

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY  
APPLICATION FOR USE DETERMINATION  
FOR POLLUTION CONTROL PROPERTY  
12/18/2006

2008 FEB -4 AM 11:05

CHIEF CLERKS OFFICE

The Texas Commission on Environmental Quality (TCEQ) has the responsibility to determine whether a property is a pollution control property. A person or political subdivision seeking a use determination for pollution control property must complete the attached application or use a copy or similar reproduction. For assistance in completing this form refer to the TCEQ guidelines document, *Property Tax Exemptions for Pollution Control Property*, as well as 30 TAC §17, rules governing this program. For additional assistance please contact the TCEQ Tax Relief for Pollution Control Property Program at (512) 239-6348 or (512)239-1917. The application should be completed and mailed, with the appropriate fee, to: TCEQ MC-214, Cashiers Office, P.O. Box 13088, Austin, Texas 78711-3088.

1. GENERAL INFORMATION

A. What is the type of ownership of this facility:

- Corporation
- Partnership
- Limited Partnership
- Sole Proprietor
- Utility
- Other

B. Size of company: Number of Employees

- 1 to 99
- 100 to 499
- 500 to 999
- 1,000 to 1,999
- 2,000 or more

C. Business Description: (Provide a brief description of the type of business or activity at the facility)

2. TYPE OF APPLICATION

- A.  Tier I \$150 Application Fee.
- B.  Tier II \$1,000 Application Fee.
- C.  Tier III \$2,500 Application Fee.

NOTE: Enclose a check or money order to the TCEQ along with the application to cover the required fee.

3. NAME OF APPLICANT

- A. Company Name: Redi-Mix, LLC.
- B. Mailing Address (Street or PO Box): 1001 W Eules Blvd., Suite 100
- C. City, State, ZIP: Eules, TX 76040

4. PHYSICAL LOCATION OF PROPERTY REQUESTING A TAX EXEMPTION

- A. Name of Facility or Unit: Prosper Ready Mix
- B. Type of Mfg.: Process or Service: Ready mix concrete batching operation
- C. Street Address: 706 Dallas Pkwy S
- D. City, State, ZIP: Prosper, TX 75078
- E. Tracking Number Assigned by Applicant: RM003
- F. Customer Number or Regulated Entity Number: RN105187884, RN100736149

07-11104

**5. APPRAISAL DISTRICT WITH TAXING AUTHORITY OVER PROPERTY**

- A. Name of Appraisal District: Collin Central Appraisal District
- B. Appraisal District Account Number: R-6147-004-0330-1

**6. CONTACT NAME (must be provided)**

- A. Company/Organization Name: Redi-Mix, LLC.
- B. Name of Individual to Contact: Ryan Sewell
- C. Mailing Address: 406 E Sycamore Street
- D. City, State, ZIP: Denton, TX 76205
- E. Telephone number and fax number: office: 817-372-7014 / fax: 866-506-7569
- F. E-Mail address (if available): rsewell@us-concrete.com

**7. RELEVANT RULE, REGULATION, OR STATUTORY PROVISION**

For each of the pollution control properties listed on this application, select the type of medium or media (air, water, waste) for which the property or device is required. Use the second column to cite the **specific** environmental rule, regulation, and/or law that is being met or exceeded by the installation of this property. The citation should be specific and should include the section and/or subsection of the rule, regulation, and/or law. Do not list permit numbers or registration numbers in this table. If the property or equipment was installed or constructed in response to an agreed order, **do not** list the order — list the rule, regulation, or law that requires the installation or construction of the property.

MEDIUM	RULE/REGULATION/LAW
<b>Air-</b> Environmental Paving, Dust Collector, Exhaust Ductwork, Water Truck, Sweeper Truck, Land	30 TAC 116, Subchapter F, Control of Air Pollution by Permits for New Construction or Modification; Air Quality Standard Permit for Concrete Batch Plants, 3(E) & 6(C).
<b>Water-</b> Environmental Paving, Storm Water Containment Structure, Waste Water Recycling System, Weir Pit System, Wash Out Pit, Pumps, Tanks, Basins, Land	Chapter 26, Texas Water Code; Section 402, Clean Water Act, TPDES General Permit TXG110746

**8. DESCRIPTION OF PROPERTY (See Attachments)**

Provide a description and purpose of the property for which this application is being filed. This description **must include** the anticipated environmental benefits for the prevention, monitoring, control, or reduction of air, water, or land pollution that will be realized by the installation of the property. **Do not simply repeat the description from the predetermined equipment list.** Instead describe the property and how it will be used at your facility. Include sketches of the equipment and flow diagrams of the processes where appropriate.

Land: If a use determination is being requested for land, provide a legal description and an accurate drawing of the property in question. Only that land which was purchased

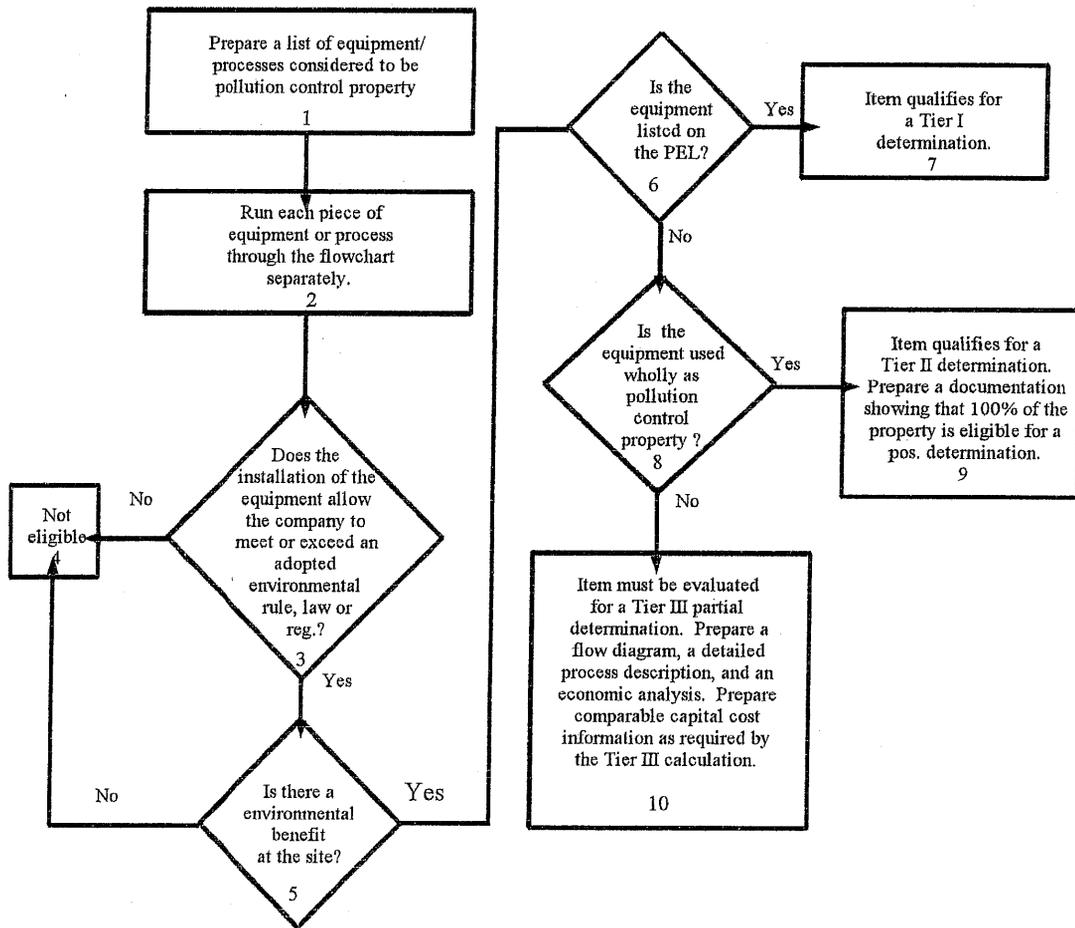
after January 1, 1994; and which is actually used for pollution control purposes or that houses pollution control property is eligible for a positive use determination.

**9. DECISION FLOWCHART**

Each piece of equipment or process change must be processed through the Decision Flow Chart. Each item of property listed on the application must result in a yes answer to boxes 3 and 5. Use the table in section 11 to document which box (7, 9 or 10) was the final destination of each piece of equipment. Instructions for completing this section are

**Tax Relief Decision Flow Chart**

Applicants must use this flowchart for each piece of equipment or process. In order for a piece of equipment or process to be eligible for a positive use determination the item must generate ☺yes☒ answers to the questions asked in boxes 3 and 5.



located in the instruction section of this document.

**10. PARTIAL PERCENTAGE CALCULATION**

This section is to be completed only for Tier III applications. Process changes or construction of new process equipment that results in pollution control may result in a

partial determination. On one or more separate sheets of paper, explain how the partial percentage was determined using the Cost Analysis Procedure that is described in the attached *Instructions for Completing Application Form*. Include financial data that demonstrates how this percentage was calculated. Provide as detailed information as possible, since the information provided will be used by the TCEQ to evaluate the use percentage requested in the application. Attach sketches and/or flow diagrams showing the property and its function. Examples of partial determinations are shown in Appendix C of the technical guidelines document.

## 11. PROPERTY CATEGORIES AND COSTS

Identify the category and the estimated purchase cost of the property listed in Section 8. List each control device or system for which a use determination is being sought. If the application is for property that is listed on the predetermined equipment list, list the appropriate item number(s) in the PEL column. Place an "N" in the second column to certify that the property was not taxable on or before January 1, 1994. Failure to answer this question for each piece of property will result in the issuance of a notice of deficiency letter and the possible rejection of the application. List the which box, (7, 9, or 10), was the final destination of each piece of property. List the estimated or actual purchase cost of the property. If the property is not wholly used for the purpose of pollution control, list the estimated percentage of pollution control calculated using the Partial Determination Cost Analysis Procedure.

Property	Property Taxable on or before 1/01/94	Decision Flow Chart Box 7, 9, or 10	PEL Number	Estimated Purchase Cost	Partial Percentage
Land - Environmental Paving (8.9 acres) Stockard Addn, Block A, Lot 2A	N	7	M-8	\$1,164,803	100%
Property - Environmental Paving (8.9 acres)	N	7	M-8	\$100,000	100%
Property - Dust Collectors	N	7	A-1	\$50,000	100%
Property - Exhaust Ductwork	N	7	*	\$10,000	100%
Land - Storm Water Containment Structure / Waste Water Recycling System (8,301 ft <sup>2</sup> / .19 acres)	N	7	W-65	\$24,903	100%
Property - Storm Water Containment Structure / Waste Water Recycling System	N	7	W-65	\$30,000	100%
Property - Weir Pit System / Washout Pit	N	7	*	\$20,000	100%
<b>Totals</b>				<b>\$1,399,706</b>	<b>100%</b>

\* Item is listed in: Approved Pollution Control Property by Industry – Building Materials Supplier

**12. EMISSION REDUCTION INCENTIVE GRANT**

Will an application for an Emission Reduction Incentive Grant be filed for this property/project:

Yes  No

**13. APPLICATION DEFICIENCIES**

After an initial review of the application, the TCEQ may determine that the information provided with the application is not sufficient to make a use determination. The TCEQ may send a notice of deficiency, requesting additional information that must be provided within 30 days of the written notice.

**14. FORMAL REQUEST FOR SIGNATURE**

By signing this application, you certify that this information is true to the best of your knowledge and belief.

NAME: Ryan Sewell

*Ryan Sewell* 10/1/07

DATE: 10/01/2007

TITLE: Environmental Compliance Manager

COMPANY: Redi-Mix, LLC

Under Texas Penal Code, Section 37.10, if you make a false statement on this application, you could receive a jail term of up to one year and a fine up to \$2,000, or a prison term of two to 10 years and a fine of up to \$5,000.

**15. DELINQUENT FEE/PENALTY PROTOCOL**

This form will not be processed until all delinquent fees and/or penalties owed to the TCEQ or the Office of the Attorney General on behalf of the TCEQ are paid in accordance with the Delinquent Fee and Penalty Protocol.(Effective September 1, 2006)

## **INSTRUCTIONS FOR COMPLETING APPLICATION FORM**

The following instructions are intended to provide assistance in completing the TCEQ *Application for Use Determination for Pollution Control Property*.

### **GENERAL INFORMATION**

If you have questions or require additional clarification or assistance please contact the Tax Relief Program at (512) 239-6348 or (512)239-1917, or by email at: [txrelief@tceq.state.tx.us](mailto:txrelief@tceq.state.tx.us)

The TCEQ may request additional information by mailing a deficiency letter. This additional information must be provided within 30 days of receipt of the written request or the application will be returned to the applicant.

Applications not accompanied with the proper fee payment will be mailed a deficiency letter. Review of the application will not begin until the proper fee is received.

### **OBTAINING COPIES OF THE APPLICATION FORM AND OTHER DOCUMENTS**

A copy of the official application form is located in Appendix B of the guidelines document. It is also available on the TCEQ Web page. The predetermined equipment list is located in Appendix A of the guidelines document. The most current version of the PEL may be obtained by contacting the TCEQ Tax Relief for Pollution Control Property Program at the phone number or address listed below or by accessing the TCEQ Web page. The documents can be downloaded from the link titled Application Forms and Guidance Documents. The URL is:

<http://www.tceq.state.tx.us/assistance/Prop2/prop2.html#apps>

### **Filing Information**

Send the completed applications to:

#### **U.S. Mail**

TCEQ - Cashiers Office MC-214  
Tax Relief Program  
PO Box 13088  
Austin Texas 78711-3088

#### **Physical Address**

TCEQ B Cashiers Office MC-214  
Building A  
12100 Park 35 Circle  
Austin, TX 78753

### **Other Information**

All other written correspondence should be sent to: TCEQ - MC-110, Attention: Tax Relief for Pollution Control Property Program, P.O. Box 13087, Austin, Texas, 78711-3087 or faxed to (512) 239-3165. The telephone numbers for direct contact are (512) 239-6348 or (512) 239-1917.

## **Attachments**

## 8. Description of Property

### 1. *Environmental Paving*

The Air Quality Standard Permit for Concrete Batch Plants issued under 30 TAC 116 indicates that dust emissions from all all-in-plant roads and traffic areas associated with the operation of the concrete batch plant must be minimized at all times by utilizing at least one of three designated methods. In accordance with 3(E)(iv) and 6(C) of the Standard Permit, Prosper Ready Mix has paved all traffic areas of the facility, associated with operations, with a cohesive hard surface that is maintained intact and cleaned. Paved areas of the facility are regularly swept, washed, and maintained intact to minimize buildup of waste material and minimize fugitive particulate emissions from the facility.

Regular sweeping also assists in maintaining compliance with TPDES Waste Water General Permit TXG110000 by removing fugitive material buildup that could eventually contribute to sediment and high pH in facility effluent.

### 2. *Dust Collector*

The mixer truck loadout is vented to a central dust collector which minimizes particulate emissions.

### 3. *Exhaust Ductwork*

The mixer truck loadout and exhaust from silos is vented to abatement equipment (dust collector, baghouse, cartridge filter) via ductwork.

### 4. *Weir Pit System / Wash Out Pit*

The pit system near the eastern boundary of the facility is designed to reduce sediment and particulate matter in process water associated with washing out mixer trucks. Several sequential settling pits are connected by a series of weirs which act to maximize collection of solids. Process water which has passed through the pit system is recycled by the facility. The recycled water can be used to sprinkle aggregate stockpiles, paved areas, or used to batch concrete. Recycling of process water reduces the amount of water accumulated in the containment structure and assists in maintaining compliance with air permits.

### 5. *Storm Water Containment Structures / Waste Water Recycle System*

The concrete containment structure near the southwest corner of the facility is used to recycle collected storm water and process water associated with facility operations. The system reduces discharge events and acts as a settling basin to reduce sediment and improve water quality.

### 6. *Conveyances, Pumps, Sumps, Tanks, Basins*

Water is pumped to recycle process water and storm water from multiple collection points within the facility.

### 7. *Land*

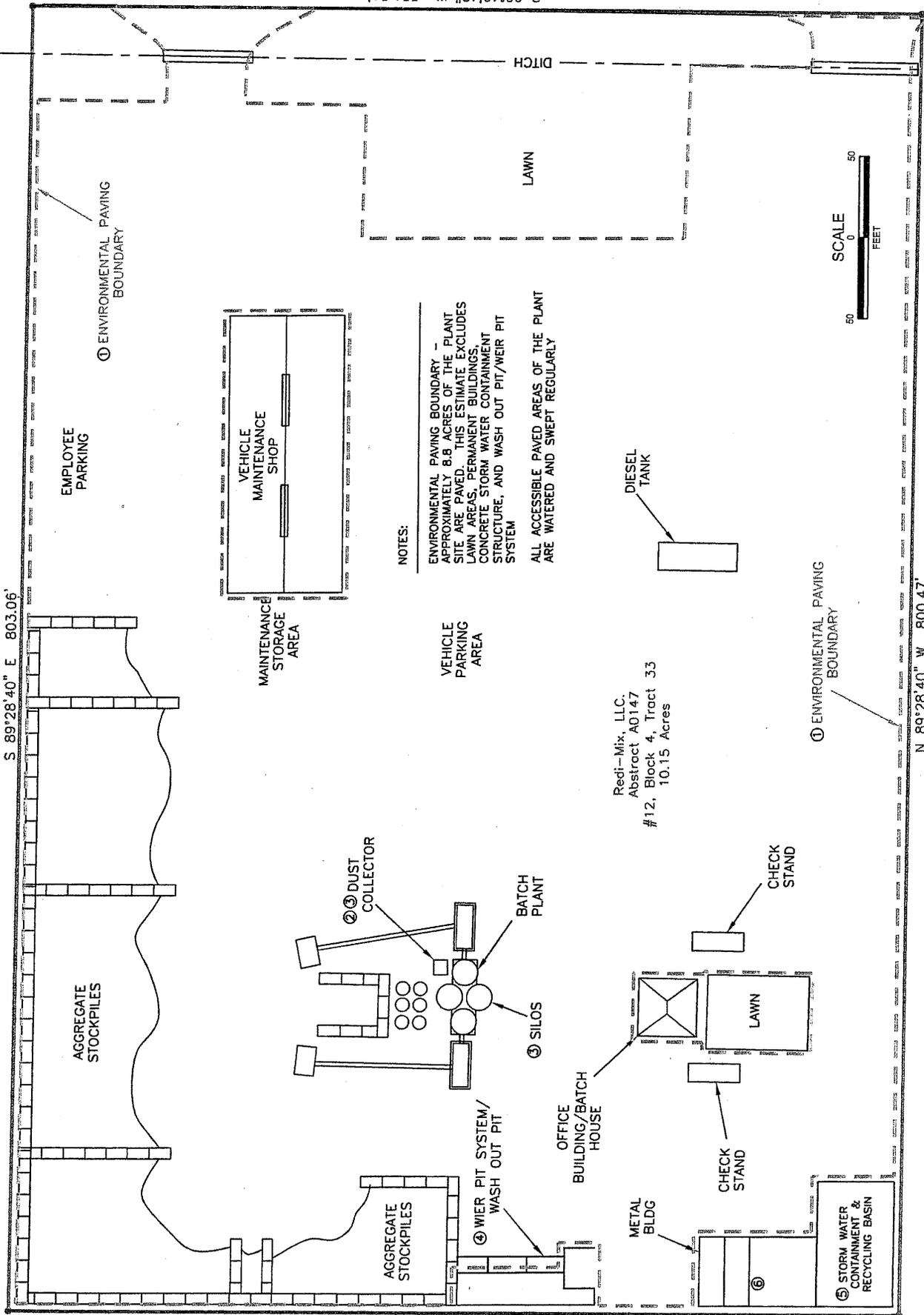
8.9 acres of the property, which was purchased in 1999, is covered with environmental paving. Also, 0.19 acres of the property is utilized as a Storm Water Containment Structure and a Waste Water Recycling System. A total of approximately 9.1 acres is utilized as pollution control property. This acreage calculation excludes lawn areas and permanent buildings.

S 89°28'40" E 803.06'

N 00°33'39" E 551.50'

S 00°49'48" W 551.51'

COUNTY ROAD 27



**NOTES:**

ENVIRONMENTAL PAVING BOUNDARY - APPROXIMATELY 8.8 ACRES OF THE PLANT SITE ARE PAVED. THIS ESTIMATE EXCLUDES LAWN AREAS, PERMANENT BUILDINGS, CONCRETE STORM WATER CONTAINMENT STRUCTURE, AND WASH OUT PIT/WEIR PIT SYSTEM

ALL ACCESSIBLE PAVED AREAS OF THE PLANT ARE WATERED AND SWEEPED REGULARLY



LEGEND:

- ① ENVIRONMENTAL PAVING
- ② DUST COLLECTOR
- ③ EXHAUST DUCTWORK
- ④ WEIR PIT SYSTEM / WASH OUT PIT
- ⑤ STORM WATER CONTAINMENT / WATER RECYCLING SYSTEM
- ⑥ PUMP

N 89°28'40" W 800.47'

Redi-Mix, LLC  
Abstract A0147  
#12, Block 4, Tract 33  
10.15 Acres

TAX RELIEF FOR POLLUTION CONTROL PROPERTY APPLICATION

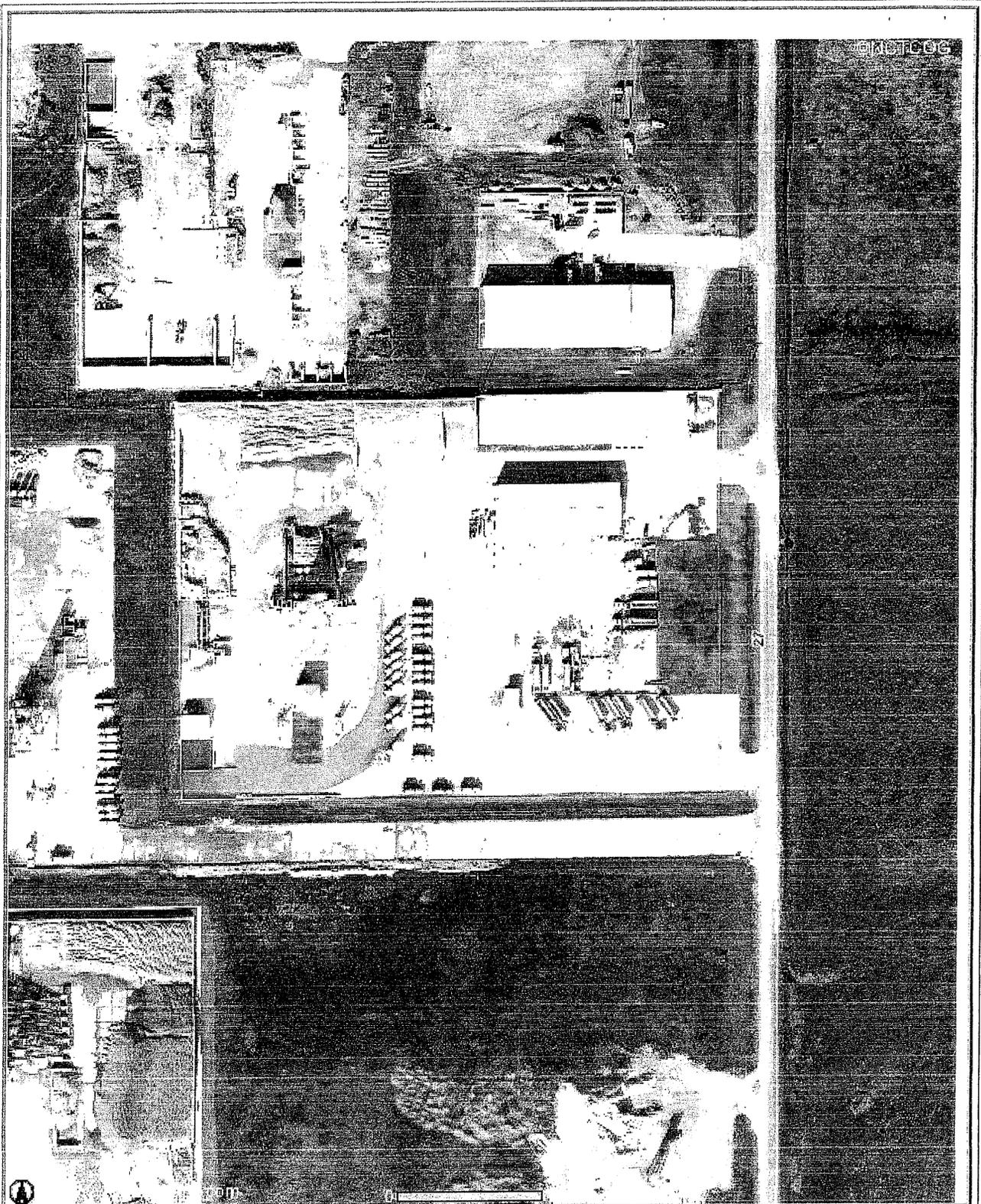
**PROSPER READY MIX**

COLLIN COUNTY, TEXAS

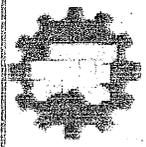
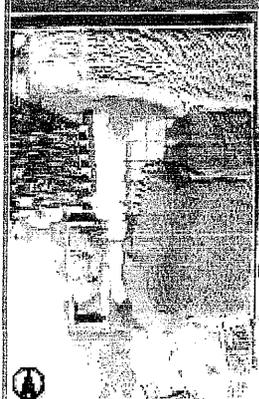
**REDI-MIX CONCRETE**  
a US CONCRETE COMPANY

**SITE MAP**

DRAWN BY: PRS  
DATE: 10/01/2007



NCTCOG



**NCTCOG Maps**  
[www.dfwmaps.com](http://www.dfwmaps.com)

**DISCLAIMER**

This data has been compiled for NCTCOG. Various official and unofficial sources were used to gather this information. Every effort was made to ensure the accuracy of this data, however, no guarantee is given or implied as



# EXHIBIT A

All that certain lot, tract or parcel of land lying and being situated in Collin County, Texas, a part of the COLLIN COUNTY SCHOOL LAND SURVEY, ABSTRACT NO. 147, and being out of and a part of a called 80 acre tract described in a Deed to James Ross Perkins of record in Volume 1051, page 526 of the Deed Records of Collin County, said tract or parcel of land is herein described as follows; to wit:

COMMENCING at a 60D nail found in the center of County Road No. 27 for the Southeast corner of said called 80 acre tract;

THENCE North 00 degrees 49 minutes 48 seconds East 751.95 feet to a point in said Road for the most Easterly Northeast corner of a 9.50 acre tract described in a Deed to Pioneer Concrete of Texas, as recorded under Collin County Clerk's File No. 97-0097032, said corner being the Southeast corner and Place of BEGINNING of the premises hereinafter described;

THENCE North 89 degrees 28 minutes 40 seconds West at 40.00 feet passing an one-half inch iron rod found in the West margin of said Roadway and in all a total distance of 800.47 feet to an one-half inch iron rod found at a re-entrant corner of said 9.50 acre tract for a corner hereof;

THENCE North 00 degrees 33 minutes 39 seconds East 551.50 feet to an one-half inch iron rod found at the most Northerly Northeast corner of said 9.50 acre tract for a corner hereof;

THENCE South 89 degrees 28 minutes 40 seconds East 803.06 feet to a point in said Roadway on the East line of said called 80 acre tract, an one-half iron rod set in the West margin of said Roadway

bears North 89 degrees 28 minutes 40 seconds West 40.00 feet;

THENCE South 00 degrees 49 minutes 48 seconds West a distance of 551.51 feet to the Place of BEGINNING and containing 10.15 acres of land.

Redi-Mix Concrete  
c/o: TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TXCOMM)

Check Number: 0000052420  
Date: September 30, 2007

Invoice No.	Date	Description
EE 092707	9/30/2007	AP FEE TAX EXEMP

Amount	Discount	Paid Amount
\$300.00	\$ .00	\$300.00

TOTALS:

\$300.00	\$ .00	\$300.00
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Bank of America  
88-130/1119 TX

Redi-Mix Concrete

1100 Westpark Way  
Eules, TX 76040  
(817) 835-4000 X 0000

0000052420

September 30, 2007

\$300.00

Three Hundred Dollars And 00 Cents

PAY TO THE ORDER OF

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY  
PO BOX 13088

AUSTIN, TX 78711



TWO SIGNATURES REQUIRED OVER \$5,000.00

SECURITY FEATURES INCLUDED. DETAILS ON BACK.

⑈0000052420⑈ ⑆111901302⑆ 002330942373⑈

Buddy Garcia, *Chairman*  
Larry R. Soward, *Commissioner*  
Bryan W. Shaw, Ph.D., *Commissioner*  
Glenn Shankle, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY  
*Protecting Texas by Reducing and Preventing Pollution*

12/22/2007

REDI-MIX LLC  
RYAN SEWELL  
406 E SYCAMORE ST  
DENTON TX 76205

This letter is to inform you that on 12/22/2007 the technical review of Use Determination Application, 07-11104, for:

REDI-MIX LLC  
PROSPER READY MIX  
706 DALLAS PKWY S  
PROSPER TX 75078

was completed. The use determination is included with this letter. In order to request an exemption, a copy of this Use Determination, along with a completed exemption request form #50-248 (can be found at [www.cpa.state.tx.us](http://www.cpa.state.tx.us)), must be provided to the Chief Appraiser of the appropriate appraisal district. This request must be made by April 30.

House Bill 3121, enacted during the 77th Legislative Session, established a process for appealing a use determination. The Texas Commission on Environmental Quality (TCEQ) rules that implement the appeals process are at 30 TAC 17.25. Pursuant to 17.25(a)(1), an appeal must be filed within 20 days of receipt of the use determination. Should you choose to appeal the use determination, please submit a copy of your appeal to the TCEQ Tax Relief for Pollution Control Property program at the time of filing the appeal with the Chief Clerk of the commission.

If you have any questions or require any additional information please contact the Tax Relief for Pollution Control Property Program at (512) 239-3100.

Sincerely,

A handwritten signature in black ink, appearing to read "David Greer", written over a horizontal line.

David Greer  
Team Leader, Pollution Prevention

Buddy Garcia, *Chairman*  
Larry R. Soward, *Commissioner*  
Bryan W. Shaw, Ph.D., *Commissioner*  
Glenn Shankle, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY  
*Protecting Texas by Reducing and Preventing Pollution*

12/22/2007

CHIEF APPRAISER  
COLLIN COUNTY APPRAISAL DISTRICT  
250 W ELDORADO PKWY  
MCKINNEY TX 75069

This letter is to inform you that on 12/22/2007 a final determination was issued with regard to Use Determination application 07-11104 filed by:

REDI-MIX LLC  
PROSPER READY MIX  
706 DALLAS PKWY S  
PROSPER TX 75078

A copy of the use determination is included with this letter. House Bill 3121, enacted during the 77th Legislature Session, established a process for appealing a use determination. The Texas Commission on Environmental Quality (TCEQ) rules that implement the appeals process are at 30 TAC 17.25. Pursuant to 17.25(a)(1), an appeal must be filed within 20 days of receipt of the use determination. Should you choose to appeal the use determination, please submit a copy of your appeal to the TCEQ Tax Relief for Pollution Control Property program at the time of filing the appeal with the Chief Clerk of the commission.

In order to qualify for a tax exemption the applicant must file an exemption request with your appraisal district. This exemption request must be accompanied by a copy of the positive use determination issued by the TCEQ. If you have any questions regarding this Use Determination or the appeals process please call me at 512/239-3100.

Sincerely;

A handwritten signature in cursive script that reads "David Greer".

David Greer  
Team Leader, Pollution Prevention

Buddy Garcia, *Chairman*  
Larry R. Soward, *Commissioner*  
Bryan W. Shaw, Ph.D., *Commissioner*  
Glenn Shankle, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY  
*Protecting Texas by Reducing and Preventing Pollution*

## USE DETERMINATION

The Texas Commission on Environmental Quality has reviewed Use Determination Application, 07-11104, filed by:

REDI-MIX LLC  
PROSPER READY MIX  
706 DALLAS PKWY S  
PROSPER TX 75078

The pollution control property/project listed in the Use Determination Application is:

Environmental paving and the 8.9 acres of land under it. Dust collectors, exhaust ductwork, stormwater containment & wastewater recycling system, weir pit system and washout pit.

The outcome of the review is:

A positive use determination for 100% of the paving, dust collectors with exhaust ductwork, storm water containment and waste water recycling system, weir pit system, and wash out pit, and the land associated with the stormwater containment structure/wastewater recycling system. A negative determination for the land associated with the environmental paving.

This equipment is considered to be pollution control equipment and was installed to meet or exceed federal or state regulations.

A handwritten signature in black ink, appearing to read "Glenn Shankle".

Executive Director

12/22/2007

Date



**TAX RELIEF FOR POLLUTION CONTROL PROPERTY: TECHNICAL REVIEW DOCUMENT**

Reviewed By: GEM

App. No.: 07 - 11104

Review Start Date: 11/19/2007

Company Name: REDI-MIX LLC

Facility Name: PROSPER READY MIX

**TIER LEVEL**

What Tier is this application? The application was filed as a Tier I application.

The application is for property contained on the PEL, so it is a Tier I.

**RELEVANT RULE, REGULATION, OR STATUTORY PROVISION**

The rule listed in the application is:

30 TAC 106.201(3)

The facility was constructed under Permit-By-Rule which was governed by 30 TAC 106.201 for concrete batch plants. Since then, rule changes moved concrete batch plants under standard permits (30 TAC 116). However, the original rule under which the facility was constructed is the appropriate guideline.

**DESCRIPTION OF PROPERTY**

Description: Is an adequate description and purpose of the property provided? Does it list the anticipated environmental benefits? Are sketches and flow diagrams provided if needed?

The property is described as:

Environmental paving and the 8.9 acres of land under it. Dust collectors, exhaust ductwork, stormwater containment & wastewater recycling system, weir pit system and washout pit.

The property description is detailed enough for review.

**DECISION FLOWCHART**

Mark the appropriate boxes: Box 3 Y Box 5 Y Box 7 Y Box 9 Box 10

Reason this box was chosen:

Meets an environmental rule for Box 3. Has an environmental benefit at the site for Box 5. Property is contained on the PEL for Box 7.

**TIER III or IV APPLICATIONS**

Did the applicant use the CAP? Recalculate the CAP. Does your calculation agree with the applicants?

Not applicable.

**PROPERTY CATEGORIES AND COSTS**

Is the table completed correctly? Has the applicant certified that all listed property became taxable for the first time after January 1, 1994? Is all information necessary for conducting the technical review included.

The correct boxes are checked.

**TECHNICAL REVIEW**

Is the application technically complete? If the answer is no, what is missing? Provide the language used in the NOD letter. If yes then develop the use determination language.

Technically complete when received: Y

**NOD RESPONSE**

Full Property Description:

This facility consists of a concrete batch plant. The pollution control property consists of environmental paving (including the land under the paving). Baghouse dust collectors with related ductwork for mix truck loadout. Concrete stormwater & wastewater containment structures for water recycling. A weir pit system for solids separation from mixer truck wash water which includes conveyances and pumps. A watering truck and sweeper for facility roads was listed in the table for Item 7 on the application but this equipment was not shown in the equipment list under Item 11. Ryan Sewell informed me on 11/20/2007 that this equipment circulates at several different facilities and should not be included on the asset list for this application.

DETERMINATION

Provide the reason for your determination.

Each property item, except the land, satisfies an item contained on the predetermined equipment list. This meets the requirements for obtaining a property tax exemption under Tier I. The land does not meet the requirements to be classified as land used for pollution control purposes.

Provide the language for the final determination.

A positive use determination for 100% of the paving, dust collectors with exhaust ductwork, storm water containment and waste water recycling system, weir pit system, and wash out pit, and the land associated with the stormwater containment structure/wastewater recycling system. A negative determination for the land associated with the environmental paving.

\*\*\*\*\* ED Approval Required: N \*\*\*\*\*

Reviewed:		Date:	12/17/2007
Peer Reviewed:		Date:	
Team Leader:		Date:	12/19/07
Division Director:		Date:	

Buddy Garcia, *Chairman*  
Larry R. Soward, *Commissioner*  
Bryan W. Shaw, Ph.D., *Commissioner*  
Glenn Shankle, *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

December 12, 2007

Mr. Ryan Sewell  
Redi-Mix LLC  
406 E. Sycamore St  
Denton TX 76205

Re: Tax Relief Applications 07-11103, 11104, 11121, and 11122

Mr. Sewell,

This past June the Texas Commission on Environmental Quality (TCEQ) formed a work group which was charged with looking at the Tax Relief Program's Predetermined Equipment List. The group was formed in response both to requirements contained in HB 3732 and suggestions made to the commission during an appeal. The commission charged the work group with evaluating all of the items listed on the current predetermined equipment list to determine if the item belonged on the list and if the correct use determination percentage was listed.

One of the items that the work group was specifically requested to look at was the listing for environmental paving. In order to qualify for a positive determination the property must, by statute, meet the following conditions: 'A person is entitled to an exemption from taxation of all or part of real and personal property that the person owns and that is used wholly or partly as a facility, device, or method for the control of air, water, or land pollution' where facility, device, or method for the control of air, water, or land pollution is further defined as 'land that is acquired after January 1, 1994, or any structure, building, installation, excavation, machinery, equipment, or device, and any attachment or addition to or reconstruction, replacement, or improvement of that property, that is used, constructed, acquired, or installed wholly or partly to meet or exceed rules or regulations adopted by any environmental protection agency of the United States, this state, or a political subdivision of this state for the prevention, monitoring, control, or reduction of air, water, or land pollution.'

As a result of the review we have determined that the statute intends for land to be determined to be pollution control property. Since land can be neither constructed nor installed in order for it to qualify it must be either used or acquired for pollution control purposes. In response to our review we have implemented the following policy with regard to land:

Land may be eligible for a positive determination, but it is restricted to land that actually contains only pollution control property, or is property that is used solely for pollution control purposes, or is property which was specifically purchased solely for pollution control purpose. Examples of the first condition include the actual square footage of land that contains a bag-house, or scrubber. An example of the second condition is the land used for a stormwater or waste water containment

pond. An example of the third condition is the purchase of adjacent land which will be used solely for pollution control purposes.

When evaluating the land listed on your applications we reached the conclusion that it is not eligible for a positive use determination. The first option is not met since your production equipment and operations are located on the land. The second option isn't met since your production vehicles use the paved areas. The third option is not met since the land was not purchased solely for pollution control purposes.

This letter is to let you know that we are going to issue positive use determinations for the property listed in the applications except for the land. Negative determinations will be issued for the land which is listed on the four applications which the TCEQ currently has in-house and on any future applications which we receive. The determinations will be issued by the end of this week. If you have any questions or wish to discuss this issue please feel free to contact me at 512-239-3100.

Sincerely,



Ronald Hatlett  
Senior Member  
Tax Relief for Pollution Control Property Team