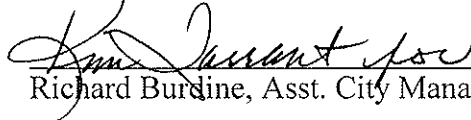


PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, March 13, 2012, 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

March 13, 2012
1:30 p.m.

Abilene Life Sciences Accelerator
1325 Pine St.

1. Call the meeting to order.
2. Approval of minutes from the February 27, 2012, board meeting.
3. Sales tax for March 2012 and Status of Funds report for January 2012.
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 authorization for the President to sign a letter in support of an application to the Cancer Prevention and Research Institute of Texas for a Texas Life Science Incubator Infrastructure Award for the Abilene Life Sciences Accelerator.

6. Discussion and possible approval of a resolution authorizing contracts and funding for interior demolition work and other costs associated with 4109 Vine St.
7. Adjournment.

CERTIFICATE

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of Abilene, Texas, on the _____ day of _____, 2012, 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
FEBRUARY 27, 2012**

MEMBERS PRESENT: Mike Schweikhard Dani Ramsay
Marelyn Shedd Scott Senter

MEMBER ABSENT: Paul Cannon

STAFF PRESENT: Richard Burdine Kim Tarrant
Dan Santee

GUESTS PRESENT: Brennan Peel, Abilene Reporter-News
David Sougstad, ETI/ALSA
Marc Gustafson, KTAB TV

1. **CALL TO ORDER.** Vice President, Mike Schweikhard called the meeting to order at 1:47 p.m. in the conference room of the Abilene Life Sciences Accelerator, 1325 Pine Street, Abilene, Texas.
2. **APPROVAL OF MINUTES FROM THE FEBRUARY 14, 2012 BOARD MEETING.** Scott Senter moved to approve the minutes from the February 14, 2012 board meeting. The motion was seconded by Marelyn Shedd and passed by unanimous consent. (Dani Ramsay was not yet present).
3. **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.

Vice President Mike Schweikhard announced the date is February 27, 2012, and the time is 1:49 p.m. (Dani Ramsay joined the meeting at 2:15 pm) Marelyn Shedd dismissed herself from discussions about Smith Pipe and returned to the room when those discussions were over. Mr. Schweikhard later announced the date is still February 27, 2012, and the time is 3:35 p.m. No vote or action was taken in Executive Session.

4. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR BRIDGESTONE BANDAG, LLC DBA BANDAG.** Bandag has been located in Abilene since 1971. After a merger in 2007 Bandag, Inc. became a limited liability company with a new corporate name, Bridgestone Bandag, LLC. The Abilene plant manufactures tire retreads that perform like new tires at a fraction of the price, with specialized tread patterns that match up with any terrain, and next-generation compounds that resist wear and tear.

The DCOA has assisted Bandag several times since 2004 with plant expansion, job creation, equipment upgrade grants, training grants, real estate purchase and improvements, and real estate financing. Bandag is now requesting the DCOA assist with a 40,000 sq ft expansion of its Site 1 facility and addition of a weekend crew (11 new jobs) to accommodate the additional capacity. They will invest \$1.5 million in construction and retain at least 134 FTEs.

Staff recommends an assistance package totaling \$315,300 as follows: 1) up to \$165,300 as job creation incentive for the creation of 11 new jobs and retention of 134 FTEs, to be disbursed over three years; and 2) up to \$150,000 capital investment incentive paid at 10% of actual costs over three years, not to exceed \$50,000/year.

A motion was made by Marelyn Shedd to approve Resolution No. DCOA-2012.13 as presented. Scott Senter seconded and the motion carried.

5. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING AMENDED ASSISTANCE FOR PHASES 1, 2 AND 3 EXPANSIONS FOR SMITH PIPE. Smith Pipe is a local company founded in 1983. The company offers a variety of services and products that include operating drilling rigs and well service units, as well as manufacturing new storage tanks and pressure vessels.

The current assistance packages from the DCOA to Smith Pipe total \$1,677,158 as follows: \$941,668 as job creation incentives and \$735,490 as capital investment incentives for expansion Phases 1, 2 and 3. The company's Phase 3 capital investment has increased by \$120,000 from the original estimate of \$2,087,900 to \$2,207,900. Smith Pipe requests the DCOA revise the existing assistance package for all three phases by increasing the capital investment incentive for Phase 3 by \$12,000 and eliminating the job creation incentives completely for all three phases. In exchange for waiving the future job creation incentives, the company requests the DCOA advance the capital investment incentives for Phases 2 and 3 under separate notes receivable upon completion of construction.

Staff recommends revising previously approved assistance packages for Phases 1, 2 and 3 as described above, eliminating the job creation incentive for all 3 phases (totaling \$941,668) and increasing Phase 3 capital investment incentive by \$12,000. Also proposed is advancing Phases 2 and 3 capital investment incentives under separate notes at 0% interest secured by a letter of credit, with principal balances being forgiven over 3 years in equal annual amounts. The net financial effect is a reduction in total assistance for all three phases by \$929,668.

Scott Senter moved to approve Resolution No. DCOA-2012.14 as presented. Dani Ramsay seconded the motion. Motion passed. Marelyn Shedd abstained from voting.

6. DISCUSSION AND POSSIBLE APPROVAL OF A CONTRACT AND FUNDING FOR FIRE SUPPRESSION IMPROVMENTS & OTHER COSTS ASSOCIATED WITH 4109 VINE ST.

Coker Engineering from Keller, TX was contracted in January 2012 to design a new dry pipe fire suppression system for Warehouses C & D and the offices at 4109 Vine St. On February 24, 2012, staff received two bids from contractors using Coker's design specs to entirely replace the fire suppression system in Warehouses C & D and to install sprinkler heads in the office area in anticipation of occupancy. The two bids received were from The CFP Group (\$435,151.01) and Automatic Fire Protection (\$452,872.00).

Asbestos containing material was identified in the insulated ceiling panels of the refrigerator and freezer warehouse sections. They must be removed prior to replacing the fire suppression system; however, the bids received represent a substantial mark-up for removing and disposing of the panels. To reduce the cost and time to construct the new system, staff recommends the two bids be rejected and the project re-bid once the panels and other obstructions in the warehouses are removed.

A revised memo was handed to the board members, which changed staff's request for funding other related items. Staff requests the board ratify an engineering services agreement with Coker Engineering and approve funding of \$6,400 (\$4,900 for basic services and \$1,500 for additional

services). Also requested is a contract with Jacob & Martin and funding of \$19,800, plus \$5,500 for reimbursables and additional services, to prepare construction documents showing alterations required to satisfy TAS (Texas Accessibility Standards) for building access and restrooms and compliance with building codes.

A motion was made by Scott Senter to reject both bids received for replacing the fire suppression system, ratify the contract with Coker Engineering and approve funding of \$6,400, plus approve funding of \$25,300 and a contract with Jacob & Martin as outlined above. Dani Ramsay seconded and the motion passed. (Marelyn Shedd left before the vote at 3:50 pm).

- 7. ADJOURNMENT.** The next regularly scheduled meeting is March 13th. There being no further business, the meeting was adjourned.

Mike Schweikhard, Vice President

MEMORANDUM

March 7, 2012

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

The sales tax rebate for March is \$2,928,754.18 which represents January sales. This is 13.29% above last year. The breakdown of the March rebate is \$2,196,565.64 to the General Fund and \$732,188.54 for economic development. Of this rebate, \$60,958 is from prior periods, audit payments, future payments, and unidentified payments. Based on this rebate, sales tax is 23.34% above last year for the period of October through March. 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, Deputy 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
November	2,324,513.46	774,837.82	3,099,351.28	2,894,423.44	964,807.81	3,859,231.25
December	1,941,356.20	647,118.73	2,588,474.93	2,175,827.99	725,276.00	2,901,103.99
January	2,079,342.18	693,114.06	2,772,456.24	2,823,199.08	941,066.36	3,764,265.44
February	2,936,669.76	978,889.92	3,915,559.68	3,527,637.94	1,175,879.31	4,703,517.25
March	1,938,924.19	646,308.06	2,585,232.25	2,196,565.64	732,188.54	2,928,754.18
YTD	<u>\$13,206,381.92</u>	<u>\$4,402,127.30</u>	<u>\$17,608,509.22</u>	<u>\$16,288,811.93</u>	<u>\$5,429,603.96</u>	<u>\$21,718,415.89</u>
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	<u>\$27,887,455.87</u>	<u>\$9,295,818.61</u>	<u>\$37,183,274.48</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.

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%
November	774,838	964,808	24.52%
December	647,119	725,276	12.08%
January	693,114	941,066	35.77%
February	978,890	1,175,879	20.12%
March	646,308	732,189	13.29%
YTD	<u>\$4,402,127</u>	\$5,429,604	23.34%
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 March '12 represents January '12 sales. Approximately \$15,239 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
November	764,578	893,442	758,231	774,838	964,808
December	644,727	707,339	602,230	647,119	725,276
January	626,702	660,623	594,761	693,114	941,066
February	977,610	955,889	898,241	978,890	1,175,879
March	599,437	602,464	618,659	646,308	732,189
Year-to-Date Total	<u>\$4,289,460</u>	<u>\$4,523,199</u>	<u>\$4,144,027</u>	<u>\$4,402,127</u>	<u>\$5,429,604</u>
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>\$ 5,429,604</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.

CITY OF ABILENE, TEXAS

DEVELOPMENT CORPORATION OF ABILENE, INC.

Balance Sheet
January 31, 2012

ASSETS:

Cash and Investments	\$13,883,554
Notes receivable	15,543,926
Accounts receivable	35,292
Due from other governments	1,427,749
Total Current Assets	<u>\$30,890,521</u>

OTHER ASSETS:

Fixed assets	\$39,567,941
Accumulated depreciation	(5,993,881)
Total Other Assets	<u>33,574,060</u>

TOTAL ASSETS

\$64,464,581**LIABILITIES:**

Vouchers payable	\$42,940
Total Liabilities	<u>\$42,940</u>

FUND BALANCES:

Investment in general fixed assets	\$33,574,060
Reserved for contractual obligations(external)	17,169,385
Reserved for obligated programs(internal)	1,478,827
Undesignated Balance	12,199,369
Total Fund Balance	<u>\$64,421,641</u>

TOTAL LIABILITIES AND FUND BALANCES

\$64,464,581**FIXED ASSETS:**

	<u>Original Cost</u>	<u>Improvements</u>	<u>Depreciation</u>	<u>Total</u>
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
922 N. 13th Street	35,735			35,735
Buildings and Improvements:				
2601 Airport Blvd.	1,563,210	540,633	471,853	1,631,990
2809 Airport Blvd.	396,519	444,583	369,157	471,945
2841 Airport Blvd.	456,736	62,923	309,030	210,629
4002 Loop 322	1,290,916	2,384,892	1,536,343	2,139,465
Five Pts Bus Park	0	8,227,560	755,599	7,471,961
6450 Five Points Parkway	5,809,354	7,016,797	1,595,349	11,230,802
Grant Bldg 341 Pine	147,194	405,726	224,282	328,638
2742 Lance Dr. (EASI Storage)	2,527,408	9,987	379,844	2,157,551
4109 Vine St	583,524	180,855	108,220	656,159
4009 Vine St	583,524	0	87,529	495,995
Leasehold improvements	1,366,201		113,850	1,252,351
Equipment	116,660	0	24,814	91,846
Vehicle: 2005 Dodge Caravan	18,011	0	18,011	0
Construction in Progress		3,908,792		3,908,792
TOTAL FIXED ASSETS	<u>\$16,385,193</u>	<u>\$23,182,748</u>	<u>\$5,993,881</u>	<u>\$33,574,060</u>

DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ JANUARY 31, 2012

(MARCH, 1990)

Object	Beginning I-T-D Revenues	Current Month Revenues	Current FY Revenues	(MARCH, 1990) Ending I-T-D Revenues
REVENUE-TO-DATE				
City Sales Tax	\$ 137,410,600.66	\$ 936,282.62	\$ 3,503,091.66	\$ 140,913,692.32
Sales Tax Retained	452,331.95	4,783.74	18,444.45	470,776.40
Princ. - Loans & Assess	3,119,599.24	-	148,929.03	3,268,528.27
Int. - Loans & Assess	2,242,615.88	45.73	531.00	2,243,146.88
Interest on Investments	6,979,819.62	3,227.72	14,520.58	6,994,340.20
Land Lease	16,019.76	-	782.00	16,801.76
Building/Space Rent	6,368,901.57	95,929.37	309,898.16	6,678,799.73
Miscellaneous Federal	1,322,526.00	-	-	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	2,176,501.50	-	-	2,176,501.50
Miscellaneous Prior Year	27,720.38	-	-	27,720.38
Miscellaneous Revenue	991,664.20	6,502.06	6,968.41	998,632.61
Sale of Land	392,446.27	-	83,147.23	475,593.50
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
	\$ 169,965,938.90	\$ 1,046,771.24	\$ 4,086,312.52	\$ 174,052,251.42

DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ JANUARY 31, 2012

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	\$ 83,011,481.01	\$ -	\$ -	\$ 83,011,481.01		
Business Services Division	Div 2760	8,453,109.02	43,294.46	201,302.58	8,654,411.60	40,000.00
Life Sciences Property - Pine	Div 2765	1,110,106.57	34,853.41	359,002.42	1,469,108.99	-
DCOA Annual Contracts	Div 2775	2,462,356.75	20,757.85	275,459.75	2,737,816.50	-
Abilene Industrial Foundation	2775-62571	13,218,417.51	50,635.75	154,692.54	13,373,110.05	463,811.78
TTU Small Business Dev Cntr	2775-62572	2,851,327.30	12,750.00	41,193.75	2,892,521.05	208,806.25
Chamber Military Affairs	2775-62573	1,266,511.16	-	-	1,266,511.16	60,000.00
Airport Business Dev Mgr	2775-62574	753,217.55	12,896.79	33,934.97	787,152.52	-
Murf Systems	4998	199,665.00	-	-	199,665.00	-
EASI 04	5213	2,131,546.52	-	-	2,131,546.52	345,391.14
Fehr Food	5220	3,161,220.00	-	-	3,161,220.00	-
Bandag Building Improv	5228	8,000.00	-	-	8,000.00	-
CBER Website	5240	7,067.07	-	-	7,067.07	1,249.93
TTU Pharmacy School	5242	658,436.00	-	-	658,436.00	-
PWP (Project LF)	5251	2,507,898.97	-	-	2,507,898.97	1,676,000.00
Genesis Network	5258	1,615,416.69	-	-	1,615,416.69	-
SBIR/STTR	5263	85,535.86	95.00	285.00	85,820.86	185,479.49
EASI 7th Doc	5265	239,175.14	-	-	239,175.14	34,081.10
TTU HSC Research	5273	1,623,721.66	-	-	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	22,924.00	-	-	22,924.00	2,469,000.00
Tower Tech	5285	2,622,973.37	-	398,933.14	3,021,906.51	2,122,409.09
Texas Metal 08	5288	106,666.66	-	-	106,666.66	-
Project BG	5295	-	-	-	-	748,000.00
Coca Cola Abilene	5296	-	-	-	-	900,000.00
ETI Contract	5304	807,685.54	106,171.38	230,546.22	1,038,231.76	341,948.24
TTU 842 Pine	5308	173,181.72	-	-	173,181.72	40,318.28
AiC Eq Lease	5312	129,512.83	8,112.30	18,484.86	147,997.69	-
Nation Wide Prod	5313	31,150.00	-	31,216.67	62,366.67	42,883.33
LM Wind Power	5314	-	-	-	-	566,250.00
Texas Healthcare Linen	5315	118,891.00	-	-	118,891.00	-
Enavail, LLC	5316	331,083.88	5,943.45	41,615.00	372,698.88	110,632.82
Texas Metal 10	5317	-	-	-	-	-
Cisco College Biotech Training	5318	11,184.80	-	-	11,184.80	56,465.20
Energy Maintenance Serv-Gearbox	5319	140,000.00	-	-	140,000.00	202,500.00
EASI Hanger Design	5320.1	347,109.34	-	4,157.28	351,266.62	50,546.19
EASI Hanger Construction	5320.2	2,310,367.60	582,164.19	1,749,738.25	4,060,105.85	700,943.25
EASI Hanger Fire Safety	5320.3	926,252.29	2,182.62	222,523.59	1,148,775.88	1,302,391.12
Pepsi Beverage Co.	T5321	-	-	-	-	350,000.00
Cooperative Response Center	5324	-	-	-	-	296,500.00
Land 922 N 13th Street	5325	35,735.00	-	-	35,735.00	-
Teleperformance USA	5326	-	92,550.00	92,550.00	92,550.00	282,450.00
Docket Navigator	5327	-	-	-	-	159,000.00
Smith Pipe (SPA Coat.) Ph 1 & 2	5330	-	-	-	-	928,868.00
ALSA Contribution	5332	53,918.00	-	-	53,918.00	-
TMAC FY12	5333	-	-	-	-	88,000.00
Vine St. Warehouse	5335.1	-	-	-	-	-
Vine St. Fire Safety	5335.2	-	-	-	-	4,900.00
EASI hanger Skylight	5336	-	-	-	-	25,455.00
Springboard Challenge	5337	-	5,000.00	5,000.00	5,000.00	-
Miscellaneous Activities	2785	354,169.86	-	-	354,169.86	-
TOTAL ENCUMB. / EXPENDITURES		\$ 139,504,602.92	\$ 977,407.20	\$ 3,860,636.02	\$ 143,365,238.94	\$ 17,169,384.90
TOTAL FUND BALANCE				\$ 30,687,012.48		
UNENCUMBERED FUND BALANCE						\$ 13,517,627.58

DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ JANUARY 31, 2012

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	\$ 626,895.00	\$ -	\$ 43,294.46	\$ 201,302.58	\$ 40,000.00	\$ 385,592.42
Life Sciences Property -Pine Div 2765	825,910.00	-	34,853.41	359,002.42	-	466,907.58
DCOA Annual Contracts Div 2775	297,320.00	-	20,757.85	275,459.75	-	21,860.25
Abilene Industrial Foundation 2775-4950	746,850.00	-	50,635.75	154,692.54	463,811.78	128,345.68
TTU Small Business Dev Cntr 2775-4951	250,000.00	-	12,750.00	41,193.75	208,806.25	-
Chamber Military Affairs 2775-4952	60,000.00	-	-	-	60,000.00	-
Airport Business Dev Mgr 2775-4953	160,813.00	-	12,896.79	33,934.97	-	126,878.03
Murf Systems 4998	199,665.00	199,665.00	-	-	-	-
EASI 04 5213	2,476,938.00	2,131,546.52	-	-	345,391.14	0.34
Fehr Food 5220	3,161,220.00	3,161,220.00	-	-	-	-
Bandag Building Improv 5228	8,000.00	8,000.00	-	-	-	-
CBER Website 5240	8,317.00	7,067.07	-	-	1,249.93	-
TTU Pharmacy School 5242	658,436.00	658,436.00	-	-	-	-
PWP (Project LF) 5251	4,183,899.00	2,507,898.97	-	-	1,676,000.00	0.03
Genesis Network 5258	1,615,417.00	1,615,416.69	-	-	-	0.31
SBIR/STTR 5263	271,400.00	85,535.86	95.00	285.00	185,479.49	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	1,623,721.66	-	-	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	2,491,924.00	22,924.00	-	-	2,469,000.00	-
Tower Tech 5285	5,182,726.00	2,622,973.37	-	398,933.14	2,122,409.09	38,410.40
Texas Metal 08 5288	160,001.00	106,666.66	-	-	-	53,334.34
Run Energy 5295	748,000.00	-	-	-	748,000.00	-
Coca Cola Abilene 5296	900,000.00	-	-	-	900,000.00	-
ETI Contract 5304	1,380,180.00	807,685.54	106,171.38	230,546.22	341,948.24	-
TTU 842 Pine 5308	213,500.00	173,181.72	-	-	40,318.28	-
AIC Equipment Lease/Purchase 5312	165,000.00	129,512.83	8,112.30	18,484.86	-	17,002.31
Nation Wide Products 5313	105,250.00	31,150.00	-	31,216.67	42,883.33	-
LM Wind Power 5314	566,250.00	-	-	-	566,250.00	-
Texas Healthcare Linen 5315	118,891.00	118,891.00	-	-	-	-
Enavail, LLC 5316	487,980.00	331,083.88	5,943.45	41,615.00	110,632.82	4,648.30
Texas Metal 10 5317	14,684.00	-	-	-	-	14,684.00
Cisco College Biotech Training 5318	67,650.00	11,184.80	-	-	56,465.20	-
Energy Maintenance Serv-Gearbox 5319	342,500.00	140,000.00	-	-	202,500.00	-
EASI Hanger Design 5320.1	403,272.00	347,109.34	-	4,157.28	50,546.19	1,459.19
EASI Hanger Construction 5320.2	4,770,000.00	2,310,367.60	582,164.19	1,749,738.25	700,943.25	8,950.90
EASI Hanger Fire Safety 5320.3	2,592,097.00	926,252.29	2,182.62	222,523.59	1,302,391.12	140,930.00
Pepsi Beverage Co. 5321	350,000.00	-	-	-	350,000.00	-
Cooperative Response Center 5324	296,500.00	-	-	-	296,500.00	-
Land 922 N 13th Street 5325	50,000.00	35,735.00	-	-	-	14,265.00
Teleperformance USA 5326	375,000.00	-	92,550.00	92,550.00	282,450.00	-
Docket Navigator 5327	159,000.00	-	-	-	159,000.00	-
Smith Pipe (SPA Coat.) Ph 1 & 2 5330	928,868.00	-	-	-	928,868.00	-
ALSA Contribution 5332	53,918.00	53,918.00	-	-	-	-
TMAC FY12 5333	88,000.00	-	-	-	88,000.00	-
Vine St. Warehouse 5335.1	55,457.00	-	-	-	-	55,457.00
Vine St. Fire Safety 5335.2	4,900.00	-	-	-	4,900.00	-
EASI hanger Skylight 5336	25,455.00	-	-	-	25,455.00	-
Springboard Challenge 5337	5,000.00	-	5,000.00	5,000.00	-	-
Miscellaneous Activities 2785	354,189.86	354,189.86	-	-	-	-
BALANCE OF OBLIGATED PROGRAMS	\$ 48,886,923.86	\$ 26,378,076.05	\$ 977,407.20	\$ 3,860,636.02	\$ 17,169,384.90	\$ 1,478,826.89

UNDESIGNATED FUND BALANCE (unencumbered balance less obligated programs and contingent liabilities) **\$ 12,038,800.69**

DCOA Board approved projects waiting for signed contracts	Expiration Date
Coca Cola - Capital Investment 5296.1	07/10/2012
West Texas Innovation Network 5328	08/08/2011
Project CD-Phase 1 5329	10/26/2011
TTUHSC School of Nursing 5331	05/22/2012
TTUHSC School of Pharm expansion 5242	01/12/2012
Marketing for 2nd Airline 5334	01/26/2012
Vine St. Parking Lot 5335.3	07/31/2012
Fast Track Welding 5339	07/31/2012
Project ML	02/09/2012
Project MBO	02/23/2012
Smith Pipe Phase 3	04/11/2012
	<u>13,757,071</u>

3.8

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: March 13, 2012

PROJECT: Cancer Prevention and Research Institute of Texas (CPRIT) Application Letter of Support

STAFF: Richard Burdine, CEO

GENERAL INFORMATION:

The State of Texas established the Cancer Prevention and Research Institute of Texas (CPRIT), which issues general obligation bonds to fund cancer research and prevention. CPRIT is charged by the Texas Legislature to:

- Create and expedite innovation in the area of cancer research and product or service development, thereby enhancing the potential for a medical or scientific breakthrough in the prevention, treatment, and possible cures for cancer;
- Attract, create, or expand research capabilities public or private entities that will promote a substantial increase in cancer research and in the creation of high-quality new jobs in the State of Texas; and
- Continue to develop and implement the Texas Cancer Plan by promoting the development and coordination of effective and deficient statewide public and private policies, programs, and services related to cancer and by encouraging cooperative, comprehensive, and complementary planning among the public, private, and volunteer sectors involved in cancer prevention, detection, treatment, and research.

CPRIT will foster cancer research as well as product and service development in Texas by providing financial support for a wide variety of projects relevant to cancer. A Request for Applications was issued for the award period 9-1-11 through 8-31-12 for infrastructure program applications to create and sustain one or more life sciences incubators in Texas. Applicants with the ability to cultivate a collaborative and entrepreneurial Texas ecosystem are especially encouraged to apply.

SPECIAL CONSIDERATIONS:

The Abilene Life Sciences Accelerator is an ideal mechanism for such cultivation of an ecosystem for cancer research. I, in collaboration with Dr. Jon Weidanz, Director, Graduate Program in Biotechnology, TTUHSC System and President of Receptor Logic, Inc., and Dr. Greg Pogue, Deputy Director of the IC² Institute, The University of Texas at Austin, have worked to develop an application for assistance for the ALSA.

The applications are due to CPRIT on March 15th and letters of support are needed to enhance the application for the ALSA. I request the DCOA authorize such a letter of support for the application to CPRIT. Other letters will be solicited from Texas Tech University School of Pharmacy and Center for Immunotherapeutic Research and Product Development, the Mayor of Abilene, Rain Dance Capital, local universities, and Cisco College. Notification of an award will be made by July 31st with a start date of September 1st.

FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

Staff recommends the Board authorize President Cannon to sign a letter of support for an application to CPRIT for a possible Texas Life Science Incubator Infrastructure Award for the Abilene Life Sciences Accelerator.

ATTACHMENT:

None.

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DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: March 13, 2012

PROJECT: Vine St. Warehouse Interior Demolition

STAFF: Richard Burdine, CEO

BACKGROUND

The DCOA-owned building at 4109 Vine consists of 3 large connecting warehouses and adjoining offices. Staff has worked to clean up the property and make it ready to lease again, including removal of two underground fuel storage tanks. Ryder Trucks was subleasing from Affiliated Foods a shop building with a wash bay and desires to remain in the building. We are working with the Ryder corporate structure to get a new lease agreement in place.

Fehr Foods is leasing Warehouse A (70,000 sq ft) at 4009 Vine, and the adjoining Warehouse B (42,362 sq ft), paying monthly rent of \$1.67/sq ft/year. The remainder of the space (offices and Warehouses C and D) remains vacant.

On December 16, 2011, DCOA approved resolution DCOA-2012.05 authorizing a contract with Hendrix Electric and funding of \$52,677 to upgrade the lighting in Warehouses B, C, D and the Ryder building. In exchange, the DCOA received an incentive payment of \$8,844 from AEP via its Commercial Solutions Program to improve energy efficiency of business facilities. The original incentive payment estimate was \$9,750; however, the actual lighting retrofit included a large number of high output ballasts rather than lower output ballasts, which affected the incentive calculation by slightly reducing the annual energy savings. The project is complete and the lighting in the warehouses has dramatically improved.

On January 31, 2012, the DCOA approved resolution DCOA-2012.10 authorizing a contract with J.H. Strain & Sons and funding of \$160,580 to rebuild the parking lot at 4109 Vine St. Also authorized was \$75,000 additional funding for the FY12 Property Maintenance budget for DCOA-owned properties to cover the additional expense load of the Vine St. property. The project is almost complete.

On February 27, 2012, the DCOA approved by oral resolution a contract with Coker Engineering to design a new dry pipe system for Warehouses C & D and the offices and funding of \$6,400 (\$4,900 for basic services and \$1,500 for additional services) plus a contract with Jacob & Martin and funding of \$25,300 (\$19,800 for basic services and \$5,500 for additional services and reimbursables) to prepare construction documents showing alterations required to satisfy TAS (Texas Accessibility Standards) for building access and restrooms and compliance with building codes. The board also rejected two bids received for demo of the existing fire suppression system in Warehouses C and D, installation of a new dry pipe system in Warehouses C and D and the offices, and an alternate to demo and dispose of existing insulated ceiling panels in Warehouse D.

THE REQUEST

To save money and time, staff will contract directly to have the ceiling panels removed and disposed of in accordance with regulations due to the presence of asbestos-containing materials. Rebidding and replacing the fire suppression system will be made much easier and result in fewer safety hazards during construction and any inspections or repairs in the future if the ceiling panels are permanently removed. The new bids will also be lower since bidders will have access to and can see exactly on what they are bidding.

Before the panels can be removed, there are other items that have to be addressed:

1. An electrician is needed to remove the lighting in Warehouses C and D then reinstall once the ceiling panels are down. The electrician will also terminate power to the ceiling-mounted refrigeration units prior to their removal.
2. A fire suppression contractor is needed to remove existing fire sprinkler piping beneath the ceiling panels in Warehouse D, drain and red-tag the riser, which takes the system out of service. The existing dry pipe system became a wet pipe system on March 2nd when the air compressor quit working, causing the pipes to fill with water. The piping is old and corroded in places, which has resulted in leaks throughout the space.
3. A demolition contractor is needed to remove all interior temporary structures such as the wooden structure formerly the candy room and the sheet metal walls that enclosed the former cigarette room. He will also remove and dispose of the refrigeration units.

Once the steps listed above are complete and the ceiling panels are removed and properly disposed of, we will rebid the fire suppression system replacement and return to the board with those bids. Because of the failure of the air compressor and the pipes filling with water, staff has solicited bids and contracted with three vendors to begin the work listed above in advance of board funding approval. Staff requests the board ratify the following agreements and approve funding of \$29,739 as follows:

1. Wyatt Electrical Services - \$20,777 to remove and replace the lighting.
2. The CFP Group - \$1,462 to remove existing sprinkler pipe beneath the insulated ceiling panels, and drain and red-tag the riser.
3. Troy Penney - \$7,500 to demo the interior temporary structures and remove existing refrigeration units.

Additionally, staff requests contracts and funding of \$70,750 as follows:

1. AML Environmental - \$2,150 to abate the asbestos and demolish the current fire riser room in Warehouse C to make way for new risers.
2. Enprotec/Hibbs & Todd - \$1,150 to provide asbestos consulting services for riser room abatement.
3. AML Environmental - \$59,950 to remove and dispose of the asbestos-containing ceiling panels in Warehouse D.
4. Contingency for all items mentioned above - \$7,500 for the "unknowns".

FISCAL IMPACT

Wyatt Electrical (lighting removal/replacement)	\$ 20,777
The CFP Group (sprinkler piping removal)	\$ 1,462
Troy Penney (demo of temporary structures)	\$ 7,500

AML Environmental (riser room abatement)	\$ 2,150
eHT (riser room abatement consulting)	\$ 1,150
AML Environmental (panel removal)	\$ 59,950
Contingency	<u>\$ 7,500</u>
TOTAL	\$100,489

STAFF RECOMMENDATION

Staff recommends the DCOA approve resolution DCOA-2012.15 ratifying the agreements with Wyatt Electrical Services, The CFP Group and Troy Penney for interior demolition in advance of ceiling panel removal. In addition, I recommend approval of agreements for removal of the ceiling panels, and asbestos abatement/demo of the existing riser room plus total funding of \$100,489 as listed above.

ATTACHMENTS

Resolution DCOA-2012.15

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RESOLUTION NO. DCOA-2012.15

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS RATIFYING CONTRACTS AND APPROVING FUNDING FOR INTERIOR DEMOLITION IN WAREHOUSES C AND D AT 4109 VINE STREET, PLUS CONTRACTS AND FUNDING TO REMOVE INSULATED CEILING PANELS IN WAREHOUSE D AND DEMOLISH THE FIRE RISER ROOM IN WAREHOUSE C.

WHEREAS, the DCOA-owned building at 4109 Vine consists of 3 large connecting warehouses and adjoining offices; and,

WHEREAS, Fehr Foods is leasing Warehouse A (70,000 sq ft) at 4009 Vine, and the adjoining Warehouse B (42,362 sq ft) at 4109 Vine, paying monthly rent of \$1.67/sq ft/year, while the remainder of the space (offices and Warehouses C and D) remains vacant and,

WHEREAS, on December 16, 2011, DCOA approved resolution DCOA-2012.05 authorizing a contract with Hendrix Electric and funding of \$52,677 to upgrade the lighting in Warehouses B, C, D and the Ryder Trucks building and received an incentive payment of \$8,844 from AEP for its efforts to improve energy efficiency in the warehouses; and,

WHEREAS, on January 31, 2012, the DCOA approved resolution DCOA-2012.10 authorizing a contract with J.H. Strain & Sons and funding of \$160,580 to rebuild the parking lot at 4109 Vine St. Also authorized was \$75,000 additional funding for the FY12 Property Maintenance budget for DCOA-owned properties to cover the additional expense load of the Vine St. property; and,

WHEREAS, on February 27, 2012, the DCOA approved by oral resolution a contract with Coker Engineering to design a new dry pipe fire suppression system for Warehouses C and D and the offices and funding of \$6,400, plus a contract with Jacob & Martin and funding of \$25,300 to prepare construction documents showing alterations required to satisfy TAS (Texas Accessibility Standards) for building access and restrooms and compliance with building code; and,

WHEREAS, also on February 27, 2012, the DCOA rejected two bids received for demo of the existing fire suppression system in Warehouses C and D, installation of a new dry pipe system in Warehouses C and D and the offices, and an alternate to demo and dispose of existing insulated ceiling panels in Warehouse D; and,

WHEREAS, to save money and time, staff will contract directly to have the ceiling panels removed and disposed of and contract with other vendors for items that must be completed prior to removal of the panels so the fire suppression system replacement can be re-bid; and,

WHEREAS, staff requests the DCOA ratify three contracts to perform items necessary prior to removal of the ceiling panels and funding of \$29,739. In addition, staff requests the DCOA authorize additional contracts and funding of \$70,750 to remove the ceiling panels in Warehouse D and demolish the fire riser room in Warehouse C at 4109 Vine St.

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

PART 1. DCOA hereby authorizes funding of Twenty-Nine Thousand Seven Hundred Thirty-Nine and no/100's Dollars (\$29,739.00) and ratifies three contracts for the following work performed at 4109 Vine St. in advance of removal of the insulated ceiling panels and re-bid of the fire suppression system replacement:

1. Wyatt Electrical Services - \$20,777 to remove and replace the lighting in Warehouse D.
2. The CFP Group - \$1,462 to remove existing sprinkler pipe beneath the insulated ceiling panels in Warehouse D, and drain and red-tag the fire riser.
3. Troy Penney - \$7,500 to demo the interior temporary structures and remove existing refrigeration units.

DCOA also authorizes funding of Seventy Thousand Seven Hundred Fifty and no/100's Dollars (\$70,750.00) and contracts for the following work at 4109 Vine St.:

4. AML Environmental - \$2,150 to abate the asbestos and demolish the current fire riser room in Warehouse C to make way for new risers.
5. Enprotec/Hibbs & Todd - \$1,150 to provide asbestos consulting services for riser room abatement.
6. AML Environmental - \$59,950 to remove and dispose of the asbestos-containing ceiling panels in Warehouse D.
7. Contingency for all items mentioned above - \$7,500 for the "unknowns".

The total amount of funding approved for the items listed above is \$100,489.00.

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 13th day of March, 2012.

ATTEST:

Marelyn Shedd
Secretary/Treasurer

Paul Cannon
President

APPROVED:

T. Daniel Santee, City Attorney