

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                       Sole Proprietor  
 Partnership                       Utility  
 Limited Partnership               Other

B. Size of company: Number of Employees

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

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: U.S. Concrete, Inc.  
B. Mailing Address (Street or PO Box): 2925 Briarpark, Suite 1050  
C. City, State, ZIP: Houston, Texas 77042

4. PHYSICAL LOCATION OF PROPERTY REQUESTING A TAX EXEMPTION

- A. Name of Facility or Unit: Frisco Ready Mix  
B. Type of Mfg.: Process or Service: Ready mix concrete batching operation  
C. Street Address: 14800 State Hwy 121  
D. City, State, ZIP: Frisco, TX 75035  
E. Tracking Number Assigned by Applicant: RM005  
F. Customer Number or Regulated Entity Number: RN100716810, RN102695574

07-11121

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

- A. Name of Appraisal District: Collin Central Appraisal District
- B. Appraisal District Account Number: R-4823-00A-0010-1

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

- A. Company/Organization Name: Redi-Mix, LLP.
- 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
Air- Environmental Paving, Land	30 TAC 106.201(3); Federal Clean Air Act (FCAA), §111 (Federal New Source Performance Standards); and NSR requirements of the FCAA, Part C and Part D
Water- Environmental Paving, Land	Chapter 26, Texas Water Code; Section 402, Clean Water Act, TPDES General Permit TXG110760

**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.

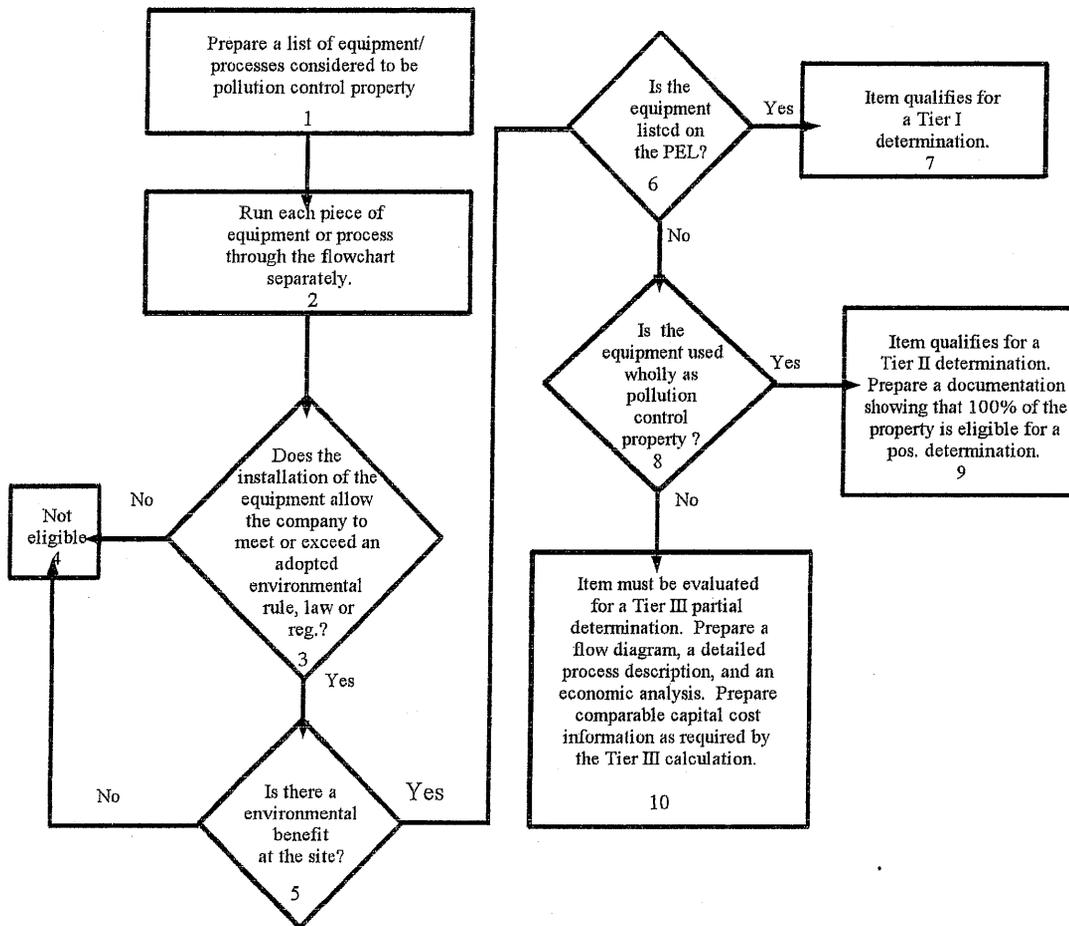
Land: If a use determination is being requested for land, provide a legal description and an accurate drawing of the property in question. Only that land which was purchased after January 1, 1994, and which is actually used for pollution control purposes or that houses pollution control property is eligible 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 (3.99 acres) – Redi-Mix Addition, Vol. 1312, Pg. 504, Lot 1, Block A	N	7	M-8	\$100,000	100%
Property - Environmental Paving ( 173,710 ft <sup>2</sup> ; 3.99 acres) – Redi-Mix Addition, Vol. 1312, Pg. 504, Lot 1, Block A	N	7	M-8	\$50,000	100%
Property - Dust Collectors, Baghouses	N	7	A-1	\$10,000	100%
Property - Exhaust Ductwork	N	7	*	\$10,000	100%
Land – Recycling Basin, Weir Pit System / Wash Out Pit (9,846 ft <sup>2</sup> ; 0.23 acres)	N	7	W-65	\$5,000	100%
Property - Storm Water Containment Structure / Waste Water Recycling System	N	7	W-65	\$10,000	100%
Property - Weir Pit System / Washout Pit	N	7	*	\$10,000	100%
Totals				\$195,000	100%

\* 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:

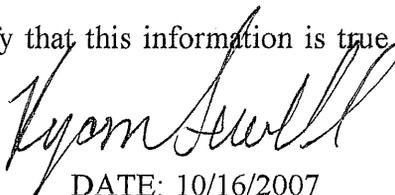
Yes       No

### 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.

 10/14/2007  
DATE: 10/16/2007

NAME: Ryan Sewell

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)

**Attachments**

## 8. Description of Property

### 1. *Environmental Paving*

Certain areas of the site are required to be paved by 30 TAC 106.201(3) to achieve maximum control of dust emissions. Paved areas of the facility are regularly swept, washed, and maintained intact to minimize buildup of waste material and minimize 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. *Baghouses*

Each cement and fly ash silo is vented to a baghouse or cartridge type air filter to minimize particulate emissions while material is being pneumatically conveyed from bulk material delivery trucks.

### 4. *Exhaust Ductwork*

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

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

The concrete containment structure along the eastern property boundary 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. Collected waters are pumped back to the facility for recycling. 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.

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

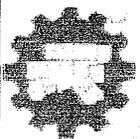
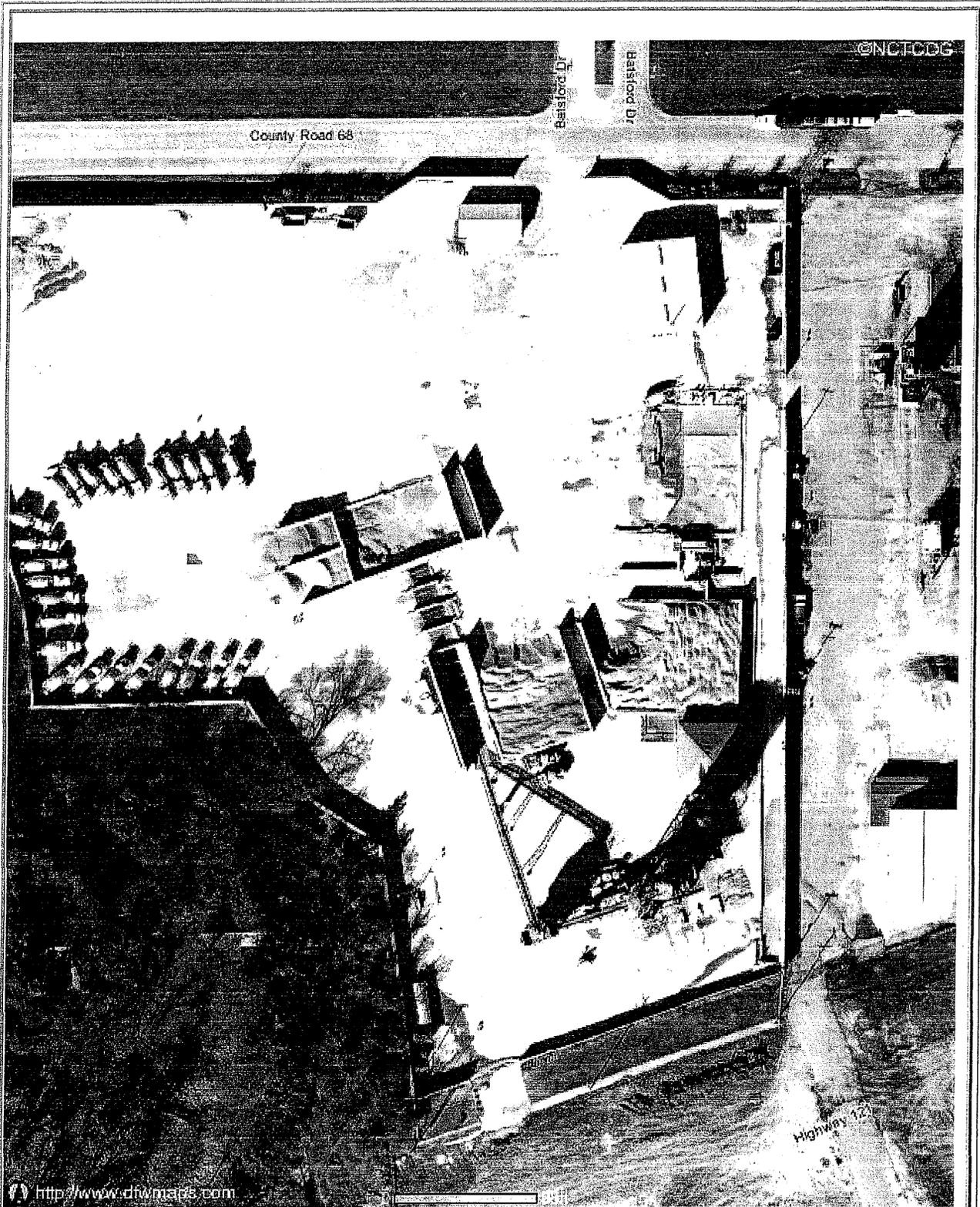
The pit system near the eastern property boundary of the facility is designed to reduce sediment and particulate matter in process water associated with washing out mixer trucks. Several sequential settling pits are connected by a series of weirs which act to maximize collection of solids. Process water which has passed through the pit system is collected in the adjoining containment structure then recycled by the facility.

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

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

### 8. *Land*

3.99 acres (173,710 ft<sup>2</sup>) of the property, which was purchased in 2000, is covered with environmental paving. Also, 0.23 acres (9,846 ft<sup>2</sup>) of the property is utilized as a Storm Water Containment Structure and Waste Water Recycling System. These acreage calculations exclude lawn areas and buildings. In addition to paving and containment recycling structures, multiple items listed on the PEL are housed on site. The land is used for pollution control and houses pollution control property.



**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



COUNTY ROAD 68

N 89°35'00" E 358.58'

30' R.O.W. Dedication  
to City of Frisco  
0.247 Acres

DIESEL  
TANK

① ENVIRONMENTAL PAVING  
BOUNDARY

MAINTENANCE  
SHOP

Redi-Mix Addition  
Vol. 1312, Pg. 504  
Lot 1, Block A  
4.762 Acres (gross)  
4.515 Acres (net)

NOTES:

ENVIRONMENTAL PAVING BOUNDARY -  
APPROXIMATELY 3.99 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 BAGHOUSES
- ④ EXHAUST DUCTWORK
- ⑤ RECYCLING BASIN
- ⑥ WEIR PIT SYSTEM / WASH OUT PIT
- ⑦ PUMP

S 00°32'14" W 371.18'

RETURN  
CONCRETE  
AGG  
AGG

GRIZZLY  
HOPPER

⑥ WEIR PIT SYSTEM/  
WASHOUT PITS

⑦ H<sub>2</sub>O

AGG  
STOCKPILES

AGG  
STOCKPILES

N 34°24'22" W  
78.22'

CONVEYOR

④ ② DUST  
COLLECTOR

BATCH  
HOUSE

N 57°52'18" W  
52.06'

N 07°54'31" W  
415.78'

H2O  
TANK

④ ③ SILO EQUIPPED  
WITH BACHOUSE

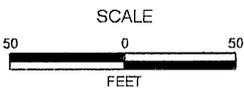
BATCH  
PLANT

⑤ CONTAINMENT / RECYCLING BASIN

S 00°17'33" E 784.59'

N 70°24'56" E 263.66'

HWY 121



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

TAX RELIEF FOR POLLUTION CONTROL PROPERTY APPLICATION

**FRISCO READY MIX**

COLLIN COUNTY, TEXAS

DRAWN BY: PRS  
DATE: 10/12/2007

**SITE PLAN**

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, 07-11121, for:

U.S. CONCRETE INC  
FRISCO READY MIX  
14800 HWY 121  
FRISCO TX 75035

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".

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 07-11121 filed by:

U.S. CONCRETE INC  
FRISCO READY MIX  
14800 HWY 121  
FRISCO TX 75035

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 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*

## USE DETERMINATION

The Texas Commission on Environmental Quality has reviewed Use Determination Application, 07-11121, filed by:

U.S. CONCRETE INC  
FRISCO READY MIX  
14800 HWY 121  
FRISCO TX 75035

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

Environmental Paving: Areas paved in order to sweep, wash and maintain. Dust Collector: mixer loadout is vented to a central dust collector. Baghouses: each cement and flyash silo is vented to a baghouse or cartridge type air filter. Exhaust Ductwork: mixer truck loadout and exhaust from silos. Stormwater Containment Structures/Wastewater Recycle Systems: concrete containment structure along eastern property boundary. Weir Pit System/Wash Out Pit: Pit system designed to reduce sediment and particulate matter in process water. Conveyances, Pumps, Sumps, Tanks, Basins: Water is pumped to recycle process water and stormwater from multiple collection points. Land: 173,710 ft is covered with environmental paving and 9,845 ft<sup>2</sup> of property is used as a stormwater containment structure.

The outcome of the review is:

A positive use determination of 100% for the Environmental Paving, Dust Collector, Baghouses, Exhaust Ductwork, Stormwater Containment Structures/Wastewater Recycle Systems, Weir Pit System/Wash Out Pit, the land associated with the Recycling Basin and the Weir Pit System/Wash Out Pit, and the Conveyances, Pumps, Sumps, Tanks, Basins. 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: RLH  
Company Name: U.S. CONCRETE INC  
Facility Name: FRISCO READY MIX

App. No.: 07 - 11121

Review Start Date: 12/17/2007

TIER LEVEL

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

The property listed is on the PEL so this is a Tier I.

RELEVANT RULE, REGULATION, OR STATUTORY PROVISION

The rule listed in the application is:  
30 TAC 106.201(3)

This is a permit-by-rule facility. This is the correct rule.

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: Areas paved in order to sweep, wash and maintain. Dust Collector: mixer loadout is vented to a central dust collector. Baghouses: each cement and flyash silo is vented to a baghouse or cartridge type air filter. Exhaust Ductwork: mixer truck loadout and exhaust from silos. Stormwater Containment Structures/Wastewater Recycle Systems: concrete containment structure along eastern property boundary. Weir Pit System/Wash Out Pit: Pit system designed to reduce sediment and particulate matter in process water. Conveyances, Pumps, Sumps, Tanks, Basins: Water is pumped to recycle process water and stormwater from multiple collection points. Land: 173,710 ft is covered with environmental paving and 9,845 ft<sup>2</sup> of property is used as a stormwater containment structure.

The description is adequate.

DECISION FLOWCHART

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

Reason this box was chosen:

The property, with the exception of the land flows through boxes 3 & 5 with yeas answers and exit the DFC at box 12.

TIER III or IV APPLICATIONS

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

This is not a III or a IV.

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 table is completed correctly.

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:

Environmental Paving: Areas paved in order to sweep, wash and maintain. Dust Collector: mixer loadout is vented to a central dust collector. Baghouses: each cement and flyash silo is vented to a baghouse or cartridge type air filter. Exhaust Ductwork: mixer truck loadout and exhaust from silos. Stormwater Containment Structures/Wastewater Recycle Systems: concrete containment structure along eastern property boundary. Weir Pit System/Wash Out Pit: Pit system designed to reduce sediment and particulate matter in process water. Conveyances, Pumps, Sumps, Tanks, Basins: Water is pumped to recycle process water and stormwater from multiple collection points. Land: 173,710 ft is covered with environmental paving and 9,845 ft2 of property is used as a stormwater containment structure.

DETERMINATION

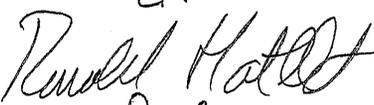
Provide the reason for your determination.

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 of 100% for the Environmental Paving, Dust Collector, Baghouses, Exhaust Ductwork, Stormwater Containment Structures/Wastewater Recycle Systems, Weir Pit System/Wash Out Pit, the land associated with the Recycling Basin and the Weir Pit System/Wash Out Pit, and the Conveyances, Pumps, Sumps, Tanks, Basins. A negative determination for the Land associated with the environmental paving.

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

Reviewed:	<sup>GM</sup> 	Date:	12/17/2007
Peer Reviewed:		Date:	
Team Leader:		Date:	12/19/2007
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