ownership updated from “Total All” to “Private”
  - Council of Regional Governments –South East Texas Regional Planning Commission 110% of average weekly wages updated from \$1,204.72 to \$969.35
- Tab 14:
  - Schedule C, Column E, wage commitments for new qualifying jobs changed from \$62,645.44 to \$50,406.40
- Tab 17:
  - Updated signature page

If you have any questions, please don't hesitate to reach me at (512) 671-5512.

Sincerely,

*Doug Heinz*

Doug Heinz  
Manager, Site Selection & Incentives Advisory

## Texas Comptroller of Public Accounts

Data Analysis and  
Transparency  
Form 50-296-A

## SECTION 14: Wage and Employment Information

1. What is the number of new qualifying jobs you are committing to create? .....
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14)) .....
3. 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
  - 3a. If yes, attach evidence of industry standard 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.
4. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the Texas Workforce Commission 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 available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22). **Note:** If a more recent quarter of information becomes available before the application is deemed complete, updated wage information will be required.
  - a. Non-qualified job wages
    - average weekly wage for all jobs (all industries) in the county is .....
  - b. Qualifying job wage minimum option §313.021(5)(A)
    - 110% of the average weekly wage for manufacturing jobs in the county is .....
  - c. Qualifying job wage minimum option §313.021(5)(B)
    - 110% of the average weekly wage for manufacturing jobs in the region is .....
5. 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)
6. What is the minimum required annual wage for each qualifying job based on the qualified property? .....
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? .....
8. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ..... ☐ Yes ☐ No
9. 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
  - 9a. If yes, attach in **Tab 13** supporting documentation from the TWC, pursuant to §313.021(3)(F).
10. 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
  - 10a. 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, and C 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 an entity other than the Comptroller's office, in **Tab 15**. (*not required*)
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

Tab 13

Calculation of Wage Requirements

Average Weekly Wages for All jobs, All Industries in Jefferson County (Four Most Recent Quarters)

County	Year	Quarter	Ownership	Avg. Weekly Wage
Jefferson County	2021	1	Total All	\$ 1,131
Jefferson County	2021	2	Total All	\$ 1,111
Jefferson County	2021	3	Total All	\$ 1,132
Jefferson County	2021	4	Total All	\$ 1,220
Sum Last 4 Quarters				\$ 4,594.00
<b>Average Weekly Wage</b>				<b>\$ 1,148.50</b>

Average Weekly Wages for Manufacturing Jobs in Jefferson County (Four Most Recent Quarters)

County	Year	Quarter	Ownership	Avg. Weekly Wage
Jefferson County	2021	1	Private	\$ 2,389
Jefferson County	2021	2	Private	\$ 2,046
Jefferson County	2021	3	Private	\$ 2,054
Jefferson County	2021	4	Private	\$ 2,109
Sum Last 4 Quarters				\$ 8,598.00
Average Weekly Wage				\$ 2,149.50
<b>110 % Average Weekly Wage</b>				<b>\$ 2,364.45</b>

Average Weekly Wages for Manufacturing Jobs in Council of Government Region (Most Recent Year)

COG Region	Year	Hourly	Annual	Avg. Weekly Wage
South East Texas Regional Planning Commission	2021	\$ 22.03	\$ 45,824	\$ 881.23
<b>110 % Average Weekly Wage</b>				<b>\$ 969.35</b>

\* Backup documentation is provided in the following pages

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2021	01	Jefferson	Total All	Total, All Industries	1,131
2021	02	Jefferson	Total All	Total, All Industries	1,111
2021	03	Jefferson	Total All	Total, All Industries	1,132
2021	04	Jefferson	Total All	Total, All Industries	1,220

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2021	01	Jefferson	Private	Manufacturing	2,389
2021	02	Jefferson	Private	Manufacturing	2,046
2021	03	Jefferson	Private	Manufacturing	2,054
2021	04	Jefferson	Private	Manufacturing	2,109

**2021 Manufacturing Average Wages by Council of Government Region  
Wages for All Occupations**

COG	COG Number	Wages	
		Hourly	Annual
<a href="#"><u>Panhandle Regional Planning Commission</u></a>	1	\$24.32	\$50,587
<a href="#"><u>South Plains Association of Governments</u></a>	2	\$22.03	\$45,816
<a href="#"><u>NORTEX Regional Planning Commission</u></a>	3	\$20.95	\$43,566
<a href="#"><u>North Central Texas Council of Governments</u></a>	4	\$34.32	\$71,384
<a href="#"><u>Ark-Tex Council of Governments</u></a>	5	\$21.58	\$44,877
<a href="#"><u>East Texas Council of Governments</u></a>	6	\$32.27	\$67,113
<a href="#"><u>West Central Texas Council of Governments</u></a>	7	\$20.59	\$42,826
<a href="#"><u>Rio Grande Council of Governments</u></a>	8	\$22.10	\$45,974
<a href="#"><u>Permian Basin Regional Planning Commission</u></a>	9	\$23.37	\$48,620
<a href="#"><u>Concho Valley Council of Governments</u></a>	10	\$29.52	\$61,399
<a href="#"><u>Heart of Texas Council of Governments</u></a>	11	\$24.29	\$50,533
<a href="#"><u>Capital Area Council of Governments</u></a>	12	\$31.10	\$64,698
<a href="#"><u>Brazos Valley Council of Governments</u></a>	13	\$20.21	\$42,038
<a href="#"><u>Deep East Texas Council of Governments</u></a>	14	\$18.22	\$37,906
<a href="#"><u>South East Texas Regional Planning Commission</u></a>	15	\$22.03	\$45,824
<a href="#"><u>Houston-Galveston Area Council</u></a>	16	\$29.40	\$61,144
<a href="#"><u>Golden Crescent Regional Planning Commission</u></a>	17	\$24.06	\$50,039
<a href="#"><u>Alamo Area Council of Governments</u></a>	18	\$27.82	\$57,874
<a href="#"><u>South Texas Development Council</u></a>	19	\$20.68	\$43,021
<a href="#"><u>Coastal Bend Council of Governments</u></a>	20	\$34.62	\$72,003
<a href="#"><u>Lower Rio Grande Valley Development Council</u></a>	21	\$21.88	\$45,517
<a href="#"><u>Texoma Council of Governments</u></a>	22	\$18.21	\$37,880
<a href="#"><u>Central Texas Council of Governments</u></a>	23	\$22.73	\$47,288
<a href="#"><u>Middle Rio Grande Development Council</u></a>	24	\$22.44	\$46,673
<b>Texas</b>		\$28.48	\$59,228

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

Data published: July 2022.

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 and Wage Statistics (OEWS) data, and is not to be compared to BLS estimates.

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



Date

5/16/2022

Schedule C: Employment Information

Applicant Name

Recurrent Energy Development Holdings, LLC

Form 50-296A

ISD Name

Hardin-Jefferson ISD

Revised October 2020

				Construction	Non-Qualifying Jobs	Qualifying Jobs		
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	--	2022-2023	2022	-	-	-	-	-
	Deferral	2023-2024	2023	-	-	-	-	-
	Deferral	2024-2025	2024	-	\$ -	-	-	-
	Deferral	2025-2026	2025	-	\$ -	-	-	-
	QTP1	2026-2027	2026	175	\$ 60,000	-	-	-
	QTP2	2027-2028	2027	75	\$ 60,000	-	-	-
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2028-2029	2028	-	-	-	1 \$	50,406.40
	2	2029-2030	2029	-	-	-	1 \$	50,406.40
	3	2030-2031	2030	-	-	-	1 \$	50,406.40
	4	2031-2032	2031	-	-	-	1 \$	50,406.40
	5	2032-2033	2032	-	-	-	1 \$	50,406.40
	6	2033-2034	2033	-	-	-	1 \$	50,406.40
	7	2034-2035	2034	-	-	-	1 \$	50,406.40
	8	2035-2036	2035	-	-	-	1 \$	50,406.40
	9	2036-2037	2036	-	-	-	1 \$	50,406.40
	10	2037-2038	2037	-	-	-	1 \$	50,406.40
Years Following Limitation Period	Value 11 through 25	2038-2053	2038-2052	-	-	-	1 \$	50,406.40

Notes: See TAC 9.1051 for definition of non-qualifying jobs.  
Only include jobs on the project site in this school district.

## Texas Comptroller of Public Accounts

Data Analysis and  
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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

Brad McEachern

Print Name (Authorized School District Representative)

Superintendent

Title

sign  
here

Signature (Authorized School District Representative)

8-22-22

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

Spivey Paup

Print Name (Authorized Company Representative (Applicant))

Vice President

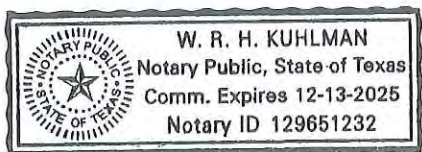
Title

sign  
here

Signature (Authorized Company Representative (Applicant))

August 18<sup>th</sup>, 2022

Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

18<sup>th</sup> day of August, 2022

Notary Public in and for the State of Texas

My Commission expires: 12-13-2025

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.