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***INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES***

Mr. John Osborne  
Chief Executive Officer  
Lubbock Economic Development Alliance, Inc.  
1500 Broadway, Suite 600  
Lubbock, TX 79401

Dear Mr. Osborne:

We have performed the procedures enumerated in the attached supplement, which were agreed to by you, the specified user, solely to assist you with respect to determining the amounts payable pursuant to the Economic Development Grant Contracts with regard to job creation incentives only, for Sun-Star Electric, L.P. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified user of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and the findings as a result thereof, are enumerated in the attached supplement which is an integral part of this report.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the specified user listed above and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

*Robinson Burdette Martin & Seright, L.L.P.*

Lubbock, Texas  
December 3, 2010

**Lubbock Economic Development Alliance, Inc. Agreement with  
Sun-Star Electric L.P.  
For the period from November 18, 2009 through November 17, 2010**

**Background:**

The Lubbock City Council established the Lubbock Economic Development Alliance, Inc. (hereinafter referred to as LEDA) to promote local economic development and stimulate business and commercial activity in Lubbock and the surrounding area. To this end, LEDA entered into a performance agreement with Sun-Star Electric, L.P. (hereinafter referred to as Sun-Star) on May 15, 2009.

The terms of the agreement provide incentives to Sun-Star for the creation of new jobs. The general terms of the agreement allow Sun-Star to receive up to \$55,500 for the creation of fifteen (15) new full-time jobs in the Lubbock area. Sun-Star will earn incentives ranging from \$2,500 to \$10,000 for each job created according to an annual compensation schedule over a five year period beginning November 18, 2008 and maintained through November 17, 2013. The earned incentives will be paid out in one-fifth (1/5) increments as of each annual measurement date.

**Objective, Scope and Procedures Performed:**

Our objective was to determine if Sun-Star met the job creation requirements of their agreement with LEDA. A summary of the procedures used is as follows:

- Reviewed the pertinent contract.
- Reviewed employee census data indicating names, dates of hire, dates of termination, work locations and compensation as of 11-17-10.
- Discussed questions and issues raised as a result of the above steps with Sun-Star personnel.
- Discussed agreement interpretations with LEDA personnel.

Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

**Results and Conclusions:**

Per our review of the above data:

- Sun-Star had sixty-two (62) full-time Lubbock employees and two (2) part-time employees as of November 17, 2008.
- Sun-Star had sixty-one (61) full-time Lubbock employees and two (2) part-time Lubbock employees as of November 17, 2009.
- Sun-Star had fifty-one (51) full-time Lubbock employees and one (1) part-time Lubbock employee as of November 17, 2010.
- There was a net decrease of eleven (11) full-time positions in the Lubbock office.

Based on the above, Sun-Star is not currently entitled to receive the second installment of the job creation incentives.