



August 2, 2024

The Honorable Robert Newsom
County Judge
Hopkins County
Hopkins County Courthouse
118 Church St.
Sulphur Springs, TX 75482

RE: Engagement Letter for the Preparation of Abatement Agreements, Development Incentives and Related Negotiation Services – BT McMurtre Storage LLC

Dear Judge Newsom:

Thank you for the opportunity to provide consulting services to your ongoing projects in Hopkins County. **Capex Resources Group** is a project finance and economic consulting firm based in Frisco, Texas. A significant percentage of our client base is made up of local governmental entities like Hopkins County. Our specific public sector utility services include:

- Tax Abatement Negotiation Services, Including Development of Complete Abatement / PILOT Agreements
- Road Use Agreements
- Ad Valorem Valuation Analysis, Identification of Omitted Property, Development of Valuation Challenge Petitions
- Bond Feasibility
- Comprehensive Project Definition, Feasibility, and Development Services
- Development of Comprehensive Financial and Technical Feasibility Models
- Impact Fees/System Development Charges
- Industrial District Program Development
- Litigation Support
- Loan and Grant Program Management [Identification / Application / Disbursement / Compliance]
- Lost Business Income Claims / Time Element Deductible
- Municipal Airport Fee Development and Revenue Studies
- Non-Rate Revenue [tapping and connection, late charge, disconnect fees, etc.] Evaluations
- Oil and Gas Lease Negotiation and Royalty Analysis
- Operational Optimization Studies / Operating and Capital Cost and Benchmarking
- Owners Representative Services
- Renewable Energy Credit and Carbon Financial Instrument Marketing

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- Renewable Energy Project Development Services
- Retail Electricity Contract and Demand Charge Negotiation
- Sales Tax Analysis & Optimization
- Utility Rate & Cost of Service Studies (Electricity, Natural Gas, Water, Wastewater, and Solid Waste)
- Water Rights Purchase, Sales, and Leasing
- Wholesale Water, Wastewater, Electricity, Solid Waste, and Natural Gas Contract Negotiations and Structuring

It is my understanding that the primary objective of Hopkins County is to develop an incentive structure that provides maximum benefit to the County while adequately incentivizing eligible projects. To assist you in achieving this objective, Capex will provide the following deliverables:

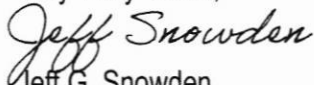
- 1.) Preparation of project economic impact analysis.
- 2.) If needed, develop County Guidelines and Criteria for Granting Tax Abatements
- 3.) Development, assistance with developer input, processing, and presentation to Commissioner's Court of Application for Tax Abatement and Designation of Reinvestment Zone
- 4.) If applicable, offer mechanism to ensure future PILOT revenues are restricted to precinct/district of origin.
- 5.) General coordination with County Legal Counsel
- 6.) Provide background on separated material and labor agreements and recommend structure, as applicable
- 7.) Establish restricted revenue accounts, if applicable
- 8.) Define estimated taxable value or total range of taxable values of the project or facility for which abatement is sought
- 9.) Periodic Reporting to Commissioner's Court as requested
- 10.) Take the lead on the development, negotiation, and final execution of a Tax Abatement Agreement that provides maximum economic benefits to Hopkins County.

As Chief Executive of Capex Resources Group, I will serve as Project Manager and will be responsible for all aspects of this effort.

Based on my understanding of your needs I propose a not to exceed fee of \$30,000.00. Progress payments will be billed on a monthly basis, to begin only after an acceptable abatement agreement has been executed by Hopkins County. Additional phases and fees will only begin with the express written authorization of Hopkins County.

If this proposal is acceptable to you, please execute one copy of this letter and return it to our Frisco office. Thank you for this opportunity; we look forward to working with you on this important engagement.

Very Truly Yours,


 Jeff G. Snowden
 Principal
 Capex Resources Group

ACCEPTED BY:



8-2-2024
 Date

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