



Innovative Solutions for Business Growth

December 20, 2018

Wyoming Central School District
Kathy Schuessler, Superintendent
1225 State Route 19
Wyoming, New York 14591

Dear Superintendent Schuessler:

The Wyoming County Industrial Development Agency (WCIDA) has proposed a deviation from its uniform tax exemption policy with regard to the Texas Brine New York, LLC (the Company) application for real property tax abatement.

Texas Brine New York LLC (the "Company") has requested that the WCIDA provide tax incentives to assist in the proposed drilling of new brine wells and construction and installation of infrastructure serving the wells. IDA incentives will include real property tax abatement pursuant to a non-standard IDA PILOT agreement. The project is located at 1346 Saltvale Road, Wyoming, New York and includes additional parcels located in the Town of Middlebury that are owned by the Company.

Article 18-A of the New York General Municipal Law requires that the WCIDA contact each "Affected Taxing Jurisdiction" whenever a deviation from its uniform exemption policy is proposed. In this particular instance, the WCIDA and the Project Owner propose to enter into an Agreement for Payment in Lieu of Real Estate Taxes ("PILOT Agreement") as described in the attached "Notice of Deviation" which will provide for payment by the Project Owner of an annual Payment in Lieu of Real Estate Taxes ("PILOT") in an amount equal to the product of (a) a fixed base value, set forth on Schedule B, multiplied by (b) the affected taxing jurisdictions' annual property tax rates for the applicable tax fiscal year.

Texas Brine New York LLC hopes to begin the project in the spring of 2019. The WCIDA encourages your input on this project. Should you have any questions or wish to comment on this project, please contact the WCIDA directly by telephone at 585-786-3764.

The WCIDA has scheduled a public hearing on behalf of the project to be held on January 3, 2019 at the Middlebury Town Highway Department at 51 Sherman Avenue Wyoming, New York. A Notice of Public Hearing has been

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

36 Center Street Warsaw, New York 14569 · Phone: (585)786-3764 · email: jpierce@wycoida.org

www.wycoida.org



posted. The WCIDA Board will be considering the request for IDA financial assistance for this project at its January 3, 2019 Board meeting.

Thank you for your attention to this matter and we look forward to a successful project that will continue to have many benefits for the people of Wyoming County.

Sincerely,

A handwritten signature in blue ink, reading "Robin L. Marschilok". The signature is fluid and cursive, with the first name "Robin" and last name "Marschilok" clearly legible.

Robin L. Marschilok
Director of Operations

Encl:



December 20, 2018

Hon. A.D. Berwanger, Chairman
Wyoming County Board of Supervisors
143 North Main Street
Warsaw, New York 14569

Dear Hon. Chairman Berwanger:

The Wyoming County Industrial Development Agency (WCIDA) has proposed a deviation from its uniform tax exemption policy with regard to the Texas Brine New York, LLC (the Company) application for real property tax abatement.

Texas Brine New York LLC (the "Company") has requested that the WCIDA provide tax incentives to assist in the proposed drilling of new brine wells and construction and installation of infrastructure serving the wells. IDA incentives will include real property tax abatement pursuant to a non-standard IDA PILOT agreement. The project is located at 1346 Saltvale Road, Wyoming, New York and includes additional parcels located in the Town of Middlebury that are owned by the Company.

Article 18-A of the New York General Municipal Law requires that the WCIDA contact each "Affected Taxing Jurisdiction" whenever a deviation from its uniform exemption policy is proposed. In this particular instance, the WCIDA and the Project Owner propose to enter into an Agreement for Payment in Lieu of Real Estate Taxes ("PILOT Agreement") as described in the attached "Notice of Deviation" which will provide for payment by the Project Owner of an annual Payment in Lieu of Real Estate Taxes ("PILOT") in an amount equal to the product of (a) a fixed base value, set forth on Schedule B, multiplied by (b) the affected taxing jurisdictions' annual property tax rates for the applicable tax fiscal year.

Texas Brine New York LLC hopes to begin the project in the spring of 2019. The WCIDA encourages your input on this project. Should you have any questions or wish to comment on this project, please contact the WCIDA directly by telephone at 585-786-3764.

The WCIDA has scheduled a public hearing on behalf of the project to be held on January 3, 2019 at the Middlebury Town Highway Department at 51 Sherman Avenue Wyoming, New York. A Notice of Public Hearing has been



posted. The WCIDA Board will be considering the request for IDA financial assistance for this project at its January 3, 2019 Board meeting.

Thank you for your attention to this matter and we look forward to a successful project that will continue to have many benefits for the people of Wyoming County.

Sincerely,

A handwritten signature in blue ink, reading "Robin L. Marschilok". The signature is fluid and cursive, with the first name "Robin" and last name "Marschilok" clearly legible.

Robin L. Marschilok
Director of Operations

Encl:



WYOMING COUNTY

Innovative Solutions for Business Growth

December 20, 2018

Hon. Daniel Leuer, Supervisor
Town of Middlebury
51 Sherman Avenue
Wyoming, New York 14591

Dear Hon. Supervisor Leuer:

The Wyoming County Industrial Development Agency (WCIDA) has proposed a deviation from its uniform tax exemption policy with regard to the Texas Brine New York, LLC (the Company) application for real property tax abatement.

Texas Brine New York LLC (the "Company") has requested that the WCIDA provide tax incentives to assist in the proposed drilling of new brine wells and construction and installation of infrastructure serving the wells. IDA incentives will include real property tax abatement pursuant to a non-standard IDA PILOT agreement. The project is located at 1346 Saltvale Road, Wyoming, New York and includes additional parcels located in the Town of Middlebury that are owned by the Company.

Article 18-A of the New York General Municipal Law requires that the WCIDA contact each "Affected Taxing Jurisdiction" whenever a deviation from its uniform exemption policy is proposed. In this particular instance, the WCIDA and the Project Owner propose to enter into an Agreement for Payment in Lieu of Real Estate Taxes ("PILOT Agreement") as described in the attached "Notice of Deviation" which will provide for payment by the Project Owner of an annual Payment in Lieu of Real Estate Taxes ("PILOT") in an amount equal to the product of (a) a fixed base value, set forth on Schedule B, multiplied by (b) the affected taxing jurisdictions' annual property tax rates for the applicable tax fiscal year.

Texas Brine New York LLC hopes to begin the project in the spring of 2019. The WCIDA encourages your input on this project. Should you have any questions or wish to comment on this project, please contact the WCIDA directly by telephone at 585-786-3764.

The WCIDA has scheduled a public hearing on behalf of the project to be held on January 3, 2019 at the Middlebury Town Highway Department at 51 Sherman Avenue Wyoming, New York. A Notice of Public Hearing has been

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

36 Center Street Warsaw, New York 14569 · Phone: (585)786-3764 · email: jpierce@wycoida.org

www.wycoida.org



posted. The WCIDA Board will be considering the request for IDA financial assistance for this project at its January 3, 2019 Board meeting.

Thank you for your attention to this matter and we look forward to a successful project that will continue to have many benefits for the people of Wyoming County.

Sincerely,

A handwritten signature in blue ink, reading "Robin L. Marschilok". The signature is fluid and cursive, with the first name being the most prominent.

Robin L. Marschilok
Director of Operations

Encl:

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY (“WCIDA”)
NOTICE OF DEVIATION
FROM UNIFORM TAX EXEMPTION POLICY
PURSUANT TO GENERAL MUNICIPAL LAW §874(4)(b)**

DESCRIPTION OF PROJECT: The drilling of new brine wells and construction and installation of infrastructure serving the wells.

LOCATION OF PROJECT: 1346 Saltvale Road, Middlebury, New York and the parcels set forth on Schedule A.

PROJECT OWNER/OPERATOR: Texas Brine New York, LLC

DEVIATION FROM UNIFORM TAX EXEMPTION POLICY: The proposed financial assistance for the project constitutes a deviation from WCIDA’s Uniform Tax Exemption Policy (“UTEP”) because the proposed payment in lieu of tax arrangement deviates from WCIDA’s standard schedule. While WCIDA’s standard payment in lieu of tax schedule provides for payments based on the assessed value of the property, with said payments attributable to the value added by new improvements calculated based on percentages of the increase in assessment attributable to such improvements, WCIDA and the Project Owner/Operator propose to enter into an Agreement for Payment in Lieu of Real Estate Taxes (“PILOT Agreement”) which will provide for payment by the Project Owner/Operator of an annual Payment in Lieu of Real Estate Taxes (“PILOT”) in an amount equal to the product of (a) a fixed base value, set forth on Schedule B, multiplied by (b) the affected taxing jurisdictions’ annual property tax rates for the applicable tax fiscal year.

The PILOT Agreement will have a term of ten (10) years. The PILOT payment will be divided among the affected taxing jurisdictions on a pro rata basis, with each taxing jurisdiction’s share for each year determined by dividing that taxing jurisdiction’s tax rate for the then current tax fiscal year by the total of all tax rates for the affected taxing jurisdictions for the then current tax fiscal year.

REASON FOR DEVIATION: WCIDA’s UTEP allows WCIDA to deviate from the UTEP’s standard PILOT schedule or to provide a project with enhanced benefits if the project is expected to have a significant impact in the locality where the project will be located. WCIDA expects that the project will have a significant impact in the Town of Middlebury, New York due to the significant amount of private sector investment

that is expected to be generated by the proposed project. WCIDA's analysis of the Project Owner/Operator's existing operations demonstrates a history of private investment in the municipality by the Project Owner/Operator, which is expected to continue or steadily increase as a result of the Project Owner/Operator's ability to drill new brine wells and continue its operations under this project. The Project Owner/Operator is permitted to draw a limited amount of brine from each well it drills. When that limit is reached, the well is plugged and it is necessary to drill a new well to take its place. Each year the Project Owner/Operator provides new capital investment to construct and install infrastructure for the new wells, including, without limitation, pipelines, electrical cables, communication wires, well enclosures, driveways and other ancillary services. The Project Owner/Operator utilizes local contracting firms, through a competitive bidding process, to construct and install the infrastructure. Although the Project may not result in the creation of substantially more direct employment, it represents a significant capital investment in the municipality and its local businesses, which is expected to have a positive economic impact on the area and its residents.

SCHEDULE A

Address	SBL#
Saltvale VL	36.00-1-28
1346 Saltvale Rd	36.00-1-29.12
Saltvale VL	49.00-1-26.12
Cowie Rd VL	49.00-1-26.2
Saltvale Rd VL	49.00-1-27
Dillion Rd VL	49.00-1-42.11
LaGrange Rd VL	49.00-1-44
Saltvale Rd VL	49.00-1-46.1
Saltvale Rd VL	49.00-1-47.1
1455 Saltvale Rd	49.00-1-47.2
Saltvale Rd VL	49.00-1-50
Saltvale Rd VL	49.00-1-51.1
1625 Saltvale Rd	49.00-1-52
Canaway Rd VL	49.00-1-55.112
Canaway Rd VL	49.00-1-55.113
Saltvale Rd VL	49.00-1-69
Canaway Rd VL	62.00-1-6.21
Brine Pipeline	638.089-9999-844.820/1
4" & 8" Distr piping	86.00-1
Gravel Roads	86.00-2
12" stl return line 50% brine	86.00-3
Elec Control Bldg	86.00-4
Wiring	86.00-5
Brine Wells	86.00-6
Water Wells	86.00-8

SCHEDULE B

Taxable Fiscal Year	Fixed Base Value
Year 1	\$7,000,000.00
Year 2	\$7,175,000.00
Year 3	\$7,354,375.00
Year 4	\$7,538,234.30
Year 5	\$7,726,690.10
Year 6	\$7,919,857.30
Year 7	\$8,117,853.70
Year 8	\$8,320,800.00
Year 9	\$8,528,820.00
Year 10	\$8,742,040.50