

Wilhelm, Gayle

From: James R. Carpenter [jim@carpenteraustin.com]
Sent: Thursday, May 13, 2010 7:23 PM
To: Wilhelm, Gayle ; McDonald, Ronnie ; Dildy, Lee ; Moore, Ronnie
Subject: FW: Bastrop Airport 381 Agreement

I wanted to be sure each of you are kept apprised of the latest communications and the efforts we are making to get this agreement completed. I noticed that you were not copied on the question and I think our response is an important piece of information for each of you to know.

The CTA business model was developed with assistance from some of the top property tax experts in this field; John Brusniak Jr. and Ret. Lt. Col. Jerry Hooper. They head the Property Tax Resolution Team for CTA-GCC and will oversee all aspects of property tax issues. The following links might be of interest to you <http://www.napta.com/> This is the home page for the National Association of Property Tax Attorneys that was founded by and is administered by John Brusniak's firm. NAFTA is a national network of property tax attorneys that we will utilize to defend our tax customer base at CTA if they are challenged by other taxing districts in Texas or other states as to their valid situs at CTA in Bastrop County. John's credentials should provide comfort for the County that our team can and will administer the tax matters for the benefit of Bastrop County, CTA and the other taxing districts that will directly receive revenues from the new tax base that will be created. John's bio is found at <http://www.napta.com/content/texas>

I understand that we need to provide the County with an Exhibit "B" that depicts the Phase 1 improvements that are described in the Agreement. Our planners are working on that exhibit as we try to identify which hangars and other improvements will be built first. I hope you recognize that we are still moving things around and resizing them based on negotiations with various businesses and most of those negotiations will not progress to firm commitments until we can provide the 381 Agreement as evidence of the County's support for our business and funding model.

Can we get a commitment that this 381 Agreement can be on the May 24th Court Agenda?

Jim Carpenter
Managing Partner



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-----Original Message-----

From: Kyle, Jerry [mailto:JerryKyle@andrewskurth.com]
Sent: Thursday, May 13, 2010 6:03 PM
To: Tom Pollan
Cc: Manuel Mendez; James R. Carpenter; jerry@hooperconsulting.com; john@txtax.com; Dillard, William
Subject: RE: Bastrop Airport 381 Agreement

Tom, as Jim mentioned in his e-mail yesterday, Jerry Hooper and John Brusniak will facilitate and handle renditions of personal property on behalf of clients and customers of CTA. Jerry and John will also assist and advise CTA on matters and issues related to the administration of the provisions of the 381 Agreement having to do with the rendition of aircraft for ad valorem taxation.

In response to your question about identifying aircraft that are covered by the 381 Agreement, Jerry H. indicated that (i) the situs for aircraft will be determined by the filing of a property tax rendition (as required by the Texas Property Tax Code) for each aircraft, (ii) to administer the terms of the 381 Agreement, the Chief Appraiser for the Bastrop Central Appraisal District will need to establish a code or some other means of identification for real and personal property (including aircraft) with a tax situs located at the Central Texas Airport, (iii) aircraft rendered to the Chief Appraiser for Bastrop County (together with any aircraft not rendered that the Chief Appraiser determines has a tax situs in the County) will appear on a list of taxed aircraft produced by the Chief Appraiser, (iv) the list of taxed aircraft will provide the taxable value of each taxed aircraft and identify its tail number and serial number, (v) the County and CTA will use the list of taxed aircraft to verify which aircraft has a situs at the Central Texas Airport.

In an effort to provide further assurances to the County in this regard, Jerry Hooper and John Brusniak will reach out to the Chief Appraiser to confirm that he agrees with the foregoing.

I hope that this is responsive to your request.

Please let me know if you would like to discuss. Thanks.

-----Original Message-----

From: Tom Pollan [mailto:tpollan@bickerstaff.com]
Sent: Tuesday, May 11, 2010 4:40 PM
To: Kyle, Jerry
Cc: Manuel Mendez
Subject: Bastrop Airport 381 Agreement

Jerry:

We met with the Bastrop County working group today. An issue has arisen that we need you and your client to help us with. As we have previously discussed, the County wants to make payments only after taxes have been collected. The current definition in the draft agreement is as follows:

(gg) "Taxable Property" means all taxable real and personal property (including (1) aircraft, (2) facilities and equipment used to repair, maintain, operate, service, equip and improve aircraft or to support other aviation-related activities and (3) other business use property) located in the Project which is subject to a levy of Regular Ad Valorem Taxes by County.

For real property in the area identified in the agreement there is no problem.

For installations in the defined area, there should be no real problem with personal property used to service the aircraft.

The problem is with the aircraft. How will the individual aircraft taxes be calculated and how will the County know that a payment is made that is credited to the airport. At an early meeting, your clients went over how the tax would be imposed based on the amount of time the aircraft was at the airport. We need to know how to track payments so the proper amount can be paid to CTA. This may need to be included in the Agreement.

Any thoughts?

Also, for future drafts of the agreement, I suggest that you and I provide each other with a Word version of the drafts we send each other in addition to the PDF and Redlined PDF.

Thanks,
Tom

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