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**RE: AI-59797-RE: South Texas Electric Co-op - Red Gate Power Plant**

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**From :** Debra Goetz <dlg@atlashall.com>

Fri, May 12, 2017

**Subject :** RE: AI-59797-RE: South Texas Electric Co-op - Red Gate Power Plant**To :** 'Michael Leo' <michael.leo@co.hidalgo.tx.us>**Cc :** 'Virginia R Jones' <virginia.jones@co.hidalgo.tx.us>, 'Arcy Duran' <arcy.duran@auditor.co.hidalgo.tx.us>, 'Linda Fong' <Linda.Fong@auditor.co.hidalgo.tx.us>, 'Letty Chavez' <Letty.Chavez@auditor.co.hidalgo.tx.us>

Michael:

Attached is a PDF of the addendum with the draft line removed. Please let me know if you (or STEC) has any further comments.

Debra L. Goetz  
**ATLAS, HALL & RODRIGUEZ, LLP**  
818 Pecan Blvd. (78501)  
P. O. Box 3725  
McAllen, Texas 78502-3725  
Direct Dial Number (956) 632-8242  
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**From:** Letty Chavez [mailto:[Letty.Chavez@auditor.co.hidalgo.tx.us](mailto:Letty.Chavez@auditor.co.hidalgo.tx.us)]  
**Sent:** Friday, May 12, 2017 4:07 PM  
**To:** 'Debra Goetz'; 'Michael Leo'  
**Cc:** 'Virginia R Jones'; 'Arcy Duran'; 'Linda Fong'  
**Subject:** AI-59797-RE: South Texas Electric Co-op - Red Gate Power Plant

I have no concerns with the addendum.

Letty Chavez

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**From:** Debra Goetz [mailto:[dlg@atlashall.com](mailto:dlg@atlashall.com)]  
**Sent:** Friday, May 12, 2017 3:29 PM  
**To:** 'Letty Chavez'; 'Michael Leo'  
**Cc:** 'Virginia R Jones'; 'Arcy Duran'  
**Subject:** RE: South Texas Electric Co-op - Red Gate Power Plant

A marked version is attached for your review. While the tax account is out, the addendum still includes the provision setting the start of the tax abatement period as Jan. 1, Para 3b). Given the question on the tax accounts, please confirm that this is correct and that you are comfortable including in given the provisions of Section 3.02 of the Act on how it is determined.

If all are in agreement (and, Michael, you will want to share it with STEC although let me know if they received the 5-5 version as they should get one marked against the 1 they reviewed), I will send a copy without the draft line.

Debra L. Goetz  
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**From:** Letty Chavez [mailto:[Letty.Chavez@auditor.co.hidalgo.tx.us](mailto:Letty.Chavez@auditor.co.hidalgo.tx.us)]  
**Sent:** Thursday, May 11, 2017 1:40 PM  
**To:** 'Michael Leo'; 'Debra Goetz'  
**Cc:** 'Virginia R Jones'; 'Arcy Duran'  
**Subject:** FW: South Texas Electric Co-op - Red Gate Power Plant

Based on the response below, I don't think we are getting the tax account numbers any time soon.

Letty Chavez

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**From:** Doug Osterloh [<mailto:dougo@typco.com>]  
**Sent:** Thursday, May 11, 2017 1:22 PM  
**To:** Letty Chavez; [mvega@hidalgoad.org](mailto:mvega@hidalgoad.org)  
**Cc:** Jay Reynolds; Jason Kiker; [jgonzalez@hidalgoad.org](mailto:jgonzalez@hidalgoad.org); Michael Leo; Arcy Duran; Tony Bell  
**Subject:** RE: South Texas Electric Co-op - Red Gate Power Plant

Hi Letty,

I believe Tony is meeting with representatives of the property in the near future. Things would flow much easier if the final account numbers were assigned after the appraisals and the structure of the property assets were discussed with the taxpayer.

I will work on getting these to you as quickly as possible.

Regards,

Doug

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**From:** Letty Chavez [<mailto:Letty.Chavez@auditor.co.hidalgo.tx.us>]  
**Sent:** Thursday, May 11, 2017 11:11 AM  
**To:** [mvega@hidalgoad.org](mailto:mvega@hidalgoad.org)  
**Cc:** 'Jay Reynolds' <[javr@typco.com](mailto:javr@typco.com)>; 'Jason Kiker' <[jasonk@typco.com](mailto:jasonk@typco.com)>; [jgonzalez@hidalgoad.org](mailto:jgonzalez@hidalgoad.org); 'Michael Leo' <[michael.leo@co.hidalgo.tx.us](mailto:michael.leo@co.hidalgo.tx.us)>; 'Arcy Duran' <[arcy.duran@auditor.co.hidalgo.tx.us](mailto:arcy.duran@auditor.co.hidalgo.tx.us)>; 'Doug Osterloh' <[dougo@typco.com](mailto:dougo@typco.com)>; 'Tony Bell' <[tonyb@typco.com](mailto:tonyb@typco.com)>  
**Subject:** RE: South Texas Electric Co-op - Red Gate Power Plant

Good morning,

Are the tax accounts for the South Texas Electric Co-op Red Gate Power Plant available? If not, when will they be available?

Letty Chavez

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**From:** Letty Chavez [<mailto:Letty.Chavez@auditor.co.hidalgo.tx.us>]  
**Sent:** Monday, May 08, 2017 10:59 AM  
**To:** 'Doug Osterloh'; 'Tony Bell'  
**Cc:** 'Jay Reynolds'; 'Jason Kiker'; [mvega@hidalgoad.org](mailto:mvega@hidalgoad.org); [jgonzalez@hidalgoad.org](mailto:jgonzalez@hidalgoad.org); 'Michael Leo'; 'Arcy Duran'  
**Subject:** RE: South Texas Electric Co-op - Red Gate Power Plant

Good morning,

The email below states that the tax account numbers will change depending on the details provided by the owners. When will the proper tax account numbers be available?

Letty Chavez

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**From:** Doug Osterloh [<mailto:dougo@typco.com>]  
**Sent:** Friday, April 28, 2017 6:38 PM  
**To:** Tony Bell; [Letty.Chavez@auditor.co.hidalgo.tx.us](mailto:Letty.Chavez@auditor.co.hidalgo.tx.us)  
**Cc:** Jay Reynolds; Jason Kiker; [mvega@hidalgoad.org](mailto:mvega@hidalgoad.org); [jgonzalez@hidalgoad.org](mailto:jgonzalez@hidalgoad.org)  
**Subject:** RE: South Texas Electric Co-op - Red Gate Power Plant

Thanks Tony.

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**From:** Tony Bell [<mailto:tonyb@typco.com>]  
**Sent:** Friday, April 28, 2017 4:50 PM  
**To:** [Letty.Chavez@auditor.co.hidalgo.tx.us](mailto:Letty.Chavez@auditor.co.hidalgo.tx.us)  
**Cc:** Doug Osterloh <[dougo@typco.com](mailto:dougo@typco.com)>; Jay Reynolds <[javr@typco.com](mailto:javr@typco.com)>; Jason Kiker <[jasonk@typco.com](mailto:jasonk@typco.com)>; Tony Bell <[tonyb@typco.com](mailto:tonyb@typco.com)>; [mvega@hidalgoad.org](mailto:mvega@hidalgoad.org); [jgonzalez@hidalgoad.org](mailto:jgonzalez@hidalgoad.org)  
**Subject:** RE: South Texas Electric Co-op - Red Gate Power Plant

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**From:** Tony Bell [<mailto:tonyb@typco.com>]  
**Sent:** Friday, April 28, 2017 1:42 PM  
**To:** Doug Osterloh <[dougo@typco.com](mailto:dougo@typco.com)>; [jgonzalez@hidalgoad.org](mailto:jgonzalez@hidalgoad.org) <[jgonzalez@hidalgoad.org](mailto:jgonzalez@hidalgoad.org)>  
**Subject:** RE: South Texas EC-Red Gate location

The two accounts that you have identified are the 2016 accounts for the Red Gate Power Plant, then under construction. The Building account (958400) will remain, while the remainder of the facility under account (1031323) will change depending on the details provided by the owners.

Power Plants are classified as F2 Industrial Real and so account 1031323 will retain the bulk of the 2017 estimated value of \$225 Million. From that estimated value the O&M Building Warehouse (account 958400) must be removed and as well as, a Business Personal Property Account to be established when cost data is provided. The Business Personal Property Account be classified as Industrial Personal L2 and will include FF&E, Computers, Inventory.....amounting to several million dollars.

Tony

**From:** Jason Kiker [<mailto:jasonk@typco.com>]  
**Sent:** Thursday, April 27, 2017 4:05 PM