

**IN THE COMMISSIONERS COURT
OF
CLAY COUNTY**

**ORDER AUTHORIZING THE CREATION OF A
COUNTY ENERGY TRANSPORTATION REINVESTMENT ZONE
KNOWN AS**

**CLAY COUNTY ENERGY TRANSPORTATION
REINVESTMENT ZONE NO. 1**

**ESTABLISHING A BASE YEAR FOR AD VALOREM TAX VALUES,
CREATING AND STATING THE TERMS AND DUTIES OF THE
CLAY COUNTY ENERGY TRANSPORTATION
REINVESTMENT ZONE ADVISORY BOARD, AND
ESTABLISHING AN AD VALOREM INCREMENT ACCOUNT**

BE IT REMEMBERED, that the Commissioners Court of Clay County, Texas, prior to this date, has provided public notice by publication in a newspaper of general circulation in the county to be printed not less than seven (7) days prior to a public hearing, and after conducting said public hearing as required by §222.1071 of the Texas Transportation Code on the 23rd day of December, 2013, the Commissioners Court of Clay County, Texas does hereby:

1. Make a formal determination that Clay County has been severely affected by the development of new oil and gas activity within the county generally, and more particularly, adversely affected by the increased heavy truck traffic on county maintained roads, and
2. Further determine that Clay County would benefit from the availability of funds provided by the State of Texas pursuant to the provisions of Chapter 256 of the Texas Transportation Code, and
3. The area described more fully herein is unproductive and underdeveloped and the creation of a County Energy Transportation Reinvestment Zone would promote the public safety, facilitate the improvement, development or redevelopment of the property affected and enhance the County's ability to sponsor transportation projects within the County to be funded by said zone.
4. Finally, the creation of a County Energy Transportation Reinvestment Zone and the establishment of an ad valorem tax increment account will assist the county in addressing

the fiscal needs of the county, while permitting enhanced stability in the county budgeting process.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the Commissioners Court of Clay County, Texas, hereby establishes and creates a County Energy Transportation Reinvestment Zone as authorized by Chapter 222 of the Texas Transportation Code, such Zone to be titled as Clay County Energy Transportation Reinvestment Zone No. 1 and operated in compliance with said Chapter, and the Commissioners Court further designates the contiguous territory identified in Exhibit A, attached hereto and incorporated herein by this reference, as the zone in which the captured appraised value of real property located within the zone shall be used to determine the tax increment funds to be devoted to transportation infrastructure projects within the limits of the County to be funded by said zone. The Court reserves the right to supplement this Order with corrections, modifications or other information which may be necessary to permit the correct determination of taxable values in subsequent years by filing an Order of Supplementation, and providing the same to the Clay County Appraisal District.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the base year for purposes of determining the subsequent tax increment for the Clay County Energy Transportation Reinvestment Zone No. 1 shall be the tax appraisal year of 2013, being the tax appraisal roll in effect on the adoption of this Order, on the 27th day of January, 2014.

In this regard, it is the FURTHER ORDER OF THIS COMMISSIONERS COURT, that an Advisory Board for the Clay County Energy Transportation Reinvestment Zone No. 1, is hereby created, whose members shall serve for two years terms, and whose successors may be appointed by the Commissioners Court as their terms expire, or as vacancies may occur from time to time. The Advisory Board for the Clay County Energy Transportation Reinvestment Zone No. 1, shall not be entitled to receive compensation for service on the board, nor entitled to reimbursement for expenses incurred in performing services as a member of the Advisory Board. The Advisory Board shall perform such tasks or functions as provided by law and as the Commissioners Court may from time to time require of the Advisory Board. The Advisory Board shall review all project plans for the zone created by this Order, and shall provide comment and recommendations to the Commissioners Court regarding the development of all plans and expenditure of funds from the Tax Increment Account established to benefit Transportation Infrastructure Projects within the County to be funded by the zone created by this Order. Such

recommendations shall be duly considered by the Commissioners Court, but are not binding upon the Commissioners Court.

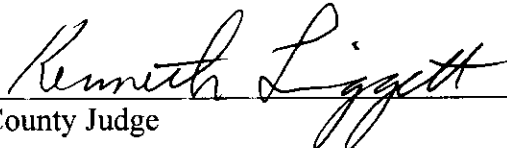
Members of the Advisory Board are:

Gerald Holland	Member
Glenn Gonzenbach	Member
Jay Culley	Member
Becky Burns Johnson	Member
Wilson Scaling	Member

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the County Treasurer shall establish a suitable interest bearing account, to be known as the Clay County Energy Transportation Reinvestment Zone No. 1 Tax Increment Account, and that such funds as may be accrued, pursuant to the provisions of §222.1701, Texas Transportation Code, shall be deposited annually into said account, together with such other and sundry funds as may be allocated to the said tax increment account by the Commissioners Court of Clay County, Texas. Such funds may only be expended in compliance with Section 222.1071 (i) and (j), of the Texas Transportation Code, and only by separate Order of the Commissioners Court.

The Clay County Energy Transportation Reinvestment Zone No. 1 shall remain in full force and effect for the initial term of ten years from the date of formation, and shall terminate on December 31 of the tenth (10th) year after designation of the zone, unless terminated earlier in conformity with law.

Read and Adopted this 27 day of JANUARY, 2014, by a vote of 5 ayes and 0 nays.



County Judge

Leridy Croate
Commissioner, Precinct 1

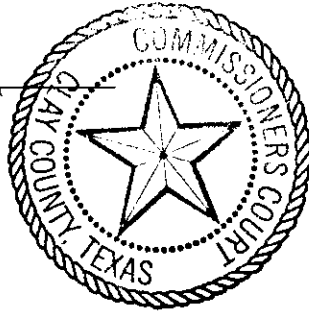
Johnny Ray Lee
Commissioner, Precinct 2

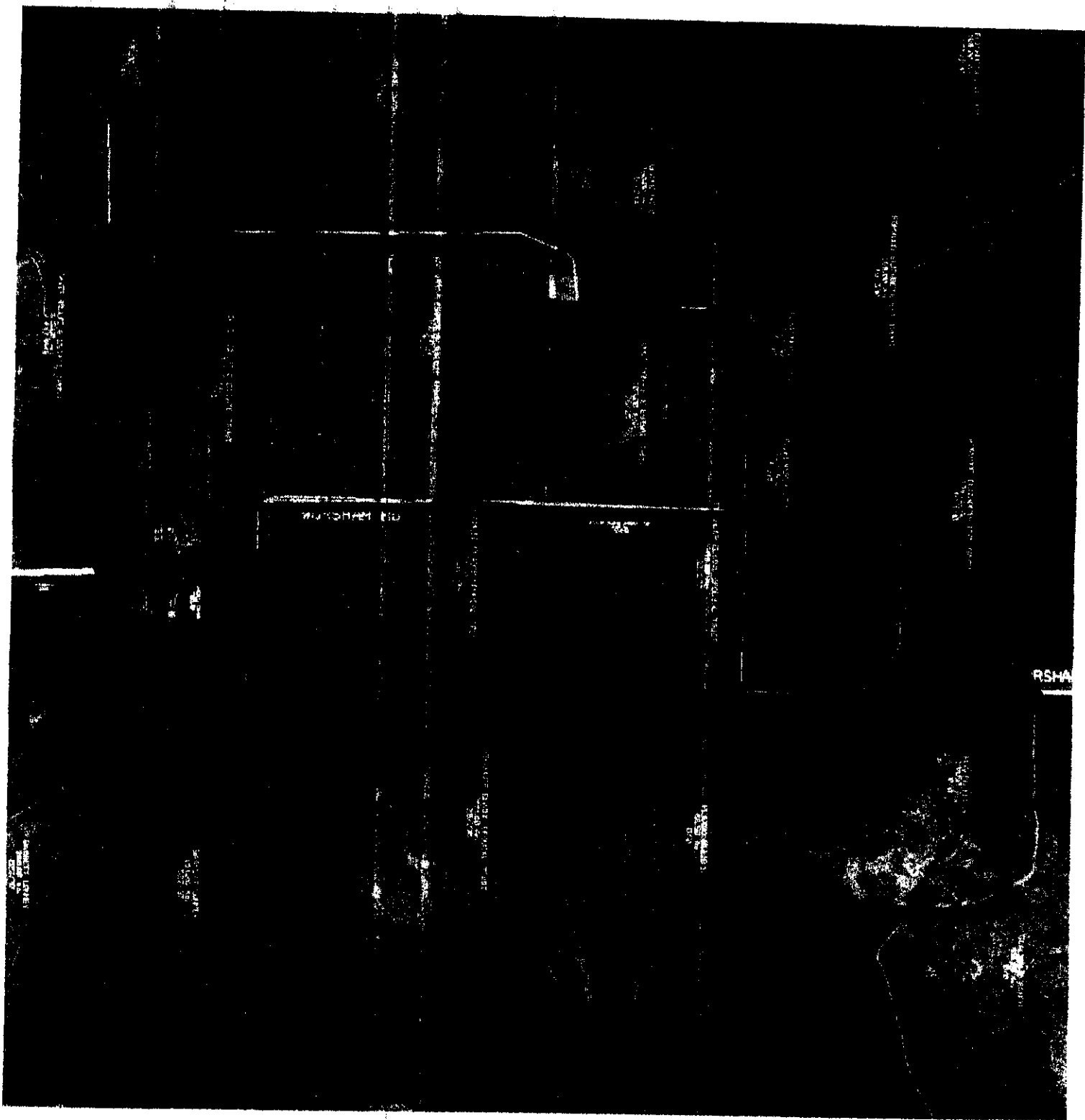
John M. Geyer
Commissioner, Precinct 3

W. J. [Signature]
Commissioner, Precinct 4

ATTEST:

Nasha Nelson
County Clerk





MURCHAM RD

RSHA

AMERICAN LEVEL

**Clay County Energy Transportation
Reinvestment Zone No. 1**

Exhibit A

Clay County Transportation Reinvestment Zone No. 1, As authorized by Chapter 222 of the Texas Transportation Code, will include the full exiting right of way of Clay county Road-Worsham Road, Beginning at the end of FM 1288N (where Worsham Road begins), then continuing approximately 1.9 miles (the northern boundary line of Clay County Commissioners Precinct 1), more or less the point of termination, identified in the map, attached hereto.

The following properties will also be included in the zone:

Tax Parcel ID#	Acres	Description
15472	121.210	AB 883 WM. CAMPBELL; BLK 2
2006	160	AB 73.J.C. BROWN; H A; BLK 1
7030	103	AB 308 MARION CSL; BLK 100
15471	74.600	AB 883 WM. CAMPBELL; BLK 1& BARN
12275	399.800	AB 682 T&N O RR; BLK 3
3381	50	AB 1135 E.E PLAXCO; BLK 1; SUR #4
7028	158.634	AB 308 MARION CSL; BLK 93
12274	66.500	AB 682 T&N O RR; BLK 2
15527	133.500	AB 913 WM. CAMPBELL; BLK 1; SW 1/4
115827	1.37	AB 913 WM CAMPBELL

