

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, October 17, 2006, in the Develop Abilene conference room, 174 Cypress St., Abilene, Texas, 3rd floor, commencing at 1:30 p.m. to consider the following agenda:

SIGNED:


Richard Burdine, Asst. City Manager for Economic Development

AGENDA

October 17, 2006
1:30 p.m.

Develop Abilene Conference Room
174 Cypress St., 3rd floor

1. Call the meeting to order.
2. Approval of minutes from September 12, 2006 meeting.
3. Financial and status reports for August 2006.
4. Discussion and possible approval of a resolution authorizing an amendment to current approved funding for infrastructure to support the Texas Tech University Pharmacy School in Abilene.
5. Presentation of Annual Reports for Fiscal Year Ended September 30, 2006 by:
 - Abilene Industrial Foundation
 - TTU Small Business Development Center
 - City of Abilene Airport Business Development Management Program
6. Presentation and possible approval of the DCOA Annual Report of Activities for FY 2006.
7. Executive Session: Pursuant to Tex. Gov't Code Sec. 551.072, an executive session may be held to discuss the possible exchange, lease, or value of real property associated with a project to be funded by the DCOA since deliberation in open session would have a detrimental effect on the DCOA's negotiations with a third party. After discussion in executive session, any action or vote will be taken in public.

Pursuant to Tex. Gov't Code Sec. 551.071, an executive session may be held to consult with the DCOA attorney regarding pending or contemplated litigation or a settlement offer regarding DCOA funded projects or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code. After discussion of the contemplated legal matters in executive session, any action or vote will be taken in public.

8. Adjournment.

CERTIFICATE

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of Abilene, Texas, on the _____ day of _____, 2006, at _____.

City Secretary

NOTICE

Persons with disabilities who would like special assistance or need special accommodations to participate in this meeting should contact Department of Economic Development, (325) 676-6390, at least forty-eight (48) hours in advance of this meeting. Telecommunication device for the deaf is (325) 676-6360.

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
September 12, 2006

MEMBERS PRESENT:	Ray Ferguson Dee Moore	Stan Lambert
MEMBERS ABSENT:	Syd Niblo	Joe Crawford
STAFF PRESENT:	Richard Burdine John Dugan David White	Kim Tarrant David Wright
GUESTS PRESENT:	Bill Ehrie Vicki Anderson Jerry Reed	Abilene Industrial Foundation Abilene Christian University Abilene Reporter-News

- 1. CALL TO ORDER.** Ray Ferguson called the meeting to order at 1:30 p.m. in the Develop Abilene conference room located at 174 Cypress, 3rd floor, Abilene, TX.
- 2. APPROVAL OF MINUTES FROM AUGUST 15, 2006 MEETING.** Stan Lambert made a motion to approve the minutes from the August 15, 2006 meeting. Dee Moore seconded and the motion carried.
- 3. PRELIMINARY FINANCIAL AND STATUS REPORTS FOR JULY 2006.** David Wright presented the preliminary financial reports for July 2006. Total assets as of July 31, 2006 were \$47.8 million, total liabilities were just over \$2.6 million, and the DCOA had an undesignated fund balance of almost \$17.2 million. The sales tax rebate for September was 9.2% higher than last year.
- 4. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ADDITIONAL FUNDING FOR THE TEXAS MANUFACTURING ASSISTANCE CENTER (TMAC).** The Texas Manufacturing Assistance Center (TMAC) exists to enhance the competitive position of the state's manufacturing sector. TMAC's manufacturing professionals work with a wide range of individual firms delivering training and providing technical assistance. They focus on strategic management, quality systems, environmental and safety issues. TMAC has assisted several local companies with many types of training. Staff proposes the DCOA renew its contract with TMAC and provide funding support of \$60,000 over the next three years, with funding limited to \$7,500/manufacturer/year.

Dee Moore moved to approve Resolution No. DCOA- 2006.21 as presented. Stan Lambert seconded the motion and it passed by unanimous consent.

- 5. PRESENTATION OF A REPORT ON THE STATUS OF THE SBIR/STTR GRANT PROGRAM AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ADDITIONAL FUNDING.** Under the Pre-application Phase of the SBIR/STTR federal grant program for research and development, four grants have been submitted to provide assistance with the Phase 1 application preparation cost of \$5,000/application. The first grant submitted has been denied and the reviewer's comments rebutted. The status of the other three is still

pending. Total expenditures for 2006 are \$23,272.50. Staff recommends moving the funding to a fiscal year timetable and authorizing total funding of \$271,400 to support the SBIR/STTR program through fiscal year 2007.

Stan Lambert moved to approve Resolution No. DCOA-2006.22. The motion was seconded by Dee Moore and passed by unanimous consent.

- 6. DISCUSSION OF STRATEGIC PLANNING FOR ECONOMIC DEVELOPMENT EFFORTS FOR FY07 INCLUDING BUT NOT LIMITED TO: A) REVIEW OF CURRENT STATUS OF TARGET INDUSTRIES; B) STATUS OF INDUSTRIAL BUILDING INVENTORY; C) REVIEW OF WORKFORCE DEVELOPMENT; D) REVIEW OF THE FIVE POINTS BUSINESS PARK MASTER PLAN; AND E) REVIEW OF SPEC BUILDING SPECIFICATIONS.** Administrative service centers are one type of target industry and three examples of these in Abilene are Genesis, Highland Campus Health Group, and Sears Methodist Retirement Systems. Another target industry is plastics manufacturing, with PWP Industries filling that category. A third target industry is customer support and service centers. Two companies in Abilene that fit this description are Teleperformance USA and BlueCross BlueShield of Texas. Shelter Distribution is an example of a logistics and distribution center, another target industry. Bill Ehrie addressed the difficulty in attracting distribution centers to Abilene because of the large amount of space required, sometimes as large as 500,000 to 1,000,000 square feet. Transportation costs (by rail) are another hurdle to overcome in attracting new major distribution centers to Abilene. A final target industry, windmill manufacturing, is currently not available in Abilene as that would require a new building which the DCOA does not have to offer at this time.

David White (projects and property manager) reviewed the status of DCOA-owned industrial building inventory. The DCOA owns twelve of the thirteen properties. The other property is Eagle Aviation's Hangar 1 at the airport owned by the City of Abilene but controlled by the DCOA. Ten properties are being fully utilized, leaving three properties currently available.

Bill Ehrie summarized privately-owned industrial building inventory. There are four major properties available: Wes Tex, the Victor Equipment Building, Hancock, and Lockheed. Concern was expressed about Abilene's lacking labor pool and available facilities.

- 7. EXECUTIVE SESSION.** There was no need for an executive session.
- 8. ADJOURNMENT.** The next DCOA meeting will be October 17th. There being no further business, the meeting was adjourned.

Ray Ferguson, President

MEMORANDUM

October 12, 2006

TO: Larry D. Gilley, City Manager
FROM: David M. Wright, Director of Finance
SUBJECT: October Sales Tax

The sales tax rebate for October is \$2,601,897.02, which represents August sales. This is 9.55% above last year. The breakdown of the October rebate is \$1,951,422.77 to the General Fund and \$650,474.25 for economic development. Of this rebate, \$39,669 is from prior periods, audit payments, future payments, and unidentified payments. This is the first rebate for our 2006-07 fiscal year. I have requested the detail from the state.

Should you have any questions, please contact me.

DMW:ls

cc: Kathy Merrill, Assistant City Manager
Richard Burdine, Assistant City Manager
David Vela, Assistant City Manager

**CITY OF ABILENE
SALES TAX COMPARISION**

Accounting Period Month	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL
	Actual 2005-06	Actual 2005-06	2005-06	Actual 2006-07	Actual 2006-07	2006-07
October	\$1,781,387.54	\$593,795.84	\$2,375,183.38	\$1,951,422.77	\$650,474.25	\$2,601,897.02
YTD	<u>\$1,781,387.54</u>	<u>\$593,795.84</u>	<u>\$2,375,183.38</u>	<u>\$1,951,422.77</u>	<u>\$650,474.25</u>	<u>\$2,601,897.02</u>
November	2,082,826.00	694,275.33	2,777,101.33			
December	1,636,091.34	545,363.78	2,181,455.12			
January	1,718,563.88	572,854.62	2,291,418.50			
February	2,667,866.52	889,288.84	3,557,155.36			
March	1,730,733.21	576,911.07	2,307,644.28			
April	1,695,786.27	565,262.09	2,261,048.36			
May	2,315,444.39	771,814.80	3,087,259.19			
June	1,781,984.09	593,994.69	2,375,978.78			
July	1,927,034.14	642,344.71	2,569,378.85			
August	2,297,829.76	765,943.25	3,063,773.01			
September	1,911,314.38	637,104.79	2,548,419.17			
FY TOTAL	<u>\$23,546,861.52</u>	<u>\$7,848,953.81</u>	<u>\$31,395,815.33</u>			

NOTE: REPORT REFLECTS THE MONTH SALES TAX IS RECEIVED FROM AUSTIN. REVENUE IS RECORDED ON THIS BASIS FOR BUDGETARY PURPOSES.

THE COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) WILL REFLECT GASB 33 REQUIREMENT IN ADDITION TO THE BUDGET BASIS.

DEVELOPMENT CORPORATION OF ABILENE, INC.
1/2 CENT SALES TAX REVENUE
FY 2006: Monthly and Year-to-Year Comparisons

Accounting Period Month	Actual 2005-06	Actual 2006-07	% Change
October	\$593,796	\$650,474	9.55%
YTD	\$593,796	\$650,474	9.55%
November	694,275		
December	545,364		
January	572,855		
February	889,289		
March	576,911		
April	565,262		
May	771,815		
June	593,995		
July	642,345		
August	765,943		
September	637,105		
FY TOTAL	\$7,848,954		

Note: Report reflects the month sales tax is received from Austin.
Revenue is recorded on this basis for budgetary purposes.

The Comprehensive Annual Financial Report (CAFR) will reflect
GASB 33 requirement in addition to the budget basis.

Revenue for October '06 represents August '06 sales. Approximately
\$9,917 of the rebate is from prior periods, audit, and future payments.

Audit Payments: Larger businesses submit sales tax collections to the State
Comptroller every month and smaller ones either quarterly or annually. The
Comptroller audits the books of these businesses on a four year cycle to
determine if sales tax was collected on all taxable sales. Audit collections
represent the sales tax revenue from prior sales and submitted or refunded
subsequent to the audit.

CITY OF ABILENE, TEXAS

DEVELOPMENT CORPORATION OF ABILENE, INC.

Balance Sheet
August 31, 2006

ASSETS:

Cash and Investments	\$15,605,678
Notes receivable	13,483,150
Accounts receivable	4,500
Due from other governments	1,141,303
Prepaid Expense	0
Total Current Assets	<u>30,234,632</u>

OTHER ASSETS:

Fixed assets	\$19,658,920
Accumulated depreciation	<u>(2,565,353)</u>
Total Other Assets	<u>17,093,567</u>

TOTAL ASSETS

\$47,328,199

LIABILITIES:

Vouchers payable	\$100,761
Deferred revenues	<u>2,478,815</u>
Total Liabilities	<u>\$2,579,576</u>

FUND BALANCES:

Investment in general fixed assets	\$17,093,567
Reserved for contractual obligations(external)	11,440,117
Reserved for obligated programs(internal)	104,046
Undesignated Balance	<u>16,110,892</u>
Total Fund Balance	<u>\$44,748,623</u>

TOTAL LIABILITIES AND FUND BALANCES

\$47,328,199

FIXED ASSETS:

<u>Buildings and Improvements:</u>	<u>Original Cost</u>	<u>Improvements</u>	<u>Depreciation</u>	<u>Total</u>
2601 Airport Blvd.	1,563,210	540,633	198,355	1,905,488
2809 Airport Blvd.	396,519	444,583	259,814	581,288
2841 Airport Blvd.	456,736	62,923	241,475	278,184
4002 Loop 322	1,290,915	1,400,000	1,078,186	1,612,729
515 acres - Five Pts Bus Park	552,287	2,435,432	146,126	2,841,593
6450 Five Points Parkway	5,809,355	0	343,147	5,466,208
Grant Bldg 341 Pine	147,194	405,726	224,528	328,392
303.53 acres Hwy 36 & FM 18	449,239	0	0	449,239
2742 Lance Dr. (EASI Storage)	2,519,108	0	50,382	2,468,726
4109 Vine St	583,525	0	11,671	571,855
4009 Vine St	583,524	0	11,670	571,854
2005 Dodge Caravan	18,011	0	0	18,011
TOTAL FIXED ASSETS	<u>\$14,369,623</u>	<u>\$5,289,297</u>	<u>\$2,565,353</u>	<u>\$17,093,567</u>

**DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ AUGUST 31, 2006**

(MARCH, 1990)

REVENUE-TO-DATE	Beginning I-T-D Revenues	Current Month Revenues	Current FY Revenues	Ending I-T-D Revenues
City Sales Tax (3131)	\$ 86,348,050.86	\$ 761,726.75	\$ 7,168,180.19	\$ 93,516,231.05
Sales Tax Retained (3132)	145,144.36	4,216.50	43,989.31	189,133.67
Other Services Charges (3731)	25.00	-	-	25.00
Princ. - Loans & Assess (3775)	782,000.41	-	12,713.21	794,713.62
Int. - Loans & Assess (3802)	1,959,569.87	8,144.37	61,491.12	2,021,060.99
Interest (3803)	4,543,822.65	45,523.28	485,633.68	5,029,456.33
Land Lease (3810)	4,880.13	-	1,524.35	6,404.48
Building/Space Rent (3816)	2,049,879.34	42,000.00	329,451.57	2,379,330.91
City Pay Phones (3890)	9,170.58	-	-	9,170.58
Miscellaneous Revenue (3892)	25,656.31	-	1,113.72	26,770.03
EDA Grant (3305)	242,100.00	-	-	242,100.00
Miscellaneous State Grants (3359)	6,500.00	-	-	6,500.00
Miscellaneous Federal (3379)	937,926.00	-	-	937,926.00
Interest on Investments (3800)	176,263.67	-	-	176,263.67
Other Interest (3809)	32,252.85	-	-	32,252.85
Interfund Recovery (3828)	1,534,976.08	-	-	1,534,976.08
Miscellaneous Recovery (3839)	1,863,010.94	-	-	1,863,010.94
Miscellaneous Prior Year (3840)	16,464.88	-	-	16,464.88
DCOA Admin (3847)	7,070.55	-	-	7,070.55
Other Contributions (3860)	96,866.60	-	-	96,866.60
Sale of Land (3870)	273,554.84	-	-	273,554.84
Sale of Buildings (3871)	534,794.80	-	446,853.07	981,647.87
Miscellaneous Damage Claims (3889)	222.39	-	-	222.39
GASB 22 Restatement	355,634.89	-	-	355,634.89
GASB 34 FY 03 Adjustment	579,426.49	-	-	579,426.49
	\$ 102,525,264.49	\$ 861,610.90	\$ 8,550,950.22	\$ 111,076,214.71

CONTRACTS ENCUMBERED/ EXPENDITURES-TO-DATE	Beginning I-T-D Expenditures	Current Month Expenditures	Current FY Expenditures	Ending I-T-D Expenditures	Outstanding Contracts
Prior Years Programs	\$ 52,037,290.24	\$ -	\$ 4,250.02	52,041,540.26	\$ -
Business Services Division	5,078,837.57	48,071.74	493,397.97	5,572,235.54	2,000.00
DCOA Annual Contracts	1,525,434.50	3,545.24	156,718.42	1,682,152.92	-
Abilene Industrial Foundation (4950)	9,425,771.13	25,961.96	369,736.15	9,795,507.28	210,803.85
Caruth Small Business Dev Cntr (4951)	1,655,621.05	17,831.25	172,987.50	1,828,608.55	22,012.50
Chamber Military Affairs (4952)	764,178.65	43,137.10	155,399.33	919,577.98	109,600.67
Airport Business Dev Mgr (4953)	56,475.66	6,202.69	128,934.80	185,410.46	81,589.54
TTU Engineering Ops 4975	1,500,000.00	375,000.00	375,000.00	1,875,000.00	-
TTU BLDG Purchase & A/E 4976	563,131.86	-	4,988.00	568,119.86	180,856.62
Orange Plastic 4977	446,735.41	-	-	446,735.41	-
Five Points Utilities 4978	918,487.40	-	-	918,487.40	49,937.56
EASI Records Const. 4990	2,422,155.58	-	8,300.00	2,430,455.58	94,767.42
Murf Systems 4998	148,200.00	-	-	148,200.00	-
Tige Boats 5202	600,000.00	-	-	600,000.00	-
Bandag Training 5203	516,334.72	-	-	516,334.72	146,870.28
Hibbs & Todd 5204	57,150.00	-	1,010.00	58,160.00	1,840.00
Sunoco Logistics 5208	55,000.00	-	39,744.00	94,744.00	57,256.00
EASI 04 5213	680,866.83	-	37,070.83	717,937.66	2,555,062.34
EHT 5216	33,600.00	32,300.00	32,300.00	65,900.00	-
TMAC 5218	7,475.00	-	33,450.00	40,925.00	19,075.00
Hirschfeld 5219	-	-	-	-	750,000.00
Project SF 5220	-	461,520.00	461,520.00	461,520.00	-
Research Ins 5221	500.00	-	-	500.00	-
Advanced Trailer 5224	-	-	-	-	90,000.00
Transcend Services 5227	150,000.00	-	93,372.48	243,372.48	1,000,000.00
Bandag Building Improv 5228	-	-	-	-	157,623.92
Glazers Ph III 5229	-	12,520.00	12,520.00	12,520.00	78,480.00
BCBSTX Roof 5230	23,955.83	2,000.00	32,710.65	56,666.48	4,833.52
Highland Campus Health 5231	61,000.00	-	61,791.66	122,791.66	479,466.67
Tige Infrastructure 5233	143,722.68	-	-	143,722.68	74,913.00
Thelen, Reed, & Priest 5234	24,050.11	-	4,300.53	28,350.64	-
Land L 322 5236	-	15,716.00	15,716.00	15,716.00	-
Robinson Fan 5237	-	-	-	-	396,450.00
Sears Methodist 5238	-	-	500,000.00	500,000.00	-
Spec II R/E Broker 5239	12,000.00	-	63,787.50	75,787.50	-
Reg Website 5240	-	-	2,654.33	2,654.33	2,345.67
BCBS Parking 5243	-	-	166,151.00	166,151.00	15,090.00
SBIR/STTR 5244	-	-	3,528.28	3,528.28	-
Lauren Holdings 5245	-	-	-	-	723,710.89
36/18 A/E 5246	-	-	23,800.00	23,800.00	11,200.00
Teleperformance USA 5247	-	-	-	-	757,000.00
Prospect 06 5248	-	-	1,225.00	1,225.00	-
BCBSTX Reroof Construction 5249	-	200,924.20	414,727.20	414,727.20	415,992.80
PWP Industries Ph I 5251	-	61,876.95	205,463.00	205,463.00	2,005,037.00
Abilene Internet 5252	-	-	59,340.00	59,340.00	-
Integrated Clinic Research 5253	-	-	-	-	695,502.00
SBIR/STTR 5255	-	5,183.75	23,099.76	23,099.76	250,800.24
Welder Training Program 5257	-	-	-	-	-
Miscellaneous Activities 2785	354,189.86	-	-	354,189.86	-
TOTAL ENCUMB. / EXPENDITURES	\$ 79,262,164.08	\$ 1,311,790.88	\$ 4,158,994.41	\$ 83,421,158.49	\$ 11,440,117.49

TOTAL FUND BALANCE

UNENCUMBERED FUND BALANCE

3.5

\$ 27,655,056.22

\$ 16,214,938.73

BALANCE OF OBLIGATED PROGRAMS	Amount Obligated	Prior Years Disbursed	Current Month Disbursed	Current Year Disbursed	Amount Encumbered	Balance
Business Services Division	\$ 544,195.27	\$ -	\$ 48,071.74	\$ 493,397.97	\$ 2,000.00	\$ 48,797.30
DCOA Annual Contracts	227,880.00	-	3,545.24	156,718.42	-	71,161.58
Abilene Industrial Foundation (4950)	580,540.00	-	25,961.96	369,736.15	210,803.85	-
Caruth Small Business Dev Cntr (4951)	195,000.00	-	17,831.25	172,987.50	22,012.50	-
Chamber Military Affairs (4952)	265,000.00	-	43,137.10	155,399.33	109,600.67	-
Airport Business Dev Mgr (4953)	210,524.34	-	6,202.69	128,934.80	81,589.54	-
TTU Engineering Ops 4975	1,875,000.00	1,500,000.00	375,000.00	375,000.00	-	-
TTU BLDG Purchase & A/E 4976	749,045.00	563,131.86	-	4,988.00	180,856.62	68.52
Orange Plastic 4977	446,736.00	446,735.41	-	-	-	0.59
Five Points Utilities 4978	968,425.00	918,487.40	-	-	49,937.56	0.04
EASI Records Const. 4990	2,525,223.00	2,422,155.58	-	8,300.00	94,767.42	-
Murf Systems 4998	148,200.00	148,200.00	-	-	-	-
Tige Boats 5202	600,000.00	600,000.00	-	-	-	-
Bandag Training 5203	663,205.00	516,334.72	-	-	146,870.28	-
Hibbs & Todd 5204	60,000.00	57,150.00	-	1,010.00	1,840.00	-
Sunoco Logistics 5208	152,000.00	55,000.00	-	39,744.00	57,256.00	-
EASI 04 5213	3,273,000.00	680,866.83	-	37,070.83	2,555,062.34	-
EHT 5216	65,900.00	33,600.00	32,300.00	32,300.00	-	-
TMAC 5218	60,000.00	7,475.00	-	33,450.00	19,075.00	-
Hirschfeld 5219	750,000.00	-	-	-	750,000.00	-
Project SF 5220	461,250.00	-	461,520.00	461,520.00	-	(270.00)
Research Ins 5221	500.00	500.00	-	-	-	-
IPC 5223	-	-	-	-	-	-
Advanced Trailer 5224	90,000.00	-	-	-	90,000.00	-
Transcend Services 5227	1,243,373.00	150,000.00	-	93,372.48	1,000,000.00	0.52
Bandag Building Improv 5228	157,624.00	-	-	-	157,623.92	0.08
Glazers Ph III 5229	91,000.00	-	12,520.00	12,520.00	78,480.00	-
BCBSTX Roof 5230	61,500.00	23,955.83	2,000.00	32,710.65	4,833.52	-
Highland Campus Health 5231	602,259.00	61,000.00	-	61,791.66	479,466.67	0.67
Tige Infrastructure 5233	218,636.00	143,722.68	-	-	74,913.00	0.32
Thelen, Reed, & Priest 5234	28,351.00	24,050.11	-	4,300.53	-	0.36
Land L 322 5236	-	-	15,716.00	15,716.00	-	(15,716.00)
Robinson Fan 5237	396,450.00	-	-	-	396,450.00	-
Sears Methodist 5238	500,000.00	-	-	500,000.00	-	-
Spec II R/E Broker 5239	75,788.00	12,000.00	-	63,787.50	-	0.50
Reg Website 5240	5,000.00	-	-	2,654.33	2,345.67	-
BCBS Parking 5243	181,241.00	-	-	166,151.00	15,090.00	-
SBIR/STTR 5244	3,530.00	-	-	3,528.28	-	1.72
Lauren Holdings 5245	723,711.00	-	-	-	723,710.89	0.11
36/18 A/E 5246	35,000.00	-	-	23,800.00	11,200.00	-
Teleperformance USA 5247	757,000.00	-	-	-	757,000.00	-
Prospect 06 5248	1,225.00	-	-	1,225.00	-	-
BCBSTX Reroof Construction 5249	830,720.00	-	200,924.20	414,727.20	415,992.80	-
PWP Industries Ph I 5251	2,210,500.00	-	61,876.95	205,463.00	2,005,037.00	-
Abilene Internet 5252	59,340.00	-	-	59,340.00	-	-
Integrated Clinic Research 5253	695,502.00	-	-	-	695,502.00	-
SBIR/STTR 5255	273,900.00	-	5,183.75	23,099.76	250,800.24	-
Welder Training Program 5257	127,243.00	-	-	-	-	127,243.00
Miscellaneous Activities 2785	354,189.86	354,189.86	-	-	-	-
BALANCE OF OBLIGATED PROGRAMS	\$ 24,544,706.47	\$ 8,718,555.28	\$ 1,311,790.88	\$ 4,154,744.39	\$ 11,440,117.49	\$ 231,289.31
Contingent Liabilities						\$ -
UNDESIGNATED FUND BALANCE	(unencumbered balance less obligated programs and contingent liabilities)					\$ 15,983,649.42

DCOA Board approved projects waiting for signed contracts	EXPIRATION DATE
Bandag Training 5203	06/14/2005
Research Ins 5221	02/28/2005
Project AN 5242	01/05/2006
Project Enterprise 5242	01/05/2006
Project BP 5250	07/31/2006
Project TT 5254	09/07/2006
Robinson Fan 5237	01/25/2007
Coca-Cola 5256	01/25/2007
Fehr Food Training 5261	01/25/2007
4,407,257.00	

3.6

PROJECT BRIEFING

October 17, 2006

PROJECT: Texas Tech University School of Pharmacy

STAFF: Richard Burdine, CEO

THE COMPANY

Hendrick Medical Center is currently constructing a facility to house the extension of the Texas Tech University Health Science Center in Amarillo School of Pharmacy in Abilene. Pharmacy schools offer the Doctor of Pharmacy (PharmD) degree, generally a six-year program that requires at least two years of college prior to admittance. Texas graduates must then pass the national licensing exam, the Texas Pharmacy Jurisprudence exam, and apply for licensure with the Texas State Board of Pharmacy before they may practice in Texas. Texas currently has four pharmacy schools located in Austin, Houston (2), and Amarillo. Texas A & M is working on a new school in Kingsville. There is a national shortage of pharmacists that is expected to continue into the foreseeable future.

The TTU Pharmacy School in Amarillo is a four year doctoral program with an honored reputation within the pharmacological community. TTU is well established and the project will create an extension of the existing school for higher education and research into Abilene. The Abilene campus will offer a four year program and help fill a local, regional, and national need for pharmacists. The school will supply clinicians to work with local health organizations as well as local pharmacies as part of the curriculum.

BACKGROUND

The school requires a facility of approximately 35K square feet to accommodate labs, classrooms, offices, and administration. The campus will contain space for 160 students (40 per class year) and support a total faculty and staff of 43. The Development Corporation of Abilene approved funding to provide assistance for job creation in research in the amount of \$150K for research and up to \$850K to support the infrastructure costs of the facility being built at 1718 Pine Street in Abilene in June of 2005. Expenditures for infrastructure improvements are limited to streets and roads, water and sewer utilities, electric utilities, gas utilities, drainage, site improvements and related improvements, and telecommunications and Internet improvements. The estimated qualifying expenditures have increased from \$850K and the actual costs eligible to be considered are \$1,044,622. The total cost of the building project is estimated at \$6 million and the program will require approximately \$6.9 million in supplementary funding for operations until state formula funding is available.

THE REQUEST

Amended DCOA assistance is proposed in the form of a seven (7) year forgivable loan at zero (0) percent for infrastructure improvements with a principal amount of up to \$1,044,622 with principal reductions of \$149,232 per year the Pharmacy School is operated.

Total DCOA Assistance:	\$1,194,622
Total Employment:	43
DCOA average cost per job:	\$ 27,782

ECONOMIC BENEFIT

- Creation of 39 jobs paying in excess of \$30,000/year and an annual payroll \$2.4 million.
- Creation of 4 high-wage jobs (Research) and a payroll of over \$350,000 per year.

STAFF RECOMMENDATION

Staff recommends funding of up to \$1,044,622 in the form of a seven (7) year forgivable loan at zero (0) percent for infrastructure improvements with a principal amount of up to \$1,044,622 with principal reductions of \$149,232 per year the Pharmacy School is operated.

ATTACHMENTS

Resolution No. DCOA-2007.01

RESOLUTION NO. DCOA-2007.01

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING FINANCIAL ASSISTANCE FOR THE TEXAS TECH SCHOOL OF PHARMACY.

WHEREAS, the purpose of the DCOA is to make Abilene competitive in the attraction of business and industry in order to create new, sustainable jobs, and strengthen and expand the skills of the Abilene labor force; and

WHEREAS, Texas Tech University School of Pharmacy is a new business enterprise for Abilene with operations in another Texas city that is looking to expand its Texas presence; and,

WHEREAS, Texas Tech University School of Pharmacy offers an extensive training program, which will create job-marketable, professional workers for a growing industry in need of workers for the foreseeable future; and,

WHEREAS, Texas Tech University School of Pharmacy will also provide assistance to other local organizations during the training program and additional support after program completion; and,

WHEREAS, Hendrick Medical Center will facilitate the construction of a 35,000 s.f. structure to house the Texas Tech University School of Pharmacy, which will accommodate up to 160 persons in the training program and employ a total of 43; and,

WHEREAS, the City of Abilene is contracting with consultants Thelen, Reid & Priest to obtain a federal earmark in support of this project

WHEREAS, Staff proposes the DCOA assist Hendrick Medical Center with infrastructure improvements for construction of the new structure for the Texas Tech University School of Pharmacy; and,

WHEREAS, the DCOA is authorized by the Development Corporation Act of 1979, as amended, to provide financial assistance to promote or develop new or expanded business enterprises.

NOW THEREFORE, BE IT RESOLVED BY THE DEVELOPMENT CORPORATION OF ABILENE, INC., ABILENE, TEXAS, THAT:

- PART 1.** DCOA authorizes assistance for Hendrick Medical Center in an amount not to exceed One Million Forty-Four Thousand Six Hundred Twenty-Two and no/100's Dollars (\$1,044,622) for infrastructure improvements associated with the construction of an approximately 35,000 s.f. facility to accommodate the Texas Tech University School of Pharmacy's expansion of Texas operations into Abilene. Funds will be used to reimburse the project for expenditures limited to streets and roads, water and sewer utilities, electric and gas utilities, drainage, site improvements, and telecommunications and Internet improvements.

Assistance will be in the form of a loan at 0% interest for 7 years, earnable through operation of the enterprise. No payments are required and 100% of the principal balance will be forgiven at the end of 7 years, or July 2012. In the event the business is discontinued at any time during the 7-year period, and ownership reverts to another party, a lien will be taken on the structure to secure the unearned balance. Should another DCOA-eligible project be housed in the structure, principal reduction earnings shall continue or the balance may be converted to a market rate loan.

DCOA's funding is contingent upon Texas Tech University School of Pharmacy securing all other necessary funding for construction and to supplement operations for a period of time. Should the City of Abilene obtain federal funding in support of this project, DCOA's funding commitment shall be reduced by an equal amount.

PART 2. Funding under this resolution is contingent upon execution of all necessary agreements. The funding commitment authorized under this resolution shall expire without notice 180 days from the date of adoption of same unless all required documents and agreements are executed prior to that expiration date or the commitment herein is extended in writing by the DCOA.

PART 3. The Chief Executive Officer of the Development Corporation of Abilene, Inc. is hereby authorized to negotiate, enter into and execute any contract and all other related documents on behalf of the DCOA.

ADOPTED this the 17th day of October, 2006.

ATTEST:

Dee Moore
Secretary/Treasurer

Ray Ferguson
President

APPROVED:

T. Daniel Santee
First Asst. City Attorney



Develop Abilene

Abilene Industrial Foundation

Abilene Industrial Foundation, Inc.
P.O. Box 2281, Abilene, Texas 79604
174 Cypress Street, Suite 300
Abilene, Texas 79601
Tel.: 325/673-7349
800/299-0005
Fax: 325/673-9193
Website: www.developabilene.com



October 10, 2006

Mr. Richard Burdine
Assistant City Manager
City of Abilene
P. O. Box 60
Abilene, TX 79604

Dear Richard:

In accordance with the terms of the Development Corporation of Abilene contract with the Abilene Industrial Foundation, the following year-end progress report is submitted for the period of October 1, 2005 to September 30, 2006 inclusive.

This report covers all categories listed in the AIF Marketing Plan. A brief summary of the data follows:

Marketing Budget..... \$140,000.00
Spent to Date..... \$105,615.78

	10/05 thru 3/06	4/06 thru 9/06	10/05 thru 9/06
Leads Received	96	74	170
Leads AIF Responded to	24	13	37
Prospect Files Opened	3	6	9
Retention Visits	62	24	86
Consultant Visits	34	28	62

Although the summary for 2005-2006 reflects a lower percentage of qualified leads that were responded to in the previous year, the AIF remained focused on the quality of leads to maximize the return. As a comparison, in 2005, the Industrial Foundation responded to 53% of all leads received, which resulted in 14 prospect visits. In 2006, the Industrial Foundation responded to only 22% of the total leads which resulted in 18 prospect visits. Although the response to leads was lower, the number of prospect visits increased.

There continues to be concern in terms of marketable inventory in Abilene. The number of leads we can effectively respond to could be negatively affected in 2006-2007 because of low unemployment rates coupled with a lack of inventory.

The overall marketing plan remains focused on the Site Selection Consultant. The attachments are marketing summaries of the past year.

If you have any questions we will address them at the monthly DCOA meeting.

Sincerely,

William J. Ehrie, CEcD
President

cc: Kim Tarrant
Gary Robinett, Director, Marketing and Industrial Recruitment, Abilene Industrial Foundation

Enclosures

Attachment 1

Abilene Industrial Foundation
2006 Mid-Year Marketing Summary
April 1, 2006 - September 30, 2006

Advertising/Publications

- New magazine ads produced – 3
- Total magazine advertisement submissions – 3
- Total advertising production costs – \$6,046.12
- Total magazine/internet advertisement placement costs – \$8,200.00
- Total ad responses received April 2006 through September 2006 – 18
- Total of magazine leads that AIF responded to – 1

General Lead Activity

- Leads received from all sources excluding magazines – 22
- Leads AIF responded to (consultants, allies, etc.) – 12
- General inquiries from businesses – 34
- Total pieces of information given out (fact book, building flyers, etc.) – 134

Prospect Activity

- New validated prospect files opened – 6
- Prospect visits to Abilene – 18

Web Site and Internet Marketing

- E-Newsletter distributions – 2,500 approx.
- E-Newsletter distribution costs – invoice not yet received
- Web Site changes/enhancements – \$504.12

Trade Show/Conference Activity

- TEDC Tyler (Ehrie)
- TEDC Annual Conference - Galveston (Ehrie/Robinett)

Site Consultant Activity

- Ranger Game – May 06
- Develop Abilene Site Selection Dove Hunt – Sept 06

Marketing Videos

- Dyess/ABL videos and upgrade production costs – \$11,630.09
- Dyess Brochure (companion to Dyess video) - \$3,593.75
- Abilene community video upgrade costs – \$16,948.19

Existing Business Activity

- Retention Visits – 24

Attachment 2

Abilene Industrial Foundation Internal Marketing & Web Site Enhancement Activities April 1, 2006 - September 30, 2006

- Monthly updates of all printed marketing/informational materials for Fact Book, Abilene File, and Call Center Book including to Labor Market Review, Cost of Living, Building Permits, Wage Surveys, Sales & Use Tax, Living Units Available, etc.
- Regular updates to Current News and Successful Relocations and Expansions sections of the web site
- Monthly updates to Labor section of web site - work force area
- Design and update of all marketing/building inventory materials
- Development and preparation of individual prospect packages
- Hosting of prospect visits to Abilene including tours to specific sites
- Cultivation of relationships with key consultants
- Hosting of Consultant events:
 - Ranger Game (May 06)
 - Develop Abilene Site Selection Dove Hunt (Sep 06)
- Trade Show attendance -
 - CoreNet Philadelphia (Ehrie/Simmonds)
- Conference attendance -
 - TEDC – Tyler (Ehrie)
 - TEDC Annual Conference - Houston (Ehrie/Robinett)
- Ad development for publications
- Produce and distribute marketing E-Newsletter to approximately 2,500 recipients

Abilene Industrial Foundation
Marketing Budget
October 2005 through September 2006

Category	Allocation	10/1/05 to 3/31/06	4/1/06 to 9/30/06	YTD
Publications (1)	\$ 10,000.00	\$ 5,000.00	\$ 8,200.00	\$ 13,200.00
Trade Shows (6,10)	\$ 15,000.00	\$ 4,014.49	\$ 523.08	\$ 4,537.57
Newsletter (13)	\$ 4,000.00	\$ 2,375.00	\$ -	\$ 2,375.00
BRAC Marketing (9)		\$ -	\$ -	\$ -
Develop Abilene (15)	\$ -	\$ -	\$ -	\$ -
Targeted Mkg. Research (4)	\$ -	\$ -	\$ -	\$ -
Dyess/DCOA Video Costs (5)		\$ -	\$ 28,578.28	\$ 28,578.28
Material Development (3)	\$ 36,000.00	\$ 5,273.91	\$ 6,046.12	\$ 11,320.03
Internet (2,8)	\$ 10,000.00	\$ 1,012.50	\$ 504.12	\$ 1,516.62
Consultant Contacts (12)	\$ 60,000.00	\$ 1,906.49	\$ 42,181.79	\$ 44,088.28
Contingency	\$ 5,000.00	\$ -	\$ -	\$ -
Total	\$ 140,000.00	\$ 19,582.39	\$ 86,033.39	\$ 105,615.78



Texas Tech University
Small Business Development Center
At Abilene

2006
Annual Report



**SMALL BUSINESS DEVELOPMENT CENTER
2006 Annual Report**

STATISTICS:

2795.50	Abilene Counseling Hours
1460	Client Sessions Conducted
283	New clients
40	Workshops
721	Attendees

Business Opened:

58	Businesses Opened
----	-------------------

Type of Business:

24	Service
27	Retail
4	Construction
3	Manufacturing

Jobs Created (in Full-Time Equivalents):

301	Jobs Created
223	New Jobs Created
78	Job Expansions
148	Service
138	Retail
8	Construction
7	Manufacturing

Capital Formation:

\$5,418,346.32	Capital Formation
\$3,044,745.32	Service
\$2,103,601	Retail
\$45,000	Construction
\$225,000	Manufacturing

Ethnic Background:

56	Black or African American
11	American Indian or Alaska Native
13	Asian

Ethnicity:

56	Hispanic Origin
----	-----------------

Gender:

193	Female
-----	--------

Veteran Status:

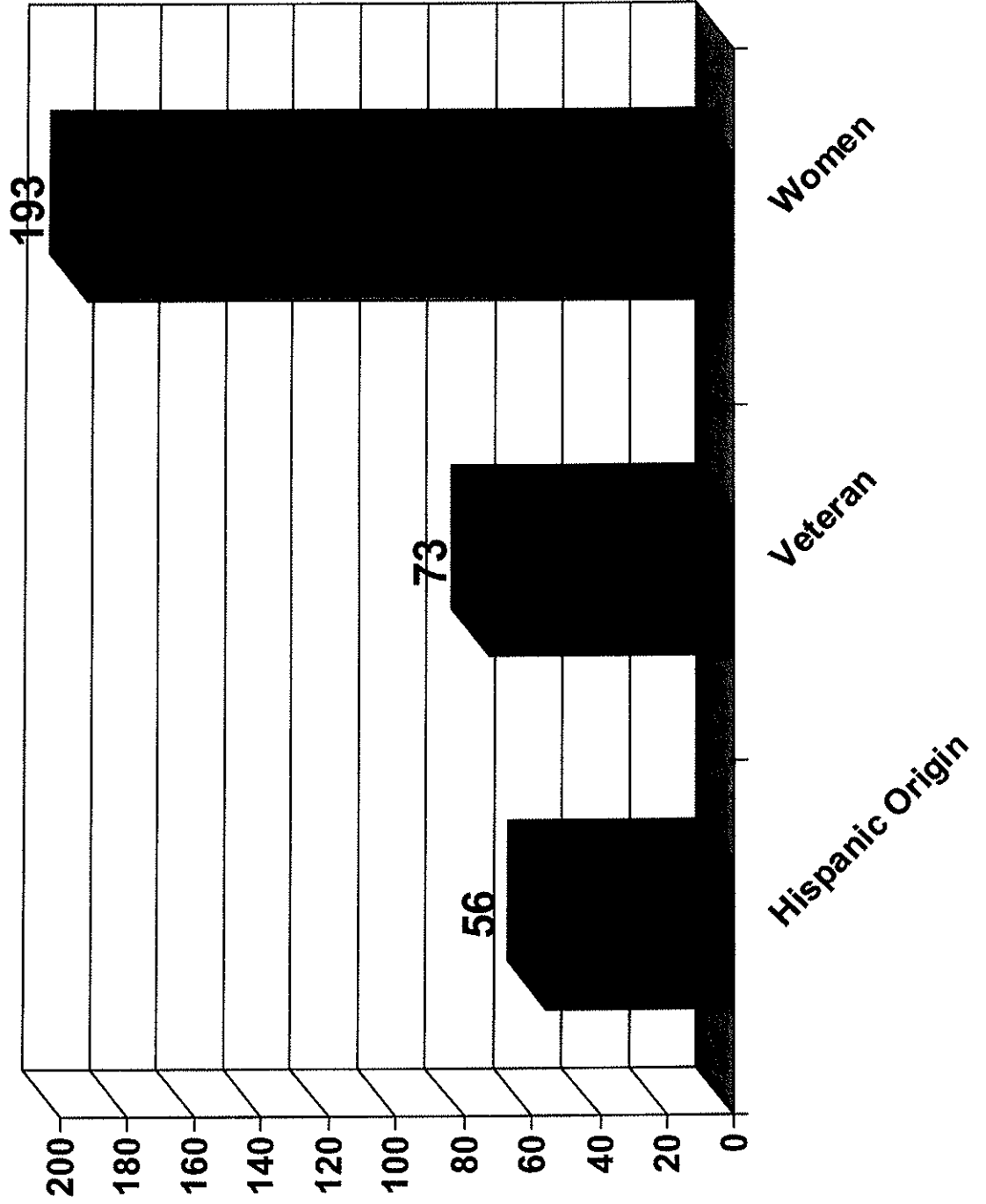
10	Service Disabled Veteran
63	Veteran

Texas Tech University SBDC @ Abilene
2006 Annual Report

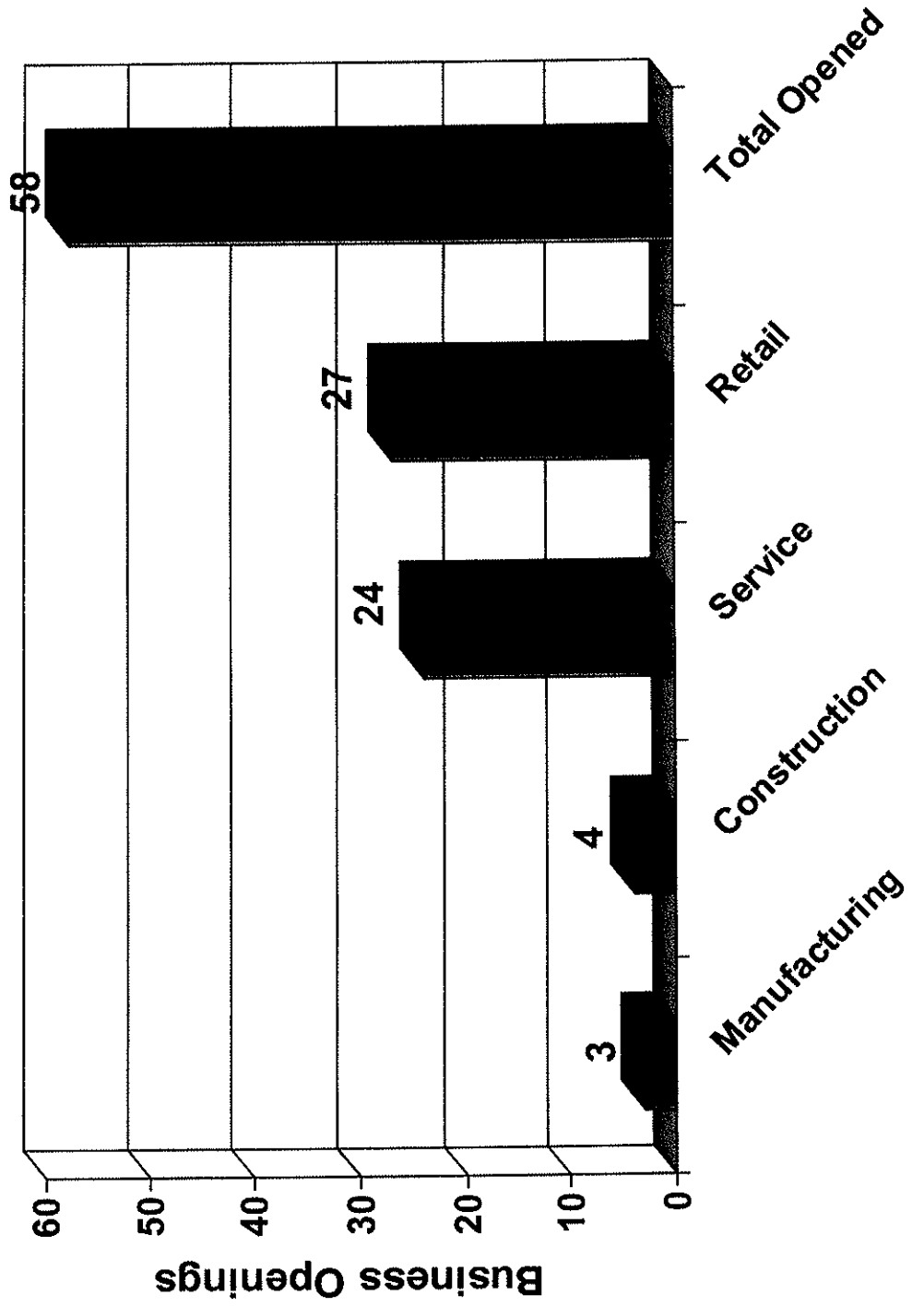
	October	November	December	January	February	March	April	May	June	July	August	September	Totals
Hours	266.5	225.25	266.75	290.5	246.75	246.5	196.75	137.5	200.75	236.5	372.5	102.25	2,795.50
Businesses Opened	0	3	15	12	9	1	5	4	6	5	1	2	64
Jobs Created													
New Expansions	0	6	63	70	23	1	18	6	23	9	1	3	223
Total	1	14	0	0	5	40	2	0	2	0	14	0	78
	1	20	63	70	28	41	20	6	25	9	15	3	301
Capital Formation	\$ -	\$ 637,000.00	\$ 1,760,000.00	\$ 886,300.00	\$ 913,200.00	\$ 12,800.00	\$ 1,913,000.00	\$ 946,000.00	\$ 818,500.00	\$ 122,000.00	\$ 47,007.50	\$ 81,000.00	\$ 5,413,400.00
Billable Hours	263.25	224.25	273	287.25	246.25	246.5	195.5	135.5	197.25	237.75	293.5	0	2,600
Funds Received	\$ 19,743.75	\$ 14,818.75	\$ 20,471.50	\$ 21,543.75	\$ 19,466.75	\$ 16,087.50	\$ 14,662.50	\$ 16,162.50	\$ 14,793.75	\$ 17,631.25	\$ 22,512.50	\$ -	\$ 165,500.00

Cost per Job Created	\$ 647.84
Capital Funding per Job Created	\$ 18,001.15
Hours Invested per Business Opened	48.20

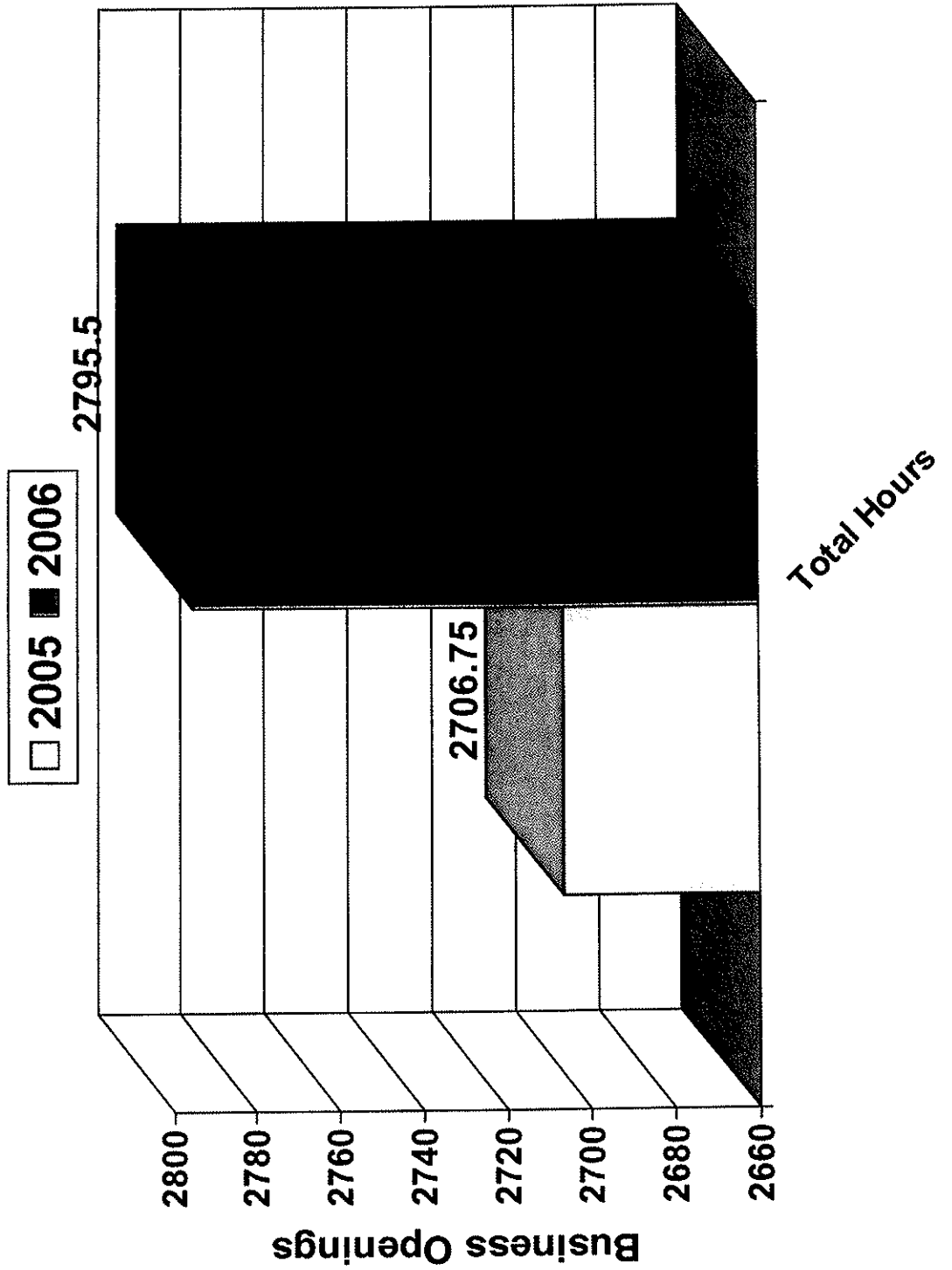
Hispanic, Veteran, & Women Clients Served



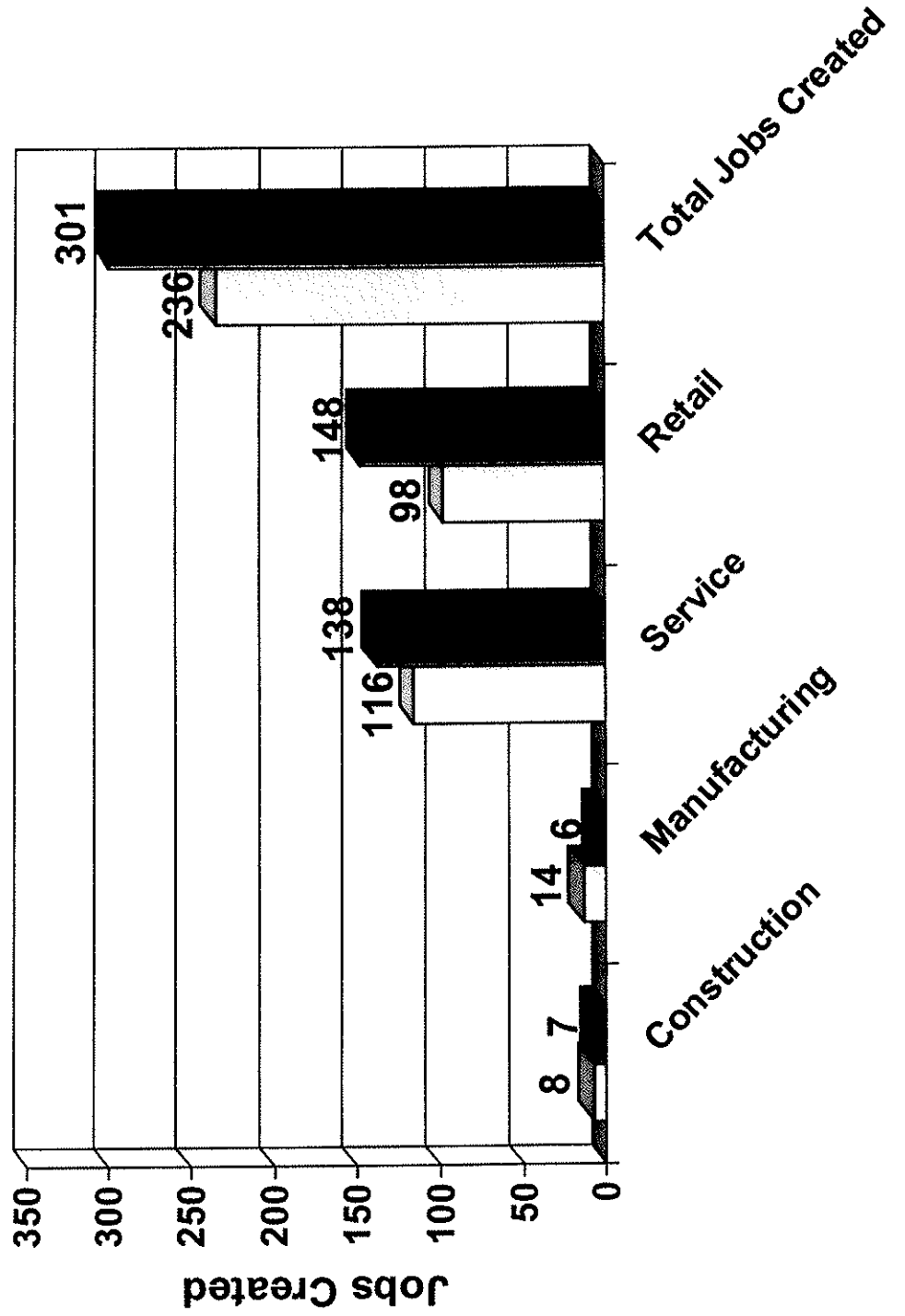
SBDC-Assisted Business Openings



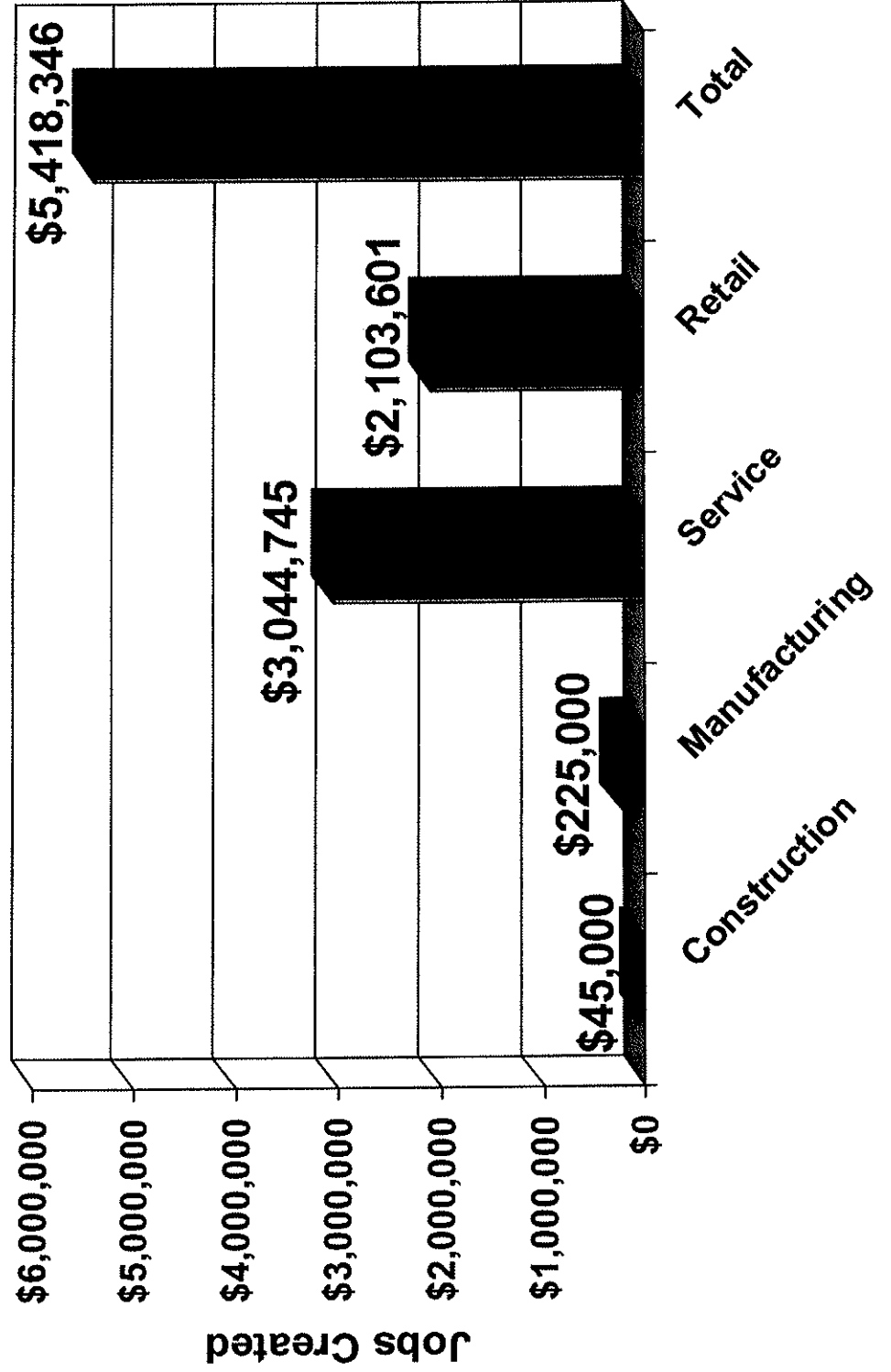
SBDC Billable Hours



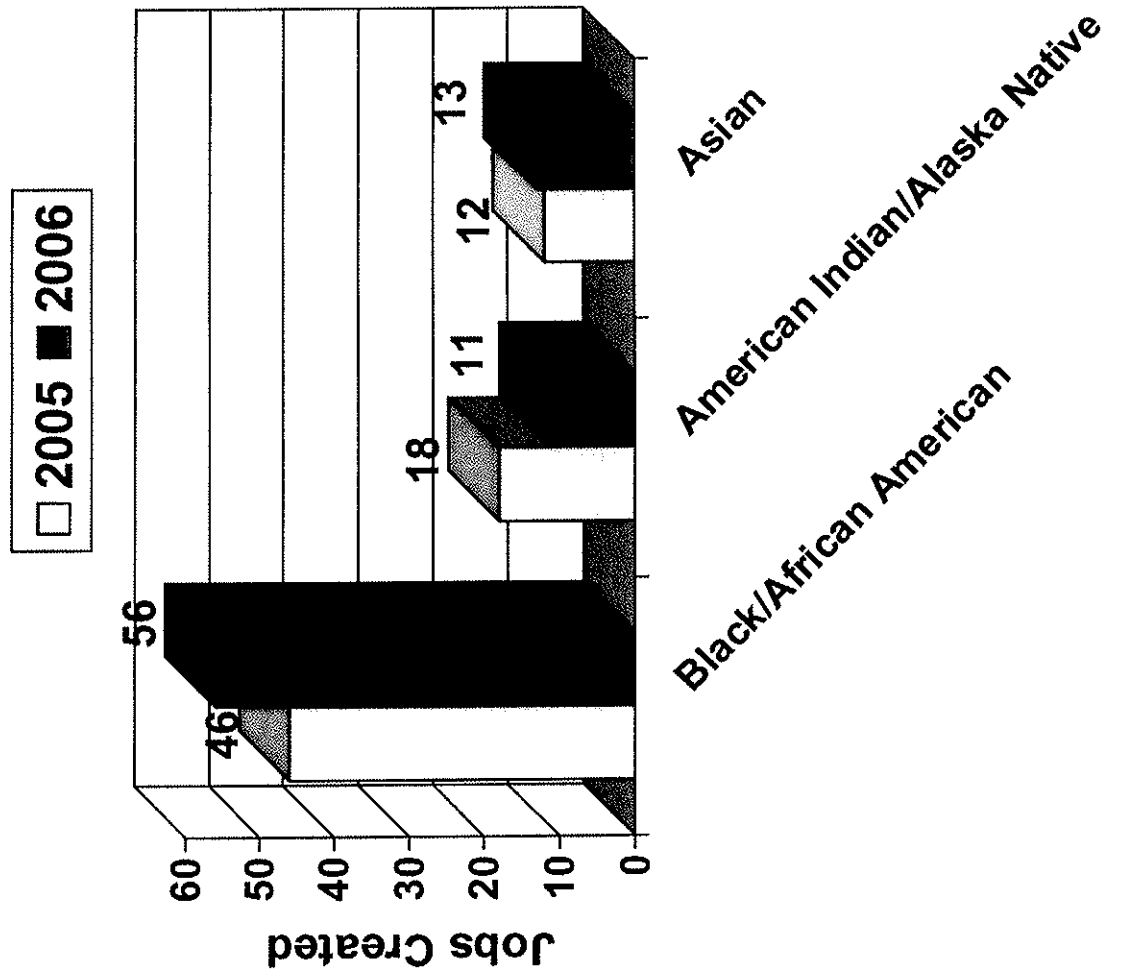
SBDC-Assisted Jobs Created



Capital Formation



Client Race Background



**ABILENE REGIONAL AIRPORT'S
MID-YEAR REPORT TO THE
DEVELOPMENT CORPORATION OF ABILENE**

4-13-06 through 10-12-06

Contract **To continue the progress of the Business Development Program**

Results to Date **Business Development Program success has exceeded planning expectations as the fiscal year 2006 enplanement level of 91,973 is 104% of the master plan forecast for 2020.** See attached chart for key operating statistics.

1. Increased passenger enplanements

- ▶ FY06 – 91,973 15.9% increase
- ▶ FY05 – 79,337 9% increase
- ▶ FY04 – 72,789 46.3% increase
- ▶ FY03 – 49,769

2. Increased service

- ▶ American Eagle – from six flights (three RJ's, 3 turboprops) to DFW Intl. Airport in FY03 to eight flights (five RJ's, 3 turboprops) in FY06.
- ▶ Continental Connection – contract carrier, Colgan Air, increased available seating by 26% with SAAB turboprop flying. Three daily flights to Houston Intercontinental Airport reduced to two for three months of national "shoulder" season, returning Thanksgiving 2006.
- ▶ Allegiant Air, a low cost carrier flying 150-seat MD-80 jets, began twice weekly nonstop service between Abilene and Las Vegas McCarran Intl. Airport on June 9, 2006. Four-month load factor is 77.2% with 3,674 passengers enplaning in Abilene.
- ▶ Available Seats:
 - FY06 – 303,236 21.1% increase
 - FY05 – 250,342

3. Increased revenue

Parking:

- ▶ FY06 – \$306,873. 21.3% increase
- ▶ FY05 – \$252,918. 10.1% increase

- ▶ FY04 – \$229,815. 60 % increase
- ▶ FY03 – \$137,609.

Rental Cars:

- ▶ FY06 – 3 Qtr. Total is \$1,576,608., a 36.7% increase over same period in FY05
- ▶ FY05 – \$2,430,238. 34% increase
- ▶ FY04 – \$1,747,125. 12.5% increase
- ▶ FY03 – \$725,372.

3. U.S. Department of Transportation’s Small Community Air Service Development Program

- ▶ Cited as a Best Practices Model for Business Development Program at a Non-Hub Airport funded by a FY 2003 Small Community Air Service Development Grant by the U.S. DOT’s Office of Aviation Analysis.
- ▶ Recently awarded a second grant for \$465,100. to secure air service to the western U.S. This grant funds about 70% of expenditures needed to pursue improved air service to the Abilene market, and particularly to gain service to the Western U.S. These resources will enable the provision of marketing support and financial assistance to reduce the market risk for qualifying new service, and defray operating costs through the provision of ground handling services.

Agreement Tasks and Status

1. Participate in major area trade shows

- ▶ Participated in Chamber of Commerce’s annual 2003 - 2006 Business Expo’s. 2006 booth staffed by Colgan Air’s manager and Airport staff.
- ▶ Participated in Texas Midwest Community Network’s (TMCN) 2005 Annual Conference and Business Expo.
- ▶ Invited to participate in 2006 TMCN Annual Conference and Business Expo on Oct. 18.

2. Develop an Air Cargo strategy

- ▶ With funding for Air Cargo ramp and infrastructure programming moved from 2006 to 2010, new air cargo strategy must be developed.
- ▶ Will coordinate with Economic Development staff on a proposed cargo market demand study closer to the time the Air Cargo ramp programming and funding is approved by the FAA.

- ▶ Continuing to research manufactured products and shipping needs of industrial companies in 32-county service area when possible.

3. Develop a Regional Air Service Advisory Council

- ▶ Establishment of a Regional Air Service Advisory Council will provide a forum for regional business and economic leaders to address passenger and cargo air service deficiencies and air service development needs from a regional perspective. This will also provide a forum for regional business and economic leaders to learn about different aspects of the aviation industry, including how a thriving regional airport can contribute to their economies' well-being.

- ▶ Plan for Regional Air Service Advisory Council developed with executive director of the Texas Midwest Community Network and Executive Director of Rural Texas Access.

Mayor of Abilene will provide leadership in asking County Judge's appointment of a county businessperson to the Regional Air Service Advisory Council.

- ▶ Plan approved by:
 - Airport Development Board in September 2006.
 - Plan approved by Abilene City Council on October 12, 2006.
- ▶ Draft of bylaws scheduled for 4th Qtr. 2006.

4. Expand the email database

- ▶ Management of email address database will be converted to the City of Abilene's new email management system, and integrated with airport's new Customer Knowledge Program (see below)
- ▶ Continuing to add e-mail addresses to database, now numbering around 7,000

5. Continue to develop relationships with the Planning Departments and Marketing Departments of American Eagle Airlines, Continental Airlines, and Allegiant Air, making enhanced air service proposals when/if indicated.

- ▶ Planning and Marketing Departments of ABI's three key airlines are contacted monthly for discussion of key issues & shared opportunities.
- ▶ Hosted *ABI: The Friendly Frontier!* event on August 30, at Continental Airline's 2,300-employee North Houston Reservations Center. Event objectives were to:

- Provide the reservation agents with the opportunity to learn about the character, venues, and unique merchandise of Abilene and the Texas Midwest
 - Encourage the reservations agents to travel to the Texas Midwest via ABI;
 - Encourage the reservations agents to recommend Abilene and the Texas Midwest as a great vacation destination via ABI.
- ▶ The event featured photograph opportunities with a life-size American Indian-styled buffalo from the Civic Center; roping lessons courtesy of Frontier Texas; a grand prize of a three-day weekend for four donated by the 2007 Western Heritage Classic; merchandise and tickets valued at \$13,348. donated from merchants and venues throughout the Texas Midwest, including thousands of *Abilene – The Friendly Frontier* giveaways from the Abilene Convention and Visitors Bureau; and all-day-long live music sung by Abilenian Tony Barker, representing the Abilene Acoustic Music Association.
 - ▶ The Event Partners – Frontier Texas!, the Texas Forts Trail, Texas Midwest Community Network, Western Heritage Classic, Rural Texas Access, and the Abilene Convention & Visitors Bureau – felt the event was a success, as did the reservations agents, who sent us this comment, *“I learned more about ABI today, and will be able to sell the city with confidence.”*
 - ▶ Continental assigned the Manager of Marketing Coordination and Sales Resources to support airport’s business development program. Developed promotion for OnePass and business travelers that offered 5,000 free OnePass miles with free telephone call. Continental deemed response rate as acceptable.
 - ▶ Communication with SkyWest senior administrators continues, while dialogue with Colgan funneled through Continental.
 - ▶ Represented ABI at annual American Eagle Partnership Meeting in September 2006, hosted by President Peter Bowler and senior Eagle staff.

6. Implement a baseline advertising strategy in Abilene

- ▶ Baseline advertising in annual publications includes annual ABILENE Magazine, annual Texas Midwest Community Network Visitors Guide, AreaWide Yellow Pages, SBC Yellow Pages, Brownwood Chamber of Commerce annual magazine, and Sweetwater Chamber of Commerce annual magazine.
- ▶ Baseline advertising in newspaper scheduled for November – December 2006 in Abilene Reporter-News.

- ▶ November-December 2005 ad campaign promoted ABI as full-service hometown airport served by two world-class carriers. Resulted in best November, December, and January enplanements in 50-year history.

7. Continue the search for airlines with air service strategies that may benefit Abilene and the Texas Midwest

- ▶ Presented results of updated Air Service Study to Airlines' Planning and Scheduling staff for AirTran Airlines, Southwest Airlines, Delta Express, and United Express in FY05.
- ▶ Presented Air Service Study and route analysis to Delta Airlines for Salt Lake City hub service in June 2006. Follow-up meeting scheduled for 4th Qtr. 2006.
- ▶ Presented Air Service Study and catchment area analysis to TransStates Airlines, GoJet!, Chautauqua Air, and Republic Holdings in June 2006.
- ▶ Air Service Consultant routinely represents ABI to all airlines and airports represented by SABRE Airline Solutions, including opportunities with United Express in San Antonio, American Connection in St. Louis, Frontier Airlines in Denver, and Allegiant Air in Las Vegas, Orlando and other new leisure markets under consideration.
- ▶ Developed Air Service Development Incentive Policy that was unanimously approved by City Council in February 2006. Allows City waiver of fees for new service, upgraded aircraft, and other service enhancements. First beneficiary of policy was American Eagle with waiver of landing fees for 8th daily flight that began in January 2006.

8. Allegiant Air Introduction

- ▶ Presented Air Service Study and route analyses for ABI-LAS and ABI-Orlando Sanford to Allegiant Air in January 2006.
- ▶ Low-cost, low-fare carrier Allegiant Air inaugurated new nonstop jet service from Abilene to Las Vegas on Friday, June 9, 2006. Flight pattern is Friday early evening arrivals and departures, and Monday early evening arrivals and departures.
- ▶ With funding from DCOA, Airport staff has planned, placed, and paid media invoices totaling \$135,000. for six advertising campaigns in support of Allegiant Air's new service. Media was routinely placed in more than 70 newspapers in markets from Odessa to Weatherford, and San Angelo to Knox City; seven TV stations; and 10 radio stations.

- ▶ Staff regularly negotiated 50% or more bonus airtime on TV and radio stations
- ▶ Enplaned passengers for the first four months of service are 3,674, which equates to a combined load factor of 77.2%. Load factor for the first two months of service in June and July was 95.7% and 95.8% respectively.
- ▶ The success of Allegiant Air's service has proven our market. This will help us overcome our small market barrier to new service.

9. Implementation of a Customer Knowledge and Research Program

- ▶ This program is designed to link business development strategies/decisions and market and consumer intelligence. This program will include four areas of integrated marketing communication and research activity:
 - Business – Corporate Market Research: primary research project targeting the business communities in Abilene Regional Airport's 32-county service area
 - Continuous Customer Satisfaction Research: development and execution of a primary on-site research program targeting air travelers
 - Airport Web Site: development and launch of a new, stand-alone site that incorporates an ongoing research component
 - Electronic Newsletter: development and production of a marketing-oriented newsletter targeting the entire collected database of Abilene Regional Airport

Additional Airport Tasks In Progress

10. Airport Volunteer Ambassador Program

- ▶ This program will be designed to provide exemplary customer service, which meets or exceeds passenger and visitor needs, while offering friendly, accurate and up-to-date assistance by answering questions about airport services, facilities, and construction projects; and providing flight assistance and tourism information in a friendly and welcoming manner.

11. Fly Texas Initiative

- ▶ ABI will actively participate in this Texas Department of Transportation project designed to develop intra-state nonstop air service to/from Austin.

12. In-terminal Advertising Program

- ▶ ABI assumed responsibility for in-terminal advertising on January 1, 2005, when concessionaire cancelled contract.
- ▶ Abilene Convention & Visitors Bureau assumed responsibility for two areas of terminal signage for one year beginning June 2006. Results to date include updated destination ads for the Welcome to Abilene top tourism venues, and sales of all ad space to hoteliers and restaurateurs on the Hotel/Motel/Restaurant board, all on the 1st Level by Baggage Claim
- ▶ Will eventually issue a RFP, which will include request for capital expenditures to update signage fixtures

13. Appointed by Airports Council International - North America (ACI-NA) to its national Steering Committee for Marketing and Communications

- ▶ Participate in monthly conference calls planning conferences and develop Best Practice case models for professionals in Airport Marketing, Communications, Media Relations, Customer Service, and Airline Route Development.
- ▶ Scheduled as a speaker on *Effective Use of Small Advertising and Market Budgets* for national 2007 Marketing and Communications Conference that precedes JumpStart Airline meetings.

14. College Sports Travel Needs

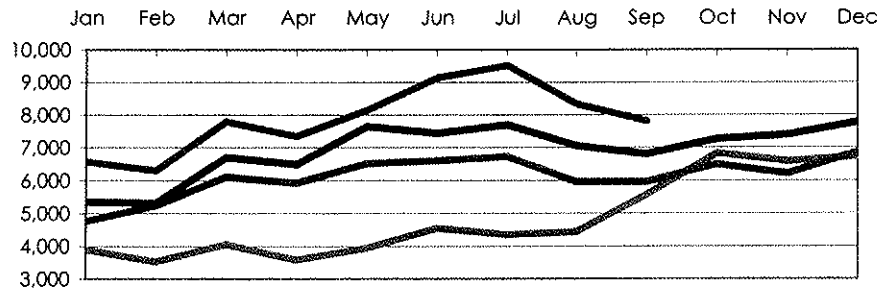
- ▶ Continuing to research air travel needs for area colleges and universities when possible.
- ▶ With an active college sports charter division, Allegiant Air provides a new opportunity for low-cost charters for catchment area sports teams.

15. ACVB Conventions

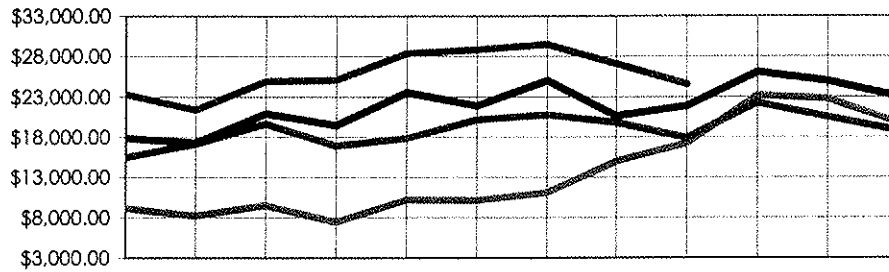
- ▶ Working with Abilene Convention & Visitors Bureau to determine air travel needs of convention attendees, and to increase number of attendees flying to Abilene
- ▶ ACVB now includes ABI airport and rental car offers in appropriate bids

Abilene Regional Airport Enplanement Impact Charts

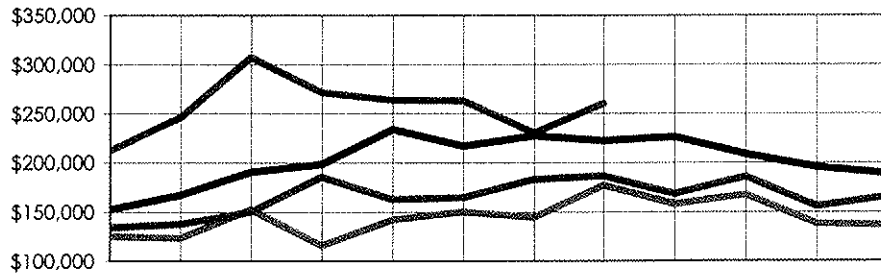
Enplanements



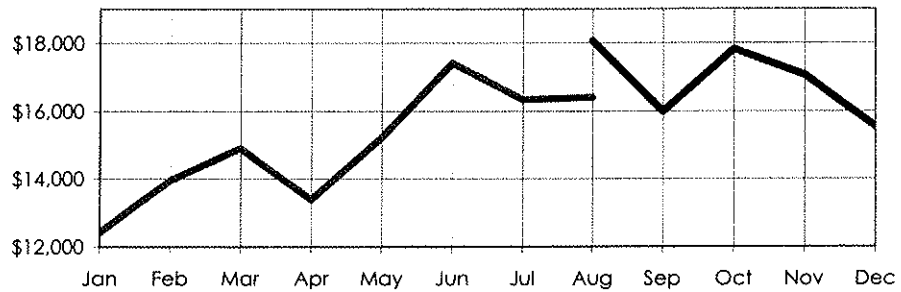
Parking Revenue



Car Rental Gross Revenue

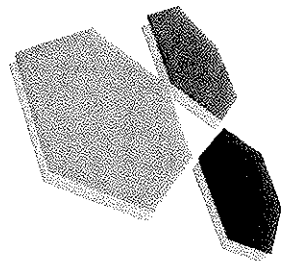


Concessionaire Gross Revenue



Legend

2003
 2004
 2005
 2006



Develop Abilene

Development Corporation of Abilene

**ANNUAL REPORT
OF ACTIVITIES**

September 2006

DEVELOPMENT CORPORATION OF ABILENE, INC.

ANNUAL REPORT OF ACTIVITIES
OCTOBER 2005 – SEPTEMBER 2006

Table of Contents

Mission Statement	3
Board of Directors	3
Goals	3
Organization	3
Progress Made Toward Goals	4
Project Summaries:	
Teleperformance USA	5
Names and Numbers	5
Shelter Distribution	5
PWP Industries	6
Integrated Clinical Research	6
Incineration Recycling	7
Transcend Services, Inc.	7
Robinson Fans	8
Coca-Cola	8
Fehr Foods	8
Genesis Networks	9
Highland Campus Health Group	9
Summary Table of Projects	9
Administrative / Other:	
18/36 Industrial Park	10
Airport Business Development Program	10
BlueCross BlueShield Roof Replacement	10
Former Tige' Boats Plant	11
SBIR/STTR Programs	11
Five Points Business Park Land	12
Texas Manufacturing Assistance Center (TMAC)	12
Welder Training Pilot Program	12
Airport Site Planning	12
Staff	13
Contact Information	13



DEVELOPMENT CORPORATION OF ABILENE, INC.

Mission Statement:

The mission of the Development Corporation of Abilene, Inc. is to use sales tax revenue to effectively stimulate Abilene's economic growth. This is done by assessing the community's economic development needs, developing a plan to meet those needs, coordinating community economic development efforts, and supporting targeted activities that enhance the quality of life in the community and maximize the public's return on invested tax dollars.

Board of Directors:

President:

Ray Ferguson

Vice President:

Joe Crawford

Secretary/Treasurer:

Dee Moore

Members:

Syd Niblo

Stan Lambert

Goals:

The Board has identified six key goals in the City's economic development efforts.

1. To make Abilene competitive in the attraction of business and industry in order to create new, sustainable jobs.
2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses.
3. To strengthen and expand the skills of the Abilene labor force.
4. To strengthen and revitalize downtown Abilene.
5. To increase the number and size of minority-owned, woman-owned, small and entrepreneurial businesses in Abilene.
6. To effectively administer the sales tax revenue.

Organization:

The DCOA is a non-profit corporation established under Section 4A of the Development Corporation Act of 1979, as amended. The DCOA consists of a five-member board, which is appointed by the Mayor and City Council, with terms of three years each. The fiscal year for the DCOA begins October 1st and ends September 30th.



Progress Made Toward Goals

1. To make Abilene competitive in the attraction of business and industry in order to create new, sustainable jobs.

The DCOA continues to work toward competitiveness with other communities by funding the marketing efforts of the Abilene Industrial Foundation. The DCOA also approved additional funding of \$135,000 for the Airport Business Development Program to be used to inform travelers in the Abilene market of competitive opportunities available closer to Abilene.

2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses.

The DCOA approved assistance for eleven different companies. A total of 617 jobs are to be retained and 763 jobs created. Four of the businesses (Shelter Distribution, PWP Industries, Incineration Recycling, and Genesis) are new to Abilene.

3. To strengthen and expand the skills of the Abilene labor force.

The DCOA approved Addendum A to the Agreement for Financial Assistance for Transcend Services, Inc. to amend the method by which Transcend earns principal reductions on its two loans. Addendum A will enable Transcend to earn principal reductions by obtaining credit for in-house training of its employees. The DCOA also approved to reinstate \$78,000 in training funds for Fehr Foods.

4. To strengthen and revitalize downtown Abilene.

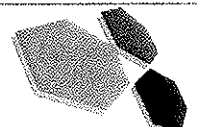
During the report period (10-01-05 through 09-30-06), the DCOA approved assistance for Transcend Services and Genesis Networks. Both currently lease office space in the Enterprise Building, located in south downtown.

5. To increase the number and size of minority-owned, woman-owned, small and entrepreneurial businesses in Abilene.

The DCOA provides \$195,000 annually to the Small Business Development Center (SBDC) for services to Abilene residents and businesses. The SBDC provides business counseling free of charge to clients in a 16-county area surrounding Abilene. In addition, the SBDC can assist businesses desiring to sell products or services to any level of government. Texas Manufacturing Assistance Center services are helpful to small manufacturers to improve their processes and increase efficiency. Integrated Clinical Research is a small, entrepreneurial business being assisted by the DCOA and is also minority-owned. The DCOA has also approved a total of \$273,900 in funding to assist entrepreneurs in applying for the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs which provide the largest source of venture capital available to small businesses.

6. To effectively administer the sales tax revenue.

During the report period (10-01-05 through 09-30-06), the DCOA approved \$6,459,703 in funding to assist companies with growth and retention in Abilene, anticipating new employment of 763 jobs and retained employment of 617 positions.



Project Summaries

Teleperformance USA (Project AT)

Teleperformance USA is an existing Abilene company and is part of a worldwide leader in outsourced teleservices. They have won recognition as one of the fastest-growing teleservices agencies in the United States.

The company announced it would be closing its Abilene operation and transferring the business to offices outside the area, laying off 136 employees. However, a major client is very pleased with Teleperformance, so they decided to maintain the Abilene operation and expand here subject to DCOA assistance. The operation was moved to a larger facility to allow for expansion, which will result in projected total employment of 550 and a total annual payroll of \$6,864,000.

In November 2005 the DCOA approved a job retention/creation incentive package totaling \$757,000, including a \$500,000 forgivable loan at 0% interest for up to five years, advanced up front. The company will retain its existing 136 jobs and create 414 more jobs within three years.

Goals addressed: *2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses and 6. To effectively administer the sales tax revenue.*

Names and Numbers (Project BNE)

Names and Numbers is a publishing company out of Pittsburg, Kansas that performs sales, production and distribution of five telephone directories, covering 52 markets located in several states. They have chosen Abilene as the regional base of operations for Texas, which will support content production and sales. The company plans to take advantage of a workforce that will become available due to a pending reduction in staff of an existing Abilene company.

In November 2005 the DCOA approved a job creation incentive package totaling \$932,879 in exchange for 53 new jobs with 30 of those earning at least \$31,400/year. **The offer for assistance has been withdrawn.**

Goals addressed: *2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses and 6. To effectively administer the sales tax revenue.*

Shelter Distribution (Project BP)

Shelter Distribution currently distributes quality roofing, siding, windows, and related products to contractors, builders and lumberyards. They are interested in establishing a distribution center in Abilene to service central Texas, which would include customers from Wichita Falls to San Angelo and as far west as Lubbock.



In January 2006 the DCOA approved job creation and capital investment incentives totaling \$92,842. The company will create four full-time jobs, all paying more than \$30,000 per year and will make a capital investment of about \$237,000.

Goals addressed: *2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses and 6. To effectively administer the sales tax revenue.*

PWP Industries (Project Pellet)

PWP Industries (PWP) is a California-based leader in the plastics manufacturing industry that produces innovative plastic packaging with start-to-finish capabilities from design to production of finished goods. There are currently two plants – one in California and another in West Virginia. After considering several other locations for an expansion, they ultimately decided on Abilene in order to better serve their customers in this area of the U.S.

In February 2006 the DCOA approved assistance for PWP in two phases and as of March 9, 2006 they are leasing the Spec 2 Building located at 6450 Five Points Parkway for \$236,250/year. In addition, PWP has the option to purchase the Spec 2 Building within the first five years of the lease for \$3.5 million. Total projected employment through both phases is 120.

Phase 1 - Total funding of \$2,210,500 as a job creation and capital equipment investment incentive was approved. Included in the funding is \$55,500 to paint the interior walls and doors of the manufacturing area plus another \$150,000 to paint the floor and make other improvements to the facility. PWP will create 65 new jobs paying salaries of \$30,000/year or more and spend between \$9 million and \$12 million for capital equipment.

Phase 2 - This funding becomes effective when and if PWP exercises its option to purchase the Spec 2 Building and expand it. Funding of \$2,537,000 is available as an incentive for investment in construction and equipment for the expansion and is also available as a job creation incentive. PWP will create an additional 55 jobs and expects to invest up to \$15 million for the expansion. Additional optional funding of \$250,000 is available to move the rail spur if PWP secures its financing for the expansion with another financial institution.

Goals addressed: *2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses and 6. To effectively administer the sales tax revenue.*

Integrated Clinical Research (Project DS)

Integrated Clinical Research is an existing successful business that wants to expand its research activities into conducting clinical trials. The expansion will be structured as a separate company focused entirely on research and will result in an increased tax base with capital investment and new employment. It will also make available to patients drug therapies that are not available elsewhere in the country. Another goal of the company is to make space available for other doctors to conduct clinical trials in their respective fields of study.



Expanding the business for the company would involve construction of a building with an estimated investment of \$1.3 million plus about \$1 million in equipment.

In March 2006 the DCOA approved an incentive package totaling \$695,502 as a capital investment incentive and a job creation incentive in exchange for the creation of 33 new jobs, 32 of which will pay more than \$30,000 per year.

Goals addressed: *2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses, 5. To increase the number and size of minority-owned, woman-owned, small and entrepreneurial businesses in Abilene, and 6. To effectively administer the sales tax revenue.*

Incineration Recycling (Project TT)

Incineration Recycling collects, cleans, warehouses, and sells containers used to transport and store chemicals and has become a leader in the packaging industry. The company currently has a plant on the East Coast and is considering an additional plant in the Southwest since many of its customers are located in this area. Putting a new facility in Abilene would enable the company to greatly reduce shipping costs. The proposed local plant will bring in containers for destruction using an EPA-approved method, which will pose no environmental hazard to the community. The process does not release any contaminated water into the system and air emissions are well within approved guidelines.

In March 2006 the DCOA approved a job creation incentive package of up to \$103,900 for eleven new jobs, with five of those paying more than \$30,000 per year.

Goals addressed: *2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses and 6. To effectively administer the sales tax revenue.*

Transcend Services, Inc.

The DCOA approved a total assistance package of \$2 million for Transcend Services, Inc. (Transcend) in November 2004, and the company opened its Abilene office in June 2005. Two hundred of the new 208 jobs are to be Medical Language Specialists (MLS). Transcend originally anticipated being able to hire a significant number of experienced MLSs but instead has had to conduct additional in-house training which has affected how much the MLSs are able to earn in a year.

The MLSs are paid by the line transcribed and most do not make an annual salary of \$34,000 as required in the Agreement for Financial Assistance (Agreement) until they are experienced enough to transcribe a significant number of lines. This discrepancy in salaries for the MLSs has prevented Transcend from earning principal reductions at the rate first anticipated, and the Agreement required quarterly job certifications to earn principal reductions. Also, Transcend recently acquired a Houston company and has designated Abilene as the regional headquarters serving Texas. This will result in the need for five additional administrative staff, all earning \$40,000 or more annually.



In March 2006 the DCOA approved Addendum A to the Agreement to allow Transcend to earn principal reductions as follows: quarterly training credit of up to \$4,000/trainee at the rate of 50% of the hourly wages paid trainees, with the forgiveness being capped at \$400,000 and wage credit will be applied over three years instead of five years. Fiscal impact remains unchanged at \$2 million total.

Goals addressed: 2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses, 3. To strengthen and expand the skills of the Abilene labor force, 4. To strengthen and revitalize downtown Abilene, and 6. To effectively administer the sales tax revenue.

Robinson Fans

In July 2006 the DCOA approved additional assistance for Robinson Fans which replaces the original package approved April 19, 2005 of \$436,450. Total *additional* funding approved is \$450,959 for a total assistance package of \$887,409. These funds will be for establishing a temporary plant in Abilene, equipment, land purchase, construction, architectural/engineering fees, and buying a modular office. Robinson Fans will increase employment from 22 to 44 positions and capital investment from \$1.2 million to \$2.4 million.

Goals addressed: 2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses and 6. To effectively administer the sales tax revenue.

Coca-Cola

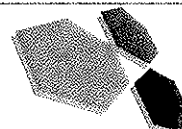
In July 2006 the DCOA authorized funding of \$220,000 to install a sanitary sewer line from the existing Coca-Cola (Coke) plant on Highway 351 south along a new road to connect with the main line running along I-20. This will allow Coke to expand in the future by taking care of current effluent needs.

Goals addressed: 2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses and 6. To effectively administer the sales tax revenue.

Fehr Foods

In July 2006 the DCOA authorized amended assistance for Fehr Foods, Inc. in which three existing participation loans with First Financial Bank (FFB) for \$1,043,852 were converted and combined with the existing \$3 million forgivable/earnable direct loan. The remaining participation loan for \$132,115 was sold back to FFB at a discount for \$90,000 which is the loan's present value. Also, \$78,000 in training assistance from the 1998 agreement was reinstated. Fehr will retain 260 existing jobs and create 66 more for total employment of 326.

Goals addressed: 2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses, 3. To strengthen and expand the skills of the Abilene labor force, and 6. To effectively administer the sales tax revenue.



Genesis Networks

Genesis Networks is a nationwide provider of datacomm, telecommunications, and professional services whose clientele include several Fortune 500 corporations. On July 7, 2006, the company announced its plans to open an Abilene office in the Enterprise Building on Chestnut Street by early August. The announcement was made possible due to a personal relationship with an ACU alumnus and ACU's diligence in pursuing the project. The Abilene office will conduct software testing and development for large telecommunications companies such as Sprint, AT&T and Cingular. The company is projecting a workforce in Abilene of 143 within 2 years with all salaries above \$30,000 per year. In August 2006 the DCOA approved an assistance package totaling \$1,929,000, which includes a job creation incentive payable over 5 years, job training funds and relocation funds.

Goals addressed: 2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses, 4. To strengthen and revitalize downtown Abilene, and 6. To effectively administer the sales tax revenue.

Highland Campus Health Group

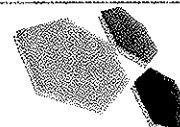
The DCOA approved an assistance package in January 2005 for \$678,000 to help move Highland Campus Health Group to Abilene from the Metroplex area, bringing 7 jobs and creating an additional 86. The company currently employs 22 in Abilene and performs medical billing services for universities. In August 2006 the DCOA amended the assistance package to allow Highland to immediately draw down \$100,000 in already-approved funding to purchase equipment needed to implement a software program developed by Catalis, which will compliment Highland's services.

Goals addressed: 2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses and 6. To effectively administer the sales tax revenue.

Summary of Projects – FY 2006

Company	Assistance Amount	Committed Job Retention	Committed Job Creation
Teleperformance USA	\$757,000	136	414
Shelter Distribution	\$92,842	00	4
PWP Industries	\$2,210,500	00	65
Integrated Clinical Research	\$695,502	00	33
Incineration Recycling	\$103,900	00	11
Transcend Services, Inc.	-----	----	5
Robinson Fans	\$450,959	00	22
Coca-Cola	\$220,000	221	00
Fehr Foods	-----	260	66
Genesis Networks	\$1,929,000	00	143
TOTAL	\$6,459,703	617	763

Percentage of assistance to Abilene companies (names in bold) – 33%



Administrative / Other

18/36 Industrial Park

The DCOA owns 231.91 acres located north of FM 18. A company new to Abilene initially intended to build a new plant on a 14-acre lot with an option to buy a second 10-acre lot adjacent and to the north of the first lot.

In November 2005 the DCOA authorized funding in the total amount of \$35,000 for a contract with the engineering firm of Enprotec/Hibbs & Todd (EHT) to perform the survey and development plan tasks, while ratifying an already incurred expense of \$645 for the first draft of a preliminary development plan. The DCOA also authorized staff to solicit proposals for installation of water and sewer to the property line and construction of a road extending north from FM 18 to accommodate both lots.

Development is currently suspended because the company chose to explore other options for expansion. Of the \$35,000 approved, \$23,800 was spent pursuing development on behalf of the company.

Airport Business Development Program

In December 2005 the DCOA approved the annual report of activities for the Airport Business Development Program for FY05 and approved by oral resolution the carry over of funding totaling \$8,524 from FY05 to be used in FY06.

The DCOA Board previously approved fiscal year 2006 funding to the City of \$67,000 in support of business development for the Abilene Regional Airport. The most recent update of Abilene's air service market as of March 2005 indicates that while the passenger enplanements increased over 45% between 2002 and 2004, Abilene continues to capture only 38% of the market share.

In March 2006 the DCOA approved Addendum A to the FY06 contract with the City of Abilene for the Airport Business Development Program, with additional funding of \$135,000 to be used to inform travelers in the Abilene market of competitive opportunities available closer to Abilene.

BlueCross BlueShield Roof Replacement

The DCOA purchased the former Texas Instruments (TI) building at 4002 Loop 322 in early 1995 and BlueCross BlueShield of Texas (BCBSTX) leases the building for \$5.00/year. There have been several major renovations to the structure that have affected the integrity of the roof. Because of the amount of high-tech equipment in the facility, BCBSTX operations can be jeopardized by roof leaks.



In January '05, the board approved funding of \$61,500 to contract with Tittle Luther Architects to design a new roof and manage the replacement project. Bids were opened on January 5, 2006 with twelve bids ranging from \$728,700 to \$1,521,770 and construction times ranging from 90 days to 230 days.

In January 2006 the DCOA authorized a bid award to the lowest bidder, Lydick Hooks, along with funding of \$728,700 plus a 7% contingency amount of \$51,010 for total funding of \$779,710. In May the DCOA approved additional funding of \$51,010 to cover the cost of a change order needed to replace the roof decking.

Former Tige Boats Plant

There has been some public interest in buying the DCOA-owned property known as the old Tige Boats Plant at 6803 Hwy 277 North.

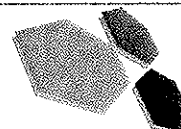
In January 2006 the DCOA authorized Richard Burdine to accept sealed written bids for the property, with the minimum bid amount equal to the tax appraised value of said property (\$383,000) and with a time period for accepting bids as determined by Mr. Burdine. In May 2006 the DCOA approved by oral resolution the sale of this property to Pinnacle Countertop Solutions of Abilene for the amount of \$450,011 after receiving sealed written bids from two bidders.

SBIR/STTR Programs

The U.S. Government through the Small Business Administration administers two programs designed to encourage innovative research and development and eventual commercialization of products by small businesses. The programs are Small Business Innovation Research Program (SBIR) and Small Business Technology Transfer Research Program (STTR). These programs provide the largest source of venture capital available to small businesses. The board co-hosted with the Small Business Development Corporation (SBDC) a workshop on 9-30-05 and 10-01-05 for local researchers and entrepreneurs to learn how best to win grant funds. The workshop was well attended and as a result, Innovations Partners, a local investment group, has teamed with three scientists and submitted a Phase 1 application to the Dept. of Energy in 2005 and has submitted three additional applications this year. Abilene now has an attorney that specializes in intellectual property, which will be helpful to local researchers and entrepreneurs during this process.

In March 2006 the DCOA approved a framework of funding support for the Pre-Application, Phase 1 Application, and Phase 2 Application processes during 2006 to encourage local research and development activities to be disbursed as follows: 1) Pre-application Phase - \$78,900, 2) Phase 1 Application - \$45,000, 3) Phase 2 Application - \$150,000. If a project goes into post-phase 2 production and start-up, the board can consider additional funding support at that time. The Texas Tech Small Business Development Center will screen applicants to determine eligibility in the programs.

In September 2006 the DCOA authorized new FY07 funding in the amount of \$271,400. The unused FY06 funding was no longer available as of October 1, 2006.



Five Points Business Park Land

In March 2006 the DCOA authorized by oral resolution Richard Burdine to develop a competitive request for proposals (RFP) for the sale of DCOA land in the Five Points Business Park east of Arnold Boulevard with the RFP taken back to the Board for approval before advertising occurs. In April the DCOA approved the RFP but no bids were received.

The Five Points Business Park was platted six years ago following the completion of a master plan for development. The trend since then has been toward larger lots and more flexibility to accommodate changing needs. Due to the changes not only in local needs but the trends for business attraction, there is a need to review and evaluate the Five Points Business Park development plan. The DCOA approved in August '06 \$56,120 for a contract with Carter & Burgess, Inc. The company will bring their extensive experience in industrial park design and site selection work for major industrial prospects nationwide to provide a comprehensive update to the master plan, allowing Five Points (and Abilene) to remain competitive with the changing needs of industry. Carter & Burgess will perform a study of the existing development plan and propose improvements and enhancements to the plan in order to make the Park better suited for today's industrial needs.

Texas Manufacturing Assistance Center (TMAC)

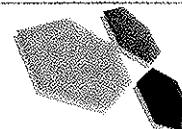
In April 2006 the DCOA approved an addendum to the contract with TMAC allowing a carryover of unused funding from FY04 (\$10,000) and FY05 (\$17,525) to be used in FY06. In September the DCOA authorized new FY07 funding in the amount of \$60,000 for another three years with funding limited to \$7,500 per manufacturer in any fiscal year. TMAC has provided safety and/or computer training for the following local companies: Red's Satellite Service, Ab-Tex Beverage, Mrs. Baird's Bread, Hartmann's, Inc., Union Drilling, and Ringo Drilling.

Welder Training Pilot Program

In July 2006 the DCOA authorized total funding of \$127,243 and a contract with the Workforce Center of West Central Texas to conduct a pilot program for welder training on the campus of Cisco Junior College. These funds are to purchase equipment, instructional costs for 36 trainees, and a \$10,000 contingency amount. The first class of twelve graduated in September and all are currently employed.

Airport Site Planning

In August 2006 the DCOA approved \$15,127 (including contingency) to help fund a City of Abilene contract with URS Consulting to analyze and update the master plan to accommodate current and future development at the Abilene Regional Airport. The task specifically funded by the DCOA concerns the area occupied by Eagle Aviation Services, Inc. (EASI). The analysis will include exploring development concepts for EASI's existing and future facility requirements.



STAFF:

Chief Executive Officer **Richard Burdine**
Dir. of Business Services **John Dugan**
Contracts Administrator **Kim Tarrant**
Construction Project Mgr. **David White**
Sec. to Assist. City Mgr. **Susan Campbell**

FOR MORE INFORMATION CONTACT:

Development Corporation of Abilene, Inc.
174 Cypress, Suite 301
P.O. Box 60
Abilene, Texas 79604-0060
325.676.6390
Fax 325.676.6377



