

Chapter 313 Annual Eligibility Report Form

SECTION 1: Applicant and District Information

1. Tax year covered by this report: 2016
NOTE: This report must be completed and submitted to the school district by May 15 of every year using information from the previous tax (calendar) year.
2. Application number: 196
NOTE: You can find your application number and all agreement documents and reports on the website comptroller.texas.gov/economy/local/ch313/agreement-docs.php
3. Name of school district: O'Donnell Independent School District
4. Name of project on original application (or short description of facility): Wind Tex Energy-Stephens
5. Name of applicant on original application: Wind Tex Energy-Stephens, LLC
6. Name the company entering into original agreement with district: Wind Tex Energy-Stephens, LLC
7. Amount of limitation at time of application approval: \$10,000,000
8. If you are one of two or more companies originally applying for a limitation, list all other applicants here and describe their relationships. (Use attachments if necessary.)

N/A

SECTION 2: Current Agreement Information

1. Name of current agreement holder(s) Cirrus Wind 1, LLC
2. Complete mailing address of current agreement holder 2208 Avenue P Tahoka, TX 79673
3. Company contact person for agreement holder:
- | | |
|-----------------------|---------------------------|
| <u>Jin Yan</u> | <u>General Manager</u> |
| Name | Title |
| <u>(214) 436-1654</u> | <u>jinyan@dt-ccwe.com</u> |
| Phone | Email |
4. Texas franchise tax ID number of current agreement holder: 32045636357
5. If the current agreement holder does not report under the franchise tax law, please include name and tax ID of reporting entity:

N/A

Name

Tax ID

6. If the authorized company representative (same as signatory for this form) is different from the contact person listed above, complete the following:

N/A

Name

Title

Complete Mailing Address

Phone

Email

7. If you are a current agreement holder who was not an original applicant, please list all other current agreement holders. Please describe the chain of ownership from the original applicant to the new entities. (Use attachments if necessary.)

Wind Tex Energy-Stephens, LLC assigned ownership of its Chapter 313 Agreement to Cirrus Wind 1, LLC & Stephens Ranch Wind Energy, LLC

- 7c. If yes, how many qualifying jobs were created at the specified wage in the year covered by the report? _____
8. How many qualifying jobs (employees of this entity and employees of a contractor with this entity) were based on the qualified property in the year covered by the report? 3
- 8a. Of the qualifying job-holders last year, how many were employees of the approved applicant? 0
- 8b. Of the qualifying job-holders last year, how many were employees of an entity contracting with the approved applicant? 3
- 8c. If any qualifying job-holders were employees of an entity contracting with the applicant, does the approved applicant or assignee have documentation from the contractor supporting the conclusion that those jobs are qualifying jobs? Yes No N/A

SECTION 5B: Wage and Employment Information for Applications After Jan. 1, 2014 (#1000 and Above)

ONLY COMPLETE THE WAGE SECTION (5A or 5B) THAT APPLIES TO YOUR APPLICATION. You can find your application number on the website at comptroller.texas.gov/economy/local/ch313/agreement-docs.php.

NOTE: For job definitions see TAC §9.1051(14) and Tax Code, §313.021(3).

QUALIFYING JOBS

1. What is the number of new qualifying jobs the applicant committed to create in the year covered by this report? _____
2. Did the applicant request that the governing body waive the minimum qualifying job requirement, as provided under Tax Code §313.025(f-1)? Yes No
- 2a. If yes, how many new qualifying jobs must the approved applicant create under the waiver? _____
3. Which Tax Code section are you using to determine the wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)
- 3a. Attach calculations and cite exact Texas Workforce Commission data sources as defined in TAC §9.1051.
4. What is the minimum required annual wage for each qualifying job in the year covered by this report? \$ _____
5. What is the annual wage the applicant committed to pay for each of the qualifying jobs in the year covered by this report? \$ _____
6. How many qualifying jobs (employees of this entity and employees of a contractor with this entity) were based on the qualified property in the year covered by the report? _____
- 6a. Of the qualifying job-holders last year, how many were employees of the approved applicant? _____
- 6b. Of the qualifying job-holders last year, how many were employees of an entity contracting with the approved applicant? _____
- 6c. If any qualifying job-holders were employees of an entity contracting with the applicant, does the approved applicant or assignee have documentation from the contractor supporting the conclusion that those jobs are qualifying jobs? Yes No N/A
7. Do the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3) and TAC 9.1051(30)? Yes No

NON-QUALIFYING JOBS

8. What is the number of non-qualifying jobs the applicant had on Dec. 31 of the year covered by this report? _____
9. What was the average wage you were paying for non-qualifying jobs on Dec. 31 of the year covered by this report? .. \$ _____
10. What is the county average weekly wage for non-qualifying jobs, as defined in TAC §9.1051? \$ _____

MISCELLANEOUS

11. Did the applicant rely on a determination by the Texas Workforce Commission under the provisions §313.024(3)(F) in meeting the minimum qualifying job requirements? Yes No
- 11a. If yes, attach supporting documentation to evidence that the requirements of §313.021(3)(F) were met.
12. Are you part of a Single Unified Project (SUP) and relying on the provisions in Tax Code §313.024(d-2) to meet the qualifying job requirements? Yes No
- 12a. If yes, attach supporting documentation from the Texas Economic Development and Tourism Office including a list of the other school district(s) and the qualifying jobs located in each.

SECTION 6: Qualified Investment During Qualified Time Period

ENTITIES ARE NOT REQUIRED TO COMPLETE THIS SECTION IF THE YEAR COVERED BY THE REPORT IS AFTER THE QUALIFYING TIME PERIOD OF THEIR AGREEMENT.

1. What is the qualified investment expended by this entity from the beginning of the qualifying time period through the end of the year covered by this report? \$ _____
2. Was any of the land classified as qualified investment? Yes No
3. Was any of the qualified Investment leased under a capitalized lease? Yes No
4. Was any of the qualified Investment leased under an operating lease? Yes No
5. Was any property not owned by the applicant part of the qualified investment? Yes No

SECTION 7: Partial Interest

THE FOLLOWING QUESTIONS MUST BE ANSWERED BY ENTITIES HAVING A PARTIAL INTEREST IN AN AGREEMENT. For limitation agreements where there are multiple company entities that receive a part of the limitation provided by the agreement:

1) each business entity not having a full interest in the agreement should complete a separate form for their proportionate share of required employment and investment information; and, 2) separately, the school district is required to complete an Annual Eligibility Report that provides for each question in this form a sum of the individual answers from reports submitted by each entity so that there is a cumulative Annual Eligibility Report reflecting the entire agreement.

1. What was your limitation amount (or portion of original limitation amount) during the year covered by this report? 2,510,000.00
2. Please describe your interest in the agreement and identify all the documents creating that interest.

Wind Tex Energy-Stephens, LLC assigned ownership of its Chapter 313 Agreement to Cirrus Wind 1, LLC and Stephens Ranch Wind Energy, LLC.

- See attached assignment documentation

The job creation commitment for Cirrus Wind 1, LLC is based upon the 25.1% portion of project assignment within O'Donnell ISD.

SECTION 8: Approval

"I am the authorized representative for the Company submitting this Annual Eligibility Report. I understand that this Report is a government record as defined in Chapter 37 of the Texas Penal Code. The information I am providing on this Report is true and correct to the best of my knowledge and belief."

print here ▶ Jin Yan
Print Name (Authorized Company Representative)

General Manager
Title

sign here ▶ 
Signature (Authorized Company Representative)

10/31/2017
Date

print here ▶ C.J. Evans, Jr.
Print Name of Preparer (Person Who Completed the Form)

(813) 289-5600
Phone



Franchise Tax Account Status

As of: 10/06/2017 13:02:16

This Page is Not Sufficient for Filings with the Secretary of State

CIRRUS WIND 1, LLC	
Texas Taxpayer Number	32045636357
Mailing Address	2208 AVENUE P APT 4 TAHOKA, TX 79373-4113
Right to Transact Business in Texas	ACTIVE
State of Formation	TX
Effective SOS Registration Date	11/14/2011
Texas SOS File Number	0801507452
Registered Agent Name	YINING JASON YANG
Registered Office Street Address	2208 AVENUE P, SUITE 4 TAHOKA, TX 79373

WIND TEX ENERGY - STEPHENS, LLC
ATTACHMENT TO CHAPTER 313 APPLICATION - O'DONNELL ISD

CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2011	\$ 604	\$ 31,408
FOURTH	2010	\$ 611	\$ 31,772
THIRD	2010	\$ 565	\$ 29,380
SECOND	2010	\$ 546	\$ 28,392
AVERAGE		\$ 582	\$ 30,238
		X 110%	110%
		\$ 640	\$ 33,262

CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
FIRST	2011	\$ 508	\$ 26,416
FOURTH	2010	\$ 544	\$ 28,288
THIRD	2010	\$ 562	\$ 29,224
SECOND	2010	\$ 584	\$ 30,368
AVERAGE		\$ 550	\$ 28,574
		X 110%	110%
		\$ 604	\$ 31,431

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
	2010	\$ 648	\$ 33,717
		X 110%	110%
		\$ 713	\$ 37,089

* SEE ATTACHED TWC DOCUMENTATION

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2010	2nd Qtr	Lynn County	Total All	00	0	10	Total, All Industries	\$546
2010	3rd Qtr	Lynn County	Total All	00	0	10	Total, All Industries	\$565
2010	4th Qtr	Lynn County	Total All	00	0	10	Total, All Industries	\$611
2011	1st Qtr	Lynn County	Total All	00	0	10	Total, All Industries	\$604
2011	1st Qtr	Lynn County	Total All	31	2	31-33	Manufacturing	\$508
2010	4th Qtr	Lynn County	Total All	31	2	31-33	Manufacturing	\$544
2010	3rd Qtr	Lynn County	Total All	31	2	31-33	Manufacturing	\$562
2010	2nd Qtr	Lynn County	Total All	31	2	31-33	Manufacturing	\$584

**2010 Manufacturing Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas		
1. Panhandle Regional Planning Commission	\$18.60	\$38,683
2. South Plains Association of Governments	\$16.21	\$33,717
3. NORTEX Regional Planning Commission	\$18.34	\$38,153
4. North Central Texas Council of Governments	\$23.45	\$48,777
5. Ark-Tex Council of Governments	\$15.49	\$32,224
6. East Texas Council of Governments	\$17.63	\$36,672
7. West Central Texas Council of Governments	\$17.48	\$36,352
8. Rio Grande Council of Governments	\$15.71	\$32,683
9. Permian Basin Regional Planning Commission	\$19.90	\$41,398
10. Concho Valley Council of Governments	\$15.33	\$31,891
11. Heart of Texas Council of Governments	\$17.91	\$37,257
12. Capital Area Council of Governments	\$25.37	\$52,778
13. Brazos Valley Council of Governments	\$15.24	\$31,705
14. Deep East Texas Council of Governments	\$15.71	\$32,682
15. South East Texas Regional Planning Commission	\$27.56	\$57,333
16. Houston-Galveston Area Council	\$24.52	\$51,002
17. Golden Crescent Regional Planning Commission	\$20.07	\$41,738
18. Alamo Area Council of Governments	\$17.28	\$35,952
19. South Texas Development Council	\$13.27	\$27,601
20. Coastal Bend Council of Governments	\$21.55	\$44,822
21. Lower Rio Grande Valley Development Council	\$14.35	\$29,846
22. Texoma Council of Governments	\$18.10	\$37,651
23. Central Texas Council of Governments	\$17.21	\$35,788
24. Middle Rio Grande Development Council	\$13.21	\$27,471

← Lynn County & O'Donnell ISD

Source: Texas Occupational Employment and Wages
 Data published: June 2011
 Data published annually, next update will be June 2012.

Note: Data is not supported by the Bureau of Labor Statistics (BLS).
 Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.
 Data intended for TAC 313 purposes only.

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (“Assignment”) is entered into and effective December 8, 2011 by and between Wind Tex Energy-Stephens, LLC, a Texas limited liability company (“Wind Tex-Stephens”) and Cirrus Wind 1, LLC, a Texas limited liability company (“CW1”).

RECITALS

1. Wind Tex-Stephens and its affiliates are developing a wind energy conversion facility approximately 340 MW in size in Borden and Lynn Counties, Texas (“Wind Tex-Stephens Project”).

2. Pursuant to an Asset Purchase Agreement dated December 8, 2011 (“APA”), CW1 is acquiring certain lease rights, interconnection rights, study results and other assets owned by Wind Tex-Stephens and its affiliates associated with a portion of the Wind Tex-Stephens Project approximately 61.2 MW in size (the “Cirrus Project”).

3. Wind Tex-Stephens is party to an Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes with O’Donnell Independent School District (“O’Donnell”) dated November 14, 2011 (“O’Donnell Agreement”).

4. To complete its obligations under the APA, Wind Tex-Stephens wishes to assign certain of its rights and obligations under the O’Donnell Agreement to CW1.

NOW, THEREFORE, in consideration of the above premises, the mutual promises set forth below, and other good and valuable consideration, the receipt of which is acknowledged, the Parties agree as follows:

AGREEMENT

ARTICLE I – DEFINITIONS

Capitalized terms used in this Assignment shall have the meanings given to them in the APA, unless otherwise specifically defined in this Assignment.

ARTICLE II – ASSIGNMENT

2.1 Assignment. Subject to the terms of this Assignment and the APA, Wind Tex-Stephens conveys, assigns, transfers, sells, and grants all its rights, title and interest in, under and to the O’Donnell Agreement associated with the Cirrus Project to CW1 effective December 8, 2011 (the “Effective Date”).

2.2 Assumption. Subject to the execution and delivery of this Assignment and the APA and any required consent by O’Donnell, CW1 assumes and agrees to perform and pay all the terms, covenants, obligations, liabilities and conditions of Wind Tex-Stephens under the

O'Donnell Agreement associated with the Cirrus Project existing as of the Effective Date and accruing or arising thereafter, as more specifically set forth in Section 2.3. Except as otherwise provided in this Assignment or in the APA, Wind Tex-Stephens shall remain responsible for all liabilities, payments and obligations which arose or accrued under the O'Donnell Agreement prior to the Effective Date, and for all such liabilities, payments and obligations which are not associated with the Cirrus Project as more specifically set forth in Section 2.3.

2.3 Allocation of Rights. The O'Donnell Agreement contemplates that it will apply to a wind energy conversion facility larger than the Cirrus Project. To the extent the rights, liabilities, obligations, and interests held by WindTex under the O'Donnell Agreement are directly associated with the specific Qualified Property/Qualified Investment represented by the Cirrus Project or are otherwise proportionate to the facilities to be constructed and installed by CW1 and WindTex, CW1 and WindTex agree that the rights, liabilities, interests and obligations of the O'Donnell Agreement being assigned to CW1 include (i) those directly associated with the Cirrus Project as Qualified Property/Qualified Investment and related abatements and (ii) a proportionate share of other items subject to allocation. WindTex retains all such rights, liabilities, interests and obligations directly associated with any Qualified Property/Qualified Investment WindTex may construct or install which are subject to the O'Donnell Agreement and a proportionate share of other items subject to allocation. Both CW1 and WindTex shall comply with all obligations of the O'Donnell Agreement generally applicable to any Qualified Property/Qualified Investment to be built.

2.4 No Defaults. CW1 and WindTex each covenant that they will not cause a default under the O'Donnell Agreement and, to the extent either of them causes such a default, the other Party shall have the right to cure the applicable default and be reimbursed by the other Party for all its costs required to effect the cure.

ARTICLE III – WARRANTIES AND REPRESENTATIONS; CONSENT

3.1 APA. Wind Tex-Stephens and CW1 each restate and incorporate all their respective warranties and representations in Sections 3.1, 3.3-3.10, 3.13, 3.14 and 4.1-4.3 of the APA to the extent applicable to Wind Tex-Stephens and CW1 or the O'Donnell Agreement.

3.2 Wind Tex-Stephens. In addition to the representations and warranties of Wind Tex-Stephens in the APA, Wind Tex-Stephens represents that the copies of the O'Donnell Agreement provided by Wind Tex-Stephens to CW1 are complete and accurate, and there are no amendments, modifications, waivers or other changes to any of the terms of the agreement that have not been disclosed to CW1.

3.3 Consents. Section 8.4 of the O'Donnell Agreement provides that assignment by Wind Tex-Stephens is permitted to a new owner of all or a portion of Wind Tex-Stephens's Qualified Property or Qualified Investment, as defined in the O'Donnell Agreement, subject to Wind Tex-Stephens providing written notice of such assignment to O'Donnell and others with all the relevant information required by Section 8.4. Wind Tex-Stephens agrees to provide notice to O'Donnell and other parties listed in Section 8.4 of the O'Donnell Agreement as soon as possible after closing on the APA and execution of this Assignment. CW1 will provide any information to Wind Tex-Stephens needed to complete the required notice.

ARTICLE IV – INDEMNITY

4.1 Indemnity. CW1 hereby agrees to indemnify and hold Wind Tex-Stephens and its successors and assigns forever harmless from any loss, liability, damage, cost or expense (including reasonable attorneys' fees) resulting to Wind Tex-Stephens as a result of CW1's failure to perform, on or after the Effective Date, any term, covenant, obligation or condition of the O'Donnell Agreement required on the part of CW1. Wind Tex-Stephens hereby agrees to indemnify and hold CW1 and its successors and assigns forever harmless from any loss, liability, damage, cost or expense (including reasonable attorneys' fees) resulting to CW1 as a result of any breach by Wind Tex-Stephens of any representations, warranty, covenant or agreement provided herein, or Wind Tex-Stephens's failure to perform, prior to the Effective Date hereof, any term, covenant, or obligation or condition of the O'Donnell Agreement required on the part of Wind Tex-Stephens therein.

ARTICLE V – MISCELLANEOUS

5.1 No Assignment. The rights and obligations of this Assignment may not be assigned or transferred by a party without the prior written consent of the other party. All assignments of rights are prohibited, whether they are voluntary or involuntary, by merger, consolidation, dissolution, operation of law, or any other manner and, in the case of a merger, includes any merger in which a party participates, regardless of whether it is the surviving or disappearing entity. No party may delegate any performance under this Assignment. Any purported assignment of this Assignment in the absence of the required consent shall be void.

5.2 Notices. Any notice, demand, request or communication required or authorized by this Assignment shall be delivered either by hand, facsimile, overnight courier or mailed by certified mail, return receipt requested, with postage prepaid, to:

Wind Tex Energy-Stephens, LLC
Attn: Steven K. DeWolf
10,000 North Central Expressway
Suite 900
Dallas, TX 75231
(214) 954-9540

on behalf of Wind Tex-Stephens; and

Cirrus Wind 1, LLC
Attn: Paul Thompson
10912 Utica Avenue
Lubbock, TX 79424
(806) 787-5023

on behalf of CW1.

The designation and titles of the person to be notified or the address of such person may be changed at any time by written notice. Delivery of any such notice, demand, request, or

communication shall be deemed delivered on receipt if delivered by hand or facsimile and on deposit by the sending party if delivered by courier or US mail.

5.3 Captions. All titles, subject headings, section titles, and similar items are provided for the purpose of reference and convenience and are not intended to be inclusive, definitive or to affect the meaning of the contents or scope of this Assignment.

5.4 No Third-Party Beneficiary. No provision of this Assignment is intended to nor shall it in any way inure to the benefit of any customer, property owner or any other third party, so as to constitute any such person a third-party beneficiary under this Assignment, or of any one or more of the terms hereof, or otherwise give rise to any cause of action in any person not a party hereto.

5.5 Integration; Amendment. With the exception of other instruments documenting the APA, this Assignment constitutes the entire agreement between the parties relating to the transaction described herein and supersedes any and all prior oral or written understandings. No amendment, addition to, or modification of any provision hereof shall be binding upon the parties, and neither party shall be deemed to have waived any provision or any remedy available to it unless such amendment, addition, modification or waiver is in writing and signed by a duly authorized officer or representative of the applicable party or parties.

5.6 Governing Law. This Assignment is made in the State of Texas and shall be interpreted and governed by the laws of the State of Texas without regard to its conflict of laws principles, and/or the laws of the United States, as applicable.

5.7 Severability. Should any provision of this Assignment be or become void, illegal or unenforceable, the validity or enforceability of the other provisions of this Assignment shall not be affected and shall continue in force. The Parties will, however, use their best endeavors to agree on the replacement of the void, illegal or unenforceable provision(s) with legally acceptable clauses which correspond as closely as possible to the sense and purpose of the affected provision and this Assignment as a whole.

5.8 Cooperation. The parties agree to reasonably cooperate with each other in the implementation and performance of this Assignment. Such duty to cooperate shall not require any party to act in a manner inconsistent with its rights under this Assignment.

5.9 Counterparts. This Assignment may be signed in any number of counterparts, and by the Parties in separate counterparts, and each such counterpart shall represent a fully executed original as if signed by all parties, with all such counterparties together consisting one instrument. Signatures delivered by facsimile or electronically shall be considered to have been delivered upon receipt by each party and such delivery shall be effective as though originals were so delivered and received.

(SIGNATURE PAGES TO FOLLOW)

Dated: October 8, 2011 WIND TEX ENERGY-STEPHENS, LLC, a Texas limited liability company

By: [Signature]

Its: President

Dated: DEC 8, 2011 CIRRUS WIND 1, LLC, a Texas limited liability company

By: [Signature]

Its: PRESIDENT