



**WALSH GALLEGOS**  
TREVIÑO KYLE & ROBINSON P.C.

May 25, 2022

Mr. John Villarreal  
Chapter 313 Manager  
Local Government Assistance and  
Economic Development Division  
Texas Comptroller of Public Accounts  
111 E. 17<sup>th</sup> Street  
Austin, Texas 78774

**VIA E-MAIL DELIVERY:**  
*John.Villarreal@cpa.texas.gov*  
*Ch313.apps@cpa.texas.gov*

Re: Riviera Independent School District ("District") / Tax Limitation Agreement:  
1PointFive, Inc. Build #2 of 7 ("Applicant")

Dear Mr. Villarreal:

Pursuant to Tax Code §313.025(b) and 34 TAC Rules §9.1053(a)(2) and 9.1054(c), attached is one (1) copy of the Application for Appraised Value Limitation on Qualified Property ("Application"), including schedules in Excel format, submitted to the Riviera Independent District by 1PointFive, Inc. Build #2 of 7 for public posting.

The Application was received on May 24, 2022. The Board of Trustees of the District elected to consider the application on May 24, 2022. The District determined the Application was complete on May 24, 2022.

The District requests that the Comptroller provide an economic impact evaluation. By copy of this letter, we are notifying the Applicant that the District has submitted the Application to the Comptroller and to the Kleberg County Appraisal District.

Please call if you have any questions.

Sincerely,

EDDY HERNANDEZ PEREZ

EHP/arm  
Enclosures

May 25, 2022

Page 2 of 2

cc: *(Via E-mail)*

Ms. Patricia Thornton, Superintendent of Schools  
Riviera Independent School District  
203 Seahawk Drive  
Riviera, Texas 78379

*(Via E-mail)*

Ms. Kathy Mathias  
Moak, Casey & Associates  
901 S. MoPac Expressway, Bldg. III, Suite 310  
Austin, Texas 78746

*(Via E-mail)*

Mr. Michael Avery, President  
1PointFive, Inc.  
5 Greenway Plaza, Suite 110  
Houston, Texas 77046

*(Via E-mail)*

Ms. Christina Tsuei, Strategy & Sustainability Manager  
1PointFive, Inc.  
5 Greenway Plaza, Suite 110  
Houston, Texas 77046

*(Via E-mail)*

Mr. Michael Lateur, Managing Director, Specialty Tax  
Kroll, LLC

Kleberg County Appraisal District  
502 E. Kleberg Avenue  
P.O. Box 1027  
Kingsville, Texas 78364-1027

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

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Patricia Thornton  
Superintendent  
Riviera ISD  
203 Seahawk Drive  
Riviera, Tx 78379

Re: Chapter 313 Application for Appraised Value Limitation on Qualified Property for  
*1PointFive, Inc.*

Dear Superintendent Thornton:

On behalf of our client, *1PointFive, Inc.* we are pleased to submit for your consideration the enclosed Form 50-296-A application for their proposed project located in Riviera Independent School District.

Pursuant to our evaluation of Texas and the target site in Kleberg County for the proposed project, we respectfully request your support of our completed application, as well as your subsequent submittal of the application to the Texas Comptroller's Office for its formal review and certification.

We look forward to working with you and the Comptroller toward a final investment decision for this project. If you have any questions, please don't hesitate to reach me at (512) 671-5575.

Sincerely,

Michael Lateur  
Managing Director  
Property Tax | SSIA



**Tab 1**

**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 Texas 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 completed application to the Comptroller, separating each section of the documents. 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, and has determined that all assertions of confidentiality are appropriate, the Comptroller will publish all submitted non-confidential 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's 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 and issue a certificate for a limitation on appraised value to the school board regarding the application 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 by the Comptroller), 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

May 24, 2022

Date Application Received by District

Patricia

First Name

Superintendent

Title

Riviera ISD

School District Name

203 Seahawk Drive

Street Address

203 Seahawk Drive

Mailing Address

Riviera

City

(361) 296-3101

Phone Number

N/A

Mobile Number (optional)

Thornton

Last Name

Texas

State

N/A

Fax Number

pthornton@rivieraisd.us

Email Address

78379

ZIP

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)*

Eddy	Perez
First Name	Last Name
Associate	
Title	
Walsh Gallegos	
Firm Name	
(210) 979-6633	(210) 979-7024
Phone Number	Fax Number
N/A	eperez@wabsa.com
Mobile Number <i>(optional)</i>	Email Address

4. On what date did the district determine this application complete? ..... May 24, 2022

## SECTION 2: Applicant Information

1. Authorized Company Representative *(Applicant)*

Michael	Avery	
First Name	Last Name	
President	1PointFive, Inc.	
Title	Organization	
5 Greenway Plaza, Suite 110		
Street Address		
5 Greenway Plaza, Suite 110		
Mailing Address		
Houston	TX	77046
City	State	ZIP
(713) 366-5022	N/A	
Phone Number	Fax Number	
N/A	Michael_Avery@oxy.com	
Mobile Number <i>(optional)</i>	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.

Christina	Tsuei	
First Name	Last Name	
Strategy & Sustainability Manager	1PointFive, Inc.	
Title	Organization	
5 Greenway Plaza, Suite 110		
Street Address		
5 Greenway Plaza, Suite 110		
Mailing Address		
Houston	TX	77046
City	State	ZIP
(713) 840-3063	N/A	
Phone Number	Fax Number	
N/A	christina_tsuei@oxy.com	
Mobile Number <i>(optional)</i>	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*)

Michael

First Name

Lateur

Last Name

Managing Director

Title

Kroll, LLC

Firm Name

(512) 671-5575

Phone Number

N/A

Fax Number

michael.lateur@kroll.com

Business Email Address

## 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 the same time the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

- 1a. If yes, include all transaction information below. Include proof of application fee paid to the school district in **Tab 2**. Any confidential banking information provided will not be publicly posted.

\$ 75,000.00

Payment Amount

Kroll, LLC

Payor

May 24, 2022

Date transaction was processed

Wire Transfer

Transaction Type

Riviera Independent School District

Payee

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? 1PointFive, Inc.
2. Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter (17 digits) 32081541826
3. Parent Company Name Occidental Petroleum
4. Parent Company Tax ID 32048312808
5. NAICS code 325120
6. Is the applicant a party to any other pending or active Chapter 313 agreements? ☐ Yes ☒ No
- 6a. If yes, please list application number, name of school district and year of agreement

## SECTION 5: Applicant Business Structure

1. Business Organization of Applicant (*corporation, limited liability corporation, etc*) Corporation
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 the most recently submitted 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.

SECTION 5: Applicant Business Structure *(continued)*

2b. Texas Franchise Tax Reporting Entity Taxpayer Name

1PointFive, Inc.

2c. Reporting Entity Taxpayer Number

32081541826

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

## 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

\*Note: Applicants requesting eligibility under this category should note that there are additional application and reporting data submission requirements.

## 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. If the project is an amendment or a reapplication please specify and provide details regarding the original project.
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

**NOTE:** Only construction beginning after the application review start date (the date the Texas Comptroller of Public Accounts deems the application complete) can be considered qualified property and/or qualified investment.

1. Estimated school board ratification of final agreement Q4 2022
2. Estimated commencement of construction Q1 2025
3. Beginning of qualifying time period (MM/DD/YYYY) 01/01/2026
4. First year of limitation (YYYY) 2028
  - 4a. For the beginning of the limitation period, notate which **one of the following** will apply according to provision of 313.027(a-1)(2):
 

☐ A. January 1 following the application date

☐ B. January 1 following the end of QTP

☒ C. January 1 following the commencement of commercial operations
5. Commencement of commercial operations Q2 2027

## SECTION 10: The Property

1. County or counties in which the proposed project will be located Kleberg County
2. Central Appraisal District (CAD) that will be responsible for appraising the property Kleberg 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:
 

M&O (ISD): <u>Riviera ISD, 1.0834, 100%</u> <small>(Name, tax rate and percent of project)</small>	I&S (ISD): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
County: <u>Kleberg County, 0.77187, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>Kenedy County Groundwater Dist. 0.0128, 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>N/A</u> <small>(Name, tax rate and percent of project)</small>

SECTION 10: The Property *(continued)*

5. List all state and local incentives as an annual percentage. Include the estimated start and end year of the incentive:

County: Pending  
*(Incentive type, percentage, start and end year)*City: N/A  
*(Incentive type, percentage, start and end year)*Hospital District: N/A  
*(Incentive type, percentage, start and end year)*Water District: N/A  
*(Incentive type, percentage, start and end year)*Other (describe): N/A  
*(Incentive type, percentage, start and end year)*Other (describe): N/A  
*(Incentive type, percentage, start and end year)*

6. Is the project located entirely within the ISD listed in Section 1? .....
- ☒
- Yes
- ☐
- No

6a. If no, attach in **Tab 6** maps of the entire project (depicting all other relevant school districts) and additional information on the project scope and size. Please note that only the qualified property within the ISD listed in Section 1 is eligible for the limitation from this application. Please verify that all information in **Tabs 7 and 8**, Section 11, 12 and 13, and map project boundaries pertain to only the property within the ISD listed in Section 1.

7. 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

7a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

## SECTION 11: Texas Tax Code 313.021(1) Qualified 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? .....
- \$ 5,000,000.00

2. What is the amount of appraised value limitation for which you are applying? .....
- \$ 15,000,000.00

**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 specific and detailed description of the qualified investment you propose to make within the project boundary for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
- 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
- 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: Texas Tax Code 313.021(2) Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] The description must include:

- 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**);
- 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**);
- a map or site plan of the proposed qualified property showing the location of the new buildings or new improvements inside the project area boundaries within a vicinity map that includes school district, county and reinvestment zone boundaries (**Tab 11**); and
- Will any of the proposed qualified property be used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area? ..... ☐ Yes ☒ No

**Note:** Property used to renovate, refurbish, upgrade, maintain, modify, improve, or functionally replace existing buildings or existing improvements inside or outside the project area cannot be considered qualified property and will not be eligible for a limitation. See TAC §9.1051(16).

SECTION 12: Texas Tax Code 313.021(2) Qualified Property (*continued*)

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:
- legal description of the land (**Tab 9**);
  - 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**);
  - owner (**Tab 9**);
  - the current taxable value of the land, attach estimate if land is part of larger parcel (**Tab 9**); and
  - 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:
- evidence that the area qualifies as an enterprise zone as defined by the Governor's Office (**Tab 16**);
  - legal description of reinvestment zone (**Tab 16**);
  - order, resolution or ordinance establishing the reinvestment zone (**Tab 16**);
  - guidelines and criteria for creating the zone (**Tab 16**); and
  - 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? Q3 2022

## 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 within the project boundary**. 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 within the project boundary 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 (statement 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 within the project boundary in response to statements 1 and 2 of this section, provide the following supporting information in **Tab 10**:
- maps and/or detailed site plan;
  - surveys;
  - appraisal district values and parcel numbers;
  - inventory lists;
  - existing and proposed property lists;
  - model and serial numbers of existing property; or
  - other information of sufficient detail and description.
4. Total estimated market value of existing property within the project boundary (that property described in response to statement 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 statement 2): ..... \$ 0.00

**Note:** Investment for the property listed in statement 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 number of new qualifying jobs you are committing to create? ..... 10
2. What is the number of new non-qualifying jobs you are estimating you will create? (See TAC 9.1051(14)) ..... 0
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 ..... \$ 846.75
- b. Qualifying job wage minimum option §313.021(5)(A)  
-110% of the average weekly wage for manufacturing jobs in the county is ..... \$ 1,379.68
- c. Qualifying job wage minimum option §313.021(5)(B)  
-110% of the average weekly wage for manufacturing jobs in the region is ..... \$ 1,556.99
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? ..... \$ 71,743.36
7. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? ..... \$ 71,743.36
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**.

## APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

ATTACHMENT	
1	Sections 1-16
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> <li>a) Project boundary and project vicinity, including county and school district boundaries</li> <li>b) Qualified investment including 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</li> <li>c) Qualified property including location of new buildings or new improvements</li> <li>d) Any existing property within the project area</li> <li>e) Any facilities owned or operated by the applicant having interconnections to the proposed project</li> <li>f) Location of project, and related nearby projects within vicinity map</li> <li>g) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size</li> </ul> <p><b>Note:</b> Maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of non-qualifying wage target and two possible qualifying job wage requirements with TWC documentation
14	Schedules A1, A2, B, and C completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> <li>a) evidence that the area qualifies as an enterprise zone as defined by the Governor's Office</li> <li>b) legal description of reinvestment zone</li> <li>c) order, resolution or ordinance establishing the reinvestment zone</li> <li>d) guidelines and criteria for creating the zone</li> </ul>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

**Tab 2**

**Proof of Application Filing Fee Payment**

Please see attached.



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 under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation (*if applicable*)**

Not Applicable

**Tab 4****Detailed Description of the Project**

1PointFive, Inc. (1PointFive), a direct subsidiary of Oxy Low Carbon Ventures, LLC (OLCV), was formed to finance and deploy large-scale Direct Air Capture (DAC) technology licensed from Carbon Engineering Ltd., a climate solutions company focused on the global deployment of large-scale DAC technology that captures carbon dioxide (CO<sub>2</sub>) out of the atmosphere. The CO<sub>2</sub> captured from ambient air (atmosphere) and processed by DAC into a stream of industrial-grade gas can be used for a variety of commercial or industrial purposes. It can be permanently stored in deep underground formations and monetized through various credits and offset programs or sold as a feedstock to be used to produce low-carbon products (e.g., sustainable aviation fuels, ethylene, plastics, etc.).

1PointFive would further OLCV's commitment to reducing the amount of CO<sub>2</sub> in the atmosphere by advancing and accelerating Carbon Capture, Utilization & Storage (CCUS) technologies and projects around the world. The significance of the name 1PointFive is its mission to achieve climate stabilization and limit global warming to 1.5°C (of which DAC technology is a critical component). OLCV and Occidental Petroleum Corporation (Oxy), a leading producer of traditional energy resources and the ultimate parent company of 1PointFive, would be providing significant financial, operational, and engineering resources to 1PointFive, as well as providing significant input and guidance into the site selection and incentive evaluation process for Project Revolution, 1PointFive's proposed plan to invest in up to thirty (30) uniquely-sited DAC units at one or more locations across the world. Kleberg County is one of the target sites for the proposed investment under Project Revolution.

1PointFive is considering the development of Project Revolution to capture and process industrial-grade CO<sub>2</sub> for use in injection or sequestration. The DAC facilities can be built anywhere in the world where surface land or subterranean geologic formations are suitable for carbon sequestration and there is access to emissions-free electricity, natural gas, and water utilities needed for operations.

The proposed investment in Project Revolution would be the construction of up to seven (7) DAC Builds, with each Build containing multiple DAC plants (with the exception of the first proposed Build). Each DAC Build within Project Revolution would be the subject of its own application, submitted as a part of a series of applications related to the same project. Should all seven DAC Builds be constructed, they would be capable of capturing and permanently sequestering approximately 30 million tonnes of atmospheric CO<sub>2</sub> per annum (Mtpa). This application pertains to the second of these seven proposed Builds (i.e. "Build 2") and the proposed Build 2 project which would consist of four (4) DAC units capable of capturing and permanently sequestering approximately 4 Mtpa of atmospheric CO<sub>2</sub>.

Project Revolution combines the operational expertise of Oxy and OLCV, and the innovative technology of Carbon Engineering, to allow for the capture and permanent removal of CO<sub>2</sub> directly from the atmosphere in utility-scale sequestration operations. The industrial-grade CO<sub>2</sub> volumes manufactured by the DAC facilities could be permanently sequestered in underground geologic formations in Kleberg County. Carbon Engineering's proprietary DAC technology is specifically designed to be deployed at a much larger scale than other DAC designs currently operating and demonstrates a significant advantage over less cost-competitive DAC technology developers and facilities. Carbon capture and processing at the proposed location in Kleberg County would be sequestered as part of Project Revolution.

The proven DAC technology used by Project Revolution would manufacture a continuous stream of industrial-grade CO<sub>2</sub> through the process of heating, treating, and compressing atmospheric air using low carbon intensity, emissions-free electricity, natural gas, and water as system inputs. Using large fans to draw in ambient air, the system would use two principal chemical loops and industrial processing units to extract and purify the CO<sub>2</sub> component of the ambient air input. The DAC system's two chemical loops are a CO<sub>2</sub> capture loop and a solids CO<sub>2</sub> purification loop. The closed loop design effectively diminishes the need for material removal and make-up, as the products of each reaction become a reagent for another reaction within the DAC process. The major output streams of the DAC system are compressed CO<sub>2</sub> (for sequestration and/or utilization) and CO<sub>2</sub>-depleted air (safely discharged into the surrounding atmosphere as an environmental benefit).

There are four major process components associated with the proposed DAC facilities:

- Air Contactors
- Pellet Reactors
- Pellet Calciners
- Slakers/Hydrators

Eligible ancillary and necessary equipment would include the following:

- Pellet Separators and Washing
- Pellet Dryers
- CO<sub>2</sub> Purifiers and Compressors
- Cooling Systems
- Compressors
- Evaporators
- Pumps
- Electrical and Instrumentation Controls
- New Piping
- Water Treatment Facilities
- Operations, maintenance, measurement, and monitoring buildings

The construction of the plant would include site preparation and earthworks, installation of foundations and supports, fabrication of major equipment and transportation to site, integration of modules and interconnecting works (i.e. piping, electrical, controls, etc.), erection of buildings and support infrastructure, utility interconnections, commissioning and start-up, production ramp-up, and handover to operations.

The pairing of DAC technology and CO<sub>2</sub> sequestration would be a significant environmental commitment, providing a pathway for reduced carbon emissions and the realization of an economically viable model for significant anthropogenic CO<sub>2</sub> sequestration. The Project and its DAC technology deployment are expected to fundamentally alter the energy landscape by providing a pathway to decarbonize major carbon-emitting industries like fuel production, transportation, and construction.

**Tab 5**

**Documentation to Assist in Determining if Limitation is a Determining Factor**

Project Revolution, as proposed would be one of the largest industrial scale DAC and CCUS operations anywhere in the world. Given the wide applicability of Carbon Engineering’s process, their DAC technology can be utilized by a variety of industrial and commercial users and be located anywhere an adequate supply of utility inputs exist. Given the potential for natural sequestration at the proposed project site, the majority of the manufactured CO<sub>2</sub> from Project Revolution would be permanently sequestered in subterranean geologic formations in exchange for the creation of CCUS credits. For Project Revolution to become economically viable as proposed in Kleberg County, 1PointFive would need significant property tax relief, as well as other major federal, state and local incentive support for the reduction of ad valorem property tax liabilities and to offset the relatively high cost of construction and procurement of competitively-priced emissions-free electricity, natural gas, and water infrastructure at the site.

Primary factors that would impact the location and success of Project Revolution include:

- Suitable topography, geotechnical, and logistical features and conditions for sequestration of CO<sub>2</sub>
- Labor availability
- Supporting infrastructure
- Offsets to initial development costs and operating expenses, e.g. property tax liabilities
- Fair and stable permitting and regulatory environment
- Ability to develop or emissions-free electricity to power the facility

The profitability of Project Revolution is dependent on three main factors:

- The ability to utilize Federal Section 45Q tax credits
- The ability to generate and sell carbon removal credits (e.g., California’s Low Carbon Fuel Standard or voluntary carbon markets)
- The ability to negotiate and secure federal, state, and local economic development incentives

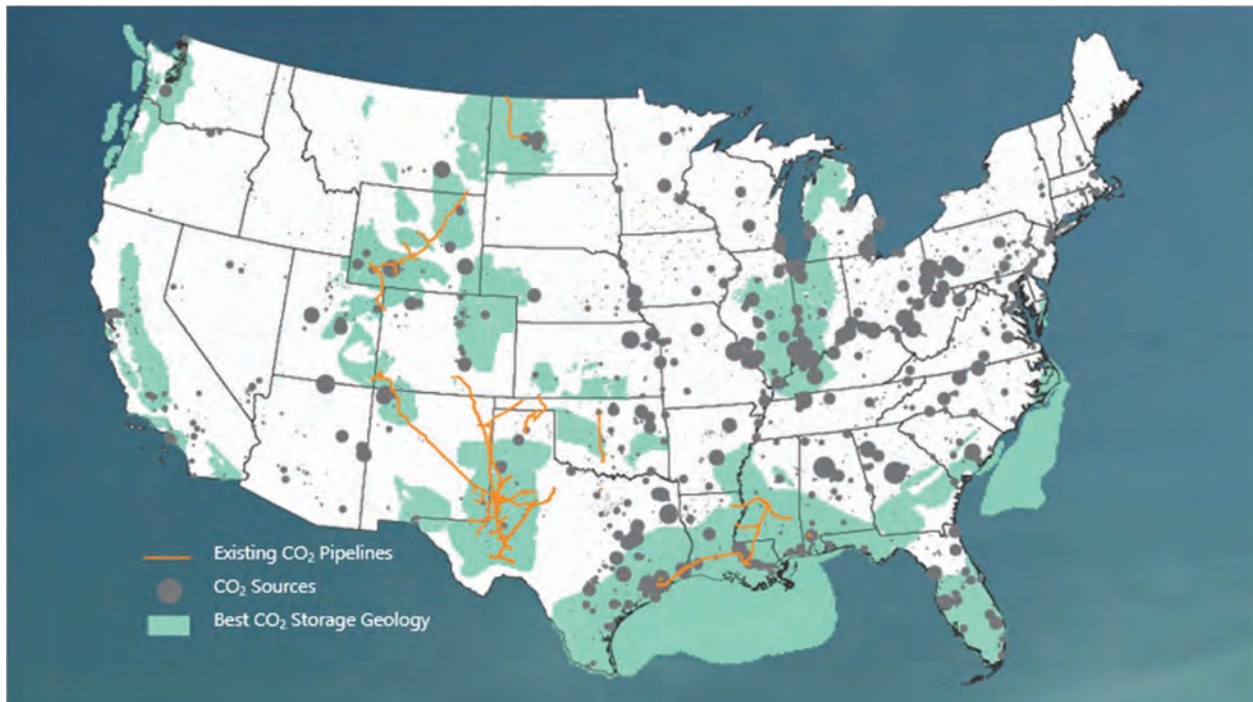
Because the Section 45Q and other CCUS credits are not specific to geographic location, Project Revolution could be located anywhere in the United States and secure the necessary savings resulting from these programs.

Oxy and OLCV have a traditional energy production and carbon solutions footprint throughout the United States and the majority of their domestic assets are concentrated in the energy basins of Texas, New Mexico, Colorado, Wyoming, and Utah. 1PointFive is actively evaluating target sites in each of these jurisdictions and plans to site the proposed facilities in the location that offers the best support for profitability and sustainability over the lifetime of Project Revolution.

Reducing Project Revolution’s ad valorem property tax liability and other significant financial impacts to the maximum extent possible is critical to 1PointFive’s final investment decision. Property tax is one of the highest annual operating expenses and would be a significant ongoing liability throughout the life of the project. A Chapter 313 value limitation from Riviera ISD would be critical to reducing up-front operating costs, increasing return on investment, and maintaining the long-term economic viability of the project.

The potential to develop industrial scale, cost-effective CCUS operations exists anywhere there is a relatively short distance between CO<sub>2</sub> emission sources and geologic formations that could be utilized for permanent CO<sub>2</sub> sequestration. If the proposed plan to capture, process, and sequester CO<sub>2</sub> from atmospheric air proves prohibitively expensive to fully scale in Texas or other states, 1PointFive could explore other attractive alternatives.

The following map illustrates CO<sub>2</sub> sequestration hub development potential in the United States:



The potential to capture and sequester emissions from these sources is virtually unlimited, as approximately 2,700 Mtpa of CO<sub>2</sub> was emitted from U.S. industrial sources in 2018 and approximately 40 Mtpa was captured and sequestered as of January 2021.

Other CO<sub>2</sub> emissions sources such as ethanol plants make a strong case for the construction of carbon sequestration hubs in areas where plants are concentrated, as the cost of sequestration could be spread over a larger production volume. With the right combination of average pipeline distance, estimated capital investment, adequate geology, and minimum ethanol production volumes, 1PointFive could alternatively choose to dedicate their limited capital resources to the pursuit of other CCUS opportunities with strong estimated returns on investment, including DAC facilities located at sequestration sites near ethanol production.

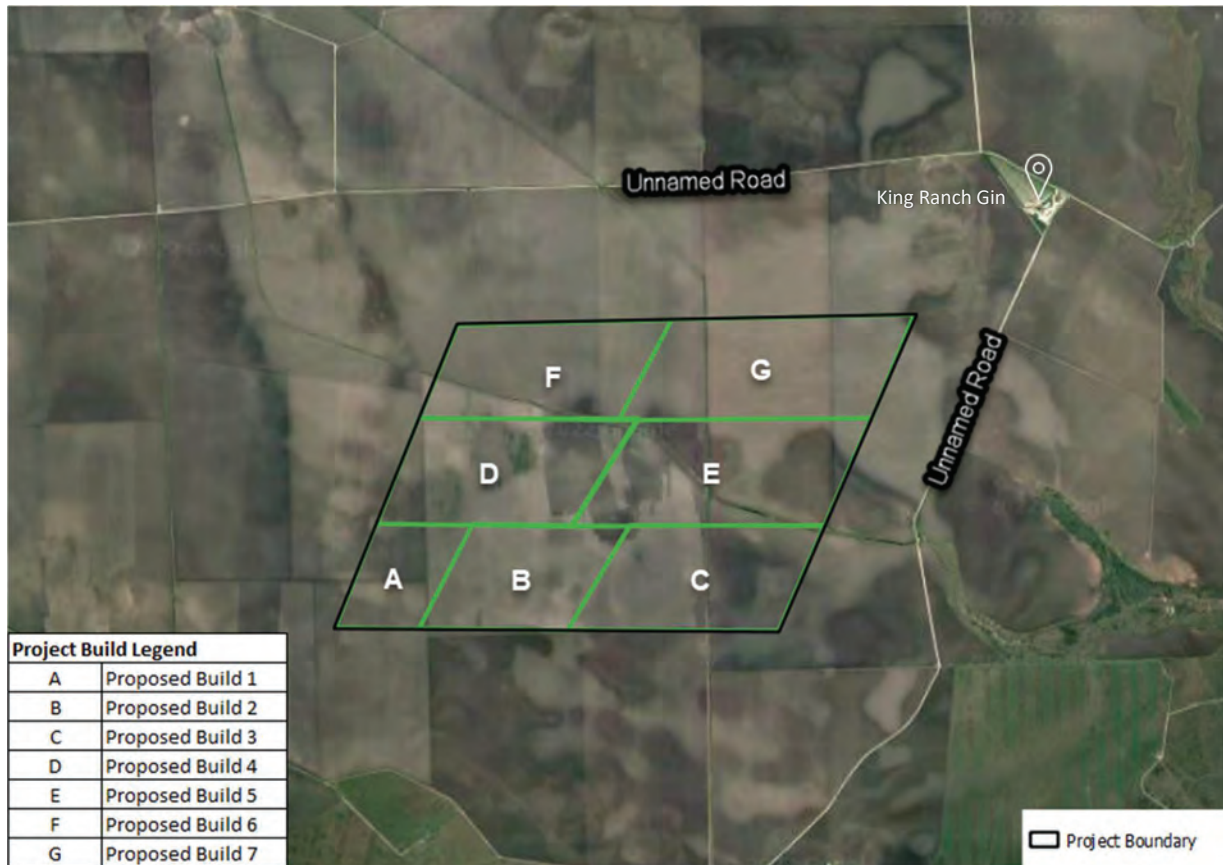


**Tab 6**

**Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor (*if applicable*)**

The map below showcases all builds within the Project Boundary that represents Applications 1 – 7.

\*Please note the land within the project area is ranch land without identifiable roadways. Please reference maps under Tab 11 for a better approximation of where the project boundary lies in relation to the surrounding area.



## Tab 7

### Description of Qualified Investment

Project Revolution would be constructed within a Reinvestment Zone of approximately 127,010 acres at a site fully within the boundaries of Kleberg County and Riviera Independent School District.

There are four major process components associated with the project:

- Air Contactors
- Pellet Reactors
- Pellet Calciners
- Slakers/Hydrators

Eligible ancillary and necessary equipment would include the following:

- Pellet Separators and Washing
- Pellet Dryers
- CO<sub>2</sub> Purifiers and Compressors
- Cooling Systems
- Compressors
- Evaporators
- Pumps
- Electrical and Instrumentation Controls
- New Piping
- Water Treatment Facilities
- Operations, maintenance, measurement, and monitoring buildings

Additional equipment and components would be defined during detail design and procured by the EPCM contractor.

The construction of the plant would include site preparation and earthworks, installation of foundations and supports, fabrication of major equipment and transportation to site, integration of modules and interconnecting works (i.e. piping, electrical, controls), erection of buildings and support infrastructure, utility interconnections, commissioning and start-up, production ramp-up, and handover to operations.

This application covers all qualified investment and qualified property necessary for the commercial operations of Project Revolution, all of which would be located within the project boundary, Reinvestment Zone, Riviera ISD and Kleberg County, Texas.

## Tab 8

### Description of Qualified Property

Project Revolution would be constructed within a Reinvestment Zone of approximately 127,010 acres at a site fully within the boundaries of Kleberg County and Riviera Independent School District.

There are four major process components associated with the project:

- Air Contactors
- Pellet Reactors
- Pellet Calciners
- Slakers/Hydrators

Eligible ancillary and necessary equipment would include the following:

- |   |   |
|---|---|
| • Pellet Separators and Washing             | • Pumps   |
| • Pellet Dryers                             | • Electrical and Instrumentation Controls                           |
| • CO <sub>2</sub> Purifiers and Compressors | • New Piping  |
| • Cooling Systems                           | • Water Treatment Facilities  |
| • Compressors                               | • Operations, maintenance,<br>measurement, and monitoring buildings |
| • Evaporators                               |   |

Additional equipment and components would be defined during detail design and procured by the EPCM contractor.

The construction of the plant would include site preparation and earthworks, installation of foundations and supports, fabrication of major equipment and transportation to site, integration of modules and interconnecting works (i.e. piping, electrical, controls), erection of buildings and support infrastructure, utility interconnections, commissioning and start-up, production ramp-up, and handover to operations.

This application covers all qualified investment and qualified property necessary for the commercial operations of Project Revolution, all of which would be located within the project boundary, Reinvestment Zone, Riviera ISD and Kleberg County, Texas.

**Tab 9**

**Description of Land**

The land on which this proposed project would be developed would **not** be claimed as part of the Qualified Property as described by Texas Statute 313.021(2)(A).

**Tab 10**

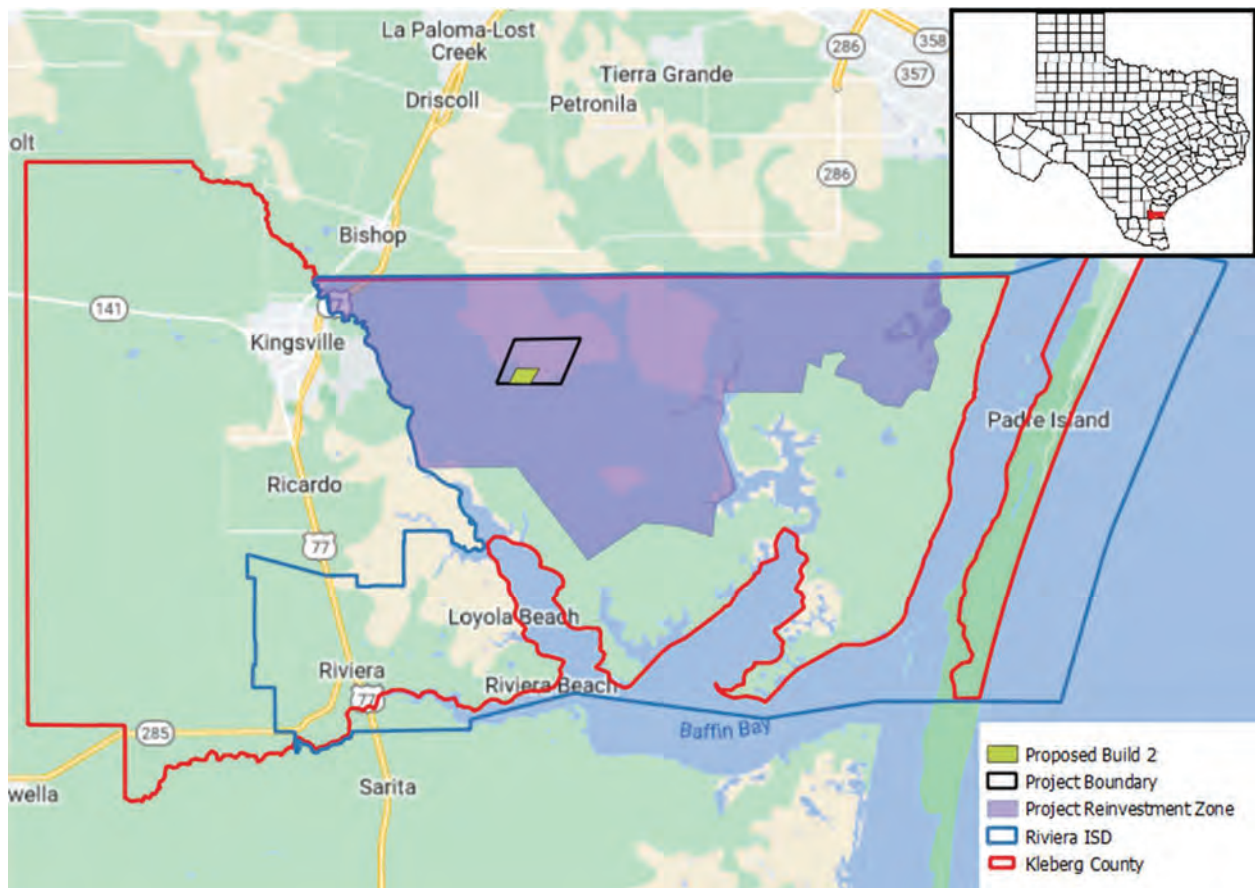
**Description of all property not eligible to become qualified property (*if applicable*)**

The land on which the Project would be developed would **not** be claimed as part of the Qualified Property.

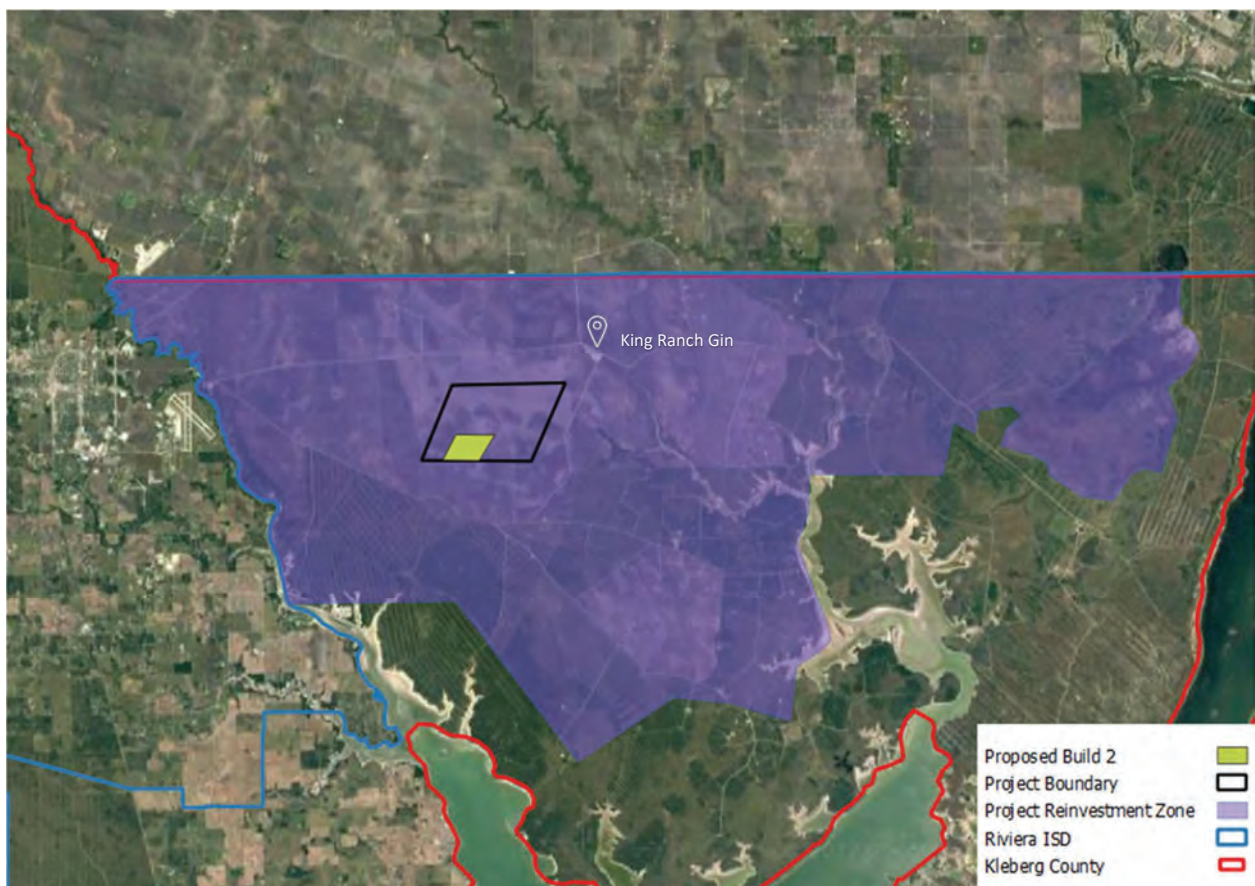
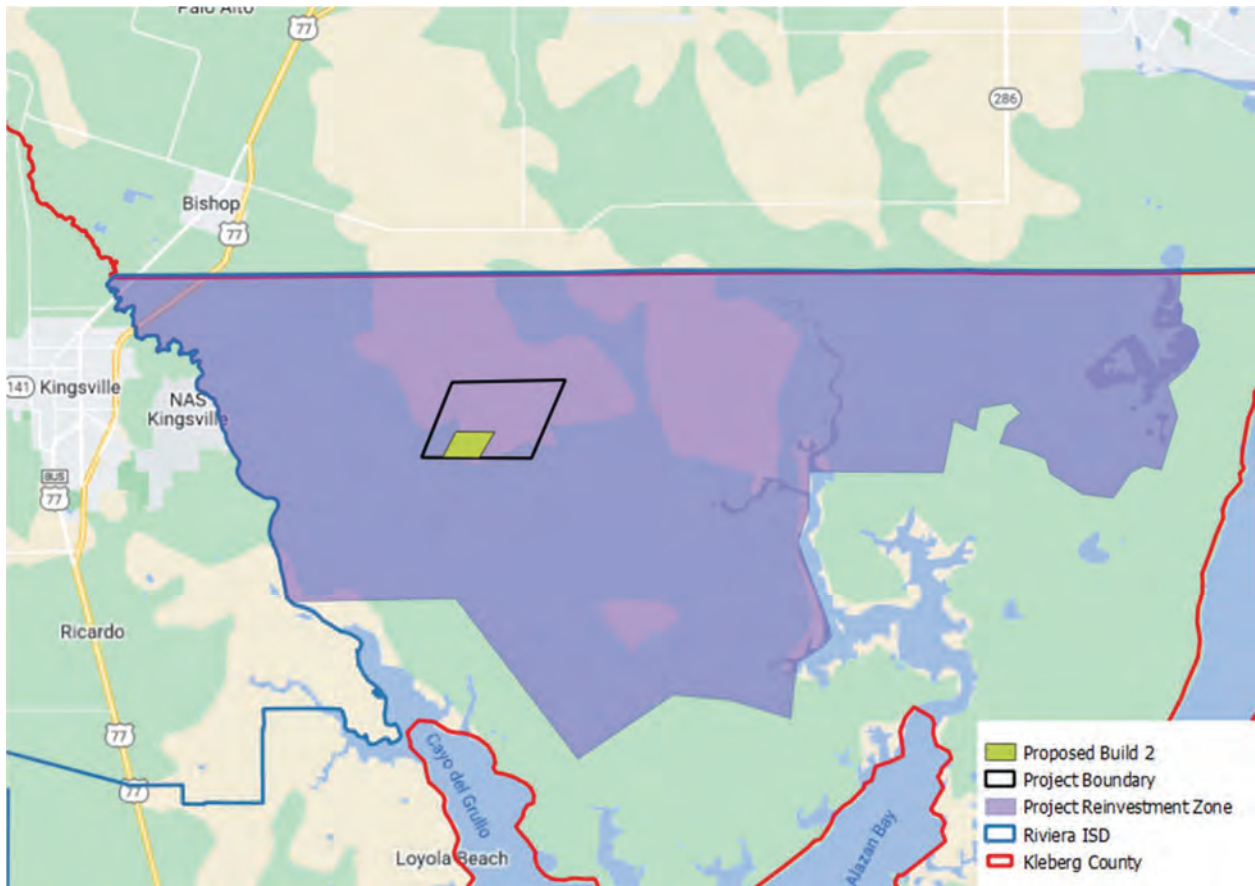
**Tab 11**

**Maps that clearly show:**

- a) Project boundary and project vicinity, including county and school district boundaries
- b) Qualified investment including 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
- c) Qualified property including location of new buildings or new improvements
- d) Any existing property within the project area
- e) Any facilities owned or operated by the applicant having interconnections to the proposed project
- f) Location of project, and related nearby projects within vicinity map
- g) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size







**Tab 12**

**Request for Waiver of Job Creation Requirement and supporting information (*if applicable*)**

Not Applicable

**Tab 13**

**Calculation of non-qualifying wage target and two possible qualifying job wage requirements with  
TWC documentation**

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

County	Year	Quarter	Ownership	Avg. Weekly Wage
Kleberg County	2021	1	Total All	798
Kleberg County	2021	2	Total All	840
Kleberg County	2021	3	Total All	844
Kleberg County	2021	4	Total All	905
Sum Last 4 Quarters				\$ 3,387
<b>Average Weekly Wage</b>				<b>\$ 846.75</b>

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

County	Year	Quarter	Ownership	Avg. Weekly Wage
Kleberg County	2021	1	Private	\$ 1,061
Kleberg County	2021	2	Private	\$ 1,196
Kleberg County	2021	3	Private	\$ 1,247
Kleberg County	2021	4	Private	\$ 1,513
Sum Last 4 Quarters				\$ 5,017
Average Weekly Wage				\$ 1,254.25
<b>110 % Average Weekly Wage</b>				<b>\$ 1,379.68</b>

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

COG Region	Year	Hourly	Annual	Avg. Weekly Wage
Coastal Bend	2020	\$ 35.39	\$ 73,603	\$ 1,415.44
<b>110 % Average Weekly Wage</b>				<b>\$ 1,556.99</b>

\*Backup documentation provided in following pages

Wage data as provided by the Texas Workforce Commission

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2021	01	Kleberg	Total All	Total, All Industries	798
2021	02	Kleberg	Total All	Total, All Industries	840
2021	03	Kleberg	Total All	Total, All Industries	844
2021	04	Kleberg	Total All	Total, All Industries	905

Year	Period	Area	Ownership	Industry	Average Weekly Wage
2021	01	Kleberg	Private	Manufacturing	1,061
2021	02	Kleberg	Private	Manufacturing	1,196
2021	03	Kleberg	Private	Manufacturing	1,247
2021	04	Kleberg	Private	Manufacturing	1,513

**2020 Manufacturing Average Wages by Council of Government Region  
Wages for All Occupations**

COG	COG Number	Wages	
		Hourly	Annual
<a href="#">Panhandle Regional Planning Commission</a>	1	\$23.32	\$48,501
<a href="#">South Plains Association of Governments</a>	2	\$20.42	\$42,473
<a href="#">NORTEX Regional Planning Commission</a>	3	\$20.64	\$42,928
<a href="#">North Central Texas Council of Governments</a>	4	\$32.34	\$67,261
<a href="#">Ark-Tex Council of Governments</a>	5	\$21.30	\$44,299
<a href="#">East Texas Council of Governments</a>	6	\$29.28	\$60,904
<a href="#">West Central Texas Council of Governments</a>	7	\$21.54	\$44,797
<a href="#">Rio Grande Council of Governments</a>	8	\$19.02	\$39,552
<a href="#">Permian Basin Regional Planning Commission</a>	9	\$22.57	\$46,945
<a href="#">Concho Valley Council of Governments</a>	10	\$27.28	\$56,739
<a href="#">Heart of Texas Council of Governments</a>	11	\$23.41	\$48,696
<a href="#">Capital Area Council of Governments</a>	12	\$29.96	\$62,326
<a href="#">Brazos Valley Council of Governments</a>	13	\$18.41	\$38,286
<a href="#">Deep East Texas Council of Governments</a>	14	\$21.07	\$43,829
<a href="#">South East Texas Regional Planning Commission</a>	15	\$27.38	\$56,957
<a href="#">Houston-Galveston Area Council</a>	16	\$29.83	\$62,050
<a href="#">Golden Crescent Regional Planning Commission</a>	17	\$22.09	\$45,945
<a href="#">Alamo Area Council of Governments</a>	18	\$27.45	\$57,101
<a href="#">South Texas Development Council</a>	19	\$19.20	\$39,945
<a href="#">Coastal Bend Council of Governments</a>	20	\$35.39	\$73,603
<a href="#">Lower Rio Grande Valley Development Council</a>	21	\$20.70	\$43,056
<a href="#">Texoma Council of Governments</a>	22	\$19.18	\$39,897
<a href="#">Central Texas Council of Governments</a>	23	\$21.34	\$44,390
<a href="#">Middle Rio Grande Development Council</a>	24	\$22.98	\$47,809
<b>Texas</b>		\$28.00	\$58,233

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

Data published: August 2021.

Data published annually, next update will likely be July 31, 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.

**Tab 14**

**Schedules A1, A2, B, and C completed and signed Economic Impact *(if applicable)***



PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in <b>tangible personal property</b> placed in service during this year that will become Qualified Property	New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> that will become Qualified Property	Other new investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	<b>Total Investment</b> (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	0	2022-2023	2022	Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	0	2023-2024	2023	\$0	\$0	\$0	\$0	\$0
	0	2024-2025	2024	\$0	\$0	\$0	\$0	\$0
	0	2025-2026	2025	\$1,183,188,516	\$248,549,766	\$0	\$0	\$1,431,738,281
Complete tax years of qualifying time period	QTP1	2026-2027	2026	\$3,882,465,938	\$815,580,938	\$0	\$0	\$4,698,046,875
	QTP2	2027-2028	2027	\$223,305,547	\$46,909,297	\$0	\$0	\$270,214,844
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$5,288,960,000	\$1,111,040,000	\$0	\$0	\$6,400,000,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				\$4,968,261,719				

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.  
Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: 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 313.021(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 D: 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 B: Estimated Market And Taxable Value (of Qualified Property Only)

Date 5/24/2022  
 Applicant Name 1PointFive, Inc.  
 ISD Name Riviera ISD  
 Build # 2 of 7

Form 50-296A

Revised October 2020

				Qualified Property			Estimated Taxable Value		
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	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 <i>Insert as many rows as necessary</i>	0	2022-2023	2022	\$0	\$0	\$0	\$0	\$0	\$0
	0	2023-2024	2023	\$0	\$0	\$0	\$0	\$0	\$0
	0	2024-2025	2024	\$0	\$0	\$0	\$0	\$0	\$0
	0	2025-2026	2025	\$0	\$124,274,883	\$591,594,258	\$42,952,148	\$672,916,992	\$672,916,992
	QTP 1	2026-2027	2026	\$0	\$532,065,352	\$2,532,827,227	\$183,893,555	\$2,880,999,023	\$2,880,999,023
	QTP 2	2027-2028	2027	\$0	\$555,520,000	\$2,644,480,000	\$192,000,000	\$3,008,000,000	\$3,008,000,000
Value Limitation Period	1	2028-2029	2028	\$0	\$1,037,617,177	\$4,939,440,297	\$358,623,448	\$5,618,434,026	\$15,000,000
	2	2029-2030	2029	\$0	\$994,383,129	\$4,733,630,288	\$343,680,805	\$5,384,332,612	\$15,000,000
	3	2030-2031	2030	\$0	\$951,149,081	\$4,527,820,280	\$328,738,162	\$5,150,231,199	\$15,000,000
	4	2031-2032	2031	\$0	\$907,915,033	\$4,322,010,271	\$313,795,518	\$4,916,129,786	\$15,000,000
	5	2032-2033	2032	\$0	\$864,680,985	\$4,116,200,263	\$298,852,875	\$4,682,028,373	\$15,000,000
	6	2033-2034	2033	\$0	\$821,446,936	\$3,910,390,255	\$283,910,231	\$4,447,926,959	\$15,000,000
	7	2034-2035	2034	\$0	\$778,212,888	\$3,704,580,246	\$268,967,588	\$4,213,825,546	\$15,000,000
	8	2035-2036	2035	\$0	\$734,978,840	\$3,498,770,238	\$254,024,945	\$3,979,724,133	\$15,000,000
	9	2036-2037	2036	\$0	\$691,744,792	\$3,292,960,229	\$239,082,301	\$3,745,622,720	\$15,000,000
	10	2037-2038	2037	\$0	\$648,510,743	\$3,087,150,221	\$224,139,658	\$3,511,521,307	\$15,000,000
Continue to maintain viable presence	11	2038-2039	2038	\$0	\$605,276,695	\$2,881,340,213	\$209,197,014	\$3,277,419,893	\$3,277,419,893
	12	2039-2040	2039	\$0	\$562,042,647	\$2,675,530,204	\$194,254,371	\$3,043,318,480	\$3,043,318,480
	13	2040-2041	2040	\$0	\$518,808,599	\$2,469,720,196	\$179,311,728	\$2,809,217,067	\$2,809,217,067
	14	2041-2042	2041	\$0	\$475,574,551	\$2,263,910,188	\$164,369,084	\$2,575,115,654	\$2,575,115,654
	15	2042-2043	2042	\$0	\$432,340,502	\$2,058,100,179	\$149,426,441	\$2,341,014,241	\$2,341,014,241
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2043-2044	2043	\$0	\$389,106,454	\$1,852,290,171	\$134,483,797	\$2,106,912,827	\$2,106,912,827
	17	2044-2045	2044	\$0	\$345,872,406	\$1,646,480,162	\$119,541,154	\$1,872,811,414	\$1,872,811,414
	18	2045-2046	2045	\$0	\$302,638,358	\$1,440,670,154	\$104,598,511	\$1,638,710,001	\$1,638,710,001
	19	2046-2047	2046	\$0	\$259,404,309	\$1,234,860,146	\$89,655,867	\$1,404,608,588	\$1,404,608,588
	20	2047-2048	2047	\$0	\$222,208,000	\$1,057,792,000	\$76,800,000	\$1,203,200,000	\$1,203,200,000
	21	2048-2049	2048	\$0	\$222,208,000	\$1,057,792,000	\$76,800,000	\$1,203,200,000	\$1,203,200,000
	22	2049-2050	2049	\$0	\$222,208,000	\$1,057,792,000	\$76,800,000	\$1,203,200,000	\$1,203,200,000
	23	2050-2051	2050	\$0	\$222,208,000	\$1,057,792,000	\$76,800,000	\$1,203,200,000	\$1,203,200,000
	24	2051-2052	2051	\$0	\$222,208,000	\$1,057,792,000	\$76,800,000	\$1,203,200,000	\$1,203,200,000
	25	2052-2053	2052	\$0	\$222,208,000	\$1,057,792,000	\$76,800,000	\$1,203,200,000	\$1,203,200,000

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.

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in <b>tangible personal property</b> placed in service during this year that will become Qualified Property	New investment made during this year in <b>buildings or permanent nonremovable components of buildings</b> that will become Qualified Property	Other investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	Total Investment (A+B+C+D)
Total Investment from Schedule A1*	0 - QTP2	TOTALS FROM SCHEDULE A1		\$5,288,960,000	\$1,111,040,000	\$0	\$0	\$6,400,000,000
Value limitation period***	1	2028-2029	2028	\$0	\$0	\$0	\$0	\$0
	2	2029-2030	2029	\$0	\$0	\$0	\$0	\$0
	3	2030-2031	2030	\$0	\$0	\$0	\$0	\$0
	4	2031-2032	2031	\$0	\$0	\$0	\$0	\$0
	5	2032-2033	2032	\$0	\$0	\$0	\$0	\$0
	6	2033-2034	2033	\$0	\$0	\$0	\$0	\$0
	7	2034-2035	2034	\$0	\$0	\$0	\$0	\$0
	8	2035-2036	2035	\$0	\$0	\$0	\$0	\$0
	9	2036-2037	2036	\$0	\$0	\$0	\$0	\$0
	10	2037-2038	2037	\$0	\$0	\$0	\$0	\$0
Total Investment made through limitation				\$5,288,960,000	\$1,111,040,000	\$0	\$0	\$6,400,000,000
Continue to maintain viable presence	11	2038-2039	2038			\$0		\$0
	12	2039-2040	2039			\$0		\$0
	13	2040-2041	2040			\$0		\$0
	14	2041-2042	2041			\$0		\$0
	15	2042-2043	2042			\$0		\$0
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2043-2044	2043			\$0		\$0
	17	2044-2045	2044			\$0		\$0
	18	2045-2046	2045			\$0		\$0
	19	2046-2047	2046			\$0		\$0
	20	2047-2048	2047			\$0		\$0
	21	2048-2049	2048			\$0		\$0
	22	2049-2050	2049			\$0		\$0
	23	2050-2051	2050			\$0		\$0
	24	2051-2052	2051			\$0		\$0
	25	2052-2053	2052			\$0		\$0

\* 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.

Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: 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 313.021(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 D: 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 C: Employment Information

**Date** 5/24/2022  
**Applicant Name** 1PointFive, Inc.  
**ISD Name** Riviera ISD  
**Build #** 2 of 7

**Form 50-296A**

*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>	0	2022-2023	2022	0	\$0	0	0	\$0
	0	2023-2024	2023	0	\$0	0	0	\$0
	0	2024-2025	2024	0	\$0	0	0	\$0
	0	2025-2026	2025	8,800	\$50,000	0	0	\$0
	QTP 1	2026-2027	2026	8,800	\$50,000	0	0	\$0
	QTP 2	2027-2028	2027	8,800	\$50,000	0	0	\$0
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2028-2029	2028	0	\$0	0	10	\$71,743.36
	2	2029-2030	2029	0	\$0	0	10	\$71,743.36
	3	2030-2031	2030	0	\$0	0	10	\$71,743.36
	4	2031-2032	2031	0	\$0	0	10	\$71,743.36
	5	2032-2033	2032	0	\$0	0	10	\$71,743.36
	6	2033-2034	2033	0	\$0	0	10	\$71,743.36
	7	2034-2035	2034	0	\$0	0	10	\$71,743.36
	8	2035-2036	2035	0	\$0	0	10	\$71,743.36
	9	2036-2037	2036	0	\$0	0	10	\$71,743.36
	10	2037-2038	2037	0	\$0	0	10	\$71,743.36
Years Following Value Limitation Period	11 through 25	2038-2053	2052	0	\$0	0	10	\$71,743.36

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

**Tab 15**

**Economic Impact Analysis, other payments made in the state or other economic information (*if applicable*)**

Not Applicable

**Tab 16**

**Description of Reinvestment or Enterprise Zone, including:**

**a) evidence that the area qualifies as an enterprise zone as defined by the Governor's Office**

Not Applicable

**b) legal description of reinvestment zone**

The parcel IDs for the proposed project and their corresponding legal descriptions from Kleberg CAD are in the document attached below.

The legal description for the reinvestment zone as passed by Riviera ISD will be provided once it is made available.

**c) order, resolution or ordinance establishing the reinvestment zone**

The resolution or ordinance for the reinvestment zone as passed by Riviera ISD will be provided once it is made available.

**d) guidelines and criteria for creating the zone**

See attached

Parcel	Legal Description
10123	J A YNOJOSA, BLOCK 598, LOT PT 240, (CAMP HOUSE AT BIG CAESAR), ACRES 1.17
10387	H & G N R R (PT TELEFON PASTURE & TELEFON TRAP), BLOCK 394, LOT 136, ACRES 640.
10434	H & G N R R (VESPER PASTURE), BLOCK 390, LOT 132, ACRES 640.
11573	JP & JMP & MGR, BLOCK 595, LOT PT 207, (RATONES TRAP, MARANOS TRAP, GARCIAS), (LAGUNA LARGO), ACRES 5896.32
12229	JP & JMP & MGR, BLOCK 595, LOT PT 207, (GARCIA'S PASTURE), ACRES 5717.45
13595	B GARCIA, BLOCK 604, LOT PT 99, (VESPER & MADEROS PASTURE), ACRES 4920.04
14046	H & G N R R (BORDO NUEVO & PINTO), BLOCK 397, LOT 130, ACRES 612.
14220	JP & JMP & MGR, BLOCK 595, LOT PT 207, PT KLEIN PASTURE, (LAURELES COLONY), ACRES 54.11
14320	J B BULRESE, BLOCK 607, LOT 21, ACRES 4605.0
15497	JP & JMP & MGR, BLOCK 595, LOT PT 207, (COMM BLDGS AT LAURELES), (PT ARROYO TRAP PASTURE), ACRES 2.0
15671	A WHITAKER (PT GALLITO PASTURE & KING RANCH FARM TRACTS), BLOCK 610, LOT 238, ACRES 2028.
16220	H & G N R R (PT PINTO PASTURE & TELEFON PASTURE), BLOCK 396, LOT PT 131, ACRES 638.86
16327	B M FALCON, BLOCK 605, LOT PT 92, (GRAIN ELEVATOR), ACRES 13.6
16697	B M FALCON, BLOCK 605, LOT PT 92, ACRES 4501.5100
17305	B M FALCON, BLOCK 605, LOT PT 92, KING RANCH FARM TRACTS, ACRES 4566.78,
17382	JP & JMP & MGR, BLOCK 595, LOT PT 207, (PT KLEIN PASTURE), (COOK HOUSE AT LAURELES), ACRES 2.34
17766	JOSEPH WILDEN (PT TENANT FARM TRACTS), BLOCK 609, LOT 239, ACRES 1476.
17835	J A YNOJOSA, BLOCK 598, LOT PT 240, (TENANT FARM TRACTS), ACRES 9953.96
17877	I & G N (VESPER & TELEFON), BLOCK 393, LOT PT 135, ACRES 638.4
17934	B M FALCON, BLOCK 605, LOT PT 92, ACRES 4390.89
18003	JP & JMP & MGR, BLOCK 595, LOT PT 207, (PT ARROYO TRAP PASTURE), (LAURELES HOUSE), ACRES 1.5
18478	J A YNOJOSA, BLOCK 598, LOT PT 240, (TENANT FARM TRACTS), ACRES 11122.81
18527	H & G N R R (PT VESPER PASTURE & TENANT FARM TRACTS), BLOCK 392, LOT 134, ACRES 640.
18586	B M FALCON, BLOCK 605, LOT PT 92, (KING RANCH FARMTRACTS), ACRES 5557.4
19090	H & G N R R (TELEFON PASTURE), BLOCK 395, LOT 137, ACRES 640.
19092	J A YNOJOSA, BLOCK 598, LOT PT 240, (TENANT FARM TRACTS), ACRES 6797.79
19260	JP & JMP & MGR, BLOCK 595, LOT PT 207, PT ARROYO TRAP PASTURE, (GASOLINE GAS TANKS), ACRES .53
19782	H & G N R R (PT VESPER & PT MADEROS PASTURE), BLOCK 387, LOT 141, ACRES 640.
19915	JP & JMP & MGR, BLOCK 595, LOT PT 207, (FOREMAN'S HOUSE AT LAURELES), ACRES 4.0
20244	H & G N R R (PT VESPER & MADEROS PASTURES), BLOCK 389, LOT 138, ACRES 640.
20914	V DE YNOJOSA, BLOCK 603, LOT PT 241, (PT KING RANCH FARM TRACTS, TRAP , & PT ALAZAN PASTURE), ACRES 6103.95
24094	S A GORDON (PT TENANT FARM TRACTS), BLOCK 608, LOT 116, ACRES 800.
24362	H & G N R R (PT VESPER, PT TELEFONT, KING RANCH FARM TRACTS), BLOCK 388, LOT 140, ACRES 640.
24470	A TREVINO, BLOCK 602, LOT PT 231, PT MADEROS, PT HUISACHES, PT GALLITO PASTURE & PT KING RANCH FARM TRACTS, ACRES 7569.88
24515	JP & JMP & MGR, BLOCK 595, LOT PT 207, (MIKE, JAMIE, N LOBO, S LOBO, N SECA & VADAROS PASTURES), ACRES 2788.93
24940	J A YNOJOSA, BLOCK 598, LOT PT 240, (FARM OFFICES AT LAURELES), ACRES 6.83
25088	A TREVINO, BLOCK 602, LOT PT 231, PT ALAZAN PASTURE, TUNAS TRAP & PT KING RANCH FARM TRACTS, ACRES 10164.679
25116	H & G N R R (PT KING RANCH FARM TRACTS, PT MADEROS PASTURE), BLOCK 386, LOT 139, ACRES 640.
25677	F M DIMOND (PT PINTO, VESPER, TELEFON & FLACAS PASTURES), BLOCK 39, LOT 90, ACRES 4428.4
25712	A TREVINO, BLOCK 602, LOT PT 231, (HUISACHE & MARIA), ACRES 5403.06
25746	JP & JMP & MGR, BLOCK 595, LOT PT 207, (ARROYO TRAP, ROGERIO, KLEIN, CAL & MUJERES), (BECERRA & SANTA CRUZ PASTURES), ACRES 10419.81
25870	H & G N R R, BLOCK 391, LOT 133, (PT TENANT FARM TRACTS & PT VESPER PASTURE & TELEFON PASTURE), ACRES 640.
34469	B M FALCON, BLOCK 605, LOT PT 92, KING RANCH FARM TRACTS, ACRES 3.82
34470	A TREVINO, BLOCK 602, LOT PT 231, (PT GALLITO PASTURE), (ALAZAN GAS PLANT), ACRES 24.05
34471	A TREVINO, BLOCK 602, LOT PT 231, (PT GALLITO PASTURE), ACRES .22
34472	A TREVINO, BLOCK 602, LOT PT 231, (ALAZAN PASTURE), ACRES 0.56
34474	JP & JMP & MGR, BLOCK 595, LOT PT 207, (LAURELES OFFICE AT COLONY), ACRES .43
34475	JP & JMP & MGR, BLOCK 595, LOT PT 207, ACRES .2
34476	JP & JMP & MGR, BLOCK 595, LOT PT 207, ACRES .34
34480	I & G N (VESPER & TELEFON), BLOCK 393, LOT PT 135, (MCFERRIN CAMP SUB LEASE), ACRES 1.6
4001734	JP & JMP & MGR, BLOCK 595, LOT PT 207, (LAGUNA LARGO), ACRES 13.27
40233	H & G N R R (PT PINTO PASTURE & TELEFON PASTURE), BLOCK 396, LOT PT 131, ACRES 1.14
43776	A TREVINO, BLOCK 602, LOT PT 231, (ATT MOBILITY TOWER), ACRES 0.241
44102	JP & JMP & MGR, BLOCK 595, LOT PT 207, (BECERRA & SANTA CRUZ PASTURES), ACRES 16.40



May 25, 2022

Mr. John Villarreal  
Chapter 313 Manager  
Local Government Assistance and  
Economic Development Division  
Texas Comptroller of Public Accounts  
111 E. 17<sup>th</sup> Street  
Austin, Texas 78774

**VIA E-MAIL DELIVERY:**  
***John.Villarreal@cpa.texas.gov***  
***Ch313.apps@cpa.texas.gov***

Re: Riviera Independent School District—Intent to consider creating a Reinvestment Zone under Chapter 312 of the Texas Tax Code in connection with Application submitted by 1PointFive, Inc.

Dear Mr. Villarreal:

As Superintendent of Schools for the Riviera Independent School District (the “District”), I am writing this letter to confirm the District’s intent to consider establishing a Reinvestment Zone in connection with the Application for Appraised Value Limitation on Qualified Property submitted by 1PointFive, Inc. In the event Kleberg County does not designate a Reinvestment Zone for this project, which currently appears to be the case, the Board of Trustees plans to hold a hearing regarding creation of a Reinvestment Zone prior to considering final approval of the above-referenced Chapter 313 Application and Agreement with 1PointFive, Inc. All Board meetings and hearings on the matter will be conducted in accordance with the Texas Open Meetings Act, Chapters 312 and 313 of the Texas Tax Code, and all other applicable statutes and regulations.

If you have any questions about this letter or any other part of the Application and Agreement processes, please contact the District’s legal counsel, Eddy Hernandez Perez, of Walsh Gallegos Treviño Kyle & Robinson, P.C.

Sincerely,



Patricia M. Thornton  
Superintendent of Schools  
Riviera Independent School District

cc: Eddy Hernandez Perez, Legal Counsel for Riviera ISD

(Via E-mail: [EPerez@wabsa.com](mailto:EPerez@wabsa.com))

Michael Lateur  
Kroll, LLC

(Via E-mail: [Michael.Lateur@kroll.com](mailto:Michael.Lateur@kroll.com))



**Tab 17**

**Signature and Certification page, signed and dated by Authorized School District  
Representative and Authorized Company Representative (*applicant*)**

## 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

Patricia Thornton

Print Name (Authorized School District Representative)

Superintendent

Title

sign  
here*Patricia Thornton*

Signature (Authorized School District Representative)

5-24-2022

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

Michael Avery

Print Name (Authorized Company Representative (Applicant))

President

Title

sign  
here*MA*

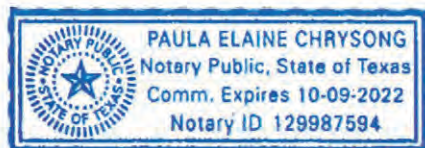
Signature (Authorized Company Representative (Applicant))

5/23/2022

Date

GIVEN under my hand and seal of office this, the

23 day of May, 2022



(Notary Seal)

*Paula Chrysong*

Notary Public in and for the State of Texas

My Commission expires: 10-09-2022

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.