

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, July 26, 2011, in the Abilene Life Sciences Accelerator, 1325 Pine St., Abilene, Texas, commencing at 1:30 p.m. to consider the following agenda:

SIGNED:


Richard Burdine, Asst. City Manager for Economic Development

AGENDA

July 26, 2011
1:30 p.m.

Abilene Life Sciences Accelerator
1325 Pine St.

1. Call the meeting to order.
2. Approval of minutes from the July 12, 2011, board meeting.
3. Status of Funds report for June 2011.
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 additional funding for the Texas Manufacturing Assistance Center (TMAC).

6. Discussion and possible approval of a resolution authorizing funding for design and installation of a fire apparatus road to service the hangars occupied by Eagle Aviation Services, Inc.
7. Discussion and possible approval of a bid for installation of domestic water line, additional fire hydrants and fire line to service the hangars occupied by Eagle Aviation Services, Inc.
8. Consider approval of marketing assistance as an incentive for recruiting a second air carrier to Abilene.
9. 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
JULY 12, 2011

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

STAFF PRESENT: Richard Burdine Kim Tarrant
Dan Santee Mike Rains
Don Green Melissa Murphy

GUESTS PRESENT: Bill Ehrie, Abilene Industrial Foundation
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 JUNE 7, 2011 BOARD MEETING.** Scott Senter moved to approve the minutes from the June 7, 2011 board meeting. Mike Schweikhard seconded and the motion carried.
3. **SALES TAX REPORT FOR JULY 2011 AND STATUS OF FUNDS REPORT FOR MAY 2011.** Mike Rains, Assistant Finance Director, reported the sales tax rebate for economic development for July 2011 was \$749,767, which is 13.46% above last year. Total assets as of May 31, 2011, were \$62.8 million while total liabilities were \$365,974. The total fund balance was \$62.5 million, and of that, the undesignated fund balance for economic development was \$10 million. The two largest revenue items were sales tax of \$943,215 and rental income of almost \$90,000. The largest expenditure was \$296,772 for the construction of Eagle Aviation's new hangar.

At this time Richard Burdine introduced Eddie Richards, Economic Development's second Construction Projects Manager.

- 4a. **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 July 12, 2011, and the time is 1:44 p.m. Mr. Cannon later announced the date is still July 12, 2011, and the time is 2:02 p.m. No vote or action was taken in Executive Session.

5. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING REVISED ASSISTANCE FOR THE TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER SCHOOL OF PHARMACY-ABILENE CAMPUS AND ITS CENTER FOR IMMUNOTHERAPEUTIC RESEARCH.** On May 20, 2011, the Texas Tech University Health Sciences Center (TTUHSC) School of Pharmacy-Abilene graduated its first class of Doctors of Pharmacy, realizing a community vision for health education and

academic research in Abilene. In July 2005 the DCOA approved \$150,000 in job creation incentives for the Center for Immunotherapeutic Research (CITR) located in the School of Pharmacy (SOP). The funds were advanced in June 2007 under a 10-year forgivable Promissory Note at 0% interest. Also in July 2005 the DCOA authorized \$850,000 for infrastructure improvements for the SOP construction, which was funded under a 7-year, 0% interest forgivable loan.

The research space in the SOP is full. For the CITR to grow toward long-term sustainability, additional research and office space is essential, along with more academic researchers and support personnel. Research-related employment is now projected to create 22 jobs, a payroll impact of almost \$1.3 million per year and eligibility for \$413,761 in job creation incentives. Deducting the \$150,000 previously advanced, the net new commitment is \$263,761.

Staff recommends the DCOA Board consider an additional investment in the SOP to more than double the existing research labs and office space, which will accommodate five more academic researchers and 13 or more support personnel. Under state law, the DCOA can assist with infrastructure improvements, which are estimated to cost \$593,800 plus a 10% contingency, totaling \$653,180.

Staff recommends amending the current agreement to fund an additional \$263,761 earnable through job creation over ten years and an additional \$653,180 for infrastructure improvements earnable at approximately \$93,311 per year over the next seven years of SOP-Abilene operations, for total DCOA assistance of \$916,941. Staff also requests authority to provide academic lab space in the Abilene Life Sciences Accelerator at no charge for new research faculty until the SOP expansion project is completed in late 2012.

A motion was made by Marelyn Shedd to approve Resolution No. DCOA-2011.19 as presented. Dani Ramsay seconded and the motion carried.

Scott Senter left the meeting after the vote.

4b. EXECUTIVE SESSION. I hereby announce we are going *back* 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 July 12, 2011, and the time is 2:20 p.m. Mr. Cannon later announced the date is still July 12, 2011, and the time is 3:17 p.m. No vote or action was taken in Executive Session.

6. ADJOURNMENT. The next board meeting is July 26, 2011.

Paul Cannon, President

CITY OF ABILENE, TEXAS

DEVELOPMENT CORPORATION OF ABILENE, INC.

Balance Sheet

June 30, 2011

ASSETS:

Cash and Investments	\$15,312,454
Notes receivable	15,252,092
Accounts receivable	177,792
Due from other governments	1,427,749
Total Current Assets	\$32,170,087

OTHER ASSETS:

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

TOTAL ASSETS

\$62,530,574

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)	20,688,782
Reserved for obligated programs(internal)	677,405
Undesignated Balance	10,437,926
Total Fund Balance	\$62,164,600

TOTAL LIABILITIES AND FUND BALANCES

\$62,530,574

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 @ JUNE 30, 2011

(MARCH, 1990)

Object	Beginning I-T-D Revenues	Current Month Revenues	Current FY Revenues	Ending I-T-D Revenues
REVENUE-TO-DATE				
City Sales Tax	\$ 128,168,417.67	\$ 737,389.69	\$ 6,692,934.65	\$ 134,861,352.32
Sales Tax Retained	398,696.33	4,244.08	40,550.24	439,246.57
Princ. - Loans & Assess	3,101,322.79	-	4,526.42	3,105,849.21
Int. - Loans & Assess	2,166,827.25	356.39	74,748.18	2,241,575.43
Interest on Investments	6,918,824.56	4,856.47	47,597.18	6,966,421.74
Land Lease	14,687.41	-	1,332.35	16,019.76
Building/Space Rent	5,347,343.09	72,136.50	783,265.82	6,130,608.91
Miscellaneous Federal	1,180,026.00	-	142,500.00	1,322,526.00
Miscellaneous State Grants	26,500.00	-	-	26,500.00
Other Contributions	140,712.60	-	-	140,712.60
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
Miscellaneous Revenue	895,501.17	-	72,603.03	968,104.20
Sale of Land	392,446.27	-	-	392,446.27
Sale of Buildings & Equipment	3,976,326.19	-	-	3,976,326.19
Gain (loss) Sale of Asset	600,000.00	-	-	600,000.00
GASB 22 Restatement	355,634.89	-	-	355,634.89
GASB 34 Adjustment	1,831,042.11	-	-	1,831,042.11
	-	-	-	-
	\$ 158,993,657.70	\$ 818,983.13	\$ 8,119,906.46	\$ 167,113,564.16

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

	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		\$ 80,244,141.54		\$ -	\$ 80,244,141.54	
Business Services Division	Div 2760	7,858,024.24	41,528.85	432,629.62	8,290,653.86	13,333.36
Life Sciences Property - Pine	Div 2765	565,448.70	35,656.60	437,561.77	1,003,010.47	16,240.00
DCOA Annual Contracts	Div 2775	2,229,877.84	2,726.13	143,981.89	2,373,859.73	-
Abitene Industrial Foundation	2775-62571	12,574,610.54	41,201.39	432,680.37	13,007,290.91	249,303.17
TTU Small Business Dev Cntr	2775-62572	2,630,621.05	17,456.25	145,087.50	2,775,708.55	104,912.50
Chamber Military Affairs	2775-62573	1,206,511.16	889.38	19,847.79	1,226,358.95	40,152.21
Airport Business Dev Mgr	2775-62574	605,052.74	7,983.22	102,788.70	707,841.44	69,024.52
Murf Systems	4998	151,665.00	-	48,000.00	199,665.00	-
Bandag Training	5203	724,485.20	76,088.48	76,088.48	800,573.68	-
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	-	8,000.00	8,000.00	8,000.00	-
Robinson Fan	5237	469,611.96	-	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	-	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	-	862.38	85,440.86	185,859.49
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	540,000.00	894,006.99	2,622,973.37	2,439,752.23
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	-	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
A/C Eq Lease	5312	49,466.28	288.00	78,950.55	128,416.83	-
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	-	50,214.55	76,718.24	76,718.24	404,742.06
Cisco College Biotech Training	5318	-	-	-	-	67,650.00
Energy Maintenance Serv-Gearbox	5319	-	-	140,000.00	140,000.00	202,500.00
EASI Hanger Design	5320.1	-	12,494.04	313,075.33	313,075.33	88,737.48
EASI Hanger Construction	5320.2	-	296,575.56	1,205,184.32	1,205,184.32	3,562,542.36
EASI Hanger Fire Safety	5320.3	-	34,768.50	52,268.50	52,268.50	612,209.96
Pepsi Beverage Co.	T5321	-	-	-	-	350,000.00
WTCIC	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	-	-	35,735.00	35,735.00	-
Teleperformance USA	5326	-	-	-	-	375,000.00
Docket Navigator	5327	-	-	-	-	159,000.00
Miscellaneous Activities	2785	354,189.86	-	-	354,189.86	-
TOTAL ENCUMB. / EXPENDITURES		\$ 128,381,456.64	\$ 1,165,870.95	\$ 6,927,994.45	\$ 135,309,451.09	\$ 20,688,782.06
TOTAL FUND BALANCE					\$ 31,804,113.07	
UNENCUMBERED FUND BALANCE						\$ 11,115,331.01

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

Project	Amount Obligated	Prior Years Disbursed	Current Month Disbursed	Current Year Disbursed	Amount Encumbered	Balance Reserved for Obligated Programs	
BALANCE OF OBLIGATED PROGRAMS							
Business Services Division	Div 2760	\$ 650,085.00	\$ -	\$ 41,528.85	\$ 432,629.62	\$ 204,122.02	
Life Sciences Property -Pine	Div 2765	707,000.00	-	35,656.60	437,561.77	253,198.23	
DCOA Annual Contracts	Div 2775	232,590.00	-	2,726.13	143,981.89	88,608.11	
Abilene Industrial Foundation	2775-4950	739,850.00	-	41,201.39	432,680.37	57,866.46	
TTU Small Business Dev Cntr	2775-4951	250,000.00	-	17,456.25	145,087.50	-	
Chamber Military Affairs	2775-4952	60,000.00	-	889.38	19,847.79	-	
Airport Business Dev Mgr	2775-4953	163,830.00	-	7,983.22	102,788.70	(7,983.22)	
Murf Systems	4998	199,665.00	151,665.00	-	48,000.00	-	
Bandag Training	5203	800,574.00	724,485.20	76,088.48	76,088.48	0.32	
EASI 04	5213	2,476,938.00	1,814,134.18	-	225,406.34	0.34	
Fehr Food	5220	2,634,630.00	2,634,630.00	-	-	-	
Bandag Building Improv	5228	8,000.00	-	8,000.00	8,000.00	-	
Robinson Fan	5237	574,415.00	469,611.96	-	104,802.95	0.09	
CBER Website	5240	8,317.00	7,067.07	-	-	-	
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	-	488,581.95	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	-	862.38	99.65	
EASI 7th Doc	5265	273,257.00	239,175.14	-	-	0.76	
TTU HSC Research	5273	3,000,000.00	992,009.66	-	631,712.00	-	
Spec 3 Construction	5276	5,736,500.00	5,432,320.65	-	-	(0.00)	
Energy Maintenance Service	5282	869,894.00	185,246.60	-	-	0.40	
Genesis Network Phase II	5284	3,707,740.00	7,725.00	-	15,199.00	0.99	
Tower Tech	5285	5,062,726.00	1,728,966.38	540,000.00	894,006.99	0.40	
Texas Metal 08	5288	106,667.00	106,666.66	-	-	0.34	
TMAC 09	5289	60,000.00	26,000.00	-	-	-	
Run Energy	5295	748,000.00	-	-	-	-	
Coca Cola Abilene	5296	900,000.00	-	-	-	-	
Land 122 Acres N 5 Pts	5302	510,969.00	341,732.35	-	-	0.50	
ETI Contract	5304	1,380,180.00	411,752.75	-	299,158.66	-	
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	-	-	-	
AIC Equipment Lease/Purchase	5312	165,000.00	49,466.28	288.00	78,950.55	36,583.17	
Nation Wide Products	5313	105,250.00	-	-	31,150.00	-	
LM Wind Power	5314	566,250.00	-	-	-	-	
Texas Healthcare Linen	5315	118,891.00	-	-	118,891.00	-	
Enavail, LLC	5316	481,461.00	-	50,214.55	76,718.24	0.70	
Cisco College Biotech Training	5318	67,650.00	-	-	-	-	
Energy Maintenance Serv-Gearbox	5319	342,500.00	-	-	140,000.00	-	
EASI Hanger Design	5320.1	403,272.00	-	12,494.04	313,075.33	1,459.19	
EASI Hanger Construction	5320.2	4,770,000.00	-	296,575.56	1,205,184.32	2,273.32	
EASI Hanger Fire Safety	5320.3	691,385.00	-	34,768.50	52,268.50	26,906.54	
Pepsi Beverage Co.	5321	350,000.00	-	-	-	-	
WTCIC	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	50,000.00	-	-	35,735.00	14,265.00	
Teleperformance USA	5326	375,000.00	-	-	-	-	
Docket Navigator	5327	159,000.00	-	-	-	-	
Miscellaneous Activities	2785	354,189.86	354,189.86	-	-	-	
BALANCE OF OBLIGATED PROGRAMS		\$ 48,761,349.86	\$ 20,467,168.83	\$ 1,165,870.95	\$ 6,927,994.45	\$ 20,688,782.06	\$ 677,404.52

UNDESIGNATED FUND BALANCE (unencumbered balance less obligated programs and contingent liabilities) \$ 10,437,926.49

DCOA Board approved projects waiting for signed contracts	Expiration Date
West Texas Innovation Network 5328	15,000 08/08/2011
Project CD 5329	7,458,965 10/26/2011
SPA Coating (Project BC) 5330	1,155,368 11/10/2011
TTUHSC School of Nursing 5331	1,732,100 11/10/2011
	<u>10,361,433</u>

3.4

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: July 26, 2011

PROJECT: Texas Manufacturing Assistance Center Request for Amended and New Funding

STAFF: Richard Burdine, CEO

GENERAL INFORMATION:

The Texas Manufacturing Assistance Center (TMAC) exists to enhance the competitive position of the state's manufacturing sector. TMAC's manufacturing professionals work with a wide range of individual firms, delivering training, providing technical assistance and implementing best business practices. Particular emphasis is placed on the needs of small to mid-sized manufacturers. Focus areas include lean manufacturing and lean office principles, strategic management, quality systems, environmental and safety.

TMAC consists of seven partner institutions delivering services statewide. The Texas partners are: Texas Engineering Extension Service (TEEX), University of Texas at Arlington, University of Texas at El Paso, University of Houston, Southwest Research Institute, Texas Tech University, and University of Texas-Pan American. The TMAC West Texas is located in Lubbock and is affiliated with Texas Tech University. TMAC West Texas reports to the V.P. of Research and Graduate Services and is associated with the Small Business Development Center (SBDC) system.

In June 2004, the board approved total funding of \$60,000 to cost-share for TMAC services with local manufacturers. The funding was to extend through FY06, and was limited to \$7,500 per manufacturer per year. A total of \$40,925 was funded and the remainder was unencumbered. In September 2006, another \$60,000 was approved for FY07 through FY09, but the funding ran out by the end of 2008. In October 2008, the board approved another \$60,000 through FY11 at the same \$7,500/company/year rate. As of June 30th, \$34,000 remains unfunded.

THE REQUEST:

TMAC's typical program included 2 days of training. They concluded in 2010 that about half of the companies served had difficulty initiating the agreed upon changes to operating procedures within that time, so they have added a 3rd "jump start" day to help companies begin transformation immediately. It also gives the companies the much-needed initiation phase so they can sustain improvement. They have tested the "jump start" approach and determined that it substantially improves implementation, quality and speed.

TMAC requests the DCOA amend the current agreement with \$34,000 remaining to allow assistance for 3 companies through September 2011 at the increased rate of \$11,000/company for the new 3-day program. TMAC also requests the board approve renewing its commitment to provide funding support of \$198,000 through FY13 at the new rate of up to \$11,000/company/year. Based on the current potential needs of the companies in this area and TMAC's availability along with their internal commitment for assistance, they believe they will

serve 8 companies in FY12 at a request amount of \$88,000 and 10 companies in FY13 at a request amount of \$110,000.

FUNDING/FISCAL IMPACT:

\$198,000 through 9-30-13 limited to \$11,000/company/year.

STAFF RECOMMENDATION:

Staff recommends approval of Resolution DCOA-2011.20 authorizing an amendment to the existing agreement to allow assistance to 3 companies through September 2011 at the increased rate of \$11,000/company. The resolution also authorizes a renewal contract and funding in the amount of \$198,000 to continue supporting TMAC in assisting Abilene manufacturers through FY13.

ATTACHMENT:

Resolution DCOA-2011.20

Below is a summary of all the companies assisted with DCOA funding:

Company	Amt. of Assistance	TMAC assistance provided
Red's Satellite Service (assisted in '05 & '07)	\$14,975	'05-Safety training for OSHA compliance, development of safety manual and procedures; '07-Drug testing, pulmonary function testing of sandblasters, safety training for OSHA compliance, updating Employee Manual for OSHA compliance
Ab-Tex Beverage (assisted in '05 & '07)	\$14,950	'05-Safety training; '07-DOT training, safety training for OSHA compliance, updating Employee Manual for OSHA compliance
Mrs. Baird's Bread (assisted in '06 & '09)	\$14,500	'06-Safety training, forklift operator certification, scissor lift operator, and fall protection. '09-Principals of Lean Manufacturing and Value Stream Mapping training.
Hartmann's, Inc.	\$4,000	'06-Enhanced order tracking software and SIO 9000 systems
Union Drilling	\$7,500	'06-Safety training (i.e. fire protection, fall protection, lifting techniques, good housekeeping bloodborne pathogens, forklift operating)
Ringo Drilling	\$7,500	'06-Safety training (i.e. fire protection, fall protection, lifting techniques, good housekeeping bloodborne pathogens, forklift operating)
E. C. Tool	\$7,500	'07-Safety training for OSHA compliance
Fehr Foods	\$7,500	'07-Safety training
Coca Cola Enterprises	\$7,500	'08-Development of purchasing management software
Bandag (assisted in '08 & twice in '09)	\$22,500	'08-Introduction to Process Auditing Approach for 8 attendees. '09-Lean & Six Sigma Fundamentals training. '09-Lean Manufacturing and Value Stream Mapping training.
Tige Boats	\$7,500	'08-Safety and Haz-Mat training
Zoltek	\$7,500	'09-Lean Manufacturing training
Clear Fork, Inc.	\$3,500	'10-Petroleum Education Council basic orientation training.
TOTAL	\$126,925	

RESOLUTION NO. DCOA-2011.20

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING AMENDED ASSISTANCE UNDER THE CURRENT AGREEMENT THROUGH FISCAL YEAR 2011 AND NEW FUNDING FOR THE TEXAS MANUFACTURING ASSISTANCE CENTER (TMAC) TO PROVIDE TRAINING FOR ABILENE MANUFACTURERS THROUGH FISCAL YEAR 2013.

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

WHEREAS, TMAC has provided services designed to enhance the competitive position of the state's manufacturing sector since 1995; and,

WHEREAS, TMAC places emphasis on small to mid-sized manufacturers and works with a wide range of individuals firms delivering training, providing technical assistance and implementing best business practices; and,

WHEREAS, in June 2004, the DCOA approved resolution DCOA-2004.24 which authorized funding in the total amount of \$60,000 through FY06 funded at \$7,500/company/fiscal year for a 2-day training program; and,

WHEREAS, in September 2006, the DCOA approved resolution DCOA-2006.21 authorizing an additional \$60,000 through FY09 funded at \$7,500/company/fiscal year for a 2-day training program; and,

WHEREAS, in October 2008, the DCOA approved resolution DCOA-2009.02 which authorized an additional \$60,000 through FY11 funded at \$7,500/company/fiscal year for a 2-day training program; and

WHEREAS, TMAC revised its program in Abilene to add a 3rd "jump start" day to ensure the client companies begin transformation immediately giving them an initiation phase to ensure sustainability; therefore, staff proposes the 2008 agreement through FY11 be revised to allow increased funding to \$11,000/company/fiscal year, plus a new agreement and another \$198,000 funding commitment through FY13 also disbursed at \$11,000/company/fiscal year.

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

PART 1. DCOA authorizes amended assistance under the existing agreement with TMAC through FY2011 to allow disbursements of the remaining \$34,000 at \$11,000/company (up from \$7,500/company).

Also authorized is a new agreement with TMAC for services to local manufacturers in the amount of One Hundred Ninety-Eight Thousand and No/100's Dollars (\$198,000) through September 30, 2013. Funding will

continue to be limited to \$11,000/manufacturere/year.

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

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

ADOPTED this the 26th day of July, 2011.

ATTEST:

Marelyn Shedd
Secretary/Treasurer

Paul Cannon
President

APPROVED:

T. Daniel Santee, City Attorney

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

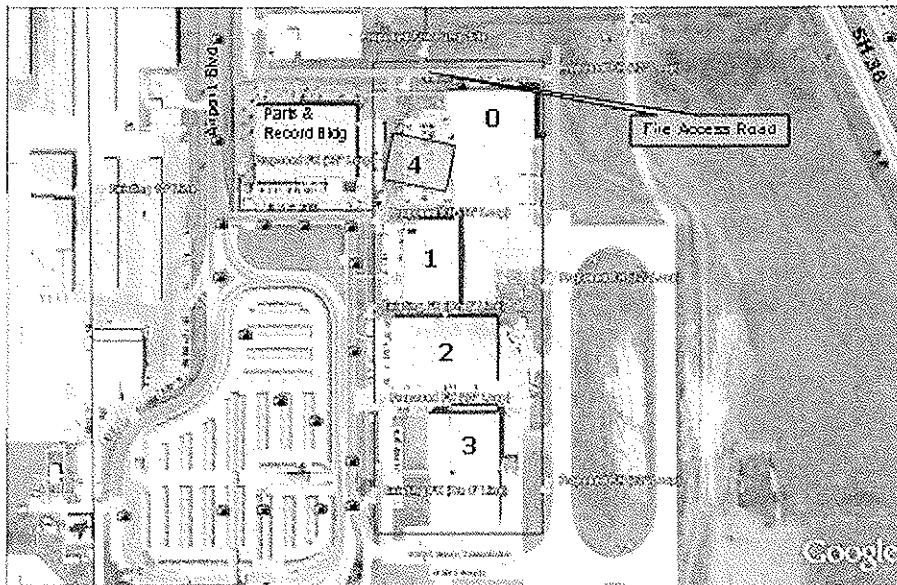
MEETING DATE: July 26, 2011

PROJECT: EASI Hangars – Funding for Fire Apparatus Road

STAFF: Richard Burdine, CEO

BACKGROUND

During pre-construction review for Hangar 4, it was determined that several fire safety issues had to be addressed in order to proceed with construction. One of the issues is the need for better fire fighting access to the rear of Hangars 0 and 4 and the EASI Parts & Records Building (see map below). We developed a plan for a fire access road with an estimated construction cost of \$125,000.



THE REQUEST

You may recall from previous Board discussions of this issue that the general contractor, Thomas Hicks Construction, was to provide a proposal to include this work in the scope of his contract and the additional funding would be provided through a change order to their contract. Hicks proposed a construction cost of \$117,973. In addition funding is needed to cover the cost of surveying and engineering for the project in the amount of \$12,500, for a total funding request of \$130,473.

FISCAL IMPACT

Design by Enprotec/Hibbs & Todd	\$ 12,500
Construction by Thomas Hicks Const	<u>\$117,973</u>
TOTAL	\$130,473

STAFF RECOMMENDATION

Staff recommends DCOA Board approval of Resolution DCOA-2011.21 authorizing \$130,473 engineering and construction of a fire access road to serve Hangars 0 and 4 and the EASI Parts & Records Building at the Abilene Regional Airport.

ATTACHMENTS

Resolution DCOA-2011.21

RESOLUTION NO. DCOA-2011.21

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING FUNDING FOR DESIGN AND INSTALLATION OF A FIRE APPARATUS ROAD AT THE ABILENE REGIONAL AIRPORT TO SERVICE HANGARS 0, AND 4 AND THE PARTS & RECORDS BUILDING 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, the DCOA has approved contracts and funding for professional services to address the fire safety issues, except the fire access road to service Hangars 0 and 4 and the Parts & Records building; and,

WHEREAS, preliminary estimates for construction of the fire access road were \$125,000, not including design services; and,

WHEREAS, Thomas Hicks Construction, general contractor for construction of Hangar 4, proposes to install the fire access road at a cost of \$117,973, which is \$7,027 below estimate; and,

WHEREAS, Enprotec/Hibbs & Todd designed the road at a cost of \$12,500.

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

PART 1. DCOA hereby authorizes funding of One Hundred Thirty Thousand Four Hundred Seventy-Three and no/100's Dollars (\$130,473) to design and install the fire apparatus/access road necessary to address the fire safety issues at the Abilene Regional Airport relating to Hangars 0, and 4 and the Parts & Records building, occupied by Eagle Aviation Services, Inc., as follows:

Enprotec/Hibbs & Todd for design services	\$ 12,500
Thomas Hicks Construction for construction	<u>\$117,973</u>
TOTAL	\$130,473

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 26th day of July, 2011.

ATTEST:

Marelyn Shedd
Secretary/Treasurer

Paul Cannon
President

APPROVED:

T. Daniel Santee, City Attorney

S:\DCOA\Resolution\FY 2011\2011.21 EASI hangar fire access road funding 7-26-11 DOC

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: July 26, 2011

PROJECT: Consider approval of a bid for installation of domestic water line, additional fire hydrants and fire line to service hangars occupied by Eagle Aviation Services, Inc.

STAFF: Richard Burdine, CEO

BACKGROUND

On Tuesday, July 19, 2011 bids to accomplish this project were opened. Two bids were received (see attached bid tabulation). The budget for these elements of the project is \$684,000, including the alternative bid to complete the fire loop shown on the bid tabulation. The low bid by Bowles Construction Company is \$734,996 and the bid by WhiteWater Construction, Inc. is \$1,069,846.

THE REQUEST

Only two bids were received and both were over budget. Also there is a \$334,850 "swing" between the two bids with the second bid 46% higher than the first, indicating a lack of consistency between the bids. We prefer to have at least three bids with pricing ranging from low to high bid of no more than 20%. **For these reasons I recommend that the Board rejects all bids.**

In order to get more competition on the domestic water line portion of the project, we will split the project into two parts for bidding purposes; domestic water service lines and fire service lines. This will allow more contractors that are not certified for the fire service portion of the work to bid the domestic water line portion only.

Within the instructions to bidders we will establish a schedule for the contractors to meet that coincides with the hangar schedule so that the required domestic water line and fire service lines will be operable and capable of filling the water storage tanks concurrent with the completion of Hangar 4. Note that the water main extension from SH 36 does not have to be completed in order to fill the ground storage tanks; they can be filled temporarily from the existing 10 inch domestic water main.

I believe we can rebid this work in time for your consideration at the August 9th DCOA Board meeting along with the bids for the fire suppression systems for Hangars 4, 0, and 1.

FISCAL IMPACT

Not applicable.

STAFF RECOMMENDATION

Staff recommends DCOA Board action to reject all bids and direct the staff to rebid the project as outlined above.

ATTACHMENTS

Bid Tabulation

Enprotec / Hibbs & Todd, Inc., 402 Cedar Street, Abilene, Texas 79601
 Eagle Aviation Services Water Service and Fire Suppression Project, City of Abilene, Texas (PACKAGE 3)

TABULATION OF BIDS FOR: DCOA -
 BIDS RECEIVED: 07/19/2011

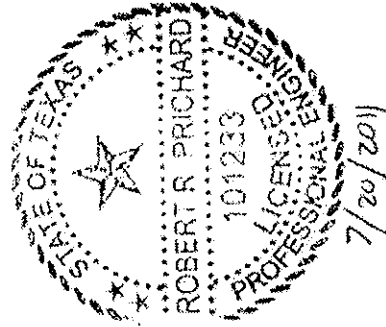
Item No.	Quantity	Unit	Item	Bowles Construction Co.		WhiteWater Construction, Inc.	
				Unit Cost	Amount	Unit Cost	Amount
1	1	LS	Mobilization, bonds & insurance	\$ 25,000.00	\$ 25,000.00	\$ 29,000.00	\$ 29,000.00
2	140	LF	16" C900, DR-18 PVC Water Line	\$ 110.00	\$ 15,400.00	\$ 88.00	\$ 12,320.00
3	4,122	LF	12" C900, DR-18 PVC Water Line	\$ 42.00	\$ 173,124.00	\$ 64.00	\$ 263,808.00
4	2,545	LF	12" C900, DR-14 PVC Water Line	\$ 48.00	\$ 122,160.00	\$ 55.00	\$ 175,605.00
5	2,372	LF	10" C900, DR-18 PVC Water Line	\$ 36.00	\$ 85,392.00	\$ 57.00	\$ 135,204.00
6	300	LF	10" C900, DR-14 PVC Water Line	\$ 38.00	\$ 11,400.00	\$ 63.00	\$ 18,900.00
7	85	LF	8" C900, DR-18 PVC Water Line	\$ 41.00	\$ 3,485.00	\$ 50.00	\$ 4,250.00
8	15	LF	8" C900, DR-14 PVC Water Line	\$ 30.00	\$ 450.00	\$ 55.00	\$ 825.00
9	25	LF	6" C900, DR-18 PVC Water Line	\$ 25.00	\$ 625.00	\$ 45.00	\$ 1,125.00
10	0.35	AC	Clearing and Grabbing of Water Line Easement	\$ 2,000.00	\$ 700.00	\$ 3,500.00	\$ 1,225.00
11	1	LS	6" Water Meter Assembly	\$ 14,000.00	\$ 14,000.00	\$ 32,000.00	\$ 32,000.00
12	1	LS	Relocate RPZ	\$ 13,000.00	\$ 13,000.00	\$ 5,000.00	\$ 5,000.00
13	1	EA	10" by 10" Tapping Sleeve and 10" Gate Valve	\$ 3,800.00	\$ 3,800.00	\$ 8,000.00	\$ 2,000.00
14	260	LF	Horizontal Steel Encased Bore for 12" C900, DR-18 PVC Water Line	\$ 225.00	\$ 58,500.00	\$ 400.00	\$ 104,000.00
15	1	EA	Connection to Existing 12" Water Line	\$ 700.00	\$ 700.00	\$ 2,800.00	\$ 2,800.00
16	2	EA	Connection to Existing 8" Water Line	\$ 500.00	\$ 1,000.00	\$ 1,000.00	\$ 2,000.00
17	1	EA	Connection to Existing 6" Water Line	\$ 400.00	\$ 400.00	\$ 950.00	\$ 900.00
18	3	EA	10" Fire Serv. Ln Connection to existing sub-outs Hangers 4, D & I	\$ 600.00	\$ 1,800.00	\$ 4,000.00	\$ 12,000.00
19	1	EA	6" Gate Valve with Valve Box	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
20	2	EA	8" Gate Valve with Valve Box	\$ 1,500.00	\$ 3,000.00	\$ 2,000.00	\$ 4,000.00
21	2	EA	10" Gate Valve with Valve Box	\$ 1,800.00	\$ 3,600.00	\$ 2,000.00	\$ 4,000.00
22	11	EA	12" Gate Valve with Valve Box	\$ 3,000.00	\$ 33,000.00	\$ 3,500.00	\$ 38,500.00
23	2	EA	16" Direct Bury Butterfly Valve with Valve Box	\$ 300.00	\$ 600.00	\$ 1,000.00	\$ 2,000.00
24	1	EA	Cut and Plug Existing 8" Water Line	\$ 300.00	\$ 300.00	\$ 1,200.00	\$ 1,200.00
25	1	EA	Cut and Plug Existing 8" Fire Service Line Hanger 0	\$ 12,000.00	\$ 12,000.00	\$ 9,700.00	\$ 19,400.00
26	2	EA	Combination Back Pressure Sustaining Shut Off Valve & Float Switch	\$ 3,500.00	\$ 7,000.00	\$ 4,500.00	\$ 9,000.00
27	6	EA	Fire Hydrant Assembly	\$ 700.00	\$ 4,200.00	\$ 1,500.00	\$ 9,000.00
28	1	EA	Reconnect Existing Water Service Line	\$ 21.00	\$ 21.00	\$ 38.00	\$ 38.00
29	645	LF	Asphalt Pavement Repair	\$ 21.00	\$ 13,545.00	\$ 100.00	\$ 64,500.00
30	35	LF	Concrete Pavement Repair	\$ 1.00	\$ 35.00	\$ 1.00	\$ 35.00
31	6,842	LF	Hydrostatic Testing, Line Flushing/Cleaning for City Side Improv.	\$ 1.00	\$ 6,842.00	\$ 1.00	\$ 6,842.00
32	3,022	LF	Hydrostatic Testing, Line Flushing/Cleaning for Fire Side Improv.	\$ 1.00	\$ 3,022.00	\$ 1.00	\$ 3,022.00
33	1	LS	Exterior Piping Connections to Ground Storage Tanks	\$ 20,000.00	\$ 20,000.00	\$ 24,000.00	\$ 24,000.00
34	1	LS	Exterior Piping Connections to Pump Station Building	\$ 20,000.00	\$ 20,000.00	\$ 14,500.00	\$ 14,500.00
TOTAL BASE BID PRICE (Items thru 34)				\$ 681,880.00	\$ 681,880.00	\$ 982,236.00	\$ 982,236.00

ALTERNATE BID

Item No.	Quantity	Unit	Item	Bowles Construction Co.		WhiteWater Construction, Inc.	
				Unit Cost	Amount	Unit Cost	Amount
1	504	LF	12" C900, DR-14 PVC Water Line	\$ 48.00	\$ 24,192.00	\$ 59.00	\$ 29,736.00
2	504	LF	Hydrostatic Testing, Line Flushing/Cleaning for Fire Side Improv.	\$ 1.00	\$ 504.00	\$ 1.00	\$ 504.00
3	285	LF	Asphalt Pavement Repair	\$ 21.00	\$ 5,985.00	\$ 38.00	\$ 10,830.00
4	135	LF	Concrete Pavement Repair	\$ 21.00	\$ 2,835.00	\$ 100.00	\$ 13,500.00
TOTAL ALTERNATE A BID PRICE (Items 1 thru 4)				\$ 53,116.00	\$ 53,116.00	\$ 87,510.00	\$ 87,510.00

I, ROBERT R. PRICHARD, P.E., #101233, DO HEREBY CERTIFY THAT THE ABOVE REFERENCED BIDS WERE RECEIVED, IN ACCORDANCE WITH THE ADVERTISED PROCEDURES, OPENED, AND READ ALOUD. THE BID TABULATION HEREIN IS A TRUE AND ACCURATE REPRESENTATION OF THE BIDS READ ALOUD.

[Signature]
 ROBERT R. PRICHARD, P.E., #101233



7.2

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: July 26, 2011

PROJECT: Marketing Assistance as Incentive for Recruiting Second Air Carrier

STAFF: Richard Burdine, CEO

BACKGROUND INFORMATION:

In the past the City of Abilene has competed successfully for the U.S. Department of Transportation's Small Community Air Service Development (SCASD) grants. Unfortunately the last grant expired before we were able to recruit an air carrier. Of course the state of the economy in general and the airline industry specifically worked against us.

The next opportunity to submit a SCASD is August 2nd, 2011. Don Green, Director of Aviation, and his staff are preparing the grant application now. The Abilene Regional Airport has an incentive policy, adopted by the City Council, which allows all airport fees to be waived for a new carrier for up to two years. However these incentives alone are not enough to attract an air carrier.

THE REQUEST:

Staff requests that the DCOA Board consider approval of marketing assistance as an incentive for recruiting a second air carrier to Abilene in the amount of \$200,000. Funds would be expended on behalf of a new air carrier by the Airport's Business Development Office rather than paid to the carrier. As a representative of the City, Melissa Murphy has been able to negotiate for substantially more advertising for the same amount a private entity, such as an air carrier, would have to pay.

If approved, the DCOA Board resolution will be included in the SCASD grant application as evidence of a funding commitment. However I recommend that if the City is unsuccessful in getting the SCASD grant this year, the DCOA's commitment remain in place for another SCASD grant application next year or recruiting a second air carrier without a SCASD grant, if possible. The DCOA commitment would "sunset" after two years (September 30, 2013) if a second air carrier hasn't been recruited by then.

FISCAL IMPACT:

\$200,000

STAFF RECOMMENDATION:

Staff recommends approval of Resolution DCOA-2011.22 authorizing marketing assistance of up to \$200,000 during FY12 and/or FY13 as an incentive for recruiting a second air carrier to Abilene.

ATTACHMENTS:

Resolution DCOA-2011.22

RESOLUTION NO. DCOA-2011.22

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. ("DCOA"), ABILENE, TEXAS AUTHORIZING MARKETING ASSISTANCE AS AN INCENTIVE FOR RECRUITING A SECOND AIR CARRIER TO ABILENE.

WHEREAS, in the past the City of Abilene has competed successfully for the U.S. Department of Transportation's Small Community Air Service Development (SCASD) grants, but the last grant expired before another air carrier could be recruited; and,

WHEREAS, the next opportunity to submit a SCASD is August 2nd, 2011, and the City's Director of Aviation and his staff are preparing the grant application now; and,

WHEREAS, staff requests that the DCOA Board consider approval of marketing assistance as an incentive for recruiting a second air carrier to Abilene in the amount of \$200,000 as evidence of a local funding commitment in conjunction with the grant application.

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

PART 1. DCOA authorizes funding in the amount of Two Hundred Thousand and no/100's Dollars (\$200,000) to be used for marketing assistance as an incentive for recruiting a second air carrier to Abilene. Funds would be expended on behalf of a new air carrier by the Airport's Business Development Office rather than paid to the carrier.

If the City is unsuccessful in getting the SCASD grant this year, the DCOA's commitment will remain in place for another SCASD grant application next year or for recruiting a second air carrier without a SCASD grant, if possible. The DCOA commitment would "sunset" after two years (September 30, 2013) if a second air carrier hasn't been recruited by then.

PART 2. The Chief Executive Officer of the Development Corporation of Abilene, Inc. is hereby authorized to negotiate any contract and all other related documents on behalf of the DCOA.

ADOPTED this the 26th day of July, 2011.

ATTEST:

Marelyn Shedd
Secretary/Treasurer

Paul Cannon
President

APPROVED:

T. Daniel Santee, City Attorney

S:\DCOA\Resolution\FY 2011\2011.22 Marketing assistance for 2nd air carrier 7-26-11.DOC