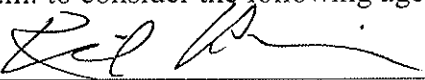


PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, November 8, 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

November 8, 2011
1:30 p.m.

Abilene Life Sciences Accelerator
1325 Pine St.

1. Call the meeting to order.
2. Approval of minutes from the October 11, 2011, board meeting.
3. Sales tax report for October 2011.
4. Presentation of Annual Reports for Fiscal Year Ended September 30, 2011 by:
 - Abilene Industrial Foundation
 - City of Abilene Airport Business Development
 - Texas Tech University Small Business Development Center
5. Presentation by Bill Ehrie of the annual status update on activities of two consultants hired to assist with maintaining existing and gaining new missions at Dyess AFB.
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 changes to the Development Corporation of Abilene's Incentive Guidelines, which are used when determining the amount of assistance available to eligible projects.
8. Discussion and possible approval of a resolution authorizing amended assistance for Broadwind Towers (f/k/a Tower Tech Systems, Inc. dba Texas TTSI).
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
October 11, 2011

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

STAFF PRESENT: Richard Burdine Kim Tarrant
Dan Santee Mindy Patterson

GUESTS PRESENT: Bill Ehrie, Abilene Industrial Foundation
Jaime Adame, Abilene Reporter-News

1. **CALL TO ORDER.** Paul Cannon called the meeting to order at about 1:30 p.m. in the conference room of the Abilene Life Sciences Accelerator, 1325 Pine Street, Abilene, Texas.
2. **APPROVAL OF MINUTES FROM THE AUGUST 23, 2011 BOARD MEETING.** Scott Senter moved to approve the minutes from the August 23, 2011 board meeting. Mike Schweikhard seconded and the motion carried.
3. **SALES TAX REPORT FOR SEPTEMBER 2011 AND STATUS OF FUNDS REPORT FOR 2011.** Mindy Patterson pointed out that the City's sales tax rebate of nearly \$3.2 million received in September represents July sales and is up 23% from last September. The sales tax rebate for economic development of \$799,173 is 11.83% above last year for the period October through September. Major expenditures in August were EASI hangar construction and fire safety costs, ALSA contribution, and training.
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 October 11, 2011, and the time is 1:40 p.m. Mr. Cannon later announced the date is still October 11, 2011, and the time is 2:17 p.m. No vote or action was taken in Executive Session.

Marelyn Shedd left the meeting at this time due to a conflict of interest on Agenda Item No. 5 for Smith Pipe. She returned once discussions ended for that item.

5. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PHASE 3 EXPANSION OF SMITH PIPE.** Marelyn Shedd excused herself from the board meeting due to a conflict with this item and did not return. Smith Pipe is a local company that currently owns over 10 acres of land south of Abilene in the City's 5-mile extraterritorial jurisdiction (ETJ). In addition to sales of used oilfield equipment and manufacturing new storage tanks and pressure vessels, Smith Pipe operates drilling rigs and well service units, etc. Earlier this year, the DCOA authorized total assistance of \$1,155,368 for Phases 1 and 2 expansion into pipe coating in exchange for capital investment by the company of \$5,267,000 and job creation of 44 new jobs.

With recent well field development in South Texas, demand for oilfield tanks has grown substantially and Smith Pipe's current tank fabrication operation cannot keep up with demand. For their Phase 3 expansion, the company wants to purchase more land to construct a 15,000 sq ft main shop and a 5,000 sq ft paint and sand-blasting shop. The total estimated project cost for construction and equipment purchases is \$2,097,900 and plans are to create 31 new jobs in Phase 3.

Because this project is located in the City's ETJ, approval by the Taylor County Commissioners' Court will be required prior to finalization of the deal.

Staff proposes a Phase 3 expansion assistance package totaling \$521,790 as follows: job creation incentive of up to \$313,000 for the creation of 31 new jobs and capital investment incentive of up to \$208,790 based on 10% of company's investment in land, construction utilities and capital equipment, with all incentives paid in arrears over three years.

Dani Ramsay moved to approve Resolution No. DCOA-2012.01 as presented. Mike Schweikhard seconded and the motion carried.

- 6. ADJOURNMENT.** The next meeting is October 25th. There being no further business, the meeting was adjourned.

Paul Cannon, President

MEMORANDUM

October 12, 2011

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

The sales tax rebate for October is \$3,561,543.78 which represents August sales. This is 34.53% above last year. The breakdown of the October rebate is \$2,671,157.84 to the General Fund and \$890,385.94 for economic development. Of this rebate, \$140,705 is from prior periods, audit payments, future payments, and unidentified payments. This is the first rebate for our 2011-12 fiscal year. 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 Actual 2010-11 | ECONOMIC DEVELOPMENT Actual 2010-11 | TOTAL 2010-11 | GENERAL FUND Actual 2011-12 | ECONOMIC DEVELOPMENT Actual 2011-12 | TOTAL 2011-12 |
|------------------------------------|------------------------------------------------|--------------------------------------------------------|--------------------------|------------------------------------------------|--------------------------------------------------------|--------------------------|
| October | \$1,985,576.13 | \$661,858.71 | \$2,647,434.84 | \$2,671,157.84 | \$890,385.94 | \$3,561,543.78 |
| YTD | \$1,985,576.13 | \$661,858.71 | \$2,647,434.84 | \$2,671,157.84 | \$890,385.94 | \$3,561,543.78 |
| November | 2,324,513.46 | 774,837.82 | 3,099,351.28 | | | |
| December | 1,941,356.20 | 647,118.73 | 2,588,474.93 | | | |
| January | 2,079,342.18 | 693,114.06 | 2,772,456.24 | | | |
| February | 2,936,669.76 | 978,889.92 | 3,915,559.68 | | | |
| March | 1,938,924.19 | 646,308.06 | 2,585,232.25 | | | |
| April | 1,923,931.42 | 641,310.47 | 2,565,241.89 | | | |
| May | 2,845,240.04 | 948,413.35 | 3,793,653.39 | | | |
| June | 2,224,901.30 | 741,633.77 | 2,966,535.07 | | | |
| July | 2,249,301.71 | 749,767.23 | 2,999,068.94 | | | |
| August | 3,040,179.23 | 1,013,393.08 | 4,053,572.31 | | | |
| September | 2,397,520.25 | 799,173.41 | 3,196,693.66 | | | |
| FY TOTAL | \$27,887,455.87 | \$9,295,818.61 | \$37,183,274.48 | | | |

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 revenue based upon the month the sales tax is paid by the vendor in accordance with GASB 33 requirements.

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

| Accounting Period Month | Actual 2010-11 | Actual 2011-12 | % Change |
|------------------------------------|---------------------------|---------------------------|---------------------|
| October | \$661,859 | \$890,386 | 34.53% |
| YTD | <u>\$661,859</u> | \$890,386 | 34.53% |
| November | 774,838 | | |
| December | 647,119 | | |
| January | 693,114 | | |
| February | 978,890 | | |
| March | 646,308 | | |
| April | 641,310 | | |
| May | 948,413 | | |
| June | 741,634 | | |
| July | 749,767 | | |
| August | 1,013,393 | | |
| September | 799,173 | | |
| FY TOTAL | <u><u>\$9,295,819</u></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 revenue based upon the month the sales tax is paid by the vendor in accordance with GASB 33 requirements.

Revenue for October '11 represents August '11 sales. Approximately \$35,176 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.

DEVELOPMENT CORPORATION OF ABILENE, INC.
1/2 CENT SALES TAX REVENUE
Five Year Comparison

| Accounting Period Month | Actual 2007-08 | Actual 2008-09 | Actual 2009-10 | Actual 2010-11 | Actual 2011-12 |
|------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|---------------------------|
| October | \$676,406 | \$703,442 | \$671,904 | \$661,859 | \$890,386 |
| Year-to-Date Total | \$676,406 | \$703,442 | \$671,904 | \$661,859 | \$890,386 |
| November | 764,578 | 893,442 | 758,231 | 774,838 | |
| December | 644,727 | 707,339 | 602,230 | 647,119 | |
| January | 626,702 | 660,623 | 594,761 | 693,114 | |
| February | 977,610 | 955,889 | 898,241 | 978,890 | |
| March | 599,437 | 602,464 | 618,659 | 646,308 | |
| April | 598,138 | 616,560 | 601,410 | 641,310 | |
| May | 824,194 | 793,424 | 814,964 | 948,413 | |
| June | 656,884 | 653,711 | 612,963 | 741,634 | |
| July | 684,703 | 598,036 | 660,806 | 749,767 | |
| August | 864,311 | 799,090 | 829,188 | 1,013,393 | |
| September | 723,753 | 653,828 | 649,391 | 799,173 | |
| FY TOTAL | <u><u>\$ 8,641,443</u></u> | <u><u>\$ 8,637,848</u></u> | <u><u>\$ 8,312,748</u></u> | <u><u>\$ 9,295,819</u></u> | <u><u>\$ 890,386</u></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 revenue based upon the month the sales tax is paid by the vendor in accordance with GASB 33 requirements.

3.4

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: November 8, 2011

PROJECT: Annual Reports for FY11

STAFF: Richard Burdine, CEO

GENERAL INFORMATION

Since 1990, the DCOA has contracted with the Abilene Industrial Foundation (AIF) for promotion and marketing services for Abilene and the immediate vicinity. In addition, the AIF contracts separately with Richard J. Liedl, PC and Team Concepts, consultants in the Washington D.C. area who perform activities in pursuit of retention of the existing level of operations at Dyess Air Force Base and possible expansion of missions.

The DCOA began partial funding of the Airport Business Development Management Program in FY02. The Airport Master Plan recommends pursuit of a marketing program that will help the airport build activity within its business segments.

The Texas Tech University Small Business Development Center (SBDC) has also contracted with the DCOA since 1990, providing business counseling services to clients in a 17-county region, free-of-charge.

SPECIAL CONSIDERATIONS

The FY11 contracts expired 9-30-11, and the DCOA approved funding for new FY12 contracts. Attached are reports covering activities during FY11 through 9-30-11.

FUNDING/FISCAL IMPACT

None.

STAFF RECOMMENDATION

Staff recommends the board approve the attached reports.

ATTACHMENT

Abilene Industrial Foundation FY11 Year-End Progress Report, 10/10 through 9/11
Abilene Regional Airport's FY11 End of Year Report
Texas Tech Small Business Development Center-Abilene Fiscal Year 2011 Annual Report



Develop Abilene

Abilene Industrial Foundation

Abilene Industrial Foundation, Inc.
P.O. Box 2281, Abilene, Texas 79604
174 Cypress Street, Suite 300
Abilene, Texas 79601
Tel.: 325/673-7349
800/299-0005
Fax: 325/673-9193
Website: www.developabilene.com

November 1, 2011

Mr. Richard Burdine
Assistant City Manager
City of Abilene
P. O. Box 60
Abilene, TX 79604

Dear Richard:

In accordance with the terms of the Development Corporation of Abilene contract with the Abilene Industrial Foundation, the following year-end progress report is submitted for the period of October 1, 2010 to September 30, 2011 inclusive.

This report covers all categories listed in the AIF Marketing Plan. A brief summary of the data is as follows:

Marketing Budget..... \$140,000.00
Spent to Date..... \$106,059.76*

| | 10/10 thru 3/11 | 4/11 thru 9/11 | 10/10 thru 9/11 |
|---------------------------------|-----------------|----------------|-----------------|
| Leads Received | 42 | 30 | 72 |
| Leads AIF Responded to | 18 | 14 | 32 |
| Prospect Visits to Abilene | 23 | 7 | 30 |
| Prospect Files Opened | 3 | 1 | 4 |
| Retention Visits | 41 | 44 | 85 |
| Retention/Expansion Luncheon | 46 | 49 | 95 |
| Visits to Consultants/Prospects | 37 | 52 | 89 |

*preliminary figures

The economy continues to be a challenge for economic development activities. We continued to focus on SPEC 3 advertising and promotion and marketing opportunities and trade show activities that fall in line with our targeted industry strategy. We remained focused on consultant activities and continued to find success in activities such as sporting events and site visits to see consultants. These events continue to be successful in building relationships to foster future leads and prospects.

The attachments include a year-end marketing summary as well as marketing and retention activities conducted during the period.

If you have any questions, we will address them at the monthly DCOA meeting.

Sincerely,

William J. Ehrie, CEcD
President

cc: Kim Tarrant
Gary Robinett, AIF Director of Marketing and Industrial Recruitment

Enclosures

Abilene Industrial Foundation
FY 10-11 Year-End Marketing Summary
April 1, 2011 – September 30, 2011

ADVERTISEMENTS PLACEMENT

- Total advertisement submissions – 9
- Total advertisement placement costs – \$11,430.39* (preliminary)

LEAD ACTIVITY

- Leads received from all sources – 30
- Leads AIF responded to – 14

PROSPECT ACTIVITY

- Prospects visits to Abilene – 7
- New prospect files opened – 1

WEBSITE & ELECTRONIC MARKETING

- E-Newsletter distributions – 536
- E-Newsletter costs – \$0
- Website/electronic marketing changes & enhancements – \$0
- Texas Economic Development Directory hits to website – 634

TRADE SHOW / CONFERENCE ACTIVITY

- AWEA WINDPOWER 2011 – Anaheim, CA
- TEDC Summer Conference – Abilene
- IEDC Annual Conference – Charlotte, NC
- Pack Expo – Las Vegas

CONSULTANT / RETENTION / EXPANSION ACTIVITY

- Visits with Consultant/Prospect – 52
- Manufacturers Luncheon (4/11) – 49

MARKETING VIDEOS

- 1 – Dyess DVD – update \$10,000.00

EXISTING BUSINESS ACTIVITY

- Retention Visits – 44

Abilene Industrial Foundation
Marketing & Retention Activities
April 1, 2011 – September 30, 2011

- Monthly updates of all printed marketing/informational materials for Abilene General Information File, including Economic Indicators, Labor Market Review, Cost of Living, Building Permits, Wage Surveys, Sales & Use Tax, Living Units Available, etc.
- Commercial Property Snapshot – updates
- Hosted Manufacturer Luncheon
- Development and update of current building inventory materials
- Development and preparation of individual prospect packages
- Hosting of prospect visits to Abilene including tours to specific sites
- Visits to Site Selection Consultants – Dallas/Ft. Worth
- Hosted Consultant Events
 - April Yankees v. Rangers game
 - August Red Sox v. Rangers game
- Trade Show attendance
 - WINDPOWER 2011 – Anaheim, CA
 - Pack Expo – Las Vegas
- Conference attendance
 - TEDC Summer Conference – Abilene
 - IEDC Annual Conference – Charlotte, NC
- Texas Midwest Community Network
 - Executive Committee Board Member and Council Meetings
 - Economic Development Alliance Board Member and Alliance meetings
 - Economic Development Alliance Dinner & Conversation

| Category | Allocation | 10/1/10 to 3/31/11 | 4/1/11 to 9/30/11 | YTD |
|---------------------------------|----------------------|---------------------------|--------------------------|----------------------|
| Advertisements (1) | \$ 35,000.00 | \$ 15,305.25 | \$ 11,430.39 | \$ 26,735.64 |
| Internet (2) | \$ 4,000.00 | \$ 468.80 | \$ - | \$ 468.80 |
| Marketing Material (3) | \$ 10,000.00 | \$ 2,107.50 | \$ 11,386.60 | \$ 13,494.10 |
| Trade Show/Conferences (10) | \$ 45,000.00 | \$ 8,755.75 | \$ 24,748.79 | \$ 33,504.54 |
| Site Consultant Activity (12) | \$ 35,000.00 | \$ 16,808.66 | \$ 8,552.47 | \$ 25,361.13 |
| Newsletter Mailings(13) | \$ 2,000.00 | \$ 333.53 | \$ - | \$ 333.53 |
| Existing Business Activity (14) | \$ 5,000.00 | \$ 1,660.96 | \$ 1,681.56 | \$ 3,342.52 |
| Contingency | \$ 2,000.00 | \$ - | \$ - | \$ - |
| Public Awareness Campaign (8) | \$ 2,000.00 | \$ 1,415.50 | \$ 1,404.00 | \$ 2,819.50 |
| Total | \$ 140,000.00 | \$ 46,855.95 | \$ 59,203.81 | \$ 106,059.76 |

**Abilene Regional Airport's
FY 2011 End of Year Report
To
Development Corporation of Abilene**

The Business Development Management program continues to work to increase airline passenger enplanements, improve air carrier service and encourage economic growth for the airport. As the national recession has deepened and wind farm construction has temporarily ceased, the airport saw a drop in passenger activity and, therefore, a drop in activities associated with serving passengers throughout FY10, but we started seeing small improvements in 1QFY11 that have continued through now. We believe the more visible marketing campaign, including TV and radio ads, is having its intended effect of getting people to consider Abilene Regional Airport first when making flight reservations and will help us recover some of our lost passenger base.

Abilene Regional Airport appreciates the continued assistance received from DCOA, supporting our goal of improving air service and growing our customer base.

FY11 YTD Business Development Activity

Business Development activities have been and will continue to make community outreach through speaking engagements to various civic organizations a priority, focusing on the advantages of flying from Abilene versus driving to another airport. Presentations made during these engagements highlight the operations of the airport, construction updates, air service needs and fare comparisons.

We will continue to stay in contact with our regional community leaders and make ourselves available to speak at various events.

Presentations/Events this year include:

| | |
|--------------|---------------------------------------------------|
| October 6 | Attended Sweetwater Chamber of Commerce Coffee |
| October 20 | TMCN Annual Conference Booth |
| January 21 | Brownwood Chamber Luncheon Door Prize Sponsorship |
| March 15 | Stamford Rotary Presentation |
| March 18 | Brownwood Chamber Luncheon |
| March 23 | Abilene Chamber Business Expo Booth |
| April 14 | Brownwood Chamber Banquet |
| June 10 | Sweetwater Chamber Member Appreciation Luncheon |
| July 20 | Association of Independent Business Owners |
| September 26 | Sweetwater Chamber Annual Banquet |

Passenger Appreciation Days are hosted by the airport and sponsored by local businesses, providing free drinks, cookies, donuts, etc. for departing passengers.

November 19 – sponsored by Hilton Garden Inn

February 20 – sponsored by Gourmet Gurlz Personal Chef

August 23 – sponsored by Hilton Garden Inn

Network USA

Airport staff attended this conference with airlines and met individually with three prospective airlines and American Eagle to discuss future service. This meeting was included in the FY11 DCOA contract with the airport.

Marketing the Airport

Television

We have continued to reach out to our catchment area with television advertising. We have aired commercials comparing the cost of driving to DFW to flying out of Abilene and promoting the ABI-VIP Passenger Rewards Program.

Commercials aired with KRBC, KTAB, KTXS, FOX, and Suddenlink in programs that have high viewership in our target demographics.

Radio

Radio stations running audio spots include Gap Broadcasts: KEAN 105, KULL 92.5 the Mix, KEYJ Rock 108, KFGL True Oldies, KSLI Talk Abilene, and KYYW Classic Country; Cumulus Broadcasts: KBCY The Best Country, KHXS The Bear, KCDD Power 103, and KTLT 98X as well as ACU's KACU.

Newspaper

ARN – Video Big Box on News Page of ARN Website and on YAHOO local home page. Mobile Phone App ad in News Section with Airport landing page, link to website, directions and contact info.

Sweetwater News Website – Internet Banner Ad

ARN Progress – print ad

Brownwood Bulletin – Progress Edition print ad

Social Media

Our website has been updated and now offers a fare watcher, which constantly features real-time discount fares from Abilene to various destinations.

This year we focused on driving passengers to our website for information.

www.abilenetx.com/airport

The airport now has a presence on Twitter that is primarily used for flight diversion and delay updates, but may have future marketing/promotional applications.
www.twitter.com/cityofabilene

As of February 23, the airport has a Facebook page that we can utilize to communicate with our passengers and the general public. www.facebook.com/abileneairport

Print Ads

We have ads in the following publications:

ACU & HSU Directories
Diamond Back Golf Course Guide
Artfully Abilene
Abilene Living
Abilene Chamber of Commerce Directory

Outdoor Billboards

This year we added outdoor billboards into our marketing plan. We currently have signs in 5 locations:

Eastland County on I-20
Coleman County on US 84
McCullough County on US 377N
Brown County on HWY 279N and on US 67

Sponsorships

We have made efforts to connect with the community and increase top of mind awareness by sponsoring various events last year and will continue to do so this year as follows:

Center for Contemporary Arts – ArtWalk Sponsor
The Grace Museum – Exhibit Sponsor
Buffalo Gap Historic Village – Erinshire Festival Sponsor
Abilene Philharmonic Association – Program Sponsor
Abilene Zoo – Boo at the Zoo Sponsor

Partnerships

ACU – Airport has a presence on campus with a sign at the Moody Coliseum entrance. We also have had a web presence with ads on the Sports Live Stats page.

Abilene Ruff Riders – Airport sponsors a “promo time-out” at every home game and has a full-page ad in the programs.

Special Programs

The **ABI-VIP Passenger Rewards Program** started January 1, 2009. Rewards are donated by local businesses and are mailed to passengers after flying out of Abilene Regional Airport 2 times. Currently, there are approximately 1080 passengers registered

in the program. The local businesses have been very responsive in donating rewards and we have received positive feedback from our passengers.

The program's objectives are to grow customer loyalty and develop a database of passenger information, giving them the opportunity to subscribe to email communications. We have utilized this database to survey our most frequently flying passengers to determine destinations and flight preferences.

Enplanements:

Enplanements for the Calendar Year 2010 were down 7.44%

4th Quarter 2010 – enplanements were up 1.45%

1st – 3rd Quarters 2011 – enplanements are up 11%

Revenues:

Major revenue sources to the airport are the car rental concessions and the parking lot.

Rental Car Revenue is down 7.38% YTD.

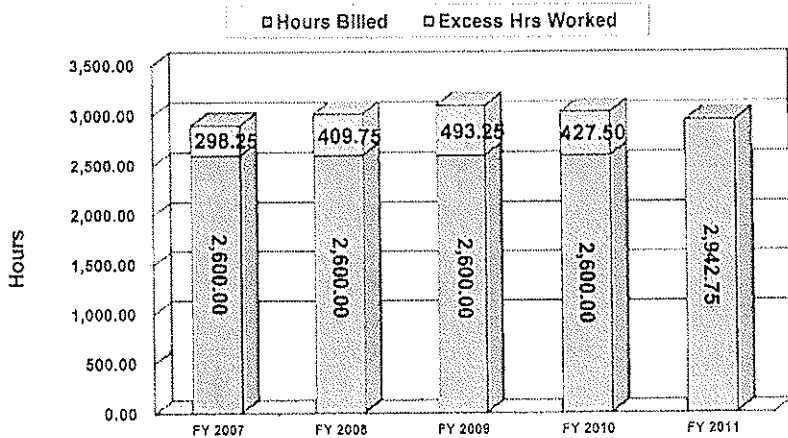
Parking lot revenue is up .72% YTD.

Business Development Outlook:

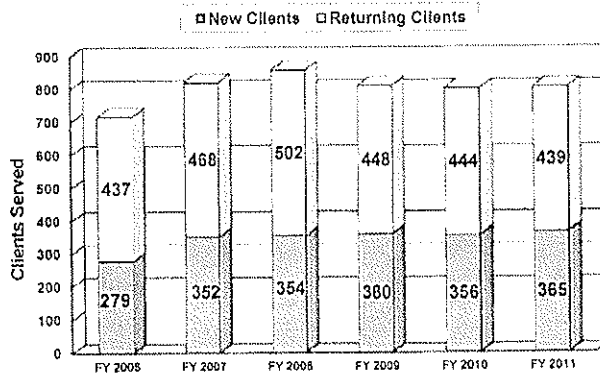
The effects of high fuel prices are going to contribute to airlines' reluctance to expand this year across the country. However, we are optimistic that a near-term opportunity exists for future growth and we want to be positioned to take advantage of that opportunity when it comes.

Texas Tech Small Business Development Center Abilene Fiscal Year 2011 Annual Report Updated All Actual Data

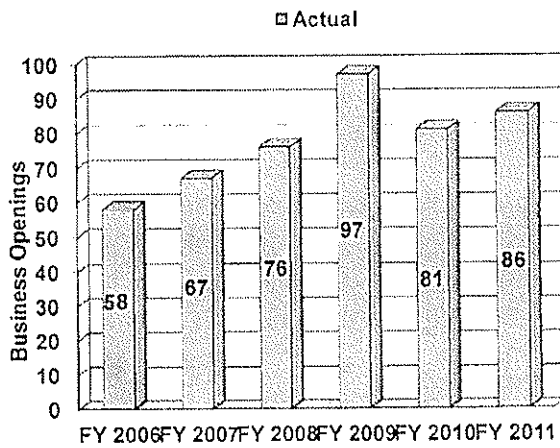
SBDC Hours of Work for DCOA



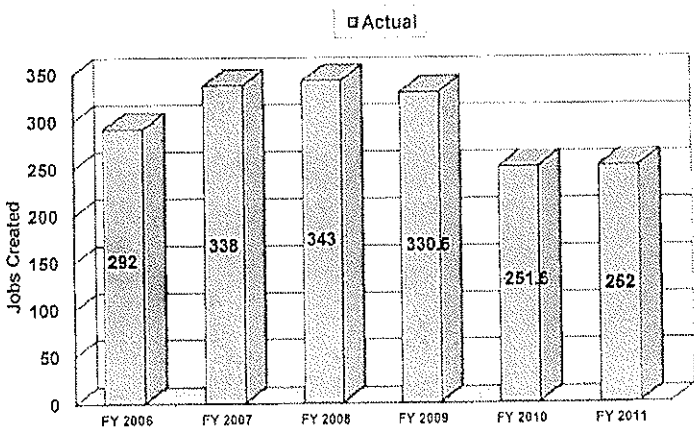
New/Returning Clients: All Races/Ethnicity



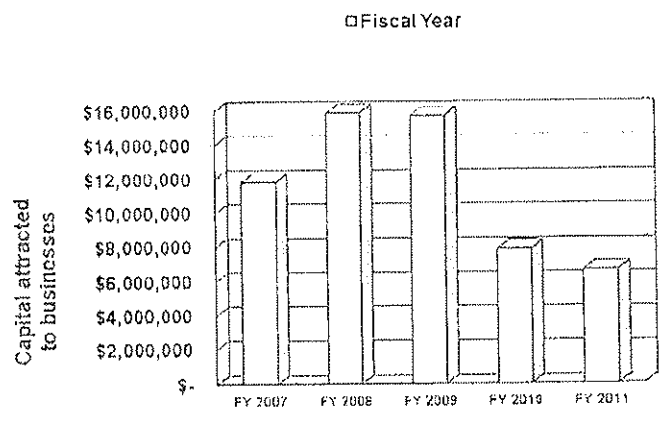
SBDC-Assisted Business Openings



SBDC-Assisted Jobs Created



Capital Formation





Analysis of New Abilene Businesses Number Opened as % of Number Proposed (by NAICS code)

| 2-Digit NAICS Code | Category Name | Client | New Businesses Opened | % Opened to Proposed |
|--------------------|--------------------------------------------------|--------|-----------------------|----------------------|
| 22 | Utilities | 2 | 2 | 100.0% |
| 61 | Educational Services | 22 | 9 | 40.9% |
| 54 | Professional, Scientific, and Technical Services | 114 | 38 | 33.3% |
| 62 | Health Care and Social Assistance | 71 | 23 | 32.4% |
| 44 | Retail Trade | 298 | 79 | 26.5% |
| 51 | Information | 57 | 15 | 26.3% |
| 21 | Mining, Quarrying, and Oil and Gas Extraction | 8 | 2 | 25.0% |
| 23 | Construction | 88 | 21 | 23.9% |
| 56 | Administrative and Support | 82 | 18 | 22.0% |
| 72 | Accommodation and Food Services | 150 | 32 | 21.3% |
| 48 | Transportation and Warehousing | 38 | 8 | 21.1% |
| 81 | Other Services (except Public Administration) | 237 | 49 | 20.7% |
| 71 | Arts, Entertainment, and Recreation | 100 | 19 | 19.0% |
| 53 | Real Estate and Rental and Leasing | 48 | 9 | 18.8% |
| 42 | Wholesale Trade | 16 | 3 | 18.8% |
| 31 | Manufacturing | 63 | 10 | 15.9% |
| 11 | Agriculture, Forestry, Fishing, and Hunting | 12 | 1 | 8.3% |
| 52 | Finance and Insurance | 28 | 2 | 7.1% |
| 57 | Waste Management and Remediation Services | 1 | 0 | 0.0% |
| 92 | Public Administration | 0 | 0 | 0.0% |
| 55 | Management of Companies and Enterprises | 0 | 0 | 0.0% |
| Totals | | 1,435 | 340 | 23.7% |

These are the New Clients served by Texas Tech SBDC at Abilene for the four fiscal years 2008 through 2011. Businesses Opened are only those which the SBDC could definitely document.

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: November 8, 2011

PROJECT: Broadwind Towers (f/k/a Tower Tech Systems, Inc. dba Texas TTSI) Amended Assistance

STAFF: Richard Burdine, CEO

THE COMPANY

Broadwind Towers, formerly known as Tower Tech Systems, Inc. dba Texas TTSI, Inc. is based in Manitowoc, Wisconsin. Broadwind also owns Broadwind Services, formerly Energy Maintenance Services, a wind turbine blade repair and gearbox refurbishment/repair operation in the former Lockheed plant.

In 2008, the DCOA approved resolution DCOA-2008.14 authorizing an assistance package for Broadwind Towers in the total amount of \$3,816,250 in direct incentives for job creation of 150 and capital investment of \$20+ million for construction of a new manufacturing plant in the Five Points Business Park and equipment purchases. The package also includes indirect incentives totaling about \$911,250 for job training through the Fast Track Welding Training program, conveyance by the DCOA of 41.6 acres on Arnold Blvd. (north of PWP Industries), and rail service to the south boundary of the new construction site.

Broadwind Towers experienced higher than expected construction costs, due in large part to the topography of the land and their need for a large, compacted surface to store wind turbine towers. In late 2008, the DCOA approved an additional \$700,000 for capital investment incentive paid at 10% of the company's actual cost, which was around \$27.5 million. Construction was completed in early 2009, and two Fast Track Welding training sessions were held in 2008 and early 2009.

Below is a summary of the assistance package approved in 5/08 and amended in 10/08:

Direct Incentives

1. Job Creation Incentive - \$1,816,250 for the creation of 150 new jobs paid out over 5 years with 70% of the jobs expected to pay from \$40,000 to \$50,000/year. **Paid two years through 10/10 totaling \$456,474.**
2. Capital Investment Incentive - \$2,700,000 paid in arrears to the company over 5 years at 10% of actual capital costs in an amount not to exceed \$540,000/year upon receipt by the DCOA of invoices evidencing the company's investment in construction and purchase of equipment. **Paid three years totaling \$1,620,024.**

Indirect Incentives

1. Training Incentive - \$75,000 to expand the Fast Track Welding Training program through Cisco College to meet the company's needs in the first year of operation. Students trained through the program could work for Broadwind Towers or any other company. **Paid \$70,225 for two Fast Track Welding training sessions.**

2. Land and Rail Service Incentives - \$236,250 to extend rail service to the south boundary of the new site and conveyance of 41.6 acres of land in the Five Points Business Park with an estimated value of \$600,000. **Paid all \$236,250 for rail spur. Company has earned \$360,000 of the \$600,000 forgivable land note.**

THE PROJECT

FTE counts reported by the company were 101 through 10/09 and 98 through 10/10. Due to the economic downturn, the company experienced layoffs and furloughs of employees. The company recently signed a contract with Caterpillar (CAT) to manufacture masts for heavy oilfield trucks used in this area. CAT is interested in sourcing as much of the production in the Abilene area as possible. This new opportunity has proven beneficial for both parties and could end up being 50% of Broadwind Tower's business. The company currently has 25 employees, but needs to add about 97 welders to fulfill the contract with CAT and to fulfill 2012 tower orders. So far, the company has spent \$91,452 to prepare the plant for this new production, which requires a higher welding skill level than is required for tower manufacturing; \$19,183 for welding equipment, \$17,696 for tools, and \$54,573 for steel to build a production line for the masts.

The immediate need is for funds to train 15 current and returning employees for the advanced welding skills required. The training can begin as soon as this week and will be conducted by TSTC, which will hire a Broadwind employee to conduct the training. Future training will be conducted in early 2012 through Cisco College via the Fast Track Welding training program. Broadwind Towers will have input in the curriculum; however, the training will help fill the welder void experienced by other local manufacturers when employees left to work for oil and gas companies. Staff will return to the board soon with a request to fund additional Fast Track Welding training sessions as well as an expansion of the in-house training program for Broadwind Towers.

The company hasn't been able to hire the number of employees originally anticipated because of the economic downturn, so there is more DCOA funding set aside for job creation than will be needed. Staff proposes the board reallocate \$20,500 of those funds to be used instead for the immediate welder training need described above.

FISCAL IMPACT

No new funds. Reallocation of \$20,500 from job creation incentive funds to advanced welder training.

STAFF RECOMMENDATION

Staff recommends approval of resolution DCOA-2012.02 authorizing a reallocation of job creation incentive funds for Broadwind Towers of \$20,500 to be used instead for advanced welder training for current and returning employees.

ATTACHMENTS

Resolution DCOA-2012.02

Advanced Welding Course description

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RESOLUTION NO. DCOA-2012.02

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. ("DCOA"), ABILENE, TEXAS AUTHORIZING AMENDED FINANCIAL ASSISTANCE FOR BROADWIND TOWERS (F/K/A TOWER TECH SYSTEMS, INC. DBA TEXAS TTSI, INC.) ("BT").

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

WHEREAS, BT is a manufacturer of utility-scale wind tower, monopole and wind turbine structures and assembly located in the Five Points Business Park on Arnold Blvd.; and,

WHEREAS, in 2008, the DCOA approved resolution DCOA-2008.14 authorizing an assistance package for BT in the total amount of \$3,816,250 in direct incentives for job creation of 150 and capital investment of \$20+ million for construction of a new manufacturing plant and equipment purchases; and,

WHEREAS, the package also includes indirect incentives totaling about \$911,250 for job training through the Fast Track Welding Training program, conveyance by the DCOA of 41.6 acres on Arnold Blvd. (north of PWP Industries), and rail service to the south boundary of the new construction site; and,

WHEREAS, in late 2008, the DCOA approved an additional \$700,000 for capital investment incentive paid at 10% of the company's actual cost, which was around \$27.5 million. Construction was completed in early 2009, and two Fast Track Welding training sessions were held in 2008 and early 2009; and,

WHEREAS, the company recently signed a contract with Caterpillar (CAT) to manufacture masts for heavy oilfield trucks used in this area, which has proven beneficial for both parties and could end up being 50% of Broadwind Tower's business; and,

WHEREAS, the immediate need is for funds to train 15 current and returning employees for the advanced welding skills required to fulfill the CAT contract and to fulfill 2012 tower orders; and,

WHEREAS, the company hasn't been able to hire the number of employees originally anticipated because of the economic downturn, so there is more DCOA funding set aside for job creation than will be needed. Staff proposes the board reallocate \$20,500 of those funds to be used instead for the immediate welder training.

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

PART 1. DCOA authorizes the reallocation of assistance originally approved for job creation for Broadwind Towers in 2008 in an amount up to Twenty Thousand Five Hundred and no/100's Dollars (\$20,500) to instead be used for advanced welder training for current and returning employees. All other assistance as outlined in the Agreement for Financial Assistance and Addendum A shall remain unchanged.

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 8th day of November, 2011.

ATTEST:

Marelyn Shedd
Secretary/Treasurer

Paul Cannon
President

APPROVED:

T. Daniel Santee, City Attorney

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Broadwind Towers and Heavy Industries

Advanced Course – Flux Cored Arc Welding (FCAW); Gas Metal Arc Welding (GMAW); Shielded Metal Arc Welding (SMAW)

1. Class Times, Location
 - a. Broadwind Towers and Heavy Industries
 - i. M-Thurs. 6a-430p
 - ii. 1126 N. Arnold Blvd
2. Individuals will be pre-screened by partner; will be interviewed by Broadwind Towers Human Resource department.
 - a. Background check
 - b. Drug screen
3. Equipment:
 - a. Will be supplied by partner – 5 Lincoln 655 power supplies, equivalent brand or larger capacity will be acceptable. It is preferable that they be set up on booms...not mandatory.
4. FCAW Course Description: An overview of terminology, safety procedures, and Equipment Practice in performing T-joints, lap joints, and butt joints using self-shielding and dual-shield electrodes.
5. Learning Outcomes:
 - a. Describe and demonstrate equipment safety checks.
 - b. Identify Flux Cored Arc Welding (FCAW) equipment parts.
 - c. Describe and demonstrate running a continuous bead in the flat position.
 - d. Describe and demonstrate the procedures for welding a butt joint, a T-joint, a lap joint, and an outside corner joint in the flat, horizontal, and overhead positions.
 - e. Describe and demonstrate the procedures for making and open butt v-groove weld.
6. GMAW Course Description: Emphasis placed on power sources, electrode selection, oxy-fuel cutting, and various designs. Instruction provided in SMAW fillet welds in various positions.
7. Learning Outcomes:
 - a. Describe welding positions with various joint designs on plate. Weld various types of structural material.
 - b. Describe the effects of welding parameters in GMAW.
 - c. Apply safety rules.
 - d. Troubleshoot equipment and diagnose welding.
 - e. Perform visual inspection.
8. SMAW Course Description: Emphasis placed on power sources, electrode selection, oxy-fuel cutting, and various designs. Instruction provided in SMAW fillet welds in various positions.
 - a. Select electrodes and amperages settings for various thicknesses of materials and welding positions.
 - b. Define the principle of arc welding.

- c. Explain electrode classifications.
 - d. Perform SMAW operations in various positions using selected electrodes and different joint designs.
- 9. Blueprint Reading for Welders: A study of industrial blueprints. Emphasis placed on terminology, symbols, graphic description, and welding processes. Includes systems of measurement and industry standards. Also includes interpretation of plans and drawings used by industry to facilitate field application and production.
 - a. Define terms and abbreviations
 - b. Identify and explain object views, lines, and dimensions
 - c. Identify, explain, and interpret weld symbols
 - d. Identify structural shapes
 - e. Read and Interpret blueprints
 - f. Read welding detail drawings
- 10. Supplies/PPE:
 - a. Safety glasses, Steel toe shoes, welding gloves, welding helmet, welding jacket, chipping hammer, wire brush, clear lenses for welding hood.