


## PUBLIC NOTICE

### DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, November 27, 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

November 27, 2012  
1:30 p.m.

Abilene Life Sciences Accelerator  
1325 Pine St.

1. Call the meeting to order.
2. Approval of minutes from the November 13, 2012, board meeting.
3. Presentation of Annual Reports for Fiscal Year Ended September 30, 2012 by:
  - Abilene Industrial Foundation
  - Chamber of Commerce Military Affairs Committee
4. 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.
5. Executive Session: Pursuant to Tex. Gov't Code Sec. 551.087, an executive session may be held (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). After discussion in executive session, any action or vote will be taken in public.

Pursuant to Tex. Gov't Code Sec. 551.072, an executive session may be held to discuss the possible exchange, lease, or value of real property associated with a project to be funded by the DCOA since deliberation in open session would have a detrimental effect on the DCOA's negotiations with a third party. After discussion in executive session, any action or vote will be taken in public.

Pursuant to Tex. Gov't Code Sec. 551.071, an executive session may be held to consult with the DCOA attorney regarding pending or contemplated litigation or a settlement offer regarding DCOA funded projects or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code. After discussion of the contemplated legal matters in executive session, any action or vote will be taken in public.

6. Discussion and possible approval of a resolution authorizing a contract with Justice Construction for construction of the air compressor room relocation project at 6450 Five Points Parkway, occupied by Pactiv Corporation.
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  
NOVEMBER 13, 2012**

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

**MEMBER ABSENT:** Paul Cannon

**STAFF PRESENT:** Richard Burdine     Susan Cardonita  
Don Green                             Melissa Murphy

**GUESTS PRESENT:** Judy Wilhelm, SBDC  
John Mangalonzo, Abilene Reporter-News  
Ron Miller, 7<sup>th</sup> Contractors Group, Dyess AFB

1. **CALL TO ORDER.** Vice President Mike Schweikhard called the meeting to order in the conference room of the Abilene Life Sciences Accelerator, 1325 Pine Street, Abilene, Texas.
2. **APPROVAL OF MINUTES FROM THE OCTOBER 30, 2012, BOARD MEETING.** Mike Schweikhard pointed out that John from the Abilene Reporter-News, had his last name misspelled in the minutes. The correct spelling is "Mangalonzo" not "Mangavonzo." Dani Ramsay moved to approve the minutes from the October 30, 2012 board meeting as corrected. Scott Senter seconded and the motion was approved.
3. **NOVEMBER 2012 SALES TAX REPORT AND PRELIMINARY STATUS OF FUNDS REPORT FOR SEPTEMBER 2012.** Richard Burdine reported that this month's revenue of \$891,956 (which represents September sales) is lower than the \$964,808 in sales tax revenue from this time last year. A significant part of the higher revenue in FY12 for the DCOA is attributed to a large project which provided about \$1 million for the DCOA. Total revenue for FY12 was \$10.42 million, the largest in DCOA history so far. For the cumulative period of October through November, sales tax is 5.79% below last year; however it is 1.14% above the projected FY13 budget amount. Total revenue for FY12 was approximately \$11.8 million, which includes nearly \$1 million in lease income. Major expenditures in September include \$551,310 for Fehr Foods, EASI hangar fire safety costs of \$123,621, \$172,070 for Vine St. fire safety and welder training costs of \$50,393. As of September 30, 2012, the DCOA had an undesignated fund balance of \$18,848,716.
4. **PRESENTATION OF ANNUAL REPORTS FOR FISCAL YEAR ENDED SEPTEMBER 30, 2012 BY THE CITY OF ABILENE AIRPORT BUSINESS DEVELOPMENT AND TEXAS TECH UNIVERSITY SMALL BUSINESS DEVELOPMENT CENTER.**

Airport Business Development: Melissa Murphy pointed out they were very busy this summer visiting several communities, chambers of commerce, and civic organizations in the Abilene catchment area, focusing on describing and promoting the travel bank idea. Staff had previously targeted a specific airline to recruit to Abilene with the hope of offering the travel bank as an incentive. Staff has backed off the travel bank idea for now, until things become a little more definite that a second potential carrier is interested in coming to Abilene. In the meantime, the groundwork has been laid for the travel bank with area communities being familiar with it and hopefully willing to participate if and when the time comes.

Marketing efforts continued with ads in various forms of media, plus continued promotion of the Airport's website through social media. The ABI-VIP Passenger Rewards Program is still going strong

with 1,429 registered passengers. Enplanements were down 5% and rental car revenue was down 13% for FY12 from FY11. With the many fires that occurred in FY11, 7% of FY11's enplanements and rental car revenue was due to the increase of forest service personnel traveling to other locations to assist in fire control. Parking lot revenue is up 9% for FY12.

Texas Tech University Small Business Development Center (SBDC): Judy Wilhelm presented the FY12 report. There were 63 businesses opened (down from 86 in FY11), 176 jobs created (down from 252 in FY11) and capital formation of \$6.2 million (FY11 was \$6.6 million). Ms. Wilhelm pointed out that FY12 was the worst year the SBDC has had in the Northwest Texas Corridor. Additionally, the Abilene SBDC office lost 50% of its staff in 45 days.

The SBDC continues to support the West Texas Innovation Network (WTIN) in their 10-week Fast Trac program for individuals. The SBDC also continues to support minorities and rural communities, as well as additional local assistance through the ACU Spring Board competition and several other programs. Due in large part to their loss of staff, the SBDC had to cut back on the number of workshops they offered in FY12.

The SBDC has been working extensively with Dyess AFB to help develop a working relationship between the Dyess contracting office and local contractors; specifically to overcome any past perceptions so local contractors may be awarded the prime contracting opportunities from Dyess AFB. To this end, Ms. Wilhelm introduced Ron Miller, Director of Business Operations, 7<sup>th</sup> Contractors Squadron at Dyess AFB. Mr. Miller described his position as the small business specialist.

During FY12, Mr. Miller worked with the SBDC to increase the support of local contractors in the community; to encourage local small businesses to do contract work at Dyess. He explained that no longer does the lowest bid automatically win the contract at Dyess. Dyess AFB has now implemented the "Best Value Contracting Effort", in which they review the past performance of the bidding vendors. They are looking for quality work and the best value for the best price. Dyess contracting is also trying to convince the subcontractors to bid as the prime contractors. His office has also worked with the U.S. Small Business Administration to assist vendors with paperwork, requirements, etc. at no charge to the contractor/vendor. He pointed out that while his mandate is to award 80% of funding to small businesses in Abilene, his own goal is to award 90%, and in FY12 he awarded 95% of \$65 million to Abilene small businesses.

- 5. PRESENTATION AND POSSIBLE APPROVAL OF THE FY12 ANNUAL REPORT OF ACTIVITIES OF THE DEVELOPMENT CORPORATION OF ABILENE, INC.** Richard Burdine started by reviewing the FY12 DCOA Approved Assistance chart contained in the report. Among the companies assisted by the DCOA were Smith Pipe, Coca Cola Refreshments, USA and Fehr Foods. All companies financially assisted by the DCOA in FY12 were local. The DCOA approved total financial assistance of \$1,168,888 in exchange for the retention of 454 jobs and the creation of 68 new ones. The projected total annual payroll was \$3,403,000 with total capital investment of \$27,517,900.

The DCOA authorized assistance for many miscellaneous projects in FY12. For the fourth year the DCOA was a gold level sponsor in the 2012 ACU Springboard Ideas Challenge. Also, the DCOA approved funding to support operations for the West Texas Coalition for Innovation and Commercialization (WTCIC).

A motion was made by Scott Senter to approve said report as presented. Dani Ramsay seconded and the motion passed.

6. **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 November 13, 2012, and the time is 2:45 p.m. Later, Vice President Mike Schweikhard announced the date is still November 13, 2012, and the time is 3:30 p.m. No vote or action was taken in Executive Session.

7. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A CONTRACT WITH TITTLE LUTHER PARTNERSHIP/PARKHILL SMITH COOPER TO DESIGN MODIFICATIONS TO HANGARS 0, 1 AND 3 OCCUPIED BY EAGLE AVIATION SERVICES, INC. TO ACCOMMODATE LARGER AIRCRAFT.** The DCOA has assisted Eagle Aviation Services, Inc. (EASI) in the past with several projects. In the wake of American Airlines' bankruptcy, American Eagle and EASI will likely be spun off as independent entities, allowing EASI to pursue maintenance work with other regional airlines. The forecast for new aircraft orders by regional airlines is for larger planes with taller tail sections that won't fit inside any of the hangars currently occupied by EASI.

To avoid the loss of future business, staff recommends the DCOA contract with Tittle Luther Partnership/Parkhill Smith Cooper (TLP/PSC) to design modifications to Hangars 0, 1 and 3 to allow for aircraft with the taller tail sections. TLP/PSC has submitted a proposal for this design (called doghouses) at a total cost estimate of \$4,140,600 including TLP/PSC's basic design fees of \$400,000. Staff also recommends additional service fees, reimbursable expenses and survey and soils testing costs totaling \$23,000.

Scott Senter moved to approve Resolution No. DCOA-2013.05 as presented, authorizing a contract with TLP/PSC and total funding of \$423,000. Marelyn Shedd seconded and the motion was approved.

8. **ADJOURNMENT.** The next DCOA Board meeting will be Nov. 27<sup>th</sup> and is okay with all board members present.

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Mike Schweikhard, Vice President

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD AGENDA**  
**MEETING DATE: November 27, 2012**

**PROJECT: FY 12 Annual Reports for Abilene Industrial Foundation and Chamber  
Military Affairs Committee**

**STAFF: Richard Burdine, CEO**

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**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

**SPECIAL CONSIDERATIONS**

The FY12 contract expired 9-30-12, and the DCOA approved funding for a new FY13 contract. Attached is a report covering activities during FY12 through 9-30-12 for the Abilene Industrial Foundation.

**FUNDING/FISCAL IMPACT**

None.

**STAFF RECOMMENDATION**

Staff recommends the board approve the attached report.

**ATTACHMENT**

Abilene Industrial Foundation FY12 Year-End Progress 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 7, 2012

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, 2011 to September 30, 2012 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.....	\$131,196.36*

	10/11 thru 3/12	4/12 thru 9/12	10/11 thru 9/12
Leads Received	16	33	49
Leads AIF Responded to	10	11	21
Prospect Visits to Abilene	6	8	14
Prospect Files Opened	2	4	6
Retention Visits	50	53	103
Retention/Expansion Luncheon	55	49	104
Visits to Consultants/Prospects	10	36	46

\*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 11-12 Year-End Marketing Summary  
April 1, 2012 – September 30, 2012

**ADVERTISEMENTS PLACEMENT**

- Total advertisement submissions – 3
- Total advertisement placement costs – \$11,060.00\* (preliminary)
- Texas Real Estate Business EDC Directory listing – no charge

**LEAD ACTIVITY**

- Leads received from all sources – 33
- Leads AIF responded to – 11

**PROSPECT ACTIVITY**

- Prospects visits to Abilene – 8
- New prospect files opened – 4

**WEBSITE & ELECTRONIC MARKETING**

- E-Newsletter distributions – 399
- E-Newsletter costs – \$0
- Website/electronic marketing changes & enhancements – \$29,176.00
- Texas Economic Development Directory hits to website – 721
- Site Selection Magazine web banner – 50,327 impressions
- Web banner on Expansion Solutions Magazine economic development directory page (August) – 48,000 impressions
- Trade & Industry ED Agency web listing - 40

**TRADE SHOW / CONFERENCE ACTIVITY**

- AWEA WINDPOWER 2012 – Atlanta, GA
- TEDC Annual Conference – Austin
- IEDC Annual Conference – Houston
- Solar Power – Orlando, FL
- SW Forum – Lubbock
- IAMC Forum - Austin

**CONSULTANT / RETENTION / EXPANSION ACTIVITY**

- Visits with Consultant/Prospect – 36
- Manufacturers Luncheon (4/12) – 49

**MARKETING VIDEOS**

- 1 – Dyess DVD – update \$10,956.15

**EXISTING BUSINESS ACTIVITY**

- Retention Visits – 53



**Abilene Industrial Foundation**  
**Marketing & Retention Activities**  
**April 1, 2012 – September 30, 2012**

- 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
- Rebuild of DevelopAbilene website
- 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 White Sox v. Rangers game
  - August Red Sox v. Rangers game
- Trade Show attendance
  - WINDPOWER 2012 – Atlanta, GA
  - Solar Power – Orlando, FL
- Conference attendance
  - IAMC Forum – Austin
  - TEDC Annual Conference – Austin
  - IEDC Annual Conference – Houston, TX
  - SW Forum - Lubbock
- Texas Midwest Community Network
  - Executive Committee Board Member and Council Meetings
  - Economic Development Alliance Board Member and Alliance meetings
  - Economic Development Alliance Dinner & Conversation
  - TMCN Planning Sessions

Attachment 3

Category	Allocation	10/1/11 to 3/31/12	4/1/12 to 9/30/12	YTD
Advertisements (1)	\$ 30,000.00	\$ 18,750.00	\$ 11,060.00	\$ 29,810.00
Internet (2)	\$ 31,000.00	\$ 318.80	\$ 29,176.00	\$ 29,494.80
Marketing Material (3)	\$ 10,000.00	\$ 2,436.75	\$ 15,976.90	\$ 18,413.65
Trade Show/Conferences (10)	\$ 33,000.00	\$ 13,002.66	\$ 12,094.55	\$ 25,097.21
Site Consultant Activity (12)	\$ 25,000.00	\$ 5,070.15	\$ 13,823.22	\$ 18,893.37
Newsletter Mailings(13)	\$ 2,000.00	\$ 318.24	\$ -	\$ 318.24
Existing Business Activity (14)	\$ 5,000.00	\$ 1,810.92	\$ 1,139.28	\$ 2,950.20
Contingency	\$ 2,000.00	\$ 618.75	\$ -	\$ 618.75
Public Awareness Campaign (8)	\$ 2,000.00	\$ 1,022.00	\$ 4,578.14	\$ 5,600.14
<b>Total</b>	<b>\$ 140,000.00</b>	<b>\$ 43,348.27</b>	<b>\$ 87,848.09</b>	<b>\$131,196.36</b>

# DEVELOPMENT CORPORATION OF ABILENE, INC.

## BOARD AGENDA

MEETING DATE: November 27, 2012

**PROJECT: Pactiv Air Compressor Relocation Project – Construction Bid Award**

**STAFF: Richard Burdine, CEO**

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### BACKGROUND

Pactiv Corporation is a leader in the consumer and foodservice/food packaging markets it serves. Pactiv's foodservice/food packaging offering is one of the broadest in the industry, including both custom and stock products in a variety of materials. These products are sold through a wide range of channels including wholesalers, supermarkets, take-out food restaurants, caterers and packer processors. Pactiv is an indirect wholly-owned subsidiary of Reynolds Group Holdings Limited.

On April 10, 2012, the DCOA Board approved resolution DCOA-2012.16, which authorized a second revision to the Phase 2 assistance by reducing the total amount by \$1,250,000 to \$426,000 and extending the funding expiration to June 30, 2013, to assist with the installation of a 7<sup>th</sup> thermoformer and conversion of part of the Phase 2 warehouse space to allow for an additional manufacturing line.

On July 10, 2012, the board approved resolution DCOA-2012.24 authorizing a contract with Tittle Luther Partnership/Parkhill Smith & Cooper (TLP/PSC) and funding of \$19,756 (10% of estimated construction cost plus reimbursables) to design a new metal building structure and foundation at the existing west platform, ventilation system, replacing the existing breaker panel with a larger one, extending conduit and conductors, and lights and power receptacles. Also included in the cost estimate are a new transformer and panel for the new building and modifications to the existing fire sprinkler system and fire alarm controls. The new structure will allow Pactiv to move the existing air compressors outside the warehouse area so that space can be converted to accommodate a new manufacturing line. Also authorized was solicitation of bids for construction of the improvements.

### THE REQUEST

TLP/PSC estimated the cost for such improvements at \$179,600, including \$22,000 to relocate the existing compressors to the new structure, for which Pactiv will pay. Bids were received on November 15<sup>th</sup> with two contractors submitting (excluding pricing to move the compressors):

The Crowe Group	\$325,000	210 days
Justice Construction	\$305,000	120 days

I am requesting the DCOA approve a contract with Justice Construction and funding of \$305,000 for construction of the improvements, plus a 10% contingency of \$30,500. Also requested is additional design fee money of \$12,540 to cover the cost of services at 10% of actual construction (\$30,500 - \$17,960).

The board approved Resolution DCOA-2012.16 in April of this year which authorized a reduction to Pactiv's Phase 2 capital investment incentive by \$1,250,000 to \$250,000, payable at 15% of Pactiv's actual capital costs of up to \$1,660,000. Pactiv has thus far submitted evidence of total expenditures of \$527,602 for this project and anticipates another expenditure of about \$800,000 in early 2013, totaling \$1.3 million, yielding capital investment incentives of \$195,000.

I negotiated with Pactiv a participation in the project whereby Pactiv will fund one-half of the cost via the capital incentives available for Phase 2. One-half of the total project cost is \$183,898 (\$348,040 shown below plus previous engineering fee of \$19,756 = \$367,796 times 50%), assuming all of the contingency reserve must be spent.

**FISCAL IMPACT**

Additional A/E fees	\$ 12,540
Construction (Justice Const.)	\$305,000
Construction contingency	\$ 30,500
<b>TOTAL</b>	<b>\$348,040</b>
Less Pactiv 50% participation	\$183,898
Net Fiscal Impact	\$164,142

**STAFF RECOMMENDATION**

Staff recommends DCOA approve resolution DCOA-2013.06 authorizing a contract with Justice Construction and funding of \$305,000 plus contingency of \$30,500 for a building addition for relocation of the air compressors at Pactiv, 6450 Five Pts Parkway. Also recommended is an additional \$12,540 for design fees based on actual construction costs.

**ATTACHMENTS**

Resolution DCOA-2013.06

S:\DCOA\Meeting Memos\FY 2013\Pactiv compressor relocation construction bid award 11-27-12.doc

**RESOLUTION NO. DCOA-2013.06**

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”), ABILENE, TEXAS AUTHORIZING A CONTRACT FOR CONSTRUCTION OF IMPROVEMENTS FOR THE AIR COMPRESSOR RELOCATION PROJECT AT 6450 FIVE POINTS PARKWAY FOR PACTIV CORPORATION (“PACTIV”).

WHEREAS, Pactiv is an indirect wholly-owned subsidiary of Reynolds Group Holdings Limited, which manufactures custom and stock foodservice/ food packaging products in a variety of materials and is leasing 6450 Five Points Parkway from the DCOA; and,

WHEREAS, on April 10, 2012, the DCOA Board approved resolution DCOA-2012.16, which authorized a second revision to the previously-approved Phase 2 assistance by reducing the total amount by \$1,250,000 to \$426,000 and extending the funding expiration to June 30, 2013, to assist with the installation of a 7<sup>th</sup> thermoformer and conversion of part of the warehouse space to allow for an additional manufacturing line; and,

WHEREAS, in order to convert space in the warehouse for a new manufacturing line, the existing air compressors will have to be moved outside the building into a new enclosure; and,

WHEREAS, Tittle Luther Partnership/Parkhill Smith & Cooper (TLP/PSC) met with the local plant manager and developed a cost estimate of \$179,600 for a new metal building structure and foundations at the existing west platform, ventilation system, replacing the existing breaker panel with a larger one, extending conduit and conductors, and lights and power receptacles. Also included in the cost estimate is a new transformer and panel for the new building and modifications to the existing fire sprinkler system and fire alarm controls; and,

WHEREAS, on July 10, 2012, the board approved resolution DCOA-2012.24 authorizing a contract with TLP/PSC and funding of \$19,756 at 10% of estimated construction cost plus 1% for reimbursables and additional services. The resolution also authorized staff to solicit bids for construction and return to the board for consideration of approval; and,

WHEREAS, two construction bids were received on November 15, 2012 with the lowest responsible bid being from Justice Construction at \$305,000, 120 calendar days; and,

WHEREAS, staff requests the DCOA authorize a contract with Justice Construction and funding of \$305,000 for construction of the improvements plus a 10% construction contingency of \$30,500. Also requested is additional funding of \$12,540 for A/E fees based on actual construction costs.

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

**PART 1.** DCOA hereby authorizes funding and a contract with Justice Construction to construct improvements to the building at 6450 Five Points Parkway, currently occupied by Pactiv Corporation, for relocation of air compressors to an exterior building addition in order to accommodate a new manufacturing line inside the warehouse portion. Also approved is additional funding for the contract with Tittle Luther Partnership/Parkhill Smith Cooper for design services based on 10% of actual construction costs.

Total funding approved is Three Hundred Forty-Eight Thousand Forty and no/100's Dollars (\$348,040.00) as follows:

- a) \$305,000 – For construction of improvements payable to Justice Construction.
- b) \$30,500 – For construction contingency.
- c) \$12,540 – For additional design fees payable to Tittle Luther Partnership/Parkhill Smith Cooper based on 10% of actual construction costs.

Pactiv's total capital expenditures for this project are estimated to be \$1.3 million, yielding capital investment incentives of \$195,000 at 15%. Pactiv agreed to participate in the construction by funding one-half of the cost via the capital incentives available for Phase 2. One-half of the total construction project cost is \$183,898 (\$348,040 shown above plus previous engineering fee of \$19,756 = \$367,796 @ 50%), assuming all of the contingency reserve is spent.

**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 27th day of November, 2012.

ATTEST:

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

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

APPROVED:

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