

# Minutes of Election Canvass and Special Board Meeting

## The Board of Trustees Kilgore College



An Election Canvass and Special Board Meeting of the Board of Trustees of Kilgore College was held on May 16, 2023, beginning at 6:30 PM on the 2<sup>nd</sup> floor of the McLaurin Administration Building, 1201 S. Henderson Blvd., Kilgore, TX 75662, with the following members present:

Lon Ford, President  
Jon Rowe, Vice President  
Josh Edmonson, Secretary  
Janice Bagley  
David Castles  
Kelvin Darden  
Gina DeHoyos  
Travis Martin

**Member absent:**

Joe Carrington

### 1. CALL TO ORDER

#### A. Invocation and Pledge of Allegiance

Mr. Lon Ford called the meeting to order at 6:30 pm. Dr. Mike Jenkins said the Invocation and Mr. Ford led the Pledge of Allegiance.

### 2. CANVASS THE ELECTION

A. ACTION ITEM: To consider canvassing the May 6, 2023 Kilgore College Board of Trustees Election for the South Zone, Unit 1, Place #4.

**Presenter:** Mr. Lon Ford

**The Texas Election Code section 567.004 states that two members constitute a quorum for the purpose of canvassing the election. We have 8 members present; therefore, a quorum exists.**

**Karen Scibona, Election Official for Kilgore College, distributed the “Official Voting Report/Summary Results Report” from Rusk County Election Officials with the vote totals for the May 6, 2023 Board of Trustee Election, South Zone, Unit #1, Place #4. - Appendix A**

**Josh Edmonson read the results for the May 6, 2023 Election. Travis Martin received 91% of the vote with 51 votes. Micah Ruddell received 7% of the vote with 4 votes. Travis Martin was declared the winner of the South Zone Election and will serve in this position until May 2029.**

**David Castles made the motion to accept the “Official Voting Report” for the May 6, 2023 election. Gina DeHoyos seconded the motion. The motion passed unanimously.**

### 3. ELECTION PROCEDURES

A. Certificates of Election for Lon Ford, Gina DeHoyos, and Travis Martin - *Appendix B*

**Josh Edmonson issued “Certificates of Election” to the three candidates who won or were unopposed for the May 6, 2023 Election.**

The certificates read:

In the Name and by the Authority of the State of Texas,  
this is to certify that at the general election held on May 6, 2023  
Lon Ford, Gina DeHoyos, and Travis Martin  
were duly elected to the Kilgore College Board of Trustees.

In testimony whereof, I (Josh Edmonson) have here unto signed  
my name and caused the Seal of Kilgore College  
to be affixed on this 16<sup>th</sup> day of May 2023

B. Statement of Officer for Lon Ford, Gina DeHoyos, and Travis Martin – *Appendix C*

**Josh Edmonson stated: The Texas Constitution requires that elected officials, including community college trustees, file a statement declaring that the officer did not directly or indirectly pay, offer, or promise to pay money or provide other valuable consideration for votes or appointment. Each new Trustee signed the “Statement of Officer”.**

C. Newly Elected Trustees (Lon Ford, Gina DeHoyos, Travis Martin) take Oath of Office. -

**Karen Scibona, Election Official and Notary Public, administered the Oath of Office.**

**The Election procedure portion of the meeting concluded at 6:37 PM.**

### 4. PUBLIC COMMENT

**There were no public comments.**

### 5. BOARD ACTION ITEMS

A. Investment/Finance/Audit Committee - Jon Rowe, Chair

1. ACTION ITEM: To consider approval of tax abatements for Composite Piping Technology.  
– *Exhibit D*

**Presenter:** Lisa Denton, Executive Director Kilgore Economic Development Corporation

**Jon Rowe moved to approve the tax abatement for Composite Piping Technology as presented. Travis Martin seconded the motion. The motion passed unanimously.**

B. Ad Hoc Nominating Committee - David Castles, Chair

1. ACTION ITEM: To consider approval of Jon Keller to fill the unexpired term of Joe Carrington expiring May 2025 for the Kilgore College Board of Trustee, North Zone, Unit #2, Place 8.

**Presenter:** Mr. David Castles

David Castles moved to approve Jon Keller to fill the unexpired term of Joe Carrington expiring May 2025 for the Kilgore College Board of Trustee, North Zone, Unit #2, Place 8. The motion came from Committee and did not require a second. The motion passed unanimously.

## 6. EXECUTIVE SESSION

The Board of Trustees did not go into Executive Session.

## 7. ADJOURNMENT

The meeting was adjourned by Mr. Lon Ford at 6:45 PM.

*If during the course of the meeting covered by this notice, the Board should determine that a closed or executive meeting or session of the Board should be held or is required in relation to any item included in this notice, then such closed or executive meeting or session as authorized by Section 551.001 et. seq. of the Texas Government Code (the Open Meetings Act) will be held by the Board concerning any subjects and for any and all purposes permitted by Sections 551.01-551.089 of the Open Meetings Act.*

Respectfully submitted,



Karen Scibona, Recording Secretary  
Kilgore College Board of Trustees



President, Kilgore College Board of Trustees



Secretary, Kilgore College Board of Trustees

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Appendix A	Official Voting Report/Summary Results Report from Rusk County Election Officials
Appendix B	Certificates of Election
Appendix C	Statement of Officer
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Summary Results Report  
2023 Joint Election  
May 6, 2023

UNOFFICIAL RESULTS  
Kilgore College  
Rusk County

Statistics	TOTAL	Absentee	Early Voting	Election Day
Registered Voters - Total	11,315			

Summary Results Report  
2023 Joint Election  
May 6, 2023

UNOFFICIAL RESULTS  
Kilgore College  
Rusk County

**Kilgore College, Board of Trustees SZ**

Vote For 1

	TOTAL	Absentee	Early Voting	Election Day
Travis James Martin	51	0	19	32
Micah Ruddell	4	0	4	0
Overvotes	0	0	0	0
Undervotes	1	0	1	0



In the name and by the authority of

The State of Texas

THIS IS TO CERTIFY,  
that at a general election held on May 6, 2023,

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was duly elected to the  
Kilgore College Board of Trustees.

In testimony whereof, I have hereunto signed  
my name and caused the Seal of Kilgore College  
to be affixed on this the 16<sup>th</sup> day of May, 2023

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Signature of Presiding Officer  
of Canvassing Authority

Form #2201 Rev. 05/2020

Submit to:

SECRETARY OF STATE

Government Filings

Section P O Box 12887

Austin, TX 78711-2887

512-463-6334

512-463-5569 - Fax

Filing Fee: None



## STATEMENT OF OFFICER

### Statement

I, Gina DeHoyos, do solemnly swear (or affirm) that I have not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or thing of value, or promised any public office or employment for the giving or withholding of a vote at the election at which I was elected or as a reward to secure my appointment or confirmation, whichever the case may be, so help me God.

Title of Position to Which Elected/Appointed: Kilgore College Board of Trustees; North Zone, Voting  
Unit #2, Place 5

### Execution

Under penalties of perjury, I declare that I have read the foregoing statement and that the facts stated therein are true.

Date: 5/16/2023

  
Signature of Officer



Form #2201 Rev. 05/2020  
Submit to:  
SECRETARY OF STATE  
Government Filings  
Section P O Box 12887  
Austin, TX 78711-2887  
512-463-6334  
512-463-5569 - Fax  
Filing Fee: None



## STATEMENT OF OFFICER

### Statement

I, Travis J. Martin, do solemnly swear (or affirm) that I have not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or thing of value, or promised any public office or employment for the giving or withholding of a vote at the election at which I was elected or as a reward to secure my appointment or confirmation, whichever the case may be, so help me God.

Title of Position to Which Elected/Appointed: Kilgore College Board of Trustees; South Zone, Voting  
Unit #1, Place 4

### Execution

Under penalties of perjury, I declare that I have read the foregoing statement and that the facts stated therein are true.

Date: 5/16/2023

A handwritten signature in blue ink that reads "Travis J. Martin".

Signature of Officer

Form #2201 Rev. 05/2020

Submit to:

SECRETARY OF STATE

Government Filings

Section P O Box 12887

Austin, TX 78711-2887

512-463-6334

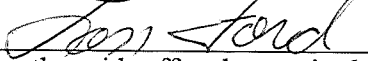
512-463-5569 - Fax

Filing Fee: None



STATEMENT OF OFFICER

Statement

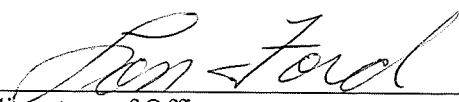
I, Lon Ford , do solemnly swear (or affirm) that I have not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or thing of value, or promised any public office or employment for the giving or withholding of a vote at the election at which I was elected or as a reward to secure my appointment or confirmation, whichever the case may be, so help me God.

Title of Position to Which Elected/Appointed: Kilgore College Board of Trustees; Central Zone, Voting  
Unit #3, Place 6

Execution

Under penalties of perjury, I declare that I have read the foregoing statement and that the facts stated therein are true.

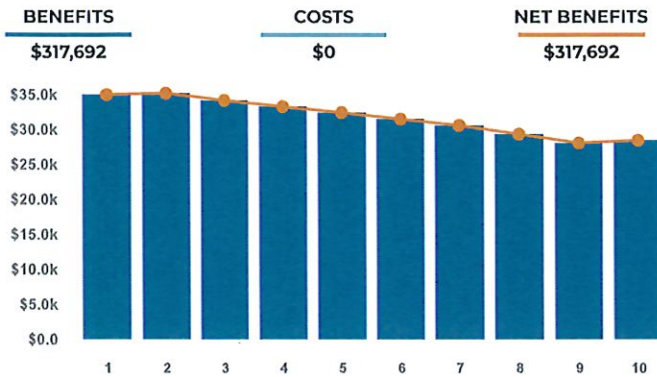
Date: 5/16/2023

  
Signature of Officer

Business Retention & Expansion

Manufacturing

Kilgore College



JOBS



64.7 Total

39.0 Direct

25.7 Spin-off

39.0 New Jobs @ \$69,000

This summary does not include the impact from the company's current activity including:

4.0 Retained Jobs @ \$69,000

SALARIES



\$64,363 Avg

\$69,000 Direct

\$57,325 Spin-off

CAPITAL INVEST.



\$14.3M

Buildings + FF&E

NET BENEFITS \$317,692

Present Value \$247,961

BENEFITS

Real Property Taxes \$89,159

FF&E Property Taxes \$97,429

Inventory Property Taxes \$127,993

New Residential Property Taxes \$3,110

Benefits Subtotal \$317,692

COSTS

None Estimated \$0

Costs Subtotal \$0

NET BENEFITS OVER 10 YEARS

CITY \$770,008

COUNTY \$528,196

SCHOOL DISTRICT \$884,570

OTHER \$326,333

## STATE OF TEXAS §

This instrument is a Primary Employer Tax Abatement agreement executed by and between the City of Kilgore, Texas; and Composite Fluid Transfer, LLC dba Composite Piping Technology (Company) and Composite Piping DevCo, LLC (Developer). Company and Developer are related LLCs with common ownership. Its terms and conditions are supported by good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

A. The Texas Property Redevelopment and Tax Abatement Act and all amendments thereto, Chapter 312 of the Texas Tax Code ("Law") provide that the governing body of an incorporated City (such as the City of Kilgore) has the power to create one or more Reinvestment Zones for the abatement of ad valorem taxes assessed against real property or tangible personal property located on the real property provided that certain conditions as detailed in the Law are met.

B. Developer will own real property ("Real Property") and Company will own personal property ("Personal Property") located within the city limits or extraterritorial jurisdiction of the City of Kilgore ("City").

C. The City has designated by ordinance the Real Property as City of Kilgore Reinvestment Zone No. 7 (the "Zone") eligible for the abatement of ad valorem taxes assessed against the Real Property or certain tangible Personal Property located thereon. The Ordinance creating the Zone is included as Attachment "A" with Exhibits "A" and "B" describing and depicting the Zone. By virtue of the City's following the requirements of the Law in creating the Zone, the City and Developer and Company now exercise their rights to enter into this instrument, the terms and conditions of which are detailed below and, together with the Attachments and Exhibits, constitute the full and complete agreement ("Agreement") between the City and Developer and Company concerning the abatement of ad valorem taxes assessed against the Real Property and Personal Property within the Zone and otherwise payable to the City.

1. The first year of tax abatement under this Agreement shall be the year as stated in Section 1 (d) of Attachment "B". All valuations are determined by the Gregg or Rusk Appraisal Districts as of January 1st of each year.

2. The percentage of abatement and properties covered are described in Attachment "B" and Attachment "C" attached hereto and made a part hereof.

3. Developer will construct within the Zone improvements to the Real Property and for use in the Zone ("Facilities") by March 31, 2025("Completion Period") spend or cause to be spent a minimum of \$4,363,000 in real property improvements, and Company will purchase or place on the tax rolls \$9,963,000.00 of machinery and equipment personal property, exclusive of inventory. The improvements and any personal property will immediately be rendered with Gregg Appraisal District.

4. A list of the kind, number and location of all proposed improvements constituting the Facilities are attached to this Agreement as Attachment "C". Employees and/or designated representatives of the City will have access to the Zone during the term of this Agreement to inspect the Facilities to ensure that any improvements are being made and the terms and conditions of this Agreement are being met. All inspections will be made during normal business hours and will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the Facilities.

5. The use of the Real Property and/or Personal Property is limited to those uses consistent with the general purpose of encouraging development or redevelopment of the Zone during the period that property tax exemptions are in effect. Developer will declare the Real Property to be the tax situs of the Personal Property and Company and Developer will render both the Real Property and the Personal Property with Gregg County Appraisal District during each year this agreement is in effect.

6. In the event that either or both Developer or Company (a) allows its ad valorem taxes owed the City and the other participating tax entities to become delinquent, or (b) violates any of the terms and conditions of this Agreement by failing to make the improvements and repairs or renditions as provided by this Agreement, or (c) fails to maintain existing jobs and create the new jobs contracted for, this Agreement then may be terminated by the City and the other participating tax entities, and all Taxes otherwise abated by virtue of this Agreement will be recaptured and paid to the City by Company within sixty (60) days of the termination. The determination of a violation shall be in the sole discretion of the City. As an alternative, the City may, in its discretion, not declare the Agreement terminated, but it must certify to the Gregg or Rusk Appraisal District that Company has failed to qualify for an abatement for that tax year.

7. In the event that the Facilities are completed and Company commences operations, but subsequently discontinues operations for any reason excepting fire, explosion or other casualty or accident or natural disaster for a period of one year during the Abatement Period, then this Agreement shall terminate and so shall the abatement of the Taxes for the calendar year during which the Facility no longer operates. The Taxes otherwise abated for that calendar year shall be paid to City within sixty (60) days from the date of the termination.

8. Both Developer and Company must annually, on or before January 31st of each year, certify to the City Council that it is in compliance with the terms of this Agreement as of January 1st of that year. (Attachment F)

9. Should the City determine that either or both Developer or Company is in default in the terms and conditions of this Contract, then the City shall notify Developer and/ or Company at the address stated below or personal notice.

10. This Agreement is made subject to all conditions, prohibitions, obligations, acts of default, termination, reimbursement and recapture contained in Chapter 312 of the Property Redevelopment and Tax Abatement Act. In case of conflict between this Agreement and §312.204 of the TTC, §312.204 shall control.

11. The City shall have the right to see that the jobs the Company is contracting to create are indeed created and maintained on an annual basis for the duration of the Abatement. The Company will be required to fill out attached Form A and submit it to the City annually. (Sample Job Creation Form A is attached as Attachment "D"). In addition, Company will provide City with Texas Employment Commission Employer's Quarterly Report (Currently known as Form C-3), Form 941 filed with the Internal Revenue Service for each calendar year and a roster of its employees at the end of each year, listing the total number of hours worked by each employee during that year and the positions filled by each employee. Developer and Company will also provide City with copies of its tax renditions with the Gregg Appraisal District for both Real Property and Personal Property during each year of this agreement.

All jobs created and maintained pursuant to this Agreement must be jobs in Kilgore, Gregg or Rusk County, Texas, must be a new full-time job (or full-time job equivalent) created over and above Company's existing employment base as of the date of this Agreement, and must be a full-time job filled by an employee (or employees), who has or have worked a minimum of 1820 hours during the calendar year. This hourly requirement, in the sole discretion of City, may be prorated if this Agreement is signed after the first of any year. Existing jobs located within commuting distance will not be considered newly created positions.

12. If Company makes additional capital improvements over and above the dollar amount specified in this Agreement, it can receive credit for the additional capital improvements in lieu of creating jobs. The specific dollar amount of capital improvements to take the place of a job created shall be as determined by the Kilgore City Council.

13. Additional Terms and Conditions are contained in Attachment "B".

14. All notices required or contemplated by this Agreement shall be addressed as follows:

If to Developer or Company, to Composite Fluid Transfer, LLC dba Composite Piping Technology (Company) and Composite Piping DevCo, LLC, 4200 B Stone Road, Kilgore, TX 75662 and

If to the City, then to 815 N. Kilgore St, Kilgore, Texas 75662, Attention: City Clerk of the City of Kilgore, Texas.

15. The terms and conditions of this Agreement are binding upon the successors and assigns of all parties hereto. This Agreement cannot be assigned by Developer or Company unless permission is first granted by the City, in its sole discretion.

16. This Agreement was approved by the affirmative vote of a majority of the members of the governing body, the City Council of the City of Kilgore, at a regularly scheduled meeting on the 25<sup>th</sup> day of April, 2023, and R. E. Spradlin III, Mayor, was authorized to sign on behalf of the City of Kilgore, Texas.

17. The execution of this Agreement was authorized by both Developer and Company, and B. G. Clark, President of Company was authorized to sign on its behalf and ~~Reuben S. Martin~~, ~~HH~~ was authorized to sign on behalf of Developer. *A.P. Merritt*

18. This Agreement is performable in Gregg County, Texas.

WITNESS OUR HANDS, this 25th day of April, 2023.

COMPOSITE FLUID TRANSFER, LLC dba COMPOSITE PIPING TECHNOLOGY

By: *B.G. Clark*  
B. G. Clark, Its: President

COMPOSITE PIPING DEVCO, LLC

By: *A.P. Merritt*  
~~Reuben S. Martin, III, Its: President~~  
*A.P. Merritt, Its Secretary*



CITY OF KILGORE, TEXAS

By: \_\_\_\_\_

Ronald E. Spradlin, III, Mayor

ATTEST:

Rachel Rowe  
Rachel Rowe, City Clerk

APPROVED AS TO FORM AND EFFECT:

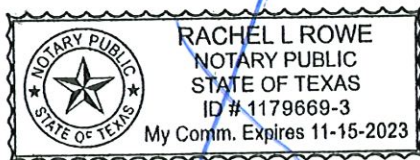
Robert G. Schleier, Jr.  
Robert G. Schleier, Jr., City Attorney

THE STATE OF TEXAS

COUNTY OF GREGG

Before me, the undersigned authority, on this day personally appeared Reuben S. Martin, III, President of Composite Piping DevCo, LLC known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said Company.

Given under my hand and seal of office on this \_\_\_\_\_ day of \_\_\_\_\_ 2023.



\_\_\_\_\_  
Notary Public, State of Texas



CITY OF KILGORE, TEXAS

By: \_\_\_\_\_  
Ronald E. Spradlin, III, Mayor

ATTEST:

\_\_\_\_\_  
Rachel Rowe, City Clerk

APPROVED AS TO FORM AND EFFECT:

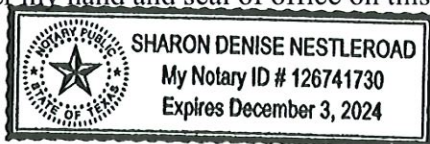
\_\_\_\_\_  
Robert G. Schleier, Jr., City Attorney

THE STATE OF TEXAS

COUNTY OF GREGG

*Secretary* Before me, the undersigned authority, on this day personally appeared *A.P. Merritt* ~~Reuben S. Martin, III~~, ~~President~~ of Composite Piping DevCo, LLC known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said Company.

Given under my hand and seal of office on this *25<sup>th</sup>* day of *April* 2023.



*Sharon Denise Nestleroad*  
\_\_\_\_\_  
Notary Public, State of Texas

THE STATE OF TEXAS

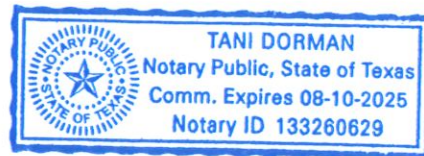
COUNTY OF GREGG

Before me, the undersigned authority, on this day personally appeared B. G. Clark, President of Composite Fluid Transfer, LLC dba Composite Piping Technology, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said Company.

Given under my hand and seal of office on this 25<sup>th</sup> day of April 2023.

Tani Dorman

Notary Public, State of Texas



THE STATE OF TEXAS

COUNTY OF GREGG/RUSK

Before me, the undersigned authority, on this day personally appeared Ronald E. Spradlin III, Mayor of the City of Kilgore, a Municipal Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said City of Kilgore.

Given under my hand and seal of office on this \_\_\_\_\_ day of \_\_\_\_\_ 2023.

\_\_\_\_\_  
Notary Public, State of Texas

THE STATE OF TEXAS

COUNTY OF GREGG

Before me, the undersigned authority, on this day personally appeared B. G. Clark, President of Composite Fluid Transfer, LLC dba Composite Piping Technology, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said Company.

Given under my hand and seal of office on this \_\_\_\_\_ day of \_\_\_\_\_ 2023.

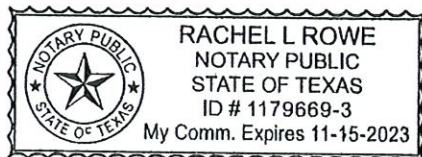
\_\_\_\_\_  
Notary Public, State of Texas

THE STATE OF TEXAS

COUNTY OF GREGG/RUSK

Before me, the undersigned authority, on this day personally appeared Ronald E. Spradlin III, Mayor of the City of Kilgore, a Municipal Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said City of Kilgore.

Given under my hand and seal of office on this 25<sup>th</sup> day of April 2023.



Rachel L. Rowe  
Notary Public, State of Texas

## ATTACHMENTS TO TAX ABATEMENT AGREEMENT

Attachment "A"	Ordinance creating Reinvestment Zone
Attachment "B"	Tax Abatement Terms and Conditions
Attachment "C"	List of proposed improvements and/or repairs to be made to the property by Company or tangible personal property to be purchased and located on the property
Attachment "D"	Job Creation Form A
Attachment "E"	Certificate of Compliance
Attachment "F"	Map showing existing uses and conditions of Company's property
Attachment "G"	Map showing proposed improvements and use of Company's property when improvements are completed.

ATTACHMENT "A"

Ordinance creating Reinvestment Zone  
ORDINANCE NO. 1851

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KILGORE, TEXAS, DESIGNATING TRACT ONE: ALL THAT CERTAIN 45.05 ACRE TRACT OF LAND SITUATED IN GREGG COUNTY, TEXAS, BEING PART OF THE JOHN COLE SURVEY, A-64, AND BEING THE RESIDUE OF THOSE TRACTS DESCRIBED IN A WARRANTY DEED DATED MAY 12, 1978, FROM ELMA REGENSBURG, TO DANNY REGENSBURG, AND RECORDED IN VOLUME 1123, PAGE 575, DEED RECORDS, GREGG COUNTY, TEXAS, AND BEING THAT SAME TRACT CALLED TO CONTAIN 44.841 ACRES OF LAND (BY RESURVEY) AS DESCRIBED IN A QUIT-CLAIM DEED FROM ROSE JOHNSON LINGNAU, TO ELMA REGENSBURG AND RECORDED IN VOLUME 1608, PAGE 431, DEED RECORDS, GREGG COUNTY, TEXAS; AND TRACT TWO: ALL THAT CERTAIN .019 ACRE TRACT OF LAND SITUATED IN GREGG COUNTY, TEXAS, BEING PART OF THE HADEN EDWARDS SURVEY, A-64, AND BEING ALL OF THOSE OCCUPIED TRACTS A & B OF FIRST TRACT LYING WEST OF FM HWY 2276, AND DESCRIBED IN A DEED DATED FEBRUARY 21, 1986, FROM KATHERINE CLARK HAIL, TO BONNIE CLARK JAMISON, AND RECORDED IN VOLUME 2873, PAGE 643, PUBLIC OFFICIAL RECORDS, GREGG COUNTY, TEXAS, KNOWN AS EAST KILGORE INDUSTRIAL PARK, AS CITY OF KILGORE REINVESTMENT ZONE NO. 7, PROVIDING FOR THE ESTABLISHMENT OF AGREEMENTS WITHIN THE ZONE, AND OTHER MATTERS RELATING THERETO; PROVIDING FINDINGS OF FACT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE FOR THE COMMENCEMENT OF THE REINVESTMENT ZONE AND THIS ORDINANCE; AND PROVIDING AN OPEN MEETINGS CLAUSE.**

WHEREAS, the City Council of the City of Kilgore, Texas, (the "City"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a Reinvestment Zone, as codified in Chapter 312 of the Texas Tax Code (the "Act"); and

WHEREAS, a hearing before the City Council was set for 5:30 p.m. on the 28<sup>th</sup> day of February, 2023, such date being at least SEVEN (7) days after the date of publication of the notice of such public hearing in a newspaper of general circulation in the City of Kilgore; and

WHEREAS, the City has called a public hearing and published notice of such public hearing, and has properly notified the proper officials of Gregg County, Kilgore ISD and Kilgore College as required by the Act; and

WHEREAS, upon such hearing being convened there was presented proper proof and evidence that notices of such hearing had been published and mailed as described above; and

WHEREAS, the City at such hearing invited any interested person, or his attorney, to appear and contend for or against the creation of the Reinvestment Zone, whether all or part of the territory, which is described by a metes and bounds or other suitable description attached hereto as Exhibit "A" and depicted in the drawing attached hereto as Exhibit "B", should be included in such proposed Reinvestment Zone; and

WHEREAS, all owners of property located within the proposed Reinvestment Zone and all other taxing units and other interested persons were given the opportunity at such public hearing to protest the creation of the proposed Reinvestment Zone or the inclusion of their property in such Reinvestment Zone; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone, and no opponents of the reinvestment zone appeared to contest creation of the reinvestment zone;

WHEREAS, after considering all testimony and evidence offered at the public hearing, the City Council finds that improvements in the Reinvestment Zone will enhance significantly the value of all taxable real and personal property in the Zone, will be of general benefit to the City of Kilgore and that it will be in the public interest to pass this ordinance creating a Reinvestment Zone; and further finds that the improvements sought are feasible and practical and would be a benefit to the land to be included in the zone and to the municipality after the expiration of an agreement entered into under Section 312.204 or 312.211, as applicable.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILGORE, TEXAS:

SECTION 1: That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: The City, after conducting such hearing and having heard such evidence and testimony, pursuant to Chapter 312 of the Texas Tax Code (TTC), has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on adoption of the Reinvestment Zone has been properly called held and conducted and that notice of such hearing has been published as required by law.
- (b) That the City has jurisdiction to hold and conduct this public hearing on the creation of the proposed Reinvestment Zone pursuant to the Act; and
- (c) That creation of the proposed zone with boundaries as described in Exhibits "A" and "B" will result in benefits to the City, its residents and property owners, and to the property, residents and property owners in the reinvestment zone.
- (d) That the Reinvestment Zone, as defined in Exhibits "A" and "B", meets the criteria for the creation of a Reinvestment Zone as set forth in Chapter 312.201 of the Act.

SECTION 3: That the City hereby creates a Reinvestment Zone over the area described by the description in Exhibit "A" attached hereto and depicted in a drawing attached hereto as



Exhibit "B" and such Reinvestment Zone shall hereafter be identified as the City of Kilgore Reinvestment Zone, Number 7, (the "Zone").

SECTION 4: That operation of the Zone shall commence on March 01, 2023, for a period of five years, and may be renewed for an additional five years or may terminate sooner by subsequent ordinance.

SECTION 5: That a written Agreement as provided in the Act, with the owners of the property located within the Reinvestment Zone is to be considered according to the schedule and term outlined in Exhibit "C", and the written agreement shall provide an exemption from taxation the increased value in the real and/or personal property according to that schedule.

SECTION 6: That if any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

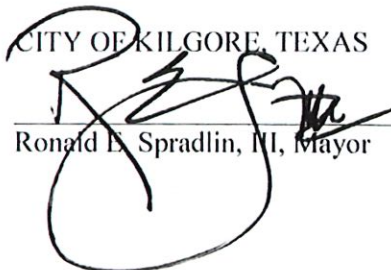
SECTION 7: Pursuant to §312.002, the City Council hereby finds that the terms of the Tax Abatement Agreement to be executed in connection with this Ordinance meets the applicable Guidelines and Criteria for Primary Employer Tax Abatement adopted on June 8, 2021 by the City Council, effective June 8, 2021 through June 7, 2023.

SECTION 8: That it is hereby officially found, determined, and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the city Hall of the city for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551 et seq of the Texas Local Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter hereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 9: That the contents of the notice of public hearing, which hearing was held before the City Council on February 28, 2023, and the publication of said notices, is hereby ratified, approved and confirmed.

PASSED, APPROVED, and ADOPTED on this the 28<sup>th</sup> day of February, 2023.



CITY OF KILGORE, TEXAS  
  
Ronald B. Spradlin, III, Mayor

ATTEST:

Rachel Rowe  
Rachel Rowe, City Clerk

APPROVED AS TO FORM AND EFFECT:

Robert G. Schleier, Jr.  
Robert G. Schleier, Jr., City Attorney

EXHIBITS TO ORDINANCE

Metes and Bounds or other description of zone

Map of zone

Tax Abatement Schedule



## ATTACHMENT "B"

### PRIMARY EMPLOYER TAX ABATEMENT TERMS AND CONDITIONS

#### SECTION 1: CONDITIONS

- a) All values used shall be established by Gregg Appraisal District.
- b) The current taxable base value of the property of the Developer and Company in the Zone is:

Real Estate:	\$ 289,900.00
Personal Property:	\$ 620,980.00
Total Base Value:	\$ 910,880.00

\* Gregg Appraisal District values as of \_\_\_\_\_ 2023 preliminary valuation.

NOTE: Values will be confirmed by Gregg Appraisal District prior to execution of Agreement.

c) The City of Kilgore hereby exempts from ad valorem real and personal property taxation for the term set forth, the value in the Zone in excess of the base value stated in Attachment "B" Section 1:b, in accordance with Tax Abatement Terms and Conditions, Attachment "B" Section 2: Schedule of Tax Abatement.

d) The term of the exemption will be for the period of time of 6 years, beginning January 1 of the year in which the Gregg Appraisal District pronounces the improvements to be constructed on the Real Estate to be substantially completed or in which the City of Kilgore issues a Certificate of Occupancy for the improvements, whichever occurs first. After the term expires, the full value of the improvements shall be included on the tax roll and assessed appropriately, and this Agreement shall terminate.

e) The Developer and Company shall, within the term of this Agreement, construct or cause to be constructed upon Company's property in the Zone certain improvements and/or repairs as set forth in Attachment "C" of this Agreement and/or purchase or cause to be purchased certain tangible personal property including, but not limited to those set forth in Attachment "C" of this agreement. Such Attachment lists the kind, number and location of all proposed improvements and/or repairs to the property of Company in the Zone. Make, model and serial number of tangible personal property should be listed when known. However, it is

the intent of the City to abate taxes on all improvements and additions in excess of the Base Value, regardless of whether itemized on Schedule C.

f) The Developer agrees to build improvements in accordance with all applicable laws, ordinances, codes, rules, requirements or regulations of the city and any subdivision, agency, or authority thereof, and prior to commencing shall secure all permits, licenses, and authorization required.

g) Upon completion and inspection by the City of the improvements specified in this Agreement, Developer and Company shall execute a Certificate of Compliance set out in Attachment "E" of this Agreement. A copy of this shall be sent to each taxing entity involved, the Company and to Gregg/Rusk Appraisal District.

h) Should either or both Developer and/or Company fail to make the improvements and/or repairs and/or personal property purchases as provided in this Agreement, then all real and personal property tax revenue lost by the City of Kilgore from Company's property in the zone due to this Agreement shall be forthwith paid to the City of Kilgore by Developer and Company, and this agreement shall become void.

i) A map showing existing uses and conditions of Developer's property within the Zone is attached as Attachment "F" and incorporated herein by reference.

j) A map showing proposed improvements and uses to Developer's property within the Zone is attached as Attachment "G" and incorporated herein by reference.

k) The Company agrees to create 15 new full-time jobs over and above its current base employment prior to January 1, 2029. Company's current base employment is 4. Should Company fail to create and maintain full-time jobs during any calendar year of this Agreement, then City will not certify to Gregg Appraisal District that Company is entitled to the abatement for the next calendar year. City may give Company credit during the first year of this Agreement for full-time jobs even though employees may not have worked the required number of hours. However, if Company fails to create the agreed upon number of full-time jobs during each calendar year, but makes additional capital improvements over and above those listed in Attachment "C" attached hereto, it can receive credit as if it had created new jobs. The amount of credit allowed will be determined by the City Council.

## SECTION 2: SCHEDULE OF PRIMARY EMPLOYER TAX ABATEMENT

The City agrees to abate ad valorem taxes on real and personal property improvements of Company the subject of this Agreement as follows:

<u>YEAR</u>	<u>% OF ADDED VALUE TO BE ABATED</u>
1	100%
2	100%
3	100%
4	75%
5	50%
6	25%
7	0%

Note: All jobs created must be full-time jobs located within the city limits of Kilgore, Texas and must be direct labor positions, not including principals of the company.

## ATTACHMENT “C”

List of proposed improvements to be made or caused to be made to the property by Company or tangible personal property to be purchased and located on the property:

- Construction of improvements of \$4,363,000.00
- Personal Property investment of \$9,963,000.00 by the end of Year 2029

ATTACHMENT "D"

JOB CREATION FORM A

Prepared for the City of Kilgore by Composite Fluid Transfer, LLC dba  
Composite Piping Technology, LLC

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PERMANENT FULL TIME JOBS

1. Current total number of employees as of December 31, 2022:
2. Total employed on effective date of Primary Employer Tax Abatement:  
4
3. Total number of jobs created as of December 31, 20\_\_:  
(Difference between lines 1 and 2):

This form was completed by:

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

—

Date: \_\_\_\_\_

ATTACHMENT "E"

CERTIFICATE OF COMPLIANCE  
WITH PRIMARY EMPLOYER TAX ABATEMENT AGREEMENT  
BETWEEN THE CITY OF KILGORE AND COMPOSITE FLUID  
TRANSFER, LLC dba COMPOSITE PIPING TECHNOLOGY AND  
COMPOSITE PIPING DEVCO, LLC,  
DATED \_\_\_\_\_, 2023.  
IN REINVESTMENT ZONE NO. 7  
CITY OF KILGORE, TEXAS  
THE STATE OF TEXAS  
COUNTY OF GREGG



Composite Fluid Transfer, LLC dba Composite Piping Technology (the  
"Company") and Composite Piping DevCo (Developer) hereby certify  
that:

- (1) the real and/or personal property improvements  
described on the above referenced Agreement have been completed and  
that all facilities and improvements have been constructed or acquired  
pursuant to said Agreement.
- (2) the jobs to be created for this year of the Agreement have been created  
and maintained including the base jobs, (or) the additional payroll has  
been added to the base payroll and maintained for this year of the  
Agreement.
- (3) all ad valorem taxes have been paid to City and all other taxing  
entities.

(4) all other terms and conditions of this Agreement have been complied with.



Composite Fluid Transfer, LLC dba Composite Piping Technology (the "Company") hereby certifies that:

Company is not in compliance with its tax abatement agreement.  
Current total employment is: \_\_\_\_\_ or current payroll is \$\_\_\_\_\_.

Signed the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

\_\_\_\_\_  
(Signature of Company Representative)

\_\_\_\_\_  
(Position/Title)

## ATTACHMENT "F"

Map showing existing uses and conditions of Developer's property.





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