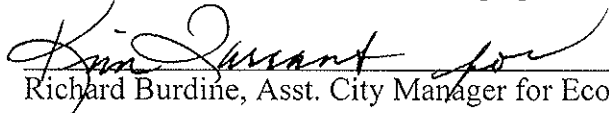


PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, July 13, 2010, 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 13, 2010
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 June 8, 2010, board meeting.
3. Sales Tax Report for July 2010 and Status of Funds report for May 2010.
4. Appointment of 2010 Project Evaluation and Budget & Finance Standing Committees of the DCOA.
5. 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.

6. Discussion and possible approval of a resolution authorizing an addendum to the Agreement for Financial Assistance with Energy Maintenance Service for expansion into gearbox repair.
7. 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 _____, 2010, 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 8, 2010

MEMBERS PRESENT:	Paul Cannon Dani Ramsay Marelyn Shedd	Mike Schweikhard Scott Senter
STAFF PRESENT:	Richard Burdine Dan Santee	Kim Tarrant
GUESTS PRESENT:	Jaime Adame	Abilene Reporter-News

- 1. CALL TO ORDER.** Paul Cannon called the meeting to order at 1:30 p.m. in the Develop Abilene conference room located at 174 Cypress Street, 3rd floor, Abilene, TX.
- 2. APPROVAL OF MINUTES FROM THE MAY 25, 2010 BOARD MEETING.** Scott Senter moved to approve the minutes from the May 25, 2010 board meeting. Dani Ramsay seconded and the motion carried.
- 3. STATUS OF FUNDS REPORT FOR APRIL 2010.** Total assets as of April 30, 2010 were \$60.1 million, total liabilities were \$694,137 and the DCOA undesignated fund balance was nearly \$12.3 million.
- 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 Paul Cannon announced the date is June 8, 2010, and the time is 1:40 p.m. Mr. Cannon then announced the date is still June 8, 2010, and the time is 3:33 p.m. No vote or action was taken in Executive Session.

- 5. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT BW.** Project BW is a company formed in 2009 for the purpose of applying patented drug development technologies from research to manufacturing for clinical trials and commercial sales. The company has developed several technologies to improve the therapeutic efficacy of drugs, thereby reducing side effects, dosing variations and the affects of food.

Project BW wants to lease approximately 1,800 sq. ft. in the Abilene Life Sciences Accelerator (ALSA) but compliance with Good Manufacturing Practices (GMP) is required to ensure nothing will compromise the production process. Necessary alterations and additions are HVAC/humidity controls, a walk-in freezer, an external concrete pad, and installation of a nitrogen tank plus piping and consulting services to

make sure everything achieves GMP compliance, including operating protocols. The estimated cost of these improvements and associated services is \$180,000. Also, the company must have exclusive use of manufacturing and analytical equipment in their lab at an estimated cost of \$400,000 for a total cost of \$580,000. Project BW will lease their space for a seven-year term with lease payments for the first year being deferred and paid in years 2 through 7. The DCOA will recover \$165,000 of the \$580,000 by prorating and adding this amount to the payments, making the lease payments in years 2 through 7 about \$90,500 per year.

Project BW will employ up to 28 people within four years with salaries averaging \$52,322/year and a total annual payroll of \$1,465,300. With the projected employment, the company would be eligible for up to \$414,105 in job creation incentives payable over five years; however, instead of making a cash disbursement for the first \$250,000 earned, the earnings will instead be applied against the equipment balance (as described below).

In addition to recovery through lease payments, the DCOA will also retain a lien of \$250,000 against the equipment purchased, which will be earned annually via application of the first \$250,000 of job creation incentives earned. Any unearned balance at the end of the lease would become due and payable.

A motion was made by Scott Senter to approve Resolution No. DCOA-2010.18 authorizing expenditures of \$580,000 for ALSA alterations, additions and equipment, and up to \$414,105 for job creation, for total funding of \$994,105. The amount of actual cash outlay is less by \$250,000, which will instead be applied toward the lien taken on equipment purchased with DCOA funds. Dani Ramsay seconded and the motion carried.

6. ADJOURNMENT. The next regularly scheduled meeting is June 22nd.

Paul Cannon, President

MEMORANDUM

July 8, 2010

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

The sales tax rebate for July is \$2,643,225.49 which represents May sales. This is 10.50% above last year. The breakdown of the July rebate is \$1,982,419.12 to the General Fund and \$660,806.37 for economic development. Of this rebate, \$140,238 is from prior periods, audit payments, future payments, and unidentified payments. Based on this rebate, sales tax is 4.88% below 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.

MP:ls

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

**CITY OF ABILENE
SALES TAX COMPARISON**

Accounting Period Month	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL
	Actual 2008-09	Actual 2008-09		Actual 2009-10	Actual 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
January	1,981,869.70	660,623.23	2,642,492.93	1,784,282.81	594,760.94	2,379,043.75
February	2,867,665.67	955,888.56	3,823,554.23	2,694,722.33	898,240.78	3,592,963.11
March	1,807,393.10	602,464.36	2,409,857.46	1,855,978.16	618,659.39	2,474,637.55
April	1,849,680.13	616,560.04	2,466,240.17	1,804,229.03	601,409.68	2,405,638.71
May	2,380,270.93	793,423.64	3,173,694.57	2,444,890.66	814,963.55	3,259,854.21
June	1,961,132.05	653,710.68	2,614,842.73	1,838,890.30	612,963.43	2,451,853.73
July	1,794,109.23	598,036.41	2,392,145.64	1,982,419.12	660,806.37	2,643,225.49
YTD	<u>\$21,554,790.82</u>	<u>\$7,184,930.25</u>	<u>\$28,739,721.07</u>	<u>\$20,502,509.50</u>	<u>\$6,834,169.82</u>	<u>\$27,336,679.32</u>
August	2,397,269.11	799,089.70	3,196,358.81			
September	<u>1,961,484.00</u>	<u>653,828.00</u>	<u>2,615,312.00</u>			
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

Accounting Period Month	Actual 2008-09	Actual 2009-10	% Change
October	\$703,442	\$671,904	-4.48%
November	893,442	758,231	-15.13%
December	707,339	602,230	-14.86%
January	660,623	594,761	-9.97%
February	955,889	898,241	-6.03%
March	602,464	618,659	2.69%
April	616,560	601,410	-2.46%
May	793,424	814,964	2.71%
June	653,711	612,963	-6.23%
July	598,036	660,806	10.50%
YTD	\$7,184,930	\$6,834,170	-4.88%
August	799,090		
September	653,828		
FY TOTAL	\$8,637,848		

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 '10 represents May '10 sales. Approximately
\$35,060 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

May 31, 2010

ASSETS:

Cash and Investments	\$13,367,290
Notes receivable	16,188,470
Accounts receivable	39,086
Due from other governments	1,421,391
Total Current Assets	<u>\$31,016,237</u>

OTHER ASSETS:

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

TOTAL ASSETS

\$60,834,449

LIABILITIES:

Vouchers payable	\$658,373
Deferred revenues	171,704
Notes Payable	321,082
Total Liabilities	<u>\$1,151,159</u>

FUND BALANCES:

Investment in general fixed assets	\$29,818,212
Reserved for contractual obligations(external)	16,492,999
Reserved for obligated programs(internal)	183,333
Undesignated Balance	13,188,745
Total Fund Balance	<u>\$59,683,289</u>

TOTAL LIABILITIES AND FUND BALANCES

\$60,834,449

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:				
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 @ MAY 31, 2010

Object	Beginning I-T-D Revenues	Current Month Revenues	Current FY Revenues	(MARCH, 1990) Ending I-T-D Revenues
REVENUE-TO-DATE				
City Sales Tax	3131 \$ 119,897,206.99	\$ 809,928.05	\$ 5,524,642.11	\$ 125,421,849.10
Sales Tax Retained	3132 345,869.34	5,035.50	35,757.91	381,627.25
Other Services Charges	3731 25.00	-	-	25.00
Princ. - Loans & Assess	3775 3,087,911.90	-	8,912.66	3,096,824.56
Int. - Loans & Assess	3802 2,095,195.57	-	69,663.94	2,164,859.51
Interest	3803 6,661,950.13	4,708.84	25,637.60	6,687,587.73
Land Lease	3810 13,835.41	-	852.00	14,687.41
Building/Space Rent	3816 4,411,178.77	64,144.50	588,577.35	4,999,756.12
City Pay Phones	3890 9,170.58	-	-	9,170.58
Miscellaneous Revenue	3892 30,238.49	8.29	26,492.05	56,730.54
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	-	10,276.00	26,740.88
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	1,150,003.47	-	-	1,150,003.47
	\$ 149,211,302.08	\$ 883,825.18	\$ 6,290,811.62	\$ 155,502,113.70

DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ MAY 31, 2010

Project	Beginning I-T-D Expenditures	Current Month Expenditures	Current FY Expenditures	Ending I-T-D Expenditures	Outstanding Contracts
CONTRACTS ENCUMBERED/ EXPENDITURES-TO-DATE					
Prior Years Programs	\$ 69,771,751.71	\$ -	\$ -	\$ 69,771,751.71	
Business Services Division Div 2760	7,300,492.68	43,320.31	376,809.82	7,677,302.50	11,550.01
Life Sciences Property - Pine Div 2765	43,089.08	23,842.66	421,512.43	464,601.51	2,160.75
DCOA Annual Contracts Div 2775	2,058,373.84	820.02	136,965.16	2,195,339.00	1,600.00
Abilene Industrial Foundation 2775-4950	11,896,940.09	53,697.97	467,979.92	12,364,920.01	301,981.98
TTU Small Business Dev Cntr 2775-4951	2,435,621.05	-	105,337.50	2,540,958.55	89,662.50
Chamber Military Affairs 2775-4952	1,150,052.19	8,288.37	15,335.52	1,165,387.71	54,664.48
Airport Business Dev Mgr 2775-4953	503,260.66	4,071.90	55,774.15	559,034.81	77,261.85
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	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	-	117,202.98	469,611.96	100,000.00
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	-	95,750.00	370,280.00	386,720.00
PWP (Project LF) 5251	1,556,842.70	-	360,000.00	1,916,842.70	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	-
Carter Burgess 5260	323,815.00	-	6,667.09	330,482.09	(0.00)
Fehr Foods 5261	118,091.53	-	-	118,091.53	-
TMAC 5262	60,000.00	-	-	60,000.00	-
SBIR/STTR 5263	127,159.85	2,595.00	(45,533.35)	81,626.50	189,773.85
EASI 7th Doc 5265	239,175.14	-	-	239,175.14	34,081.10
BMWT Leasing 5266	50,000.00	-	25,000.00	75,000.00	-
ABTEX Beverage 5267	634,339.80	-	346,150.00	980,489.80	-
MSSC Training 5269	71,762.03	-	-	71,762.03	-
WTCIC 5272	16,582.00	-	25,000.00	41,582.00	-
TTU HSC Research 5273	679,455.00	-	(51,712.00)	627,743.00	2,372,257.00
Spec 2 Expansion A/E 5275	7,075,849.57	-	-	7,075,849.57	-
Spec 3 Construction 5276	5,429,725.65	-	2,595.00	5,432,320.65	304,179.35
Energy Maintenance Service 5282	-	-	155,456.39	155,456.39	1,262,543.61
Genesis Network Phase II 5284	-	-	-	-	872,433.90
Tower Tech 5285	846,499.60	540,000.00	882,466.78	1,728,966.38	3,218,533.62
Texas Metal 08 5288	-	-	41,628.67	41,628.67	15,770.07
TMAC 09 5289	15,000.00	3,500.00	11,000.00	26,000.00	34,000.00
Project BG 5295	-	-	-	-	748,000.00
Coca Cola Abilene 5296	-	-	-	-	900,000.00
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
ETI Contract 5304	-	-	310,321.36	310,321.36	1,069,858.64
Life Sciences Accelerator- Ph 2 5305	-	-	1,286,651.74	1,286,651.74	172,573.26
EASI floor re-painting A/E 5306	-	-	10,238.95	10,238.95	241,475.05
TTU 842 Pine 5308	-	-	71,101.06	71,101.06	142,398.94
TTU Energy Contract 5309	-	-	50,000.00	50,000.00	-
Springboard 10 5311	-	-	5,000.00	5,000.00	-
Miscellaneous Activities 2785	354,189.86	-	-	354,189.86	-
TOTAL ENCUMB. / EXPENDITURES	\$ 120,130,691.03	\$ 680,136.23	\$ 5,506,344.12	\$ 125,637,035.15	\$ 16,492,999.50
TOTAL FUND BALANCE				\$ 29,865,078.55	
UNENCUMBERED FUND BALANCE					\$ 13,372,079.05

DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ MAY 31, 2010

Project	Amount Obligated	Prior Years Disbursed	Current Month Disbursed	Current Year Disbursed	Amount Encumbered	Balance	
BALANCE OF OBLIGATED PROGRAMS							
Business Services Division	Div 2760	\$ 640,370.00	\$ -	\$ 43,320.31	\$ 376,809.82	\$ 252,010.17	
Life Sciences Property -Pine	Div 2765	233,810.00	-	23,842.66	421,512.43	(189,863.18)	
DCOA Annual Contracts	Div 2775	252,785.20	-	820.02	136,965.16	114,220.04	
Abilene Industrial Foundation	2775-4950	769,962.00	-	53,697.97	467,979.92	0.10	
TTU Small Business Dev Cntr	2775-4951	195,000.00	-	-	105,337.50	-	
Chamber Military Affairs	2775-4952	70,000.00	-	8,288.37	15,335.52	-	
Airport Business Dev Mgr	2775-4953	133,040.00	-	4,071.90	55,774.15	4.00	
Murf Systems	4998	151,665.00	151,665.00	-	-	-	
Bandag Training	5203	842,220.00	724,485.20	-	-	-	
Sunoco Logistics	5208	227,000.00	227,000.00	-	-	-	
EASI 04	5213	2,476,938.00	1,592,489.23	-	221,644.95	0.34	
Fehr Food	5220	2,089,560.00	2,089,560.00	-	-	-	
Bandag Building Improv	5228	44,260.00	-	-	-	0.76	
Glazers Ph III	5229	91,000.00	65,620.00	-	-	-	
Robinson Fan	5237	569,612.00	352,408.98	-	117,202.98	0.04	
CBER Website	5240	8,317.00	7,067.07	-	-	-	
TTU Pharmacy School	5242	328,464.00	328,464.00	-	-	-	
Teleperformance USA	5247	757,000.00	274,530.00	-	95,750.00	-	
PWP (Project LF)	5251	3,927,463.00	1,556,842.70	-	360,000.00	-	
Integrated Clinic Research	5253	695,502.00	7,440.00	-	-	-	
Genesis Network	5258	1,382,293.00	1,375,333.81	-	-	6,959.19	
Carter Burgess	5260	330,483.00	323,815.00	-	6,667.09	0.91	
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	2,595.00	(45,533.35)	(0.35)	
EASI 7th Doc	5265	273,257.00	239,175.14	-	-	0.76	
BMWT Leasing	5266	75,000.00	50,000.00	-	25,000.00	-	
ABTEX Beverage	5267	980,490.00	634,339.80	-	346,150.00	0.20	
MSSC Training	5269	71,762.00	71,762.03	-	-	(0.03)	
WTCIC	5272	41,582.00	16,582.00	-	25,000.00	-	
TTU HSC Research	5273	3,000,000.00	679,455.00	-	(51,712.00)	-	
Spec 2 Expansion A/E	5275	7,075,850.00	7,075,849.57	-	-	0.43	
Spec 3 Construction	5276	5,736,500.00	6,429,725.65	-	2,595.00	(0.00)	
Energy Maintenance Service	5282	1,418,000.00	-	-	155,456.39	-	
Genesis Network Phase II	5284	872,434.00	-	-	-	0.10	
Tower Tech	5285	4,947,500.00	846,499.60	540,000.00	882,466.78	-	
Texas Metal 08	5288	57,399.00	-	-	41,628.67	0.26	
TMAC 09	5289	60,000.00	15,000.00	3,500.00	11,000.00	-	
Run Energy	5295	748,000.00	-	-	-	-	
Coca Cola Abilene	5296	900,000.00	-	-	-	-	
ACU 09 Springboard	5297	5,000.00	5,000.00	-	-	-	
Land 122 Acres N 5 Pts	5302	510,968.00	171,558.71	-	-	(0.50)	
ETI Contract	5304	1,380,180.00	-	-	310,321.36	-	
Life Sciences Accelerator- Ph 2	5305	1,459,225.00	-	-	1,286,651.74	-	
EASI floor re-painting A/E	5306	251,714.00	-	-	10,238.95	-	
TTU 842 Pine	5308	213,500.00	-	-	71,101.06	-	
TTU Energy Contract	5309	50,000.00	-	-	50,000.00	-	
Springboard 10	5311	5,000.00	-	-	5,000.00	-	
Miscellaneous Activities	2785	354,189.86	354,189.86	-	-	-	
BALANCE OF OBLIGATED PROGRAMS		\$ 47,153,787.06	\$ 24,971,109.73	\$ 680,136.23	\$ 5,506,344.12	\$ 16,492,999.50	\$ 183,333.71

UNDESIGNATED FUND BALANCE

(unencumbered balance less obligated programs and contingent liabilities)

\$ 13,188,745.34

DCOA Board approved projects waiting for signed contracts

Expiration Date

Long Performance Advisors	5307	8,000.00	05/24/2010
Project RC	5310	15,000.00	06/17/2010
AIC Equipment Lease/Purchase	5312	165,000.00	08/23/2010
Project JD	5313	105,250.00	10/15/2010
Project NA	5135	120,000.00	11/25/2010
Project DJ	5314	566,250.00	10/15/2010
Texas Metals	5317	44,500.00	11/13/2010
		<u>1,024,000.00</u>	

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: July 13, 2010

PROJECT: 2010 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 2010

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

(Committees appointed by Paul Cannon on 7-13-10)

BUDGET & FINANCE COMMITTEE

	2009	2010
1	Board Member (Scott Senter) *	Board Member (Scott Senter)*
2	Board Member (Mike Schweikhard) *	Board Member (Marelyn Shedd) *
3	Charlie Black Wagstaff Law Firm	Dave Copeland SIPCO
4	John Stearns Quail Well Service	John Stearns Quail Well Service
5	Ray Ferguson Condley and Company	Ray Ferguson Condley and Company
6	Tucker Bridwell Mansefeldt Investment Corp.	Tucker Bridwell Mansefeldt Investment Corp.
7	Dani Ramsay, SVP First National Bank of Baird	

PROJECT EVALUATION COMMITTEE

	2009	2010
1	Board Member (Scott Senter) *	Board Member (Scott Senter)*
2	Board Member (Mike Schweikhard) *	Board Member (Marelyn Shedd) *
3	Charlie Black Wagstaff Law Firm	Dave Copeland SIPCO
4	John Stearns Quail Well Service	John Stearns Quail Well Service
5	Ray Ferguson Condley and Company	Ray Ferguson Condley and Company
6	Tucker Bridwell Mansefeldt Investment Corp.	Tucker Bridwell Mansefeldt Investment Corp.
7	Dani Ramsay, SVP First National Bank of Baird	

* Mike Scheikhard and Dani Ramsay will serve as a backup to Scott Senter and Marelyn Shedd as board members.

Rev. 7-09-10

S:\DCOA\Board&Committees\2007\Committee chart 10.DOC

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: July 13, 2010

PROJECT: Energy Maintenance Service Addendum A, Expansion into Gearbox Repair

STAFF: Richard Burdine, CEO

BACKGROUND

Energy Maintenance Service, LLC (EMS) is a full service provider of high quality, cost effective products and services to the North American wind industry with an emphasis on construction, operations & maintenance, and component repairs including control systems and gear boxes. Base in Gary, South Dakota, EMS' de-centralized operations are highly mobile with a labor force that can provide timely service to all major wind developments. EMS is a division of Broadwind Energy, Inc., which is also the parent of Tower Tech Systems, Inc.

EMS began occupying space in the former Lockheed facility for its blade repair operation and certified 41.7 FTE's through 3/09. In March 2008, the DCOA approved resolution DCOA-2008.12 authorizing an assistance package for blade repair totaling \$1,418,000 (otherwise known as Project SME) as follows:

1. Job Creation Incentive - \$848,000 payable over 5 years for 89 new jobs earning at least \$30,000/yr. **So far, EMS has drawn \$84,080 for FTE's certified through 3/09**
2. Capital Investment Incentive - \$570,000 payable over 5 years at 10% of Company's actual capital investment in the Facility, including equipment purchases and leasehold improvements. Annual payments will not exceed \$114,000. **So far, EMS has drawn \$71,376 for capital investment.**

THE REQUEST

Broadwind recently announced an expansion of the Abilene EMS operation to now include gearbox refurbishment and repair. This service has traditionally been performed outside the U.S. by non-domestic sources. Broadwind believes it will be the first independent supplier of wind energy products and services to offer enhanced megawatt gearbox repair and refurbishment capabilities in North America. The expansion will require an additional capital investment of \$7 million, mostly equipment, bringing total projected investment in the Abilene operation to \$12.7 million. Additional employment will be 9, bringing total projected Abilene employment to 98.

Staff proposes an addendum to the existing assistance package adding \$902,500 in exchange for 9 additional new jobs in the gearbox repair operation and an additional \$7 million capital investment, as follows:

Job Creation Incentive -Up to \$202,500 for the creation of new FTE's in Abilene in the gearbox repair operation. Disbursements shall be made to Company over 5 years at the rate of 1/5 of the DCOA Assistance per New Job amount listed in the table below for each position created and/or retained in the gearbox repair operation during the previous 12-months.

Annual Salary Including Non-Mandatory Benefits	Gearbox Repair Projected Jobs	DCOA Assistance per New Job	Total
\$20 to \$30,000	0	\$4,000	\$0
\$30 to \$40,000	3	\$10,000	\$30,000
\$40 to \$50,000	0	\$12,000	\$0
\$50 to \$60,000	1	\$15,000	\$15,000
\$60,000 and over	5	35%*	\$157,500
Total Jobs:	9		\$202,500

* Calculated at 35% of total annual salary plus non-mandatory benefits.

Capital Investment Loan – Up to \$700,000 loan at 0% interest forgiven annually over a 5-year period. Advances will be made at the rate of 10% of actual cost of capital equipment and leasehold improvements made to Facility upon receipt by the DCOA of invoices detailing eligible capital expenditures. Collateral shall consist of a lien on all equipment and other capital items for the Abilene operation and located in Abilene. Also included shall be all capital equipment owned by Company located in South Dakota.

FISCAL IMPACT

\$902,500 in additional assistance for the gearbox repair operation.

STAFF RECOMMENDATION

Staff recommends approval of Resolution No. DCOA-2010.19 authorizing an addendum to EMS's Agreement for Financial Assistance adding \$902,500 for expansion into gearbox repair.

ATTACNMENTS

Resolution DCOA-2010.19

RESOLUTION NO. DCOA-2010.19

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. ("DCOA"), ABILENE, TEXAS AUTHORIZING AMENDED ASSISTANCE FOR ENERGY MAINTENANCE SERVICE, LLC ("EMS") FOR EXPANSION OF THE ABILENE OPERATION INTO GEARBOX REPAIR.

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

WHEREAS, EMS is a full service provider of high quality, cost effective products and services to the North American wind industry which began a blade repair operation in Abilene in 2008; and,

WHEREAS, the DCOA approved in March 2008 resolution DCOA-2008.12 authorizing an assistance package for the blade repair operation in the former Lockheed facility totaling \$1,418,000 (otherwise known as Project SME) in exchange for the creation of 89 new jobs and capital investment of \$5.7 million; and,

WHEREAS, Broadwind Energy recently announced an expansion of the Abilene EMS operation to now include gearbox refurbishment and repair, which will bring 9 additional jobs and \$7 million in additional capital investment to Abilene; and,

WHEREAS, Staff requests the DCOA authorize amended assistance for EMS to add \$902,500 for additional job creation and capital investment in Abilene; and,

WHEREAS, the DCOA is authorized by the Development Corporation Act of 1979, as amended, to provide financial assistance 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 Addendum A to the existing Agreement for Financial Assistance with Energy Maintenance Service, LLC to add assistance for the gearbox repair operation in an amount not to exceed Nine Hundred Two Thousand Five Hundred and no/100's Dollars (\$902,500). In addition to the 89 new full-time equivalent employment positions (FTE's) committed for the blade repair operation, EMS will create 9 new FTE's for the gearbox repair operation for total Abilene employment of 98 FTE's. Also, in addition to the committed \$5.7 million capital investment in the blade repair operation, EMS will invest another \$7 million in the gearbox repair operation for total projected Abilene investment of \$12.7 million.

The assistance will be disbursed as follows:

Job Creation Incentive -Up to \$202,500 for the creation of new FTE's in Abilene in

the gearbox repair operation. Disbursements shall be made to Company over 5 years at the rate of 1/5 of the DCOA Assistance per New Job amount listed in the table below for each position created and/or retained in the gearbox repair operation during the previous 12-months.

Annual Salary Including Non-Mandatory Benefits	Gearbox Repair Projected Jobs	DCOA Assistance per New Job	Total
\$20 to \$30,000	0	\$4,000	\$0
\$30 to \$40,000	3	\$10,000	\$30,000
\$40 to \$50,000	0	\$12,000	\$0
\$50 to \$60,000	1	\$15,000	\$15,000
\$60,000 and over	5	35%*	\$157,500
Total Jobs:	9		\$202,500

* Calculated at 35% of total annual salary plus non-mandatory benefits.

Capital Investment Loan— Up to \$700,000 loan at 0% interest forgiven annually over a 5-year period. Advances will be made at the rate of 10% of actual cost of capital equipment and leasehold improvements made to Facility upon receipt by the DCOA of invoices detailing eligible capital expenditures. Collateral shall consist of a lien on all equipment and other capital items for the Abilene operation and located in Abilene. Also included shall be all capital equipment owned by Company located in South Dakota.

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 13th day of July, 2010.

ATTEST:

Marelyn Shedd
Secretary/Treasurer

Paul Cannon
President

APPROVED:

T. Daniel Santee, City Attorney