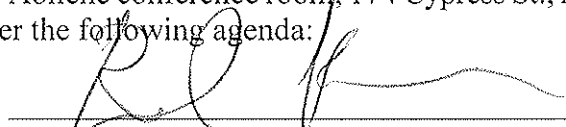


PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, July 31, 2007, 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

July 31, 2007
1:30 p.m.

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

1. Call the meeting to order.
2. Approval of minutes from June 26, 2007 meeting.
3. Preliminary financial and status reports for June 2007.
4. Appointment by the President of 2007 Standing Committees and possible board approval: Project Evaluation and Budget & Finance.
5. Presentation by Dr. Monty Lynn from ACU of the second report of progress made by the Center for Business & Economic Research on the Regional Website for Economic Data & Analysis.
6. Discussion and possible approval of a resolution authorizing assistance for Project SSH.
7. Discussion and possible approval of a resolution authorizing funding for the West Texas Center for Innovation and Commercialization (WTCIC).
8. Discussion and possible approval of a resolution authorizing a contract with Carter & Burgess, Inc. for an overall mass grading design for land in Five Points Business Park.
9. Executive Session: Pursuant to Tex. Gov't Code Sec. 551.087, an executive session may be held (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). After discussion in executive session, any action or vote will be taken in public.

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.

10. Discussion and possible approval of an oral resolution authorizing a lease or purchase of property for Project JW.
11. Discussion and possible approval of a resolution authorizing the CEO to solicit bids for the construction of Spec 3 building in Five Points Business Park.
12. Discussion and possible approval of a resolution authorizing funding for establishment of a research center.
13. Discussion and possible approval of an oral resolution authorizing the expanded use of funds previously approved to purchase a thermoformer for Eagle Aviation Services, Inc.
14. 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 _____, 2007, 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
June 26, 2007

MEMBERS PRESENT:	Ray Ferguson Joe Crawford	Stan Lambert Mike Schweikhard
MEMBER ABSENT:	Dee Moore	
STAFF PRESENT:	Richard Burdine David Wright	Kim Tarrant Dan Santee
GUESTS PRESENT:	Bill Ehrie Gary Robinett Brian Bethel	Abilene Industrial Foundation " " " 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 MAY 22, 2007 MEETING.** Stan Lambert made a motion to approve the minutes from the May 22, 2007 meeting. Joe Crawford seconded and the motion carried.
- 3. PRELIMINARY FINANCIAL AND STATUS REPORTS FOR MAY 2007.** David Wright reviewed the financial reports for May 2007. Total assets as of May 31, 2007 were \$51.7 million, total liabilities were \$2.4 million, and the DCOA had an undesignated fund balance of \$21.2 million. Contractual obligations are nearly \$10.2 million. There are several DCOA-Board approved projects waiting for signed contracts, totaling \$6.27 million.
- 4. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING AN AGREEMENT WITH THE EULA INDEPENDENT SCHOOL DISTRICT TO MITIGATE THE FINANCIAL IMPACT OF ADOPTING FREEPORT TAX EXEMPTION.** The Abilene ISD voted to adopt Freeport during a meeting in 05/07 to be effective in the 2007 tax year. Mr. Burdine met with the Eula ISD school board earlier this month to discuss possible adoption of the Freeport Tax Exemption, but Eula ISD Administration is concerned about the projected initial loss of approximately \$8,400/year. Staff proposes the DCOA Board consider entering into a 10-year agreement with the Eula ISD whereby the Eula ISD will adopt the Freeport Tax Exemption and the DCOA will make up their net reduction in tax revenues collected up to \$10,000 per year for 10 years, beginning with the 2007 tax year.

Some board members expressed concern that the Economic Development sales tax Act may not allow the DCOA to contract with EISD for the funds as presented. This item was skipped for possible discussion after the Executive Session.

Item #5 was not discussed until after the Executive Session ended.

- 6. EXECUTIVE SESSION:** Pursuant to Tex. Gov't Code Sec. 551.087, an executive session may be held (1) to discuss or deliberate regarding commercial or financial information that the

governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). After discussion of the contemplated economic development matters in executive session, any action or vote will be taken in public.

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.

At 1:48 p.m. the Board went into Executive Session. At 3:48 p.m. the Board reconvened and announced that no vote or action was taken in Executive Session.

No action on Agenda Item 4 was taken at this time.

- 5. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT JW.** Item #5 was picked back up. There was no public discussion of this item as the only person present not aware of this project was Brian Bethel from the A-RN. Mr. Burdine suggested the Board take action now and adjourn the meeting, and he would brief Mr. Bethel about Project JW after the meeting. It was mentioned that the original proposal for \$2.5 million has been reduced to \$2 million eliminating the provision for lease payments and the resolution No. DCOA-2007.16 was amended to reflect the change.

Joe Crawford moved to approve Resolution No. DCOA-2007.16 as amended, authorizing assistance for Project JW in an amount not to exceed \$2,000,000. Mike Schweikhard seconded the motion and it carried unanimously.

President Ferguson announced that the DCOA special Board meeting for Friday, June 29th has been cancelled and will likely be rescheduled for Thursday, July 5th at 12:00 noon.

- 7. ADJOURNMENT.** There being no further business, the meeting was adjourned.

Ray Ferguson, President

MEMORANDUM

July 11, 2007

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

The sales tax rebate for July is \$2,649,968.01, which represents May sales. This is 3.14% above last year. The breakdown of the July rebate is \$1,987,476.01 to the General Fund and \$662,492.00 for economic development. Of this rebate, \$187,868 is from prior periods, audit payments, future payments, and unidentified payments. Based on this rebate, sales tax is 6.85% above last year for the period of October through July. I have requested the detail from the state.

Should you have any questions, please contact me.

DMW:ls

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

**CITY OF ABILENE
SALES TAX COMPARISON**

Accounting Period Month	GENERAL FUND Actual 2005-06	ECONOMIC DEVELOPMENT Actual 2005-06	TOTAL 2005-06	GENERAL FUND Actual 2006-07	ECONOMIC DEVELOPMENT Actual 2006-07	TOTAL 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
November	2,082,826.00	694,275.33	2,777,101.33	2,229,381.42	743,127.14	2,972,508.56
December	1,636,091.34	545,363.78	2,181,455.12	1,813,239.09	604,413.03	2,417,652.12
January	1,718,563.88	572,854.62	2,291,418.50	1,877,628.47	625,876.16	2,503,504.63
February	2,667,866.52	889,288.84	3,557,155.36	2,710,392.23	903,464.08	3,613,856.31
March	1,730,733.21	576,911.07	2,307,644.28	1,797,210.64	599,070.21	2,396,280.85
April	1,695,786.27	565,262.09	2,261,048.36	1,922,282.36	640,760.78	2,563,043.14
May	2,315,444.39	771,814.80	3,087,259.19	2,554,414.62	851,471.54	3,405,886.16
June	1,781,984.09	593,994.69	2,375,978.78	1,819,065.78	606,355.26	2,425,421.04
July	1,927,034.14	642,344.71	2,569,378.85	1,987,476.01	662,492.00	2,649,968.01
YTD	\$19,337,717.38	\$6,445,905.77	\$25,783,623.15	\$20,662,513.39	\$6,887,504.45	\$27,550,017.84
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	\$23,546,861.52	\$7,848,953.81	\$31,395,815.33			

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%
November	694,275	743,127	7.04%
December	545,364	604,413	10.83%
January	572,855	625,876	9.26%
February	889,289	903,464	1.59%
March	576,911	599,070	3.84%
April	565,262	640,761	13.36%
May	771,815	851,472	10.32%
June	593,995	606,355	2.08%
July	642,345	662,492	3.14%
YTD	\$6,445,906	\$6,887,504	6.85%
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 July '07 represents May '07 sales. Approximately
\$46,967 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

June 30, 2007

ASSETS:

Cash and Investments	\$17,878,251
Notes receivable	15,233,021
Accounts receivable	9,571
Due from other governments	1,385,606
Prepaid Expense	0
Total Current Assets	<u>34,506,449</u>

OTHER ASSETS:

Fixed assets	\$20,365,514
Accumulated depreciation	(2,885,974)
Total Other Assets	<u>17,479,540</u>

TOTAL ASSETS **\$51,985,989**

LIABILITIES:

Vouchers payable	\$199,401
Deferred revenues	2,348,369
Total Liabilities	<u><u>\$2,547,770</u></u>

FUND BALANCES:

Investment in general fixed assets	\$17,479,540
Reserved for contractual obligations(external)	9,846,330
Reserved for obligated programs(internal)	347,630
Reserved for contingent liabilities	0
Undesignated Balance	21,764,719
Total Fund Balance	<u><u>\$49,438,219</u></u>

TOTAL LIABILITIES AND FUND BALANCES **\$51,985,989**

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	\$540,632	\$240,431	\$1,863,411
2809 Airport Blvd.	396,519	444,583	276,636	564,466
2841 Airport Blvd.	456,736	62,923	251,868	267,791
4002 Loop 322	1,290,916	2,089,045	1,132,003	2,247,958
515 acres - Five Pts Bus Park	552,287	2,435,432	194,835	2,792,884
6450 Five Points Parkway	5,809,354	0	459,334	5,350,021
Grant Bldg 341 Pine	147,194	405,726	179,653	373,268
303.53 acres Hwy 36 & FM 18	449,238	0	0	449,238
2742 Lance Dr. (EASI Storage)	2,527,408	0	100,930	2,426,478
4109 Vine St	583,524	0	23,341	560,183
4009 Vine St	583,524	0	23,341	560,183
2005 Dodge Caravan	18,011	0	3,602	14,409
Office Equipment: Copier	9,250	0	0	9,250
TOTAL FIXED ASSETS	<u><u>\$14,387,173</u></u>	<u><u>\$5,978,341</u></u>	<u><u>\$2,885,974</u></u>	<u><u>\$17,479,540</u></u>

DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ JUNE 30, 2007

(MARCH, 1990)

REVENUE-TO-DATE	Beginning I-T-D	Current Month	Current FY	(MARCH, 1990)
	Revenues	Revenues	Revenues	Ending I-T-D
City Sales Tax (3131)	\$ 94,393,714.78	\$ 602,095.54	\$ 6,188,403.51	\$ 100,582,118.29
Sales Tax Retained (3132)	192,737.03	4,259.72	36,608.94	229,345.97
Other Services Charges (3731)	25.00	-	-	25.00
Princ. - Loans & Assess (3775)	798,899.65	4,173.55	65,552.22	864,451.87
Int. - Loans & Assess (3802)	2,023,963.38	2,941.37	26,568.38	2,050,531.76
Interest (3803)	5,101,474.40	79,811.14	516,729.98	5,618,204.38
Land Lease (3810)	6,404.48	-	1,024.35	7,428.83
Building/Space Rent (3816)	2,421,768.41	41,008.17	406,513.17	2,828,281.58
City Pay Phones (3890)	9,170.58	-	-	9,170.58
Miscellaneous Revenue (3892)	26,770.03	-	361.00	27,131.03
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	-	28,329.47	1,891,340.41
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)	981,647.87	-	-	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
	\$ 112,078,845.79	\$ 734,289.49	\$ 7,270,091.02	\$ 119,348,936.81

CONTRACTS ENCUMBERED/ EXPENDITURES-TO-DATE	Beginning I-T-D	Current Month	Current FY	Ending I-T-D	Outstanding
	Expenditures	Expenditures	Expenditures	Expenditures	Contracts
Prior Years Programs	\$ 53,503,516.09	\$ -	\$ -	\$ 53,503,516.09	\$ -
Business Services Division	5,620,415.06	34,378.31	382,592.65	6,003,007.71	14,245.00
DCOA Annual Contracts	1,688,733.46	2,337.77	95,777.72	1,784,511.18	-
Abilene Industrial Foundation (4950)	9,916,868.50	48,527.07	387,682.75	10,304,551.25	325,407.25
Caruth Small Business Dev Cntr (4951)	1,850,621.05	33,243.75	158,606.75	2,009,227.80	36,393.25
Chamber Military Affairs (4952)	951,992.00	-	9,690.91	961,682.91	50,309.09
Airport Business Dev Mgr (4953)	225,374.81	4,946.84	84,969.54	310,344.35	88,177.63
TTU Engineering Ops 4975	1,875,000.00	-	-	1,875,000.00	-
TTU BLDG Purchase & A/E 4976	568,119.86	-	-	568,119.86	180,856.62
Five Points Utilities 4978	918,487.40	-	-	918,487.40	49,937.56
EASI Records Const. 4990	2,430,455.58	-	9,987.00	2,440,442.58	84,780.42
Murf Systems 4998	148,200.00	-	3,465.00	151,665.00	-
Bandag Training 5203	516,334.72	-	-	516,334.72	325,885.28
Rentech 04 5207	300,000.00	35,360.00	35,360.00	335,360.00	-
Sunoco Logistics 5208	94,744.00	48,800.00	48,800.00	143,544.00	33,456.00
EASI 04 5213	717,937.66	-	303,000.00	1,020,937.66	2,252,062.34
EHT 5216	65,900.00	-	-	65,900.00	-
TMAC 5218	40,925.00	-	-	40,925.00	-
Fehr Food 5220	461,520.00	-	60,150.00	521,670.00	-
Research Ins 5221	500.00	-	-	500.00	-
Advanced Trailer 5224	-	-	12,775.00	12,775.00	90,000.00
Transcend Services 5227	249,075.33	-	31,082.49	280,157.82	-
Bandag Building Improv 5228	-	-	-	-	157,623.92
Glazers Ph III 5229	12,520.00	-	13,760.00	26,280.00	64,720.00
BCBSTX Roof 5230	58,666.48	-	2,931.50	61,597.98	-
Highland Campus Health 5231	122,791.66	-	6,000.00	128,791.66	373,466.67
Rentech 5232	48,800.00	-	-	48,800.00	-
Tige Infrastructure 5233	143,722.68	-	-	143,722.68	74,913.00
Robinson Fan 5237	-	-	126,482.00	126,482.00	712,698.10
Reg Website 5240	2,654.33	-	1,662.74	4,317.07	682.93
TTU Pharmacy School 5242	-	150,000.00	150,000.00	150,000.00	1,044,622.00
Lauren Holdings 5245	-	-	129,387.11	129,387.11	723,710.89
36/18 A/E 5246	23,800.00	-	-	23,800.00	11,200.00
Teleperformance USA 5247	-	88,040.00	88,040.00	88,040.00	668,960.00
BCBSTX Reroof Construction 5249	488,183.40	100,609.00	292,915.00	781,098.40	49,621.60
Shelter Distribution 5250	-	-	44,724.96	44,724.96	48,117.04
PWP Industries Ph I 5251	205,463.00	-	405,530.77	610,993.77	159,506.23
Abilene Internet 5252	59,340.00	-	-	59,340.00	-
Integrated Clinic Research 5253	-	-	-	-	695,502.00
SBIR/STTR 5255	23,283.51	-	-	23,283.51	0.50
Coca Cola 5256	-	-	300,000.00	300,000.00	-
Welder Training Program 5257	-	-	124,224.08	124,224.08	24,018.92
Genesis Network 5258	-	-	103,800.00	103,800.00	920,700.00
URS Consultants 5259	-	-	-	-	13,752.00
Carter Burgess 5260	-	61,316.50	107,032.28	107,032.28	208,287.72
Fehr Foods 5261	-	-	118,091.53	118,091.53	-
TMAC 5262	-	22,500.00	30,000.00	30,000.00	30,000.00
SBIR/STTR 5263	-	183.75	27,061.34	27,061.34	244,338.66
BMWT Leasing 5266	-	-	-	-	10,533.00
MSSC Training 5269	-	-	6,539.08	6,539.08	76,865.92
Miscellaneous Activities 2785	354,189.86	-	-	354,189.86	978.02
TOTAL ENCUMB. / EXPENDITURES	\$ 83,688,135.44	\$ 630,242.99	\$ 3,702,122.20	\$ 87,390,257.64	\$ 9,846,329.56
TOTAL FUND BALANCE				\$ 31,958,679.17	
UNENCUMBERED FUND BALANCE					\$ 22,112,349.61

BALANCE OF OBLIGATED PROGRAMS	Amount	Prior	Current	Current	Amount	Balance
	Obligated	Years	Month	Year	Encumbered	
		Disbursed	Disbursed	Disbursed		
Business Services Division	\$ 576,730.00	\$ -	\$ 34,378.31	\$ 382,592.65	\$ 14,245.00	\$ 179,892.35
DCOA Annual Contracts	228,700.00	-	2,337.77	95,777.72	-	132,922.28
Five Pts Sp2 4852	2,518,400.00	2,485,838.50	-	-	-	32,561.50
Abilene Industrial Foundation (4950)	713,090.00	-	48,527.07	387,682.75	325,407.25	-
Caruth Small Business Dev Cntr (4951)	195,000.00	-	33,243.75	158,606.75	36,393.25	-
Chamber Military Affairs (4952)	60,000.00	-	-	9,690.91	50,309.09	-
Airport Business Dev Mgr (4953)	173,147.17	-	4,946.84	84,969.54	88,177.63	-
TTU Engineering Ops 4975	1,875,000.00	1,875,000.00	-	-	-	-
TTU BLDG Purchase & A/E 4976	749,045.00	568,119.86	-	-	180,856.62	68.52
Five Points Utilities 4978	968,425.00	918,487.40	-	-	49,937.56	0.04
EASI Records Const. 4990	2,525,223.00	2,430,455.58	-	9,987.00	84,780.42	-
Murf Systems 4998	151,665.00	148,200.00	-	3,465.00	-	-
Bandag Training 5203	842,220.00	516,334.72	-	-	325,885.28	-
Rentech 5207	335,360.00	300,000.00	35,360.00	35,360.00	-	-
Sunoco Logistics 5208	177,000.00	94,744.00	48,800.00	48,800.00	33,456.00	-
EASI 04 5213	3,273,000.00	717,937.66	-	303,000.00	2,252,062.34	-
EHT 5216	65,900.00	65,900.00	-	-	-	-
TMAC 5218	40,925.00	40,925.00	-	-	-	-
Hirschfeld 5219	-	-	-	-	-	-
Fehr Food 5220	521,670.00	461,520.00	-	60,150.00	-	-
Research Ins 5221	500.00	500.00	-	-	-	-
Advanced Trailer 5224	102,775.00	-	-	12,775.00	90,000.00	-
Transcend Services 5227	280,158.00	249,075.33	-	31,082.49	-	0.18
Bandag Building Improv 5228	157,624.00	-	-	-	157,623.92	0.08
Glazers Ph III 5229	91,000.00	12,520.00	-	13,760.00	64,720.00	-
BCBSTX Roof 5230	61,598.00	58,666.48	-	2,931.50	-	0.02
Highland Campus Health 5231	502,259.00	122,791.66	-	6,000.00	373,466.67	0.67
Rentech 5232	48,800.00	48,800.00	-	-	-	-
Tige Infrastructure 5233	218,636.00	143,722.68	-	-	74,913.00	0.32
Robinson Fan 5237	839,180.10	-	-	126,482.00	712,698.10	-
Reg Website 5240	5,000.00	2,654.33	-	1,662.74	682.93	-
TTU Pharmacy School 5242	1,194,622.00	-	150,000.00	150,000.00	1,044,622.00	-
Lauren Holdings 5245	853,098.00	-	-	129,387.11	723,710.89	-
36/18 A/E 5246	35,000.00	23,800.00	-	-	11,200.00	-
Teleperformance USA 5247	757,000.00	-	88,040.00	88,040.00	668,960.00	-
BCBSTX Reroof Construction 5249	830,720.00	488,183.40	100,609.00	292,915.00	49,621.60	-
Shelter Distribution 5250	92,842.00	-	-	44,724.96	48,117.04	-
PWP Industries Ph I 5251	770,500.00	205,463.00	-	405,530.77	159,506.23	-
Abilene Internet 5252	59,340.00	59,340.00	-	-	-	-
Integrated Clinic Research 5253	695,502.00	-	-	-	695,502.00	-
SBIR/STTR 5255	23,285.00	23,263.51	-	-	0.50	0.99
Coca Cola 5256	300,000.00	-	-	300,000.00	-	-
Welder Training Program 5257	148,243.00	-	-	124,224.08	24,018.92	-
Genesis Network 5258	1,024,500.00	-	-	103,800.00	920,700.00	-
URS Consultants 5259	15,127.00	-	-	-	13,752.00	1,375.00
Carter Burgess 5260	315,320.00	-	61,316.50	107,032.28	208,287.72	-
Fehr Foods 5261	118,092.00	-	-	118,091.53	-	0.47
TMAC 5262	60,000.00	-	22,500.00	30,000.00	30,000.00	-
SBIR/STTR 5263	271,400.00	-	183.75	27,061.34	244,338.66	-
BMWT Leasing 5266	10,533.00	-	-	-	10,533.00	-
MSSC Training 5269	83,405.00	-	-	6,539.08	76,865.92	-
Miscellaneous Activities 2785	355,975.55	354,189.86	-	-	978.02	807.67
BALANCE OF OBLIGATED PROGRAMS	\$ 26,312,534.82	\$ 12,416,452.97	\$ 630,242.99	\$ 3,702,122.20	\$ 9,846,329.56	\$ 347,630.09

Contingent Liabilities

\$ -

UNDESIGNATED FUND BALANCE

(unencumbered balance less obligated programs and contingent liabilities)

\$ 21,764,719.52

DCOA Board approved projects waiting for signed contracts EXPIRATION DATE

Eagle Aviation Services 5265	275,000.00	10/22/2007
Abtex Beverage 5267	1,599,040.00	06/19/2007
Integrated Clinical Research 5253	64,000.00	06/19/2007
Dr. Ford Study 5268	25,000.00	10/24/2007
MSSC Additional Funding (5269)	6,560.00	10/22/2007
Welder Training Additional Funding (5257)	4,000.00	10/22/2007
	<u>1,973,600.00</u>	

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Development Corporation of Abilene, Inc.

Loan Summary as of 06/30/07

Borrower	Lender	Account	Purpose	Original Loan Amt	Origin. Date	Maturity Date	Int= Interest	P&I= Principal and Interest	D/T= Deed of Trust	PO= Principal Only	IO= Interest Only	
								DCOA Balance	Collateral	Guarantor	Payment Type	Past Due
402 CEDAR, LLP	DCOA	402CEDAR760	To abate asbestos and make improvements to the facility located at 402 Cedar, to be occupied by EHT (Enprotec/Hibbs & Todd)	\$155,000.00	08/02/2004	08/02/2009	0%	\$89,100.00	None.	None.	Annual (PO)	No
ABILENE INTERNET LLC	DCOA	ABINT05	To purchase used equipment from Leapfrog Technologies and relocate some equipment to 2913 South 1st.	\$115,000.00	05/12/2005	05/12/2011	0%	\$55,660.00	none	none	Annual (PO)	Yes
APT ADVANCED TRAILER AND EQUIPMENT, LP	DCOA	APT760	For construction of new facility in Tye, TX.	\$50,000.00	05/06/2005	05/31/2008	0.0	\$37,225.00	Letter of Credit No. SM213612W issued 5-6-05 by Wachovia Bank, NA for \$50,000.	None.	Annual (PO)	No
BANDAG, INC.	DCOA	BNDG760	Purchase of 4549 FM 18 (former Cummings Sign bldg) for \$650,000, plus \$400,000 for improvements.	\$1,050,000.00	03/24/2005	03/24/2012	0%	\$892,376.08	1st lien D/T on 4549 FM 18, Abilene, Texas.	None.	Monthly (P&I)	No
BBP BIRD, LP	DCOA	BBP760	Permanent financing for construction of new plant. Pmt @ \$3600/mo beg 7-5-06 until maturity on 7-1-14. True-up pmts due 6-1-14, 6-1-21, 6-1-28. Additionally, monthly pmts of \$100 for each boat produced the previous month in excess of 36.	\$4,000,000.00	12/30/2005	07/01/2031	0%	\$3,871,700.00	1st lien D/T on 40 acres and new manufacturing plant located at 1801 E. Hwy 36, Abilene, TX.	Corporate Guaranty from Tigé Boats, Incorporated	Monthly (P&I)	No
BMWT LEASING, INC	FNBA	BMWT02RE	Permanent financing for construction of new warehouse at 2989 Pine St. FFB Participation No. 1924.	\$184,000.00	08/30/2002	08/30/2008	5%	\$138,079.03	1st lien D/T on 2989 Pine St., shared with FNBA for \$396,000 loan. Participation renewed 8-30-05 for 3 more yrs at WSJ Prime minus 1.5% (or 5%).	Wayne Lanham, Terry Lanham	Monthly (P&I)	No
BMWT LEASING, INC.	DCOA	BMWT07	To provide financing for the purchase of improvements made to the property located at 3125 Pine St., Abilene, TX.	\$75,000.00	01/01/2007	12/31/2009	0.0	\$64,467.00	HRB-59N 2 RAM Horizontal Baler, Ser #0598121, manufactured in 1995 by Harris Waste Management Group, and 60" wide x 41'6" long, 1/4" plate, 9" pitch steel belt conveyor, Ser #B3977, manufactured in 1995 by Hustler Conveyor Company.	Wayne Lanham, Terry Lanham	Annual (PO)	No

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Borrower	Lender	Account	Purpose	Original Loan Amt	Origin. Date	Maturity Date	DCOA Int Rate	DCOA Balance	Collateral	Guarantor	Payment Type	Past Due
DAY, JACOB G.	DCOA	760DAY	DCOA sold and financed 5050 E. Hwy 80 to Jacob G. Day, which will be leased to Day Sign Company, Inc. Sales price is \$390,286. Day was given upfront price reduction of \$55,000 to be earned over 3 years for jobs retained at \$1,666.67 each. Interest only for 6 mos with principal amort. beginning 5-15-04. Further principal reductions can be earned for 3 years for job creation at \$10,000 each.	\$335,286.00	10/15/2003	10/15/2018	2.5	\$219,374.33	1st lien Deed of Trust on 5050 E. Hwy 80, plus Assignment of Rent, Income, and Receipts from Day Sign Company	Day Sign Company, Inc.	Monthly (P&I)	No
FEHR FOODS, INC.	DCOA	FEHRO6	Renewal of balance of DCOA loan FEHR05EQ (\$2,538,480) and combination with FFB participation no. 1857 (\$113,734.95), participation no. 1776 (\$199,675.19) and participation no. 1888 (\$730,442.84).	\$3,582,332.98	10/01/2006	06/30/2012	0.0	\$3,522,182.98	D/T and Security Agmt for 5425 North 1st Street and all equipment. Lien is subordinated to First Financial Bank, N.A.		Annual (PO)	No
GENESIS NETWORKS SOLUTIONS, INC.	DCOA	GENNET06	To partially offset operating costs associated with the newly established office in Abilene located at 500 Chestnut, Ste. 200.	\$1,740,000.00	11/02/2006	07/31/2011	0.0%	\$904,500.00	Irrevocable Standby Letter of Credit #002286 issued 11-2-06 by First Financial Bank, N.A. on behalf of Rain Dance Capital, Inc. in the amount of \$1.3 mill. to expire 11-2-07. LOC can be extended 1 more year unless notified by FFB 30 days prior to expiry.		Annual (PO)	No
HBWJ PARTNERSHIP, LTD.	DCOA	3UTTERY-02-0	Improvements to real estate located at 417 Mesquite, Abilene, TX, a 27,000 s.f. bldg.. Facility was purchased from West Texas Wholesale Supply. Operates under Buttery Hardware Company, LLP, delivering plumbing and electrical supplies over most of Texas.	\$200,000.00	03/14/2002	09/14/2012	4.0%	\$114,894.00	1st lien D/T on 417 Mesquite St., superior to Norma Buttery's lien taken at time of purchase, 10-1-01 as evidenced by a Subordination Agreement of Deed of Trust. Int. is due quarterly on 6-14-02 and 9-14-02, pmts beg. 10-14-02 thru 9-14-12.	Limited guaranties from William Henry Buttery, Buttery Company, L.L.P., Brenda Ann Buttery Durst, and John David Buttery	Monthly (P&I)	No

Borrower	Lender	Account	Purpose	Original Loan Amt	Origin. Date	Maturity Date	DCOA Int Rate	DCOA Balance	Collateral	Guarantor	Payment Type	Past Due
HENDRICK MEDICAL CENTER	DCOA	HMCTTU2	Offset operating costs for the creation of research jobs in TTU School of Pharmacy, 1718 Pine St., Abilene, TX. Principal reductions applied annually (beg. 7-31-08) at the rate of 7% of salaries expended for research during the previous 12 mos.	\$150,000.00	06/01/2007	07/31/2017	0.0	\$0.00	None	None	Annual (PO)	No
HIGHLAND CAMPUS HEALTH GROUP	DCOA	HIGH760	The purchase of new equipment necessary to implement the electronic medical records software developed by Catalis and installed on various client university campuses & used in conjunction with Borrower's medical billing program.	\$100,000.00	09/15/2006	03/31/2009	0%	\$100,000.00	Security Agreement dated 9/15/06 and UCC-1 on all equipment purchased with Note funds.		Annual (PO)	No
HIGHLAND CAMPUS HEALTH GROUP, L.P.	DCOA	HCHG760	The purpose of this loan is to provide financing for the purchase of new equipment and other relocation and start-up needs of Borrower for the Abilene facility.	\$110,000.00	02/23/2005	03/14/2008	0%	\$75,741.67	Security Agreement and UCC filing on all equipment purchased with note funds.	None.	Annual (PO)	No
HOLLAND TRAINING & DEVELOPMENT, INC.	DCOA	Holland 760	Purchase office furniture, fixtures, and equipment, including, but not limited to, computer network system, phones and phone system, and other computer equipment. Reimbursement of purchase price, delivery, & installation.	\$170,000.00	09/01/2003	08/31/2008	0%	\$93,435.86	Security agreement and UCC filing on equipment purchased.		Annual (PO)	No
HORIZON AG-PRODUCTS	DCOA	Horizon2003	Purchase facility in IXX Industrial Park in Merkel at 217 CR 287. Monthly prmts of interest until 8-17-03, when prmts increase to \$357.26.	\$35,000.00	01/17/2003	01/17/2008	3.25	\$19,507.50	1st lien D/T on 1.671 acres at 217 CR 287, Merkel, TX	Michael G. Farmer, CEO and Bradley D. Knickel, Director	Monthly (IO)	No

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Borrower	Lender	Account	Purpose	Original Loan Amt	Origin. Date	Maturity Date	DCOA Int Rate	DCOA Balance	Collateral	Guarantor	Payment Type	Past Due
LAUREN HOLDINGS, INC.	DCOA	LHI760	For expenses associated with construction of an approx. 21,500 s.f. addition to its offices located at 901 S. 1st St., recruiting, relocation, and purchase of office furniture and eqmt to accommodate growth. Principal reductions are earned thru creation of 42 new jobs.	\$853,098.00	04/14/2006	04/14/2013	0%	\$0.00	2nd lien D/T on the office plus improvements located at 901 S. 1st St.	C. Cleve Whitener	Annual (PO)	No
PWP INDUSTRIES, INC.	DCOA	PWP760	To reimburse @15% of invoice for equipment purchases plus installation costs for the Abilene plant at 6450 Five Points Parkway.	\$1,800,000.00	09/11/2006	03/01/2011	0%	\$1,440,000.00	Irrevocable Standby Letter of Credit #SE446616W in the amount of \$1,800,000 by General Electric Capital Corporation to expire 3-1-11. Automatic reductions will occur each March 1 for 5 years in the amount of \$360,000, beginning 3-1-07.	N/A	Annual (PO)	No
RENTECH BOILER SYSTEMS, INC.	DCOA	RNITCH760	the purchase of additional equipment by Borrower to be located at Borrower's Abilene, Taylor County, Texas facility at 5025 East Business I-20.	\$150,000.00	03/08/2005	12/31/2011	0	\$65,840.00	unsecured	none	Annual (PO)	No
RENTZ FAMILY PARTNERSHIP, LIMITED	FFB	Rentz03RE	FNBA purchased note from ASB, terms to remain same Loan #3419656, Participation #1876; Note renewed 6/12/07 2/FFB - Loan #1857923773 - part. Bal. \$419,756.14	\$788,152.54	04/12/2002	06/12/2008	P - 4%	\$419,756.14	37+ acres at 5725 E Business I-20. DCOA's security interest in property is subordinate and inferior to FFB's security interest.		Monthly (P&I)	No
ROBINSON FANS ABILENE, INC.	DCOA	ROBFANS06	Relocation costs (\$40,000), building investment incentive (\$336,000), and equipment investment incentive (\$76,409) for property at 2424 Oak, Abilene, TX. Replaces note dated 8-29-05 in the amt of \$196,450 with a balance of \$40,000.	\$452,409.00	10/03/2006	12/31/2010	0%	\$48,228.90	Eqmt, machinery, furniture and fixtures in Abilene, and 2nd lien D/T on 2424 Oak St., Abilene, TX.	Robinson Industries, Inc.	Annual (PO)	No

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Borrower	Lender	Account	Purpose	Original Loan Amt	Origin. Date	Maturity Date	DCOA Int Rate	DCOA Balance	Collateral	Guarantor	Payment Type	Past Due
SUNOCO PIPELINE, LP	DCOA	SUN760	Permanent financing for costs associated with the relocation of Sunoco's West Texas District Headquarters, including inventory, equipment, furniture, fixtures, and employee moving expenses from Snyder and Denver City to Abilene. Annual pmts are \$40,000 with Sunoco earning \$25,000 each year by maintaining headquarters in Abilene.	\$200,000.00	05/13/2004	05/13/2009	0	\$80,000.00	None.	None.	Annual (PO)	No
TAYLOR CO EXPO	DCOA	94EXPO760	Purchase land from DCOA	\$192,168.59	11/29/1994	11/29/2034	0	\$132,116.09	1st lien D/T on property - 24.849 acres of land out of Section 52, Blind Asylum Lands, Abilene, Taylor Co., TX - Filed Vol. 2066 Pgc 460 Taylor Co.01/30/95. Partial Release of Lien filed 3-20-97 in Book 2219, Page 903, for 2.29 acres for public road	None.	Monthly (PO)	No
TRANSCEND SERVICES, INC.	DCOA	TRANS760	To offset start-up costs, first year operating losses and to support the creation of 104 new jobs in Abilene.	\$1,000,000.00	03/01/2005	03/01/2013	0.00	\$719,842.18	Letter of Credit #68005483 dated 3-15-05 issued by Bank of America for \$150,000 to expire 4-30-06, and any and all equipment, machinery, furniture and fixtures located in Atlanta and Abilene. The L/C was released 10-30-05.	None.	Monthly (PO)	No
ZOLTEK	DCOA	97ZOLTEK	Purchase 100,000 sf and 40,000 sf shell buildings at 1221 Fulwiler Abilene	\$3,099,287.00	09/29/1998	01/31/2008	0.00	\$2,128,994.51	First lien D/T on 52 acres and buildings located at 1221 Fulwiler Rd, Abilene, Taylor County, TX	Zoltek Companies	Annual (PO)	No

\$15,233,021.27

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**ECONOMIC DEVELOPMENT DEPARTMENT
SERVICE EVALUATION REPORT**

JUNE 2007

**PERFORMANCE DATA
SERVICE ANALYSIS**

Staff: Richard Burdine-Assistant City Manager for Economic Development; Kim Tarrant-Contracts Administrator; David White-Construction Project Manager, Susan Campbell-Secretary to Assistant City Manager.

City of Abilene/Business Services - *Funding Sources: DCOA*

DCOA approved a one-year contract with the City of Abilene beginning 10-1-06 in the amount of \$576,730 for operating expenses for the Business Services Division, plus \$175,000 for maintenance expenses for DCOA-owned properties.

During the June meeting, the DCOA board approved a resolution authorizing \$2 million in assistance for Project JW to relocate to Abilene. The company was formed to commercialize biotechnology licensed from a Texas university. This technology was invented by a faculty member at the institution whose invention is a new class of antibodies that have the "selectivity" to seek out and destroy "targeted" diseased or infected cells. The Company is in the process of raising private investment with a target of \$3,000,000 for its expansion. Obtaining this private investment is a condition of DCOA assistance.

TTU Small Business Development Center - *Funding Sources: DCOA and Federal Govt. (SBA)*

DCOA approved a one-year contract beginning 10-1-06 in the amount of \$195,000 to reimburse SBDC for counseling services provided to Abilene residents.

A total of 138 Abilene client sessions were held this month with 25% being new clients. Nine new businesses opened, and 15 new jobs were reported during the month. Attached is a summary of monthly activity.

Abilene Industrial Foundation, Inc./Abilene Chamber of Commerce - *Funding Sources: DCOA and Public Donations*

DCOA approved a one-year contract with AIF/ACOC beginning 10-1-06 in the amount of \$773,090: \$418,090 for AIF operating, \$140,000 for AIF marketing, \$155,000 for Dyess AFB retention efforts, and \$60,000 for Military Affairs Committee expenses and staff expenses incurred.

During the month, AIF responded to 14 requests for information. Staff visited 11 local companies, 5 out-of-town companies/consultants and hosted 2 visits to Abilene by prospects. The Develop Abilene website experienced 55,735 hits with 1,639 unique visits. Attached is a year-to-date summary of activity for this year and last.

SMALL BUSINESS DEVELOPMENT CENTER
June 2007 UPDATE

Billable Hours:

253.50 Abilene business counseling hours for the month of June

138 Client sessions conducted for the month of June
35 New clients

5 Workshops
67 Attendees

Business Created:

9 Month of June
3 Retail
2 Transportation/Warehousing
1 Construction
1 Administrative and Support
2 Other Services

60 Year-to-Date
17 Service
16 Retail
2 Manufacturing
6 Transportation/Warehousing
1 Health Care/Social Assistance
4 Accommodation/Food Services
4 Construction
1 Arts/Entertainment/Recreation
2 Wholesale Trade
1 Information
1 Professional/Scientific/Technical Services
1 Administrative/Support
4 Other Services

Jobs Created (Full Time Equivalents):

15 Month of June
5 Retail
3 Transportation/Warehousing
1 Construction
1 Administrative/Support



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5 Other Services

271	Year-to-Date	
	41	Service
	63	Retail
	45	Manufacturing
	11	Transportation/Warehousing
	25	Health Care/Social Assistance
	48	Accommodation/Food Services
	9	Construction
	2	Arts/Entertainment/Recreation
	11	Administrative/Support
	3	Wholesale Trade
	2	Information
	4	Professional/Scientific/Technical Services
	7	Other Services

Capital Formation:

\$213,050	Month of June	
	\$45,000	Retail
	\$61,300	Transportation/Warehousing
	\$62,000	Construction
	\$18,750	Administrative/Support
	\$26,000	Other Services
\$10,371,882	Year-to-Date	
	\$1,070,900	Service
	\$1,483,000	Retail
	\$2,585,182	Manufacturing
	\$335,050	Transportation/Warehousing
	\$100,000	Health Care/Social Assistance
	\$2,456,000	Accommodation/Food Services
	\$336,500	Construction
	\$5,000	Arts/Entertainment/Recreation
	\$1,072,750	Administrative/Support
	\$638,000	Wholesale Trade
	\$40,000	Information
	\$200,000	Professional/Scientific/Technical Services
	\$49,500	Other Services

Abilene Industrial Foundation Summary of Activity

<u>ACTIVITY</u>	<u>Jun 07</u>	<u>Jun 06</u>	<u>YTD*</u> <u>2006/07</u>	<u>YTD*</u> <u>2005/06</u>
Publications in which ads were placed	0	0	5	1
Prospect responses from advertisements	0	0	6	11
Consultant E-Newsletter/Direct Mailouts	0	0	0	3,884
Prospect files opened	1	0	13	5
Site visits to prospects/consultant	5	0	34	41
Prospect visits to Abilene	2	1	25	28
Retention visits	11	4	52	74

* FISCAL YEAR-- OCTOBER 1 TO SEPTEMBER 30
Prepared by AIF Staff

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: July 31, 2007

PROJECT: 2007 Standing Committee Appointments

STAFF: Richard Burdine, CEO

GENERAL INFORMATION:

Each year, the DCOA President appoints standing committee members to serve for one-year terms. The standing committees include the Project Evaluation Committee, which reviews performance reports on the DCOA's contract agencies, and the Budget & Finance Committee, which recommends a budget for the DCOA.

SPECIAL CONSIDERATIONS:

The two committees being reappointed today typically meet one time each year during the budget process (July or August).

FUNDING/FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

None.

ATTACHMENT:

Committee chart for 2007

**DEVELOPMENT CORPORATION OF ABILENE, INC.
STANDING COMMITTEES**

(Committees appointed by Ray Ferguson on 7-31-07)

BUDGET & FINANCE COMMITTEE

	2006	2007
1	Board Member (Dee Moore)	Board Member (Dee Moore) *
2	Board Member (Joe Crawford)	Board Member (Joe Crawford) *
3	Paul Cannon, Attorney McMahon Law Firm	Paul Cannon, Attorney McMahon Law Firm
4	John Stearns Quail Well Service	John Stearns Quail Well Service
5	Dani Ramsay, SVP First National Bank of Baird	Dani Ramsay, SVP First National Bank of Baird
6	Mike Schweikhard Atmos Energy	Marelyn Shedd, EVP First Financial Bank
7	Tucker Bridwell Mansefeldt Investment Corp.	Tucker Bridwell Mansefeldt Investment Corp.

PROJECT EVALUATION COMMITTEE

	2006	2007
1	Board Member (Joe Crawford)	Board Member (Joe Crawford) *
2	Board Member (Dee Moore)	Board Member (Dee Moore) *
3	Paul Cannon, Attorney McMahon Law Firm	Paul Cannon, Attorney McMahon Law Firm
4	John Stearns Quail Well Service	John Stearns Quail Well Service
5	Dani Ramsay, SVP First National Bank of Baird	Dani Ramsay, SVP First National Bank of Baird
6	Mike Schweikhard Atmos Energy	Marelyn Shedd, EVP First Financial Bank
7	Tucker Bridwell Mansefeldt Investment Corp.	Tucker Bridwell Mansefeldt Investment Corp.

* Mike Schweikhard will serve as a backup to Joe Crawford and Dee Moore as board member.

Rev. 7-17-07

S:\DCOA\Board&Committees\2007\Committee chart 07.DOC

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: July 24, 2007

PROJECT: Second Progress Report on Regional Website for Economic Data and Analysis

STAFF: Richard Burdine, CEO

GENERAL INFORMATION:

The Abilene Christian University Center for Business & Economic Research launched a website on 11-1-05 that is customized for Abilene and the region and provides information on economic trends, forecasts, and analyses for effective policy, investment and business decisions. Up-to-date economic data and analysis is critical to keeping community leaders, potential investors, and business professionals informed of the state of the local economy.

In 6/05, the DCOA approved \$5,000 over 2 years to cost-share in the purchase of software, student internships, attendance at professional meetings and other costs associated with development of the website. ACU received an Advancing Business Excellence Grant for \$2,800, and the West Central Texas Workforce Center approved \$5,000. To date, the DCOA has funded \$4,317.

The Agreement with the DCOA requires that a progress report be presented to the DCOA in mid 2006 and another in mid 2007. Dr. Monty Lynn, Professor of Management, College of Business Administration for ACU, presented the first report in 7/06 and will present the final progress report during the board meeting.

FUNDING/FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

None.

ATTACHMENT:

Letter from Dr. Lynn dated 6-13-07

CBER: Center for Business & Economic Research, Annual Report 2006-2007

Educating Students for Christian Service and Leadership Throughout the World

COLLEGE OF BUSINESS ADMINISTRATION
140 Mabee Business Building, ACU Box 29300, Abilene, Texas 79699-9300
325-674-2245 • Fax 325-674-2564



June 13, 2007

Richard Burdine, CEO
Development Corporation of Abilene
P.O. Box 60
Abilene, TX 79604-0060

Dear Richard:

As specified in the grant contract between the Center for Business and Economic Research (CBER) and the Development Corporation of Abilene (DCOA), I am pleased to provide a report of CBER activities and effectiveness for 2006-2007.

Highlights of the attached report include:

- *Activities:* Information about Abilene and WCT was provided regionally and nationally
- *Survey:* Individuals who need regional economic information used the CBER Web site most; data customized for our region is the most helpful
- *Visitor Statistics:* Web site visits spike when individuals are reminded about the site; files and pages are visited for multiple counties; regional social capital is enhanced through data and resources and area-wide awareness; name recognition for WCTWDB, DCOA, and ACU is enhanced

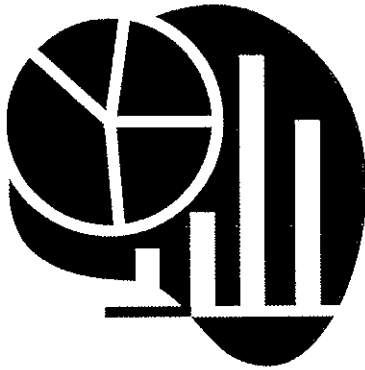
Thank you helping launch CBER. Evidence suggests that it has helped fill a gap of centrally-available information for Abilene and West Central Texas.

Sincerely,

A handwritten signature in cursive script that reads "Monty".

Dr. Monty L. Lynn
Professor of Management
325-674-2593
lynnm@acu.edu

Enclosure: CBER Report, 2006-2007



Annual Report

Center for Business and Economic Research
(CBER)

2006-2007

With appreciation for funding from

- College of Business Administration, Abilene Christian University
- Research Council, Abilene Christian University
- West Central Texas Workforce Development Board
- Development Corporation of Abilene

Prepared by
Monty Lynn
College of Business Administration
Abilene Christian University
June 2007

Activities, 2005-2006

ACU Center for Business and Economic Research (CBER)

Cullen Research Grant, Abilene Christian University

Obtained summer grant to update CBER research, June 2006

“Retail Trends in Taylor County, Texas, 2000-2005”

CBER Research Report, August 2006

CBER e-Newsletters

August 2006, October 2006, June 2007

Concentrated Poverty: What, Where and Why

Federal Reserve Bank of Dallas luncheon, Dallas, July 2006

REMI Training Seminar

Dallas, July 2006

Friend of the Workforce Award

West Central Texas Workforce Development Board, August 2006

“Rural Economic Development and the Private University”

Presentation at the national meeting of the Association for University Business and Economic Research, University of Memphis, October 2006

“Regional Economic Research: Workforce-University Partnerships for Community and Economic Development”

Presentation to WIB Innovators Professional Learning Network, Corporation for a Skilled Workforce, November 2006

Newsletter Survey of CBER Use (attached)

April 2007

CBER Web Site

Sites on Texas files updated for 19 counties

New Housing Construction in Taylor County in 2006, April 2007 (map)

New Housing Construction in Abilene in 2006, April 2007 (map)

Links checked, resources updated, April 2007

“Demographic Forecasting”

Presentation to the Abilene Industrial Foundation board, June 2007

“CBER, 2006-2007”

Presentation to the Development Corporation of Abilene board, June 2007

“Looking Up and Out: The Abilene Economy”

Presentation to the Abilene Chamber of Commerce board, July 2007

Fast Facts on the CBER Web Site, 2006–2007
 ACU Center for Business and Economic Research (CBER)

Question	Answer	Implication
How many pages and files are there on the CBER site?	766	There's lots of information!
How many downloadable files are there?	622	Take it and use it
In the past year, how many times was a CBER page or file visited?	107,969	
How many files were downloaded?	64,202	The site is being used!
How often were individual pages visited?	The most popular 10% of CBER pages are visited 21-127 times per month	
What are the most popular pages?	Publications Home Counties About Us Contact Resources Maps	Local economic development publications and county data are being searched; ACU, the WCT Workforce Board, and Develop Abilene have enhanced name recognition; maps are popular
How many of the 19 counties are included in the top 35 visited pages?	15	There is wide usage across our region
What percent of traffic on the ACU Web site is accounted for by CBER?	2%	Not bad for a small site

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: July 31, 2007

PROJECT: Project SSH

STAFF: Richard Burdine, CEO

THE COMPANY

Project SSH is a new company developed by an existing Abilene company that combines assistive technology with professional care management services delivered 24/7 from a centralized client service center. Changes in healthcare are being driven by demographics and economics as elder care becomes an increasingly important social issue and obligations shift back to the family, community and churches. The nation will face a major healthcare crises when baby boomers, the largest generation in history, begin retiring in 2010. This huge financial dilemma will require Medicare and Medicaid to change its payment system and support new types of care to control the cost of caring for the aging population. Project SSH's mission is to develop, deliver, and maintain an array of remote medical support systems using selected in-home technologies to allow "aging in place". Potential clients include seniors living somewhere between independent and assisted living, those managing chronic health conditions, and those with or without families and/or professional care givers.

The client service center will be located in Abilene and will provide first contact client support as well as professional medical services, technologies, logistics, and operational support to services within the local areas. By locating in Abilene, the company can capitalize on the supportive local economy and its growing healthcare organizations.

THE PROJECT/REQUEST

Project SSH's primary focus is to enlist licensees that will sell the products and services to the ultimate consumer. A typical licensee will already be providing services to the elderly or handicapped and may include operators of assisted living facilities and independent living campuses, home health agencies, and hospice providers. The company will utilize state-of-the-art call center technology to handle incoming calls. All client service center support services will be handled initially by the Abilene facility until licensees can provide appropriate services to their clients.

For example, during a medical situation, the client will press a button or a smart sensor alarm is activated, initiating a call to the service center. A medication unit will announce that it is time to take a dose of medication and if the client fails to dispense a dose after multiple reminders, the unit calls the service center. The client will use the telehealth unit to self-monitor vital statistics as determined by the client's care plan. An alert is created if the statistics are outside the predetermined range set by the client's customized care plan. The client may also be set up with video monitoring.

The company has identified a call center facility and needs to purchase computer equipment, software and furniture for a total estimated investment of \$1,073,823. The initial 11 jobs will include 2 administrators, 1 marketing trainer, 1 RN trainer, 1 clerical, 3 RN's, 1 LVN, and 2 operators with most paying over \$40,000/yr. By the end of 2009, employment will grow to 17 full-time equivalents.

Staff proposes an assistance package of \$402,455 as follows:

Forgivable Loan of \$100,000 – reimbursed at 15% of the company’s actual investment in computer hardware and furniture for the call center. Funding will be structured as a loan at 0% interest secured by a lien on the furniture and equipment. The principal balance will be forgiven over 5 years at the rate of \$20,000/year.

Job Creation Incentive of \$302,455 – paid over a 5-year period at 1/5 of the assistance amount per FTE as stated below:

Projected New Positions	Pay Scale (Including benefits)	DCOA Assistance per New Job	Total DCOA Assistance-New Jobs
5	\$30 to \$40,000/yr	\$10,000	\$50,000
4	\$40 to \$50,000/yr	\$12,000	\$48,000
1	\$50 to \$60,000	\$15,000	\$15,000
7	Over \$60,000	35% of 1 st year total salary	\$189,455
Total 17			\$302,455

FISCAL IMPACT

Forgivable loan for furniture/eqmt	\$100,000
Job Creation Incentive	<u>\$302,455</u>
TOTAL	\$402,455

STAFF RECOMMENDATION

Staff recommends approval of resolution DCOA-2007.19 authorizing assistance in an amount not to exceed \$402,455 for Project SSH.

ATTACHMENTS

Resolution DCOA-2007.19

S:\DCOA\Meting Memos\FY 2007\Project SSH\073107.doc

RESOLUTION NO. DCOA-2007.19

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING ASSISTANCE FOR PROJECT SSH.

WHEREAS, the purpose of the DCOA is to expand employment opportunities for the citizens of Abilene; and,

WHEREAS, Project SSH is a new company developed by an existing Abilene company that combines assistive technology with professional care management services delivered 24/7 from a centralized client service center; and,

WHEREAS, Project SSH's mission is to develop, deliver, and maintain an array of remote medical support systems using selected in-home technologies to allow "aging in place", and potential clients include seniors living somewhere between independent and assisted living, those managing chronic health conditions, and those with or without families and/or professional care givers; and,

WHEREAS, Project SSH will establish a call center in Abilene that will utilize state-of-the-art technology to handle incoming calls and will enlist licensees that will sell the company's products and services to the ultimate consumer; and,

WHEREAS, staff requests the DCOA assist Project SSH with the establishment of the initial call center in Abilene; and,

WHEREAS, the DCOA is authorized by the Development Corporation Act of 1979, as amended, to provide financial assistance to private corporations in order to facilitate the creation, retention or expansion of primary employment.

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

PART 1. DCOA authorizes an agreement with Project SSH in an amount not to exceed Four Hundred Two Thousand Four Hundred Fifty-Five and no/100's Dollars (\$402,455) to establish a call center in Abilene. Project SSH will create 17 new jobs in Abilene with all paying over \$30,000/year (including benefits). Funding shall be disbursed as follows:

1. **Forgivable Loan** – up to \$100,000 reimbursed at 15% of actual investment in computer hardware and furniture for the call center. Funding will be structured as a loan at 0% interest secured by a lien on the furniture and equipment. The principal balance will be forgiven over 5 years at the rate of \$20,000/year.

2. **Job Creation Incentive** – up to \$302,455 paid over a 5-year period at 1/5 of the assistance amount per FTE as stated below:

Projected New Positions	Pay Scale (Including benefits)	DCOA Assistance per New Job	Total DCOA Assistance-New Jobs
5	\$30 to \$40,000/yr	\$10,000	\$50,000
4	\$40 to \$50,000/yr	\$12,000	\$48,000
1	\$50 to \$60,000	\$15,000	\$15,000
7	Over \$60,000	35% of 1 st year total salary	\$189,455
Total 17			\$302,455

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 (CEO) 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 and to move funds among the five categories above with concurrence of the DCOA Board President.

ADOPTED this the 31st day of July, 2007.

ATTEST:

Dee Moore
Secretary/Treasurer

Ray Ferguson
President

APPROVED:

T. Daniel Santee, City Attorney

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: July 31, 2007

PROJECT: DCOA Funding for the West Texas Center for Innovation and Commercialization (WTCIC)

STAFF: Richard Burdine, CEO

BACKGROUND

The WTCIC is one of 8 regional committees that reviews businesses' applications to the state's Emerging Technology Fund (ETF). ETF is a multi-million dollar fund established several years ago by the Texas Legislature to encourage commercialization of technology. However, no funds were allocated for the cost of operating the regional review committees. The Lubbock Economic Development Alliance has been "footing the bill" for the WTCIC even though ETF grants are available to businesses throughout the region.

In its most recent session, the Texas Legislature reauthorized the ETF and provided for funding to the regional review committees from the state based on a formula drafted by the Governor's Office. Based on the formula, the WTCIC has the opportunity to receive up to \$400,000 in funding over the next biennium (September 1, 2007 through August 31, 2009). To receive the funding, it will be necessary to match (cash and in-kind) the amount from within the West Texas Region. The funding is being provided for all of the regional centers across the state to assist in building regional capacity for technology commercialization and technology-led economic development under the recommended guidelines from the Governor's Office (See Below). Also below is the full funding application submitted to the Governor's Office by the WTCIC.

THE REQUEST

To help with the necessary match to state funds, Dale Gannaway, Executive Director of the WTCIC, is asking the Economic Development Corporations which are the members of the WTCIC, for funding in the amount of \$16,582/year each for two years (Abilene, Amarillo, Lubbock, Permian Basin, and San Angelo). Each Small Business Development Center in the region (Abilene, Amarillo, Lubbock, Permian Basin, and San Angelo) will, in turn, receive \$12,500/year for seed money that must be used within the immediate region to promote technology related economic development, technology commercialization, and technology related incubation & acceleration processes.

In our case, the Texas Tech University Small Business Development Center (SBDC) will receive \$25,000 the first year because otherwise available funds were not requested last year, and \$12,500 the second year. Judy Wilhelm, Executive Director of the SBDC, and I have had a preliminary discussion of how to best use the funds to support the goals of the program. I would like to expand the discussion to our other economic development partners before making a final decision.

FISCAL IMPACT

\$16,582/year for two years totaling \$33,164 with \$37,500 coming back to the SBDC in the same timeframe.

STAFF RECOMMENDATION

Staff recommends DCOA approval of a resolution DCOA-2007.21 authorizing participation in the funding of the West Texas Center for Innovation and Commercialization in the amount of \$16,582 per year for two years; a total of \$33,164.

ATTACHMENTS

Fund II ETF CIC Operations and Funding Guidelines
WTCIC Application to the Governor's Office for Funding
Resolution DCOA-2007.21

S:\DCOA\Meeting Memos\FY 2007\WTCIC Funding 0707.DOC

RCIC: West Texas Coalition for Innovation & Commercialization
Application Date: July 2, 2007
Annual Funding Amount: \$191,000

Preface

The dominant reality in economic development today is that we all live and compete in a global economy. As with many policy issues that our nation, state, and nation face, there is significant disagreement over the impact of global competition for continued prosperity, yet there is no turning back the clock on the global economy. As Dr. Skip Porter once said in his book The Knowledge Seekers, “a community’s ability to create technology, to turn it into a product, and gain value from it will be the standard that determines its success in the 21st century”.

Going forward, the quality and intensity of global competition is likely to increase and for West Texas to continue their growth and vitality, we must be willing to invest our time, resources, and energy into new ideas and strategies. While national policies set the stage for robust innovation, a key focus of innovation activities is at the regional level, at the interface between companies, workers, universities, and government. To be blunt, West Texas has not successfully adapted to many of the new realities of global competition and as a result we are “underperforming” in our efforts to adapt to the realities of global competition.

The West Texas Coalition for Innovation and Commercialization (WTCIC) serves as a catalyst, utilizing regional community resources to create an environment that is conducive to regional industrial, intellectual, and educational wealth. To this end, the WTCIC was formed two years ago. The WTCIC promotes regional growth and development, supports established companies, and fosters entrepreneurship across West Texas.

A. Program of Work

The geographic expanse of the West Texas Region creates unique challenges and opportunities for knowledge-based wealth creation and economic growth. By utilizing and leveraging existing resource infrastructure, as requested by the Governor’s Office, the RCIC funding from the ETF Funding will serve as a catalyst to build the “human capital” and resources that are necessary to create sustainable economic growth in West Texas.

As the attached model indicates, the WTCIC serves as the “nexus” or connecting point (see attachment) for technology-related “wealth creation” in the West Texas Region. The sub-regions located around the cities of Abilene, Amarillo, Lubbock, Midland, Odessa, and San Angelo is connected to the WTCIC through their Small Business Development Centers (SBDC) and their incubators, if applicable. Henceforth, the five regional SBDCs and the two existing incubators in the region will be referred to as the “satellites” for the West Texas Region. These seven facilities already serve as the “application points” across the region for any Emerging Technology Fund applications from their respective sub-region and will serve to drive incubation and technology acceleration as well. These “satellites” know the resources, companies, entrepreneurs, and funding sources, and university resources within their sub-region and will be essential resources in driving a regional incubation process that will utilize resources from across the West Texas Region. The Executive Director of the WTCIC will work closely with the “satellites” on an ongoing basis to “connect” and locate resources within the region that will prove helpful in their efforts.

Initially, the satellites will launch an aggressive marketing campaign across the West Texas Region beginning in September of 2007 to generate and increase awareness of the services offered through the WTCIC Network. This effort will be ongoing throughout the two year period and be driven by the SBDC, the incubator (if applicable), the university system within the sub-region, and the economic development corporation within each satellite’s sub-region.

Once a company or entrepreneur begins to work with the satellite staff, they will have the benefit of resources that are generated through WTCIC agreements with other organizations, resources, and

individuals from within and from outside the region. These resources will add additional value and serve to enhance the satellite's existing capabilities through economies of scale. These "value add" resources will be accessed through the WTCIC and provide entrepreneurial capabilities and assistance to satellite staffers that heretofore have not been readily available in all of the West Texas Region. The WTCIC will be able to provide mentoring and educational opportunities for satellite staffers for ongoing professional and educational applications by working with the resources. Not only will entrepreneurial companies benefit from such resource assistance on an immediate basis, the satellite staffers will have the opportunity to learn from their experiences and expertise. The satellites will provide ongoing assistance to prospective ETF applicants prior to and during the application process through their existing counseling services. The WTCIC, headquartered in Lubbock, will also provide mentoring and access to funding opportunities through its contracted resources and relationships across the state.

The ETF application process will remain much as it is now for the region. The satellites across the region will work with companies and entrepreneurs within their sub-regions to nurture and generate ETF applications. Once the company has attained the necessary critical mass and collaborative status required for submission, the satellite will coordinate with the WTCIC to rehearse and practice the presentation for the 16 member regional WTCIC Committee which meets quarterly in Lubbock to select the applications that will be forwarded to the state for consideration by the statewide committee. If the application is approved by the regional committee then the application is forwarded on to the state. If not, then the application is returned to the satellite with recommendations for further work with the goal to resubmit at a later date. When applications are received by the WTCIC, the regional vetting committee consisting of MBA students from the Texas Tech College of Business, the Angelo State College of Business, the WTAMU School of Business, and the UTPB School of Business will review the deals with recommendations. Also, the SBDC Directors from the satellites as well as a number of private sector individuals will assess the deals and make their recommendations to the WTCIC committee prior to their quarterly meetings. The deals, with corresponding documents, are posted on a secure server, so the vetting group can access the information at their leisure to review the deals. If the company is approved for funding by the State of Texas, then the satellite, its respective economic development corporation depending upon the sub-region, the WTCIC, and other resources across the region will continue to work to provide the necessary ongoing support (mentoring, funding, business services, marketing, etc.) to guarantee ongoing success of the project. The WTCIC will have access to its contracted resources which will allow for assistance from experienced consulting from other regions of the state with well established resources for such assistance.

The satellites within the region already offer educational seminars as part of their ongoing educational assistance to their region and will be able to add seminars on the ETF application process as well. Staffing for the WTCIC, headquartered in Lubbock, will consist of the Executive Director (Dale Gannaway) and a staff assistant. Both of these individuals are equal to one full time employee for the WTCIC as requested by the Governor's Office. Both of these individuals are headquartered in the offices of the Lubbock Economic Development Alliance (LEDA) and will receive 50% of their salary from LEDA. The other half of their salary for the WTCIC work will be generated from the LEDA and the six regional economic development organizations within the region (Abilene, Amarillo, Lubbock, Midland, Odessa, and San Angelo). The cash infusion from these six economic development organizations totaling \$99,492 per year will serve as 50% of the required match for the funding from the ETF Fund. The remaining "match" for other 50% of the funding will come from "in-kind" services offered by the Texas Tech University System for a total of \$200,000 in cash and "in-kind" regional match per year. The "in-kind" funding from the Texas Tech University System will come from the College of Business (\$50,000 per year) and from the Texas Tech University System (\$50,000 per year) in facilities use agreements that can be utilized across the region to promote entrepreneurial start ups and growth. Additional staff for the WTCIC across the West Texas Region is already in place at the

existing satellites within the region. The WTCIC is providing \$12,500 per satellite per year in each sub-region to serve as “seed money” for infrastructure development within their respective sub-region (See attached examples). With this “frame of reference”, other WTCIC staffers include the existing staff members of the regional satellites, university and professionals through the “in-kind” services of the Texas Tech System, and the contract resources that the WTCIC will contract with.

B. Annual Budget for September 2007 through August 2009

WTCIC Annual Budget (First Year Proposed)

\$75,000 per year (Funding to Sub-Regional Satellites for Resource Development)

Abilene SBDC	\$12,500 + \$12,500 (Additional for year 1 funding that was not applied for)
Amarillo SBDC	\$12,500
Lubbock SBDC	\$12,500
Midland SBDC	\$12,500 + \$12,500 (Additional for year 1 funding that was not applied for)
Odessa SBDC	\$12,500
San Angelo SBDC	\$12,500 + \$12,500 (Additional for year 1 funding that was not applied for)

\$10,223 per year (Travel Expense Reimbursement for WTCIC Committee Members)

Abilene Members	\$1913
Amarillo Members	\$1,030
Big Spring Member	\$ 418
Lubbock Members	\$ 0
High Ground of Texas Member	\$ 146
Midland Members	\$ 991
Odessa Members	\$1,037
San Angelo Members	\$2,443
Texas Midwest Communities Network Member	\$ 665
At Large Members	\$1,580

\$4,500 per year (Gannaway Regional Travel and Lodging)

\$5,000 per year (Gannaway Austin WTCIC Travel)

\$1,000 per year (D&O Insurance for WTCIC Committee)

\$12,000 per year (Legal, Accounting, & Administrative)

\$43,750 per year (50% of Gannaway Salary to LEDA)

\$16,250 per year (50% of Administrative Assistant Salary to LEDA)

\$85,269 year one (\$122,769 year two) Capacity Building [Building Resource Infrastructure]

Examples of Capacity Building

1. Contracting with groups such as LGE Consultants
2. Hiring MBA Interns for Satellites
3. Regional Marketing to generate “deal flow”
4. Regional Mentoring Retainers

Total Year One Budget \$290,492

Total Year Two Budget \$290,492

C. Regional Matching Funds for September 2007 through February 2009

Regional Matching Funds September 2007 – August 2009

Amounts Reflect Annual Amounts

Cash Funding

Develop Abilene	\$16,582 per year
Amarillo Economic Development Corporation	\$16,582 per year
Lubbock Economic Development Alliance	\$16,582 per year
Midland Development Corporation	\$16,582 per year
Odessa Development Corporation	\$16,582 per year
San Angelo Chamber of Commerce	<u>\$16,582</u> per year
Total Cash Funding from region	\$99,492 per year

In-Kind Funding

Texas Tech University System \$100,000 per year

In-kind services from Texas Tech University College of Business, College of Engineering, and others across the entire regional system to assist in the regional incubation and acceleration processes

Lubbock Economic Development Alliance (LEDA) \$12,000 per year

In-kind services from LEDA for use of 50% of office space for the WTCIC Executive Director and the Administrative Assistant as well as use of phones, office equipment, and computers.

Total In-Kind Funding from region \$112,000 per year

Total Cash and In-Kind Match Funding \$211,492 per year

D. Staffing Plans

As mentioned earlier in the proposal, the only WTCIC Staff members located in Lubbock are the Executive Director and the Administrative Assistant. The bulk of the employees in the region are located within the satellites across the region. Eventually, as the Texas Tech University System begins to build their technology commercialization capabilities staff positions may need to be added in Lubbock, but initially any staffing increases will more likely occur within the regional satellites as the projected increase in “deal flow” occurs.

E. Regional Board Members

WTCIC REGIONAL BOARD MEMBERS

Mr. William (Billy) Attebury	A&S General Contractors	Amarillo
Mr. Royce Bodiford	Odessa City Council	Odessa
Mr. Ken Burgess	Ken Burgess, Inc.	Abilene
Mr. James Campbell	Brownwood EDC	Brownwood
Mr. Jim Cummings	Well Fargo Bank	San Angelo
Mr. Dale Gannaway	WTCIC	Lubbock
Mr. Ward Greenwood	Republic Holdings	Austin
Mr. Tom McMinn	McMinn Furniture	Odessa
Mr. Jerry Miller	Investment Consultant	Canyon
Mr. George Richardson	Security State Bank	Littlefield
Mr. Tom Rutledge	Tom Rutledge Investments	Big Spring

Mr. Clark Self	Self Employed	Lubbock
Mr. Steve Stephens	Self Employed	San Angelo
Mr. Mike Waters	Hendrick Health Systems	Abilene

RCIC Commitments

Each RCIC will be committed to provide quarterly reports, including:

1. Summary of outreach activities and contacts by staff members
Number of pre-application briefings for potential ETF applicants (summarized by application type)
2. Number of applications received (summarized by application type)

Prior to the beginning of each half year, each RCIC will be committed to provide:

1. Verification of matching funds raised in the prior half year
2. Documentation of matching funds to be raised in the next half year

Organization Submitting Application: West Texas Coalition for Innovation & Commercialization
Authorized Representative Name: Dale Gannaway

Authorized Signature: _____

Draft

Fund II ETF CIC Operations and Funding Guidelines

CIC Duties and Responsibilities:

Each CIC is a non-profit business assigned responsibility by the State for geographic area or technology sector.

The seven Regional CICs have been assigned responsibility for a geographic region in Texas.

The Texas Life Science Center is the statewide CIC responsible for working with the regional CICs on Life Science technologies.

Within their assigned area of responsibility, each CIC will:

1. Initiate and foster new technology commercialization.
2. Recruit potential ETF applicants and assist them in developing their applications.
3. Develop and maintain working contacts with higher education and other research institutions.
4. Develop and maintain working contacts with economic development professionals.
5. Develop and maintain working contacts with technology investment resources.
6. Maintain contacts with and mutually support the activities of the other CICs.
7. Maintain contact with and offer support to ETF Award recipients.
8. Cooperate with the Office of the Governor in due diligence, contracting and reporting tasks for ETF recipients.

CIC Staffing and Infrastructure:

Each CIC must:

1. Employ a minimum of at least one full time equivalent staff person.
2. Require that Staff be able and willing to travel as needed to perform CIC functions.
3. Have office space including convenient access to conference rooms.
4. Have adequate computer and telecommunications capabilities.
5. Use the ETF-supplied common project management software for submittal of approved ETF applications to the state ETF administration.
6. Implement a Conflict-of-Interest policy for CIC review and selection of ETF applications.
7. Implement a Confidentiality policy for client information submitted to the CIC with ETF applications.
8. Have a website to support client access to needed information.

Reporting:

CIC's will report each year on March 1 and Sept. 1. Those reports will include for the preceding six month period:

1. An expenditure report for all amounts received from ETF's funding of the CIC.

2. Activity statistics which may include total clients assisted, applications processed, new Deals and/or Projects generated, visits/new contacts made, etc.
3. Statistics on non-ETF clients assisted and successful funding of non-ETF deals.

Note: No information provided to the CICs from and business will become the property of the State until and unless submitted by the CIC as part of an ETF application for consideration by the ETF Committee. All other information managed by the CIC shall be the property of the CIC, to be disclosed to the public or the State, at the CIC's discretion.

CIC Organization Structure

1. Must be organized as 501(c)(3) or (6) non-profit entity.

Note: "Qualified" matching shall include both cash and "in-kind" support. In-Kind contributions may include office space, administrative support staff, communications, etc... The equivalent value of all in-kind items must be readily quantifiable using current commercial comparisons such as office rental rates, % of shared staff use and their cost basis, etc.

RESOLUTION NO. DCOA-2007.21

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING FUNDING FOR THE WEST TEXAS CENTER FOR INNOVATION AND COMMERCIALIZATION (“WTCIC”).

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, WTCIC is one of 8 regional committees that reviews businesses’ applications to the state’s Emerging Technology Fund (ETF), which was established to encourage commercialization of technology; and,

WHEREAS, the Texas Legislature did not authorize funds for the cost of operating the regional review committees, and the WTCIC costs have been paid by the Lubbock Economic Development Alliance for several years; and,

WHEREAS, WTCIC has the opportunity to receive up to \$400,000 in funding over the next biennium (9/07 through 8/09) via a reauthorization of the ETF by the Texas Legislature, but a funding match is required from the West Texas Region in order to receive the funds; and,

WHEREAS, the Executive Director for WTCIC is requesting that each member of the WTCIC (Abilene, Amarillo, Lubbock, Permian Basin, and San Angelo) provide funding to meet the match requirement; and,

WHEREAS, Staff proposes the DCOA provide funding to help match the state funding for regional review committee expenses to continue the ETF.

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

- PART 1.** DCOA authorizes funding in the total amount of Thirty-Three Thousand One Hundred Sixty-Four and no/100’s Dollars (\$33,164) to participate in match funds necessary to operate the West Texas Center for Innovation and Commercialization. The funds will be disbursed over the next two years (FY08 and FY09) in the amount of \$16,582/year.
- 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 31st day of July, 2007.

ATTEST:

Dee Moore
Secretary/Treasurer

Ray Ferguson
President

APPROVED:

T. Daniel Santee, City Attorney

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7.11

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: July 31, 2007

PROJECT: Five Points Business Park Grading Design

STAFF: Richard Burdine, CEO

BACKGROUND

The Five Points Business Park was purchase by the DCOA on 12-15-95, and currently consists of approximately 515 acres. North/south access to the Park is gained via FM 3438 (Arnold Blvd) which dissects the Park, or Fulwiler Rd, which runs along the western border. Carter & Burgess, Inc. presented new development concepts for the Park to the board during the 11/06 meeting. The design concepts were developed around a Texas Department of Transportation (TxDOT) project to construct an overpass for FM 3438 over Hwy 84 (Business I-20). TxDOT plans to begin the project in mid 2007. The overpass will allow for better traffic flow into and out of the Park and will eliminate the need to cross railroad tracks to enter the Park from Hwy 84.

TxDOT is preparing to begin the project and a potential construction contractor has requested the DCOA sell them 60,000 cubic yards of earth for the project and another potential contractor has asked to lease an equipment and materials yard. The topography of the Park on the west side of Arnold, north of Five Points Parkway, has some steep grades that prohibit development. Also, on the east side of Arnold, there are three potential lots available for development but filling in part of the floodplain would make the lots deeper and more useful.

THE REQUEST

In order to move forward with development of the Park, a grading plan is required to determine the quantities of earth that need to be removed from the west side of Arnold, some of which may be moved to the east side to reclaim a portion of the land that is currently in the floodplain. Also, the plan will determine how much earth is available (if any) to assist with the TxDOT project. Staff requests the Board authorize another contract with C&B and funding of \$34,000 to prepare an overall mass grading design for the Park that will include a conceptual analysis for a portion of the Park to determine a possible drainage channel design that would convey storm water flow within the floodway. The intent of the channel design is to offset the floodplain reclamation.

FISCAL IMPACT

Preliminary Design Phase	\$13,500
Final Design Phase (Mass Grading Plans)	\$16,000
Reimbursable and Special Services @ 15%	\$ 4,500
Total	\$34,000

STAFF RECOMMENDATION

Staff recommends approval of resolution no. DCOA-2007.18 authorizing a contract with C&B to perform an overall mass grading plan for the Five Points Business Park and funding of \$34,000.

ATTACHMENTS

Resolution DCOA-2007.18

RESOLUTION NO. DCOA-2007.18

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. ("DCOA"), ABILENE, TEXAS AUTHORIZING A CONTRACT AND FUNDING WITH CARTER & BURGESS, INC. ("C&B") TO PREPARE AN OVERALL MASS GRADING DESIGN FOR THE FIVE POINTS BUSINESS PARK ("PARK").

WHEREAS, the DCOA owns the acreage in west Abilene otherwise known as the Five Points Business Park and has invested over \$14 million in the development of the Park since purchase in 1995; and,

WHEREAS, new design concepts prepared by C&B were developed around a Texas Department of Transportation (TxDOT) project to construct an overpass for FM 3438 over Hwy 84 (Business I-20); and,

WHEREAS, TxDOT's contractor for the project requires 60,000 cubic yards of earth and has offered to purchase from the DCOA some dirt in the Park; and,

WHEREAS, the topography of the Park on the west side of Arnold, north of Five Points Parkway, has some steep grades that limits development, and there is land on the east side of Arnold Blvd that lies in the floodplain and is not developable as it exists now; and,

WHEREAS, in order to move forward with development of the Park, a grading plan is required to determine the quantities of earth that need to be removed from the west side of Arnold and moved to the east side to reclaim a portion of the land that is currently in the floodplain; and,

WHEREAS, the plan will also determine how much earth is available (if any) to assist with the TxDOT project; and,

WHEREAS, Staff requests the DCOA consider authorizing funding and a contract with C&B to design a mass grading plan for the Park.

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

PART 1. DCOA authorizes a contract with Carter & Burgess, Inc. to prepare an overall mass grading design for the Park that will include a conceptual analysis for a portion of the Park to determine a possible drainage channel design that would convey storm water flow within the floodway. The intent of the channel design is to offset the floodplain reclamation. Also approved is funding in the amount of Thirty-Four Thousand and no/100's Dollars (\$34,000) as follows:

Preliminary Design Phase	\$13,500
Final Design Phase (Mass Grading Plans)	\$16,000
Reimbursable and Special Services @ 15%	<u>\$ 4,500</u>
Total	\$34,000

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 31st day of July, 2007.

ATTEST:

Dee Moore
Secretary/Treasurer

Ray Ferguson
President

APPROVED:

T. Daniel Santee
City Attorney

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: July 31, 2007

PROJECT: Spec Building #3, Five Points Business Park, Bid Solicitation for Construction

STAFF: Richard Burdine, CEO

BACKGROUND

With the Spec #2 building no longer available to lease or market and the lack of other available industrial properties in Abilene, the DCOA approved in 12/06 resolution DCOA-2007.03 authorizing a contract with Carter & Burgess (C&B) to design a third speculative industrial shell building in the Five Points Business Park (Park). Prior to that, C&B had completed a study of the existing master plan for the Park and proposed improvements and enhancements to the plan with preliminary drawings for development, which included another industrial shell structure. Approved in 2/07 via resolution DCOA-2007.11 was additional funding for C&B to conduct site civil engineering work for the new building.

Construction plans are complete and the new building will be constructed on a lot on the north side of Five Points Parkway, west of the PWP, Inc. building (Spec #2). Rail access has been planned for the structure but will not be constructed until tenant demand is established. The shell will be constructed to meet the current demands of prospective tenants with the capability of being easily retrofitted to meet specific manufacturing needs.

The benefits of having a shell building constructed and ready for finish-out in the Park are critical to companies looking for quick turn-around, accessibility to I-20, and large lots. Recognizing the need for additional building inventory, the Abilene Industrial Foundation Board voted unanimously in support of the project. The Park is ripe for further development with the presence of PWP Industries and new retail development on I-20.

THE REQUEST

The building will be 100,000 sq ft. The architect's estimate places the cost between \$6 million and \$8 million. Staff requests the board authorize bid solicitation for construction. Staff will return to the board after bids are received for approval of a construction contract and funding.

FISCAL IMPACT

None.

STAFF RECOMMENDATION

Staff recommends approval of resolution no. DCOA-2007.17 authorizing the CEO to solicit bids for construction of Spec #3 to be located in Five Points Business Park.

ATTACHMENTS

Resolution DCOA-2007.17

RESOLUTION NO. DCOA-2007.17

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. ("DCOA"), ABILENE, TEXAS AUTHORIZING SOLICITATION OF BIDS FOR THE CONSTRUCTION OF A THIRD SPECULATIVE INDUSTRIAL SHELL BUILDING ("SPEC 3") IN THE FIVE POINTS BUSINESS PARK ("PARK").

WHEREAS, the purpose of the DCOA is to expand employment opportunities for the citizens of Abilene; and

WHEREAS, in 8/06, the DCOA approved resolution DCOA-2006.19 authorizing a contract with Carter & Burgess (C&B) and funding to review and update the existing master plan for the Park; and,

WHEREAS, in 11/06, C&B presented to DCOA preliminary drawings for development of the Park, which include larger lots and the construction of another speculative industrial shell building because of the lack of such buildings in Abilene; and,

WHEREAS, in 12/06, the DCOA approved a contract with C&B to design a third speculative shell building, and in 2/07, additional funding for C&B to conduct site civil engineering work for the new building; and,

WHEREAS, C&B has completed drawings for the building, and staff requests the DCOA authorize solicitation of bids for construction.

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

- PART 1.** DCOA authorizes the DCOA's CEO to solicit bids for construction of Spec 3 in the Five Points Business Park. No funding is approved at this time. Staff will return to the board after bids are received for approval of a construction contract and funding.
- PART 2.** 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 31st day of July, 2007.

ATTEST:

Dee Moore
Secretary/Treasurer

Ray Ferguson
President

APPROVED:

T. Daniel Santee, City Attorney

Information for Item No. 12
will be available during the
meeting.

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: July 31, 2007

PROJECT: Eagle Aviation Services, Inc. – Expanded Use of Funds

STAFF: Richard Burdine, CEO

BACKGROUND

Late last year the Abilene facility for Eagle Aviation Services, Inc. (EASI) was chosen as the site for the addition of a 7th dock line. In support, the DCOA Board approved an assistance package of \$550,000 (\$250,000 for a tail stand, \$200,000 for recruitment incentives paid to new mechanics, \$50,000 for EASI to hire a full-time recruiter and \$50,000 for marketing, which includes advertisements and recruitment visit expenses). In 5/07, we learned that American Airlines management chose instead to split the new positions between Abilene and the Marquette, MI maintenance depot. Harley Hall, manager of both maintenance facilities, informed staff that EASI can make do with their current facilities and is unwilling to take on additional overhead costs at this time, specifically rent and property taxes on a new hangar. However, EASI has developed what they call an Off-Load Shop, which refurbishes the interior of airplanes. The original incentive package was revised down from \$550,000 to \$275,000.

THE REQUEST

The assistance of \$275,000 included recruitment grant funds in the amount of \$150,000 plus equipment grant funds of \$125,000 to purchase and install a thermoformer for use in the new Off-Load Shop, based on Eagle's specifications. Bids for purchase of the thermoformer have come in at a much lower amount than previously anticipated (\$57,000). Harley Hall now requests he be allowed to purchase other capital equipment with the remaining equipment grant funds. As with the thermoformer, any other equipment, along with all equipment purchased with DCOA funds, will remain in Abilene should Eagle cease operations in Abilene. Another addendum to the current Agreement will not be prepared should the board approve the request.

FISCAL IMPACT

None.

STAFF RECOMMENDATION

Staff recommends DCOA approval of an oral resolution authorizing EASI to purchase other capital equipment items with the remaining equipment grant funds after purchase of the thermoformer.

ATTACHMENTS

Letter dated 7-26-07 from Harley Hall, Managing Director of EASI



July 26, 2007

Mr. Richard Burdine
Chief Executive Officer

In the agreement for financial assistance that the DCOA and Eagle Aviation recently signed it states that EASI is authorized to spend up to \$125,000 to purchase a Thermoformer machine. Upon further investigation into this machine we have found that the machine that we need is substantially less expensive than originally thought. The quote that we have received is for \$57,134.00. Due to this I respectfully request that EASI be authorized to use some of the remaining money to purchase other tooling that is needed. This tooling consists of a new engine Boroscope (\$49,705) and a Hand held download unit (\$11,078) for the FDR on the aircraft. The Boroscope's that we currently have are more than 7 years old and do not have measuring capability. This function is needed as when we have engine damage we have to send pictures to the manufacturer of the damage so that they can evaluate it and let us know what needs to be accomplished in order to make the engine serviceable again. When we do that part of the requirement is to give them the dimensions of the damage. Without this Boroscope we have no exact way of knowing this. This Boroscope gives EASI that capability. The Hand held download unit is for several functions involving the Flight Data Recorder (FDR) that is on every aircraft in the Eagle fleet. We currently have 2 of these but they are required to be used on all aircraft that coming through Dock. With 5 Dock lines running there is a need for them on several Dock lines at the same time and adding one will greatly increase our productivity for accomplishing these checks.

Please let us know if these changes are acceptable

Sincerely,

A handwritten signature in black ink, appearing to read "Harley Hall".

Harley Hall, Managing Director
Base and Contract Maintenance



13.2