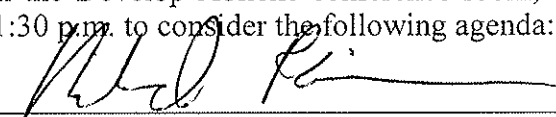


## PUBLIC NOTICE

### DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Thursday, December 17, 2009, 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

December 17, 2009  
1:30 p.m.

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

1. Call the meeting to order.
2. Approval of minutes from the November 24, 2009 meeting.
3. Sales tax revenue report for December 2009 and Preliminary Status of Funds report for October 2009.
4. 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.

5. Discussion and possible approval of a resolution authorizing assistance for Project NY.
6. Discussion and possible approval of a resolution authorizing assistance for Project DOS.
7. Discussion and possible approval of a resolution authorizing assistance for Project RC.
8. Discussion and possible approval of a resolution authorizing assistance for Project KM.
9. Discussion and possible approval of a resolution authorizing assistance for Project DM.
10. 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 \_\_\_\_\_, 2009, 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  
NOVEMBER 24, 2009**

<b>MEMBERS PRESENT:</b>	Joe Crawford Marelyn Shedd Scott Senter	Mike Schweikhard Paul Cannon
<b>STAFF PRESENT:</b>	Richard Burdine Mindy Patterson	Kim Tarrant Dan Santee
<b>GUESTS PRESENT:</b>	Jaime Adame Bill Ehrie	Abilene Reporter-News Abilene Industrial Foundation

- 1. CALL TO ORDER.** Joe Crawford 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 THE NOVEMBER 10, 2009 MEETING.** Scott Senter moved to approve the minutes from the November 10, 2009 meeting. Mike Schweikhard seconded and the motion carried.
- 3. SALES TAX REVENUE REPORT FOR NOVEMBER 2009.** Mindy Patterson reported the sales tax rebate for November (which represents September sales) for economic development was \$758,231.42, which is 15.13% below last year for the same period.
- 4. EXECUTIVE SESSION.** I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, .072, and .087 to consult with our legal counsel, discuss real property transactions, and discuss economic development negotiations involving a business prospect, as set forth on the agenda. Any vote or action will be taken in open session.

President Joe Crawford announced the date is November 24, 2009, and the time is 1:35 p.m. Mr. Crawford then announced the date is still November 24, 2009, and the time is 2:22 p.m. No vote or action was taken in Executive Session.

- 5. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE REALLOCATION OF FUNDS APPROVED IN MARCH 2009 TO HIRE A GRANT WRITER TO USE INSTEAD FOR PERIODIC TECHNICAL ASSISTANCE FROM LONG PERFORMANCE ADVISORS WITH REGARD TO THE ABILENE LIFE SCIENCES ACCELERATOR.** In March 2009 the DCOA authorized \$8,000 to hire a grant writer to pursue potential grants available through the American Recovery and Reinvestment Act. The funding was to hire someone to do the research to develop successful grant applications. However it was subsequently learned that the grant opportunities were not available for our use, so the grant writer funds were never encumbered. Staff recommends the DCOA authorize the reallocation of the

\$8,000 grant writer funds to instead be used to employ the services of Mark Long with Long Performance Advisors to assist with the Abilene Life Sciences Accelerator (ALSA) operations. Mr. Long assisted with the development of build-out plans for the shell space and projection of annual operating for ALSA and he has over 30 years experience in the medical device/ diagnostics/biotechnology industry.

Scott Senter moved to approve Resolution No. DCOA-2010.04 as presented. The motion was seconded by Marelyn Shedd and carried.

6. **ADJOURNMENT.** The next board meeting is scheduled for Thursday, December 17, 2009, at 1:30 pm. There being no further business, the meeting was adjourned.

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Joe Crawford, President

**MEMORANDUM**

December 9, 2009

**TO:** Larry D. Gilley, City Manager  
**FROM:** Mindy Patterson, Director of Finance  
**SUBJECT:** December Sales Tax

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The sales tax rebate for December is \$2,408,919.61 which represents October sales. This is 14.86% below last year. The breakdown of the December rebate is \$1,806,689.71 to the General Fund and \$602,229.90 for economic development. Of this rebate, \$55,870 is from prior periods, audit payments, future payments, and unidentified payments. Based on this rebate, sales tax is 11.80% below last year for the period of October through December. I have requested the detail from the state.

Should you have any questions, please contact me.

MP:ls

cc: Richard Burdine, Assistant City Manager  
David Vela, Assistant City Manager  
Evalin E. McClain, Assistant City Manager

**CITY OF ABILENE  
SALES TAX COMPARISON**

Accounting Period Month	GENERAL FUND Actual 2008-09	ECONOMIC DEVELOPMENT Actual 2008-09	TOTAL 2008-09	GENERAL FUND Actual 2009-10	ECONOMIC DEVELOPMENT Actual 2009-10	TOTAL 2009-10
October	\$2,110,326.56	\$703,442.19	\$2,813,768.75	\$2,015,713.10	\$671,904.36	\$2,687,617.46
November	2,680,326.85	893,442.28	3,573,769.13	2,274,694.28	758,231.42	3,032,925.70
December	2,122,016.60	707,338.86	2,829,355.46	1,806,689.71	602,229.90	2,408,919.61
YTD	<u>\$6,912,670.01</u>	<u>\$2,304,223.33</u>	<u>\$9,216,893.34</u>	<u>\$6,097,097.09</u>	<u>\$2,032,365.68</u>	<u>\$8,129,462.77</u>
January	1,981,869.70	660,623.23	2,642,492.93			
February	2,867,665.67	955,888.56	3,823,554.23			
March	1,807,393.10	602,464.36	2,409,857.46			
April	1,849,680.13	616,560.04	2,466,240.17			
May	2,380,270.93	793,423.64	3,173,694.57			
June	1,961,132.05	653,710.68	2,614,842.73			
July	1,794,109.23	598,036.41	2,392,145.64			
August	2,397,269.11	799,089.70	3,196,358.81			
September	1,961,484.00	653,828.00	2,615,312.00			
FY TOTAL	<u>\$25,913,543.93</u>	<u>\$8,637,847.95</u>	<u>\$34,551,391.88</u>			

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

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

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

<b>Accounting Period Month</b>	<b>Actual 2008-09</b>	<b>Actual 2009-10</b>	<b>% Change</b>
October	\$703,442	\$671,904	-4.48%
November	893,442	758,231	-15.13%
December	707,339	602,230	-14.86%
<b>YTD</b>	<b>\$2,304,223</b>	<b>\$2,032,366</b>	<b>-11.80%</b>
January	660,623		
February	955,889		
March	602,464		
April	616,560		
May	793,424		
June	653,711		
July	598,036		
August	799,090		
September	653,828		
<b>FY TOTAL</b>	<b>\$8,637,848</b>		

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 December '09 represents October '09 sales. Approximately  
\$13,968 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.

Preliminary

CITY OF ABILENE, TEXAS

DEVELOPMENT CORPORATION OF ABILENE, INC.

Balance Sheet  
October 31, 2009

**ASSETS:**

Cash and Investments	\$11,782,443
Notes receivable	17,159,497
Accounts receivable	39,668
Due from other governments	1,421,391
Prepaid Expense	0
Total Current Assets	<u>\$30,402,999</u>

**OTHER ASSETS:**

Fixed assets	\$34,167,977
Accumulated depreciation	(4,349,765)
Total Other Assets	<u>29,818,212</u>

TOTAL ASSETS

\$60,221,211

**LIABILITIES:**

Vouchers payable	\$721,364
Deferred revenues	180,616
Notes Payable	321,082
Total Liabilities	<u>\$1,223,062</u>

**FUND BALANCES:**

Investment in general fixed assets	\$29,818,212
Reserved for contractual obligations(external)	20,731,940
Reserved for obligated programs(internal)	1,046,233
Undesignated Balance	7,401,764
Total Fund Balance	<u>\$58,998,149</u>

TOTAL LIABILITIES AND FUND BALANCES

\$60,221,211

**FIXED ASSETS:**

	<u>Original Cost</u>	<u>Improvements</u>	<u>Depreciation</u>	<u>Total</u>
Land:				
473.405 acres - Five Pts Bus Park	\$507,681			\$507,681
303.53 acres Hwy 36 & FM 18	449,238			449,238
122 acres - N Five Pts	482,238			482,238
5.6 acres UPS	69,217			69,217
Buildings and Improvements:				0
2601 Airport Blvd.	1,563,210	540,633	366,662	1,737,181
2809 Airport Blvd.	396,519	444,583	327,102	514,000
2841 Airport Blvd.	456,736	62,923	283,048	236,611
4002 Loop 322	1,290,916	2,384,892	1,352,552	2,323,256
Five Pts Bus Park	0	8,227,561	399,534	7,828,027
6450 Five Points Parkway	5,809,354	7,016,797	1,018,399	11,807,752
Grant Bldg 341 Pine	147,194	405,726	203,996	348,924
2742 Lance Dr. (EASI Storage)	2,527,408	9,987	253,174	2,284,221
4109 Vine St	583,524	180,855	66,986	697,393
4009 Vine St	583,524	0	58,353	525,171
Equipment	9,250	0	5,550	3,700
Vehicle: 2005 Dodge Caravan	18,011	0	14,409	3,602
TOTAL FIXED ASSETS	<u>\$14,894,020</u>	<u>\$19,273,957</u>	<u>\$4,349,765</u>	<u>\$29,818,212</u>



DEVELOPMENT CORPORATION OF ABILENE  
STATUS OF FUNDS @ OCTOBER 31, 2009

					(MARCH, 1990)
	Object	Beginning I-T-D Revenues	Current Month Revenues	Current FY Revenues	Ending I-T-D Revenues
<b>REVENUE-TO-DATE</b>					
City Sales Tax	3131	\$ 119,897,206.99	667,595.69	\$ 667,595.69	\$ 120,564,802.68
Sales Tax Retained	3132	345,869.34	4,308.67	4,308.67	350,178.01
Other Services Charges	3731	25.00			25.00
Princ. - Loans & Assess	3775	3,087,911.90			3,087,911.90
Int. - Loans & Assess	3802	2,095,195.57	668.24	668.24	2,095,863.81
Interest	3803	6,661,950.13	3,937.73	3,937.73	6,665,887.86
Land Lease	3810	13,835.41	630.00	630.00	14,465.41
Building/Space Rent	3816	4,411,178.77	73,394.50	73,394.50	4,484,573.27
City Pay Phones	3890	9,170.58	-	-	9,170.58
Miscellaneous Revenue	3892	30,238.49	6,062.25	6,062.25	36,300.74
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	1,916,652.91	-	-	1,916,652.91
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
Donation	3869	43,846.00	-	-	43,846.00
Sale of Land	3870	273,554.84	-	-	273,554.84
Sale of Buildings	3871	3,367,443.31	-	-	3,367,443.31
Sale of Equipment	3872	608,882.88	-	-	608,882.88
Gain (loss) Sale of Asset	3873	555,393.43	-	-	555,393.43
Miscellaneous Damage Claims	3889	1,173.04	-	-	1,173.04
Miscellaneous Revenue	3892	767,389.00	-	-	767,389.00
GASB 22 Restatement		355,634.89	-	-	355,634.89
GASB 34 FY 03 Adjustment		523,718.93	-	-	523,718.93
GASB 34 FY 08 Adjustment		44,606.57	-	-	44,606.57
GASB 34 FY 09 Adjustment		1,150,012.47	-	-	1,150,012.47
		<u>\$ 149,211,311.08</u>	<u>\$ 756,597.08</u>	<u>\$ 756,597.08</u>	<u>\$ 149,967,908.16</u>

DEVELOPMENT CORPORATION OF ABILENE  
STATUS OF FUNDS @ OCTOBER 31, 2009

Project	Beginning I-T-D Expenditures	Current Month Expenditures	Current FY Expenditures	Ending I-T-D Expenditures	Outstanding Contracts
<b>CONTRACTS ENCUMBERED/ EXPENDITURES-TO-DATE</b>					
Prior Years Programs	\$ 69,771,751.71	\$ -	\$ -	\$ 69,771,751.71	
Business Services Division	Div 2760 7,300,492.68	43,202.72	43,202.72	7,343,695.40	4,500.00
Life Sciences Property - Pine	Div 2765 43,089.08	7,147.87	7,147.87	50,236.95	-
DCOA Annual Contracts	Div 2775 2,058,373.84	10,028.37	10,028.37	2,068,402.21	20,529.72
Abilene Industrial Foundation	2775-4950 11,896,940.09	16,982.72	16,982.72	11,913,922.81	825,182.38
TTU Small Business Dev Cntr	2775-4951 2,435,621.05	-	-	2,435,621.05	195,000.00
Chamber Military Affairs	2775-4952 1,150,052.19	-	-	1,150,052.19	71,924.64
Airport Business Dev Mgr	2775-4953 503,260.66	-	-	503,260.66	217,226.46
Murf Systems	4998 151,665.00	-	-	151,665.00	-
Bandag Training	5203 724,485.20	-	-	724,485.20	117,734.80
Sunoco Logistics	5208 227,000.00	-	-	227,000.00	-
EASI 04	5213 1,592,489.23	221,644.95	221,644.95	1,814,134.18	662,803.48
Fehr Food	5220 2,089,560.00	-	-	2,089,560.00	-
Bandag Building Improv	5228 -	-	-	-	44,259.24
Glazers Ph III	5229 65,620.00	-	-	65,620.00	25,380.00
Robinson Fan	5237 352,408.98	-	-	352,408.98	311,800.00
CBER Website	5240 7,067.07	-	-	7,067.07	1,249.93
TTU Pharmacy School	5242 328,464.00	-	-	328,464.00	-
Teleperformance USA	5247 274,530.00	-	-	274,530.00	482,470.00
PWP (Project LF)	5251 1,556,842.70	-	-	1,556,842.70	2,010,620.30
Integrated Clinic Research	5253 7,440.00	-	-	7,440.00	688,062.00
Genesis Network	5258 1,375,333.81	-	-	1,375,333.81	15,055.81
Carter Burgess	5260 323,815.00	-	-	323,815.00	25,505.00
Fehr Foods	5261 118,091.53	-	-	118,091.53	-
TMAC	5262 60,000.00	-	-	60,000.00	-
SBIR/STTR	5263 127,159.85	95.00	95.00	127,254.85	144,145.50
EASI 7th Doc	5265 239,175.14	-	-	239,175.14	34,081.10
BMWT Leasing	5266 50,000.00	-	-	50,000.00	-
ABTEX Beverage	5267 634,339.80	-	-	634,339.80	964,700.20
MSSC Training	5269 71,762.03	-	-	71,762.03	74,353.05
WTCIC	5272 16,582.00	-	-	16,582.00	16,582.00
TTU HSC Research	5273 679,455.00	-	-	679,455.00	2,320,545.00
Spec 2 Expansion A/E	5275 7,075,849.57	-	-	7,075,849.57	-
Spec 3 Construction	5276 5,429,725.65	-	-	5,429,725.65	306,774.35
Energy Maintenance Service	5282 -	155,465.39	155,465.39	155,465.39	1,262,543.61
Genesis Network Phase II	5284 -	-	-	-	2,103,694.90
Tower Tech	5285 846,499.60	-	-	846,499.60	3,981,000.40
Texas Metal 08	5288 -	-	-	-	35,114.00
TMAC 09	5289 15,000.00	-	-	15,000.00	45,000.00
Project BG	5295 -	-	-	-	748,000.00
ACU 09 Springboard	5297 5,000.00	-	-	5,000.00	-
Land 122 Acres N 5 Pts	5302 171,558.71	-	-	171,558.71	339,409.79
Life Sciences Accelerator- Ph 2	2796 -	90,212.91	90,212.91	90,212.91	1,369,012.09
ETI Contract	5304 -	112,500.00	112,500.00	112,500.00	1,267,680.00
Miscellaneous Activities	2785 354,189.86	-	-	354,189.86	-
<b>TOTAL ENCUMB. / EXPENDITURES</b>	<b>\$ 120,130,691.03</b>	<b>\$ 657,279.93</b>	<b>\$ 657,279.93</b>	<b>\$ 120,787,970.96</b>	<b>\$ 20,731,939.75</b>
<b>TOTAL FUND BALANCE</b>				<b>\$ 29,179,937.20</b>	
<b>UNENCUMBERED FUND BALANCE</b>					<b>\$ 8,447,997.45</b>

DEVELOPMENT CORPORATION OF ABILENE  
STATUS OF FUNDS @ OCTOBER 31, 2009

Project	Amount Obligated	Prior Years Disbursed	Current Month Disbursed	Current Year Disbursed	Amount Encumbered	Balance	
<b>BALANCE OF OBLIGATED PROGRAMS</b>							
Business Services Division	Div 2760	\$ 640,370.00	\$ -	\$ 43,202.72	\$ 43,202.72	\$ 4,500.00	\$ 592,667.28
Life Sciences Property -Pine	Div 2765	233,810.00	-	7,147.87	7,147.87	-	226,662.13
DCOA Annual Contracts	Div 2775	257,464.00	-	10,028.37	10,028.37	20,529.72	226,905.91
Abilene Industrial Foundation	2775-4950	842,165.00	-	16,982.72	16,982.72	825,182.38	(0.10)
TTU Small Business Dev Cntr	2775-4951	195,000.00	-	-	-	195,000.00	-
Chamber Military Affairs	2775-4952	71,925.00	-	-	-	71,924.64	0.36
Airport Business Dev Mgr	2775-4953	217,230.00	-	-	-	217,226.46	3.54
Murf Systems	4998	151,665.00	151,665.00	-	-	-	-
Bandag Training	5203	842,220.00	724,485.20	-	-	117,734.80	-
Sunoco Logistics	5208	227,000.00	227,000.00	-	-	-	-
EASI 04	5213	2,476,938.00	1,592,489.23	221,644.95	221,644.95	662,803.48	0.34
Fehr Food	5220	2,089,560.00	2,089,560.00	-	-	-	-
Bandag Building Improv	5228	44,260.00	-	-	-	44,259.24	0.76
Glazers Ph III	5229	91,000.00	65,620.00	-	-	25,380.00	-
Robinson Fan	5237	664,209.00	352,408.98	-	-	311,800.00	0.02
CBER Website	5240	8,317.00	7,067.07	-	-	1,249.93	-
TTU Pharmacy School	5242	328,464.00	328,464.00	-	-	-	-
Teleperformance USA	5247	757,000.00	274,530.00	-	-	482,470.00	-
PWP (Project LF)	5251	3,567,463.00	1,566,842.70	-	-	2,010,620.30	-
Integrated Clinic Research	5253	695,502.00	7,440.00	-	-	688,062.00	-
Genesis Network	5258	1,390,391.00	1,375,333.81	-	-	15,055.81	1.38
Carter Burgess	5260	349,320.00	323,815.00	-	-	25,505.00	-
Fehr Foods	5261	118,092.00	118,091.53	-	-	-	0.47
TMAC	5262	60,000.00	60,000.00	-	-	-	-
SBIR/STTR	5263	271,400.00	127,159.85	95.00	95.00	144,145.50	(0.35)
EASI 7th Doc	5265	273,257.00	239,175.14	-	-	34,081.10	0.76
BMWWT Leasing	5266	50,000.00	50,000.00	-	-	-	-
ABTEX Beverage	5267	1,599,040.00	634,339.80	-	-	964,700.20	-
MSSC Training	5269	146,115.00	71,762.03	-	-	74,353.05	(0.08)
WTCIC	5272	33,164.00	16,582.00	-	-	16,582.00	-
TTU HSC Research	5273	3,000,000.00	679,455.00	-	-	2,320,545.00	-
Spec 2 Expansion A/E	5275	7,075,850.00	7,075,849.57	-	-	-	0.43
Spec 3 Construction	5276	5,736,500.00	5,429,725.65	-	-	306,774.35	(0.00)
Energy Maintenance Service	5282	1,418,000.00	-	155,465.39	155,465.39	1,262,534.61	(9.00)
Genesis Network Phase II	5284	2,103,695.00	-	-	-	2,103,694.90	0.10
Tower Tech	5285	4,827,500.00	846,499.60	-	-	3,981,000.40	-
Texas Metal 08	5288	35,114.00	-	-	-	35,114.00	-
TMAC 09	5289	60,000.00	15,000.00	-	-	45,000.00	-
Run Energy	5295	748,000.00	-	-	-	748,000.00	-
ACU 09 Springboard	5297	5,000.00	5,000.00	-	-	-	-
Land 122 Acres N 5 Pts	5302	510,968.00	171,558.71	-	-	339,409.79	(0.50)
Life Sciences Accelerator- Ph 2	2796	1,459,225.00	-	90,212.91	90,212.91	1,369,012.09	-
ETI Contract	5304	1,380,180.00	-	112,500.00	112,500.00	1,267,680.00	-
Miscellaneous Activities	2785	354,189.86	354,189.86	-	-	-	-
<b>BALANCE OF OBLIGATED PROGRAMS</b>		<b>\$ 47,406,562.86</b>	<b>\$ 24,971,109.73</b>	<b>\$ 657,279.93</b>	<b>\$ 657,279.93</b>	<b>\$ 20,731,939.75</b>	<b>\$ 1,046,233.45</b>
<b>UNDESIGNATED FUND BALANCE</b>	<b>(unencumbered balance less obligated programs and contingent liabilities)</b>						<b>\$ 7,401,764.00</b>
DCOA Board approved projects waiting for signed contracts			Expiration Date				
Coca Cola	5296	900,000.00	03/01/2010				
Stimulus Grant Writer	5298	8,000.00	09/30/2009				
Project LW	5303	69,000.00	10/13/2009				
EASI floor re-painting A/E	5305	8,000.00	03/23/2010				
		<u>985,000.00</u>					

3.7

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD AGENDA**  
**MEETING DATE: December 17, 2009**

**PROJECT:** Project NY

**STAFF:** Richard Burdine, CEO

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**THE COMPANY**

Project NY is a subsidiary of a company that began as a composites fabricator and moved into the wind blade industry over 10 years ago with plants in California and S. Dakota. Project NY was spun-off two years ago to repair and rebuild blades that otherwise would be discarded, and the company currently has repair projects in 15 states. The company has experience with every type of wind blade failure and has developed proven methods to repair them either in the air or on the ground.

**THE REQUEST**

Project NY has proposed to relocate its out-of-state blade repair operation to Abilene, and if successful, Abilene may be considered for a future blade fabrication plant. The company anticipates a capital investment in Abilene of \$670,000; \$400,000 in new capital and \$270,000 in relocated capital. Staff recommends the following incentives totaling \$1,200,000:

1. Job Creation Incentive For the creation of 56 new jobs, total funding of **\$780,000** paid out over 3 years as outlined below:

Salary Level/Annually*	Projected Jobs	Incentives	Total
\$40 to \$89,999	50	\$12,000	\$600,000
\$90,000 and over	6	\$30,000	\$180,000
Total Jobs:	56		\$780,000

\*Calculations are based on salaries provided with non-mandatory benefits of \$9,977/year.

2. Capital Investment Incentive The company anticipates expenditure of \$400,000 for new capital equipment and relocation of capital equipment having a depreciated value of approximately \$270,000. I recommend paying capital investment incentives of 10%, up to **\$40,000**, only on the new capital equipment, upon receipt of copies of paid invoices evidencing actual costs.

3. Training Assistance I recommend **\$100,000** for training assistance, to be paid at actual cost for training not reimbursed by other grants, up to \$2,000 per employee completing training. The company will be required to provide evidence of actual training costs and grant awards for training, and may only submit requests for reimbursement twice per year.

4. Relocation Assistance Also proposed is relocation assistance of actual cost of up to \$5,000 per relocated employee with a maximum expenditure of **\$280,000**. Reimbursements shall be made in accordance with the company's relocation policy and upon documentation of actual costs.

The Company would like to receive advanced payment (earnable loan) of the job creation incentives to aid in their relocation and start-up in Abilene. If desired, the loan will be for 3 to 5 years, 0% interest, and will be collateralized:

- a. First by a lien on \$400,000 in new capital equipment purchases at its 3-year depreciated book value of \$160,000 (40%), assuming a 5-year depreciation schedule. The DCOA would release the lien upon the company earning \$160,000 from job creation, and,
- b. Second by a Letter of Credit covering the remaining principal balance of the loan. Principal reductions will be applied annually upon certification of FTE's created/retained during the previous 12 months at the rates stated in the above chart once the equipment lien is released.

We also will assist the Company in its application to the Governor's Office for a Texas Enterprise Fund grant for job creation and to the Texas Workforce Commission for a Skills Development Fund grant for job training.

**FISCAL IMPACT**

Up to \$1,200,000

**STAFF RECOMMENDATION**

Staff recommends approval of resolution DCOA-2010.07 authorizing funding up to \$1,200,000 for Project NY as outlined above.

**ATTACHMENTS**

Resolution DCOA-2010.07

**RESOLUTION NO. DCOA-2010.07**

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

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

WHEREAS, Project NY repairs and rebuilds wind turbine blades that otherwise would be discarded, and the company currently has repair projects in 15 states; and,

WHEREAS, the company is considering relocating its out-of-state repair operation to Abilene from California, creating 56 new jobs and investing \$670,000 in capital (\$400,000 in new capital and \$270,000 in relocated capital); and,

WHEREAS, staff requests the DCOA approve an incentive package for Project NY up to \$1,200,000 as outlined below.

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

**PART 1.** DCOA approves an incentive package for Project NY for an amount not to exceed One Million Two Hundred Thousand and no/100's Dollars (\$1,200,000) to assist Project NY with relocation of its wind turbine blade repair and rebuild operation to Abilene from California. The assistance shall be disbursed as outlined below.

1. Job Creation Incentive For the creation of 56 new jobs, total funding of **\$780,000** paid out over 3 years as outlined below:

Salary Level/Annually*	Projected Jobs	Incentives	Total
\$40 to \$89,999	50	\$12,000	\$600,000
\$90,000 and over	6	\$30,000	\$180,000
Total Jobs:	56		\$780,000

\*Calculations are based on salaries provided with non-mandatory benefits of \$9,977/year.

If the Company chooses to receive advanced payment (earnable loan) of the job creation incentives, the loan will be for 3-5 years, 0% interest, and will be collateralized:

- a. First by a lien on \$400,000 in new capital equipment purchases at its 3-year depreciated book value of \$160,000 (40%), assuming a 5-year depreciation schedule. The DCOA would release the lien upon the company earning \$160,000 from job creation, and,
- b. Second by a Letter of Credit covering the remaining principal balance of the loan. Principal reductions will be applied annually upon certification of FTE's created/retained during the previous 12 months at the rates stated in the above chart once the equipment lien is released.

2. Capital Investment Incentive The company anticipates expenditure of \$400,000 for new capital equipment and relocation of capital equipment having a depreciated value of approximately \$270,000. Funding of up to **\$40,000** shall be provided to reimburse company's capital investment at the rate of 10%, only on the new capital equipment, upon receipt of copies of paid invoices evidencing actual costs.

3. Training Assistance Up to **\$100,000** for training assistance, to be paid at actual cost for training not reimbursed by other grants. Reimbursement shall be at the rate of up to \$2,000 per employee after certification by the company of the employee's completion of training and deduction of any grant funding for training the employee. The company will be required to provide evidence of actual training costs and grant awards for training, and may only submit requests for reimbursement twice per year.

Staff will assist the company in its application to the Governor's Office for a Texas Enterprise Fund grant and to the Texas Workforce Commission for a Skills Development Fund grant for job training.

4. Relocation Assistance Up to **\$280,000** for reimbursement of actual relocation costs, up to \$5,000 per relocated employee. Reimbursements shall be made in accordance with the company's relocation policy.

**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 a final contract and all other related documents on behalf of the DCOA.

ADOPTED this the 17th day of December, 2009.

ATTEST:

\_\_\_\_\_  
Marelyn Shedd  
Secretary/Treasurer

\_\_\_\_\_  
Joe Crawford  
President

APPROVED:

\_\_\_\_\_  
T. Daniel Santee, City Attorney

Staff requests Item #6  
(Project DOS) be tabled.



**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD AGENDA**  
**MEETING DATE: December 17, 2009**

**PROJECT:** Project RC

**STAFF:** Richard Burdine, CEO

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**THE COMPANY**

Project RC has served cattle buyers and sellers for many years in Abilene. The company is considering capital improvements to make to update the 50+ year old facilities. The company consistently employs 20 - 25 people year round, with some addition of temporary staff seasonally.

To date bids were received for approximately \$50,000 of the work with the anticipation that all work would be no more than \$100,000.

**THE REQUEST**

Staff requests that the DCOA Board give favorable consideration to reimbursing Project RC 15% of their actual capital expenditures up to a maximum of \$15,000 paid over 2 years. The company will be required to certify the retention of at least 20 FTE's during that time frame.

**FISCAL IMPACT**

Up to \$15,000

**STAFF RECOMMENDATION**

Staff recommends approval of Resolution DCOA-2010.06 authorizing funding of up to \$15,000, or 15% of capital expenditures not to exceed \$100,000, to be paid in arrears over 2 years, and company will retain at least 20 FTE's.

**ATTACHMENTS**

Resolution DCOA-2010.06

**RESOLUTION NO. DCOA-2010.06**

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

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

WHEREAS, Project RC has served cattle buyers and sellers in Abilene for many years and currently employs 20-25 people; and,

WHEREAS, the company is proposing capital improvements to its facility that will cost approximately \$100,000; and,

WHEREAS, staff requests the DCOA provide funding of 15% of company's capital expenses up to \$15,000.

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

- PART 1.** DCOA funding of an amount not to exceed Fifteen Thousand and no/100's Dollars (\$15,000) to assist Project RC with capital improvements to its Abilene facility. The funds will be disbursed annually over a 2-year period at the rate of 15% of company's actual capital expenses. Project RC will certify annually before disbursements of funds that at least 20 full-time employment positions were retained during the previous 12 months.
- 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 a final contract and all other related documents on behalf of the DCOA.

ADOPTED this the 17th day of December, 2009.

ATTEST:

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Marelyn Shedd  
Secretary/Treasurer

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Joe Crawford  
President

APPROVED:

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T. Daniel Santee, City Attorney

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Staff requests Item #8  
(Project KM) be tabled.

# DEVELOPMENT CORPORATION OF ABILENE, INC.

## BOARD AGENDA

MEETING DATE: December 17, 2009

**PROJECT:** Project DM

**STAFF:** Richard Burdine, CEO

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### **BACKGROUND INFORMATION:**

Project DM is a start-up wind initiative to facilitate collaborative wind energy R&D between federal and state governments, universities and the private sector. Significant funding has been committed to the project totaling many millions of dollars. Also, state Emerging Technology Funds (ETF) are being considered for this project.

### **THE PROJECT**

The company is requesting the DCOA fund \$50,000 toward establishment of a wind research entity. The DCOA funds will be used in coordination with other resources to form the research entity and provide start-up capital until state Emerging Technology Funds are available. The benefits to Abilene include access to unique research and development services, wind researchers, state of the art research and forecasting equipment and processes, and the opportunity for Abilene to play a key partnership role in establishing this consortium.

### **FISCAL IMPACT:**

\$50,000

### **STAFF RECOMMENDATION:**

Staff recommends approval of resolution DCOA-2010.05 authorizing \$50,000 toward the establishment of a wind research company.

### **ATTACHMENTS:**

Resolution DCOA-2010.05

**RESOLUTION NO. DCOA-2010.05**

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

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

WHEREAS, Project DM is a start-up wind initiative to facilitate collaborative wind energy R&D between federal and state governments, universities and the private sector; and,

WHEREAS, many millions of dollars from other resources have been approved for this project and Emerging Technology Funds are being considered by the state; and,

WHEREAS, staff requests the DCOA provide \$50,000 as start-up capital and help establish the wind research entity.

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

- PART 1.** DCOA funding of Fifty Thousand and no/100's Dollars (\$50,000) toward the establishment of a wind research company (Project DM).
- 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 a final contract and all other related documents on behalf of the DCOA.

ADOPTED this the 17th day of December, 2009.

ATTEST:

\_\_\_\_\_  
Marelyn Shedd  
Secretary/Treasurer

\_\_\_\_\_  
Joe Crawford  
President

APPROVED:

\_\_\_\_\_  
T. Daniel Santee, City Attorney

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