

## PUBLIC NOTICE

### DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Thursday, June 16, 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

June 16, 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 May 24, 2016, board meeting.
3. Sales tax report for June 2016 and April 2016 financial reports.
4. Discussion about a Revised FY16 budget and Proposed FY17 budget.
5. Executive Session:  
The DCOA reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by the Texas Government Code Sections:
  1. 551.071 (Consultation with Attorney),
    - A. Proposed FY17 contract between DCOA and City of Abilene.
  2. 551.072 (Deliberations about Real Property)
    - A. Expansion of building in Five Points Business Park & lease agreement modifications.
    - B. Expansion of DCOA owned warehouse.
  3. 551.074 (Personnel Matters),
  4. 551.087 (Business Prospect/Economic Development)
    - A. Incentive proposal for Project Wind.
    - B. Incentive proposal for Project Food.
    - C. Incentive proposal for Project Plastic.
6. Discussion and possible approval of a resolution authorizing a tree and scrub clearing contract for about 108 acres in the 18/36 Industrial Park at Hwy 36 and FM 18.
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**  
**May 24, 2016**

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

**MEMBERS ABSENT:** Jack Rich

**STAFF PRESENT:** Kent Sharp Kim Tarrant Chace Craig  
Alice Jackson

**GUESTS PRESENT:** Brian Yates Chamber Military Affairs Committee  
Kate Alvarez Abilene Regional Airport  
Judy Wilhelm Small Business Development Center  
Justin Jaworski Abilene Industrial Foundation  
Gray Bridwell Chamber Military Affairs Committee  
Brooke Crum Abilene Reporter News

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 APRIL 25, 2016 BOARD MEETING:** John Beckham moved to approve the minutes from the April 25, 2016 board meeting. Dani Ramsay seconded and the motion carried.

3. **SALES TAX REPORT FOR MAY 2016, MARCH 2016 FINANCIAL REPORTS, AND UPDATE ON CASH FLOW PROJECTIONS:** Alice Jackson with the Finance Department presented the sales tax report for May 2016. The sales tax rebate for May is \$3,886,028.56 which represents March sales. Economic Development received \$971,507.14, which is 4.72% below last year and 5.66% below the projected FY 16 budget amount. For the period October through May, sales tax is 3.27% below last year and 4.23% below the projected FY 16 budget amount. The DCOA's total current assets as of March 31, 2016 are \$18,795,215. The March 2016 revenues totaled \$801,339 and total expenditures were \$852,900 with \$628,093 being spent on five different projects.

4. **PRESENTATION OF SEMI-ANNUAL REPORTS OF ACTIVITIES FOR SIX MONTHS ENDED MARCH 31, 2016 BY: TEXAS TECH UNIVERSITY SMALL BUSINESS DEVELOPMENT CENTER, ABILENE CHAMBER OF COMMERCE MILITARY AFFAIRS COMMITTEE, CITY OF ABILENE AIRPORT BUSINESS DEVELOPMENT MANAGER AND ABILENE INDUSTRIAL FOUNDATION:**

**Texas Tech University Small Business Development Center (SBDC):**

Judy Wilhelm, Director of the SBDC, presented their semi-annual report to the DCOA. During the first six months of FY16, SBDC registered 188 new clients and logged 142 new jobs/expansions. A total of 894 counseling hours were billed to the DCOA totaling \$67,050 as of March 31, 2016. The SBDC received the required certification for continued operation from the Association of Small Business Development Centers in October of 2016 and in April received approval from the U.S. Small Business Administration after an evaluation of the Abilene center and the audit performed showed no findings.

**Abilene Chamber of Commerce Military Affairs:**

Brian Yates, Vice President for Military Affairs, presented the semi-annual report for the Military Affairs Committee (MAC). In October of 2015, Mac attended the annual Airlift/Tanker Association convention in Orlando, FL. In January MAC visited the Headquarters of Air Mobility Command (AMC) at Scott AFB, IL, to discuss mobility issues directly with 4-star General Carlton Everhart, Commander of AMC, and his staff. From there the team continued to Washington D.C. for meetings with six congressional staff delegations, plus a face-to-face discussion with Senator John Cornyn. The number one outreach priority for MAC is to engage the Pentagon and our elected officials to maximize chances for Dyess AFB to be one of the early bases to receive the new B-21 Long Range Strike Bomber. The election year turmoil has effectively pushed the potential for a Base Realignment and Closure (BRAC) effort to at least 2019.

**City of Abilene Airport Business Development (ABI):**

Kate Alvarez, Marketing and Development Manager of Abilene Regional Airport presented their semi-annual report to the board. As of March 2016, enplanements are down 6% over the same period one year ago. Revenue from rental cars is down 13% and parking lot revenue is down 3%. Since the beginning of FY16 a training program was implemented for City and airline employees to increase positive customer service at the airport. ABI's current marketing avenues are TV, radio, sponsorships and social media with Facebook, Twitter and Instagram. Business Development activities have been and will continue to include community outreach through speaking engagements to various civic organizations. ABI will continue to study the airline market in Abilene and promote ABI as the airport of choice.

**Abilene Industrial Foundation (AIF):**

Justin Jaworski, Director of Business and Marketing for the AIF presented their semi-annual report to the DCOA. From October 2015 to March 31, 2016 the AIF has followed up on 29 contacts and 32 leads. After incentive agreements were signed with the DCOA, 7 projects were created with a total capital investment of \$74 million, 304 jobs were created and 700 jobs retained. The AIF made 66 Business Retention/Expansion visits and participated in 5 trade shows/conferences. The AIF will continue to sponsor two events aimed at maintaining existing

relationships with employers, Semi-Annual Manufacturers luncheon and the Business Retention/Expansion luncheon.

**5. 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 May 24, 2016 and the time is 2:20 p.m. Later, President Copeland announced the date is still May 24, 2016 and the time is 2:30 p.m. No vote or action was taken in Executive Session.

**6. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING CONTRACTS TO MAKE ADDITIONAL MODIFICATIONS AND REPAIRS TO THE SPEC 3 BUILDING IN FIVE POINTS BUSINESS PARK (LEASED TO PRAIRIE DOG PET PRODUCTS):**

With no discussion on this item, a contract with Mulltex Mechanical Co. plus funding of \$137,900 and a 5% contingency of \$6,895, totaling \$144,795 was approved. The contract is for renovation of the ventilation system at the Spec 3 building in Five Points Business Park, which is leased to Prairie Dog Pet Products (PDPP). The renovation includes replacing all 6 existing fans, replacing 15 motorized louvers with new fixed blade louvers with motorized dampers, which will greatly reduce water and dust, plus increase the air circulation for the facility and future employees of PDPP.

Dani Ramsay made a motion to approve resolution DCOA-2016.15 authorizing a contract with Mulltex Mechanical Co. plus funding of \$144,795 to renovate the existing ventilation system at Spec 3. John Beckham seconded and the motion carried.

**5. EXECUTIVE SESSION – SESSION 2:**

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 May 24, 2016 and the time is 2:32 p.m. Later, President Copeland announced the date is still May 24, 2016 and the time is 2:50 p.m. No vote or action was taken in Executive Session.

**3. SALES TAX REPORT FOR MAY 2016, MARCH 2016 FINANCIAL REPORTS, AND UPDATE ON CASH FLOW PROJECTIONS:** Staff handed out the updated cash flow projection for the next five years. There was no discussion on this item.

**7. ADJOURNMENT:**

There being no further business the meeting was adjourned.

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Dave Copeland, President

**MEMORANDUM**

June 08, 2016

**TO:** Robert Hanna, City Manager  
**FROM:** Mike Rains, Director of Finance  
**SUBJECT:** June Sales Tax

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The sales tax rebate for June is \$3,017,754.39 which represents April sales. This is 8.33% below last year and 9.23% below the projected FY 16 budget amount. The breakdown of the rebate is \$2,263,316 to the General Fund and \$754,438.60 for economic development. Of this rebate, \$89,164.72 is from prior periods, audit payments, future payments, and unidentified payments. For the period of October through June, sales tax is 3.80% below last year and 4.75% below the projected FY 16 budget amount. I have requested the detail from the state.

Should you have any questions, please contact me.

**Cc:** Mindy Patterson, Assistant City Manager  
James Childers, Assistant City Manager

**CITY OF ABILENE  
SALES TAX COMPARISON**

Accounting Period Month	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL 2014-15	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL 2015-16
	Actual 2014-15	Actual 2014-15		Actual 2015-16	Actual 2015-16	
October	\$2,805,980.73	\$868,660.24	\$3,474,640.97	\$2,456,044.80	\$818,681.60	\$3,274,726.40
November	2,963,660.77	987,886.92	3,951,547.69	2,940,002.89	980,000.96	3,920,003.85
December	2,510,766.92	836,922.30	3,347,689.22	2,203,231.83	734,410.61	2,937,642.44
January	2,394,359.96	798,119.98	3,192,479.94	2,265,278.52	755,092.84	3,020,371.36
February	3,411,247.43	1,137,082.47	4,548,329.90	3,419,688.86	1,139,896.28	4,559,585.14
March	2,278,078.73	759,359.57	3,037,438.30	2,186,523.32	728,841.10	2,915,364.42
April	2,201,001.23	733,667.07	2,934,668.30	2,337,248.73	779,082.91	3,116,331.64
May	3,058,881.51	1,019,627.17	4,078,508.68	2,914,521.42	971,507.14	3,886,028.56
June	\$2,468,865.01	\$822,955.00	\$3,291,820.01	2,263,315.79	754,438.60	3,017,754.39
<b>YTD</b>	<b>\$23,892,842.29</b>	<b>\$7,964,280.72</b>	<b>\$31,857,123.01</b>	<b>\$22,985,856.16</b>	<b>\$7,661,952.04</b>	<b>\$30,647,808.20</b>
July	2,336,436.58	778,812.19	3,115,248.77			
August	2,994,226.69	998,075.56	3,992,302.25			
September	2,433,407.29	811,135.76	3,244,543.05			
<b>FY TOTAL</b>	<b>\$31,656,912.85</b>	<b>\$10,552,304.23</b>	<b>\$42,209,217.08</b>			

NOTE: Report reflects the month sales tax is received from Austin. Revenue is recorded on this basis for budgetary purposed.

The Comprehensive Annual Financial Report (CAFR) will reflect revenue based upon the month the sales tax is paid by the vendor to the State Comptroller 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 2014-15	Actual 2015-16	% Change
October	\$868,660	\$818,682	-5.75%
November	987,887	980,001	-0.80%
December	836,922	734,411	-12.25%
January	798,120	755,093	-5.39%
February	1,137,082	1,139,896	0.25%
March	759,360	728,841	-4.02%
April	733,667	779,083	6.19%
May	1,019,627	971,507	-4.72%
June	822,955	754,439	-8.33%
<b>YTD</b>	<b>\$7,964,281</b>	<b>\$7,661,952</b>	<b>-3.80%</b>
July	778,812		
August	998,076		
September	811,136		
<b>FY TOTAL</b>	<b>\$10,552,304</b>		

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 to the State Comptroller in accordance with GASB 33 requirements.

Revenue for June '16 represents April '16 sales. Approximately \$22,291.18 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 2011-12	Actual 2012-13	Actual 2013-14	Actual 2014-15	Actual 2015-16
October	\$890,386	\$855,868	\$815,126	\$868,660	\$818,682
November	964,808	891,956	896,761	987,887	980,001
December	725,276	773,104	766,502	836,922	734,411
January	941,066	728,710	744,242	798,120	755,093
February	1,175,879	1,012,685	1,061,353	1,137,082	1,139,896
March	732,189	821,529	743,945	759,360	728,841
April	769,064	800,963	726,196	733,667	779,083
May	977,461	965,056	981,409	1,019,627	971,507
June	766,944	827,415	773,012	822,955	754,439
<b>FY TOTAL</b>	<u>\$7,943,073</u>	<u>\$7,677,287</u>	<u>\$7,508,544</u>	<u>\$7,964,281</u>	<u>\$7,661,952</u>
July	756,886	826,951	794,307	778,812	
August	920,096	927,272	966,814	998,076	
September	800,200	797,862	845,806	811,136	
<b>YTD</b>	<u>\$10,420,256</u>	<u>\$10,229,372</u>	<u>\$10,115,471</u>	<u>\$10,552,304</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 to the State Comptroller in accordance with GASB 33 requirements.

**DEVELOPMENT CORPORATION OF ABILENE**  
**STATEMENT OF NET POSITION**  
**April 30, 2016 and 2015**

	April 2016	April 2015
<b>Current Assets:</b>		
Cash and cash investments	\$ 17,766,282	\$ 17,881,499
Accounts receivable	35,293	173,059
Due from other governments	1,789,074	1,847,609
Total Current Assets	19,590,649	19,902,167
<b>Noncurrent Assets:</b>		
Notes receivable	19,660,420	15,744,116
Capital assets	51,765,462	47,929,002
Accumulated depreciation	(9,815,739)	(8,633,256)
Total capital assets, net	41,949,723	39,295,746
Total Noncurrent Assets	61,610,143	55,039,862
<b>Total Assets</b>	\$ 81,200,792	\$ 74,942,029
<b>Liabilities</b>		
Current:		
Accounts payable	\$ 347,121	\$ 384,901
Total Current Liabilities	347,121	384,901
Total Liabilities	347,121	384,901
<b>Net Position</b>		
Net Investment in capital assets	41,949,723	39,295,746
Restricted for contractual obligations	15,808,353	28,855,773
Unrestricted, designated for purposes of trust	23,095,595	6,405,609
Total Net Position	80,853,671	74,557,128
<b>Total Liabilities and Net Position</b>	\$ 81,200,792	\$ 74,942,029

**DEVELOPMENT CORPORATION OF ABILENE**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**For seven months ending April 30, 2016 and 2015**

	April 2016	Fiscal YTD 2016	Fiscal YTD 2015
<b>Revenues:</b>			
Sales and use taxes	\$ 778,514	\$ 5,936,006	\$ 6,121,699
Interest income	83,396	122,471	95,991
Building rental / land lease	115,111	655,686	617,817
Sale of Land	-	496,459	163,635
Miscellaneous revenue	11,444	71,460	529,800
Total Revenues	<u>988,465</u>	<u>7,282,082</u>	<u>7,528,942</u>
<b>Expenses:</b>			
Economic Development Projects	143,062	3,328,292	6,181,369
Life Sciences property maintenance	13,962	241,895	314,510
DCOA property maintenance	31,020	269,584	151,878
Abilene Industrial Foundation	32,270	206,593	214,476
TTU Small Business Development Center	10,875	67,050	82,294
Chamber Military Affairs	-	63,566	160,701
Airport Business Development Manager	8,464	48,118	45,025
Economic Development Operating Division	67,387	392,899	299,532
Total Expenditures	<u>307,040</u>	<u>4,617,997</u>	<u>7,449,785</u>
<b>Changes In Net Position</b>	681,425	2,664,085	79,157
<b>Net Position at Beginning of Period</b>	<u>80,172,246</u>	<u>78,189,586</u>	<u>74,477,971</u>
<b>Net Position at End of Period</b>	<u>\$ 80,853,671</u>	<u>\$ 80,853,671</u>	<u>\$ 74,557,128</u>

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

EASI De-Fuel Truck	\$ 1,750
Tucker Energy Service - Job Creation	27,793
Tucker Energy Service - Capital Investment	52,882
DCOA Strategic Plan	20,000
ALSF Unwind	40,637
Total	<u>\$ 143,062</u>

Development Corporation of Abilene  
Economic Program Status  
As of April 30, 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	2,507,899	2,507,899	-	-
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	88,761	64,682	24,079	-
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	137,385	35,363
EASI De-Fuel Truck	5354	111,560	56,000	10,500	45,060
Fehr Foods ' 13	5356	222,815	148,543	74,272	-
Tucker Energy Services	5359	585,000	91,030	80,675	413,295
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	1,601,237	2,019,804
Broadwind Towers 2014	5373	1,614,706	99,222	580,078	935,406
Corley Wetsel Trucking	5376	455,200	-	-	455,200
Clavel Corp	5377	56,256	31,150	25,106	-
Fehr Foods 14	5378	162,278	53,426	53,426	55,426
Gift Card System	5379	82,100	22,340	33,055	26,705
BWJ Consulting	5382	619,000	117,293	-	501,707
Dyess Telecomm Upgrade	5383	6,935	6,935	-	-
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
Datrou Technologies	5385	280,750	34,216	-	246,534
DCOA Strategic Planning	5386	130,000	105,000	20,000	5,000
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	-	38,823	31,177
Lone Star Canvas	5390	50,000	-	-	50,000
Abimar Foods 2015	5391	-	-	-	-
BCBS Roof Repairs	5392	953,400	-	-	953,400
TTUHSC School of Public Health	5393	1,541,017	-	-	1,541,017
Prairie Dog Pet Products	5394	-	-	-	-
Five Points Rail Spur	5395	37,342	-	-	37,342
Spec 3 Remediation	5396	100,000	-	-	100,000
ALSF Unwind	5397	180,000	-	40,637	139,363
<b>Subtotal Economic Program Obligation Reserve</b>		<b>\$ 30,471,112</b>	<b>\$ 14,963,842</b>	<b>\$ 3,328,292</b>	<b>\$ 12,178,978</b>

**Plus Administrative Division Obligations:**

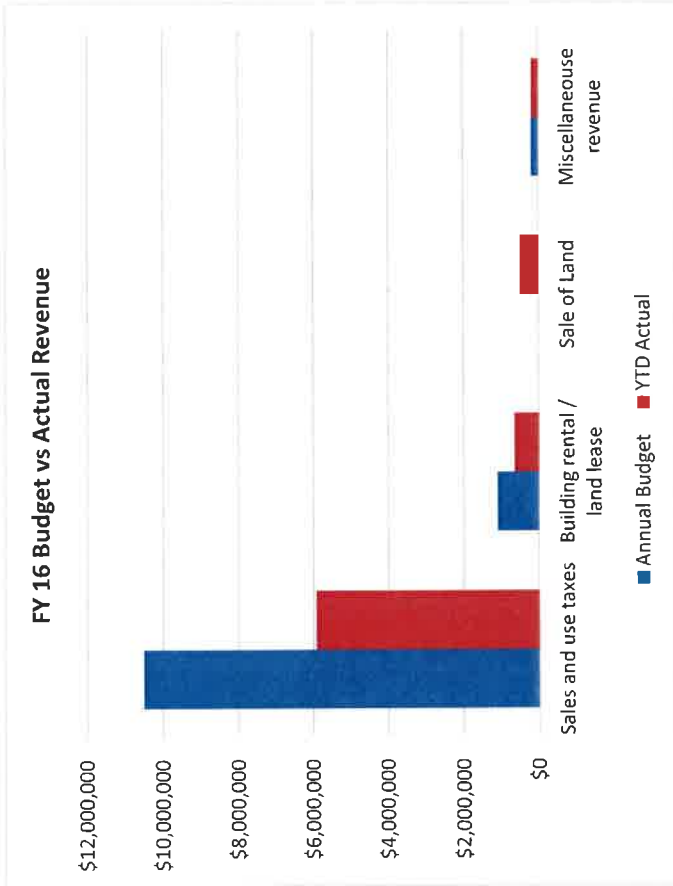
Economic Development Operating Division	Division 2760	710,150	-	392,899	317,251
Life Sciences Property Maintenance	Division 2765	521,140	-	241,895	279,245
DCOA Property Maintenance	Division 2775	2,303,290	-	269,584	2,033,706
Abilene Industrial Foundation	Division 2775	604,780	-	206,593	398,187
TTU Small Business Dev Center	Division 2775	200,000	-	67,050	132,950
Chamber Military Affairs	Division 2775	397,000	-	63,566	333,434
Airport Business Development Manager	Division 2775	182,720	-	48,118	134,602
<b>Subtotal Administrative Divisions Obligation Reserve</b>		<b>\$ 4,919,080</b>	<b>\$ -</b>	<b>\$ 1,289,705</b>	<b>\$ 3,629,375</b>
<b>Total reserve for obligated programs</b>					<b>\$ 15,808,353</b>

**DCOA Board approved projects waiting for signed contracts:**

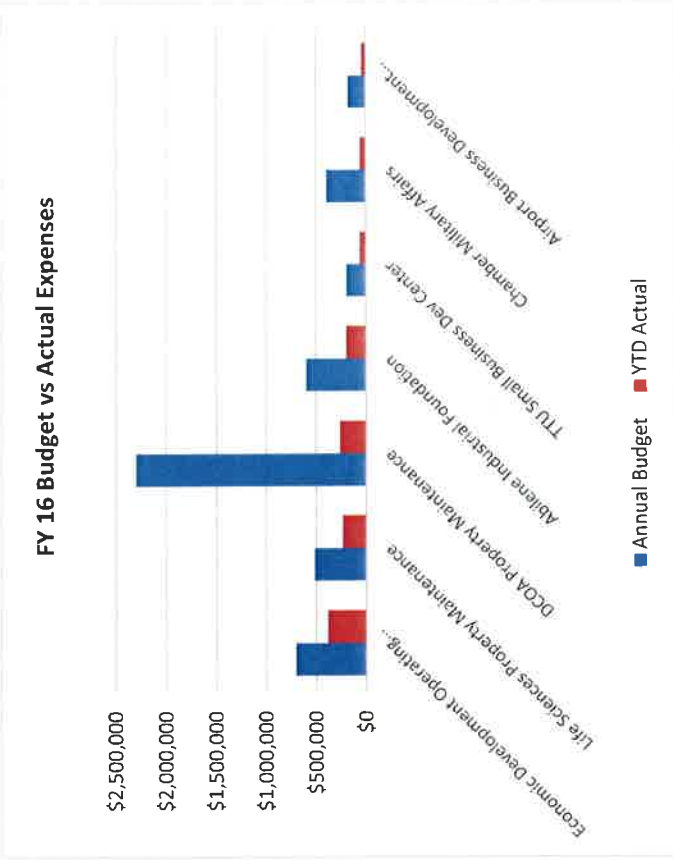
	Amount	Expiration Date
Dyess JLUS	\$ 50,000	6/17/16
TSTC New Campus Ops	\$ 4,000,000	9/21/16
<b>Total</b>	<b>\$ 4,050,000</b>	

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

<b>Revenue</b>	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>% of Budget</b>
Sales and use taxes	10,521,260	5,936,006	56%
Building rental / land lease	1,107,350	655,686	59%
Sale of Land	-	496,459	0%
Miscellaneous revenue	196,980	193,931	98%
<b>Revenue</b>	<b>11,825,590</b>	<b>7,282,082</b>	<b>62%</b>



<b>Expenses</b>	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>% of Budget</b>
Economic Development Operating Division	710,150	392,899	55%
Life Sciences Property Maintenance	521,140	241,895	46%
DCOA Property Maintenance	2,303,290	269,584	12%
Abilene Industrial Foundation	604,780	206,593	34%
TTU Small Business Dev Center	200,000	67,050	34%
Chamber Military Affairs	397,000	63,566	16%
Airport Business Development Manager	182,720	48,118	26%
<b>Total</b>	<b>4,919,080</b>	<b>1,289,705</b>	<b>26%</b>



# DEVELOPMENT CORPORATION OF ABILENE, INC.

## BOARD AGENDA

MEETING DATE: June 16, 2016

**PROJECT: 18/36 Industrial Park Land Clearing - 105 Acres**

**STAFF: Kent Sharp, CEO**

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### GENERAL INFORMATION:

The DCOA purchased undeveloped land in east Abilene near the Airport at the intersection of State Hwy 36 and FM 18 in 2002 totaling 326.59 acres for a total price of \$408,237.50 (or \$1,250/acre). The intent of purchase was to create a centralized distribution point in Abilene combining rail, air and highway access. A portion of the acreage (231.91 acres) is located north of FM 18 and the remaining 94.68 acres lie south.

The history of the Park is as follows:

- 2002 – An agricultural lease with David Lenz was assigned to the DCOA for the north side acreage. The lease has been extended and expires on March 31, 2018.
- 2003 - DCOA contracted with Carter & Burgess, Inc. for planning and engineering services associated with a proposed rail-served industrial park on the north side acreage. The company conducted a feasibility study, which was completed in October 2003, and which proposed three alternatives for development. The plan for a rail-served industrial park was put on hold in lieu of a development plan that would be more feasible for the potential end users.
- 2005 – DCOA contracted with Enprotec/Hibbs & Todd to perform survey work and plat 2 lots on the north side of FM 18 to accommodate construction of a new manufacturing plant for Robinson Fans Abilene. Also authorized was solicitation of bids to install utilities and a road for the new plant. Robinson Fans decided not to pursue new construction on this tract but rather at the current location on Oak St.
- 2005 - Tige Boats constructed a new manufacturing plant on 40 acres of the 94.68 acre tract. In a complex transaction, the DCOA purchased from the City of Abilene a 10 acre tract at the SE corner of Hwy 36 and FM 18 that was bounded to the south and east by DCOA land. A portion of that tract was then combined with a portion of the DCOA tract to make a 40 acre tract that was then sold to Tige.
- 2012 – DCOA purchased 2 acres of vacant land located on Hwy 36, adjacent to the south boundary of the 94.6 acre tract. A Lamar billboard sign lease was assigned to the DCOA, which nets \$525 in lease revenue each year.

### THE REQUEST:

The north side acreage is thick with trees and brush. Adjacent to the west is a triangular section of vacant land owned by the City of Abilene, which totals about 28 acres. The majority of it was conveyed back to the City in 2004 by TxDOT as excess right-of-way. The attached photo depicts the DCOA's and City's north side land. To accommodate development of the property, it needs to be more clearly visible from both Hwy 36 and FM 18 so that prospective buyers can better visualize their project there.

I propose we clear about 80 acres of the DCOA's land plus the City's approximately 28 acres now, preparing it for quick turnaround for future development. Most prospects are on a short-time fuse for purchase and development of land, and many are not able to wait for land that must

first be cleared before development can occur. Staff gathered bids from 2 local companies for land clearing services with the debris left in several piles on the property. Staff will assist the contractor in identifying about 1 tree per acre that will be left intact, retaining a more natural appearance to the property. The end product will be land mostly free of trees and scrub, ready for development. If a prospect is interested in the City's land along with the DCOA's, the board and City can negotiate conveyance of the land at that time. Below is a summary of bids received for clearing about 108 acres:

Contractor	Base Bid Amount
Todd Johnson Dozer	\$625/acre, \$67,500 total
Best Tree Service, LLC	\$650/acre, \$70,200 total

I propose the board approve a contract and funding with Todd Johnson Dozer in the amount not to exceed \$67,500 to clear approximately 108 acres of land. Also requested is a small contingency of \$2,000 to address any unknowns that may be encountered.

**FUNDING/FISCAL IMPACT:**

Todd Johnson Dozer	\$67,500
Contingency	<u>\$ 2,000</u>
TOTAL	\$69,500

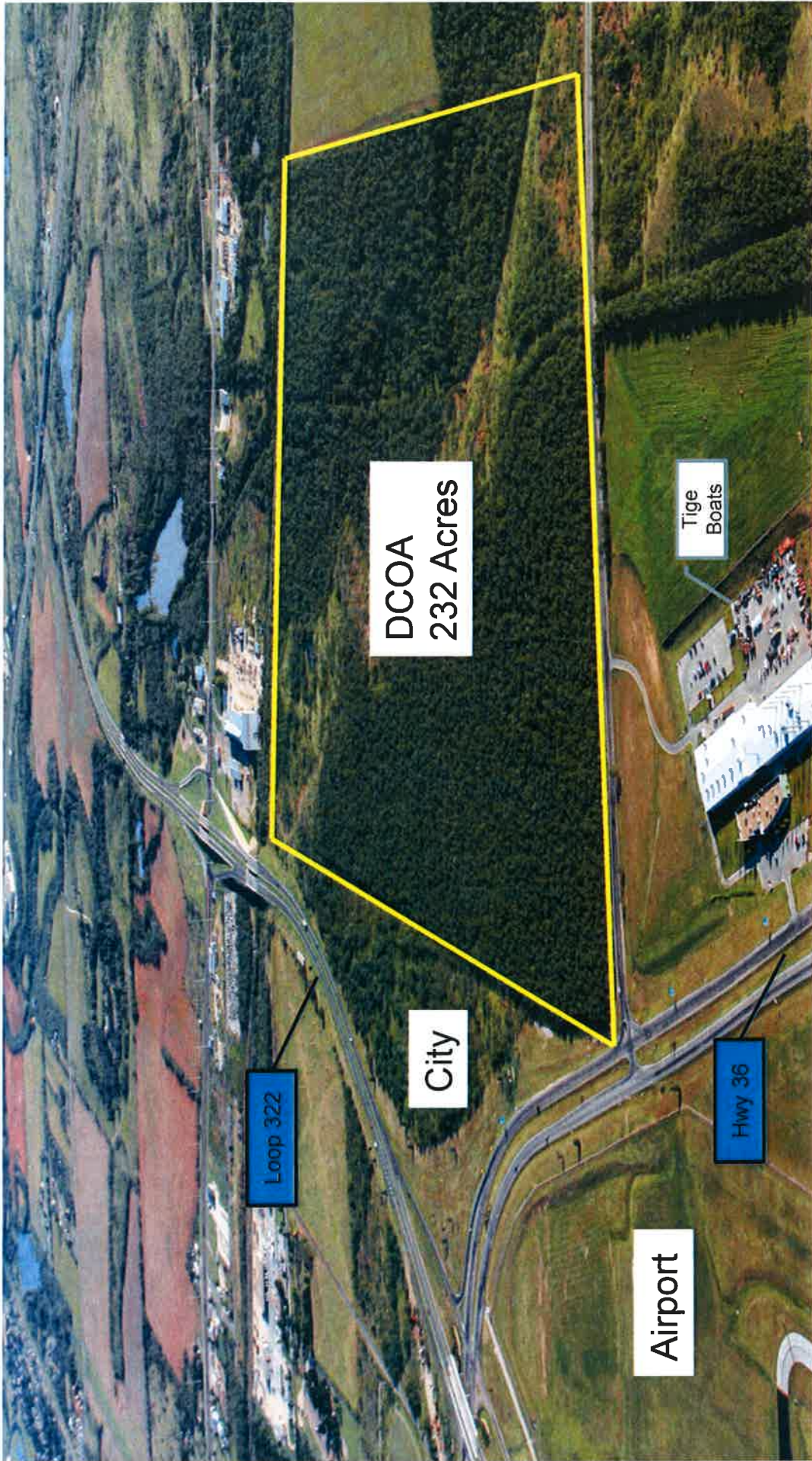
**STAFF RECOMMENDATION:**

Staff recommends approval of Resolution DCOA-2016.16 authorizing a contract with Todd Johnson Dozer and funding of \$67,500 to clear approximately 108 acres of land in the 18/36 Industrial Park. Also recommended is a contingency of \$2,000.

**ATTACHMENT:**

Map of 18/36 Industrial Park showing the subject acreage.  
Resolution DCOA-2016.16





**RESOLUTION NO. DCOA-2016.16**

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING FUNDING AND CONTRACT WITH TODD JOHNSON DOZER FOR LAND CLEARING SERVICES IN THE 18/36 INDUSTRIAL PARK, ABILENE, TEXAS (“PARK”).

WHEREAS, the DCOA purchased undeveloped land in east Abilene near the Airport at the intersection of State Hwy 36 and FM 18 in 2002 totaling 326.59 acres for a total price of \$408,237.50 (or \$1,250/acre); and,

WHEREAS, the intent of purchase was to create a centralized distribution point in Abilene combining rail, air and highway access; and,

WHEREAS, a portion of the acreage (231.91 acres) is located north of FM 18 and the remaining 94.68 acres lie south; and,

WHEREAS, in 2002, an agricultural lease with David Lenz was assigned to the DCOA for the north side acreage, which has been extended and expires on March 31, 2018; and,

WHEREAS, in 2003, DCOA contracted with Carter & Burgess, Inc. for planning and engineering services associated with a proposed rail-served industrial park on the north side acreage, which was put on hold in lieu of a development plan that would be more feasible for the potential end users; and,

WHEREAS, in 2005, DCOA contracted with Enprotec/Hibbs & Todd to perform survey work and plat 2 lots on the north side to accommodate construction of a new manufacturing plant for Robinson Fans Abilene, which was not pursued in lieu of new construction at the company’s current location on Oak St.; and,

WHEREAS, in 2005, Tige Boats constructed a new manufacturing plant on 40 acres of the 94.68 acre tract; and,

WHEREAS, in 2012, DCOA purchased 2 acres of vacant land located on Hwy 36, adjacent to the south boundary of the 94.6 acre tract, upon which is a Lamar billboard sign lease that nets \$525 in lease revenue each year; and,

WHEREAS, there is about 80 acres of north side acreage that is developable, but is thick with trees and brush as is the City of Abilene’s approximately 28 acres of vacant land, located adjacent to the west; and,

WHEREAS, to accommodate development of the property, the acreage needs to be more clearly visible from both Hwy 36 and FM 18 so that prospective buyers can better visualize their project there; and,

WHEREAS, staff gathered bids from 2 local companies for land clearing services with the debris left in several piles on the property and approximately one tree per acre left intact; and,

WHEREAS, staff requests the DCOA approve a contract for land clearing services in the 18/36 Industrial Park on approximately 108 acres of DCOA and City-owned land.

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

**PART 1.** DCOA hereby authorizes a contract with Todd Johnson Dozer for land clearing services in the 18/36 Industrial Park totaling approximately 108 developable acres, which includes approximately 28 acres of City-owned land located adjacent to DCOA-owned land. The debris will be left in several piles on the property. Staff will assist the contractor in identifying about 1 tree per acre that will be left intact, retaining a more natural appearance to the property. Bids received were:

Contractor	Base Bid Amount
Todd Johnson Dozer	\$625/acre, \$67,500 total
Best Tree Service, LLC	\$650/acre, \$70,200 total

Funding approved is Sixty-Nine Thousand Five Hundred and no/100's Dollars (\$69,500.00), which includes a contingency of \$2,000.00.

**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 final contracts and all other related documents on behalf of the DCOA.

ADOPTED this the 16th day of June, 2016.

ATTEST:

\_\_\_\_\_  
John Beckham  
Secretary/Treasurer

\_\_\_\_\_  
Dave Copeland  
President

APPROVED:

\_\_\_\_\_  
Stanley Smith, Interim City Attorney

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