

**PUBLIC NOTICE**

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, June 7, 2011, in the Abilene Life Sciences Accelerator, 1325 Pine St., Abilene, Texas, commencing at 4:00 p.m. to consider the following agenda:

SIGNED:

  
Richard Burdine, Asst. City Manager for Economic Development

**AGENDA**

June 7, 2011  
4:00 p.m.

Abilene Life Sciences Accelerator  
1325 Pine St.

1. Call the meeting to order.
2. Approval of minutes from the May 10, 2011, board meeting.
3. Status of Funds report for April 2011.
4. Presentation of the FY10 audit performed by Davis Kinard & Co, P.C.
5. Appointment of 2011 Project Evaluation and Budget & Finance Standing Committees of the DCOA.
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 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.

7. Discussion and possible approval of a resolution authorizing contracts and funding for fire pumps & pump house, and two 100,000 gallon ground storage tanks for installation at the Abilene Regional Airport .
8. Adjournment.

**CERTIFICATE**

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of Abilene, Texas, on the \_\_\_\_\_ day of \_\_\_\_\_, 2011, 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**  
**MAY 10, 2011**

**MEMBERS PRESENT:** Paul Cannon Mike Schweikhard  
Scott Senter Marelyn Shedd  
Dani Ramsay

**STAFF PRESENT:** Richard Burdine Kim Tarrant  
Dan Santee Mindy Patterson

**GUESTS PRESENT:** Dawn Wagner, Concerned citizen  
Pat Hippely, Taylor Co. Tea Party  
David Sougstad, Emergent Technologies  
Jaime Adame, Abilene Reporter-News

1. **CALL TO ORDER.** Paul Cannon called the meeting to order at approximately 1:30 pm in the conference room of the Abilene Life Sciences Accelerator, 1325 Pine Street, Abilene, Texas.
2. **APPROVAL OF MINUTES FROM THE APRIL 26, 2011 BOARD MEETING.** Marelyn Shedd moved to approve the minutes from the April 26, 2011 board meeting. Scott Senter seconded and the motion carried.
3. **FINANCIAL STATUS REPORT FOR MARCH 2011.** Mindy Patterson reviewed the DCOA financial statements as of March 31, 2011. Total assets were \$62.2 million while total liabilities were \$362,503. The total fund balance was nearly \$61.9 million and the undesignated fund balance for economic development was almost \$11.3 million. Most of the building/space rental revenue for March was attributed to April rent payments received early and rent from the property at 842 Pine. The two largest expenditures were a \$360,000 principal reduction for PWP and nearly \$480,000 in construction costs for the new EASI Hangar.

Richard Burdine reviewed the DCOA's Loan Summary as of March 31, 2011. Holland Training & Development has earned a principal reduction of \$36,000 for training local companies, which will be applied in April 2011. Kim Tarrant informed the board that Jacob Day/Day Sign Company is current with his loan payments.

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 May 10, 2011, and the time is 1:38 p.m. Mr. Cannon later announced the date is still May 10, 2011, and the time is 2:40 p.m. No vote or action was taken in Executive Session.

5. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT BC.** Project BC has been in Abilene since 1983 and currently owns over 100 acres of land south of Abilene in the City's 5-mile extraterritorial jurisdiction (ETJ). Among the Company's many functions, they operate drilling rigs and well

service units, and they manufacture new storage tanks and pressure vessels. They currently have 200 full-time employees.

Project BC is considering buying more land for construction of a 40,500 sq ft facility adjacent to the existing facility, for a new operation that will support and enhance the current operation and add 44 new jobs between Phases 1 and 2.

Staff recommends a Phase 1 assistance package totaling \$594,441 as follows: up to \$367,941 job creation incentive paid over three years for the creation of 24 jobs and up to \$226,500 capital investment incentive based on 10% of the company's investment in land, construction, utilities, and capital equipment. Funding will be paid up front as a 0% forgivable loan secured by a letter of credit with principal reductions of \$75,500/annually applied over three years.

Staff recommends a Phase 2 assistance package totaling \$560,927 as follows: up to \$260,727 job creation incentive paid over 3 years for the creation of 20 additional jobs and up to \$300,200 capital investment incentive based on 10% of company's investment in land, construction, utilities and capital equipment.

Scott Senter moved to approve Resolution No. DCOA-2011.16 as presented above. Mike Schweikhard seconded and the motion carried. Marelyn Shedd abstained from voting.

**6. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING INFRASTRUCTURE ASSISTANCE FOR THE ANITA THIGPEN PERRY SCHOOL OF NURSING AT TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER- ABILENE.** The Anita Thigpen Perry School of Nursing at Texas Tech University Health Sciences Center (TTUHSC) in Abilene (SON-Abilene) is temporarily housed in the Grant Building at 302 Pine St. Severe space limitations prevent students from receiving the best educational experience and prohibit the program from growing to its full potential.

Hendrick Medical Center plans to construct a 32,000 sq ft facility to house the SON-Abilene permanently as an addition to the School of Pharmacy – Abilene building at the corner of Pine and North 17<sup>th</sup> streets. This facility will also accommodate a state-of-the-art Simulation Center, whose technology is so advanced it will facilitate not only healthcare learning for students, but will also enhance educational research capabilities to improve the quality of care in the Abilene community. Classrooms, offices and administration will also be housed here to accommodate 200 students and support a total faculty and staff of 36 once fully developed.

The DCOA Board was asked to consider investing in the project infrastructure, which is allowed under state law. Infrastructure expenditures are limited to streets and roads, water and sewer utilities, electric and gas utilities, drainage, site improvements and related improvements, and telecommunications and internet improvements. The estimated qualifying infrastructure expenditures are \$1,732,100.

Mr. Burdine reviewed additional short-term and long-term benefits to the community from this project. More discussion continued regarding supporting this project and the many benefits to be reaped by the Abilene community.

Staff recommends the DCOA approve a 7-year, 0% interest forgivable loan for infrastructure improvements of up to \$1,732,100 with principal reductions of \$247,442 per year the SON-Abilene is operated. While this project is not being funded for its job creation, the Abilene community will greatly benefit from having 200 students injecting their money into the local economy. Our community will also benefit from the creation of 36 new jobs, 27 paying \$90,000+/year and nine paying between \$35,000/year and \$55,00/year with an annual payroll of \$3.46 million.

A motion was made by Marelyn Shedd to approve Resolution No. DCOA-2011.17 as presented. Dani Ramsay seconded and the motion passed by unanimous consent.

**7. ADJOURNMENT.** The next board meeting will be determined at a later date.

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Mike Schweikhard, Vice President

CITY OF ABILENE, TEXAS

DEVELOPMENT CORPORATION OF ABILENE, INC.

Balance Sheet

4/302011

**ASSETS:**

Cash and Investments	\$14,977,670
Notes receivable	15,282,792
Accounts receivable	248,186
Due from other governments	1,427,749
Total Current Assets	\$31,936,397

**OTHER ASSETS:**

Fixed assets	\$35,612,459
Accumulated depreciation	(5,251,972)
Total Other Assets	30,360,487

**TOTAL ASSETS**

**\$62,296,884**

**LIABILITIES:**

Vouchers payable	\$42,727
Deferred revenues	162,679
Notes Payable	160,568
Total Liabilities	\$365,974

**FUND BALANCES:**

Investment in general fixed assets	\$30,360,487
Reserved for contractual obligations(external)	21,642,735
Reserved for obligated programs(internal)	892,490
Undesignated Balance	9,035,198
Total Fund Balance	\$61,930,910

**TOTAL LIABILITIES AND FUND BALANCES**

**\$62,296,884**

**FIXED ASSETS:**

	Original Cost	Improvements	Depreciation	Total
Land:				
456.458 acres - Five Pts Bus Park	\$489,507			\$489,507
303.53 acres Hwy 36 & FM 18	449,238			449,238
122 acres - N Five Pts	482,239			482,239
5.6 acres UPS	69,217			69,217
Buildings and Improvements:				
2601 Airport Blvd.	1,563,210	540,633	429,777	1,674,066
2809 Airport Blvd.	396,519	444,583	352,336	488,766
2841 Airport Blvd.	456,736	62,923	298,637	221,022
4002 Loop 322	1,290,916	2,384,892	1,462,826	2,212,982
Five Pts Bus Park	0	8,227,561	589,744	7,637,817
6450 Five Points Parkway	5,809,354	7,016,797	1,338,825	11,487,326
Grant Bldg 341 Pine	147,194	405,726	216,168	336,752
2742 Lance Dr. (EASI Storage)	2,527,408	9,987	329,096	2,208,299
4109 Vine St	583,524	180,855	90,521	673,858
4009 Vine St	583,524	0	75,858	507,666
Leasehold improvements	1,366,201		37,950	1,328,251
Equipment	105,704	0	12,223	93,481
Vehicle: 2005 Dodge Caravan	18,011	0	18,011	0
TOTAL FIXED ASSETS	\$16,338,502	\$19,273,957	\$5,251,972	\$30,360,487

DEVELOPMENT CORPORATION OF ABILENE  
STATUS OF FUNDS @ APRIL 30, 2011

(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	\$ 128,163,486.38	\$ 637,190.78	\$ 5,012,330.10	\$ 133,175,816.48
Sales Tax Retained	398,696.33	4,119.69	31,107.67	429,804.00
Other Services Charges	25.00	-	-	25.00
Princ. - Loans & Assess	3,101,322.79	-	4,526.42	3,105,849.21
Int. - Loans & Assess	2,166,827.25	72,069.13	74,030.65	2,240,857.90
Interest	6,710,308.04	4,897.68	37,825.78	6,748,133.82
Land Lease	14,687.41	-	1,332.35	16,019.76
Building/Space Rent	5,347,343.09	87,329.79	621,349.53	5,968,692.62
City Pay Phones	9,170.58	-	-	9,170.58
Miscellaneous Revenue	878,062.00	9,822.92	72,596.70	950,658.70
EDA Grant	242,100.00	-	-	242,100.00
Miscellaneous State Grants	26,500.00	-	-	26,500.00
Miscellaneous Federal	937,926.00	-	142,500.00	1,080,426.00
Interest on Investments	176,263.67	-	-	176,263.67
Other Interest	32,252.85	-	-	32,252.85
Interfund Recovery	1,534,976.08	-	-	1,534,976.08
Miscellaneous Recovery	1,916,652.91	-	259,848.59	2,176,501.50
Miscellaneous Prior Year	27,720.38	-	-	27,720.38
DCOA Admin	7,070.55	-	-	7,070.55
Other Contributions	140,712.60	-	-	140,712.60
Sale of Land	392,446.27	-	-	392,446.27
Sale of Buildings	3,367,443.31	-	-	3,367,443.31
Sale of Equipment	608,882.88	-	-	608,882.88
Gain (loss) Sale of Asset	555,393.43	-	-	555,393.43
Miscellaneous Damage Claims	1,173.04	-	-	1,173.04
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
	<b>\$ 158,831,406.70</b>	<b>\$ 815,429.99</b>	<b>\$ 6,257,447.79</b>	<b>\$ 165,088,854.49</b>

DEVELOPMENT CORPORATION OF ABILENE  
STATUS OF FUNDS @ APRIL 30, 2011

	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		\$ 80,244,141.54		\$ -	\$ 80,244,141.54	
Business Services Division	Div 2760	7,858,024.24	60,442.95	349,878.59	8,207,902.83	28,966.69
Life Sciences Property - Pine	Div 2765	565,448.70	131,373.66	369,452.28	934,900.98	6,531.00
DCOA Annual Contracts	Div 2775	2,229,877.84	1,887.10	141,413.53	2,371,291.37	-
Abilene Industrial Foundation	2775-62571	12,574,610.54	99,552.29	384,437.21	12,959,047.75	355,412.79
TTU Small Business Dev Cntr	2775-62572	2,630,621.05	43,500.00	127,631.25	2,758,252.30	122,368.75
Chamber Military Affairs	2775-62573	1,206,511.16	-	9,105.20	1,215,616.36	50,894.80
Airport Business Dev Mgr	2775-62574	605,052.74	1,184.64	70,667.79	675,720.53	93,162.21
Murf Systems	4998	151,665.00	24,000.00	24,000.00	175,665.00	-
Bandag Training	5203	724,485.20	-	-	724,485.20	117,734.80
EASI 04	5213	1,814,134.18	-	225,406.34	2,039,540.52	437,397.14
Fehr Food	5220	2,634,630.00	-	-	2,634,630.00	-
Bandag Building Improv	5228	-	-	-	-	44,259.24
Robinson Fan	5237	469,611.96	28,400.00	104,802.95	574,414.91	-
CBER Website	5240	7,067.07	-	-	7,067.07	1,249.93
TTU Pharmacy School	5242	492,696.00	-	-	492,696.00	-
Teleperformance USA	5247	370,280.00	-	99,830.00	470,110.00	-
PWP (Project LF)	5251	2,019,317.02	128,581.95	488,581.95	2,507,898.97	1,676,000.00
Integrated Clinic Research	5253	7,440.00	-	-	7,440.00	-
Genesis Network	5258	1,375,333.81	-	240,082.88	1,615,416.69	-
Fehr Foods	5261	118,091.53	-	-	118,091.53	-
SBIR/STTR	5263	84,578.48	95.00	767.38	85,345.86	185,954.49
EASI 7th Doc	5265	239,175.14	-	-	239,175.14	34,081.10
TTU HSC Research	5273	992,009.66	-	631,712.00	1,623,721.66	1,376,278.34
Spec 3 Construction	5276	5,432,320.65	-	-	5,432,320.65	304,179.35
Energy Maintenance Service	5282	185,246.60	-	-	185,246.60	684,647.00
Genesis Network Phase II	5284	7,725.00	-	15,199.00	22,924.00	3,684,815.01
Tower Tech	5285	1,728,966.38	-	354,006.99	2,082,973.37	2,979,752.23
Texas Metal 08	5288	106,666.66	-	-	106,666.66	-
TMAC 09	5289	26,000.00	-	-	26,000.00	34,000.00
Project BG	5295	-	-	-	-	748,000.00
Coca Cola Abilene	5296	-	-	-	-	900,000.00
Land 122 Acres N 5 Pts	5302	341,732.35	-	-	341,732.35	169,236.15
ETI Contract	5304	411,752.75	102,866.35	299,158.66	710,911.41	669,268.59
EASI floor re-painting A/E	5306	200,907.36	-	19,712.24	220,619.60	-
TTU 842 Pine	5308	121,679.89	-	-	121,679.89	91,820.11
AIC Eq Lease	5312	49,466.28	12,793.47	75,825.18	125,291.46	36,752.64
Nation Wide Prod	5313	-	-	31,150.00	31,150.00	74,100.00
LM Wind Power	5314	-	-	-	-	566,250.00
Texas Healthcare Linen	5315	-	-	118,891.00	118,891.00	-
Enavail, LLC	5316	-	19,100.00	25,882.44	25,882.44	441,574.38
Cisco College Biotech Training	5318	-	-	-	-	67,650.00
Energy Maintenance Serv-Gearbox	5319	-	140,000.00	140,000.00	140,000.00	202,500.00
EASI Hanger Design	5320.1	-	858.99	288,109.46	288,109.46	113,703.35
EASI Hanger Construction	5320.2	-	1,920.52	611,837.20	611,837.20	4,155,145.18
EASI Hanger Fire Safety	5320.3	-	5,950.00	5,950.00	5,950.00	167,550.00
Pepsi Beverage Co.	T5321	-	-	-	-	350,000.00
West Texas Coalition	5322	-	-	5,000.00	5,000.00	-
Springboard Sponsorship 2011	5323	-	-	5,000.00	5,000.00	-
Cooperative Response Center	5324	-	-	-	-	296,500.00
Land 922 N 13th Street	5325	-	35,725.00	35,745.00	35,745.00	-
Teleperformance USA	5326	-	-	-	-	375,000.00
Docket Navigator	5327	-	-	-	-	-
Miscellaneous Activities	2785	354,189.86	-	-	354,189.86	-
<b>TOTAL ENCUMB. / EXPENDITURES</b>		<b>\$ 128,381,456.64</b>	<b>\$ 838,231.92</b>	<b>\$ 5,299,236.52</b>	<b>\$ 133,680,693.16</b>	<b>\$ 21,642,735.27</b>
<b>TOTAL FUND BALANCE</b>					<b>\$ 31,408,161.33</b>	
<b>UNENCUMBERED FUND BALANCE</b>						<b>\$ 9,765,426.06</b>

3.3



**DEVELOPMENT CORPORATION OF ABILENE  
STATUS OF FUNDS @ APRIL 30, 2011**

	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	\$ 650,085.00	\$ -	\$ 60,442.95	\$ 349,878.59	\$ 28,966.69	\$ 271,239.72
Life Sciences Property -Pine	Div 2765	707,000.00	-	131,373.66	369,452.28	6,531.00	331,016.72
DCOA Annual Contracts	Div 2775	232,590.00	-	1,887.10	141,413.53	-	91,176.47
Abilene Industrial Foundation	2775-4950	739,850.00	-	99,552.29	384,437.21	355,412.79	-
TTU Small Business Dev Cntr	2775-4951	250,000.00	-	43,500.00	127,631.25	122,368.75	-
Chamber Military Affairs	2775-4952	60,000.00	-	-	9,105.20	50,894.80	-
Airport Business Dev Mgr	2775-4953	163,830.00	-	1,184.64	70,667.79	93,162.21	-
Murf Systems	4998	175,665.00	151,665.00	24,000.00	24,000.00	-	-
Bandag Training	5203	842,220.00	724,485.20	-	-	117,734.80	-
EASI 04	5213	2,476,938.00	1,814,134.18	-	225,406.34	437,397.14	0.34
Fehr Food	5220	2,634,630.00	2,634,630.00	-	-	-	-
Bandag Building Improv	5228	44,260.00	-	-	-	44,259.24	0.76
Robinson Fan	5237	574,415.00	469,611.96	28,400.00	104,802.95	-	0.09
CBER Website	5240	8,317.00	7,067.07	-	-	1,249.93	-
TTU Pharmacy School	5242	492,696.00	492,696.00	-	-	-	-
Teleperformance USA	5247	470,110.00	370,280.00	-	99,830.00	-	-
PWP (Project LF)	5251	4,183,899.00	2,019,317.02	128,581.95	488,581.95	1,676,000.00	0.03
Integrated Clinic Research	5253	7,440.00	7,440.00	-	-	-	-
Genesis Network	5258	1,615,417.00	1,375,333.81	-	240,082.88	-	0.31
Fehr Foods	5261	118,092.00	118,091.53	-	-	-	0.47
SBIR/STTR	5263	271,400.00	84,578.48	95.00	767.38	185,954.49	99.65
EASI 7th Doc	5265	273,257.00	239,175.14	-	-	34,081.10	0.76
TTU HSC Research	5273	3,000,000.00	992,009.66	-	631,712.00	1,376,278.34	-
Spec 3 Construction	5276	5,736,500.00	5,432,320.65	-	-	304,179.35	(0.00)
Energy Maintenance Service	5282	869,894.00	185,246.60	-	-	684,647.00	0.40
Genesis Network Phase II	5284	3,707,740.00	7,725.00	-	15,199.00	3,684,815.01	0.99
Tower Tech	5285	5,062,726.00	1,728,966.38	-	354,006.99	2,979,752.23	0.40
Texas Metal 08	5288	106,667.00	106,666.66	-	-	-	0.34
TMAC 09	5289	60,000.00	26,000.00	-	-	34,000.00	-
Run Energy	5295	748,000.00	-	-	-	748,000.00	-
Coca Cola Abilene	5296	900,000.00	-	-	-	900,000.00	-
Land 122 Acres N 5 Pts	5302	510,969.00	341,732.35	-	-	169,236.15	0.50
ETI Contract	5304	1,380,180.00	411,752.75	102,866.35	299,158.66	669,268.59	-
EASI floor re-painting A/E	5306	220,620.00	200,907.36	-	19,712.24	-	0.40
TTU 842 Pine	5308	213,500.00	121,679.89	-	-	91,820.11	-
AIC Equipment Lease/Purchase	5312	165,000.00	49,466.28	12,793.47	75,825.18	36,752.64	2,955.90
Nation Wide Products	5313	105,250.00	-	-	31,150.00	74,100.00	-
LM Wind Power	5314	566,250.00	-	-	-	566,250.00	-
Texas Healthcare Linen	5315	118,891.00	-	-	118,891.00	-	-
Enavail, LLC	5316	480,721.00	-	19,100.00	25,882.44	441,574.38	13,264.18
Cisco College Biotech Training	5318	67,650.00	-	-	-	67,650.00	-
Energy Maintenance Serv-Gearbox	5319	342,500.00	-	140,000.00	140,000.00	202,500.00	-
EASI Hanger Design	5320.1	403,272.00	-	858.99	288,109.46	113,703.35	1,459.19
EASI Hanger Construction	5320.2	4,770,000.00	-	1,920.52	611,837.20	4,155,145.18	3,017.62
EASI Hanger Fire Safety	5320.3	178,500.00	-	5,950.00	5,950.00	167,550.00	5,000.00
Pepsi Beverage Co.	5321	350,000.00	-	-	-	350,000.00	-
West Texas Coalition	5322	5,000.00	-	-	5,000.00	-	-
Springboard Sponsorship 2011	5323	5,000.00	-	-	5,000.00	-	-
Cooperative Response Center	5324	296,500.00	-	-	-	296,500.00	-
Land 922 N 13th Street	5325	50,000.00	-	35,725.00	35,745.00	-	14,255.00
Teleperformance USA	5326	375,000.00	-	-	-	375,000.00	-
Docket Navigator	5327	159,000.00	-	-	-	-	159,000.00
Miscellaneous Activities	2785	354,189.86	354,189.86	-	-	-	-
<b>BALANCE OF OBLIGATED PROGRAMS</b>		<b>\$ 48,301,630.86</b>	<b>\$ 20,467,168.83</b>	<b>\$ 838,231.92</b>	<b>\$ 5,299,236.52</b>	<b>\$ 21,642,735.27</b>	<b>\$ 892,490.24</b>

**UNDESIGNATED FUND BALANCE**

(unencumbered balance less obligated programs and contingent liabilities)

\$ 8,872,935.82

DCOA Board approved projects waiting for signed contracts

Expiration Date

West Texas Innovation Network	5328	15,000	08/08/2011
Project CD	5329	6,150,000	10/26/2011
		<u>6,165,000</u>	

3.4

**CITY OF ABILENE, TEXAS**

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**ANNUAL FINANCIAL REPORT**

**With Supplemental Information for  
Development Corporation of Abilene**

---

**Year Ended September 30, 2010**

## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor  
Members of the City Council  
City of Abilene, Texas:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Abilene, Texas, as of and for the year ended September 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Abilene, Texas' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Abilene, Texas, as of September 30, 2010, and the respective changes in the financial position and cash flows thereof for the year then ended in conformity with the accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2011 on our consideration of the City of Abilene, Texas' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the budgetary comparison information and other required supplemental information on pages 2 through 13 and 60 through 63, are not a required part of basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Abilene, Texas' basic financial statements. The supplemental information for Development Corporation of Abilene on pages 64 through 69 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Davis Kinard & Co, PC*  
DAVIS KINARD & CO, PC

Abilene, Texas  
February 22, 2011

4.2

CITY OF ABILENE, TEXAS

DEVELOPMENT CORPORATION OF ABILENE  
STATEMENT OF NET ASSETS

September 30, 2010

With Comparative Totals for the Year Ended September 30, 2009

	<u>2010</u>	<u>2009</u>
<b>CURRENT ASSETS:</b>		
Cash and cash investments	\$ 13,770,588	\$ 10,706,935
Investments	373,212	608,474
Accounts receivable	98,211	39,668
Due from other governments	1,427,749	1,421,391
Prepaid expenses	300	
<b>Total Current Assets</b>	<u>15,670,060</u>	<u>12,776,468</u>
<b>NONCURRENT ASSETS:</b>		
Notes receivable	15,380,893	17,181,513
Capital assets not being depreciated	1,490,201	1,508,375
Capital assets net of accumulated depreciation	<u>28,870,286</u>	<u>28,309,837</u>
<b>Total Noncurrent Assets</b>	<u>45,741,380</u>	<u>46,999,725</u>
<b>TOTAL ASSETS</b>	<u>61,411,440</u>	<u>59,776,193</u>
<b>LIABILITIES:</b>		
<b>Current:</b>		
Vouchers payable	55,927	325,555
Accrued wages	12,324	10,833
Accrued expenses	42,727	39,283
Notes payable	<u>160,541</u>	<u>160,541</u>
<b>Total Current Liabilities</b>	<u>271,519</u>	<u>536,212</u>
<b>Noncurrent:</b>		
Notes payable		<u>160,541</u>
<b>Total Liabilities</b>	<u>271,519</u>	<u>696,753</u>
<b>NET ASSETS:</b>		
Investment in capital assets, net of related debt	30,199,946	29,497,130
Restricted for contractual obligations	16,519,953	17,418,860
Unrestricted, designated for purposes of trust	<u>14,420,022</u>	<u>12,163,450</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 61,139,921</u>	<u>\$ 59,079,440</u>

CITY OF ABILENE, TEXAS

DEVELOPMENT CORPORATION OF ABILENE  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

Year Ended September 30, 2010

With Comparative Totals for the Year Ended September 30, 2009

	<u>2010</u>	<u>2009</u>
<b>REVENUES:</b>		
Sales and use taxes	\$ 8,319,106	\$ 8,470,489
Rental income	937,016	977,319
Interest income	125,197	183,980
Gain on sale of capital assets	101,826	291,340
Intergovernmental revenue	20,000	
Miscellaneous revenue	91,666	831,235
	<u>9,594,811</u>	<u>10,754,363</u>
<b>EXPENSES:</b>		
Current:		
Trust	<u>7,534,330</u>	<u>9,410,626</u>
	<u>7,534,330</u>	<u>9,410,626</u>
<b>CHANGE IN NET ASSETS</b>	2,060,481	1,343,737
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>59,079,440</u>	<u>57,735,703</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 61,139,921</u>	<u>\$ 59,079,440</u>

CITY OF ABILENE

DEVELOPMENT CORPORATION OF ABILENE  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET BASIS  
 Year Ended September 30, 2010

	Year Ended September 30, 2010	Inception To-Date
<b>REVENUES:</b>		
Sales and use taxes	\$ 8,312,766	\$ 128,567,114
Principal on loans and assessments	13,411	3,101,323
Interest on loans and assessments	71,632	2,166,827
Interest on investments	48,358	6,918,826
Land lease	852	14,687
Sale of land and buildings	118,891	4,968,772
Building/space rent	936,164	5,347,342
Miscellaneous recovery		1,916,652
City pay phones		9,171
Miscellaneous revenue	80,410	878,062
Miscellaneous prior year	11,255	27,720
EDA grant		1,180,026
Miscellaneous state grants	20,000	26,500
Miscellaneous damage claims		1,173
Interfund recovery		1,534,976
GASB 22 restatement		355,635
GASB 34 restatement		523,719
DCOA administration		7,071
Other contributions		140,712
<b>Total Revenues</b>	<b>9,613,739</b>	<b>157,686,308</b>
<b>EXPENDITURES:</b>		
<b>Current:</b>		
Prior year programs		69,771,752
Business Services Division	557,532	7,858,024
Life Sciences Property	522,360	565,449
DCOA Annual Contracts	171,504	2,229,878
Abilene Industrial Foundation	677,670	12,574,610
Caruth Small Business Development Center	195,000	2,630,621
Chamber Military Affairs	56,459	1,206,511
Airport Business Development MGR	101,792	605,053
Murf Systems		151,665
Bandag Training		724,485
Sunoco		227,000
EASI 04	221,645	1,814,134
Fehr Foods	545,070	2,634,630
Glazer Phase III	25,380	91,000
Robinson Fan	117,203	469,612
Reg Website		7,067
TTU Pharmacy School	164,232	492,696
Teleperformance USA	95,750	370,280
PWP Industries	462,474	2,019,317
Integrated Clinic Research		7,440
Genesis Network		1,375,334

CITY OF ABILENE, TEXAS

DEVELOPMENT CORPORATION OF ABILENE  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET BASIS

Year Ended September 30, 2010

	Year Ended September 30, 2010	Inception To-Date
<b>EXPENDITURES - continued:</b>		
<b>Current - continued:</b>		
Carter Burgess	\$ 6,667	\$ 330,482
Fehr Foods		118,092
TMAC		60,000
SBIR/STTR	(42,581)	84,579
EASI 7th Doc		239,175
BMWV Leasing	25,000	75,000
ABTEX Beverage	346,150	980,490
MSSC Training		71,762
WTCIC	25,000	41,582
TTU HSC Research	312,555	992,010
Spec 2 Expansion A/E		7,075,849
Spec 3 Construction	2,595	5,432,321
Energy Maintenance Service	185,247	185,247
Genesis Network Phase II	7,725	7,725
Tower Tech	882,467	1,728,966
Texas Metal 08	106,667	106,667
TMAC 09	11,000	26,000
ACU 09 Springboard		5,000
Land 122 acres N 5 Pts	170,173	341,732
ETI Contract	411,753	411,753
Life Sciences Accelerator-Ph 2	1,459,224	1,459,224
EASI Flooring	200,907	200,907
TTU 842 Pine	121,680	121,680
TTU Energy Contract	50,000	50,000
Springboard 10	5,000	5,000
AIC Eq Lease	49,466	49,466
Miscellaneous Activities		354,190
	<u>8,250,766</u>	<u>128,381,457</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES-BUDGET BASIS</b>	<b>1,362,973</b>	<b>\$ 29,304,851</b>
Add: Change in Interest Income Accrual	5,206	
Add: Fixed Assets Capitalized	1,462,655	
Add: Change in Sales Tax Revenue Accrual	6,340	
Add: Gain on Sale of Capital Assets	101,826	
Less: Proceeds from Sale of Land	(118,891)	
Less: Change in accrued expense	(4,641)	
Less: GASB 34 Adjustment	147,220	
Less: Depreciation	(902,207)	
	<u>2,060,481</u>	
<b>CHANGE IN NET ASSETS-GAAP BASIS</b>	<b>\$ 2,060,481</b>	

4.6

CITY OF ABILENE, TEXAS

DEVELOPMENT CORPORATION OF ABILENE  
SCHEDULE OF OBLIGATED FUND BALANCE - BUDGET BASIS  
 Year Ended September 30, 2010

	FY 2010 Obligated	FY 2010 Amount Disbursed	Balance
<b>OBLIGATED PROGRAMS:</b>			
Business Services Division	\$ 572,261	\$ 557,532	\$ 14,729
Life Sciences Property	728,380	522,360	206,020
DCOA Annual Contracts	234,800	171,504	63,296
Abilene Industrial Foundation	769,970	677,670	92,300
Caruth Small Business Development Center	195,000	195,000	
Chamber Military Affairs	70,000	56,459	13,541
Airport Business Development MGR	137,795	101,792	36,003
Bandag Training	117,735		117,735
EASI 04	884,448	221,645	662,803
Fehr Foods	545,070	545,070	
Bandag Building Improvements	44,260		44,260
Glazer Phase III	25,380	25,380	
Robinson Fan	217,203	117,203	100,000
Reg Website	1,250		1,250
TTU Pharmacy School	164,232	164,232	
Teleperformance USA	482,470	95,750	386,720
PWP Industries	2,370,620	462,474	1,908,146
Integrated Clinic Research	688,062		688,062
Carter Burgess	6,668	6,667	1
SBIR/STTR	144,241	(42,581)	186,822
EASI 7th Doc	34,082		34,082
BMWT Leasing	25,000	25,000	
ABTEX Beverage	346,150	346,150	
WTCIC	25,000	25,000	
TTU HSC Research	2,320,545	312,555	2,007,990
Spec 3 Construction	306,774	2,595	304,179
Energy Maintenance Service	1,418,000	185,247	1,232,753
Genesis Network Phase II	835,135	7,725	827,410
Tower Tech	4,096,226	882,467	3,213,759
Texas Metal 08	122,437	106,667	15,770
TMAC 09	45,000	11,000	34,000
ACU 09 Springboard	748,000		748,000
Coca Cola Abilene	900,000		900,000
Land 122 acres N 5 Pts	339,410	170,173	169,237
ETI Contract	1,380,180	411,753	968,427
Life Sciences Accelerator-Ph 2	1,459,225	1,459,224	1
EASI Flooring	251,714	200,907	50,807
TTU 842 Pine	213,500	121,680	91,820
TTU Energy Contract	50,000	50,000	
Springboard 10	5,000	5,000	
AIC Eq Lease	165,000	49,466	115,534
Nation Wide Products	105,250		105,250
LM Wind Power	566,250		566,250
Texas Healthcare Linen	118,891		118,891
Enavail, LLC	494,105		494,105
<b>Total Obligated Programs</b>	<b>\$ 24,770,719</b>	<b>\$ 8,250,766</b>	<b>\$ 16,519,953</b>

4.7



CITY OF ABILENE, TEXAS

DEVELOPMENT CORPORATION OF ABILENE  
SCHEDULE OF CAPITAL ASSETS  
 September 30, 2010

	Land	Buildings	Improvements	Equipment and Vehicles	Total
<b>Land, Buildings and Improvements:</b>					
2601 Airport Blvd.	\$	\$ 1,563,210	\$ 540,633	\$	\$ 2,103,843
2809 Airport Blvd.		396,519	444,583		841,102
2841 Airport Blvd.		456,736	62,923		519,659
4002 Loop 322		2,690,915	984,892		3,675,807
456.458 acres-Five Points Business Park	489,507		2,606,743		3,096,250
Five Points Spec Bldg 2		12,826,151	97,831		12,923,982
Five Points Spec Bldg 3		5,522,986			5,522,986
341 Pine - Grant Bldg		147,194	405,726		552,920
Vine Street (4009 / 4109)		1,347,904			1,347,904
EASI Storage Building		2,527,408	9,987		2,537,395
303.53 Acres Hwy 36 & FM 18	449,239				449,239
121.93 acres Moses Williams Survey	482,238				482,238
5.6 acres N Five Points Business Park	69,217				69,217
Leasehold Improvements			1,366,201		1,366,201
Machinery & Equipment				105,704	105,704
Vehicle - 2005 Dodge Caravan				18,011	18,011
<b>TOTAL CAPITAL ASSETS</b>	<b>\$ 1,490,201</b>	<b>\$ 27,479,023</b>	<b>\$ 6,519,519</b>	<b>\$ 123,715</b>	<b>\$ 35,612,458</b>

# DEVELOPMENT CORPORATION OF ABILENE, INC.

## BOARD AGENDA

MEETING DATE: June 7, 2011

**PROJECT: 2011 Standing Committee Appointments**

**STAFF: Richard Burdine, CEO**

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### **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 2011

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

(Committees appointed by Paul Cannon on 6-7-11)

**BUDGET & FINANCE COMMITTEE**

	<b>2010</b>	<b>2011</b>
1	Board Member (Scott Senter)*	Board Member (Dani Ramsay)*
2	Board Member (Marelyn Shedd) *	Board Member (Mike Schweikhard) *
3	Dave Copeland SIPCO	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.

**PROJECT EVALUATION COMMITTEE**

	<b>2010</b>	<b>2011</b>
1	Board Member (Scott Senter)*	Board Member (Dani Ramsay)*
2	Board Member (Marelyn Shedd) *	Board Member (Mike Schweikhard) *
3	Dave Copeland SIPCO	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.

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

Rev. 6-02-11

S:\DCOA\Board&Committees\2007\Committee chart 11.DOC

# DEVELOPMENT CORPORATION OF ABILENE, INC.

## BOARD AGENDA

MEETING DATE: June 7, 2011

**PROJECT:** EASI Hangars – Funding for Fire Pumps, Pump House and Storage Tanks

**STAFF:** Richard Burdine, CEO

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### BACKGROUND

During pre-construction review for Hangar 4, it was determined that several fire safety issues have to be addressed in order to proceed with construction:

1. Existing Fire Suppression System – the existing foam/water fire suppression system in Hangar 0 does not work properly and needs significant upgrades.
2. Fire Flow Volume – Extension of a 12-inch water line into the Airport and installation of two (2) 100,000 gallon ground storage tank(s) are needed to provide necessary water volume for foam/water fire sprinkler systems in Hangars 0, 1 and 4 and supply item 4 below.
3. Hydrant Coverage – An internal fire loop and additional fire hydrants are needed to ensure adequate volume to protect the entire EASI hangar complex.
4. Hangars 4 & 1 – Installation of a fire suppression system is necessary to ensure protection while working on aircraft, along with rehabilitation of the fire suppression system in Hangar 0 per item 1 above.
5. Fire Access Road- Better access for fire trucks to rear of Hangar 0, Hangar 4 and the Parts & Records Building is required.

On April 12, 2011, the board approved resolution DCOA-2011.14 authorizing \$178,500 to employ the services of Tittle Luther Partnership to administer: 1) the engineering services of Enprotec/Hibbs & Todd for the water line extension, 2 ground storage tanks, fire loop and additional hydrants and fire pump station, and 2) the services of Coker Engineering for Hangar 0 fire suppression system rehabilitation and Hangar 1 fire suppression system designs.

On April 26, 2011, the board approved the Developer Participation Agreement with the City of Abilene whereby the City will reimburse the DCOA for 30% of the actual project cost. The estimated total project cost at the time was \$3,150,000 so the City's portion will not exceed \$945,000. The Abilene City Council approved the Developer Participation Agreement on April 28, 2011.

Staff and our consultants have continued to review the project elements, seeking ways to expedite each one and save money. The fire pumps & pump house and the ground storage tanks are two project elements that will be subcontracted to vendors if included in a bid package for items 2 and 3 above. Therefore working with vendors directly will eliminate the general contractor's mark up.

Also these two elements are self-contained, located away from the other construction activity and connected only to the water main extension on the ground storage tanks' intake side and connected only to the fire loop on the fire pumps & pump house output side. Therefore coordination with Thomas Hicks Construction, the Hangar 4 contractor, and other contractors is required but minimal.

I asked our consulting engineers to solicit price quotes for the fire pumps & pump house and the ground storage tanks from contractors with whom they are familiar and who have a track record of high quality work performed on schedule. The results are shown under Bid Package One in the table below. We will add actual prices for the other project elements as they become known.

**Opinion of Probable Construction Cost for DCOA/EASI Water Service and Fire Suppression Improvements**

Abilene Regional Airport, Abilene, Texas  
6/1/2011

Bid Package One		Budget	Actual Price	Difference
1	Two-100,000 gallon ground storage water tanks	\$317,500		
	a. Bolted-glass coated tank		\$337,136	\$19,636
	b. Bolted-epoxy coated tank		\$286,182	(\$31,318)
	c. Welded-epoxy coated tank		\$230,000	(\$87,500)
2	Fire pumps and pump house	\$250,000	\$214,885	(\$35,115)
<b>Sub-Total</b>		<b>\$2,751,500</b>		
Bid Package Two		Budget	Actual Price	Difference
1	12 inch domestic water line extension from Tige Boats	\$418,000		
2	Fire loop line and additional Fire Hydrants to serve hangars	\$266,000		
Bid Package Three		Budget	Actual Price	Difference
1	Install fire suppression systems in Hangars 4, 0, and 1	\$1,500,000		
<b>Sub-Total</b>		<b>\$173,500</b>		
Fees		Fee	Amount Paid	Remainder
1	Enprotec/Hibbs and Todd, Inc. (eHT)	\$85,000		
2	Coker Engineering LLC	\$13,500		
3	The Tittle Luther Partnership, LLP	\$70,000		
4	Reimbursable Expenses	\$5,000		
<b>Sub-Total</b>		<b>\$173,500</b>		
Contingency		Budgeted	Amount Used	Remainder
1	8% of Construction Cost Contingency	\$225,000		
<b>Total</b>		<b>\$3,150,000</b>		

**THE REQUEST**

The Board has three tank options to consider. Per the following recommendation from BJ Pritchard with eHT, the welded-epoxy coated tanks proposed by Tank & Vessel Builders of Baird, Texas for \$230,000 is the best value:

“The significant difference in these tanks is the interior/exterior coating systems and maintenance. The fused glass lining is a permanent lining that will NOT be required to be re-coated during the life span of the tank. The glass lined tank requires little to no maintenance to its structure during its anticipated service life.

Epoxy coated tanks will require periodic re-coatings during its life span; however, a well constructed and properly maintained tank in this application may last for more than 20 years before major maintenance/re-coating is required.

Based on the quotes provided and current pricing for tank coating systems, eHT believes that the best value for this project based on these options is the welded steel tank, provided the Owner accepts and stays on top of the maintenance requirements.”

Because of the long lead time for pumps and other specialized equipment I gave Murphy Technical, Inc. of Roanoke, Texas tentative approval, subject to confirming DCOA Board action. This contractor comes highly recommended by our fire engineer, Ron Coker. Also we were not aware of any Abilene area vendors with the necessary experience and expertise.

The cost estimates in the Developer Participation Agreement for the ground storage tanks and fire pumps & pump house are \$317,500 and \$250,000, respectively, or \$567,500 total. In addition, Thomas Hicks Construction will negotiate a change order to perform site grading and construct the foundation for the pump house. We have also included an 8% contingency which will only be used if we run into unforeseen conditions. As reflected in the table below, we anticipate beating the estimated cost by at least \$54,615 or about 10% overall.

<b>Entity</b>	<b>Type of Service</b>	<b>Fees</b>
Murphy Technical, Inc. of Roanoke, Texas	Fire pumps and pump house	\$214,885
Tank & Vessel Builders of Baird, Texas	Two (2) 100,000 gallon ground storage tanks	\$230,000
Hicks Construction change orders	Site grading & foundation	\$ 30,000
Contingency @ 8%		\$ 38,000
<b>TOTAL</b>		<b>\$512,885</b>

**STAFF RECOMMENDATION**

Staff recommends DCOA Board approval of Resolution DCOA-2011.18 authorizing contracts and funding for the manufacture and installation of the fire pumps & pump house, and two (2) 100,000 gallon ground storage tanks needed for the Eagle Aviation Services hangar complex at the Abilene Regional Airport.

**ATTACHMENTS**

Resolution 2011.18

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**RESOLUTION NO. DCOA-2011.18**

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING CONTRACTS AND FUNDING FOR MANUFACTURE AND INSTALLATION OF FIRE PUMPS AND PUMP HOUSE PLUS TWO (2) 100,000 GALLON GROUND STORAGE TANKS AT THE ABILENE REGIONAL AIRPORT TO SERVICE HANGARS 0, 1 AND 4 (UNDER CONSTRUCTION) OCCUPIED BY EAGLE AVIATION SERVICES, INC.

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

WHEREAS, during pre-construction review for Hangar 4, it was determined that several fire safety issues must be addressed in order to proceed with construction; and,

WHEREAS, staff worked with Tittle Luther Partnership Architects, Coker Engineering, LLC, and Enprotec/Hibbs & Todd, Inc. as well as the City of Abilene Fire Marshall and Water Utilities Department to determine the specific improvements needed to address the issues; and,

WHEREAS, on 4-12-11, the DCOA approved resolution DCOA-2011.14 authorizing \$178,500 and professional services contracts with Tittle Luther Partnership, Coker Engineering, LLC, and Enprotec/Hibbs & Todd to address the fire safety issues, but no funding was approved for construction or manufacturing; and,

WHEREAS, on 4-26-11, the DCOA approved a Developer Participation Agreement with the City of Abilene whereby the City will participate in the fire safety improvements at a rate not to exceed 30% (estimated to be \$945,000) of the total project cost, which is estimated to be \$3,150,000; and,

WHEREAS, bids have been obtained for manufacture and installation of the fire pumps and pump house and the two (2) 100,000 gallon ground storage tanks and staff requests the DCOA authorize contracts and funding for these items.

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

**PART 1.** DCOA hereby authorizes funding of Five Hundred Twelve Thousand Eight Hundred and Eighty Five and no/100's Dollars (\$512,885) and contracts to manufacture and install the fire pumps and pump house and two (2) 100,000 gallon ground storage tanks necessary to address the fire safety issues at the Abilene Regional Airport relating to Hangars 0, 1, and 4 as follows:

<b>Entity</b>	<b>Type of Service</b>	<b>Fees</b>
Murphy Technical, Inc. of Roanoke, Texas	Fire pumps and pump house	\$214,885
Tank & Vessel Builders of Baird, Texas	Two (2) 100,000 gallon ground storage tanks	\$230,000
Hicks Construction C.O.s	Site grading and foundation	\$ 30,000
Contingency @ 8%		\$ 38,000
<b>TOTAL</b>		<b>\$512,885</b>

**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 7th day of June, 2011.

ATTEST:

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

\_\_\_\_\_  
Paul Cannon  
President

APPROVED:

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

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