

STATE OF TEXAS
COUNTIES OF GREGG, RUSK, UPSHUR AND SMITH
KILGORE JUNIOR COLLEGE DISTRICT

The Kilgore Junior College District Board of Trustees met in regular session at 6:30 pm, Monday, February 19, 2007, in the Stewart McLaurin Administration Building, 1st floor, with the following members present:

Robert Heath, Vice President
Carolyn Johnston, Secretary
Fred S. Parsons
Will Roberson
R. E. Spradlin
Marion Turner
James N. Walker

Members absent: B. Randell Brint, President
Larry Woodfin

AGENDA
February 19, 2007

I. ACTION ITEMS

- A. To consider approving a tax abatement for Orgill, Inc. and Ryder Transportation Systems.
- B. To consider a resolution of Kilgore College, rescinding its previous taxation of Freeport goods and granting the Freeport tax exemption. *Exhibit # 1*
- C. To consider payment of legal fees for services rendered.

II. ADJOURNMENT

MINUTES
February 19, 2007

Robert Heath, Vice President, called the meeting to order at 6:30 p.m. on February 19, 2007, in the Stewart McLaurin Administration Building, 1st floor in Randy Brint's absence.

Section I. on the Agenda was Action Items.

- A. Was to consider approving a tax abatement for Orgill, Inc. and Ryder Transportation Systems.
Bobby Beane and Karl Edmonds were present on behalf of KEDC to answer any questions the Board might have concerning the tax abatement. After general discussion, Fred Parsons moved that the College mirror the City's tax abatement, which was anticipated to be approval of 100% abatement for a period of 10 years for Orgill Inc. and Ryder Transportation Systems. James Walker seconded the motion and all present voted in favor of the motion. It passed unanimously with 7 votes.
- B. To consider a resolution of Kilgore College, rescinding its previous taxation of Freeport goods and granting the Freeport tax exemption. *Exhibit # 1*
After general discussion, Fred Parsons made a motion to approve Action Item B as presented. Marion Turner seconded the motion. It passed unanimously with 7 votes.

EXHIBIT # 1

RESOLUTION

**A RESOLUTION OF KILGORE COLLEGE, RESCINDING ITS PREVIOUS
TAXATION OF FREEPORT GOODS AND GRANTING THE FREEPORT
TAX EXEMPTION.**

WHEREAS, Section 11.251 of the Texas Tax Code and Article VIII, Section 1-j, of the Texas Constitution provide for the exemption of certain tangible personal property from ad valorem taxation; and

WHEREAS, "Freeport Goods" as referred to herein shall mean that property as defined by Section 11.251 of the Texas Tax Code and Article VIII, Section 1-j of the Texas Constitution; and

WHEREAS, Kilgore College, ("KC") made a timely election to deny tax-exempt status to Freeport Goods pursuant to Article VIII, Section 1-j (b)(2) by formal action taken on December 14, 1989; and

WHEREAS, Article VIII, Section 1-j (b) of the Texas Constitution provides that (1) the Board of Trustees of KC may subsequently exempt Freeport Goods from taxation by rescinding its prior action to tax Freeport Goods, (2) the exemption applies to the tax year in which the action is taken if the Board so provides, and (3) the Board may not take action to tax Freeport Goods after the rescission; and

WHEREAS, on December 12, 2006 the KC Board of Trustees passed a Resolution approving the terms and conditions contained in Agreements for Cash Payment in Lieu of Freeport Taxes, and in that Resolution provided that, upon execution of that Agreement by companies owning 80% of the Freeport Goods within the taxing jurisdiction of Kilgore College as determined by the November, 2006 study by Consolidated Tax Service, LLP (the CTS study), Kilgore College intended to rescind its previous action to tax Freeport Goods located in its jurisdiction, effective in the tax year in which the action is rescinded; and

WHEREAS, Kilgore College has received notification that the Agreement has been executed by companies owing at least 80% of the Freeport Goods in the Kilgore College District according to the CTS study; and

WHEREAS, Kilgore College is of the opinion and finds that rescinding its prior action to tax Freeport Goods is in the best interest of Kilgore College and that sufficient payments in lieu of freeport taxes will be received by Kilgore College to offset the amount of tax revenue loss to Kilgore College in the initial fiscal and subsequent years; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF KILGORE COLLEGE, that:

Section 1 - Kilgore College does hereby rescind its prior action to tax Freeport Goods in accordance with Article VIII, Section 1-j(b) of the Texas Constitution;

Section 2 - Kilgore College does hereby exercise its authority under Article VIII, Section 1-j of the Texas Constitution and exempts Freeport Goods from taxation;

Section 3 - Kilgore College does hereby make the tax-exempt status of qualified Freeport Goods effective as of January 1, 2007;


Section 4 - Kilgore College does hereby approve the execution of the Agreements for Cash Payment in Lieu of Freeport Taxes with all Freeport Taxpayers who submitted executed Agreement; and

Section 5 - That this Resolution shall become effective as of January 1, 2007, immediately from and after its passage.

DULY RESOLVED by the Board of Trustees of Kilgore College on the 19 day of February, 2007.

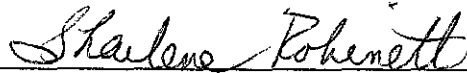

B. Randell Brint, President


ATTEST:


Carolyn Johnston, Secretary

Section II. on the Agenda was Adjournment. The meeting adjourned at 6:47 p.m.

Respectfully submitted,


Sharlene Robinett, Recording Secretary
Kilgore College Board of Trustees


President of the Board


Secretary of the Board