

## PUBLIC NOTICE

### DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Monday, March 7, 2016, at Develop Abilene conference room, 174 Cypress St., 3<sup>rd</sup> floor, Abilene, Texas, commencing at 1:30 p.m. to consider the following agenda:

SIGNED:

  
Kent Sharp, CEO

### AGENDA

March 7, 2016  
1:30 p.m.

Develop Abilene Conference Room  
174 Cypress St., 3<sup>rd</sup> floor

1. Call the meeting to order.
2. Approval of minutes from the February 23, 2016, board meeting.
3. Preliminary January 2016 financial reports.
4. Executive Session:  
The DCOA reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any item on the agenda, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.074 (Personnel Matters) see list below, and 551.087 (Business Prospect/Economic Development). After discussion in executive session, any action or vote will be taken in public.  
  
(Personnel) Section 551.074  
The DCOA, pursuant to the adopted Bylaws, may consider the appointment, employment and duties of certain positions as well as membership of certain committees.
5. Discussion and possible approval of a resolution authorizing a renewal of the agreement with Abilene Aero to provide de-fueling services for Eagle Aviation Services, Inc.
6. Discussion and possible approval of a resolution authorizing a construction contract with Lansford Construction and funding for a doghouse extension to Hangar 0 at the Abilene Regional Airport occupied by Eagle Aviation Services, Inc.
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 \_\_\_\_\_, 2016, 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 23, 2016**

**MEMBERS PRESENT:** Dave Copeland      John Beckham      Marelyn Shedd

**MEMBER ABSENT:** Dani Ramsey      Jack Rich

**STAFF PRESENT:** Kent Sharp      Kim Tarrant      Stan Smith  
Mike Rains

**GUESTS PRESENT:** Justin Jaworski – Abilene Industrial Foundation  
Bruce Kreitler - City Council

**1. CALL THE MEETING TO ORDER:** President Dave Copeland called the meeting to order at 1:30 p.m. at 174 Cypress St., 3<sup>rd</sup> floor conference room, Abilene Texas.

**2. APPROVAL OF MINUTES FROM THE FEBRUARY 2 AND FEBRUARY 5, 2016 BOARD MEETINGS:** John Beckham moved to approve the minutes from the February 2 and February 5, 2016, board meetings. Marelyn Shedd seconded and the motion carried.

**3. SALES TAX REPORT FOR FEBRUARY 2016 AND PRELIMINARY DECEMBER 2015 FINANCIAL REPORTS:** Mike Rains, Director of Finance, presented the sales tax report for February 2016. The sales tax rebate for February was \$4,559,585.14 which represents December sales. Economic Development received \$1,139,896.28, which is .25% above last year and .75% below the projected FY 16 budget amount. For the period October through February, sales tax is 4.33% below last year and 5.28% below the projected FY 16 budget amount. The DCOA's total current assets as of December 31, 2015 are \$17,781,422. The December 2015 revenues totaled \$840,163 and total expenditures were \$328,477 with \$176,148 being spent on four different projects.

**4. EXECUTIVE SESSION – SESSION 1:** I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, 072, 074 and 087 to consult with our legal counsel, discuss real property transactions, personnel matters, 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 Dave Copeland announced the date is February 23, 2016 and the time is 1:37 p.m. Later, President Copeland announced the date is still February 23, 2016 and the time is 2:36 p.m. No vote or action was taken in Executive Session.

**5. ADJOURNMENT:** There being no further business the meeting was adjourned.

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Dave Copeland, President

**DEVELOPMENT CORPORATION OF ABILENE**  
**STATEMENT OF NET POSITION**  
**January 31, 2016 and 2015**

	<u>January 2016</u>	<u>January 2015</u>
<b>Current Assets:</b>		
Cash and cash investments	\$ 16,690,024	\$ 16,882,113
Accounts receivable	35,293	173,059
Due from other governments	<u>1,789,074</u>	<u>1,847,609</u>
Total Current Assets	<u>18,514,391</u>	<u>18,902,781</u>
<b>Noncurrent Assets:</b>		
Notes receivable	19,510,290	17,143,111
Capital assets	51,765,462	47,929,002
Accumulated depreciation	<u>(9,815,739)</u>	<u>(8,633,256)</u>
Total capital assets, net	<u>41,949,723</u>	<u>39,295,746</u>
Total Noncurrent Assets	<u>61,460,013</u>	<u>56,438,857</u>
<b>Total Assets</b>	<u>\$ 79,974,404</u>	<u>\$ 75,341,638</u>
<b>Liabilities</b>		
Current:		
Accounts payable	\$ <u>347,121</u>	\$ <u>384,902</u>
Total Current Liabilities	<u>347,121</u>	<u>384,902</u>
Total Liabilities	<u>347,121</u>	<u>384,902</u>
<b>Net Position</b>		
Net Investment in capital assets	41,949,723	39,295,746
Restricted for contractual obligations	18,297,476	29,129,736
Unrestricted, designated for purposes of trust	<u>19,380,084</u>	<u>6,531,254</u>
Total Net Position	<u>79,627,283</u>	<u>74,956,736</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 79,974,404</u>	<u>\$ 75,341,638</u>

**DEVELOPMENT CORPORATION OF ABILENE**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**For four months ending January 31, 2016 and 2015**

	January 31, 2016	Fiscal YTD 2016	Fiscal YTD 2015
<b>Revenues:</b>			
Sales and use taxes	\$ 755,093	\$ 3,288,185	\$ 3,491,589
Interest income	5,488	22,005	14,338
Building rental / land lease	122,401	388,500	342,108
Sale of Land	496,459	496,459	163,635
Miscellaneous revenue	9,952	51,214	27,913
Total Revenues	<u>1,389,393</u>	<u>4,246,363</u>	<u>4,039,583</u>
<b>Expenses:</b>			
Economic Development Projects	1,649,587	2,133,142	2,891,140
Life Sciences property maintenance	13,446	100,331	159,433
DCOA property maintenance	87,606	177,924	92,996
Abilene Industrial Foundation	35,429	115,144	110,559
TTU Small Business Development Center	8,062	33,412	38,887
Chamber Military Affairs	-	-	73,518
Airport Business Development Manager	4,959	20,188	24,376
Economic Development Operating Division	45,794	221,825	169,909
Total Expenditures	<u>1,844,883</u>	<u>2,801,966</u>	<u>3,560,818</u>
<b>Changes In Net Position</b>	(455,490)	1,444,397	478,765
<b>Net Position at Beginning of Period</b>	<u>80,089,473</u>	<u>78,189,586</u>	<u>74,477,971</u>
<b>Net Position at End of Period</b>	<u>\$ 79,633,983</u>	<u>\$ 79,633,983</u>	<u>\$ 74,956,736</u>

**Summary of Current Period Economic Development Projects:**

TTU Pharmacy School - principal reduction	\$ 97,413
EASI De-Fuel Truck	1,750
Fehr Foods Expansion - principal reduction	1,000,000
Broadwind Towers 2014 - job creation payment	352,365
Broadwind Towers 2014 - principal reduction	64,413
Pine St. Bldg Hail Repairs	133,646
Total	<u>\$ 1,649,587</u>

**Development Corporation of Abilene  
Economic Program Status  
As of January 31, 2016**

Economic Programs:	Project	Amount Budgeted	Prior Years Disbursement	Current Year Disbursement	Balance reserved for budgeted programs
TTU Pharmacy School	5242	\$ 1,799,723	\$ 1,702,310	\$ 97,413	\$ -
Pactiv (formerly PWP)	5251	2,933,899	2,507,899	-	426,000
TTU 842 Pine	5308	690,999	690,999	-	-
Pepsi Beverage Co.	5321	350,000	140,000	-	210,000
Petrosmith Ph 1, 3 & 4	5330	847,290	640,360	-	206,930
Petrosmith Ph 5	5330.1	-	-	-	-
TTUHSC School of Nursing	5331	806,885	806,885	-	-
Rentech '12	5342	315,800	315,800	-	-
Owens Machine & Tool	5345	151,000	64,682	-	86,318
Hangar Doghouses A/E	5348.1	423,000	305,155	5,460	112,385
Hangar Doghouses Construction	5348.2	2,732,618	2,559,870	136,902	35,846
EASI De-Fuel Truck	5354	64,260	56,000	5,250	3,010
Fehr Foods ' 13	5356	240,000	148,543	-	91,457
Tucker Energy Services	5359	504,327	91,030	-	413,297
Five Points Infrastructure	5359.1	1,000,000	137,491	-	862,509
5 Pts RR Expansion	5363.1	30,800	11,000	-	19,800
Spec 3 Finish Out A/E	5364.1	608,389	608,389	-	-
Spec 3 Finish Out Construction	5364.2	2,067,883	1,902,313	165,570	-
Fehr Foods Expansion	5368	5,123,000	1,501,959	1,000,000	2,621,041
Broadwind Towers 2014	5373	1,614,706	99,222	580,078	935,406
Corley Wetsel Trucking	5376	455,200	-	-	455,200
Clavel Corp	5377	77,717	31,150	-	46,567
Fehr Foods 14	5378	200,000	53,426	-	146,574
Gift Card System	5379	82,100	22,340	-	59,760
BWJ Consulting	5382	619,000	117,293	-	501,707
Dyess Telecomm Upgrade	5383	23,000	6,935	-	16,065
Pine St. Buildings - Hail Damage	5384.1	10,016	10,016	-	-
Pine St. Buildings - Construction	5384.2	449,690	293,559	133,646	22,485
Datroo Technologies	5385	280,750	34,216	-	246,534
DCOA Strategic Planning	5386	130,000	105,000	-	25,000
Coca Cola Refreshments	5387	3,200,000	-	-	3,200,000
Martin Sprocket & Gear	5388	160,000	-	-	160,000
Industrial Maintenance Training AISD	5389	70,000	-	8,823	61,177
Lone Star Canvas	5390	50,000	-	-	50,000
Abimar Foods 2015	5391	127,321	-	-	127,321
BCBS Roof Repairs	5392	953,400	-	-	953,400
TTUHSC School of Public Health	5393	1,951,431	-	-	1,951,431
Praire Dog Pet Products	5394	-	-	-	-
<b>Subtotal Economic Program Obligation Reserve</b>		<b>\$ 31,144,204</b>	<b>\$ 14,963,842</b>	<b>\$ 2,133,142</b>	<b>\$ 14,047,220</b>
<b>Plus Administrative Division Obligations:</b>					
Economic Development Operating Division	Division 2760	710,150	-	221,825	488,325
Life Sciences Property Maintenance	Division 2765	521,140	-	100,331	420,809
DCOA Property Maintenance	Division 2775	2,303,290	-	177,924	2,125,366
Abilene Industrial Foundation	Division 2775	604,780	-	115,144	489,636
TTU Small Business Dev Center	Division 2775	200,000	-	33,412	166,588
Chamber Military Affairs	Division 2775	397,000	-	-	397,000
Airport Business Development Manager	Division 2775	182,720	-	20,188	162,532
<b>Subtotal Administrative Divisions Obligation Reserve</b>		<b>\$ 4,919,080</b>	<b>\$ -</b>	<b>\$ 668,824</b>	<b>\$ 4,250,256</b>
<b>Total reserve for obligated programs</b>					<b>\$ 18,297,476</b>
<b>DCOA Board approved projects waiting for signed contracts:</b>					
Dyess JLUS		\$ 50,000		Expiration Date 6/17/16	
Spec 3 Remediation / Repairs		100,000		7/12/16	
		<u>\$ 150,000</u>			

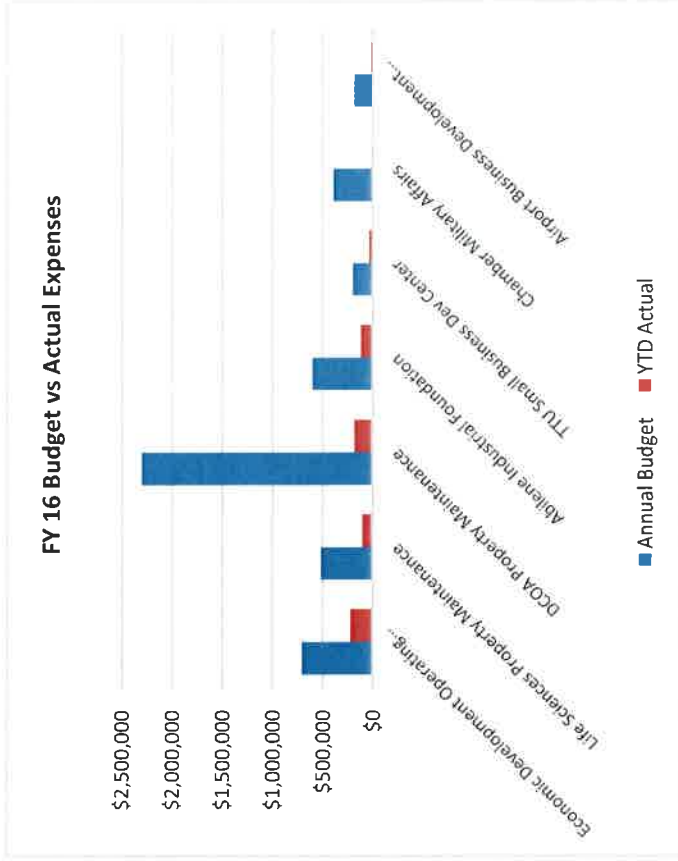
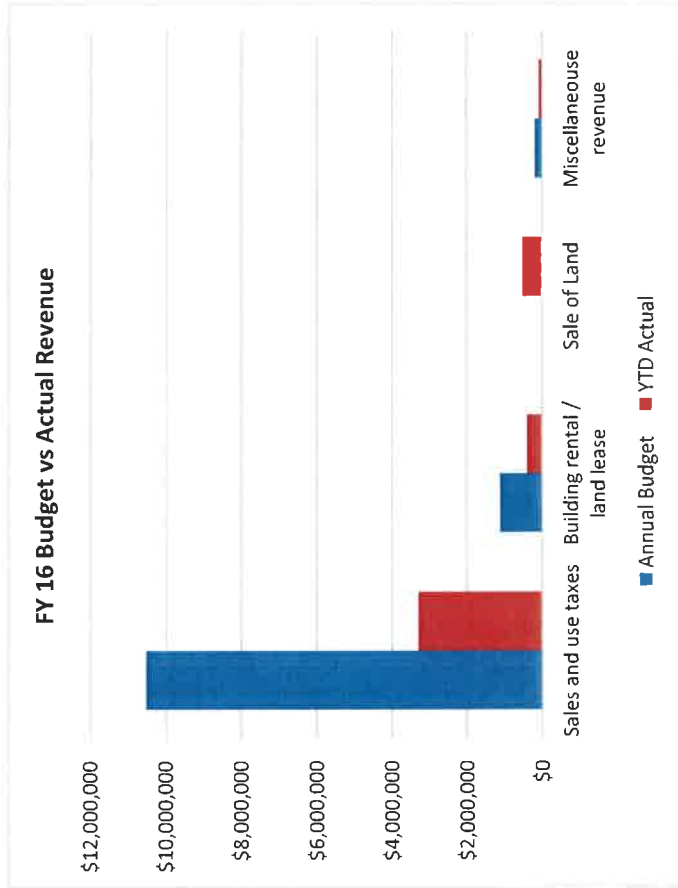
**Development Corporation of Abilene**  
**Revenue and Expense**  
**Budget vs Actual Comparison**  
**October 2015 - January 2016**

**Revenue**

	Annual Budget	YTD Actual	% of Budget
Sales and use taxes	10,521,260	3,288,185	31%
Building rental / land lease	1,107,350	388,500	35%
Sale of Land	-	496,459	0%
Miscellaneous revenue	196,980	73,219	37%
Revenue	11,825,590	4,246,363	36%

**Expenses**

	Annual Budget	YTD Actual	% of Budget
Economic Development Operating Division	710,150	221,825	31%
Life Sciences Property Maintenance	521,140	100,331	19%
DCOA Property Maintenance	2,303,290	177,924	8%
Abilene Industrial Foundation	604,780	115,144	19%
TTU Small Business Dev Center	200,000	33,412	17%
Chamber Military Affairs	397,000	-	0%
Airport Business Development Manager	182,720	20,188	11%
	4,919,080	668,824	14%



**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD AGENDA**  
**MEETING DATE: March 7, 2016**

**PROJECT: Abilene Aero Renewal Agreement for De-Fueling Services to Eagle Aviation Services**

**STAFF: Kent Sharp, CEO**

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**BACKGROUND INFORMATION:**

Federal regulations require that Eagle Aviation Services, Inc. (EASI) de-fuel each aircraft before performing maintenance, and the fuel is then placed back into that aircraft or one owned by the same carrier. Abilene Aero currently performs the de-fueling services for EASI for \$50/aircraft on average of 15 times per month.

Abilene Aero leases a fuel truck from AvFuel specifically for providing the de-fueling services for EASI. The monthly cost for Abilene Aero's truck lease payment plus the cost of maintenance, insurance and other miscellaneous costs was \$1,750. On February 26, 2013, the DCOA approved resolution DCOA-2013.16 authorizing an agreement with Abilene Aero to cover its truck lease and maintenance costs while providing de-fueling services to Eagle Aviation Services, Inc. The agreement was for 12 months beginning 3-1-13, which was extended for another 2 years at the same monthly cost.

**SPECIAL CONSIDERATIONS:**

Harley Hall with EASI requests the DCOA continue the arrangement with Abilene Aero. Joe Crawford with Abilene Aero will renew the agreement with the DCOA for 2 years beginning 3-1-16 at \$1,950/month, an increase of \$200/month, with three (3) additional 12-month options for a total of 60 months at the same monthly rate.

I propose we provide the monthly lease payments as stated and execute a new agreement for 2 years with options to extend through 2-28-21.

**FISCAL IMPACT:**

Monthly payments to Abilene Aero of \$1,950 for up to 5 years \$117,000

**STAFF RECOMMENDATION:**

Staff recommends approval of resolution DCOA-2016.12 authorizing a renewal agreement with Abilene Aero to cover its truck lease and maintenance costs while providing de-fueling services to Eagle Aviation Services, Inc. The agreement will be for 24 months beginning 3-1-16 at \$1,950/month with 3 additional 12-month options to extend at the same monthly rate.

**ATTACHMENT:**

Resolution DCOA-2016.12



**RESOLUTION NO. DCOA-2016.12**

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING A RENEWAL AGREEMENT WITH ABILENE AERO FOR DE-FUELING SERVICES PROVIDED TO EAGLE AVIATION SERVICES, INC. (EASI).

WHEREAS, federal regulations require that EASI de-fuel each aircraft before performing maintenance, and the fuel is then placed back into that aircraft or one owned by the same carrier; and,

WHEREAS, Abilene Aero currently performs the de-fueling services for EASI for \$50/de-fueling event on average; and,

WHEREAS, Abilene Aero leases a fuel truck from AvFuel specifically for providing the de-fueling services for EASI at a monthly cost of \$1,750 for the truck lease payment plus maintenance, insurance and other miscellaneous costs; and,

WHEREAS, on February 26, 2013, the DCOA approved resolution DCOA-2013.16 authorizing a 3-year agreement with Abilene Aero effective March 1, 2013, to cover its truck lease and maintenance costs while providing de-fueling services to EASI; and,

WHEREAS, EASI requests the DCOA continue the arrangement with Abilene Aero, and Abilene Aero will renew the agreement with the DCOA for up to 5 years beginning 3-1-16 at \$1,950/month, an increase of \$200/month; and,

WHEREAS, staff requests the DCOA consider authorizing a renewal agreement with Abilene Aero to cover its truck lease and maintenance costs while providing de-fueling services to EASI with the DCOA paying \$1,950/month for 24 months with 3 additional 12-month options to extend at the same monthly rate.

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

**PART 1.** DCOA hereby authorizes a renewal agreement with Abilene Aero to cover its truck lease and maintenance costs while providing de-fueling services to Eagle Aviation Services, Inc. The initial agreement will be for 24 months beginning 3-1-16 at \$1,950/month and include three (3) additional 12-month options not to extend beyond 60 months, or 2-28-21, at the same monthly rate. The total amount of funding approved is up to One Hundred Seventeen Thousand and no/100's Dollars (\$117,000.00).

**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 7th day of March, 2016.

ATTEST:

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John Beckham  
Secretary/Treasurer

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Dave Copeland  
President

APPROVED:

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Stanley Smith, Interim City Attorney

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INFORMATION FOR ITEM #6  
WILL BE PROVIDED  
AT THE MEETING