

WALSH, ANDERSON,
GALLEGOS, GREEN
and TREVIÑO, P.C.

ATTORNEYS AT LAW

April 18, 2013

Mr. Gary Price
Regional Fiscal Analysis
Local Government Assistance and
Economic Development Division
Texas Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774

VIA FEDERAL EXPRESS

Re: Van Vleck Independent School District ("District") / Tax Limitation Agreement:
Maverick Tube Corporation dba Tenaris USA ("Applicant")

Dear Mr. Price:

Pursuant to Tax Code §313.025(b) and 34 TAC Rules §9.1053(a)(2) and 9.1054(c), attached are the following:

1. One (1) copy of the Application for Appraised Value Limitation on Qualified Property ("Application") submitted to the Van Vleck Independent School District by Maverick Tube Corporation dba Tenaris USA.
2. One (1) electronically digitized copy of the Application formatted in searchable pdf format.
3. A copy of check no. 00004589 dated March 14, 2013 for the application fee in the amount of \$75,000.00 delivered to the District on March 27, 2013 as proof of payment of the application fee (Attachment 2 to Application).

The Application was received on March 27, 2013. The Board of Trustees of the District elected to consider the application on April 15, 2013. The District determined the Application was complete on April 15, 2013.

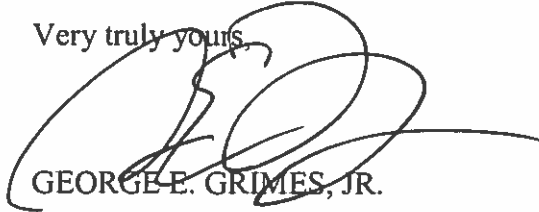
The District requests that the Comptroller provide an economic impact evaluation.

Mr. Gary Price
April 18, 2013
Page 2

By copy of this letter we are notifying the Applicant that the District has submitted the Application to the Comptroller and to the Matagorda County Appraisal District.

Please call if you have any questions.

Very truly yours,



GEORGE E. GRIMES, JR.

GEG/pam
Enclosures

cc: Matagorda County Appraisal District
(Certified Mail No. 7012 2210 0000 6483 5788; Return Receipt Requested; w/enclosures)

Chris North, Chief Financial Officer, Tenaris USA
(Certified Mail No. 7012 2210 0000 6483 5771; Return Receipt Requested; w/enclosures)

John O'Brien, Superintendent of Schools

(Via U.S. Postal Service; w/enclosures)

**Van Vleck
Independent School District**

**Application for
Appraised Value Limitation on
Qualified Property**

(Tax Code Chapter 313, Subchapter B or C)



dba

Maverick Tube Corporation

Application Submitted March 26, 2013



Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

Form 50-296
(Revised May 2010)

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

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

- notify the Comptroller that the school board has elected to consider the application.

This notice must include:

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

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

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its Web site. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules as explained in the Confidentiality Notice below.

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. 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, make a recommendation to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application before the 151st day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to complete the recommendation, economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's Web site to find out more about the program at <http://www.window.state.tx.us/taxinfo/proptax/hb1200/index.html>. There are links on this Web page to the Chapter 313 statute, rules and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION

Authorized School District Representative

Date application received by district

03/27/2013

First Name

John

Last Name

O'Brien

Title

Superintendent

School District Name

Van Vleck Independent School District

Street Address

142 S. Fourth Street

Mailing Address

Same

City

Van Vleck

State

TX

ZIP

77482

Phone Number

(979)-245-8518

Fax Number

(979)-245-1214

Mobile Number (optional)

E-mail Address

jobrien@vvisd.org

I authorize the consultant to provide and obtain information related to this application..... ☒ Yes ☐ No

Will consultant be primary contact? ☒ Yes ☐ No



Application for Appraised Value Limitation on Qualified Property

SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized School District Consultant (If Applicable)

First Name

George E.

Last Name

Grimes, Jr.

Title

Attorney

Firm Name

Walsh, Anderson, Gallegos, Green & Treviño, P.C.

Street Address

100 N.E. Loop 410, Suite 900

Mailing Address

P. O. Box 460606 San Antonio, TX 78246-0606

City

San Antonio

State

TX

ZIP

78216

Phone Number

(210) 979-6633

Fax Number

(210) 979-7024

Mobile Number (Optional)

E-mail Address

ggrimes@wabsa.com

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.

Signature (Authorized School District Representative)

[Handwritten Signature]

Date

4/17/13

Has the district determined this application complete? ☒ Yes ☐ No

If yes, date determined complete. APRIL 15, 2013

Have you completed the school finance documents required by TAC 9.1054(c)(3)? ☐ Yes ☒ No

SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

| Checklist | Page X of 16 | Check Completed |
|---|--------------|-----------------|
| 1 Date application received by the ISD | 1 of 16 | ✓ |
| 2 Certification page signed and dated by authorized school district representative | 2 of 16 | ✓ |
| 3 Date application deemed complete by ISD | 2 of 16 | ✓ |
| 4 Certification pages signed and dated by applicant or authorized business representative of applicant | 4 of 16 | ✓ |
| 5 Completed company checklist | 12 of 16 | ✓ |
| 6 School finance documents described in TAC 9.1054(c)(3) (Due within 20 days of district providing notice of completed application) | 2 of 16 | |

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION

Authorized Business Representative (Applicant)

First Name

Chris

Last Name

North

Title

Chief Financial Officer - North America

Organization

Maverick Tube Corporation

Street Address

2200 W. Loop Street, Suite 800

Mailing Address

Same as above

City

Houston

State

TX

ZIP

77027-3532

Phone Number

(713)-585-3055

Fax Number

(281)-582-5107

Mobile Number (optional)

Business e-mail Address

cnorth@tenaris.com

Will a company official other than the authorized business representative be responsible for responding to future information requests?

☒ Yes☐ No

If yes, please fill out contact information for that person.

First Name

Ajay

Last Name

Chhabra

Title

US Controller

Organization

Maverick Tube Corporation

Street Address

2200 W. Loop Street, Suite 800

Mailing Address

Same as above

City

Houston

State

TX

ZIP

77027-3532

Phone Number

713-585-3959

Fax Number

Mobile Number (optional)

E-mail Address

AChhabra@tenaris.com

I authorize the consultant to provide and obtain information related to this application.

☐ Yes☒ No

Will consultant be primary contact?

☐ Yes☒ No

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name

Last Name

Title

Firm Name

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Business email Address

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 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.

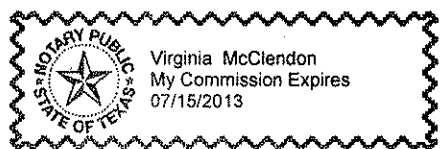
Signature (Authorized Business Representative (Applicant))

Date

Ch. D. [Signature]

3/26/2013

GIVEN under my hand and seal of office this 26th day of March, 2013



Virginia McClendon
Notary Public, State of Texas

(Notary Seal)

My commission expires 7/15/2013

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 § 37.10.

FEES AND PAYMENTS

☒ Enclosed is proof of application fee paid to the school district.

For the purpose of this question, "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.

Please answer only either A OR B:

A. 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

B. 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

BUSINESS APPLICANT INFORMATION

Legal Name under which application is made

Maverick Tube Corporation DBA Tenaris USA and/or an entity designated/assigned

Texas Taxpayer I.D. Number of entity subject to Tax Code, Chapter 171 (11 digits)

14314557662

NAICS code

331210

Is the applicant a party to any other Chapter 313 agreements? ☐ Yes ☒ No

If yes, please list name of school district and year of agreement.

N/A

APPLICANT BUSINESS STRUCTURE

Registered to do business in Texas with the Texas Secretary of State? ☒ Yes ☐ No

Identify business organization of applicant (corporation, limited liability corporation, etc.)

Corporation

1. Is the applicant a combined group, or comprised of members of a combined group, as defined by Texas Tax Code Chapter 171.0001(7)? ☒ Yes ☐ No
If so, please attach documentation of the combined group membership and contact information.

2. Is the applicant current on all tax payments due to the State of Texas? ☒ Yes ☐ No

3. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☐ NA ☒ Yes ☐ No

If the answer to either question is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (Use attachment if necessary.)

ELIGIBILITY UNDER TAX CODE CHAPTER 313.024

Are you an entity to which Tax Code, Chapter 171 applies? ☒ Yes ☐ No

The property will be used as an integral part, or as a necessary auxiliary part, in 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

Are you requesting that any of the land be classified as qualified investment? ☐ Yes ☒ No

Will any of the proposed qualified investment be leased under a capitalized lease? ☐ Yes ☒ No

Will any of the proposed qualified investment be leased under an operating lease? ☐ Yes ☒ No

Are you including property that is owned by a person other than the applicant? ☐ Yes ☒ No

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

PROJECT DESCRIPTION

Provide 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. (Use attachments as necessary)

See Attachment # 4.

Describe the ability of your company to locate or relocate in another state or another region of the state.

See Attachment # 25.

PROJECT CHARACTERISTICS (CHECK ALL THAT APPLY)

- ☒ New Jobs ☒ Construct New Facility ☐ New Business / Start-up ☐ Expand Existing Facility
- ☐ Relocation from Out-of-State ☐ Expansion ☒ Purchase Machinery & Equipment
- ☐ Consolidation ☐ Relocation within Texas

PROJECTED TIMELINE

Begin Construction Q3 2013 Begin Hiring New Employees Q4 2015

Construction Complete Q4 2016 Fully Operational Q4 2016

Purchase Machinery & Equipment 2014-2016

Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? ☒ Yes ☐ No

Note: Improvements made before that time may not be considered qualified property.

When do you anticipate the new buildings or improvements will be placed in service? Q4 2016

ECONOMIC INCENTIVES

Identify state programs the project will apply for:

State Source

Amount

Texas Enterprise Fund

6,000,000

Texas Enterprise Zone

3,750,000

Total

9,750,000

Will other incentives be offered by local units of government? ☒ Yes ☐ No

Please use the following box for additional details regarding incentives. (Use attachments if necessary.)

Please see Attachment # 26 for a schedule of the potential values of local tax incentives.

THE PROPERTYIdentify county or counties in which the proposed project will be located MatagordaCentral Appraisal District (CAD) that will be responsible for appraising the property MatagordaWill this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☒ No

List all taxing entities that have jurisdiction for the property and the portion of project within each entity

County: Matagorda, 100% City: n/a
(Name and percent of project) (Name and percent of project)Hospital District: Matagorda Co Hospital District, 100% Water District: Coastal Plains Groundwater Dist, 100%
(Name and percent of project) (Name and percent of project)Other (describe): Drainage District #1, 100%; Port of Bay City, 100% Other (describe): CONS & RECL District, 100%
(Name and percent of project) (Name and percent of project)Is the project located entirely within this ISD? ☐ Yes ☒ No

If not, please provide additional information on the project scope and size to assist in the economic analysis.

A small portion of the land is located in Bay City ISD, however there will be no construction on the land.

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 rural, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's Web site at www.window.state.tx.us/taxinfo/proptax/hb1200/values.html.

At the time of application, what is the estimated minimum qualified investment required for this school district? \$10 Million

What is the amount of appraised value limitation for which you are applying? \$10 million

What is your total estimated *qualified* investment? \$1,153,000,000

NOTE: See 313.021(1) for full definition. Generally, Qualified Investment is the sum of the investment in tangible personal property and buildings and new improvements made between beginning of the qualifying time period (date of application final approval by the school district) and the end of the second complete tax year.

What is the anticipated date of application approval? July 2013

What is the anticipated date of the beginning of the qualifying time period? applicant requests deferral January 2, 2014

What is the total estimated investment for this project for the period from the time of application submission to the end of the limitation period? \$1,356,200,000

Describe the qualified investment.[See 313.021(1).]

Attach the following items to this application:

- (1) a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021,
- (2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your minimum qualified investment and
- (3) a map of the qualified investment showing location of new buildings or new improvements with vicinity map.

Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or 313.053 for rural school districts) for the relevant school district category during the qualifying time period? ☒ Yes ☐ No

Except for new equipment described in Tax Code §151.318(q) or (q-1), is the proposed tangible personal property to be placed in service for the first time:

- (1) in or on the new building or other new improvement for which you are applying? ☒ Yes ☐ No
- (2) if not in or on the new building or other new improvement for which you are applying for an appraised value limitation, is the personal property necessary and ancillary to the business conducted in the new building or other new improvement? ☒ Yes ☐ No
- (3) on the same parcel of land as the building for which you are applying for an appraised value limitation? ☒ Yes ☐ No

("First placed in service" means the first use of the property by the taxpayer.)

Will the investment in real or personal property you propose be counted toward the minimum qualified investment required by Tax Code §313.023, (or 313.053 for rural school districts) be first placed in service in this state during the applicable qualifying time period? ☒ Yes ☐ No

Does the investment in tangible personal property meet the requirements of Tax Code §313.021(1)? ☒ Yes ☐ No

If the proposed investment includes a building or a permanent, non-removable component of a building, does it house tangible personal property? ☒ Yes ☐ No

QUALIFIED PROPERTY

Describe the qualified property. [See 313.021(2)] (If qualified investment describes qualified property exactly you may skip items (1), (2) and (3) below.)

Attach the following items to this application:

- (1) 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,
- (2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your qualified property and
- (3) a map of the qualified property showing location of new buildings or new improvements – with vicinity map.

Land

Is the land on which you propose new construction or 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

If you answered "no" to the question above, what is the anticipated date on which you will submit proof of a reinvestment zone with boundaries encompassing the land on which you propose new construction or improvements? April 2013

Will the applicant own the land by the date of agreement execution? ☒ Yes ☐ No

Will the project be on leased land? ☐ Yes ☒ No

QUALIFIED PROPERTY (CONTINUED)

If the land upon which the new building or new improvement is to be built is part of the qualified property described by §313.021(2)(A), please attach complete documentation, including:

1. Legal description of the land
2. Each existing appraisal parcel number of the land on which the improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property
3. Owner
4. The current taxable value of the land. Attach estimate if land is part of larger parcel.
5. A detailed map (with a vicinity map) showing the location of the land

Attach a map of the reinvestment zone boundaries, certified to be accurate by either the governmental entity creating the zone, the local appraisal district, or a licensed surveyor. (With vicinity map)

Attach the order, resolution or ordinance establishing the zone, and the guidelines and criteria for creating the zone, if applicable.

Miscellaneous

Is the proposed project a building or new improvement to an existing facility? ☐ Yes ☒ No

Attach a description of any existing improvements and include existing appraisal district account numbers.

List current market value of existing property at site as of most recent tax year. N/A
(Market Value) (Tax Year)

Is any of the existing property subject to a value limitation agreement under Tax Code 313? ☐ Yes ☒ No

Will all of the property for which you are requesting an appraised value limitation be free of a tax abatement agreement entered into by a school district for the duration of the limitation? ☒ Yes ☐ No

WAGE AND EMPLOYMENT INFORMATION

What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

The last complete calendar quarter before application review start date is the:

☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☒ Fourth Quarter of 2012
(year)

What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the TWC?
2,176

Note: For job definitions see TAC §9.1051(14) and Tax Code 313.021(3). If the applicant intends to apply a definition for "new job" other than TAC §9.1051(14)(C), then please provide the definition of "new job" as used in this application.

Total number of new jobs that will have been created when fully operational 600

Do you plan to create at least 25 new jobs (at least 10 new jobs for rural school districts) on the land and in connection with the new building or other improvement? ☒ Yes ☐ No

Do you intend to request that the governing body waive the minimum new job creation requirement, as provided under Tax Code §313.025(f-1)? ☐ Yes ☒ No

If you answered "yes" to the question above, attach evidence documenting that the new job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards. **Note: Even if a minimum new job waiver is provided, 80% of all new jobs must be qualifying jobs pursuant to Texas Tax Code, §313.024(d).**

What is the maximum number of qualifying jobs meeting all criteria of §313.021(3) you are committing to create? 480

If this project creates more than 1,000 new jobs, the minimum required wage for this project is 110% of the average county weekly wage for all jobs as described by 313.021(3)(E)(ii).

If this project creates less than 1,000 new jobs, does this district have territory in a county that meets the demographic characteristics of 313.051(2)? (see table of information showing this district characteristic at <http://www.window.state.tx.us/taxinfo/proptax/hb1200/values.html>)

If yes, the applicant must meet wage standard described in 313.051(b) (110% of the regional average weekly wage for manufacturing)

If no, the applicant shall designate one of the wage standards set out in §§313.021(5)(A) or 313.021(5)(B).

WAGE AND EMPLOYMENT INFORMATION (CONTINUED)

For the following three wage calculations please include on an attachment the four most recent quarters of data for each wage calculation. Show the average and the 110% calculation. Include documentation from TWC Web site. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(7).

110% of the county average weekly wage for all jobs (all industries) in the county is 970

110% of the county average weekly wage for manufacturing jobs in the county is 1,483

110% of the county average weekly wage for manufacturing jobs in the region is 1,136

Please identify which Tax Code section you are using to estimate the wage standard required for this project:

☐ §313.021(5)(A) or ☐ §313.021(5)(B) or ☐ §313.021(3)(E)(ii), or ☒ §313.051(b)?

What is the estimated minimum required annual wage for each qualifying job based on the qualified property? \$59,082

What is the estimated minimum required annual wage you are committing to pay for each of the qualifying jobs you create on the qualified property? \$59,082

Will 80% of all new jobs created by the owner be qualifying jobs as defined by 313.021(3)? ☒ Yes ☐ No

Will each qualifying job require at least 1,600 of work a year? ☒ Yes ☐ No

Will any of the qualifying jobs be jobs transferred from one area of the state to another? ☐ Yes ☒ No

Will any of the qualifying jobs be retained jobs? ☐ Yes ☒ No

Will any of the qualifying jobs be created to replace a previous employee? ☐ Yes ☒ No

Will any required qualifying jobs be filled by employees of contractors? ☐ Yes ☒ No

If yes, what percent? _____

Does the applicant or contractor of the applicant offer to pay at least 80% of the employee's health insurance premium for each qualifying job? ☒ Yes ☐ No

Describe each type of benefits to be offered to qualifying jobholders. (Use attachments as necessary.)

The company will pay 84% of health insurance premiums for all qualifying jobs. Other benefits that will be offered by the company include Medical Insurance, Dental Insurance, Vision Insurance, Flexible Spending Accounts, Life Insurance, Accidental Death and Dismemberment, Short-Term Disability, 401(k) Plan, Gym Membership Incentive, Employee Assistance Program, and other programs. Please see attachment #6 for details regarding each type of benefit.

ECONOMIC IMPACT

Is an Economic Impact Analysis attached (If supplied by other than the Comptroller's office)? ☒ Yes ☐ No

Is Schedule A completed and signed for all years and attached? ☒ Yes ☐ No

Is Schedule B completed and signed for all years and attached? ☒ Yes ☐ No

Is Schedule C (Application) completed and signed for all years and attached? ☒ Yes ☐ No

Is Schedule D completed and signed for all years and attached? ☒ Yes ☐ No

Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, please attach a separate schedule showing the amount for each year affected, including an explanation.

CONFIDENTIALITY NOTICE

**Property Tax Limitation Agreement Applications
Texas Government Code Chapter 313
Confidential Information Submitted to the Comptroller**

Generally, an application for property tax value limitation, the information provided therein, and documents submitted in support thereof, are considered public information subject to release under the Texas Public Information Act.

There is an exception, outlined below, by which information will be withheld from disclosure.

The Comptroller's office will withhold information from public release if:

- 1) it describes the specific processes or business activities to be conducted or the specific tangible personal property to be located on real property covered by the application;
- 2) the information has been segregated in the application from other information in the application; and
- 3) the party requesting confidentiality provides the Comptroller's office a list of the documents for which confidentiality is sought and for each document lists the specific reasons, including any relevant legal authority, stating why the material is believed to be confidential.

All applications and parts of applications which are not segregated and marked as confidential as outlined above will be considered public information and will be posted on the internet.

Such information properly identified as confidential will be withheld from public release unless and until the governing body of the school district acts on the application, or we are directed to do so by a ruling from the Attorney General.

Other information in the custody of a school district or the comptroller submitted in connection with the application, including information related to the economic impact of a project or the essential elements of eligibility under Texas Tax Code, Chapter 313, such as

the nature and amount of the projected investment, employment, wages, and benefits, will not be considered confidential business information and will be posted on the internet.

All documents submitted to the Comptroller, as well as all information in the application once the school district acts thereon, are subject to public release unless specific parts of the application or documents submitted with the application are identified as confidential. Any person seeking to limit disclosure of such submitted records is advised to consult with their legal counsel regarding disclosure issues and also to take the appropriate precautions to safeguard copyrighted material, trade secrets, or any other proprietary information. The Comptroller assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by respondents. A person seeking to limit disclosure of information must submit in writing specific detailed reasons, including any relevant legal authority, stating why that person believes the material to be confidential.

The following outlines how the Comptroller's office will handle requests for information submitted under the Texas Public Information Act for application portions and submitted records appropriately identified as confidential.

- This office shall forward the request for records and a copy of the documents at issue to the Texas Attorney General's office for an opinion on whether such information may be withheld from disclosure under the Texas Public Information Act.
- The Comptroller will notify the person who submitted the application/documents when the information is forwarded to the Attorney General's office.
- Please be aware that this Office is obligated to comply with an Attorney General's decision, including release of information ruled public even if it was marked confidential.

| COMPANY CHECKLIST AND REQUESTED ATTACHMENTS | | | |
|---|--|--------------|-----------------|
| | Checklist | Page X of 16 | Check Completed |
| 1 | Certification pages signed and dated by Authorized Business Representative (applicant) | 4 of 16 | ✓ |
| 2 | Proof of Payment of Application Fee (Attachment) | 5 of 16 | ✓ |
| 3 | For applicant members, documentation of Combined Group membership under Texas Tax Code 171.0001(7) (if Applicable) (Attachment) | 5 of 16 | ✓ |
| 4 | Detailed description of the project | 6 of 16 | ✓ |
| 5 | If project is located in more than one district, name other districts and list percentage in each district (Attachment) | 7 of 16 | N/A |
| 6 | Description of Qualified Investment (Attachment) | 8 of 16 | ✓ |
| 7 | Map of qualified investment showing location of new buildings or new improvements with vicinity map. | 8 of 16 | ✓ |
| 8 | Description of Qualified Property (Attachment) | 8 of 16 | ✓ |
| 9 | Map of qualified property showing location of new buildings or new improvements with vicinity map | 8 of 16 | ✓ |
| 10 | Description of Land (Attachment) | 9 of 16 | ✓ |
| 11 | A detailed map showing location of the land with vicinity map. | 9 of 16 | ✓ |
| 12 | A description of all existing (if any) improvements (Attachment) | 9 of 16 | N/A |
| 13 | Request for Waiver of Job Creation Requirement (if applicable) (Attachment) | 9 of 16 | N/A |
| 14 | Calculation of three possible wage requirements with TWC documentation. (Attachment) | 10 of 16 | ✓ |
| 15 | Description of Benefits | 10 of 16 | ✓ |
| 16 | Economic Impact (if applicable) | 10 of 16 | ✓ |
| 17 | Schedule A completed and signed | 13 of 16 | ✓ |
| 18 | Schedule B completed and signed | 14 of 16 | ✓ |
| 19 | Schedule C (Application) completed and signed | 15 of 16 | ✓ |
| 20 | Schedule D completed and signed | 16 of 16 | ✓ |
| 21 | Map of Reinvestment Zone (Attachment) (Showing the actual or proposed boundaries and size, Certified to be accurate by either the government entity creating the zone, the local appraisal district, or a licensed surveyor, with vicinity map)* | 9 of 16 | N/A |
| 22 | Order, Resolution, or Ordinance Establishing the Zone (Attachment)* | 9 of 16 | N/A |
| 23 | Legal Description of Reinvestment Zone (Attachment)* | 9 of 16 | N/A |
| 24 | Guidelines and Criteria for Reinvestment Zone(Attachment)* | 9 of 16 | N/A |

*To be submitted with application or before date of final application approval by school board.

25. Ability to Relocate
26. Value of Local Tax Incentives

Schedule A (Rev. Jan. 2010): Investment

PROPERTY INVESTMENT AMOUNTS

(Estimated investment in each year. Do not put cumulative totals.)

| | | Year | School Year (YYYY-YYYY) | Tax Year (Fill in actual tax year below) YYYY | Column A: Tangible Personal Property The amount of new investment (original cost) placed in service during this year | Column B: Building or Permanent Nonremovable Component of Building (annual amount only) | Column C: Sum of A and B Qualifying Investment (during the qualify- ing time period) | Column D: Other investment that is not qualified investment affecting economic impact and total value | Column E: Total Investment (A+B+D) |
|---|---|------|----------------------------|--|--|---|---|--|--|
| The year preceding the first complete tax year of the qualifying time period (assuming no deferrals) | Investment made before filing complete appli- cation with district (neither qualified property nor eligible to become qualified investment) | | | | | | | | |
| | Investment made after filing complete ap- plication with district, but before final board approval of application (eligible to become qualified property) | | | | | | | | |
| | Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property) | | | | | | | | |
| Complete tax years of qualifying time period | 1 | | | | | | | | |
| | 2 | | | | | | | | |
| Tax Credit Period (with 50% cap on credit) | Value Limitation Period | 3 | | | | | | | |
| | | 4 | | | | | | | |
| | | 5 | | | | | | | |
| | | 6 | | | | | | | |
| | | 7 | | | | | | | |
| | | 8 | | | | | | | |
| | | 9 | | | | | | | |
| | | 10 | | | | | | | |
| Credit Settle-Up Period | Continue to Maintain Viable Presence | 11 | | | | | | | |
| | | 12 | | | | | | | |
| | | 13 | | | | | | | |
| Post- Settle-Up Period | | 14 | | | | | | | |
| Post- Settle-up Period | | 15 | | | | | | | |

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years.

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment- as defined in Tax Code §313.021(1)(A)-(D). For the purposes of investment, please list amount invested each year, not cumulative totals.
[For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property].
Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E).
For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.

Column D: Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value – for planning, construction and operation of the facility. The most significant example for many projects would be land. Other examples may be items such as professional services, etc.
Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed.

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

Schedule B (Rev. Jan. 2010): Estimated Market and Taxable Value

Applicant Name _____

ISD Name _____

| | | | | | Qualified Property | | | Reductions From Market Value | 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 building or "in or on the new improvement" | Exempted Value | Final taxable value for I&S - after all reductions | Final taxable value for M&O - after all reductions |
| | | pre- year 1 | | | | | | | | |
| | Complete tax years of qualifying time period | 1 | | | | | | | | |
| | | 2 | | | | | | | | |
| | Value Limitation Period | 3 | | | | | | | | |
| | | 4 | | | | | | | | |
| | | 5 | | | | | | | | |
| | | 6 | | | | | | | | |
| | | 7 | | | | | | | | |
| | | 8 | | | | | | | | |
| | | 9 | | | | | | | | |
| | | 10 | | | | | | | | |
| | Continue to Maintain Viable Presence | 11 | | | | | | | | |
| | | 12 | | | | | | | | |
| | | 13 | | | | | | | | |
| Post- Settle-Up Period | | 14 | | | | | | | | |
| Post- Settle-Up Period | | 15 | | | | | | | | |

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE _____

DATE _____

Schedule C - Application: Employment Information

Applicant Name _____

ISD Name _____

| | | | | Construction | | New Jobs | Qualifying Jobs | | | |
|--|--|-------------|----------------------------|--|--|--|---|---|---|---|
| | | Year | School Year (YYYY-YYYY) | Tax Year (Fill in actual tax year) YYYY | Column A: Number of Construction FTE's or man- hours (specify) | Column B: Average annual wage rates for construction workers | Column C: Number of new jobs applicant commits to create (cumulative) | Column D: Average annual wage rate for all new jobs. | Column E: Number of quali- fying jobs appli- cant commits to create meeting all criteria of Sec. 313.021(3) (cumulative) | Column F: Average annual wage of qualifying jobs |
| | | pre- year 1 | | | | | | | | |
| | Complete tax years of qualify- ing time period | 1 | | | | | | | | |
| | | 2 | | | | | | | | |
| | | 3 | | | | | | | | |
| Tax Credit Period (with 50% cap on credit) | Value Limitation Period | 4 | | | | | | | | |
| | | 5 | | | | | | | | |
| | | 6 | | | | | | | | |
| | | 7 | | | | | | | | |
| | | 8 | | | | | | | | |
| | | 9 | | | | | | | | |
| | | 10 | | | | | | | | |
| Credit Settle-Up period | Continue to Maintain Viable Presence | 11 | | | | | | | | |
| | | 12 | | | | | | | | |
| | | 13 | | | | | | | | |
| Post- Settle-Up Period | | 14 | | | | | | | | |
| Post- Settle-Up Period | | 15 | | | | | | | | |

Notes: For job definitions see TAC §9.1051(14) and Tax Code §313.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE _____

DATE _____

Schedule D: (Rev. Jan. 2010): Other Tax Information

Applicant Name

ISD Name

| | | | | | Sales Tax Information | | Franchise Tax | Other Property Tax Abatelements Sought | | | | |
|--|--------------------------------------|--|--------------------|--------------------------|---|---|---|--|--|--|--|--|
| | | | | | Sales Taxable Expenditures | | Franchise Tax | County | City | Hospital | Other | |
| | | Year | School Year (YYYY) | Tax/Calendar Year (YYYY) | Column F: Estimate of total annual expenditures* subject to state sales tax | Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax | Column H: Estimate of Franchise tax due from (or attributable to) the applicant | Fill in percent-age exemption requested or granted in each year of the agreement | Fill in percent-age exemption requested or granted in each year of the agreement | Fill in percent-age exemption requested or granted in each year of the agreement | Fill in percent-age exemption requested or granted in each year of the agreement | |
| The year preceding the first complete tax year of the qualifying time period (assuming no deferrals) | | | | | | | | | | | | |
| | | Complete tax years of qualifying time period | 1 | | | | | | | | | |
| | | | 2 | | | | | | | | | |
| Tax Credit Period (with 50% cap on credit) | Value Limitation Period | 3 | | | | | | | | | | |
| | | 4 | | | | | | | | | | |
| | | 5 | | | | | | | | | | |
| | | 6 | | | | | | | | | | |
| | | 7 | | | | | | | | | | |
| | | 8 | | | | | | | | | | |
| | | 9 | | | | | | | | | | |
| | | 10 | | | | | | | | | | |
| Credit Settle-Up period | Continue to Maintain Viable Presence | 11 | | | | | | | | | | |
| | | 12 | | | | | | | | | | |
| | | 13 | | | | | | | | | | |
| Post- Settle-Up Period | | 14 | | | | | | | | | | |
| Post- Settle-Up Period | | 15 | | | | | | | | | | |

*For planning, construction and operation of the facility.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

Attachment 1

Certification Pages signed and dated by Authorized Business Representative

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name

Last Name

Title

Firm Name

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Business email Address

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 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.

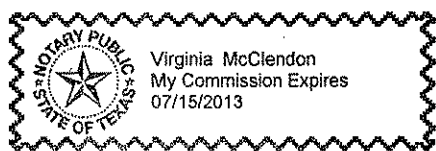
Signature (Authorized Business Representative (Applicant))

Date

Ch. O. [Signature]

3/26/2013

GIVEN under my hand and seal of office this 26th day of March, 2013



Virginia McClendon
Notary Public, State of Texas

(Notary Seal)

My commission expires 7/15/2013

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 § 37.10.

Attachment 2

Proof of Payment of Application Fee

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)*

Attachment 3

**For Applicant members, Documentation of Combined Group membership
under Texas Code 171.0001(7)**

Attachment 3

For Applicant members, Documentation of Combined Group membership under Texas Code 171.0001(7)

851Form
(Rev. December 2010)

Department of the Treasury

Internal Revenue Service

Affiliations Schedule

File with each consolidated income tax return.

For tax year ending 12/31/2011

OMB No. 1545-0025

Name of common parent corporation

Employer identification number

Maverick Tube Corporation43-1455766

Number, street, and room or suite no. If a P.O. box, see instructions.

2200 WEST LOOP SOUTH, SUITE 800

City or town, state, and ZIP code

HOUSTON, TX77027**Part I Overpayment Credits, Estimated Tax Payments, and Tax Deposits (see instructions)**

| Corp. No. | Name and address of corporation | Employer identification number | Portion of overpayment credits and estimated tax payments | Portion of tax deposited with Form 7004 |
|---|--|--------------------------------|---|---|
| 1 | Common parent corporation | | 35,545,428 | |
| | Subsidiary corporations: | | | |
| 2 | Maverick C & P, Inc P.O. Box 460276 Houston, TX 77056-8276 | 36-4515925 | 2,322 | |
| 3 | Tubular Transport Services, Inc. 2200 West Loop South, Ste. 800 Houston, TX 77027 | 31-1841197 | | |
| 4 | Maverick Tube International Holdings, Inc. Tax Dept, P.O. Box 367 Chesterfield, MO 63006 | 20-0463943 | | |
| 5 | Republic Conduit Holding, LLC Tax Dept, P.O. Box 367 Chesterfield, MO 63006 | 20-2902341 | | |
| 6 | Tenaxis Coiled Tubes LLC 2200 West Loop South, Suite 800 Houston, TX 77027 | 26-0420516 | | |
| 7 | Hydril Acquisition Sub Inc. 2200 West Loop South, #800 Houston, TX 77027-3532 | 20-0737697 | | |
| Totals (Must equal amounts shown on the consolidated tax return.) | | | 35,569,222 | |

Part II Principal Business Activity, Voting Stock Information, Etc. (see instructions)

| Corp. No. | Principal business activity (PBA) | PBA Code No. | Did the subsidiary make any nondividend distributions? | | Stock holdings at beginning of year | | | |
|-----------|-----------------------------------|--------------|--|----|-------------------------------------|-------------------------|------------------|--------------------------|
| | | | Yes | No | Number of shares | Percent of voting power | Percent of value | Owned by corporation no. |
| 1 | Common parent corporation | 331200 | | | | | | |
| | Subsidiary corporations: | | | | | | | |
| 2 | Mfg pipe from purch | 331210 | | X | | 100.00 % | 100.00 % | 1 |
| 3 | ROLLING STOCK MANAGE | 488210 | | X | | 100.00 % | 100.00 % | 1 |
| 4 | HOLDING COMPANY | 551112 | | X | | 100.00 % | 100.00 % | 1 |
| 5 | HOLDING COMPANY | 551112 | | X | | 100.00 % | 100.00 % | 2 |
| 6 | MFG PIPE FROM PURCH | 331210 | | X | | 100.00 % | 100.00 % | 1 |
| 7 | Manu. Sales & Servic | 332700 | | X | | 100.00 % | 100.00 % | 5 |

JSA For Paperwork Reduction Act Notice, see instructions.

102010 1.000

0001JT 737M 09/17/2012 14:32:16 V11-5.6 43-1455766

Form 851 (Rev. 12-2010)

58

Affiliations Schedule

File with each consolidated income tax return.

OMB No. 1545-0025

For tax year ending **12/31/2011**

Name of common parent corporation

Employer identification number

Maverick Tube Corporation**43-1455766**

Number, street, and room or suite no. If a P.O. box, see instructions.

2200 WEST LOOP SOUTH, SUITE 800

City or town, state, and ZIP code

HOUSTON, TX**77027****Part I Overpayment Credits, Estimated Tax Payments, and Tax Deposits (see instructions)**

| Corp. No. | Name and address of corporation | Employer identification number | Portion of overpayment credits and estimated tax payments | Portion of tax deposited with Form 7024 |
|---|---|--------------------------------|---|---|
| | Common parent corporation | | | |
| | Subsidiary corporations: | | | |
| 8 | Hydril Africa Company 2200 West Loop South, #800 Houston, TX 77027-3532 | 95-3625590 | | |
| 9 | Hydril Company (SubCon) 2200 West Loop South Houston, TX 77027-3532 | 95-2777268 | 21,472 | |
| 10 | TS (International) Holdings LLC LTD 2200 West Loop South, Suite 800 Houston, TX 77027 | 98-0606434 | | |
| | | | | |
| | | | | |
| | | | | |
| Totals (Must equal amounts shown on the consolidated tax return.) | | | | |

Part II Principal Business Activity, Voting Stock Information, Etc. (see instructions)

| Corp. No. | Principal business activity (PBA) | PBA Code No. | Did the subsidiary make any nondividend distributions? | | Stock holdings at beginning of year | | | |
|-----------|-----------------------------------|--------------|--|----|-------------------------------------|-------------------------|------------------|--------------------------|
| | | | Yes | No | Number of shares | Percent of voting power | Percent of value | Owned by corporation no. |
| | Common parent corporation | | | | | | | |
| | Subsidiary corporations: | | | | | | | |
| 8 | MFG SALES SERVICE | 332700 | | X | | 100.00 % | 100.00 % | 8 |
| 9 | Manufac Sales Service | 332700 | | X | | 100.00 % | 100.00 % | 4 |
| 10 | HOLDING COMPANY | 551112 | | X | | 100.00 % | 100.00 % | 4 |
| | | | | | | % | % | |
| | | | | | | % | % | |
| | | | | | | % | % | |

Form 851 (Rev. 12-2010)

Page 2

Part III Changes in Stock Holdings During the Tax Year

| Corp. No. | Name of corporation | Shareholder of Corporation No. | Date of transaction | (a) Changes | | (b) Shares held after changes described in column (a) | |
|-----------|---------------------|--------------------------------|---------------------|---------------------------|------------------------------|---|------------------|
| | | | | Number of shares acquired | Number of shares disposed of | Percent of voting power | Percent of value |
| | | | | | | % | % |
| | | | | | | % | % |
| | | | | | | % | % |
| | | | | | | % | % |
| | | | | | | % | % |
| | | | | | | % | % |
| | | | | | | % | % |
| | | | | | | % | % |
| | | | | | | % | % |

(c) If any transaction listed above caused a transfer of a share of subsidiary stock (defined to include dispositions and deconsolidations), did the share's basis exceed its value at the time of the transfer? See instructions ☐ Yes ☒ No

(d) Did any share of subsidiary stock become worthless within the meaning of section 165 (taking into account the provisions of Regulations section 1.1502-80(c)) during the taxable year? See instructions ☐ Yes ☒ No

(e) If the equitable owners of any capital stock shown above were other than the holders of record, provide details of the changes.

(f) If additional stock was issued, or if any stock was retired during the year, list the dates and amounts of these transactions.

Form 851 (Rev. 12-2010)

Part IV Additional Stock Information (see instructions)

- 1 During the tax year, did the corporation have more than one class of stock outstanding? ☐ Yes ☒ No
If "Yes," enter the name of the corporation and list and describe each class of stock.

| Corp. No. | Name of corporation | Class of stock |
|-----------|---------------------|----------------|
| | | |
| | | |
| | | |
| | | |

- 2 During the tax year, was there any member of the consolidated group that reaffiliated within 60 months of disaffiliation? ☐ Yes ☒ No
If "Yes," enter the name of the corporation(s) and explain the circumstances.

| Corp. No. | Name of corporation | Explanation |
|-----------|---------------------|-------------|
| | | |
| | | |
| | | |
| | | |

- 3 During the tax year, was there any arrangement in existence by which one or more persons that were not members of the affiliated group could acquire any stock, or acquire any voting power without acquiring stock, in the corporation, other than a de minimis amount, from the corporation or another member of the affiliated group? ☐ Yes ☒ No
If "Yes," enter the name of the corporation and see the instructions for the percentages to enter in columns (a), (b), and (c).

| Corp. No. | Name of corporation | (a) Percent of value | (b) Percent of outstanding voting stock | (c) Percent of voting power |
|-----------|---------------------|-------------------------|--|--------------------------------|
| | | % | % | % |
| | | % | % | % |
| | | % | % | % |
| | | % | % | % |
| | | % | % | % |

| Corp. No. | (d) Provide a description of any arrangement. |
|-----------|---|
| | |
| | |
| | |
| | |

Attachment 4

Detailed description of the project

Attachment 4

Detailed description of the project

Provide 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

Global oilfield services operator Tenaris SA, parent company of Maverick Tube Corporation ("Maverick"), plans to invest an estimated \$1.36 billion in the United States to expand onshore and offshore services, including a state-of-the-art seamless pipe mill, as well as heat treatment and premium threading facilities. The mill is scheduled to begin operations in 2016 with an annual production capacity of 650,000 tons of pipeline and would be integrated with the company's U.S. manufacturing and service operations. One site under consideration for the project is located in Matagorda County.

The purpose of building the new facility and expanding Maverick's current operations is to meet the market demand for high-quality OCTG [oil country tubular goods] and line pipe products, which is growing rapidly due to the development of unconventional oil and gas reserves and the resumption of deepwater drilling activity in the Gulf of Mexico. The new investment plan will strengthen Tenaris' local production and service capabilities, allowing it to reduce lead times and serve its U.S. customers with a full range of locally manufactured seamless, welded and premium products, in a market where imported products account for over half of total consumption.

Maverick is a steel tube manufacturer based in Houston, Texas. The corporation currently has over 2,100 full-time employees in the state of Texas and plans to add 600 new full-time positions with the construction of the new facility. Should Matagorda County be finally selected, the potential site would be located on Highway 35 (7th Street) between Showboat Rd. and Farm to Market 2540.

The construction of the main steel pipe manufacturing facility is expected to take approximately 40 months and will be concluded in early 2016.

Attachment 5

**If project is located in more than one district, name other districts
and list percentage in each district**

N/A

Attachment 6

Description of Qualified Investment

Attachment 6

Description of Qualified Investment

1 Specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code Sec. 313.021

Global oilfield services operator Tenaris SA, parent company of Maverick Tube Corporation ("Maverick"), plans to invest an estimated \$1.36 billion in the United States to expand onshore and offshore services, including a state-of-the-art seamless pipe rolling mill, as well as heat treatment and premium threading facilities. The rolling mill is scheduled to begin preliminary operations in 2016 with an annual production capacity of 650,000 tons of pipeline. This facility would be integrated with the company's existing U.S. manufacturing and service operations. One site under consideration for the project is located in Matagorda County.

The purpose of building the new facility and expanding Maverick's current operations is to meet the market demand for high-quality OCTG [oil country tubular goods] and line pipe products, which is growing rapidly due to the development of unconventional oil and gas reserves and the resumption of deepwater drilling activity in the Gulf of Mexico. The new investment plan will strengthen Tenaris' local production and service capabilities, allowing it to reduce lead times and serve its U.S. customers with a full range of locally manufactured seamless, welded and premium products, in a market where imported products account for over half of total consumption.

Maverick is a steel tube manufacturer based in Houston, Texas. The corporation currently has over 2,100 full-time employees in the state of Texas and plans to add 600 new full-time positions with the construction of the new facility in Matagorda County. The potential site is located in Bay City on 7th Street between Showboat Rd. and Farm to Market 2540.

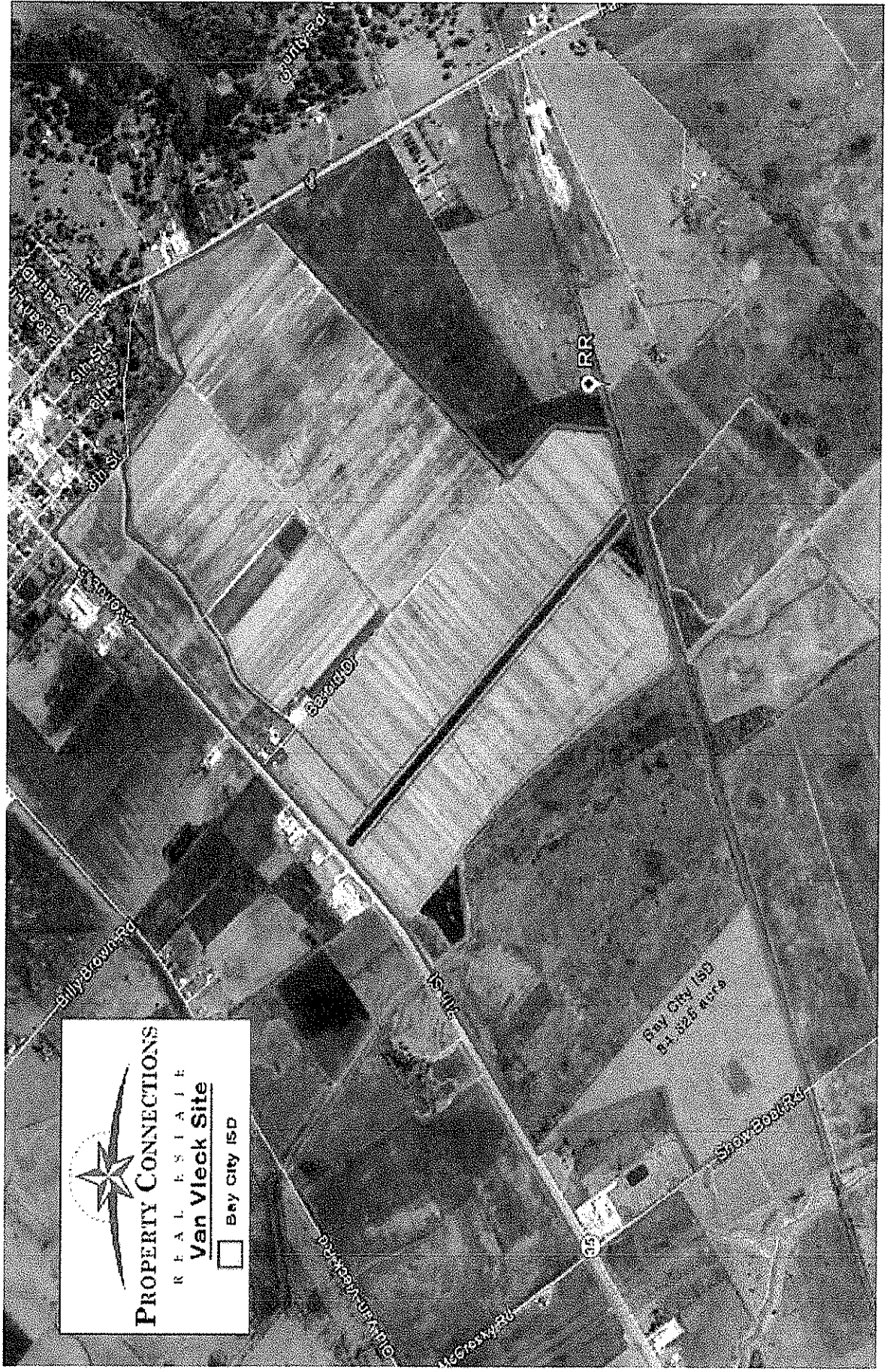
The construction of the main steel pipe manufacturing facility is expected to take approximately 40 months and will be concluded in early 2016.

Attachment 7

**Map of Qualified Investment showing location of new buildings or new improvements
with vicinity map.**

Attachment 7

A map of the qualified investment showing location of new buildings or new improvements with vicinity map



Attachment # 8

Description of Qualified Property

Attachment # 8

Description of Qualified Property

Description of any new buildings, proposed improvements or personal property which you intend to include as part of your minimum qualified investment

Building- Maverick will be constructing a 100,000 sqm. (1,076,391 sq. ft.) industrial building, as well as other facilities (warehouses, shops, offices, ect.) totaling 40,000 sqm. (430,556 sq. ft.)

Machinery and Equipment- The machinery and equipment purchased will aid in the functions of a rolling mill and a heat treatment facility

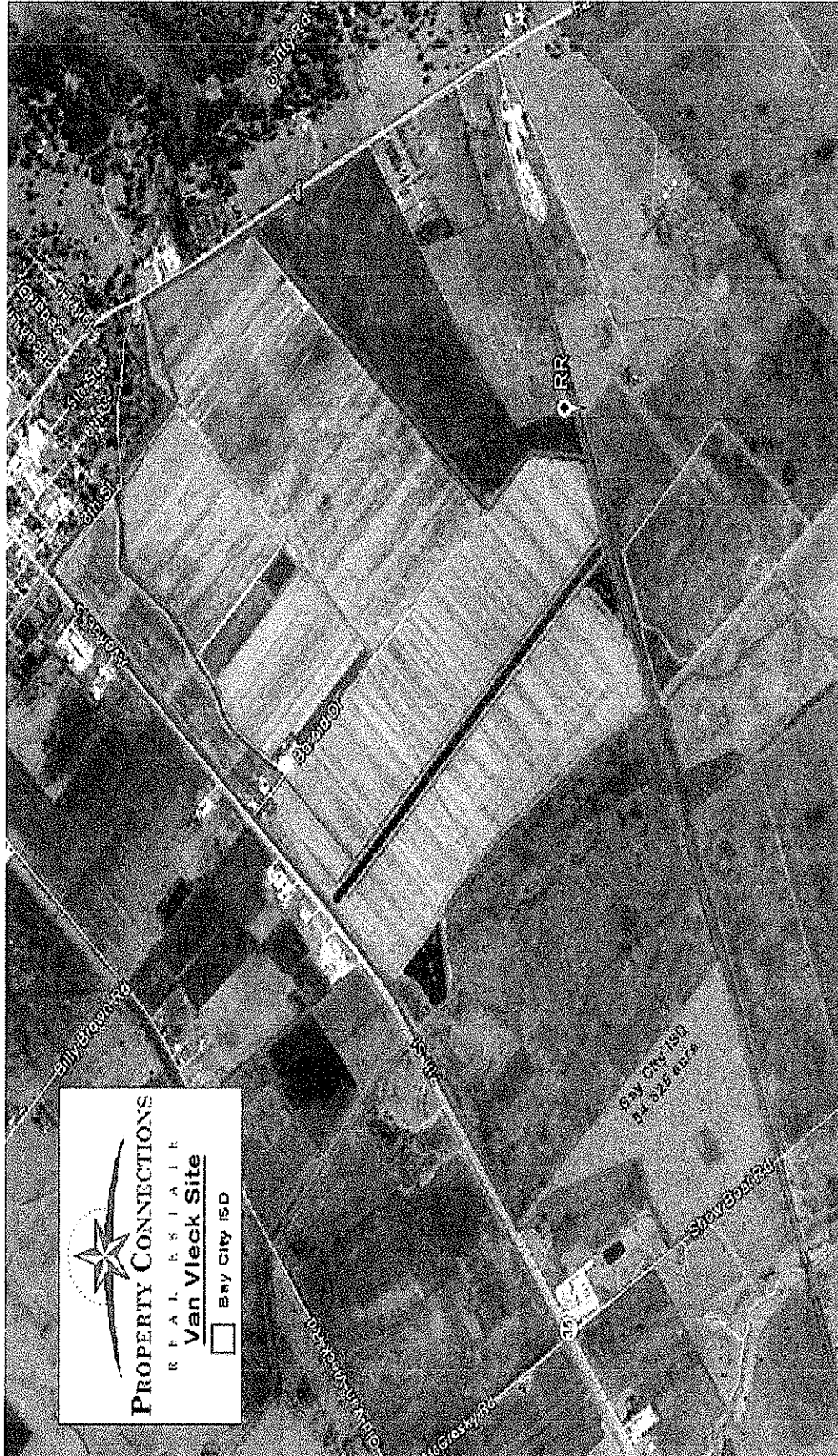
See details of qualified investment in Attachment 6.

Attachment 9

Map of qualified property showing location of new improvements with vicinity map

Attachment 9

Map of qualified property showing location of new improvements with vicinity map.



Attachment 10

Description of Land

Attachment 10

Description of Land

- 1 Legal Description of the land:
See attached PDF.
- 2 Each existing appraisal parcel number of the land on which the improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property
See attached PDF.
- 3 Owner
See attached PDF.
- 4 The current taxable value of the land. Attach estimate if land is part of larger parcel.
\$209,151 See attached PDF.



Property Legal Description w Tax Values

MATAGORDA COUNTY VAN VLECK SITE

| 1 | Legal Description | B Acreage | C Owner(s) | D Ownership % | E Signator | Taxable Value of Land |
|----|-----------------------------|--------------|--|------------------|-------------------------------|--------------------------|
| | | | | | | |
| 2 | | | | | | |
| 3 | AB 0150, John Duncan, Tr 28 | 1.5693 ac | Francis W. & Carol Milberger | 100% | Arthur J. and Sue Milberger | 620 |
| 4 | | | | | | |
| 5 | T M Duke AB 29, Tr 1A | 201.44 ac | Francis & Lillian Milberger Family PTR LTD | 1/3 Und Int | unknown | 24,936 |
| 6 | same | same | Bryan M. & Arthur J. Milberger | 2/3 Und Int | | 48,404 |
| 7 | | | | | | |
| 8 | W J Maynard AB 356, Tr 18 | 99.91 ac | Arthur J. & Bryan M. Milberger Trustee | 25%UND INT | Bryan M. Milberger Trust | 9,865 |
| 9 | same | same | Arthur J. & Bryan Milberger Trustee | same | Arthur J. Milberger Trust | 9,865 |
| 10 | same | same | Arthur J. & Bryan Milberger Trustee | same | Mary Ellen Milberger Trust | 9,865 |
| 11 | same | same | Arthur J. And Bryan M. Milberger Trustee | same | Francis Wayne Milberger Trust | 9,865 |
| 12 | | | | | | |
| 13 | AB 0150, John Duncan Tr 35A | 84.48 ac | Francis W. & Carol Milberger | 100% | Arthur J. & Sue Milberger | 5,070 |
| 14 | | | | | | |
| 15 | AB 0150, John Duncan Tr 35B | 34.56 ac | Francis W. & Carol Milberger | 100% | Arthur J. & Sue Milberger | 2,070 |
| 16 | | | | | | |
| 17 | AB 0150, John Duncan Tr 35 | 190.85 ac | Francis W. & Carol Milberger | 100% | Arthur J. & Sue Milberger | 11,650 |
| 18 | | | | | | |
| 19 | AB 0150, John Duncan Tr 1 | 221.32 ac | Francis W. & Carol Milberger | 100% | Arthur J. & Sue Milberger | 13,130 |
| 20 | | | | | | |
| 21 | AB 0356, W J Maynard Tr 17 | 4.204 ac | Arthur J. & Sue K. Milberger | 1/3 UND INT | | 5,327 |
| 22 | AB 0356, W J Maynard Tr 17A | same | Francis W. & Carol Milberger | same | | 5,326 |
| 23 | AB 0356, W J Maynard Tr 17B | same | Bryan M. Milberger | same | | 5,326 |
| 24 | | | | | | |
| 25 | AB 356, W J Maynard Tr 18A | 75.74 ac | Arthur J. Milberger & Bryan M. Trustee | 25% UND INT | Mary Ellen Milberger Trust | 10,693 |
| 26 | same | same | same | same | Francis Wayne Milberger Trust | 10,693 |
| 27 | same | same | same | same | Arthur J. Milberger Trust | 10,693 |
| 28 | same | same | same | same | Bryan M. Milberger Trust | 10,693 |
| 29 | | | | | | |
| 30 | AB 275, I & G N RR Co, Tr 3 | 51.986 | Francis W. & Carol Milberger | 100% | Arthur J. and Sue Milberger | 3,120 |
| 31 | | | | | | |
| 32 | AB 476, M Oconnell, Tr 4 | 32.339 ac | Francis W. & Carol Milberger | 100% | Arthur J. and Sue Milberger | 1,940 |
| 33 | Total Acreage | 998.398 ac | | | Total | 209,151 |

MATAGORDA COUNTY VAN VLECK SITE

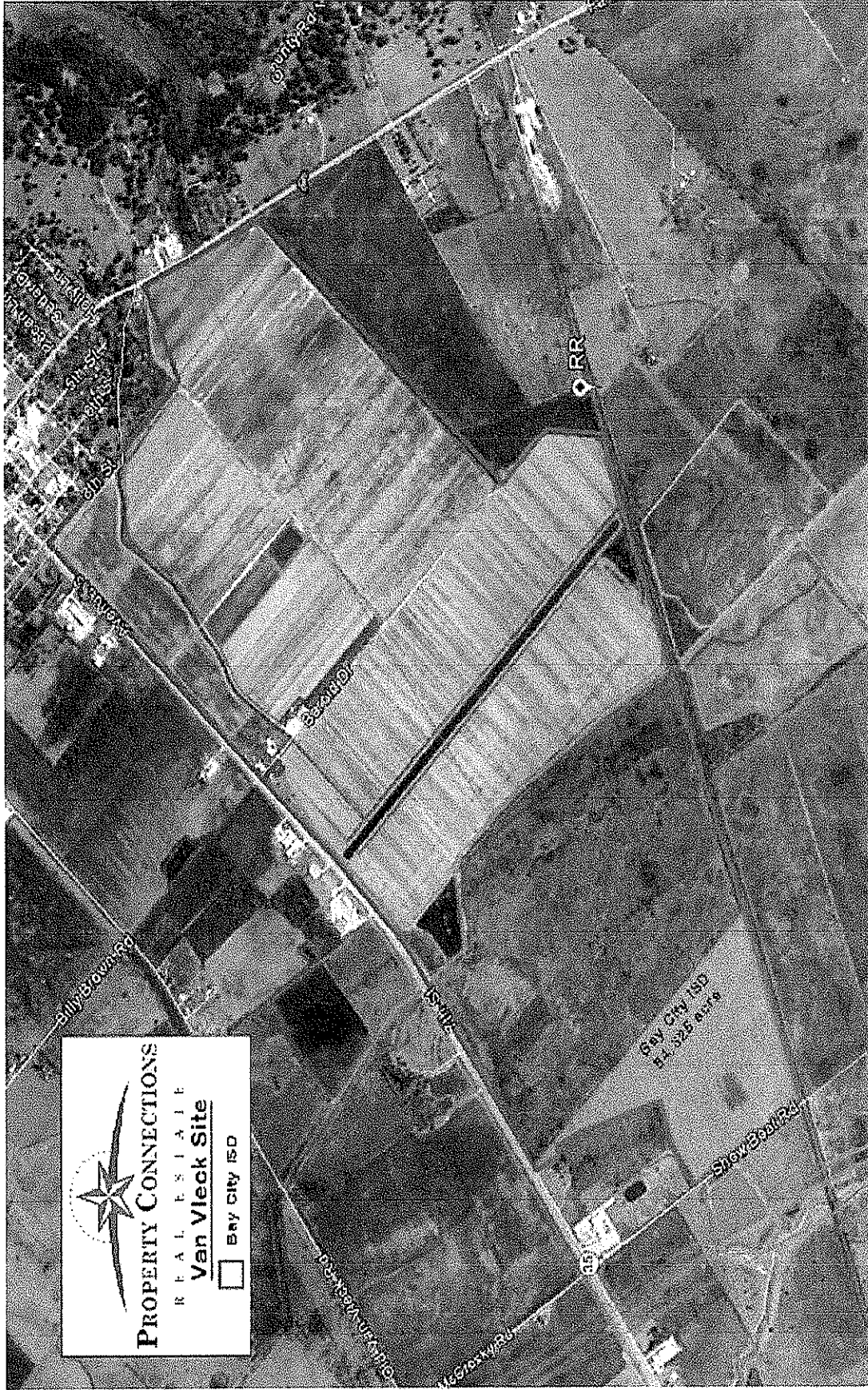
| F | |
|----|---|
| 1 | Address |
| 2 | |
| 3 | 1700 Saddlewood Blvd., Kerrville, TX 78028 |
| 4 | |
| 5 | PO Box 2249, Bay City, TX 77404-2249 |
| 6 | same |
| 7 | |
| 8 | PO Box 350, Bay City, TX 77404-0350 |
| 9 | same |
| 10 | same |
| 11 | same |
| 12 | |
| 13 | 1700 Saddlewood Blvd., Kerrville, TX 78028-7170 |
| 14 | |
| 15 | 1700 Saddlewood Blvd., Kerrville, TX 78028-7170 |
| 16 | |
| 17 | 1700 Saddlewood Blvd., Kerrville, TX 78028-7170 |
| 18 | |
| 19 | 1700 Saddlewood Blvd., Kerrville, TX 78028-7170 |
| 20 | |
| 21 | PO Box 350, Bay City, TX 77404-0350 |
| 22 | 1700 Saddlewood Blvd., Kerrville, TX 78028-7170 |
| 23 | PO Box 290, Bay City, TX 77404-0290 |
| 24 | |
| 25 | PO Box 350, Bay City, TX 77404-0350 |
| 26 | same |
| 27 | same |
| 28 | same |
| 29 | |
| 30 | 1700 Saddlewood Blvd., Kerrville, TX 78028-7170 |
| 31 | |
| 32 | 1700 Saddlewood Blvd., Kerrville, TX 78028-7170 |
| 33 | |

Attachment 11

A detailed map showing the location of the land with vicinity map

Attachment 11

A detailed map showing the location of the land with vicinity map



Attachment 12

A description of all existing (if any) improvements

N/A

Attachment 13

Request for waiver of Job Creation Requirement (if applicable)

N/A

Attachment 14

Calculation of three possible wage requirements with TWC documentation

Attachment 14

**Calculations three possible wage requirement with TWC documents
Based on most recent data available**

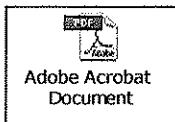
County average weekly wage for all jobs

| Year | Period | Industry | Avg Weekly Wages |
|------------------|-------------|----------------------|------------------|
| 2012 | 2nd Quarter | Total, All industrie | 861 |
| 2012 | 1st Quarter | Total, All industrie | 939 |
| 2011 | 4th Quarter | Total, All industrie | 884 |
| 2011 | 3rd Quarter | Total, All industrie | 842 |
| Total | | | 3526 |
| Weekly average | | | 882 |
| 110% of Weekly / | | | 970 |

County average weekly wage for manufacturing jobs

| Year | Period | Industry | Avg Weekly Wages |
|------------------|-------------|---------------|------------------|
| 2012 | 2nd Quarter | Manufacturing | 1619 |
| 2012 | 1st Quarter | Manufacturing | 1115 |
| 2011 | 4th Quarter | Manufacturing | 1290 |
| 2011 | 3rd Quarter | Manufacturing | 1369 |
| Total | | | 5393 |
| Weekly average | | | 1348 |
| 110% of Weekly / | | | 1483 |

2011 Manufacturing Wages by Council of Government Regions



Houston-Galveston Area Council

**2011 Manufacturing Wages by Council of Government Region
Wages for All Occupations**

| COG | Wages | |
|--|---------|----------|
| | Hourly | Annual |
| Texas | \$22.89 | \$47,610 |
| <u>1. Panhandle Regional Planning Commission</u> | \$19.32 | \$40,196 |
| <u>2. South Plains Association of Governments</u> | \$16.45 | \$34,210 |
| <u>3. NORTEX Regional Planning Commission</u> | \$18.14 | \$37,733 |
| <u>4. North Central Texas Council of Governments</u> | \$24.03 | \$49,986 |
| <u>5. Ark-Tex Council of Governments</u> | \$16.52 | \$34,366 |
| <u>6. East Texas Council of Governments</u> | \$18.27 | \$37,995 |
| <u>7. West Central Texas Council of Governments</u> | \$17.76 | \$36,949 |
| <u>8. Rio Grande Council of Governments</u> | \$15.69 | \$32,635 |
| <u>9. Permian Basin Regional Planning Commission</u> | \$21.32 | \$44,349 |
| <u>10. Concho Valley Council of Governments</u> | \$15.92 | \$33,123 |
| <u>11. Heart of Texas Council of Governments</u> | \$18.82 | \$39,150 |
| <u>12. Capital Area Council of Governments</u> | \$26.46 | \$55,047 |
| <u>13. Brazos Valley Council of Governments</u> | \$15.71 | \$33,718 |
| <u>14. Deep East Texas Council of Governments</u> | \$15.48 | \$32,207 |
| <u>15. South East Texas Regional Planning Commission</u> | \$28.23 | \$58,724 |
| <u>16. Houston-Galveston Area Council</u> | \$25.82 | \$53,711 |
| <u>17. Golden Crescent Regional Planning Commission</u> | \$20.38 | \$42,391 |
| <u>18. Alamo Area Council of Governments</u> | \$18.00 | \$37,439 |
| <u>19. South Texas Development Council</u> | \$13.85 | \$28,806 |
| <u>20. Coastal Bend Council of Governments</u> | \$22.35 | \$46,489 |
| <u>21. Lower Rio Grande Valley Development Council</u> | \$15.08 | \$31,365 |
| <u>22. Texoma Council of Governments</u> | \$20.76 | \$43,190 |
| <u>23. Central Texas Council of Governments</u> | \$16.17 | \$33,642 |
| <u>24. Middle Rio Grande Development Council</u> | \$13.65 | \$28,382 |

Source: Texas Occupational Employment and Wages

Data published: July 2012

Data published annually, next update will be summer 2013

Note: Data is not supported by the Bureau of Labor Statistics (BLS).

Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.

Data intended for TAC 313 purposes only.

Attachment 15

Description of Benefits

Attachment 15

Description of Benefits

Describe each type of benefits to be offered to qualifying jobholders.

Medical Insurance: includes major medical, prescription drug benefits, hospitalization, emergency room care, and many other forms of coverage

Dental Insurance: includes coverage for preventative care treatments and services, orthodontics, and other services

Vision Insurance: includes services and treatments ranging from eye exams to contact lenses and frames

Maverick will provide 84% of health insurance premium coverage to all qualifying jobs.

Flexible

Spending Accounts: funded with employee pre-tax contributions, up to \$2,500 for qualified medical expenses for employee and/or dependants, as well as up to \$5,000 for dependant care expenses

Life

Insurance: equal to two times base annual salary, supplemental life insurance may be purchased

Accidental Death and Dismemberment (AD&D): coverage up to 2 times base annual salary, supplemental coverage may be purchased

Short-Term Disability: equal to 60% of base monthly earnings up to \$10000 per month

401(k) Plan: Matching contributions on a \$1.00 for \$1.00 basis up to 5% of employee contributions

Gym Membership Incentive: \$30 per month per employee toward gym membership

Employee Assistance Program: provides additional assistance at no cost or reduced cost

Other Programs: includes tuition reimbursement, paid vacation, and paid company holidays

Attachment 16

Economic Impact

A Report of the Economic Impact of Tenaris USA in Van Vleck, Texas

March 23, 2013

Prepared by:

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(512) 892-0205
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www.impactdatasource.com

ImpactDataSource

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Executive Summary

Introduction

This report presents the results of an economic impact analysis performed by Impact DataSource, Austin, Texas. The analysis was to determine the impact that Tenaris USA's proposed facility in Van Vleck, Texas will have on the economy of Matagorda County and the costs and benefits for local taxing districts over thirty years of construction and operations of the facility.

Although the facility is not located in within a city's limits, this analysis calculated revenues for cities in the county, including Bay City -- largely revenues generated on workers' and out-of-town visitors' spending.

Description of the Facility

Tenaris SA, through its subsidiary Maverick Tube Corporation, plans to construct a seamless pipe mill, as well as heat treatment and premium threading facilities, in Matagorda County, Texas.

The company plans to spend \$1.3 billion on the facility largely over three years: \$12 million on land, \$358.2 million on buildings and other real property improvements and \$944.1 million on machinery and equipment.

The facility will create 600 jobs over three years with average annual salaries of \$66,000.

Economic Impact During Construction

An estimated \$641,430,000 will be spent onsite, constructing the facility and installing equipment

This construction activity will pump money into the area's economy including generating taxable sales in the county and sales taxes for area cities.

Overall, the project's development and construction will generate \$1.4 billion in economic output from this construction activity (the amount of money that the project's construction will pump into the area's economy), support 3,037 direct and indirect construction jobs during the multi-year construction period, and generate \$425.6 million in direct and indirect construction salaries for area workers.

In addition, the facility's construction will generate the following estimated revenues for local taxing districts:

| Estimated Total Cities and County Revenues Generated by Construction Activities | | | |
|--|-------------|-------------|-------------|
| | Cities | County | Total |
| Sales tax collections | \$3,717,384 | \$0 | \$3,717,384 |
| Hotel occupancy tax collections | \$1,106,328 | \$0 | \$1,106,328 |
| Estimated development and building permits and fees | \$0 | \$4,810,725 | \$4,810,725 |
| Total revenues during construction | \$4,823,712 | \$4,810,725 | \$9,634,437 |

The Estimated Economic Impact of the Facility over the First Thirty Years of Operations

The facility will have the following economic impact on Matagorda County over the first thirty years of operations:

| Economic Impact over the First Thirty Years | |
|--|-------------------|
| Economic output to be generated for the area: | |
| Direct economic output (revenues of the facility) | \$64,345,561,828 |
| Indirect and induced economic impact | \$68,195,035,064 |
| Total economic output to be generated | \$132,540,596,892 |
| Total number of permanent direct and indirect jobs to be created | 1,998 |
| Number of direct and indirect workers who will move to the county | 1,149 |
| Number of new residents in the county | 3,734 |
| Number of new residential properties to be built in the county | 574 |
| Number of new students expected in area schools | 747 |
| Salaries to be paid to direct and indirect workers | \$4,359,484,621 |
| Taxable sales and purchases expected in the county | \$958,588,041 |
| The value in Year 10 of new residential property to be built in the county for some direct and indirect workers who may move to the county | \$74,893,981 |
| The facility's assets added to local tax rolls | \$1,314,300,000 |

Costs and Benefits for Local Taxing Districts over the First Thirty Years of Operations

The additional public benefits less additional public costs, tax and other incentives will result in the following net benefits for cities in the county, the County and other local taxing districts over the first thirty years of the facility's operations:

| Net Benefits for Local Taxing Districts Over the First Thirty Years of the Facility's Operation | | | | |
|---|---------------|--------------|--------------------|---------------|
| | Benefits* | Costs | Non-Tax Incentives | Net Benefits |
| Cities in the county | \$95,751,521 | \$61,148,075 | | \$34,603,446 |
| Matagorda County | \$16,811,739 | \$4,084,708 | \$4,200,000 | \$8,527,031 |
| Van Vleck ISD | \$147,965,564 | | | \$147,965,564 |
| Matagorda County C&R District | \$1,129,961 | \$0 | | \$1,129,961 |
| Coastal Plains Groundwater Cons. Dist. | \$1,151,598 | \$0 | | \$1,151,598 |
| Matagorda County Drainage District # 1 | \$14,509,902 | \$0 | | \$14,509,902 |
| Matagorda County Hospital District | \$32,257,032 | \$0 | | \$32,257,032 |
| Port of Bay City | \$4,610,718 | \$0 | | \$4,610,718 |
| Total | \$314,188,034 | \$65,232,783 | \$4,200,000 | \$244,755,252 |

*Benefits include property tax collections after some taxes may be abated and exempt for the firm

Summary of Tax and Non-Tax Economic Development Incentives Being Requested by the Firm

The firm is requesting that state and local tax and other incentives for the project. These incentives are shown below.

State and Local Tax and Other Incentives Being Requested by the Firm, Shown in Millions of Dollars

| | Type Incentive | Total Tax Burden | Incentive | Net Tax Burden |
|--|-------------------|---------------------|------------------|-------------------|
| Tax Incentives: | | | | |
| Matagorda County Section 312 & 381 25 Yr Agreement | Property | \$55.2 | (\$55.2) | \$0.0 |
| Van Vleck ISD 313 10 Yr Agreement | Property | \$106.4 | (\$93.4) | \$13.0 |
| Port of Bay City Authority 312 10 Yr Abatement | Property | \$3.0 | (\$3.0) | \$0.0 |
| Matagorda County Hospital District 312 10 Yr Abatement | Property | \$21.3 | (\$21.3) | \$0.0 |
| Matagorda County Drainage Districts 312 10 Yr Abatement | Property | \$9.6 | (\$9.6) | \$0.0 |
| Matagorda County Section 381 Years 26-30 Agreement | Property | \$3.5 | (\$1.4) | \$2.1 |
| Enterprise Zone/Enterprise Project - Sales Tax Reduction | Sales | \$27.1 | (\$7.5) | \$19.6 |
| Freeport Exemptions on Inventory | Property | \$59.1 | (\$40.8) | \$18.4 |
| Foreign Trade Subzone | Property | \$12.3 | (\$12.3) | \$0.0 |
| Tax Incentives Subtotal | | \$298.0 | (\$244.9) | \$53.1 |
| Economic Incentives: | | | | |
| Matagorda County Econ Dev Corp Site Cost Contribution | Cash | | (\$1.8) | |
| Texas Enterprise Fund | Cash | | (\$6.0) | |
| Employee Recruitment | TBD | | \$0.0 | |
| Employee Training | Cash | | (\$0.9) | |
| Training Facility Space and Equipment | Cash | | (\$0.5) | |
| Infrastructure Incentives | TBD | | (\$1.0) | |
| Permitting Assistance | TBD | | \$0.0 | |
| Economic Incentives Subtotal | | | (\$10.2) | |

Details of Impact DataSource's economic and fiscal impact study, summarized in above, are on the following pages.

A Report of the Projected Economic Impact from Tenaris SA

Introduction

This report presents the results of an economic impact analysis performed by Impact DataSource, Austin, Texas. The analysis was to determine the impact that Tenaris USA's planned facility in Van Vleck, Texas will have on the economy of the area and the costs and benefits for local taxing districts during development and construction and over the first thirty years of operations.

Although the facility is not located in within a city's limits, this analysis calculated revenues for cities in the county, including Bay City -- largely revenues generated on workers' and out-of-town visitors' spending.

Description of the Facility

Tenaris SA, through its subsidiary Maverick Tube Corporation, plans to construct a seamless pipe mill, as well as heat treatment and premium threading facilities, in Matagorda County, Texas.

The company plans to spend \$1.3 billion on the facility largely over three years: \$12 million on land, \$358.2 million on buildings and other real property improvements and \$944.1 million on machinery and equipment.

The facility will create 600 jobs over three years with average annual salaries of \$66,000.

The types of economic impacts that the facility will generate for the area is discussed next.

Types of Economic Impacts that the Facility Will Provide During its Construction and Operations

This analysis calculates the direct economic impact during the construction of facility and during the first thirty years of its operations. In addition, indirect and induced impacts were calculated.

Three of the economic impacts calculated are economic output, jobs and salaries.

Economic Output

Economic outputs are the value of the goods and services produced by organizations or their revenues and, at a local level, represent the increase in gross area product. This measure of economic activity

is equivalent on a local level to our nation's gross domestic product -- the value of goods and services produced in our nation in a year.

Direct Economic Impacts

Direct economic impacts include (1) the spending at the project on construction and direct construction jobs and salaries and (2) revenues generated by the facility during its operations and permanent direct jobs and salaries created by the facility's operations.

Indirect Economic Impacts

Indirect revenues, jobs and salaries are created in new or existing firms in the area, such as service firms and materials suppliers that may supply goods and services during the construction and during operations of the facility.

Induced Economic Impacts

In addition, induced revenues, jobs and salaries will be created and supported in new or existing businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to workers and their families.

To estimate the indirect and induced economic impact of the facility on the area, regional economic multipliers were used. Regional economic multipliers for Texas and Matagorda County are included in the US Department of Commerce's Regional Input-Output Modeling System (RIMS II).

Three types of regional economic multipliers were used in this analysis: an output multiplier, an employment multiplier and an earnings multiplier.

An output multiplier was used to estimate the indirect and induced output or revenues created and supported in the area. An employment multiplier was used to estimate the number of indirect and induced jobs created and supported in the area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs.

The multipliers show the estimated indirect and induced revenues of other businesses in the area for every dollar spent to construct the facility or revenues earned by the facility from its operations. An employment multiplier shows the number of indirect and induced jobs created for every direct construction and operations job at the facility and the amount of salaries paid to these workers for every dollar paid to a direct construction and operations worker at the facility. Indirect and induced multipliers shown on the following page were used in this analysis:

Indirect and Induced Multipliers Used in this Analysis

| | During Construction | During Operations |
|------------------------|------------------------|----------------------|
| Output multiplier: | | |
| Indirect | 0.6762 | 0.4769 |
| Induced | 0.5422 | 0.5829 |
| Total | 1.2183 | 1.0598 |
| Employment multiplier: | | |
| Indirect | 0.5191 | 1.0486 |
| Induced | 0.4247 | 1.2816 |
| Total | 0.9438 | 2.3303 |
| Earnings multiplier: | | |
| Indirect | 0.4899 | 0.7670 |
| Induced | 0.4008 | 0.9374 |
| Total | 0.8907 | 1.7044 |

The firm's investment is detailed next.

The Firm's Investment in the Facility and Jobs

Timeline for Permanent Employment and Investment

The facility's timeline for total jobs to be created and investment over the next ten years will be as follows:

| Timeline for Permanent Employment and Investment | | | | | |
|--|--|------------------|---|-------------------------------|--------------------------------|
| | Number of New Workers to be Hired Each Year | Land mprovements | Buildings and Other Real Property | Machinery and Equipment | Total Capital Investment |
| Year 1 | 0 | \$12,000,000 | \$27,300,000 | \$62,000,000 | \$101,300,000 |
| Year 2 | 0 | \$0 | \$107,000,000 | \$281,000,000 | \$388,000,000 |
| Year 3 | 200 | \$0 | \$142,000,000 | \$364,000,000 | \$506,000,000 |
| Year 4 | 215 | \$0 | \$81,900,000 | \$237,100,000 | \$319,000,000 |
| Year 5 | 185 | \$0 | \$0 | \$0 | \$0 |
| Year 6 | | \$0 | \$0 | \$0 | \$0 |
| Year 7 | | \$0 | \$0 | \$0 | \$0 |
| Year 8 | | \$0 | \$0 | \$0 | \$0 |
| Year 9 | | \$0 | \$0 | \$0 | \$0 |
| Year 10 | | \$0 | \$0 | \$0 | \$0 |
| Total | 600 | \$12,000,000 | \$358,200,000 | \$944,100,000 | \$1,314,300,000 |

The economic impacts during the facility's construction are discussed next.
How the facility will impact the economy of the area is discussed next.

Economic Impacts and Revenues for Area Cities and the County to be Generated During Construction

The facility plans to spend the following estimated amounts constructing the facility and installing equipment:

| Construction and Equipment Installation Costs | |
|---|---------------|
| Year 1 | \$45,900,000 |
| Year 2 | \$191,300,000 |
| Year 3 | \$251,200,000 |
| Year 4 | \$153,030,000 |
| Year 5 | \$0 |
| Year 6 | \$0 |
| Year 7 | \$0 |
| Year 8 | \$0 |
| Year 9 | \$0 |
| Year 10 | \$0 |
| Total | \$641,430,000 |

This construction activity will pump money into the area's economy including generating taxable sales in the county and sales taxes for area cities.

Construction Economic Output/Increase in Gross State Product

The facility's construction will provide direct, indirect and induced economic output/increase in gross area product, as shown below.

| Economic Output/Increase in Gross Area Product by Construction Activities | | | |
|--|----------------------------------|-----------------------------------|-----------------|
| Year | Direct Construction Output | Indirect and Induced Output | Total Output |
| 2013 | \$45,900,000 | \$55,920,888 | \$101,820,888 |
| 2014 | \$191,300,000 | \$233,064,616 | \$424,364,616 |
| 2015 | \$251,200,000 | \$306,041,984 | \$557,241,984 |
| 2016 | \$153,030,000 | \$186,439,510 | \$339,469,510 |
| 2017 | \$0 | \$0 | \$0 |
| 2018 | \$0 | \$0 | \$0 |
| 2019 | \$0 | \$0 | \$0 |
| 2020 | \$0 | \$0 | \$0 |
| 2021 | \$0 | \$0 | \$0 |
| 2022 | \$0 | \$0 | \$0 |
| Total | \$641,430,000 | \$781,466,998 | \$1,422,896,998 |

Construction Employment

The number of construction workers employed during the facility's construction is shown below.

| Construction Workers Employed During Construction | | |
|--|-----------------------|--------------------------------------|
| Year | Construction Costs | Number of Construction Workers |
| 2013 | \$45,900,000 | 469 |
| 2014 | \$191,300,000 | 1,875 |
| 2015 | \$251,200,000 | 2,500 |
| 2016 | \$153,030,000 | 1,406 |
| 2017 | \$0 | 0 |
| 2018 | \$0 | 0 |
| 2019 | \$0 | 0 |
| 2020 | \$0 | 0 |
| 2021 | \$0 | 0 |
| 2022 | \$0 | 0 |
| Total | \$641,430,000 | |

During construction, the following number of direct, indirect and induced jobs will be supported:

| Direct, Indirect and Induced Employment During Construction | | | |
|--|--------------------------------------|---------------------------------------|---------------------|
| Year | Direct Construction Employment | Indirect and Induced Employment | Total Employment |
| 2013 | 469 | 443 | 912 |
| 2014 | 1,875 | 1,770 | 3,645 |
| 2015 | 2,500 | 2,360 | 4,860 |
| 2016 | 1,406 | 1,327 | 2,733 |
| 2017 | 0 | 0 | 0 |
| 2018 | 0 | 0 | 0 |
| 2019 | 0 | 0 | 0 |
| 2020 | 0 | 0 | 0 |
| 2021 | 0 | 0 | 0 |
| 2022 | 0 | 0 | 0 |

Construction Payroll

Construction workers will have the following payrolls:

| Direct Construction Payroll | | | |
|-----------------------------|--------------------|-----------------------------------|----------------------------|
| Year | Construction Costs | Mean Annual Construction Salaries | Total Construction Payroll |
| 2013 | \$45,900,000 | \$34,170 | \$16,025,730 |
| 2014 | \$191,300,000 | \$35,195 | \$65,990,813 |
| 2015 | \$251,200,000 | \$36,251 | \$90,627,383 |
| 2016 | \$153,030,000 | \$37,338 | \$52,497,905 |
| 2017 | \$0 | \$38,459 | \$0 |
| 2018 | \$0 | \$39,612 | \$0 |
| 2019 | \$0 | \$40,801 | \$0 |
| 2020 | \$0 | \$42,025 | \$0 |
| 2021 | \$0 | \$43,286 | \$0 |
| 2022 | \$0 | \$44,584 | \$0 |
| Total | \$641,430,000 | | \$225,141,830 |

The direct, indirect and induced payrolls during construction will be the following:

| Direct, Indirect and Induced Payroll During Construction | | | |
|--|-----------------------------|------------------------------|---------------|
| Year | Direct Construction Payroll | Indirect and Induced Payroll | Total Payroll |
| 2013 | \$16,025,730 | \$14,274,438 | \$30,300,168 |
| 2014 | \$65,990,813 | \$58,779,337 | \$124,770,149 |
| 2015 | \$90,627,383 | \$80,723,622 | \$171,351,005 |
| 2016 | \$52,497,905 | \$46,760,934 | \$99,258,839 |
| 2017 | \$0 | \$0 | \$0 |
| 2018 | \$0 | \$0 | \$0 |
| 2019 | \$0 | \$0 | \$0 |
| 2020 | \$0 | \$0 | \$0 |
| 2021 | \$0 | \$0 | \$0 |
| 2022 | \$0 | \$0 | \$0 |
| Total | \$225,141,830 | \$200,538,331 | \$425,680,161 |

Summary of Economic Impacts

As discussed above, contractors in the area will work on the project and they will hire workers and pay salaries. Plus, this activity will create and support spin-off or indirect and induced revenues, jobs and salaries in businesses in the area. In total, the project's development and construction activities will have the following impact on the area's economy:

| Summary of Economic Impacts During Construction of the Facility | | | | |
|---|---------------|---------------|---------------|-----------------|
| | Direct | Indirect | Induced | Total |
| Economic output or revenues for businesses in the area | \$641,430,000 | \$433,714,184 | \$347,752,814 | \$1,422,896,998 |
| Average number of construction jobs to be created and supported during construction | 1563 | 811 | 664 | 3037 |
| Salaries to be paid to construction workers | \$225,141,830 | \$110,296,082 | \$90,242,249 | \$425,680,161 |

As shown above, the project's development and construction will generate \$1.4 billion in economic output from this construction activity (the amount of money that the project's construction will pump into the area's economy), support 3,037 direct and indirect construction jobs during the multi-year construction period, and generate \$425.6 million in direct and indirect construction salaries for area workers.

Taxable Sales to be Generated During Construction

Activities to construct the facility will generate the following estimated taxable spending in the county:

| Taxable Spending During Construction of the Facility | |
|--|---------------|
| Purchases of construction materials: | |
| Total construction costs | \$641,430,000 |
| Percent that are local costs | 40% |
| Percent for materials | 60% |
| Percent of materials subject to local sales tax with site as point of sale | 3% |
| Total local taxable construction materials | \$153,943,200 |
| Taxable direct and indirect construction worker spending: | |
| Total direct and indirect construction salaries | \$425,680,161 |
| Percent of salaries spent on taxable goods and services | 25% |
| Percent of taxable spending in the county | 30% |
| Total taxable construction worker spending in the community | \$31,926,012 |
| Total taxable spending in the county | \$185,869,212 |
| Taxable spending in cities in the county that collect sales tax | \$31,926,012 |

Sales Taxes to be Generated During Construction

The facility's construction activities will generate the following sales taxes for area cities and the county:

| Sales Taxes to be Generated During Construction | |
|---|---------------|
| Local sales tax rate: | |
| Average for area cities | 2.0% |
| Matagorda County | 0.0% |
| Taxable sales in cities in the county | \$185,869,212 |
| Sales taxes to be collected: | |
| Cities in the county | \$3,717,384 |
| Matagorda County | \$0 |
| Total sales tax collections | \$3,717,384 |

Lodging Sales to be Generated During Construction

Activities to construct the facility will generate the following estimated spending motels in cities in the county by construction workers and out-of-town visitors to the facility during construction:

| Spending on Lodging During Construction of the Facility | |
|---|--------------|
| Average number of direct construction workers each year during construction | 1,563 |
| Percent of workers likely to stay in local motels | 35% |
| Average number of nights each year in a local motel | 100 |
| Number of years of construction | 4 |
| Total number of room nights during construction | 218,750 |
| Spending on lodging during construction: | |
| Total room nights | 218,750 |
| Average nightly room rates at motels used by construction workers | \$85 |
| Percent of lodging in cities in the county that have hotel occupancy taxes | 85% |
| Total spending by construction workers on lodging in cities in the county | \$15,804,688 |

Hotel Occupancy Taxes to be Generated During Construction

The facility's construction activities will generate the following hotel occupancy for cities in the county:

| Hotel Occupancy Taxes to be Generated During Construction | |
|---|--------------|
| Average local hotel occupancy taxes for area cities | 7.0% |
| Estimated lodging sales in area cities | \$15,804,688 |
| Hotel occupancy taxes to be collected by area cities | \$1,106,328 |

Estimated County Development and Building Permits and Fees

The County may collect the following estimated amounts for permits and fees during construction:

| Estimated County Development and Building Permits and Fees | |
|--|---------------|
| Value of construction | \$641,430,000 |
| Total permits and fees: | |
| Estimated percent of construction costs | 0.75% |
| Estimated permits and fees | \$4,810,725 |

Total Cities and County Revenues Generated by Construction Activities

The total cities and county revenues generated by construction activities is shown below:

| Estimated Total Cities and County Revenues Generated by Construction Activities | | | |
|---|-------------|-------------|-------------|
| | Cities | County | Total |
| Sales tax collections | \$3,717,384 | \$0 | \$3,717,384 |
| Hotel occupancy tax collections | \$1,106,328 | | \$1,106,328 |
| Estimated development and building permits and fees | | \$4,810,725 | \$4,810,725 |
| Total revenues during construction | \$4,823,712 | \$4,810,725 | \$9,634,437 |

In addition to the economic impact from the construction activities, the economic activities created by the facility's operations -- once the facility is constructed and begins operations -- along with new permanent workers that will be employed at the facility, will also generate solid economic impacts for the area. These economic impacts from the facility's operations are discussed next.

The Estimated Economic Impact of the Facility over the First Thirty Years of Operations

The facility will have the following economic impact on Matagorda County over the first thirty years of its operations:

| Economic Impact over the First Thirty Years of Operations | |
|--|-------------------|
| Economic output to be generated for the area: | |
| Direct economic output (revenues of the facility) | \$64,345,561,828 |
| Indirect and induced economic impact | \$68,195,035,064 |
| Total economic output to be generated | \$132,540,596,892 |
| Total number of permanent direct and indirect jobs to be created | 1,998 |
| Number of direct and indirect workers who will move to the county | 1,149 |
| Number of new residents in the county | 3,734 |
| Number of new residential properties to be built in the county | 574 |
| Number of new students expected in area schools | 747 |
| Salaries to be paid to direct and indirect workers | \$4,359,484,621 |
| Taxable sales and purchases expected in the county | \$958,588,041 |
| The value in Year 10 of new residential property to be built in the county for some direct and indirect workers who may move to the county | \$74,893,981 |
| The facility's assets added to local tax rolls | \$1,314,300,000 |

How this economic activity generated by the facility's operations translates into additional costs and benefits for local taxing districts is discussed next.

Costs and Benefits for Local Taxing Districts over the First Thirty Years of the Facility's Operations

Local taxing districts can expect costs and benefits over the first thirty years from the facility's operations, as scheduled on the following page, beginning with the additional revenues to be received.

Additional Revenues for Local Taxing Districts from the Facility's Operations

Local taxing districts can expect to receive the following revenues over the first thirty years from the facility, its employees and workers in indirect jobs created in the community.

| Additional Revenues For Local Taxing Districts Over the First Thirty Years of the Facility's Operation | | | | |
|--|-----------------------|---------------------------|---------------------------|------------------------|
| | Sales Taxes | Property Taxes* | Utilities | Utility Franchise Fees |
| Cities in the county | \$19,171,761 | \$14,401,460 | \$51,467,318 | \$3,540,026 |
| Matagorda County | \$0 | \$12,727,031 | | |
| Van Vleck ISD | | \$147,965,564 | | |
| Matagorda County C&R District | | \$1,129,961 | | |
| Coastal Plains Groundwater Cons. Dist. | | \$1,151,598 | | |
| Matagorda County Drainage District # 1 | | \$14,509,902 | | |
| Matagorda County Hospital District | | \$32,257,032 | | |
| Port of Bay City | | \$4,610,718 | | |
| Total | \$19,171,761 | \$228,753,265 | \$51,467,318 | \$3,540,026 |
| | Hotel Occupancy Taxes | Other Taxes and User Fees | Total Additional Revenues | |
| Cities in the county | \$4,720,132 | \$2,450,825 | \$95,751,521 | |
| Matagorda County | | \$4,084,708 | \$16,811,739 | |
| Van Vleck ISD | | | \$147,965,564 | |
| Matagorda County C&R District | | | \$1,129,961 | |
| Coastal Plains Groundwater Cons. Dist. | | | \$1,151,598 | |
| Matagorda County Drainage District # 1 | | | \$14,509,902 | |
| Matagorda County Hospital District | | | \$32,257,032 | |
| Port of Bay City | | | \$4,610,718 | |
| Total | \$4,720,132 | \$6,535,532 | \$314,188,034 | |

*Collections after some property taxes are abated and exempt for the firm

Additional Costs for Local Taxing Districts from the Facility's Operations

Local taxing districts will incur the following costs over the first thirty years, as a result of the facility and direct and indirect employees.

| Costs for Local Taxing Districts Over the First Thirty Years of the Facility's Operation | | | |
|---|---|---|--------------|
| | Costs of Services to New Residents | Costs of Providing Monthly Utility Services | Total |
| Cities in the county | \$12,254,123 | \$48,893,952 | \$61,148,075 |
| Matagorda County | \$4,084,708 | | \$4,084,708 |
| Van Vleck ISD | | | \$0 |
| Matagorda County C&R District | | | \$0 |
| Coastal Plains Groundwater Cons. Dist. | | | \$0 |
| Matagorda County Drainage District # 1 | | | \$0 |
| Matagorda County Hospital District | | | \$0 |
| Port of Bay City | | | \$0 |
| Total | \$16,338,831 | \$48,893,952 | \$65,232,783 |

Non-tax Incentives Being Requested by the Firm from the County

The firm is requesting the following non-tax economic development incentives from the County:

| Non-Tax Incentives being Requested by the Firm from the County | |
|--|-------------|
| Matagorda County Econ Dev Corp Site Cost Contribution | \$1,800,000 |
| Employee Recruitment | \$0 |
| Employee Training | \$900,000 |
| Training Facility Space and Equipment | \$500,000 |
| Infrastructure Incentives | \$1,000,000 |
| Total local non-tax incentives being requested | \$4,200,000 |

Additional Net Benefits for Local Taxing Districts from the Facility's Operations

The additional public benefits less additional public costs will result in the following net benefits for cities in the county, the County and other local taxing districts over the first thirty years of the facility's operations:

| Net Benefits for Local Taxing Districts Over the First Thirty Years of the Facility's Operation | | | | |
|---|---------------------|--------------|--------------------|---------------|
| | Net Tax Collections | Costs | Non-Tax Incentives | Net Benefits |
| Cities in the county | \$95,751,521 | \$61,148,075 | | \$34,603,446 |
| Matagorda County | \$16,811,739 | \$4,084,708 | \$4,200,000 | \$8,527,031 |
| Van Vleck ISD | \$147,965,564 | | | \$147,965,564 |
| Matagorda County C&R District | \$1,129,961 | \$0 | | \$1,129,961 |
| Coastal Plains Groundwater Cons. Dist. | \$1,151,598 | \$0 | | \$1,151,598 |
| Matagorda County Drainage District # 1 | \$14,509,902 | \$0 | | \$14,509,902 |
| Matagorda County Hospital District | \$32,257,032 | \$0 | | \$32,257,032 |
| Port of Bay City | \$4,610,718 | \$0 | | \$4,610,718 |
| Total | \$314,188,034 | \$65,232,783 | \$4,200,000 | \$244,755,252 |

Possible value limitation and tax credits for the school district, Van Vleck ISD, are discussed later in this report.

Discounted Cash Flow for Local Taxing Districts During the Facility's Operations

The discounted cash flow over the first thirty years for each local taxing district from the new facility is as follows:

| Discounted Cash Flow Over the First Thirty Years of Operations | |
|--|--------------|
| Cities in the county | \$13,915,713 |
| Matagorda County | \$748,675 |
| Van Vleck ISD | \$51,711,001 |
| Matagorda County C&R District | \$589,506 |
| Coastal Plains Groundwater Cons. Dist. | \$600,794 |
| Matagorda County Drainage District # 1 | \$5,894,279 |
| Matagorda County Hospital District | \$13,090,847 |
| Port of Bay City | \$4,610,718 |
| Total | \$91,161,533 |

The above discounted cash flow or present value of net benefits is a way of expressing in today's dollars, dollars to be paid or received in the future. Today's dollar and a dollar to be received or paid at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 6% to make the dollars comparable -- by expressing them in today's dollars or in present value.

Summary of Tax and Non-Tax Economic Development Incentives Being Requested by the Firm

The firm is requesting that state and local tax and other incentives for the project. These incentives are shown below.

State and Local Tax and Other Incentives Being Requested by the Firm, Shown in Millions of Dollars

| | Type Incentive | Total Tax Burden | Incentive | Net Tax Burden |
|--|----------------|------------------|------------------|----------------|
| Tax Incentives: | | | | |
| Matagorda County Section 312 & 381 25 Yr Agreement | Property | \$55.2 | (\$55.2) | \$0.0 |
| Van Vleck ISD 313 10 Yr Agreement | Property | \$106.4 | (\$93.4) | \$13.0 |
| Port of Bay City Authority 312 10 Yr Abatement | Property | \$3.0 | (\$3.0) | \$0.0 |
| Matagorda County Hospital District 312 10 Yr Abatement | Property | \$21.3 | (\$21.3) | \$0.0 |
| Matagorda County Drainage Districts 312 10 Yr Abatement | Property | \$9.6 | (\$9.6) | \$0.0 |
| Matagorda County Section 381 Years 26-30 Agreement | Property | \$3.5 | (\$1.4) | \$2.1 |
| Enterprise Zone/Enterprise Project - Sales Tax Reduction | Sales | \$27.1 | (\$7.5) | \$19.6 |
| Freeport Exemptions on Inventory | Property | \$59.1 | (\$40.8) | \$18.4 |
| Foreign Trade Subzone | Property | \$12.3 | (\$12.3) | \$0.0 |
| Tax Incentives Subtotal | | \$298.0 | (\$244.9) | \$53.1 |
| Economic Incentives: | | | | |
| Matagorda County Econ Dev Corp Site Cost Contribution | Cash | | (\$1.8) | |
| Texas Enterprise Fund | Cash | | (\$6.0) | |
| Employee Recruitment | TBD | | | |
| Employee Training | Cash | | (\$0.9) | |
| Training Facility Space and Equipment | Cash | | (\$0.5) | |
| Infrastructure Incentives | TBD | | (\$1.0) | |
| Permitting Assistance | TBD | | | |
| Economic Incentives Subtotal | | \$0.0 | (\$10.2) | |

Possible School District Value Limitation and Tax Credits Under Texas Tax Code Chapter 313

The school district, Van Vleck ISD, may be asked for value limitation and tax credits for the facility under Chapter 313 of the Texas Tax Code. This analysis assumes that this value limitation will begin when the facility's property is fully placed on school district tax rolls.

In 2001, the 77th Texas Legislature enacted House Bill 1200 creating Tax Code Chapter 313, Texas Economic Development Act. This Act allows school districts to attract new taxable property by offering a tax credit and an eight-year limitation on the appraised value of a property for the maintenance and operations portion of the school district property tax. The most recent adopted rules by the Texas Comptroller of Public Accounts and forms for Chapter 313 were published in Texas Register June 18, 2010.

Qualification under the Act in the school district would require the firm have an estimated minimum qualified investment of \$10 million. The firm's plans to invest more than the minimum qualified investment.

The tax limitation applies to property used in connection with manufacturing, research and development, and renewable energy electric generation. The company's property qualifies for the tax limit.

The Act provides for a tax credit and appraised value limitation.

Tax Credit:

For the first two years after the finalization of an agreement, the company will pay school property tax on its full-appraised value.

However, the company may receive a credit for the property taxes paid on the portion of value exceeding the investment limitation in the first two years. The credit would be granted by the school district in seven installments beginning in the year following the approval of the application by the school district or in the fourth year. The credit for any year could not exceed 50% of the year's property taxes imposed on the qualified property.

Appraised Value Limitation:

In addition, beginning in the third year, and for a total of eight years, the appraised value of the property for maintenance and operations property taxes will be capped at the lower of the investment limitation, as determined by the total property wealth of the school district, or its market value.

Based on the requirements of Chapter 313, the school district will collect taxes from the firm during the first two years but the firm will receive a credit for these taxes collected on the firm's investment value exceeding \$10 million.

The tables below show calculations of these appraised value limitation and tax credits for the

school district during the period of limitation and credits.

School District Appraised Value Limitation and Tax Credits, Table 1

| | | Calendar Year | Year of Agreement | Estimated Fair Market Value on Jan 1st | Taxable Value for M&O Purposes With Agreement | I&S Tax Liability | M&O Tax Liability WITH Agreement |
|-------------------------------|--------------------------------|------------------|----------------------|---|--|----------------------|---|
| Tax Credit Period | Qualifying time period | 2014 | 1 | \$56,650,000 | \$56,650,000 | \$0 | \$589,160 |
| | | 2015 | 2 | \$235,650,000 | \$235,650,000 | \$0 | \$2,450,760 |
| | | 2016 | 3 | \$473,650,000 | \$10,000,000 | \$0 | \$624,633 |
| | | 2017 | 4 | \$1,254,300,000 | \$10,000,000 | \$0 | \$142,500 |
| | | 2018 | 5 | \$1,288,698,759 | \$10,000,000 | \$0 | \$142,500 |
| | | 2019 | 6 | \$1,255,201,341 | \$10,000,000 | \$0 | \$142,500 |
| | | 2020 | 7 | \$1,218,921,663 | \$10,000,000 | \$0 | \$142,500 |
| | | 2021 | 8 | \$1,179,476,242 | \$10,000,000 | \$0 | \$142,500 |
| | | 2022 | 9 | \$1,137,110,956 | \$10,000,000 | \$0 | \$142,500 |
| | | 2023 | 10 | \$1,091,521,991 | \$10,000,000 | \$0 | \$142,500 |
| | | 2024 | 11 | \$1,042,731,768 | \$1,042,731,768 | \$0 | \$8,376,490 |
| | | 2025 | 12 | | \$0 | \$0 | \$0 |
| | | 2026 | 13 | | \$0 | \$0 | \$0 |
| Credit Settle-Up Period | Maintain Viable Presence | | | | | | |
| Totals | | | | | | \$0 | \$13,038,563 |

School District Appraised Value Limitation and Tax Credits, Table 2

| | | Calendar Year | Year of Agreement | Credit Generated (Used) | Total M&O and I&S Liability With Agreement | Revenue Protection Amount | PILOT |
|-------------------------------|--------------------------------|------------------|----------------------|-------------------------------|---|---------------------------------|-----------|
| Tax Credit Period | Qualifying time period | 2014 | 1 | \$485,160 | \$589,160 | \$0 | \$0 |
| | | 2015 | 2 | \$2,346,760 | \$2,450,760 | \$0 | \$0 |
| | Value Limitation Period | 2016 | 3 | \$0 | \$104,000 | \$430,133 | \$90,500 |
| | | 2017 | 4 | (\$52,000) | \$52,000 | \$0 | \$90,500 |
| | | 2018 | 5 | (\$52,000) | \$52,000 | \$0 | \$90,500 |
| | | 2019 | 6 | (\$52,000) | \$52,000 | \$0 | \$90,500 |
| | | 2020 | 7 | (\$52,000) | \$52,000 | \$0 | \$90,500 |
| | | 2021 | 8 | (\$52,000) | \$52,000 | \$0 | \$90,500 |
| | | 2022 | 9 | (\$52,000) | \$52,000 | \$0 | \$90,500 |
| | | 2023 | 10 | (\$52,000) | \$52,000 | \$0 | \$90,500 |
| | | 2024 | 11 | (\$2,467,920) | \$8,376,490 | \$0 | \$0 |
| | | 2025 | 12 | \$0 | \$0 | \$0 | \$0 |
| | | 2026 | 13 | \$0 | \$0 | \$0 | \$0 |
| Credit Settle-Up Period | Maintain Viable Presence | | | | | | |
| Totals | | | | \$0 | \$11,884,410 | \$430,133 | \$724,000 |

School District Appraised Value Limitation and Tax Credits, Table 3

| | | Calendar Year | Year of Agreement | Total School Tax and PILOT Payment WITH Agreement |
|-----------------------------|--------------------------------|------------------|----------------------|--|
| Tax Credit Period | Qualifying time period | 2014 | 1 | \$589,160 |
| | | 2015 | 2 | \$2,450,760 |
| | Value Limitation Period | 2016 | 3 | \$624,633 |
| | | 2017 | 4 | \$142,500 |
| | | 2018 | 5 | \$142,500 |
| | | 2019 | 6 | \$142,500 |
| | | 2020 | 7 | \$142,500 |
| | | 2021 | 8 | \$142,500 |
| | | 2022 | 9 | \$142,500 |
| | | 2023 | 10 | \$142,500 |
| | | 2024 | 11 | \$8,376,490 |
| | | 2025 | 12 | \$0 |
| | | 2026 | 13 | \$0 |
| Credit Settle- Up Period | Maintain Viable Presence | | | |
| Totals | | | | \$13,038,543 |

Conduct of the Analysis

This analysis was conducted by Impact DataSource using data, rates and information supplied by the firm. In addition, Impact DataSource used certain estimates and assumptions.

Using this data, the economic impact from the facility's construction and operations and the costs and benefits for local taxing districts were calculated during construction and over the first thirty years of operations.

In addition to the direct economic impact of the facility and its employees, spin-off or indirect and induced benefits were also calculated.

About Impact DataSource

Impact DataSource is a nineteen-year-old Austin economic consulting, research and analysis firm. The firm has conducted economic impact analyses of numerous projects in Texas and 26 other states. In addition, the firm has developed economic impact analysis computer programs for several clients, including the New Mexico Economic Development Department.

The firm's principal, Jerry Walker, performed this economic impact analysis. He is an economist and has Bachelor of Science and Master of Business Administration degrees in accounting and economics from Nicholls State University, Thibodaux, Louisiana.

Data used in the analysis, along with schedules of the results of calculations, are on the following pages.

Data and Rates Used in this Analysis

Local Tax Rates:

| | |
|--|-----------|
| Average sales tax rate for cities in the area | 2.0% |
| Matagorda County sales tax rate | 0.0% |
| Average area cities' hotel occupancy tax rate | 7% |
| Property tax rates, per \$100 of valuation: | |
| Rate for an average city in the area | |
| Matagorda County | \$0.57191 |
| Van Vleck ISD: | \$0.29878 |
| O&M | |
| I&S | \$1.04000 |
| Total | \$0.00000 |
| Matagorda County Conservation & Reclamation District | \$1.04000 |
| Coastal Plains Groundwater Conservation District | \$0.00470 |
| Matagorda County Drainage District # 1 | \$0.00479 |
| Matagorda County Hospital District | \$0.09524 |
| Port of Bay City | \$0.23163 |
| | \$0.03284 |

Some Cities' Rates:

| | |
|---|---------|
| Annual marginal cost of providing municipal services, excluding utilities, to each new household | \$300 |
| Estimated annual other taxes and user fees to be collected by a city from each new household -- those revenues that are in addition to sales and property taxes, utilities and utility franchise fees | \$60 |
| Annual increase expected in a city's other revenues and marginal costs | 2% |
| A city's estimated annual water, wastewater and garbage collection billings per household | \$1,260 |

| Utility Service | Estimated Monthly Billing | Estimated Annual Billing (Monthly billing x 12) |
|-----------------|---------------------------|--|
| Water | \$40 | \$480 |
| Wastewater | \$40 | \$480 |
| Solid waste | \$25 | \$300 |

| | |
|---|-----|
| A city's cost of providing water, wastewater and solid waste services, as a percent of utility billings | 95% |
|---|-----|

Annual increase expected in a city-owned utility billings 2%

A city's utility franchise fee percentages:

| | |
|---|--------|
| Electricity, as an estimated percentage of utility billings | 2% |
| Natural gas | 4% |
| Cable | 4% |
| Telephone monthly line access charge: | |
| Residential | \$0.73 |
| Non-residential | \$1.61 |

Annual utility franchise fees collected from utility providers for each household in the city as detailed below \$67.56

| Utility Service | Estimated Monthly Billing | Utility Franchise Fee Percentage | Monthly Utility Franchise Fee Collections | Estimated Annual Utility Franchise Fee Collections (Monthly collections x 12) |
|-----------------|---------------------------|----------------------------------|---|--|
| Electricity | \$85 | 2% | \$1.70 | \$20.40 |
| Natural gas | \$40 | 4% | \$1.60 | \$19.20 |
| Cable | \$40 | 4% | \$1.60 | \$19.20 |
| Telephone | 1 line | \$0.73 | \$0.73 | \$8.76 |

Some County Rates:

| | |
|---|-------|
| Annual marginal cost of providing county services to each new household | \$100 |
| Annual miscellaneous taxes and user fees to be collected from each new household, those county revenues other than property and sales taxes | \$100 |
| Annual increase expected in other county revenues and marginal costs | 2% |

Some School District Rates:

| | |
|--|---------|
| Estimated annual state, federal and other funding received by the district for for each child enrolled | \$4,500 |
| Average annual cost of providing services to each child in the district | \$8,500 |
| Average annual cost for each new child, as a percent of average annual cost | 50% |
| Annual marginal cost of providing services to each new child | \$4,250 |

Other Community Rates:

Expected inflation rate over the first thirty years 3.5%

Discount rate used in analysis to compute discounted cash flows 6%

Percent of a typical worker's salary that will be spent on taxable goods and services 25%

Average taxable value of a new single family residence in the community that will be built for some individuals moving to the county \$100,000

Percent annual increase in the taxable value of residential property on local tax rolls over the first thirty years 3%

Depreciation rates:

To estimate the annual taxable or depreciable value of furniture, fixtures and equipment at the facility being analyzed in this analysis, this analysis uses straight line depreciation, an ten year life and a 20% residual value. Therefore, property taxes on the facility's furniture, fixtures and equipment are calculated on the following percentages of the costs of such equipment purchased each year:

| | |
|---------|-----|
| Year 1 | 90% |
| Year 2 | 80% |
| Year 3 | 70% |
| Year 4 | 60% |
| Year 5 | 50% |
| Year 6 | 40% |
| Year 7 | 30% |
| Year 8 | 20% |
| Year 9 | 20% |
| Year 10 | 20% |

The Facility's Investments, Assets and Construction:

Total investment each year:

| | |
|---------|-----------------|
| Year 1 | \$137,000,000 |
| Year 2 | \$397,000,000 |
| Year 3 | \$529,000,000 |
| Year 4 | \$299,000,000 |
| Year 5 | \$0 |
| Year 6 | \$0 |
| Year 7 | |
| Year 8 | |
| Year 9 | |
| Year 10 | |
| Total | \$1,362,000,000 |

The estimated values added to tax rolls each year:

| | |
|--------|-----------------|
| Year 1 | \$101,300,000 |
| Year 2 | \$388,000,000 |
| Year 3 | \$506,000,000 |
| Year 4 | \$319,000,000 |
| Year 5 | \$0 |
| Year 6 | \$0 |
| Year 7 | \$0 |
| Year 8 | \$0 |
| Year 9 | \$0 |
| Total | \$1,314,300,000 |

The facility's taxable inventories:

| | |
|---------|---------------|
| Year 1 | \$0 |
| Year 2 | \$0 |
| Year 3 | \$0 |
| Year 4 | \$0 |
| Year 5 | \$167,492,000 |
| Year 6 | \$175,866,600 |
| Year 7 | \$184,659,930 |
| Year 8 | \$193,892,927 |
| Year 9 | \$203,587,573 |
| Year 10 | \$213,766,951 |
| Year 11 | \$224,455,299 |
| Year 12 | \$235,678,064 |
| Year 13 | \$247,461,967 |
| Year 14 | \$259,835,066 |
| Year 15 | \$272,826,819 |

Estimated annual increase in the volume and value of inventories 5%

Activities During the Facility's Operations:

The facility's estimated annual revenues:

| | |
|---------|-----------------|
| Year 1 | |
| Year 2 | |
| Year 3 | |
| Year 4 | \$1,177,000,000 |
| Year 5 | \$1,235,850,000 |
| Year 6 | \$1,297,642,500 |
| Year 7 | \$1,362,524,625 |
| Year 8 | \$1,430,650,856 |
| Year 9 | \$1,502,183,399 |
| Year 10 | \$1,577,292,569 |
| Year 11 | \$1,656,157,197 |
| Year 12 | \$1,738,965,057 |
| Year 13 | \$1,825,913,310 |
| Year 14 | \$1,917,208,976 |
| Year 15 | \$2,013,069,425 |

Expected annual increase in taxable purchases after the first year 5%

The facility's estimated local taxable purchases of materials, supplies and services for its operations in area cities:

| | |
|---------|-------------|
| Year 1 | |
| Year 2 | |
| Year 3 | |
| Year 4 | |
| Year 5 | \$1,500,000 |
| Year 6 | \$1,575,000 |
| Year 7 | \$1,653,750 |
| Year 8 | \$1,736,438 |
| Year 9 | \$1,823,259 |
| Year 10 | \$1,914,422 |
| Year 11 | \$2,010,143 |
| Year 12 | \$2,110,651 |
| Year 13 | \$2,216,183 |
| Year 14 | \$2,326,992 |
| Year 15 | \$2,443,342 |

Expected annual increase in taxable purchases after the first year 5%

The facility's total taxable purchases and taxable utilities:

| | Taxable Purchases of Supplies, Materials and Services | Utilities Subject to a City Sales Tax | | | Total |
|---------|---|---------------------------------------|--------------------|----------------------|-------------|
| | | Utilities Subject to Sales Tax | Percent Taxable | Taxable Utilities | |
| Year 1 | \$0 | | 0% | | \$0 |
| Year 2 | \$0 | \$0 | 0% | \$0 | \$0 |
| Year 3 | \$0 | \$0 | 0% | \$0 | \$0 |
| Year 4 | \$0 | \$0 | 0% | \$0 | \$0 |
| Year 5 | \$1,500,000 | \$0 | 0% | \$0 | \$1,500,000 |
| Year 6 | \$1,575,000 | \$0 | 0% | \$0 | \$1,575,000 |
| Year 7 | \$1,653,750 | \$0 | 0% | \$0 | \$1,653,750 |
| Year 8 | \$1,736,438 | \$0 | 0% | \$0 | \$1,736,438 |
| Year 9 | \$1,823,259 | \$0 | 0% | \$0 | \$1,823,259 |
| Year 10 | \$1,914,422 | \$0 | 0% | \$0 | \$1,914,422 |
| Year 11 | \$2,010,143 | \$0 | 0% | \$0 | \$2,010,143 |
| Year 12 | \$2,110,651 | \$0 | 0% | \$0 | \$2,110,651 |
| Year 13 | \$2,216,183 | \$0 | 0% | \$0 | \$2,216,183 |
| Year 14 | \$2,326,992 | \$0 | 0% | \$0 | \$2,326,992 |
| Year 15 | \$2,443,342 | \$0 | 0% | \$0 | \$2,443,342 |

Number of new workers hired at the facility each year:

| | |
|---------|-----|
| Year 1 | 0 |
| Year 2 | 0 |
| Year 3 | 200 |
| Year 4 | 215 |
| Year 5 | 185 |
| Year 6 | 0 |
| Year 7 | 0 |
| Year 8 | 0 |
| Year 9 | 0 |
| Year 10 | 0 |
| Year 12 | 0 |
| Year 13 | 0 |
| Year 14 | 0 |
| Year 15 | 0 |
| Total | 600 |

Increase in the number of workers after the first year 0%

Number of new workers who will move to the county to take job at the facility:

| | |
|---|-----|
| Cumulative % of workers moving during the 1st year after taking the job | 50% |
| Cumulative % of workers moving during the 2nd year after taking the job | 60% |
| Cumulative % of workers moving during the 2nd year after taking the job | 75% |

| | |
|---------|-----|
| Year 1 | - |
| Year 2 | - |
| Year 3 | 100 |
| Year 4 | 128 |
| Year 5 | 144 |
| Year 6 | 51 |
| Year 7 | 28 |
| Year 8 | - |
| Year 9 | - |
| Year 10 | - |
| Year 11 | - |
| Year 12 | - |
| Year 13 | - |
| Year 14 | - |
| Year 15 | - |
| Total | 450 |

Average annual salaries of workers at the facility \$66,500

Percent of expected increase in employee salaries after year 1 3.00%

| | |
|--|------|
| Percent employees to be hired in spin-off jobs created at the facility who will move to the county to take a job: | |
| Cumulative % of workers moving during the 1st year after taking the job | 30% |
| Cumulative % of workers moving during the 2nd year after taking the job | 40% |
| Cumulative % of workers moving during the 2nd year after taking the job | 50% |
| Percent of workers who move to the community that will buy a new home or require that new residential property be built for them | 50% |
| The number of people in a typical worker's household | 3.25 |
| The number of school children in a typical worker's household | 0.65 |
| Percent of retail shopping by a typical worker in cities in the county | 75% |

Visitors to the Facility from Out-of-Town During its Operations:

| | |
|---|------|
| Estimated number of annual out-of-town visitors to the facility | 1000 |
| Average annual increase in the number of out-of-town visitors to the facility | 5% |
| Average number of days that each of these visitors will stay in the county | 3 |
| Average number of nights that some of these visitors will stay motels in cities in the county | 2 |
| Estimated average daily retail spending by each visitor in cities in the county | \$50 |
| Estimated daily motel room rate in cities in the county | \$95 |

Out-of-Town Truckers Loading and Unloading at the Facility:

The company estimates the following truck flows through area cities:

- Brazoria: 75 truck trips or 150 "visible" trucks/day during 200 days/year
 - West Columbia & Van Vleck: avg of 80 truck trips or 160 "visible" trucks/day (min 60 trips/ 120 trucks; max 100 trips/ 200 trucks), assuming part of the traffic can be diverted through the route 60.
 - Bay City, mill at Van Vleck: avg of 20 truck trips or 40 "visible" trucks/day (min 0 trips; max 40 trips/ 80 trucks), assuming part of the traffic can be diverted through the route 60.
- or
- Bay City, mill at El Maton: avg of 100 truck trips or 200 "visible" trucks/day (min 60 trips/ 120 trucks; max 140 trips/ 280 trucks), considering the city is the only way for inbound & outbound traffic.

| | |
|--|--------|
| Estimated number of out-of-town truckers loading and unloading at the facility | 40,000 |
|--|--------|

| | |
|---|---------|
| Average annual increase in the number of out-of-town truckers | 5% |
| Average taxable spending in cities in the county by each out-of-town trucker | \$15.00 |
| Estimated percent of out-of-town truckers who may stay overnight at a local motel | 15% |

Schedules Showing the Results Calculations of the Economic Impacts from the Facility's Operations

Number of local jobs added each year and worker salaries to be paid:

| Year | Direct Jobs | Indirect Jobs | Total Jobs | Direct Salaries | Indirect Salaries | Total Salaries |
|-------|----------------|------------------|---------------|--------------------|----------------------|-------------------|
| 1 | 0 | 0 | 0 | \$0 | \$0 | \$0 |
| 2 | 0 | 0 | 0 | \$0 | \$0 | \$0 |
| 3 | 200 | 466 | 666 | \$0 | \$0 | \$0 |
| 4 | 215 | 501 | 716 | \$27,597,500 | \$47,036,489 | \$74,633,989 |
| 5 | 185 | 431 | 616 | \$41,097,000 | \$70,044,699 | \$111,141,699 |
| 6 | 0 | 0 | 0 | \$42,329,910 | \$72,146,040 | \$114,475,950 |
| 7 | 0 | 0 | 0 | \$43,599,807 | \$74,310,422 | \$117,910,229 |
| 8 | 0 | 0 | 0 | \$44,907,802 | \$76,539,734 | \$121,447,536 |
| 9 | 0 | 0 | 0 | \$46,255,036 | \$78,835,926 | \$125,090,962 |
| 10 | 0 | 0 | 0 | \$47,642,687 | \$81,201,004 | \$128,843,691 |
| 11 | 0 | 0 | 0 | \$49,071,967 | \$83,637,034 | \$132,709,001 |
| 12 | 0 | 0 | 0 | \$50,544,126 | \$86,146,145 | \$136,690,271 |
| 13 | 0 | 0 | 0 | \$52,060,450 | \$88,730,530 | \$140,790,980 |
| 14 | 0 | 0 | 0 | \$53,622,264 | \$91,392,445 | \$145,014,709 |
| 15 | 0 | 0 | 0 | \$55,230,931 | \$94,134,219 | \$149,365,150 |
| 16 | 0 | 0 | 0 | \$56,887,859 | \$96,958,245 | \$153,846,105 |
| 17 | 0 | 0 | 0 | \$58,594,495 | \$99,866,993 | \$158,461,488 |
| 18 | 0 | 0 | 0 | \$60,352,330 | \$102,863,002 | \$163,215,333 |
| 19 | 0 | 0 | 0 | \$62,162,900 | \$105,948,893 | \$168,111,792 |
| 20 | 0 | 0 | 0 | \$64,027,787 | \$109,127,359 | \$173,155,146 |
| 21 | 0 | 0 | 0 | \$65,948,621 | \$112,401,180 | \$178,349,801 |
| 22 | 0 | 0 | 0 | \$67,927,079 | \$115,773,216 | \$183,700,295 |
| 23 | 0 | 0 | 0 | \$69,964,892 | \$119,246,412 | \$189,211,303 |
| 24 | 0 | 0 | 0 | \$72,063,838 | \$122,823,804 | \$194,887,643 |
| 25 | 0 | 0 | 0 | \$74,225,753 | \$126,508,518 | \$200,734,272 |
| 26 | 0 | 0 | 0 | \$76,452,526 | \$130,303,774 | \$206,756,300 |
| 27 | 0 | 0 | 0 | \$78,746,102 | \$134,212,887 | \$212,958,989 |
| 28 | 0 | 0 | 0 | \$81,108,485 | \$138,239,274 | \$219,347,759 |
| 29 | 0 | 0 | 0 | \$83,541,739 | \$142,386,452 | \$225,928,191 |
| 30 | 0 | 0 | 0 | \$86,047,992 | \$146,658,046 | \$232,706,037 |
| Total | 600 | 1,398 | 1,998 | \$1,612,011,877 | \$2,747,472,744 | \$4,359,484,621 |

Number of direct and indirect workers and their families who will move to the area and their children who will attend local public schools:

| Year | New Workers Moving to the Area | Total New Residents | Total New Students |
|-------|--------------------------------------|---------------------------|--------------------------|
| 1 | | | |
| 2 | 0 | 0 | 0 |
| 3 | 240 | 779 | 156 |
| 4 | 324 | 1,054 | 211 |
| 5 | 370 | 1,203 | 241 |
| 6 | 144 | 468 | 94 |
| 7 | 71 | 230 | 46 |
| 8 | 0 | 0 | 0 |
| 9 | 0 | 0 | 0 |
| 10 | 0 | 0 | 0 |
| 11 | 0 | 0 | 0 |
| 12 | 0 | 0 | 0 |
| 13 | 0 | 0 | 0 |
| 14 | 0 | 0 | 0 |
| 15 | 0 | 0 | 0 |
| 16 | 0 | 0 | 0 |
| 17 | 0 | 0 | 0 |
| 18 | 0 | 0 | 0 |
| 19 | 0 | 0 | 0 |
| 20 | 0 | 0 | 0 |
| 21 | 0 | 0 | 0 |
| 22 | 0 | 0 | 0 |
| 23 | 0 | 0 | 0 |
| 24 | 0 | 0 | 0 |
| 25 | 0 | 0 | 0 |
| 26 | 0 | 0 | 0 |
| 27 | 0 | 0 | 0 |
| 28 | 0 | 0 | 0 |
| 29 | 0 | 0 | 0 |
| 30 | 0 | 0 | 0 |
| Total | 1,149 | 3,734 | 747 |

Number of new residential properties that may be built in the county for direct and indirect workers who will move to the community:

| Year | New Residential Properties |
|-------|----------------------------------|
| 1 | |
| 2 | 0 |
| 3 | 120 |
| 4 | 162 |
| 5 | 185 |
| 6 | 72 |
| 7 | 35 |
| 8 | 0 |
| 9 | 0 |
| 10 | 0 |
| 11 | 0 |
| 12 | 0 |
| 13 | 0 |
| 14 | 0 |
| 15 | 0 |
| 16 | 0 |
| 17 | 0 |
| 18 | 0 |
| 19 | 0 |
| 20 | 0 |
| 21 | 0 |
| 22 | 0 |
| 23 | 0 |
| 24 | 0 |
| 25 | 0 |
| 26 | 0 |
| 27 | 0 |
| 28 | 0 |
| 29 | 0 |
| 30 | 0 |
| Total | 574 |

Local taxable spending on which sales taxes will be collected:

| Year | Direct and Indirect Workers' Spending | Out-of-Town Visitor Spending | Taxable Sales at the Facility | The Facility's Local Purchases | Total |
|-------|--|------------------------------------|-------------------------------------|--------------------------------------|---------------|
| 1 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4 | \$13,993,873 | \$750,000 | \$0 | \$0 | \$14,743,873 |
| 5 | \$20,839,069 | \$815,063 | \$0 | \$1,500,000 | \$23,154,131 |
| 6 | \$21,464,241 | \$885,769 | \$0 | \$1,575,000 | \$23,925,010 |
| 7 | \$22,108,168 | \$962,610 | \$0 | \$1,653,750 | \$24,724,528 |
| 8 | \$22,771,413 | \$1,046,116 | \$0 | \$1,736,438 | \$25,553,966 |
| 9 | \$23,454,555 | \$1,136,867 | \$0 | \$1,823,259 | \$26,414,681 |
| 10 | \$24,158,192 | \$1,235,490 | \$0 | \$1,914,422 | \$27,308,104 |
| 11 | \$24,882,938 | \$1,342,669 | \$0 | \$2,010,143 | \$28,235,750 |
| 12 | \$25,629,426 | \$1,459,145 | \$0 | \$2,110,651 | \$29,199,222 |
| 13 | \$26,398,309 | \$1,585,726 | \$0 | \$2,216,183 | \$30,200,218 |
| 14 | \$27,190,258 | \$1,723,288 | \$0 | \$2,326,992 | \$31,240,538 |
| 15 | \$28,005,966 | \$1,872,783 | \$0 | \$2,443,342 | \$32,322,090 |
| 16 | \$28,846,145 | \$2,035,247 | \$0 | \$2,516,642 | \$33,398,033 |
| 17 | \$29,711,529 | \$2,211,804 | \$0 | \$2,592,141 | \$34,515,475 |
| 18 | \$30,602,875 | \$2,403,678 | \$0 | \$2,669,906 | \$35,676,459 |
| 19 | \$31,520,961 | \$2,612,197 | \$0 | \$2,750,003 | \$36,883,161 |
| 20 | \$32,466,590 | \$2,838,806 | \$0 | \$2,832,503 | \$38,137,898 |
| 21 | \$33,440,588 | \$3,085,072 | \$0 | \$2,917,478 | \$39,443,138 |
| 22 | \$34,443,805 | \$3,352,702 | \$0 | \$3,005,002 | \$40,801,510 |
| 23 | \$35,477,119 | \$3,643,549 | \$0 | \$3,095,152 | \$42,215,821 |
| 24 | \$36,541,433 | \$3,959,627 | \$0 | \$3,188,007 | \$43,689,067 |
| 25 | \$37,637,676 | \$4,303,124 | \$0 | \$3,283,647 | \$45,224,448 |
| 26 | \$38,766,806 | \$4,676,420 | \$0 | \$3,382,157 | \$46,825,383 |
| 27 | \$39,929,810 | \$5,082,100 | \$0 | \$3,483,621 | \$48,495,532 |
| 28 | \$41,127,705 | \$5,522,972 | \$0 | \$3,588,130 | \$50,238,807 |
| 29 | \$42,361,536 | \$6,002,090 | \$0 | \$3,695,774 | \$52,059,400 |
| 30 | \$43,632,382 | \$6,522,771 | \$0 | \$3,806,647 | \$53,961,800 |
| Total | \$817,403,366 | \$73,067,682 | \$0 | \$68,116,992 | \$958,588,041 |

Local spending by out-of-town visitors on lodging:

| Year | Spending on Lodging |
|-------|------------------------|
| 1 | |
| 2 | \$0 |
| 3 | \$0 |
| 4 | \$0 |
| 5 | \$760,000 |
| 6 | \$825,930 |
| 7 | \$897,579 |
| 8 | \$975,444 |
| 9 | \$1,060,064 |
| 10 | \$1,152,025 |
| 11 | \$1,251,963 |
| 12 | \$1,360,571 |
| 13 | \$1,478,600 |
| 14 | \$1,606,869 |
| 15 | \$1,746,265 |
| 16 | \$1,897,753 |
| 17 | \$2,062,383 |
| 18 | \$2,241,295 |
| 19 | \$2,435,727 |
| 20 | \$2,647,027 |
| 21 | \$2,876,656 |
| 22 | \$3,126,206 |
| 23 | \$3,397,405 |
| 24 | \$3,692,129 |
| 25 | \$4,012,422 |
| 26 | \$4,360,499 |
| 27 | \$4,738,773 |
| 28 | \$5,149,861 |
| 29 | \$5,596,612 |
| 30 | \$6,082,118 |
| Total | \$67,432,177 |

Taxable value of new residential property built for direct and indirect workers who move to the community and the value of the facility's property on local tax rolls:

| Year | New Residential Property Built in the County | The Facility's Property | | | Total Taxable Property |
|------|--|---------------------------------------|---|-----------------|------------------------------|
| | | Land, Aux. Buildings and M&E | Taxable Inventories After Freeport | Total | |
| 1 | | \$56,650,000 | \$0 | \$56,650,000 | \$56,650,000 |
| 2 | \$0 | \$235,650,000 | \$0 | \$235,650,000 | \$235,650,000 |
| 3 | \$12,730,800 | \$473,650,000 | \$0 | \$473,650,000 | \$486,380,800 |
| 4 | \$30,814,901 | \$1,254,300,000 | \$0 | \$1,254,300,000 | \$1,285,114,901 |
| 5 | \$52,561,261 | \$1,288,698,759 | \$11,305,718 | \$1,300,004,476 | \$1,352,565,738 |
| 6 | \$62,484,873 | \$1,255,201,341 | \$56,528,589 | \$1,311,729,930 | \$1,374,214,803 |
| 7 | \$68,538,602 | \$1,218,921,663 | \$75,371,452 | \$1,294,293,115 | \$1,362,831,717 |
| 8 | \$70,594,760 | \$1,179,476,242 | \$75,371,452 | \$1,254,847,694 | \$1,325,442,454 |
| 9 | \$72,712,603 | \$1,137,110,956 | \$75,371,452 | \$1,212,482,409 | \$1,285,195,011 |
| 10 | \$74,893,981 | \$1,091,521,991 | \$75,371,452 | \$1,166,893,444 | \$1,241,787,424 |
| 11 | \$77,140,800 | \$1,042,731,768 | \$75,371,452 | \$1,118,103,220 | \$1,195,244,021 |
| 12 | \$79,455,024 | \$990,751,919 | \$75,371,452 | \$1,066,123,371 | \$1,145,578,395 |
| 13 | \$81,838,675 | \$935,368,656 | \$75,371,452 | \$1,010,740,108 | \$1,092,578,783 |
| 14 | \$84,293,835 | \$876,756,119 | \$75,371,452 | \$952,127,571 | \$1,036,421,406 |
| 15 | \$86,822,650 | \$814,966,914 | \$75,371,452 | \$890,338,366 | \$977,161,016 |
| 16 | \$89,427,330 | \$749,894,105 | \$75,371,452 | \$825,265,557 | \$914,692,887 |
| 17 | \$92,110,150 | \$681,788,117 | \$75,371,452 | \$757,159,569 | \$849,269,719 |
| 18 | \$94,873,454 | \$610,767,335 | \$75,371,452 | \$686,138,788 | \$781,012,242 |
| 19 | \$97,719,658 | \$547,471,013 | \$75,371,452 | \$622,842,465 | \$720,562,123 |
| 20 | \$100,651,247 | \$481,977,962 | \$75,371,452 | \$557,349,414 | \$658,000,662 |
| 21 | \$103,670,785 | \$414,698,090 | \$75,371,452 | \$490,069,542 | \$593,740,327 |
| 22 | \$106,780,908 | \$345,882,274 | \$75,371,452 | \$421,253,726 | \$528,034,634 |
| 23 | \$109,984,336 | \$276,068,748 | \$75,371,452 | \$351,440,200 | \$461,424,536 |
| 24 | \$113,283,866 | \$258,359,357 | \$75,371,452 | \$333,730,809 | \$447,014,675 |
| 25 | \$116,682,382 | \$244,979,341 | \$75,371,452 | \$320,350,794 | \$437,033,175 |
| 26 | \$120,182,853 | \$243,421,089 | \$75,371,452 | \$318,792,541 | \$438,975,394 |
| 27 | \$123,788,339 | \$241,017,342 | \$75,371,452 | \$316,388,794 | \$440,177,133 |
| 28 | \$127,501,989 | \$237,684,686 | \$75,371,452 | \$313,056,139 | \$440,558,127 |
| 29 | \$131,327,049 | \$233,307,123 | \$75,371,452 | \$308,678,575 | \$440,005,623 |
| 30 | \$135,266,860 | \$227,760,293 | \$75,371,452 | \$303,131,746 | \$438,398,606 |

Economic output generated by the facility's operations

| Year | Direct Output | Indirect Output | Total Output |
|--------------|-------------------------|-------------------------|--------------------------|
| 1 | \$0 | \$0 | \$0 |
| 2 | \$0 | \$0 | \$0 |
| 3 | \$0 | \$0 | \$0 |
| 4 | \$1,177,000,000 | \$1,247,414,025 | \$2,424,414,025 |
| 5 | \$1,235,850,000 | \$1,309,784,726 | \$2,545,634,726 |
| 6 | \$1,297,642,500 | \$1,375,273,963 | \$2,672,916,463 |
| 7 | \$1,362,524,625 | \$1,444,037,661 | \$2,806,562,286 |
| 8 | \$1,430,650,856 | \$1,516,239,544 | \$2,946,890,400 |
| 9 | \$1,502,183,399 | \$1,592,051,521 | \$3,094,234,920 |
| 10 | \$1,577,292,569 | \$1,671,654,097 | \$3,248,946,666 |
| 11 | \$1,656,157,197 | \$1,755,236,802 | \$3,411,393,999 |
| 12 | \$1,738,965,057 | \$1,842,998,642 | \$3,581,963,699 |
| 13 | \$1,825,913,310 | \$1,935,148,574 | \$3,761,061,884 |
| 14 | \$1,917,208,976 | \$2,031,906,003 | \$3,949,114,978 |
| 15 | \$2,013,069,425 | \$2,133,501,303 | \$4,146,570,727 |
| 16 | \$2,113,722,896 | \$2,240,176,368 | \$4,353,899,264 |
| 17 | \$2,219,409,041 | \$2,352,185,186 | \$4,571,594,227 |
| 18 | \$2,330,379,493 | \$2,469,794,446 | \$4,800,173,938 |
| 19 | \$2,446,898,467 | \$2,593,284,168 | \$5,040,182,635 |
| 20 | \$2,569,243,391 | \$2,722,948,376 | \$5,292,191,767 |
| 21 | \$2,697,705,560 | \$2,859,095,795 | \$5,556,801,355 |
| 22 | \$2,832,590,838 | \$3,002,050,585 | \$5,834,641,423 |
| 23 | \$2,974,220,380 | \$3,152,153,114 | \$6,126,373,494 |
| 24 | \$3,122,931,399 | \$3,309,760,770 | \$6,432,692,169 |
| 25 | \$3,279,077,969 | \$3,475,248,808 | \$6,754,326,777 |
| 26 | \$3,443,031,867 | \$3,649,011,249 | \$7,092,043,116 |
| 27 | \$3,615,183,461 | \$3,831,461,811 | \$7,446,645,272 |
| 28 | \$3,795,942,634 | \$4,023,034,902 | \$7,818,977,536 |
| 29 | \$3,985,739,765 | \$4,224,186,647 | \$8,209,926,412 |
| 30 | \$4,185,026,754 | \$4,435,395,979 | \$8,620,422,733 |
| Total | \$64,345,561,828 | \$68,195,035,064 | \$132,540,596,892 |

Schedules of Property Taxes Collected and Exempt on the Facility's Property

The facility's property tax liability on inventories:

| Year | County | Port | Hospital | Drainage | School District | Total |
|-------|--------------|-------------|-------------|-------------|-----------------|--------------|
| 1 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4 | \$72,855 | \$8,214 | \$51,748 | \$27,246 | \$269,047 | \$429,110 |
| 5 | \$364,275 | \$41,069 | \$258,738 | \$136,231 | \$1,345,237 | \$2,145,549 |
| 6 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 7 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 8 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 9 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 10 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 11 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 12 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 13 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 14 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 15 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 16 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 17 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 18 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 19 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 20 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 21 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 22 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 23 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 24 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 25 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 26 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 27 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 28 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 29 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| 30 | \$485,699 | \$54,758 | \$344,984 | \$181,641 | \$1,793,649 | \$2,860,732 |
| Total | \$12,579,614 | \$1,418,233 | \$8,935,091 | \$4,704,513 | \$46,455,504 | \$74,092,955 |

Property taxes to be exempt on inventories:

| Year | County | Port | Hospital | Drainage | School District | Total |
|-------|-------------|-----------|-------------|-------------|-----------------|--------------|
| 1 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 5 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 6 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 7 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 8 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 9 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 10 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 11 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 12 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 13 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 14 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 15 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 16 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 17 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 18 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 19 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 20 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 21 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 22 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 23 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 24 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 25 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 26 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 27 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 28 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 29 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| 30 | \$131,138 | \$14,785 | \$93,145 | \$49,043 | \$484,284 | \$772,395 |
| Total | \$3,540,739 | \$399,185 | \$2,514,928 | \$1,324,162 | \$13,075,663 | \$20,854,677 |

The facility's property tax payments after exemption on inventories:

| Year | County | Port | Hospital | Drainage | School District | Total |
|-------|-------------|-----------|-------------|-------------|-----------------|--------------|
| 1 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4 | \$17,986 | \$2,028 | \$12,775 | \$6,726 | \$66,421 | \$105,936 |
| 5 | \$89,930 | \$10,139 | \$63,876 | \$33,632 | \$332,105 | \$529,682 |
| 6 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 7 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 8 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 9 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 10 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 11 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 12 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 13 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 14 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 15 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 16 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 17 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 18 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 19 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 20 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 21 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 22 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 23 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 24 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 25 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 26 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 27 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 28 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 29 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| 30 | \$119,907 | \$13,518 | \$85,168 | \$44,843 | \$442,807 | \$706,243 |
| Total | \$3,105,592 | \$350,126 | \$2,205,851 | \$1,161,427 | \$11,468,702 | \$18,291,698 |

The facility's property tax liability on land, real property improvements and machinery & equipment:

| Year | County | Port | Hospital | Drainage | School District | Total |
|--------------|---------------------|--------------------|---------------------|---------------------|----------------------|----------------------|
| 1 | \$169,259 | \$18,604 | \$131,218 | \$59,330 | \$589,160 | \$967,571 |
| 2 | \$704,075 | \$77,387 | \$545,836 | \$246,796 | \$2,450,760 | \$4,024,855 |
| 3 | \$1,415,171 | \$155,547 | \$1,097,115 | \$496,054 | \$4,925,960 | \$8,089,847 |
| 4 | \$3,747,598 | \$411,912 | \$2,905,335 | \$1,313,628 | \$13,044,720 | \$21,423,193 |
| 5 | \$3,850,374 | \$423,209 | \$2,985,013 | \$1,349,654 | \$13,402,467 | \$22,010,717 |
| 6 | \$3,750,291 | \$412,208 | \$2,907,423 | \$1,314,572 | \$13,054,094 | \$21,438,588 |
| 7 | \$3,641,894 | \$400,294 | \$2,823,388 | \$1,276,577 | \$12,676,785 | \$20,818,938 |
| 8 | \$3,524,039 | \$387,340 | \$2,732,021 | \$1,235,265 | \$12,266,553 | \$20,145,218 |
| 9 | \$3,397,460 | \$373,427 | \$2,633,890 | \$1,190,896 | \$11,825,954 | \$19,421,628 |
| 10 | \$3,261,249 | \$358,456 | \$2,528,292 | \$1,143,151 | \$11,351,829 | \$18,642,977 |
| 11 | \$3,115,474 | \$342,433 | \$2,415,280 | \$1,092,053 | \$10,844,413 | \$17,809,652 |
| 12 | \$2,960,169 | \$325,363 | \$2,294,879 | \$1,037,614 | \$10,303,821 | \$16,921,845 |
| 13 | \$2,794,694 | \$307,175 | \$2,166,594 | \$979,612 | \$9,727,838 | \$15,975,913 |
| 14 | \$2,619,572 | \$287,927 | \$2,030,830 | \$918,227 | \$9,118,262 | \$14,974,818 |
| 15 | \$2,434,958 | \$267,635 | \$1,887,708 | \$853,515 | \$8,475,657 | \$13,919,473 |
| 16 | \$2,240,534 | \$246,265 | \$1,736,980 | \$785,364 | \$7,798,898 | \$12,808,040 |
| 17 | \$2,037,047 | \$223,899 | \$1,579,226 | \$714,037 | \$7,090,595 | \$11,644,803 |
| 18 | \$1,824,851 | \$200,576 | \$1,414,720 | \$639,657 | \$6,351,977 | \$10,431,780 |
| 19 | \$1,635,734 | \$179,789 | \$1,268,107 | \$573,366 | \$5,693,698 | \$9,350,695 |
| 20 | \$1,440,054 | \$158,282 | \$1,116,406 | \$504,776 | \$5,012,571 | \$8,232,088 |
| 21 | \$1,239,035 | \$136,187 | \$960,565 | \$434,313 | \$4,312,859 | \$7,082,960 |
| 22 | \$1,033,427 | \$113,588 | \$801,167 | \$362,243 | \$3,597,173 | \$5,907,597 |
| 23 | \$824,838 | \$90,661 | \$639,458 | \$289,127 | \$2,871,118 | \$4,715,202 |
| 24 | \$771,926 | \$84,845 | \$598,438 | \$270,580 | \$2,686,934 | \$4,412,722 |
| 25 | \$731,949 | \$80,451 | \$567,446 | \$256,567 | \$2,547,782 | \$4,184,195 |
| 26 | \$727,294 | \$79,939 | \$563,836 | \$254,935 | \$2,531,578 | \$4,157,583 |
| 27 | \$720,112 | \$79,150 | \$558,268 | \$252,417 | \$2,506,577 | \$4,116,524 |
| 28 | \$710,154 | \$78,056 | \$550,549 | \$248,927 | \$2,471,924 | \$4,059,610 |
| 29 | \$697,075 | \$76,618 | \$540,409 | \$244,343 | \$2,426,393 | \$3,984,838 |
| 30 | \$680,502 | \$74,796 | \$527,561 | \$238,533 | \$2,368,704 | \$3,890,097 |
| Total | \$58,531,549 | \$6,433,416 | \$45,376,741 | \$20,516,799 | \$203,737,892 | \$335,563,969 |

Property taxes to be exempt on land, real property improvements and machinery & equipment:

| Year | County | Port | Hospital | Drainage | School District | Total |
|-------|--------------|-------------|--------------|-------------|-----------------|---------------|
| 1 | \$169,259 | \$18,604 | \$131,218 | \$59,330 | \$0 | \$378,411 |
| 2 | \$704,075 | \$77,387 | \$545,836 | \$246,796 | \$0 | \$1,574,095 |
| 3 | \$1,415,171 | \$155,547 | \$1,097,115 | \$496,054 | \$0 | \$3,163,887 |
| 4 | \$3,747,598 | \$411,912 | \$2,905,335 | \$1,313,628 | \$12,902,220 | \$21,280,693 |
| 5 | \$3,850,374 | \$423,209 | \$2,985,013 | \$1,349,654 | \$13,259,967 | \$21,868,217 |
| 6 | \$3,750,291 | \$412,208 | \$2,907,423 | \$1,314,572 | \$12,911,594 | \$21,296,088 |
| 7 | \$3,641,894 | \$400,294 | \$2,823,388 | \$1,276,577 | \$12,534,285 | \$20,676,438 |
| 8 | \$3,524,039 | \$387,340 | \$2,732,021 | \$1,235,265 | \$12,124,053 | \$20,002,718 |
| 9 | \$3,397,460 | \$373,427 | \$2,633,890 | \$1,190,896 | \$11,683,454 | \$19,279,128 |
| 10 | \$3,261,249 | \$358,456 | \$2,528,292 | \$1,143,151 | \$11,209,329 | \$18,500,477 |
| 11 | \$3,115,474 | \$0 | \$0 | \$0 | \$2,467,922 | \$5,583,396 |
| 12 | \$2,960,169 | \$0 | \$0 | \$0 | \$0 | \$2,960,169 |
| 13 | \$2,794,694 | \$0 | \$0 | \$0 | \$0 | \$2,794,694 |
| 14 | \$2,619,572 | \$0 | \$0 | \$0 | \$0 | \$2,619,572 |
| 15 | \$2,434,958 | \$0 | \$0 | \$0 | \$0 | \$2,434,958 |
| 16 | \$2,240,534 | \$0 | \$0 | \$0 | \$0 | \$2,240,534 |
| 17 | \$2,037,047 | \$0 | \$0 | \$0 | \$0 | \$2,037,047 |
| 18 | \$1,824,851 | \$0 | \$0 | \$0 | \$0 | \$1,824,851 |
| 19 | \$1,635,734 | \$0 | \$0 | \$0 | \$0 | \$1,635,734 |
| 20 | \$1,440,054 | \$0 | \$0 | \$0 | \$0 | \$1,440,054 |
| 21 | \$1,239,035 | \$0 | \$0 | \$0 | \$0 | \$1,239,035 |
| 22 | \$1,033,427 | \$0 | \$0 | \$0 | \$0 | \$1,033,427 |
| 23 | \$824,838 | \$0 | \$0 | \$0 | \$0 | \$824,838 |
| 24 | \$771,926 | \$0 | \$0 | \$0 | \$0 | \$771,926 |
| 25 | \$731,949 | \$0 | \$0 | \$0 | \$0 | \$731,949 |
| 26 | \$581,835 | \$0 | \$0 | \$0 | \$0 | \$581,835 |
| 27 | \$432,067 | \$0 | \$0 | \$0 | \$0 | \$432,067 |
| 28 | \$284,062 | \$0 | \$0 | \$0 | \$0 | \$284,062 |
| 29 | \$139,415 | \$0 | \$0 | \$0 | \$0 | \$139,415 |
| 30 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total | \$56,433,791 | \$2,999,780 | \$21,158,314 | \$9,566,594 | \$89,092,824 | \$179,251,304 |

The facility's property tax payments after abatement and exemptions on land, real property improvements and machinery & equipment:

| Year | County | Port | Hospital | Drainage | School District | Total |
|-------|-------------|-------------|--------------|--------------|-----------------|---------------|
| 1 | \$0 | \$0 | \$0 | \$0 | \$589,160 | \$589,160 |
| 2 | \$0 | \$0 | \$0 | \$0 | \$2,450,760 | \$2,450,760 |
| 3 | \$0 | \$0 | \$0 | \$0 | \$589,160 | \$589,160 |
| 4 | \$0 | \$0 | \$0 | \$0 | \$142,500 | \$142,500 |
| 5 | \$0 | \$0 | \$0 | \$0 | \$142,500 | \$142,500 |
| 6 | \$0 | \$0 | \$0 | \$0 | \$142,500 | \$142,500 |
| 7 | \$0 | \$0 | \$0 | \$0 | \$142,500 | \$142,500 |
| 8 | \$0 | \$0 | \$0 | \$0 | \$142,500 | \$142,500 |
| 9 | \$0 | \$0 | \$0 | \$0 | \$142,500 | \$142,500 |
| 10 | \$0 | \$0 | \$0 | \$0 | \$142,500 | \$142,500 |
| 11 | \$0 | \$342,433 | \$2,415,280 | \$1,092,053 | \$8,376,490 | \$12,226,256 |
| 12 | \$0 | \$325,363 | \$2,294,879 | \$1,037,614 | \$10,303,821 | \$13,961,677 |
| 13 | \$0 | \$307,175 | \$2,166,594 | \$979,612 | \$9,727,838 | \$13,181,219 |
| 14 | \$0 | \$287,927 | \$2,030,830 | \$918,227 | \$9,118,262 | \$12,355,246 |
| 15 | \$0 | \$267,635 | \$1,887,708 | \$853,515 | \$8,475,657 | \$11,484,515 |
| 16 | \$0 | \$246,265 | \$1,736,980 | \$785,364 | \$7,798,898 | \$10,567,507 |
| 17 | \$0 | \$223,899 | \$1,579,226 | \$714,037 | \$7,090,595 | \$9,607,757 |
| 18 | \$0 | \$200,576 | \$1,414,720 | \$639,657 | \$6,351,977 | \$8,606,930 |
| 19 | \$0 | \$179,789 | \$1,268,107 | \$573,366 | \$5,693,698 | \$7,714,961 |
| 20 | \$0 | \$158,282 | \$1,116,406 | \$504,776 | \$5,012,571 | \$6,792,034 |
| 21 | \$0 | \$136,187 | \$960,565 | \$434,313 | \$4,312,859 | \$5,843,925 |
| 22 | \$0 | \$113,588 | \$801,167 | \$362,243 | \$3,597,173 | \$4,874,170 |
| 23 | \$0 | \$90,661 | \$639,458 | \$289,127 | \$2,871,118 | \$3,890,363 |
| 24 | \$0 | \$84,845 | \$598,438 | \$270,580 | \$2,686,934 | \$3,640,796 |
| 25 | \$0 | \$80,451 | \$567,446 | \$256,567 | \$2,547,782 | \$3,452,245 |
| 26 | \$145,459 | \$79,939 | \$563,836 | \$254,935 | \$2,531,578 | \$3,575,748 |
| 27 | \$288,045 | \$79,150 | \$558,268 | \$252,417 | \$2,506,577 | \$3,684,457 |
| 28 | \$426,093 | \$78,056 | \$550,549 | \$248,927 | \$2,471,924 | \$3,775,548 |
| 29 | \$557,660 | \$76,618 | \$540,409 | \$244,343 | \$2,426,393 | \$3,845,423 |
| 30 | \$680,502 | \$74,796 | \$527,561 | \$238,533 | \$2,368,704 | \$3,890,097 |
| Total | \$2,097,758 | \$3,433,636 | \$24,218,427 | \$10,950,205 | \$110,308,268 | \$151,008,294 |

Schedules Showing the Results of the Calculations of Costs and Benefits for Local Taxing District from the Facility's Operations

Costs and Benefits for Cities in the County

Benefits:

Sales tax collections:

| Year | On Direct and Indirect Workers' Spending | On Out-of- Town Visitors Spending | On The Facility's Local Purchases | Total |
|-------|---|--|--|--------------|
| 1 | \$0 | \$0 | \$0 | \$0 |
| 2 | \$0 | \$0 | \$0 | \$0 |
| 3 | \$0 | \$0 | \$0 | \$0 |
| 4 | \$279,877 | \$15,000 | \$0 | \$294,877 |
| 5 | \$416,781 | \$16,301 | \$30,000 | \$463,083 |
| 6 | \$429,285 | \$17,715 | \$31,500 | \$478,500 |
| 7 | \$442,163 | \$19,252 | \$33,075 | \$494,491 |
| 8 | \$455,428 | \$20,922 | \$34,729 | \$511,079 |
| 9 | \$469,091 | \$22,737 | \$36,465 | \$528,294 |
| 10 | \$483,164 | \$24,710 | \$38,288 | \$546,162 |
| 11 | \$497,659 | \$26,853 | \$40,203 | \$564,715 |
| 12 | \$512,589 | \$29,183 | \$42,213 | \$583,984 |
| 13 | \$527,966 | \$31,715 | \$44,324 | \$604,004 |
| 14 | \$543,805 | \$34,466 | \$46,540 | \$624,811 |
| 15 | \$560,119 | \$37,456 | \$48,867 | \$646,442 |
| 16 | \$576,923 | \$40,705 | \$50,333 | \$667,961 |
| 17 | \$594,231 | \$44,236 | \$51,843 | \$690,309 |
| 18 | \$612,057 | \$48,074 | \$53,398 | \$713,529 |
| 19 | \$630,419 | \$52,244 | \$55,000 | \$737,663 |
| 20 | \$649,332 | \$56,776 | \$56,650 | \$762,758 |
| 21 | \$668,812 | \$61,701 | \$58,350 | \$788,863 |
| 22 | \$688,876 | \$67,054 | \$60,100 | \$816,030 |
| 23 | \$709,542 | \$72,871 | \$61,903 | \$844,316 |
| 24 | \$730,829 | \$79,193 | \$63,760 | \$873,781 |
| 25 | \$752,754 | \$86,062 | \$65,673 | \$904,489 |
| 26 | \$775,336 | \$93,528 | \$67,643 | \$936,508 |
| 27 | \$798,596 | \$101,642 | \$69,672 | \$969,911 |
| 28 | \$822,554 | \$110,459 | \$71,763 | \$1,004,776 |
| 29 | \$847,231 | \$120,042 | \$73,915 | \$1,041,188 |
| 30 | \$872,648 | \$130,455 | \$76,133 | \$1,079,236 |
| Total | \$16,348,067 | \$1,461,354 | \$1,362,340 | \$19,171,761 |

Property tax collections on:

| Year | New Residential Property | Property at the Facility | Total |
|-------|--------------------------------|--------------------------------|--------------|
| 1 | \$0 | \$0 | \$0 |
| 2 | \$0 | \$0 | \$0 |
| 3 | \$72,809 | \$0 | \$72,809 |
| 4 | \$176,234 | \$0 | \$176,234 |
| 5 | \$300,603 | \$0 | \$300,603 |
| 6 | \$357,357 | \$0 | \$357,357 |
| 7 | \$391,979 | \$0 | \$391,979 |
| 8 | \$403,738 | \$0 | \$403,738 |
| 9 | \$415,851 | \$0 | \$415,851 |
| 10 | \$428,326 | \$0 | \$428,326 |
| 11 | \$441,176 | \$0 | \$441,176 |
| 12 | \$454,411 | \$0 | \$454,411 |
| 13 | \$468,044 | \$0 | \$468,044 |
| 14 | \$482,085 | \$0 | \$482,085 |
| 15 | \$496,547 | \$0 | \$496,547 |
| 16 | \$511,444 | \$0 | \$511,444 |
| 17 | \$526,787 | \$0 | \$526,787 |
| 18 | \$542,591 | \$0 | \$542,591 |
| 19 | \$558,868 | \$0 | \$558,868 |
| 20 | \$575,635 | \$0 | \$575,635 |
| 21 | \$592,904 | \$0 | \$592,904 |
| 22 | \$610,691 | \$0 | \$610,691 |
| 23 | \$629,011 | \$0 | \$629,011 |
| 24 | \$647,882 | \$0 | \$647,882 |
| 25 | \$667,318 | \$0 | \$667,318 |
| 26 | \$687,338 | \$0 | \$687,338 |
| 27 | \$707,958 | \$0 | \$707,958 |
| 28 | \$729,197 | \$0 | \$729,197 |
| 29 | \$751,073 | \$0 | \$751,073 |
| 30 | \$773,605 | \$0 | \$773,605 |
| Total | \$14,401,460 | \$0 | \$14,401,460 |

Utilities and utility franchise fees collected by cities from new residents:

| Year | Utilities | Utility Franchise Fees | Total |
|-------|--------------|------------------------------|--------------|
| 1 | | | |
| 2 | \$0 | \$0 | \$0 |
| 3 | \$128,520 | \$6,992 | \$135,512 |
| 4 | \$481,495 | \$26,582 | \$508,077 |
| 5 | \$946,950 | \$53,048 | \$999,998 |
| 6 | \$1,343,338 | \$76,360 | \$1,419,698 |
| 7 | \$1,538,464 | \$88,738 | \$1,627,201 |
| 8 | \$1,630,390 | \$95,423 | \$1,725,813 |
| 9 | \$1,662,998 | \$98,763 | \$1,761,761 |
| 10 | \$1,696,258 | \$102,219 | \$1,798,477 |
| 11 | \$1,730,183 | \$105,797 | \$1,835,980 |
| 12 | \$1,764,787 | \$109,500 | \$1,874,287 |
| 13 | \$1,800,083 | \$113,332 | \$1,913,415 |
| 14 | \$1,836,084 | \$117,299 | \$1,953,383 |
| 15 | \$1,872,806 | \$121,404 | \$1,994,210 |
| 16 | \$1,910,262 | \$125,653 | \$2,035,916 |
| 17 | \$1,948,467 | \$130,051 | \$2,078,519 |
| 18 | \$1,987,437 | \$134,603 | \$2,122,040 |
| 19 | \$2,027,186 | \$139,314 | \$2,166,500 |
| 20 | \$2,067,729 | \$144,190 | \$2,211,919 |
| 21 | \$2,109,084 | \$149,237 | \$2,258,321 |
| 22 | \$2,151,265 | \$154,460 | \$2,305,726 |
| 23 | \$2,194,291 | \$159,866 | \$2,354,157 |
| 24 | \$2,238,177 | \$165,462 | \$2,403,638 |
| 25 | \$2,282,940 | \$171,253 | \$2,454,193 |
| 26 | \$2,328,599 | \$177,247 | \$2,505,846 |
| 27 | \$2,375,171 | \$183,450 | \$2,558,621 |
| 28 | \$2,422,674 | \$189,871 | \$2,612,545 |
| 29 | \$2,471,128 | \$196,517 | \$2,667,644 |
| 30 | \$2,520,550 | \$203,395 | \$2,723,945 |
| Total | \$51,467,318 | \$3,540,026 | \$55,007,344 |

Other cities' revenues, including hotel occupancy taxes, and other taxes and user fees collected from new residents:

| Year | Hotel Occupancy Taxes | Other Taxes and User Fees | Total Other Revenues |
|-------|-----------------------------|---------------------------------|-------------------------|
| 1 | | | |
| 2 | \$0 | \$0 | \$0 |
| 3 | \$0 | \$6,120 | \$6,120 |
| 4 | \$0 | \$22,928 | \$22,928 |
| 5 | \$53,200 | \$45,093 | \$98,293 |
| 6 | \$57,815 | \$63,968 | \$121,784 |
| 7 | \$62,831 | \$73,260 | \$136,091 |
| 8 | \$68,281 | \$77,638 | \$145,919 |
| 9 | \$74,204 | \$79,190 | \$153,395 |
| 10 | \$80,642 | \$80,774 | \$161,416 |
| 11 | \$87,637 | \$82,390 | \$170,027 |
| 12 | \$95,240 | \$84,037 | \$179,277 |
| 13 | \$103,502 | \$85,718 | \$189,220 |
| 14 | \$112,481 | \$87,433 | \$199,913 |
| 15 | \$122,239 | \$89,181 | \$211,420 |
| 16 | \$132,842 | \$90,965 | \$223,807 |
| 17 | \$144,365 | \$92,784 | \$237,149 |
| 18 | \$156,888 | \$94,640 | \$251,527 |
| 19 | \$170,497 | \$96,533 | \$267,030 |
| 20 | \$185,287 | \$98,463 | \$283,750 |
| 21 | \$201,360 | \$100,433 | \$301,793 |
| 22 | \$218,827 | \$102,441 | \$321,269 |
| 23 | \$237,810 | \$104,490 | \$342,300 |
| 24 | \$258,440 | \$106,580 | \$365,020 |
| 25 | \$280,860 | \$108,711 | \$389,571 |
| 26 | \$305,224 | \$110,886 | \$416,110 |
| 27 | \$331,702 | \$113,103 | \$444,805 |
| 28 | \$360,477 | \$115,365 | \$475,843 |
| 29 | \$391,749 | \$117,673 | \$509,422 |
| 30 | \$425,733 | \$120,026 | \$545,759 |
| Total | \$4,720,132 | \$2,450,825 | \$7,170,957 |

Costs:**The costs for cities to provide municipal services and utility services to new residents:**

| Year | Cost of Services to New Residents | Costs of Utilities | Total Costs |
|-------|--|-----------------------|--------------|
| 1 | | | |
| 2 | \$0 | \$0 | \$0 |
| 3 | \$30,600 | \$122,094 | \$152,694 |
| 4 | \$114,642 | \$457,420 | \$572,062 |
| 5 | \$225,464 | \$899,602 | \$1,125,067 |
| 6 | \$319,842 | \$1,276,171 | \$1,596,014 |
| 7 | \$366,301 | \$1,461,541 | \$1,827,841 |
| 8 | \$388,188 | \$1,548,871 | \$1,937,059 |
| 9 | \$395,952 | \$1,579,848 | \$1,975,800 |
| 10 | \$403,871 | \$1,611,445 | \$2,015,316 |
| 11 | \$411,948 | \$1,643,674 | \$2,055,623 |
| 12 | \$420,187 | \$1,676,548 | \$2,096,735 |
| 13 | \$428,591 | \$1,710,079 | \$2,138,670 |
| 14 | \$437,163 | \$1,744,280 | \$2,181,443 |
| 15 | \$445,906 | \$1,779,166 | \$2,225,072 |
| 16 | \$454,824 | \$1,814,749 | \$2,269,573 |
| 17 | \$463,921 | \$1,851,044 | \$2,314,965 |
| 18 | \$473,199 | \$1,888,065 | \$2,361,264 |
| 19 | \$482,663 | \$1,925,826 | \$2,408,489 |
| 20 | \$492,316 | \$1,964,343 | \$2,456,659 |
| 21 | \$502,163 | \$2,003,630 | \$2,505,792 |
| 22 | \$512,206 | \$2,043,702 | \$2,555,908 |
| 23 | \$522,450 | \$2,084,576 | \$2,607,026 |
| 24 | \$532,899 | \$2,126,268 | \$2,659,167 |
| 25 | \$543,557 | \$2,168,793 | \$2,712,350 |
| 26 | \$554,428 | \$2,212,169 | \$2,766,597 |
| 27 | \$565,517 | \$2,256,412 | \$2,821,929 |
| 28 | \$576,827 | \$2,301,541 | \$2,878,368 |
| 29 | \$588,364 | \$2,347,571 | \$2,935,935 |
| 30 | \$600,131 | \$2,394,523 | \$2,994,654 |
| Total | \$12,254,123 | \$48,893,952 | \$61,148,075 |

Net Benefits for Cities in the County:

| Year | Benefits | Costs | Net Benefits | Cumulative Net Benefits |
|-------|--------------|--------------|--------------|-------------------------|
| 1 | \$0 | | \$0 | \$0 |
| 2 | \$0 | \$0 | \$0 | \$0 |
| 3 | \$214,441 | \$152,694 | \$61,747 | \$61,747 |
| 4 | \$1,002,117 | \$572,062 | \$430,055 | \$491,802 |
| 5 | \$1,861,976 | \$1,125,067 | \$736,910 | \$1,228,711 |
| 6 | \$2,377,339 | \$1,596,014 | \$781,325 | \$2,010,037 |
| 7 | \$2,649,762 | \$1,827,841 | \$821,920 | \$2,831,957 |
| 8 | \$2,786,550 | \$1,937,059 | \$849,491 | \$3,681,447 |
| 9 | \$2,859,300 | \$1,975,800 | \$883,500 | \$4,564,947 |
| 10 | \$2,934,382 | \$2,015,316 | \$919,065 | \$5,484,012 |
| 11 | \$3,011,898 | \$2,055,623 | \$956,276 | \$6,440,288 |
| 12 | \$3,091,960 | \$2,096,735 | \$995,225 | \$7,435,513 |
| 13 | \$3,174,683 | \$2,138,670 | \$1,036,013 | \$8,471,526 |
| 14 | \$3,260,192 | \$2,181,443 | \$1,078,749 | \$9,550,276 |
| 15 | \$3,348,619 | \$2,225,072 | \$1,123,547 | \$10,673,823 |
| 16 | \$3,439,127 | \$2,269,573 | \$1,169,553 | \$11,843,376 |
| 17 | \$3,532,764 | \$2,314,965 | \$1,217,800 | \$13,061,176 |
| 18 | \$3,629,687 | \$2,361,264 | \$1,268,423 | \$14,329,599 |
| 19 | \$3,730,061 | \$2,408,489 | \$1,321,572 | \$15,651,171 |
| 20 | \$3,834,062 | \$2,456,659 | \$1,377,403 | \$17,028,574 |
| 21 | \$3,941,880 | \$2,505,792 | \$1,436,087 | \$18,464,661 |
| 22 | \$4,053,715 | \$2,555,908 | \$1,497,807 | \$19,962,468 |
| 23 | \$4,169,785 | \$2,607,026 | \$1,562,759 | \$21,525,227 |
| 24 | \$4,290,321 | \$2,659,167 | \$1,631,154 | \$23,156,381 |
| 25 | \$4,415,571 | \$2,712,350 | \$1,703,221 | \$24,859,602 |
| 26 | \$4,545,801 | \$2,766,597 | \$1,779,203 | \$26,638,805 |
| 27 | \$4,681,295 | \$2,821,929 | \$1,859,366 | \$28,498,171 |
| 28 | \$4,822,361 | \$2,878,368 | \$1,943,993 | \$30,442,164 |
| 29 | \$4,969,326 | \$2,935,935 | \$2,033,391 | \$32,475,555 |
| 30 | \$5,122,545 | \$2,994,654 | \$2,127,891 | \$34,603,446 |
| Total | \$95,751,521 | \$61,148,075 | \$34,603,446 | |

Benefits for Matagorda County:

Miscellaneous taxes and user fees to be collected from new residents:

| Year | Misc. Taxes and User Fees |
|-------|---------------------------------|
| 1 | |
| 2 | \$0 |
| 3 | \$10,200 |
| 4 | \$38,214 |
| 5 | \$75,155 |
| 6 | \$106,614 |
| 7 | \$122,100 |
| 8 | \$129,396 |
| 9 | \$131,984 |
| 10 | \$134,624 |
| 11 | \$137,316 |
| 12 | \$140,062 |
| 13 | \$142,864 |
| 14 | \$145,721 |
| 15 | \$148,635 |
| 16 | \$151,608 |
| 17 | \$154,640 |
| 18 | \$157,733 |
| 19 | \$160,888 |
| 20 | \$164,105 |
| 21 | \$167,388 |
| 22 | \$170,735 |
| 23 | \$174,150 |
| 24 | \$177,633 |
| 25 | \$181,186 |
| 26 | \$184,809 |
| 27 | \$188,506 |
| 28 | \$192,276 |
| 29 | \$196,121 |
| 30 | \$200,044 |
| Total | \$4,084,708 |

Property tax collections on:

| Year | New Residential Property | Property at the Facility- Net Collections | Total |
|-------|--------------------------------|---|--------------|
| 1 | | \$0 | \$0 |
| 2 | \$0 | \$0 | \$0 |
| 3 | \$38,037 | \$0 | \$38,037 |
| 4 | \$92,069 | \$17,986 | \$110,055 |
| 5 | \$157,043 | \$89,930 | \$246,973 |
| 6 | \$186,692 | \$119,907 | \$306,599 |
| 7 | \$204,780 | \$119,907 | \$324,687 |
| 8 | \$210,923 | \$119,907 | \$330,830 |
| 9 | \$217,251 | \$119,907 | \$337,158 |
| 10 | \$223,768 | \$119,907 | \$343,675 |
| 11 | \$230,481 | \$119,907 | \$350,388 |
| 12 | \$237,396 | \$119,907 | \$357,303 |
| 13 | \$244,518 | \$119,907 | \$364,425 |
| 14 | \$251,853 | \$119,907 | \$371,760 |
| 15 | \$259,409 | \$119,907 | \$379,316 |
| 16 | \$267,191 | \$119,907 | \$387,098 |
| 17 | \$275,207 | \$119,907 | \$395,114 |
| 18 | \$283,463 | \$119,907 | \$403,370 |
| 19 | \$291,967 | \$119,907 | \$411,874 |
| 20 | \$300,726 | \$119,907 | \$420,633 |
| 21 | \$309,748 | \$119,907 | \$429,655 |
| 22 | \$319,040 | \$119,907 | \$438,947 |
| 23 | \$328,611 | \$119,907 | \$448,518 |
| 24 | \$338,470 | \$119,907 | \$458,377 |
| 25 | \$348,624 | \$119,907 | \$468,531 |
| 26 | \$359,082 | \$265,366 | \$624,448 |
| 27 | \$369,855 | \$407,952 | \$777,806 |
| 28 | \$380,950 | \$546,000 | \$926,950 |
| 29 | \$392,379 | \$677,567 | \$1,069,946 |
| 30 | \$404,150 | \$800,409 | \$1,204,560 |
| Total | \$7,523,681 | \$5,203,350 | \$12,727,031 |

Costs of providing county services to new residents:

| Year | Costs of County Services |
|-------|--------------------------------|
| 1 | |
| 2 | \$0 |
| 3 | \$10,200 |
| 4 | \$38,214 |
| 5 | \$75,155 |
| 6 | \$106,614 |
| 7 | \$122,100 |
| 8 | \$129,396 |
| 9 | \$131,984 |
| 10 | \$134,624 |
| 11 | \$137,316 |
| 12 | \$140,062 |
| 13 | \$142,864 |
| 14 | \$145,721 |
| 15 | \$148,635 |
| 16 | \$151,608 |
| 17 | \$154,640 |
| 18 | \$157,733 |
| 19 | \$160,888 |
| 20 | \$164,105 |
| 21 | \$167,388 |
| 22 | \$170,735 |
| 23 | \$174,150 |
| 24 | \$177,633 |
| 25 | \$181,186 |
| 26 | \$184,809 |
| 27 | \$188,506 |
| 28 | \$192,276 |
| 29 | \$196,121 |
| 30 | \$200,044 |
| Total | \$4,084,708 |

Economic development incentives being requested by the facility:

| Year | Matagorda County Econ Dev Corp Site Cost Contribution - Cash | Employee Training- Cash | Training Facility Space and Equipment -Cash | Infrastructure Incentives-TBD | Total Economic Development Incentives |
|-------|--|----------------------------|---|----------------------------------|---|
| 1 | \$1,800,000 | \$900,000 | \$500,000 | \$1,000,000 | \$4,200,000 |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
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| 26 | | | | | |
| 27 | | | | | |
| 28 | | | | | |
| 29 | | | | | |
| 30 | | | | | |
| Total | \$1,800,000 | \$900,000 | \$500,000 | \$1,000,000 | \$4,200,000 |

Total Benefits for the County:

| Year | Net Benefits | | | Net Benefits | Cumulative Net Benefits |
|-------|----------------------|-------------|-------------|---------------|-------------------------|
| | After Tax Exemptions | Costs | Incentives | | |
| 1 | \$0 | \$0 | \$4,200,000 | (\$4,200,000) | (\$4,200,000) |
| 2 | \$0 | \$0 | \$0 | \$0 | (\$4,200,000) |
| 3 | \$48,237 | \$10,200 | \$0 | \$38,037 | (\$4,161,963) |
| 4 | \$148,269 | \$38,214 | \$0 | \$110,055 | (\$4,051,908) |
| 5 | \$322,128 | \$75,155 | \$0 | \$246,973 | (\$3,804,935) |
| 6 | \$413,213 | \$106,614 | \$0 | \$306,599 | (\$3,498,336) |
| 7 | \$446,787 | \$122,100 | \$0 | \$324,687 | (\$3,173,649) |
| 8 | \$460,226 | \$129,396 | \$0 | \$330,830 | (\$2,842,819) |
| 9 | \$469,142 | \$131,984 | \$0 | \$337,158 | (\$2,505,661) |
| 10 | \$478,299 | \$134,624 | \$0 | \$343,675 | (\$2,161,986) |
| 11 | \$487,704 | \$137,316 | \$0 | \$350,388 | (\$1,811,598) |
| 12 | \$497,365 | \$140,062 | \$0 | \$357,303 | (\$1,454,295) |
| 13 | \$507,288 | \$142,864 | \$0 | \$364,425 | (\$1,089,870) |
| 14 | \$517,481 | \$145,721 | \$0 | \$371,760 | (\$718,110) |
| 15 | \$527,951 | \$148,635 | \$0 | \$379,316 | (\$338,795) |
| 16 | \$538,706 | \$151,608 | \$0 | \$387,098 | \$48,303 |
| 17 | \$549,754 | \$154,640 | \$0 | \$395,114 | \$443,417 |
| 18 | \$561,103 | \$157,733 | \$0 | \$403,370 | \$846,787 |
| 19 | \$572,762 | \$160,888 | \$0 | \$411,874 | \$1,258,661 |
| 20 | \$584,738 | \$164,105 | \$0 | \$420,633 | \$1,679,294 |
| 21 | \$597,042 | \$167,388 | \$0 | \$429,655 | \$2,108,948 |
| 22 | \$609,682 | \$170,735 | \$0 | \$438,947 | \$2,547,895 |
| 23 | \$622,668 | \$174,150 | \$0 | \$448,518 | \$2,996,414 |
| 24 | \$636,010 | \$177,633 | \$0 | \$458,377 | \$3,454,790 |
| 25 | \$649,716 | \$181,186 | \$0 | \$468,531 | \$3,923,321 |
| 26 | \$809,258 | \$184,809 | \$0 | \$624,448 | \$4,547,769 |
| 27 | \$966,312 | \$188,506 | \$0 | \$777,806 | \$5,325,575 |
| 28 | \$1,119,226 | \$192,276 | \$0 | \$926,950 | \$6,252,526 |
| 29 | \$1,266,067 | \$196,121 | \$0 | \$1,069,946 | \$7,322,472 |
| 30 | \$1,404,603 | \$200,044 | \$0 | \$1,204,560 | \$8,527,031 |
| Total | \$16,811,739 | \$4,084,708 | \$4,200,000 | \$8,527,031 | |

Property tax collections on:

| Year | New Residential Property | The Facility's Property - Net Collections | Total |
|-------|--------------------------|---|---------------|
| 1 | | \$589,160 | \$589,160 |
| 2 | \$0 | \$2,450,760 | \$2,450,760 |
| 3 | \$132,400 | \$589,160 | \$721,560 |
| 4 | \$320,475 | \$208,921 | \$529,396 |
| 5 | \$546,637 | \$474,605 | \$1,021,242 |
| 6 | \$649,843 | \$585,307 | \$1,235,150 |
| 7 | \$712,801 | \$585,307 | \$1,298,109 |
| 8 | \$734,186 | \$585,307 | \$1,319,493 |
| 9 | \$756,211 | \$585,307 | \$1,341,518 |
| 10 | \$778,897 | \$585,307 | \$1,364,204 |
| 11 | \$802,264 | \$8,819,297 | \$9,621,562 |
| 12 | \$826,332 | \$10,746,628 | \$11,572,960 |
| 13 | \$851,122 | \$10,170,645 | \$11,021,767 |
| 14 | \$876,656 | \$9,561,069 | \$10,437,725 |
| 15 | \$902,956 | \$8,918,464 | \$9,821,419 |
| 16 | \$930,044 | \$8,241,705 | \$9,171,749 |
| 17 | \$957,946 | \$7,533,402 | \$8,491,348 |
| 18 | \$986,684 | \$6,794,784 | \$7,781,468 |
| 19 | \$1,016,284 | \$6,136,505 | \$7,152,790 |
| 20 | \$1,046,773 | \$5,455,378 | \$6,502,151 |
| 21 | \$1,078,176 | \$4,755,666 | \$5,833,842 |
| 22 | \$1,110,521 | \$4,039,980 | \$5,150,501 |
| 23 | \$1,143,837 | \$3,313,925 | \$4,457,762 |
| 24 | \$1,178,152 | \$3,129,741 | \$4,307,893 |
| 25 | \$1,213,497 | \$2,990,589 | \$4,204,085 |
| 26 | \$1,249,902 | \$2,974,385 | \$4,224,287 |
| 27 | \$1,287,399 | \$2,949,384 | \$4,236,783 |
| 28 | \$1,326,021 | \$2,914,731 | \$4,240,752 |
| 29 | \$1,365,801 | \$2,869,200 | \$4,235,001 |
| 30 | \$1,406,775 | \$2,811,511 | \$4,218,286 |
| Total | \$26,188,593 | \$121,776,970 | \$147,965,564 |

Benefits for Matagorda County Conservation & Reclamation District

Property tax collections:

| Year | New Residential Property | Property at the Facility - Net Collections | Total |
|-------|--------------------------------|---|-------------|
| 1 | | \$2,663 | \$2,663 |
| 2 | \$0 | \$11,076 | \$11,076 |
| 3 | \$598 | \$22,262 | \$22,860 |
| 4 | \$1,448 | \$58,952 | \$60,400 |
| 5 | \$2,470 | \$61,100 | \$63,571 |
| 6 | \$2,937 | \$61,651 | \$64,588 |
| 7 | \$3,221 | \$60,832 | \$64,053 |
| 8 | \$3,318 | \$58,978 | \$62,296 |
| 9 | \$3,417 | \$56,987 | \$60,404 |
| 10 | \$3,520 | \$54,844 | \$58,364 |
| 11 | \$3,626 | \$52,551 | \$56,176 |
| 12 | \$3,734 | \$50,108 | \$53,842 |
| 13 | \$3,846 | \$47,505 | \$51,351 |
| 14 | \$3,962 | \$44,750 | \$48,712 |
| 15 | \$4,081 | \$41,846 | \$45,927 |
| 16 | \$4,203 | \$38,787 | \$42,991 |
| 17 | \$4,329 | \$35,586 | \$39,916 |
| 18 | \$4,459 | \$32,249 | \$36,708 |
| 19 | \$4,593 | \$29,274 | \$33,866 |
| 20 | \$4,731 | \$26,195 | \$30,926 |
| 21 | \$4,873 | \$23,033 | \$27,906 |
| 22 | \$5,019 | \$19,799 | \$24,818 |
| 23 | \$5,169 | \$16,518 | \$21,687 |
| 24 | \$5,324 | \$15,685 | \$21,010 |
| 25 | \$5,484 | \$15,056 | \$20,541 |
| 26 | \$5,649 | \$14,983 | \$20,632 |
| 27 | \$5,818 | \$14,870 | \$20,688 |
| 28 | \$5,993 | \$14,714 | \$20,706 |
| 29 | \$6,172 | \$14,508 | \$20,680 |
| 30 | \$6,358 | \$14,247 | \$20,605 |
| Total | \$118,352 | \$1,011,608 | \$1,129,961 |

Benefits for Coastal Plains Groundwater Conservation District

Property tax collections:

| Year | New Residential Property | Property at the Facility | | | Total |
|-------|--------------------------------|--------------------------|-----------------|-----------------------------------|-------------|
| | | Taxes Collected | Taxes Abated | Total Taxes After Abatement | |
| 1 | | \$2,714 | \$0 | \$2,714 | \$2,714 |
| 2 | \$0 | \$11,288 | \$0 | \$11,288 | \$11,288 |
| 3 | \$610 | \$22,688 | \$0 | \$22,688 | \$23,298 |
| 4 | \$1,476 | \$60,081 | \$0 | \$60,081 | \$61,557 |
| 5 | \$2,518 | \$62,270 | \$0 | \$62,270 | \$64,788 |
| 6 | \$2,993 | \$62,832 | \$0 | \$62,832 | \$65,825 |
| 7 | \$3,283 | \$61,997 | \$0 | \$61,997 | \$65,280 |
| 8 | \$3,381 | \$60,107 | \$0 | \$60,107 | \$63,489 |
| 9 | \$3,483 | \$58,078 | \$0 | \$58,078 | \$61,561 |
| 10 | \$3,587 | \$55,894 | \$0 | \$55,894 | \$59,482 |
| 11 | \$3,695 | \$53,557 | \$0 | \$53,557 | \$57,252 |
| 12 | \$3,806 | \$51,067 | \$0 | \$51,067 | \$54,873 |
| 13 | \$3,920 | \$48,414 | \$0 | \$48,414 | \$52,335 |
| 14 | \$4,038 | \$45,607 | \$0 | \$45,607 | \$49,645 |
| 15 | \$4,159 | \$42,647 | \$0 | \$42,647 | \$46,806 |
| 16 | \$4,284 | \$39,530 | \$0 | \$39,530 | \$43,814 |
| 17 | \$4,412 | \$36,268 | \$0 | \$36,268 | \$40,680 |
| 18 | \$4,544 | \$32,866 | \$0 | \$32,866 | \$37,410 |
| 19 | \$4,681 | \$29,834 | \$0 | \$29,834 | \$34,515 |
| 20 | \$4,821 | \$26,697 | \$0 | \$26,697 | \$31,518 |
| 21 | \$4,966 | \$23,474 | \$0 | \$23,474 | \$28,440 |
| 22 | \$5,115 | \$20,178 | \$0 | \$20,178 | \$25,293 |
| 23 | \$5,268 | \$16,834 | \$0 | \$16,834 | \$22,102 |
| 24 | \$5,426 | \$15,986 | \$0 | \$15,986 | \$21,412 |
| 25 | \$5,589 | \$15,345 | \$0 | \$15,345 | \$20,934 |
| 26 | \$5,757 | \$15,270 | \$0 | \$15,270 | \$21,027 |
| 27 | \$5,929 | \$15,155 | \$0 | \$15,155 | \$21,084 |
| 28 | \$6,107 | \$14,995 | \$0 | \$14,995 | \$21,103 |
| 29 | \$6,291 | \$14,786 | \$0 | \$14,786 | \$21,076 |
| 30 | \$6,479 | \$14,520 | \$0 | \$14,520 | \$20,999 |
| Total | \$120,619 | \$1,030,980 | \$0 | \$1,030,980 | \$1,151,598 |

Benefits for Matagorda County Drainage District # 1

Property tax collections:

| Year | The Facility's | | Total |
|-------|--------------------------|----------------------------|--------------|
| | New Residential Property | Property - Net Collections | |
| 1 | | \$0 | \$0 |
| 2 | \$0 | \$0 | \$0 |
| 3 | \$12,125 | \$0 | \$12,125 |
| 4 | \$29,348 | \$6,726 | \$36,075 |
| 5 | \$50,059 | \$33,632 | \$83,691 |
| 6 | \$59,511 | \$44,843 | \$104,353 |
| 7 | \$65,276 | \$44,843 | \$110,119 |
| 8 | \$67,234 | \$44,843 | \$112,077 |
| 9 | \$69,251 | \$44,843 | \$114,094 |
| 10 | \$71,329 | \$44,843 | \$116,172 |
| 11 | \$73,469 | \$1,136,896 | \$1,210,365 |
| 12 | \$75,673 | \$1,082,457 | \$1,158,130 |
| 13 | \$77,943 | \$1,024,454 | \$1,102,397 |
| 14 | \$80,281 | \$963,069 | \$1,043,351 |
| 15 | \$82,690 | \$898,358 | \$981,047 |
| 16 | \$85,171 | \$830,207 | \$915,377 |
| 17 | \$87,726 | \$758,879 | \$846,605 |
| 18 | \$90,357 | \$684,499 | \$774,857 |
| 19 | \$93,068 | \$618,209 | \$711,277 |
| 20 | \$95,860 | \$549,618 | \$645,478 |
| 21 | \$98,736 | \$479,156 | \$577,892 |
| 22 | \$101,698 | \$407,085 | \$508,783 |
| 23 | \$104,749 | \$333,970 | \$438,719 |
| 24 | \$107,892 | \$315,422 | \$423,314 |
| 25 | \$111,128 | \$301,410 | \$412,538 |
| 26 | \$114,462 | \$299,778 | \$414,240 |
| 27 | \$117,896 | \$297,260 | \$415,156 |
| 28 | \$121,433 | \$293,770 | \$415,203 |
| 29 | \$125,076 | \$289,185 | \$414,261 |
| 30 | \$128,828 | \$283,376 | \$412,204 |
| Total | \$2,398,271 | \$12,111,631 | \$14,509,902 |

Benefits for Matagorda County Hospital District

Property tax collections:

| Year | New Residential Property | Property at the Facility - Net Collections | Total |
|-------|--------------------------|--|--------------|
| 1 | \$0 | \$0 | \$0 |
| 2 | \$0 | \$0 | \$0 |
| 3 | \$29,488 | \$0 | \$29,488 |
| 4 | \$71,377 | \$12,775 | \$84,152 |
| 5 | \$121,748 | \$63,876 | \$185,624 |
| 6 | \$144,734 | \$85,168 | \$229,902 |
| 7 | \$158,756 | \$85,168 | \$243,924 |
| 8 | \$163,519 | \$85,168 | \$248,687 |
| 9 | \$168,424 | \$85,168 | \$253,592 |
| 10 | \$173,477 | \$85,168 | \$258,645 |
| 11 | \$178,681 | \$2,500,448 | \$2,679,129 |
| 12 | \$184,042 | \$2,380,047 | \$2,564,088 |
| 13 | \$189,563 | \$2,251,762 | \$2,441,325 |
| 14 | \$195,250 | \$2,115,998 | \$2,311,248 |
| 15 | \$201,107 | \$1,972,876 | \$2,173,983 |
| 16 | \$207,141 | \$1,822,148 | \$2,029,288 |
| 17 | \$213,355 | \$1,664,394 | \$1,877,749 |
| 18 | \$219,755 | \$1,499,888 | \$1,719,644 |
| 19 | \$226,348 | \$1,353,275 | \$1,579,623 |
| 20 | \$233,138 | \$1,201,574 | \$1,434,712 |
| 21 | \$240,133 | \$1,045,733 | \$1,285,866 |
| 22 | \$247,337 | \$886,335 | \$1,133,672 |
| 23 | \$254,757 | \$724,626 | \$979,383 |
| 24 | \$262,399 | \$683,606 | \$946,005 |
| 25 | \$270,271 | \$652,614 | \$922,885 |
| 26 | \$278,380 | \$649,004 | \$927,384 |
| 27 | \$286,731 | \$643,436 | \$930,167 |
| 28 | \$295,333 | \$635,717 | \$931,050 |
| 29 | \$304,193 | \$625,577 | \$929,770 |
| 30 | \$313,319 | \$612,729 | \$926,048 |
| Total | \$5,832,754 | \$26,424,278 | \$32,257,032 |

Property tax collections:

| Year | New Residential Property | The Facility's Property - Net Collections | Total |
|-------|--------------------------|---|-------------|
| 1 | \$0 | \$0 | \$0 |
| 2 | \$0 | \$0 | \$0 |
| 3 | \$4,181 | \$0 | \$4,181 |
| 4 | \$10,120 | \$2,028 | \$12,147 |
| 5 | \$17,261 | \$10,139 | \$27,400 |
| 6 | \$20,520 | \$13,518 | \$34,038 |
| 7 | \$22,508 | \$13,518 | \$36,026 |
| 8 | \$23,183 | \$13,518 | \$36,702 |
| 9 | \$23,879 | \$13,518 | \$37,397 |
| 10 | \$24,595 | \$13,518 | \$38,114 |
| 11 | \$25,333 | \$355,952 | \$381,285 |
| 12 | \$26,093 | \$338,881 | \$364,974 |
| 13 | \$26,876 | \$320,693 | \$347,569 |
| 14 | \$27,682 | \$301,445 | \$329,127 |
| 15 | \$28,513 | \$281,154 | \$309,666 |
| 16 | \$29,368 | \$259,784 | \$289,152 |
| 17 | \$30,249 | \$237,418 | \$267,667 |
| 18 | \$31,156 | \$214,094 | \$245,251 |
| 19 | \$32,091 | \$193,308 | \$225,399 |
| 20 | \$33,054 | \$171,800 | \$204,854 |
| 21 | \$34,045 | \$149,705 | \$183,751 |
| 22 | \$35,067 | \$127,106 | \$162,173 |
| 23 | \$36,119 | \$104,179 | \$140,298 |
| 24 | \$37,202 | \$98,364 | \$135,566 |
| 25 | \$38,318 | \$93,970 | \$132,288 |
| 26 | \$39,468 | \$93,458 | \$132,926 |
| 27 | \$40,652 | \$92,668 | \$133,321 |
| 28 | \$41,872 | \$91,574 | \$133,446 |
| 29 | \$43,128 | \$90,136 | \$133,264 |
| 30 | \$44,422 | \$88,315 | \$132,737 |
| Total | \$826,955 | \$3,783,762 | \$4,610,718 |

Attachment 17

Schedule A completed and signed

Schedule A (Rev. May 2010): Investment

Applicant Name
ISD Name

Maverick Tube Corporation
Van Weick ISD

Form 50-296

| PROPERTY INVESTMENT AMOUNTS | | | | | | | | | |
|---|---|----------------------------|---|---|---|--|--|--|--|
| (Estimated investment in each year. Do not put cumulative totals.) | | | | | | | | | |
| | Year | School Year (YYYY-YYYY) | Tax Year (fill in actual tax year below) YYYY | Personal Property Investment (Original Costs) placed in service during this year | Column B: Building or permanent improvement of building (enter amount only) | Column C: Sum of A and B Qualifying investment (during the qualifying time period) | Column D: Other investment that is not qualifying investment affecting economic impact and total value | Column E: Total Investment (A+B+D) | |
| Period preceding the first complete tax year of the qualifying time period (assumes deferral) | Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment) | | | | | | | | |
| | Investment made after filing complete application with district, but before final board approval of application and deferred commencement of qualifying time period (eligible to become qualified investment) | 2013-2014 | 2013 | \$ 62,000,000 | \$ 27,300,000 | | | 122,800,000 | |
| | Investment made after final board approval of application and deferred commencement of qualifying time period, but before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property - assuming deferral) | 2014-2015 | 2014 | | | | | | |
| | Complete tax years of qualifying time period | 1 2015-2016 | 2015 | \$ 251,000,000 | \$ 107,000,000 | \$ 358,000,000 | \$ 38,600,000 | \$ 394,600,000 | |
| | 2 2016-2017 | 2016 | \$ 334,000,000 | \$ 145,000,000 | \$ 479,000,000 | \$ 38,700,000 | \$ 514,700,000 | | |
| | 3 2017-2018 | 2017 | \$ 237,100,000 | \$ 81,900,000 | \$ 319,000,000 | \$ 5,100,000 | \$ 324,100,000 | | |
| | 4 2018-2019 | 2018 | | | | | | | |
| | 5 2019-2020 | 2019 | | | | | | | |
| | 6 2020-2021 | 2020 | | | | | | | |
| | 7 2021-2022 | 2021 | | | | | | | |
| | 8 2022-2023 | 2022 | | | | | | | |
| | 9 2023-2024 | 2023 | | | | | | | |
| | 10 2024-2025 | 2024 | | | | | | | |
| | 11 2025-2026 | 2025 | | | | | | | |
| | 12 2026-2027 | 2026 | | | | | | | |
| 13 2027-2028 | 2027 | | | | | | | | |
| 14 2028-2029 | 2028 | | | | | | | | |
| 15 2029-2030 | 2029 | | | | | | | | |
| Tax Credit Period (with 50% cap on credit) | | | | | | | | | |
| Credit Settle-Up Period | | | | | | | | | |
| Post-Settle-Up Period | | | | | | | | | |
| Post-Settle-Up Period | | | | | | | | | |

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years.

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §313.02(1)(A)-(D).

For the purposes of investment, please list amount invested each year, not cumulative totals.

Column B: Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period.

The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.02(1)(E).

For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.

Column D: Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value-for planning, construction and operation of the facility.

This includes investment in items that are not buildings or nonremovable components of buildings, such as personal services, etc.

Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualified investment.

Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed.

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application,

replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter

these amounts for future years.



SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

3/26/2013

Attachment 18

Schedule B completed and signed

Schedule B (Rev. May 2010): Estimated Market And Taxable Value
Maverick Tube Corporation

Form 50-296

[illegible]

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE _____

Attachment 19

Schedule C completed and signed

Schedule C- Application: Employment Information

Applicant Name
ISD NameMaverick Tube Corporation
Van Vleck ISD

Form 50-296

| | Year | School Year (YYYY-YYYY) | Tax Year (Fill in actual tax year) YYYY | Construction | | New Jobs | | Qualifying Jobs | |
|--|--|----------------------------|--|---|---|---|--|--|--|
| | | | | Column A: Number of Construction FTE's | Column B: Average annual wage rates for construction workers | Column C: Number of new jobs applicant commits to create (cumulative) | Column D: Average annual wage rate for all new jobs. | Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative) | Column F: Average annual wage of qualifying jobs |
| | pre-year 1 | 2013-2014 | 2013 | 500 | 34,170 | | | | |
| | pre-year 1 (assumes deferral) | 2014-2015 | 2014 | 1900 | 34,170 | | | | |
| | 1 | 2015-2016 | 2015 | 2500 | 34,170 | 200 | 59,082 | 160 | 59,082 |
| | 2 | 2016-2017 | 2016 | 1250 | 34,170 | 415 | 59,082 | 332 | 59,082 |
| | 3 | 2017-2018 | 2017 | 150 | | 600 | 59,082 | 480 | 59,082 |
| | 4 | 2018-2019 | 2018 | | | 600 | 59,082 | 480 | 59,082 |
| | 5 | 2019-2020 | 2019 | | | 600 | 59,082 | 480 | 59,082 |
| | 6 | 2020-2021 | 2020 | | | 600 | 59,082 | 480 | 59,082 |
| | 7 | 2021-2022 | 2021 | | | 600 | 59,082 | 480 | 59,082 |
| | 8 | 2022-2023 | 2022 | | | 600 | 59,082 | 480 | 59,082 |
| | 9 | 2023-2024 | 2023 | | | 600 | 59,082 | 480 | 59,082 |
| | 10 | 2024-2025 | 2024 | | | 600 | 59,082 | 480 | 59,082 |
| | 11 | 2025-2026 | 2025 | | | 600 | 59,082 | 480 | 59,082 |
| | 12 | 2026-2027 | 2026 | | | 600 | 59,082 | 480 | 59,082 |
| | 13 | 2027-2028 | 2027 | | | 600 | 59,082 | 480 | 59,082 |
| | 14 | 2028-2029 | 2028 | | | 600 | 59,082 | 480 | 59,082 |
| | 15 | 2029-2030 | 2029 | | | 600 | 59,082 | 480 | 59,082 |
| Tax Credit Period (with 50% cap on credit) | | | | | | | | | |
| Credit Settle-Up Period | Continue to Maintain Viable Presence | | | | | | | | |
| Post-Settle-Up Period | | | | | | | | | |
| Post-Settle-Up Period | | | | | | | | | |

Notes: For job definitions see TAC §9.1051(14) and Tax Code §313.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

3/26/2013

Attachment 20

Schedule D completed and signed

3/26/2013

Attachment 21

Map of Reinvestment Zone

N/A

Attachment 22

Order, Resolution or Ordinance Establishing the Zone

N/A

Attachment 23

Legal Description of Reinvestment Zone

N/A

Attachment 24

Guidelines and Criteria for Reinvestment Zone

N/A

Attachment 25

Ability to Relocate

Attachment 25

Ability to Relocate

Describe the ability of your company to locate or relocate in another state or another region of the state.

One factor in determining whether the project will proceed is the internal competition for capital among the various project opportunities for Maverick's affiliated entities, both nationally and globally. Since this factor is financial in nature, Maverick is seeking assistance in the way of incentives to help ensure that the project advances. Tenaris SA allocates capital investment to projects and locations that create the best economic return. The existence of a limitation on tax value is a significant factor in calculating the economic return and allocation of reserves to the project.

Additionally, the company is considering Louisiana as a potential location for this facility, as the state and localities are preparing a comprehensive incentive offer for the project.

Attachment 26

Value of Local Tax Incentives

Attachment 26

Value of Local Tax Incentives (in millions)

| Incentive Description | Type | Nominal Amount | | | Net Present Value | |
|-----------------------|------|------------------|-----------|----------------|-------------------|----------------|
| | | Total Tax Burden | Incentive | Net Tax Burden | Incentive | Net Tax Burden |

Tax Incentives

| | | | | | | |
|---|--------|--------------|----------------|--------------|---------------|-------------|
| Matagorda County Section 312 & 381 25 Yr Agreement | Proper | 52.5 | (52.5) | 0.0 | (20.1) | 0.0 |
| Van Vleck ISD 313 10 Yr Agreement | Proper | 103.6 | (92.6) | 11.0 | 50.4 | 7.9 |
| Port of Bay City Authority 312 10 Yr Abatement | Proper | 2.8 | (2.8) | 0.0 | (1.7) | 0.0 |
| Matagorda County Hospital District 312 10 Yr Agreement | Proper | 17.9 | (17.9) | 0.0 | (10.4) | 0.0 |
| Matagorda County Drainage Districts 312 10 Yr Agreement | Proper | 9.4 | (9.4) | 0.0 | (5.5) | 0.0 |
| Matagorda County Section 381 Years 26-30 | Proper | 8.9 | (3.6) | 5.4 | (3.6) | 0.4 |
| Bay City Non-Annexation 312 & 380 45 Yr Agreement | Proper | 178.7 | (178.7) | 0.0 | (43.5) | 0.0 |
| Enterprise Zone/Enterprise Project - Sales Tax | Sales | 36.0 | (7.5) | 28.5 | (5.7) | 24.1 |
| Freeport Exemptions on Inventory | Proper | 57.4 | (39.6) | 17.8 | (9.5) | 4.3 |
| Foreign Trade Subzone | Proper | 85.0 | (27.7) | 57.3 | (16.1) | 4.3 |
| Tax Incentives Subtotal | | 552.4 | (432.3) | 120.1 | (65.7) | 41.0 |

Economic Incentives

| | | | | | | |
|--|------|--------------|----------------|--------------|---------------|-------------|
| Matagorda County Econ Dev Corp Site Cost | Cash | | (1.5) | | (1.5) | |
| Texas Enterprise Fund | Cash | | (3.6) | | (3.6) | |
| Employee Recruitment | TBD | | | | | |
| Employee Training | Cash | | (0.6) | | (0.6) | |
| Training Facility Space and Equipment | Cash | | (0.5) | | (0.5) | |
| Infrastructure Incentives | TBD | | (1.0) | | (1.0) | |
| Permitting Assistance | TBD | | | | | |
| Economic Incentives Subtotal | | 0.0 | (7.2) | 0.0 | (7.2) | 0.0 |
| Grand Total | | 552.4 | (439.5) | 120.1 | (72.9) | 41.0 |