

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Wednesday, August 23, 2017, at Develop Abilene conference room, 174 Cypress St., 3rd floor, Abilene, Texas, commencing at 1:30 p.m. to consider the following agenda:

SIGNED:


Kent Sharp, CEO

AGENDA

August 23, 2017
1:30 p.m.

Develop Abilene Conference Room
174 Cypress St., 3rd floor

1. Call the meeting to order.
2. Approval of minutes from the July 13, 2017, and July 19, 2017, board meetings.
3. Sales tax report for August 2017 and financial report for June 2017.
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 of the matters listed, as authorized by the Texas Government Code Sections:
 1. 551.071 (Consultation with Attorney),
 - A. Outstanding insurance claims
 - B. Prairie Dog Pet Products project
 2. 551.072 (Deliberations about Real Property)
 - A. Acquisition of parcels of land in West Abilene
 - B. 922 N 13th St.
 - C. AbLabs at 1325 Pine St.
 3. 551.074 (Personnel Matters)
 - A. CEO of the DCOA
 4. 551.087 (Business Prospect/Economic Development)
 - A. Project Northeast
5. UNTABLE; Discussion and possible approval of a resolution authorizing a land lease with J&N Construction, LLC in Five Points Business Park.
6. Discussion and possible approval of a resolution authorizing contingent funding to install a road at the Abilene Regional Airport for use by TSTC students once the new Abilene campus is constructed.
7. Discussion and possible action by oral resolution relating to salary and benefits adjustments for DCOA staff beginning with the new fiscal year on October 1, 2017.

8. Discussion and possible action by oral resolution related to the third annual performance evaluation of DCOA's CEO, Kent Sharp.
9. Discussion of next monthly board meeting.
10. 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 _____, 2017, at _____.

City Secretary

NOTICE

Persons with disabilities who would like special assistance or need special accommodations to participate in this meeting should contact the Development Corporation of Abilene, Inc., (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
July 13, 2017

MEMBERS PRESENT:	Dave Copeland Greg Blair	John Beckham Jack Rentz	Jack Rich
STAFF PRESENT:	Kent Sharp	Kim Tarrant	Mike Rains
GUESTS PRESENT:	Mark Zachary - Bruce Kreitler -	McMahon Law Firm 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., 3rd floor conference room, Abilene Texas.

2. APPROVAL OF MINUTES FROM THE JUNE 15, 2017, BOARD MEETING: Jack Rich moved to approve the minutes for the June 15, 2017, board meeting with the noted correction by President Copeland. Greg Blair seconded and the motion carried.

3. SALES TAX REPORT FOR JULY 2017 AND FINANCIAL REPORT FOR MAY 2017: Mike Rains with the Finance Department presented the sales tax report for July 2017. The rebate is \$3,220,833.45, which represents May sales. Economic Development received \$805,208.36, which is 6.28% above last year and 3.46% above the projected FY 17 budget amount. For the period October through July, sales tax is 1.05% above last year and .80% above the projected FY 17 budget amount. The DCOA's total current assets as of May 31, 2017 were \$22,071,562. The May 2017 revenues totaled \$1,088,918 and expenditures totaled \$290,205 with \$61,511 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 July 13, 2017 and the time is 2:08 p.m. Later, President Dave Copeland announced the date is still July 13, 2017 and the time is 3:16 p.m. No vote or action was taken in Executive Session.

8. PRESENTATION AND DISCUSSION OF SCENARIOS RELATED TO THE ONE-HALF CENT SALES TAX FOR ECONOMIC DEVELOPMENT PURPOSES AND KNOWN AND ANTICIPATED PROJECT COMMITMENTS: President Copeland announced this item would be tabled in lieu of further discussion.

5. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A LAND LEASE WITH BROADWIND TOWERS (WHICH INCLUDES AN OPTION TO PURCHASE) OF 4.5 ACRES IN FIVE POINTS BUSINESS PARK AT 733 POLARIS DR.: Kent Sharp, CEO of the DCOA, presented a request from Broadwind Towers, Inc. (Broadwind) to lease 4.5 acres in Five Points Business Park located at the SE corner of the intersection of Polaris Dr. and Marigold St. The lease would be for twelve

(12) months with a payment of \$6,000 per year and the opportunity to extend the lease for no longer than five years. The lease would also contain a purchase option for the acreage totaling \$67,500 or \$15,000/acre. Broadwind has thirty days (30) to execute all necessary agreements or the offer expires.

Jack Rich made the motion to approve resolution DCOA-2017.12 authorizing a lease to Broadwind Towers, Inc. for the 4.5 acres of vacant land in Five Points Business Park contingent on the company's execution within thirty (30) days. Greg Blair seconded and the motion passed.

6. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A LAND LEASE WITH J&N CONSTRUCTION, LLC IN FIVE POINTS BUSINESS PARK: Kent Sharp reported that J&N Construction, LLC (Company) would like to lease approximately 50 acres of vacant land in Five Points Business Park located in the NE corner of the intersection of Arnold Blvd. and Marigold St. The lease would be for ten years with a payment of \$0.00. In exchange, the company would haul-in, dump and grade excess fill dirt to recapture land currently in the flood plain. After a lengthy discussion centered around the quality of the fill dirt and plan for regaining land from the flood plain, the item was tabled.

7. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING AN INDEPENDENT CONTRACT WITH DONALD HARDIN, JR.: Kent Sharp proposed an 18-month Independent Contractor Agreement (Agreement) with Donald Hardin, Jr. for professional consulting services to the DCOA beginning July 20, 2017 and ending in January of 2019. Mr. Hardin is a former employee of the DCOA and has extensive knowledge of DCOA's properties that will be helpful to current staff. Under the agreement, Mr. Hardin will receive the sum of \$2,000 per month for the first 6 months; the sum of \$1,750 per month for the second 6 months; and the sum of \$1,000 per month for the remaining 6 months.

Jack Rich moved to approve resolution DCOA-2017.14 authorizing a contract with Donald Hardin, Jr. for professional consulting services for an 18-month term. John Beckham seconded and the motion passed.

9. DISCUSSION OF NEXT MONTHLY BOARD MEETING: President Dave Copeland announced the next scheduled board meeting will be Wednesday, August 23, 2017 at 1:30 p.m.

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

Dave Copeland, President

DEVELOPMENT CORPORATION OF ABILENE, INC.
SPECIAL-CALLED MEETING MINUTES
July 19, 2017

MEMBERS PRESENT:	Dave Copeland	John Beckham	Jack Rentz
MEMBERS ABSENT:	Greg Blair	Jack Rich	
STAFF PRESENT:	Kent Sharp	Kim Tarrant	
GUESTS PRESENT:	Mark Zachary	McMahon Law Firm	
	Bruce Kreitler	City Council	

1. **CALL THE MEETING TO ORDER:** President Dave Copeland called the meeting to order at 10:00 a.m. at 174 Cypress St., 3rd floor conference room, Abilene Texas.

2. **EXECUTIVE SESSION:** President Copeland stated since there were no specific items or projects to discuss there would be no need to go into executive session.

3. **PRESENTATION AND DISCUSSION OF SCENARIOS RELATED TO THE ONE-HALF CENT SALES TAX FOR ECONOMIC DEVELOPMENT PURPOSES AND KNOWN AND ANTICIPATED PROJECT COMMITMENTS:** Kent Sharp, CEO of the DCOA discussed the implications of the possible 1/8th of 1% sales tax the City Council would dedicate to street maintenance if the voters approved the item. The funds would be taken from the 1/2 of 1% the DCOA currently collects. Mr. Sharp presented two scenarios for projecting available cash flow over a three-year period: 1) Sales tax revenue to DCOA would be reduced by 25%, or 1/8th of 1%, and current operating expenses would remain flat, and 2) No new incentives are approved and focus is placed on projects to which the board has already committed. The DCOA will continue to award incentives to projects deemed to have a positive economic impact on the community. In the last 3 fiscal years (FY14, FY15 and FY16), the DCOA invested \$24.8 Million in economic development projects. There are several projects and potential investments under consideration and choices will have to be made as to the prioritization of these projects. Other items discussed include a reduction in the size of incentives offered and deferment of investments in targeted properties and infrastructure.

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

Dave Copeland, President

MEMORANDUM

August 09, 2017

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

The sales tax rebate for August is \$4,001,036.44 which represents June sales. This is 1.55% above last year and 12.58% above the projected FY 17 budget amount. The breakdown of the rebate is \$3,000,777.33 to the General Fund and \$1,000,259.11 for economic development. Of this rebate, \$113,251.94 is from prior periods, audit payments, future payments, and unidentified payments. For the period of October through August, sales tax is 1.10% above last year and 1.92% above the approved FY 17 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 Actual 2015-16	ECONOMIC DEVELOPMENT Actual 2015-16	TOTAL 2015-16	GENERAL FUND Actual 2016-17	ECONOMIC DEVELOPMENT Actual 2016-17	TOTAL 2016-17
October	\$2,456,044.80	\$818,681.60	\$3,274,726.40	\$2,511,352.80	\$837,117.60	\$3,348,470.40
November	2,940,002.89	980,000.96	3,920,003.85	2,792,056.28	930,685.42	3,722,741.70
December	2,203,231.83	734,410.61	2,937,642.44	2,243,907.19	747,969.06	2,991,876.25
January	2,265,278.52	755,092.84	3,020,371.36	2,379,642.60	793,214.20	3,172,856.80
February	3,419,688.86	1,139,896.28	4,559,585.14	3,277,055.77	1,092,351.92	4,369,407.69
March	2,186,523.32	728,841.10	2,915,364.42	2,271,451.66	757,150.55	3,028,602.21
April	2,337,248.73	779,082.91	3,116,331.64	2,280,576.71	760,192.23	3,040,768.94
May	2,914,521.42	971,507.14	3,886,028.56	3,048,245.25	1,016,081.75	4,064,327.00
June	2,263,315.79	754,438.60	3,017,754.39	2,303,207.45	767,735.82	3,070,943.27
July	2,272,925.02	757,641.67	3,030,566.69	2,415,625.09	805,208.36	3,220,833.45
August	2,955,004.91	985,001.64	3,940,006.55	3,000,777.33	1,000,259.11	\$4,001,036.44
YTD	\$28,213,786.09	\$9,404,595.35	\$37,618,381.44	\$28,523,898.13	\$9,507,966.02	\$38,031,864.15
September	\$2,268,511.95	\$756,170.65	\$3,024,682.60			
FY TOTAL	\$30,482,298.04	\$10,160,766.00	\$40,643,064.04			

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

Accounting Period Month	Actual 2015-16	Actual 2016-17	% Change
October	\$818,682	\$837,118	2.25%
November	980,001	930,685	-5.03%
December	734,411	747,969	1.85%
January	755,093	793,214	5.05%
February	1,139,896	1,092,352	-4.17%
March	728,841	757,151	3.88%
April	779,083	760,192	-2.42%
May	971,507	1,016,082	4.59%
June	754,439	767,736	1.76%
July	757,642	805,208	6.28%
August	985,002	1,000,259	1.55%
YTD	\$9,404,595	\$9,507,966	1.10%
September	\$756,171		
FY TOTAL	\$10,160,766		

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 August '17 represents June '17 sales. Approximately \$28,312.99 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 2012-13	Actual 2013-14	Actual 2014-15	Actual 2015-16	Actual 2016-17
October	\$855,868	\$815,126	\$868,660	\$818,682	\$837,118
November	891,956	896,761	987,887	980,001	930,685
December	773,104	766,502	836,922	734,411	747,969
January	728,710	744,242	798,120	755,093	793,214
February	1,012,685	1,061,353	1,137,082	1,139,896	1,092,352
March	821,529	743,945	759,360	728,841	757,151
April	800,963	726,196	733,667	779,083	760,192
May	965,056	981,409	1,019,627	971,507	1,016,082
June	827,415	773,012	822,955	754,439	767,736
July	826,951	794,307	778,812	757,642	805,208
August	927,272	966,814	998,076	985,002	1,000,259
FY TOTAL	<u>\$9,431,510</u>	<u>\$9,269,665</u>	<u>\$9,741,168</u>	<u>\$9,404,595</u>	<u>\$9,507,966</u>
September	\$797,862	\$845,806	\$811,136	\$756,171	
YTD	<u><u>\$10,229,372</u></u>	<u><u>\$10,115,471</u></u>	<u><u>\$10,552,304</u></u>	<u><u>\$10,160,766</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 to
the State Comptroller in accordance with GASB 33 requirements.

DEVELOPMENT CORPORATION OF ABILENE
STATEMENT OF NET POSITION
June 30, 2017 and 2016

	June 2017	June 2016
Current Assets:		
Cash and cash investments	\$ 19,164,538	\$ 18,781,427
Accounts receivable	1,677,765	35,293
Due from other governments	1,757,691	1,789,074
Total Current Assets	<u>22,599,994</u>	<u>20,605,794</u>
Noncurrent Assets:		
Notes receivable, net	3,386,267	10,825,563
Notes receivable - earning economic incentives	12,311,867	8,979,062
Capital assets	62,437,447	51,765,462
Accumulated depreciation	<u>(14,190,010)</u>	<u>(9,815,739)</u>
Total capital assets, net	<u>48,247,437</u>	<u>41,949,723</u>
Total Noncurrent Assets	<u>63,945,571</u>	<u>61,754,348</u>
Total Assets	<u><u>\$ 86,545,565</u></u>	<u><u>\$ 82,360,142</u></u>
Liabilities		
Current:		
Accounts payable	\$ 41,061	\$ 347,121
Accrued expenses	<u>1,677,765</u>	<u>-</u>
Total Current Liabilities	<u>1,718,826</u>	<u>347,121</u>
Total Liabilities	<u>1,718,826</u>	<u>347,121</u>
Net Position		
Net Investment in capital assets	48,247,437	41,949,723
Restricted for contractual obligations	10,035,960	16,974,077
Unrestricted, designated for purposes of trust	<u>26,543,342</u>	<u>23,089,221</u>
Total Net Position	<u>84,826,739</u>	<u>82,013,021</u>
Total Liabilities and Net Position	<u><u>\$ 86,545,565</u></u>	<u><u>\$ 82,360,142</u></u>

DEVELOPMENT CORPORATION OF ABILENE
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For nine months ending June 30, 2017 and 2016

	June 2017	Fiscal YTD 2017	Fiscal YTD 2016
Revenues:			
Sales and use taxes	\$ 767,735	\$ 7,702,498	\$ 7,661,952
Interest income	14,415	243,298	137,520
Building rental / land lease	117,393	803,878	806,751
Sale of Land		-	496,459
Miscellaneous revenue	15,736	63,076	106,950
Total Revenues	<u>915,279</u>	<u>8,812,750</u>	<u>9,209,632</u>
Expenses:			
Economic Development Projects	182,278	4,123,434	3,697,292
Life Sciences property maintenance	25,866	211,086	292,474
DCOA property maintenance	56,069	219,464	310,783
Abilene Industrial Foundation	62,467	354,202	283,215
TTU Small Business Development Center	14,400	96,262	91,969
Chamber Military Affairs	-	169,104	131,421
Airport Business Development Manager	24,205	93,244	75,084
Economic Development Operating Division	58,644	611,639	503,959
Total Expenditures	<u>423,929</u>	<u>5,878,435</u>	<u>5,386,197</u>
Changes In Net Position	491,350	2,934,315	3,823,435
Net Position at Beginning of Period	<u>84,335,389</u>	<u>81,892,424</u>	<u>78,189,586</u>
Net Position at End of Period	<u>\$ 84,826,739</u>	<u>\$ 84,826,739</u>	<u>\$ 82,013,021</u>

Summary of Current Period Economic Development Projects:

EASI De Fuel Truck	\$ 1,950
Industrial Maintenance Training	(272)
TSTC New Abilene Campus	179,600
City Owned Surplus Land	1,000
Total	<u>\$ 182,278</u>

Development Corporation of Abilene
Economic Program Status
As of June 30, 2017

Economic Programs:	Project	Amount Budgeted	Prior Years Disbursement	Current Year Disbursement	Balance reserved for budgeted programs
Murf Systems	4998	\$ 237,240	\$ 235,665	\$ 1,575	\$ -
TTU Pharmacy School	5242	1,924,943	1,893,035	31,908	-
TTU 842 Pine	5308	853,999	853,999	-	-
Petrosmith Ph 5	5330.1	301,334	150,667	150,667	-
TTUHSC School of Nursing	5331	1,076,253	1,076,253	-	-
Rentech '12	5342	470,000	470,000	-	-
Hangar Doghouses A/E	5348.1	423,000	322,318	27,524	73,158
Hangar Doghouses Construction	5348.2	2,732,618	2,722,255	-	10,363
Hangar 0 Doghouse Construction	5348.3	2,000,000	603,023	982,808	414,169
EASI De-Fuel Truck	5354	111,560	78,200	15,600	17,760
Tucker Energy Services	5359	585,000	171,705	-	413,295
Five Points Infrastructure	5359.1	1,000,000	137,491	-	862,509
5 Pts RR Expansion	5363.1	30,800	24,320	-	6,480
Fehr Foods Expansion	5368	5,123,000	3,103,196	1,749,801	270,003
Broadwind Towers 2014	5373	679,300	679,300	-	-
Corley Wetsel Trucking	5376	455,200	-	455,200	-
Fehr Foods 14	5378	160,278	106,852	53,426	-
Gift Card System	5379	82,019	55,395	26,624	-
BWJ Consulting	5382	619,000	280,940	-	338,060
Datoo Technologies	5385	280,750	81,460	-	199,290
DCOA Strategic Planning	5386	130,000	125,000	-	5,000
Coca Cola Refreshments	5387	-	-	-	-
Martin Sprocket & Gear	5388	-	-	-	-
Industrial Maintenance Training AISD	5389	78,000	50,100	21,876	6,024
Lone Star Canvas	5390	50,000	-	-	50,000
Abimar Foods 2015	5391	300,000	-	300,000	-
BCBS Roof Repairs	5392	953,400	-	-	953,400
TTUHSC School of Public Health	5393	87,422	87,422	-	-
Praire Dog Pet Products	5394	-	-	-	-
Spec 3 Remediation	5396	253,318	214,993	38,325	-
18/36 Industrial Park	5398	52,000	-	50,000	2,000
2016 Startup Week / 2017 Springboard	5399	32,500	-	32,500	-
Broadwind Towers	5400	715,000	-	-	715,000
TSTC New Abilene Campus	5401	4,179,600	-	179,600	4,000,000
AbiMar Employee Relocation	5402	25,000	-	-	25,000
Communities in Schools	5403	80,850	-	5,000	75,850
City Owned Surplus Land	5404	386,960	-	1,000	385,960
Subtotal Economic Program Obligation Reserve		\$ 26,470,344	\$ 13,523,589	\$ 4,123,434	\$ 8,823,321

Plus Administrative Division Obligations:

Economic Development Operating Division	Division 2760	777,490	-	611,639	165,851
Life Sciences Property Maintenance	Division 2765	322,550	-	211,086	111,464
DCOA Property Maintenance	Division 2775	465,670	-	219,464	246,206
Abilene Industrial Foundation	Division 2775	619,780	-	354,202	265,578
TTU Small Business Dev Center	Division 2775	200,000	-	96,262	103,738
Chamber Military Affairs	Division 2775	397,000	-	169,104	227,896
Airport Business Development Manager	Division 2775	185,150	-	93,244	91,906
Subtotal Administrative Divisions Obligation Reserve		\$ 2,967,640	\$ -	\$ 1,755,001	\$ 1,212,639
Total reserve for obligated programs					\$ 10,035,960

DCOA Board approved projects waiting for signed contracts:

Dyess JLUS	\$ 50,000	Expiration Date 6/17/17
	<u>\$ 50,000</u>	

Development Corporation of Abilene
Revenue and Expense
Budget vs Actual Comparison
October 2016 - June 2017

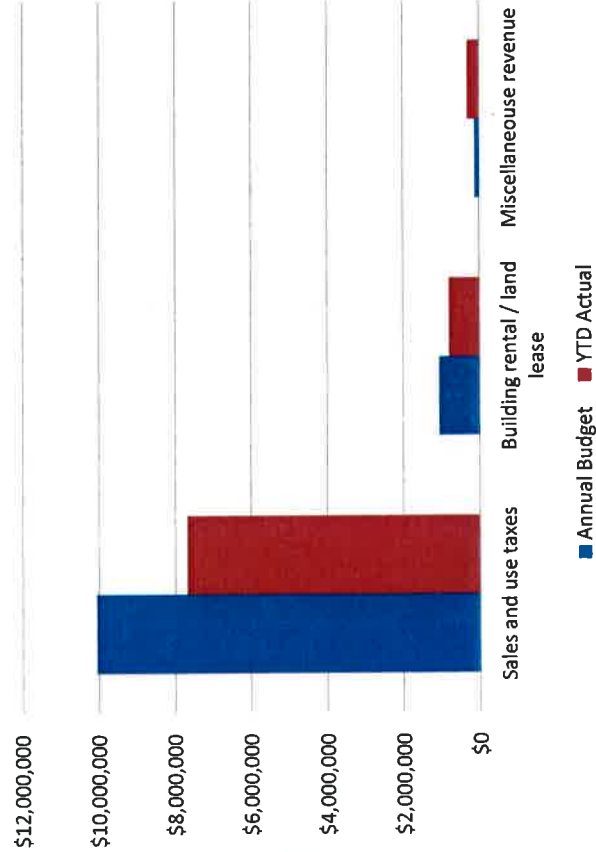
Revenue

	Annual Budget	YTD Actual	% of Budget
Sales and use taxes	10,088,060	7,702,498	76%
Building rental / land lease	1,073,200	803,878	75%
Miscellaneous revenue	135,000	306,374	227%
Revenue	11,296,260	8,812,750	78%

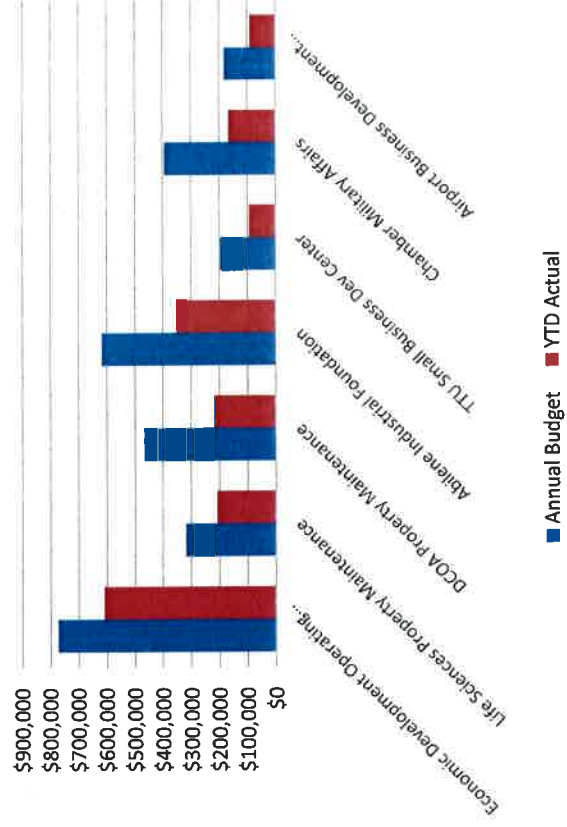
Expenses

	Annual Budget	YTD Actual	% of Budget
Economic Development Operating Division	777,490	611,639	79%
Life Sciences Property Maintenance	322,550	211,086	65%
DCOA Property Maintenance	465,670	219,464	47%
Abilene Industrial Foundation	619,780	354,202	57%
TTU Small Business Dev Center	200,000	96,262	48%
Chamber Military Affairs	397,000	169,104	43%
Airport Business Development Manager	185,150	93,244	50%
	2,967,640	1,755,001	59%

FY 17 Budget vs Actual Revenue



FY 17 Budget vs Actual Expenses



DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: August 23, 2017

PROJECT: UNTABLE: J&N Construction, LLC Land Lease in Five Points Business Park

STAFF: Kent Sharp, CEO

BACKGROUND INFORMATION

James H. Johnson is owner of J&N Construction, LLC dba J&N Utilities, located at 1873 Maple St. in Abilene (www.jandnutilities.com). The company provides natural gas services including line installation and maintenance, right-of-way clearing, survey and leak detection, and trenching. The surplus fill dirt from the company's right-of-way clearing services can be dumped and graded to make flood plain areas of Five Points Business Park developable by increasing the elevation of land area.

THE REQUEST

Mr. Johnson requested and I propose to lease approximately 50 acres located at the NE corner of the intersection of Arnold Blvd and Marigold St. The area is further depicted on the attached drawings. The fill dirt will be clean with some asphalt and concrete and hauled in by the company at no expense to DCOA. Grading work will be performed in lifts and compacted with each lift making the filled area suitable for development. They will install fencing and gate, monitor the site daily, and keep the gate closed and locked. Sometime in the future they plan to install a portable building at the gate to monitor all the loads going in. DCOA will charge no rent and the lease term will be ten (10) years. DCOA will have the option to recapture any or all of the land at any time during the lease period for any purpose. In addition, the lease will include a provision giving DCOA the right to inspect the fill dirt for any possible environmental issues, then terminating immediately if necessary.

During the July 13, 2017, board meeting, this action item was tabled in lieu of staff obtaining additional information from the company concerning the quality of the fill dirt and a plan for grading the area as recommended by a professional engineer. The company contacted Enprotec/Hibbs & Todd (eHT) about of a grading plan for that area. B.J. Prichard with eHT made the following comments on July 28, 2017:

Per our conversation yesterday, I did speak with Larry Wright (City Engineer) this morning and received confirmation that you can place the material in designated FLOODPLAIN areas (light blue/cyan areas on your map) but not in the FLOODWAYS (darker blue areas). No permits are required to place the material, though you might consider some erosion control fencing/logs to help minimize erosion.

Mr. Prichard also provided the company with the attached contours map to aid in J&N's grading efforts.

FISCAL IMPACT

None.

STAFF RECOMMENDATION

Staff recommends the board untable this item and approve resolution DCOA-2017.13 authorizing a land lease to J&N Construction, LLC for approximately 50 acres in Five Points Business Park, located at the NE corner of the intersection of Arnold Blvd. and Marigold St., otherwise known as Lot 28.

ATTACHMENTS

Drawings depicting subject acreage, flood plain areas, and contours
Resolution DCOA-2017.13

S:\DCOA\Meeting Memos\FY2017\J&N Construction land lease in 5 Pts UNTABLE 08-23-17.doc

Five Points Business Park

This premier business park provides its residents with direct access to Interstate 20, the Union Pacific Railroad and is only 15 minutes from Abilene Regional Airport. The park is fully equipped with all major utility infrastructure including: electricity, natural gas, water and wastewater.

FIVE POINTS BUSINESS PARK

20

Interstate Highway 20

Margold Street

Fulwiler Road

F.M. 3438 N. Arnold Blvd.

Highway 80/84/I-20

Union Pacific Railroad



Lot # • Acreage

3	6.09 acres	20	12.06 acres
5	18.85 acres	23	9.69 acres
6	7.57 acres	25	23.62 acres
7	84.25 acres	28	107.13 acres
8	4.52 acres	29	19.78 acres
16	5.38 acres	37	20.00 acres
17	21.20 acres		

Lot Available



28

7

8

5

6

16

17

20

23

25

29

37

North 10th Street

North 9th Street

Congress Street

Capitol Street

Lockheed Way

Wall Street

North First Street

Broadwind Services

Texas Healthcare Linen

Atmos Energy

FedEx

Pactiv

Prairie Dog Pet Products

Tucker Energy

UPS

Zoltak-Toray

City of Abilene Water Reserve

AEP Electrical Substation

TXDOT

Broadwind Towers

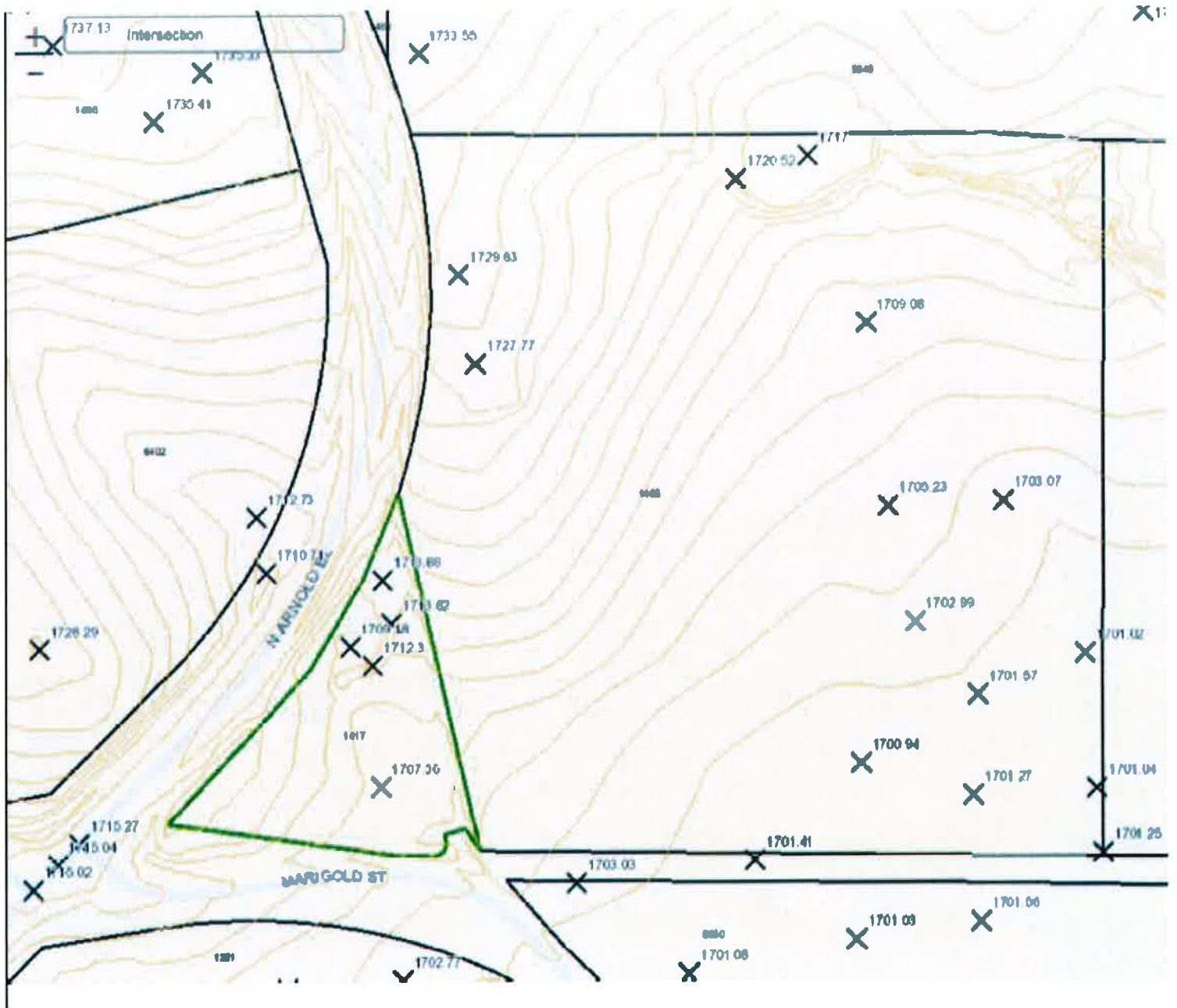
Polaris Drive

City of Abilene Water Reserve

Flood Plain Map



Contours Map



RESOLUTION NO. DCOA-2017.13

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING A LEASE TO J&N CONSTRUCTION, LLC ("COMPANY") FOR APPROXIMATELY 50 ACRE OF VACANT LAND LOCATED AT THE NE CORNER OF ARNOLD BLVD. AND MARIGOLD ST. IN THE FIVE POINTS BUSINESS PARK ("LAND").

WHEREAS, J&N Construction, LLC dba J&N Utilities is located at 1873 Maple St. in Abilene and provides natural gas services including line installation and maintenance, right-of-way clearing, survey and leak detection, and trenching; and,

WHEREAS, the surplus fill dirt from the company's right-of-way clearing services can be dumped and graded to make flood plain areas of Five Points Business Park developable by increasing the elevation of land area; and,

WHEREAS, Company proposes to lease approximately 50 acres located at the NE corner of the intersection of Arnold Blvd and Marigold St in the Five Points Business Park for the purpose of dumping and grading excess fill dirt and recapturing land in the flood plain for future development; and,

WHEREAS, the fill dirt will be clean with some asphalt and concrete pieces and hauled by the Company at no expense to DCOA; and,

WHEREAS, grading work will be performed in lifts and compacted with each lift making the filled area suitable for development; and,

WHEREAS, the Company will install fencing and gate, monitor the site daily, and keep the gate closed and locked with future plans to install a portable building at the gate to monitor all the loads going in; and,

WHEREAS, DCOA will charge no rent and the lease term will be ten (10) years giving DCOA the option to recapture any or all of the land at any time during the lease period for any purpose; and,

WHEREAS, staff requests the DCOA approve a land lease to Company for approximately 50 acres located in the Five Points Business Park.

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

PART 1. DCOA authorizes a lease to J&N Construction, LLC for approximately 50 acres of vacant land in Five Points Business Park located at the NE corner of the intersection of Arnold Blvd. and Marigold St. The lease shall be for ten (10) years with an annual lease payment of \$0.00. In exchange, Company will haul-in, dump and grade excess fill dirt for the purpose of recapturing land in the flood plain for future development.

PART 2. The lease shall include a provision giving the DCOA the right at any time during the term of the lease to inspect the land. If the DCOA determines that there are any environmental issues with any of the fill dirt, the DCOA will have the right to terminate the lease

immediately; the lease shall also require J&N to indemnify the DCOA for all liability, costs and expenses that the DCOA incurs relating to J&N hauling in, dumping and grading fill dirt on the land.

PART 3. Terms authorized in this resolution are contingent upon execution of all necessary agreements. The 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 4. The Chief Executive Officer of the Development Corporation of Abilene, Inc. is hereby authorized to negotiate, enter into and execute a final lease and all other related documents on behalf of the DCOA.

ADOPTED this the 23rd day of August, 2017.

ATTEST:

Jack Rich
Secretary/Treasurer

Dave Copeland
President

APPROVED:

Mark Zachary, Attorney

S:\DCOA\Resolution\2017\2017.13 J&N Construction land lease 5 Pts Rev 083-17.doc

Information for Items #6, #7 and #8
will be available during the board meeting