

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

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

September 27, 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 August 23, 2017, and September 11, 2017, board meetings.
3. Sales tax report for September 2017 and financial report for July 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 including, but not limited to, contracts for roof replacement, roof repairs, roof design and roof monitoring services on Blue Cross Blue Shield Building located at 4002 Loop 322, Abilene, Texas.
 - B. Prairie Dog Pet Products project
 - C. 922 N 13th St.
 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.
 - D. Pine St. property
 3. 551.074 (Personnel Matters)
 4. 551.087 (Business Prospect/Economic Development)
5. Discussion and possible approval of a resolution authorizing award of Bid No. CB-1775 sale of 922 N. 13th St., Abilene, Texas, and contract relating to sale.
6. UNTABE: Discussion and possible action to rescind resolution DCOA-2016.02 approved on October 13, 2015, authorizing a contract with Lydick Hooks Roofing and funding for roof repairs to the Blue Cross Blue Shield building located at 4002 Loop 322, Abilene, Texas, and to document the termination of contract.

7. UNTABLE AND AMEND AGENDA ITEM: Discussion and possible approval of a resolution awarding Bid No. CB-1770 for roof replacement and miscellaneous work for Blue Cross Blue Shield building located at 4002 Loop 322, Abilene, Texas and possible authorization of payment for roof design and/or roof monitoring services on the building.
8. Discussion of next monthly board meeting scheduled for October 17, 2017, at 1:30 p.m.
9. 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
August 23, 2017

MEMBERS PRESENT: Dave Copeland John Beckham Jack Rich
Greg Blair

MEMBERS ABSENT: Jack Rentz

STAFF PRESENT: Kent Sharp Kim Tarrant Mike Rains

GUESTS PRESENT: Mark Zachary McMahon Law Firm
Bruce Kreidler City Council
Justin Jaworski Abilene Industrial Foundation
Rick Denbow TSTC

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 JULY 13, 2017, AND JULY 19, 2017, BOARD MEETINGS:** John Beckham moved to approve the minutes from the July 13, 2017, and July 19, 2017, board meetings. Jack Rich seconded and the motion carried.

3. **SALES TAX REPORT FOR AUGUST 2017 AND FINANCIAL REPORT FOR JUNE 2017:** Mike Rains with the finance department presented the sales tax report for August 2017. The sales tax rebate for August is \$4,001,036.44, which represents June sales. Economic Development received \$1,000,259.11, which is 1.55% above last year and 12.58% above the projected FY17 budget amount. For the period October through August, sales tax is 1.10% above last year and 1.92% above the approved FY17 budget amount. The DCOA's total current assets as of June 30, 2017, were \$22,599,994. The June revenues totaled \$915,279 and total expenditures were \$423,929 with \$182,278 being spent on three 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 August 23, 2017 and the time is 1:35 p.m. Later, President Copeland announced the date is still August 23, 2017 and the time is 2:34 p.m. No vote or action was taken in Executive Session.

5. **UNTABLED; DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A LAND LEASE WITH J&N CONSTRUCTION, LLC IN FIVE POINTS BUSINESS PARK:** Kent Sharp, CEO of the DCOA, requested the land lease with J&N Construction, LLC dba J&N Utilities (J&N) be untabled. In the last meeting, the DCOA spoke of concerns about the quality of the fill dirt and a plan for grading the flood plain area recommended by a professional engineer. J&N requested B.J. Prichard with Enprotec/Hibbs & Todd provide the grading plan. Mr. Prichard also spoke with Larry Wright, the City Engineer and confirmed that fill material can be placed in the flood plain

areas, but not in the floodway. No permits are required and Mr. Wright also made suggestions about possible erosion control. After further discussion on the quality of fill dirt, a recommendation was made that certain language be deleted in resolution DCOA-2017.13, "clean with some asphalt and concrete pieces". A provision should also be added where the DCOA has the right to inspect the land. If it is determined that any environmental issues exist then the DCOA can terminate the lease.

Jack Rich made the motion to approve resolution DCOA-2017.13 with the noted changes. Greg Blair seconded and the motion passed.

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: Kent Sharp requested this item be tabled for an additional 30 to 60 days until further discussions with the City of Abilene and Texas State Technical College (TSTC) settle funding issues.

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: See action under Item #8.

8. DISCUSSION AND POSSIBLE ACTION BY ORAL RESOLUTION RELATED TO THE THIRD ANNUAL PERFORMANCE EVALUATION OF DCOA's CEO, KENT SHARP: Kent Sharp requested the DCOA Staff receive a 1.5% salary increase along with ancillary adjustments for the upcoming FY 18. Mr. Sharp also asked the board to approve a 7% salary increase for one of his employees based on a compensation study commissioned by the City of Abilene (City). During the discussion, President Copeland spoke about Mr. Sharp's third annual performance evaluation. The board members are pleased with Mrs. Sharp's performance and feel he had greatly met all expectations over the past year. He added that Mr. Sharp's salary will be raised to \$170,000, a \$4,000 increase.

Jack Rich moved to approve by oral resolution; 1) a 1.5% salary increase for three DCOA employees, 2) bring any employee below the City's minimum guideline up to the current guideline, and 3) increase Kent Sharp's salary to \$170,000 as recommended in the annual performance evaluation. All salary increases will be effective as of October 1, 2017. All additional salary driven costs, FICA, Medicare, retirement & health insurance benefits will also be considered as part of the salary increase. Greg Blair seconded and the motion passed.

9. DISCUSSION OF NEXT MONTHLY BOARD MEETING: President Copeland announced the next scheduled meeting of the DCOA Board would be Wednesday, September 27, 2017 at 1:30 p.m.

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

Dave Copeland, President

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DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
September 11, 2017

MEMBERS PRESENT:	Dave Copeland	Greg Blair	Jack Rentz
MEMBERS ABSENT:	John Beckham	Jack Rich	
STAFF PRESENT:	Kent Sharp	Akane Thaxton	
GUESTS PRESENT:	Mark Zachary	McMahon Law Firm	
	Bruce Kreitler	City Council	
	Donna Albus	City Council	
	Nathan Greve	KTAB	

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 – 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 September 11, 2017 and the time is 10:02 a.m. Later, President Copeland announced the date is still September 11, 2017 and the time is 10:47 a.m. No vote or action was taken in Executive Session.

3. **DISCUSSION AND POSSIBLE ACTION TO RESCIND RESOLUTION DCOA-2016.02 APPROVED ON OCTOBER 13, 2015, AUTHORIZING A CONTRACT WITH LYDICK HOOKS ROOFING AND FUNDING FOR ROOF REPAIRS TO THE BLUE CROSS BLUE SHIELD BUILDING LOCATED AT 4002 LOOP 322, ABILENE, TEXAS, AND TO DOCUMENT THE TERMINATION OF CONTRACT:** See action under Item #4

4. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AWARDED BID NO. CB-1770 FOR ROOF REPLACEMENT AND MISCELLANEOUS WORK FOR THE BLUE CROSS BLUE SHIELD BUILDING LOCATED AT 4002 LOOP 322, ABILENE, TEXAS:** Greg Blair made a motion to table Item #3 and Item #4 until further information can be obtained by the staff. Jack Rentz seconded and the motion passed.

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

Dave Copeland, President

MEMORANDUM

September 07, 2017

TO: Robert Hanna, City Manager

FROM: Marjorie Knight, Assistant Director of Finance

SUBJECT: September Sales Tax

The sales tax rebate for September is \$3,253,365.88 which represents July sales. This is 7.56% above last year and 7.30% above the projected FY 17 budget amount. The breakdown of the rebate is \$2,440,024.41 to the General Fund and \$813,341.47 for economic development. Of this rebate, \$188,209.08 is from prior periods, audit payments, future payments, and unidentified payments. For the period of October through September, sales tax is 1.58% above last year and 2.33% 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
September	2,268,511.95	756,170.65	3,024,682.60	2,440,024.41	813,341.47	\$3,253,365.88
YTD	\$30,482,298.04	\$10,160,766.00	\$40,643,064.04	\$30,963,922.54	\$10,321,307.49	\$41,285,230.03

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%
September	756,171	813,341	7.56%
YTD	\$10,160,766	\$10,321,307	1.58%

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 September '17 represents July '17 sales. Approximately
\$47,052.27 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
September	797,862	845,806	811,136	756,171	813,341
FY TOTAL	<u>\$10,229,372</u>	<u>\$10,115,471</u>	<u>\$10,552,304</u>	<u>\$10,160,766</u>	<u>\$10,321,307</u>
 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
July 31, 2017 and 2016

	July 2017	July 2016
Current Assets:		
Cash and cash investments	\$ 19,632,072	\$ 19,074,968
Accounts receivable	1,677,765	35,293
Due from other governments	1,757,691	1,789,074
Prepaid expense	-	550
Total Current Assets	23,067,528	20,899,885
Noncurrent Assets:		
Notes receivable, net	3,352,933	10,792,229
Notes receivable - earning economic incentives	12,311,867	8,979,062
Capital assets	62,437,447	51,765,462
Accumulated depreciation	(14,190,010)	(9,815,739)
Total capital assets, net	48,247,437	41,949,723
Total Noncurrent Assets	63,912,237	61,721,014
Total Assets	\$ 86,979,765	\$ 82,620,899
Liabilities		
Current:		
Accounts payable	\$ 40,276	\$ 347,121
Accrued expenses	1,677,765	-
Total Current Liabilities	1,718,041	347,121
Total Liabilities	1,718,041	347,121
Net Position		
Net Investment in capital assets	48,247,437	41,949,723
Restricted for contractual obligations	9,462,152	15,515,379
Unrestricted, designated for purposes of trust	27,552,135	24,808,676
Total Net Position	85,261,724	82,273,778
Total Liabilities and Net Position	\$ 86,979,765	\$ 82,620,899

DEVELOPMENT CORPORATION OF ABILENE
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For ten months ending July 31, 2017 and 2016

	July 2017	Fiscal YTD 2017	Fiscal YTD 2016
Revenues:			
Sales and use taxes	\$ 805,208	\$ 8,507,707	\$ 8,419,594
Interest income	16,265	259,563	145,478
Building rental / land lease	92,640	896,518	921,267
Sale of Land		-	496,459
Miscellaneous revenue	6,083	69,159	112,199
Total Revenues	<u>920,196</u>	<u>9,732,947</u>	<u>10,094,997</u>
Expenses:			
Economic Development Projects	240,995	4,364,429	4,155,600
Life Sciences property maintenance	28,466	239,553	314,581
DCOA property maintenance	(5,468)	213,996	334,629
Abilene Industrial Foundation	43,568	397,770	325,330
TTU Small Business Development Center	13,069	109,331	113,437
Chamber Military Affairs	88,824	257,928	131,421
Airport Business Development Manager	11,870	105,114	85,808
Economic Development Operating Division	63,887	675,526	549,999
Total Expenditures	<u>485,211</u>	<u>6,363,647</u>	<u>6,010,805</u>
Changes In Net Position	434,985	3,369,300	4,084,192
Net Position at Beginning of Period	<u>84,826,739</u>	<u>81,892,424</u>	<u>78,189,586</u>
Net Position at End of Period	<u>\$ 85,261,724</u>	<u>\$ 85,261,724</u>	<u>\$ 82,273,778</u>

Summary of Current Period Economic Development Projects:

Hangar 0 Doghouse - A/E	\$ 2,459
Hangar 0 Doghouse - Construction	81,941
EASI De Fuel Truck	1,950
BWJ Consulting - Job Creation	6,320
BWJ Consulting - Capital Investment	85,000
Datroo Technologies - Job Creation	24,558
Datroo Technologies - Capital Investment	36,767
Donald Harding Jr - Services	2,000
Total	<u>\$ 240,995</u>

Development Corporation of Abilene
Economic Program Status
As of July 31, 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	1,020,231	853,999	-	166,232
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	29,983	70,699
Hangar Doghouses Construction	5348.2	2,722,255	2,722,255	-	-
Hangar 0 Doghouse Construction	5348.3	1,800,000	603,023	1,064,749	132,228
EASI De-Fuel Truck	5354	111,560	78,200	17,550	15,810
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	91,320	246,740
Datoo Technologies	5385	234,785	81,460	61,325	92,000
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	50,000	-	50,000	-
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	-	-	-	-
Communities in Schools	5403	80,850	-	5,000	75,850
City Owned Surplus Land	5404	386,960	-	1,000	385,960
Donald Hardin, Jr. Service Contract	T5405	28,500	-	2,000	26,500
Subtotal Economic Program Obligation Reserve		\$ 26,381,748	\$ 13,523,589	\$ 4,364,429	\$ 8,493,730

Plus Administrative Division Obligations:

Economic Development Operating Division	Division 2760	777,490	-	675,526	101,964
Life Sciences Property Maintenance	Division 2765	322,550	-	239,553	82,997
DCOA Property Maintenance	Division 2775	465,670	-	213,996	251,674
Abilene Industrial Foundation	Division 2775	619,780	-	397,770	222,010
TTU Small Business Dev Center	Division 2775	200,000	-	109,331	90,669
Chamber Military Affairs	Division 2775	397,000	-	257,928	139,072
Airport Business Development Manager	Division 2775	185,150	-	105,114	80,036
Subtotal Administrative Divisions Obligation Reserve		\$ 2,967,640	\$ -	\$ 1,999,218	\$ 968,422
Total reserve for obligated programs					\$ 9,462,152

DCOA Board approved projects waiting for signed contracts:

Dyess JLUS	\$ 50,000	Expiration Date 12/31/17
	<u>\$ 50,000</u>	

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

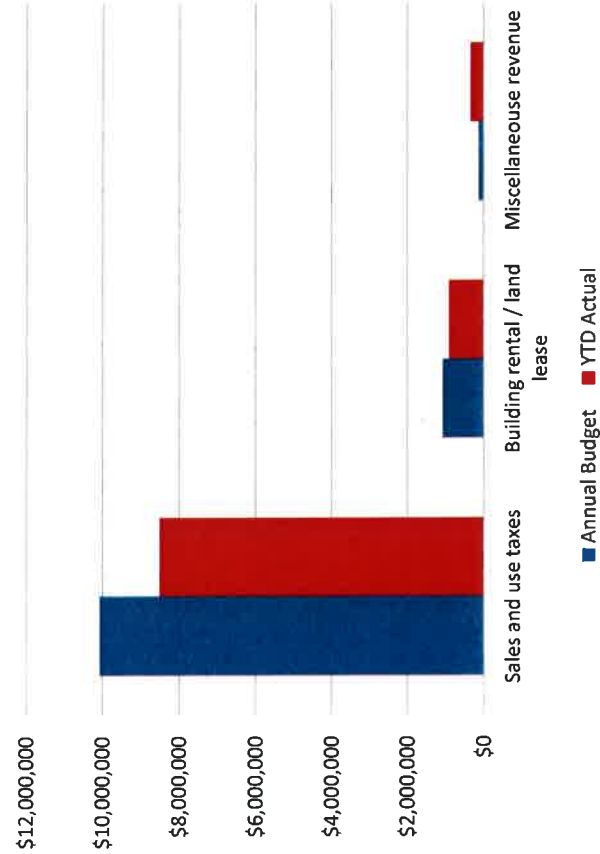
Revenue

	Annual Budget	YTD Actual	% of Budget
Sales and use taxes	10,088,060	8,507,707	84%
Building rental / land lease	1,073,200	896,518	84%
Miscellaneous revenue	135,000	328,722	243%
Revenue	11,296,260	9,732,947	86%

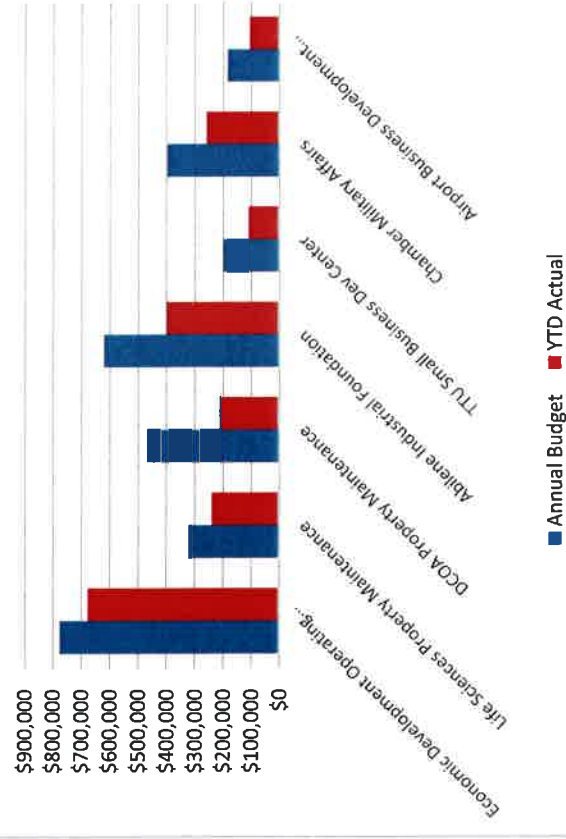
Expenses

	Annual Budget	YTD Actual	% of Budget
Economic Development Operating Division	777,490	675,526	87%
Life Sciences Property Maintenance	322,550	239,553	74%
DCOA Property Maintenance	465,670	213,996	46%
Abilene Industrial Foundation	619,780	397,770	64%
TTU Small Business Dev Center	200,000	109,331	55%
Chamber Military Affairs	397,000	257,928	65%
Airport Business Development Manager	185,150	105,114	57%
	2,967,640	1,999,218	67%

FY 17 Budget vs Actual Revenue



FY 17 Budget vs Actual Expenses



DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: September 27, 2017

PROJECT: **BID AWARD- Sale of 922 N. 13th St., CB-1775**

STAFF: **Kent Sharp, CEO**

BACKGROUND

The property at 922 N. 13th St. is located at the NW corner of the intersection of N. 13th and Walnut Streets. It is 7,000 sq ft of land with a cinder block building that is about 2,700 sq ft. The remainder of the lot has some road base material and appropriate for vehicle parking only. DCOA purchased the property from Abilene Improvement Corporation in April of 2011 for \$35,000. The purchase was intended to provide additional storage space for AbLabs tenants and/or parking. Neither uses were needed so the structure sat vacant until leased to Abilene Interiorscapes, LLC dba The Plant Lady on November 15, 2015, for storage of plants. The structure is in fairly poor condition on the inside and is only permitted for warehouse occupancy. Current tax appraisal value is \$7,000 for the land and \$29,689 for the structure, totaling \$36,389.

Some improvements were made to spruce-up the property and were necessary to obtain warehouse occupancy, including painting the exterior, electrical repairs, fire extinguishers, replacement of two small awnings on the front of the building, roof repairs, locks and re-keying among other things, which total approximately \$23,000. The roof and awnings were damaged during the 2014 hailstorm so the structure is part of the insurance claim with TMLIRP.

The Lease Agreement with Abilene Interiorscapes dba The Plant Lady was amended in December of 2016 to extend the expiration to November 30, 2018, with monthly payments of \$620 that bump up to \$640 on December 1, 2017. The lease may be assigned to the new owner if desired by DCOA and the purchaser. Otherwise, DCOA must give a 120-day notice of lease termination to the tenant.

THE REQUEST

In order to sell as excess property, staff followed typical City of Abilene procedures of advertising for written sealed bids, which were printed in the Abilene Reporter News on September 10th and 17th. Bid opening was held on Tuesday, September 26th at 11:00 a.m.

Information on bids received will be made available to the board during the board meeting. DCOA has the option to reject any or all bids.

FISCAL IMPACT

Potential revenue from sale of property is will be made available during the board meeting.

STAFF RECOMMENDATION

No recommendation as to whether or not to reject any or all bids. If a bid is accepted by the board, staff recommends authorizing CEO to negotiate and enter into a contract for sale of the property to the successful bidder. Staff recommends "as-is, where-is" language be included in the contract documents.

ATTACHMENTS

None.

RESOLUTION NO. DCOA-2017.15 REV.

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING RESCISSION OF RESOLUTION DCOA-2016.02 AND CONFIRMING TERMINATION OF CONTRACT ON THE BLUE CROSS BLUE SHIELD ("BCBS") BUILDING AT 4002 LOOP 322, ABILENE, TEXAS, WHICH WAS DAMAGED AS A RESULT OF THE JUNE 2014 HAIL STORM.

WHEREAS, on June 12, 2014, the northern and eastern parts of Abilene were hit by a severe storm that produced baseball-sized hail stones; and,

WHEREAS, the facility at 4002 Loop 322, occupied by Blue Cross Blue Shield, suffered significant damage and,

WHEREAS, the facility is approximately 160,870 sq ft, which was and is still insured under the City of Abilene's self-insurance program administered by Texas Municipal League Intergovernmental Risk Pool (TMLIRP); and,

WHEREAS, a lawsuit is pending between City of Abilene and TMLIRP concerning claims filed after the hailstorm of 2014; and,

WHEREAS, on October 13, 2015, the DCOA approved resolution DCOA-2016.02 authorizing a construction contract with Lydick Hooks Roofing for base proposal of \$908,000 to repair the roof at 4002 Loop 322 by adding another layer of roofing membrane to the existing roof, plus a contingency of 5%, or \$45,400, and a contract was signed by both parties; and,

WHEREAS, at that time, it was determined by a local architectural/engineering firm that the roof only required a new layer of roofing; and,

WHEREAS, subsequently, City of Abilene employed the services of Crenshaw Consulting Group, LLC (CCG), a roofing consulting and design group, from Coppell, Texas, to provide engineering services including the evaluation of properties with damaged roofs; and,

WHEREAS, in February 2016, DCOA staff entered into a service request/authorization agreement with CCG to begin roof design services for the BCBS building; and,

WHEREAS, because of the findings and opinions made by CCG concerning the BCBS roof, the contract with Lydick Hooks Roofing dated September 18, 2015, was suspended and Lydick Hooks Roofing retrieved its payment and performance bonds and no materials were ordered or work commenced; and,

WHEREAS, since that time, the board has not taken official action to rescind resolution DCOA-2016.02 and document termination of the contract; and,

WHEREAS, on September 11, 2017, DCOA considered and tabled a prior version of this resolution DCOA-2017.15, which rescinded resolution DCOA-2016.02, and documented the termination of the contract with Lydick Hooks Roofing dated September 18, 2015; and,

WHEREAS, re, staff requests the board again approve this resolution as revised to document the

rescission of resolution DCOA-2016.02, and document the termination of the contract with Lydick Hooks Roofing dated September 18, 2015.

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

- PART 1.** DCOA hereby rescinds resolution DCOA-2016.02 effective October 13, 2015, authorizing a construction contract with Lydick Hooks Roofing for base proposal of \$908,000 to repair the roof at 4002 Loop 322, otherwise known as the Blue Cross Blue Shield building in Abilene, Texas, plus a contingency of 5%, or \$45,400 and confirms termination of said contract.
- PART 2.** The Chief Executive Officer of the DCOA is hereby authorized to execute all appropriate resolution rescission and contract termination documentation in reference to the foregoing resolution.

ADOPTED this the 27th day of September, 2017.

ATTEST:

Jack Rich
Secretary/Treasurer

Dave Copeland
President

APPROVED:

Mark Zachary, Attorney at Law

S:\DCOA\Resolution\2017\2017.15 REV BCBS roof contract termination 09-27-17 UNTABLED.docx

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: September 27, 2017

PROJECT: **UNTABLE AND AMEND AGENDA ITEM: BID AWARD-**
Blue Cross Blue Shield Building Roof Replacement and
Miscellaneous Work, CB-1770

STAFF: **Kent Sharp, CEO**

BACKGROUND

The facility at 4002 Loop 322, occupied by Blue Cross Blue Shield (BCBS), suffered significant damage during the hailstorm of June 2014. The facility is approximately 157,500 sq ft, which was and is still insured under the City of Abilene's self-insurance program, which is administered by Texas Municipal League Intergovernmental Risk Pool (TMLIRP). A lawsuit is pending between City of Abilene and TMLIRP concerning claims filed after the hailstorm.

On October 13, 2015, the DCOA approved resolution DCOA-2016.02 authorizing a construction contract with Lydick Hooks Roofing for base proposal of \$908,000 to repair the roof at 4002 Loop 322 plus a contingency of 5%, or \$45,400. That resolution will be rescinded prior to voting to award a bid under this agenda item. At that time, it was determined by a local architectural/engineering firm that the roof did not need to be replaced but, rather a new layer of roofing could be placed over the existing roof.

Subsequently, City of Abilene employed the services of Crenshaw Consulting Group, LLC (CCG), a roofing consulting and design group, from Coppell, Texas, to provide engineering services including the evaluation of properties with damaged roofs. In February 2016, staff entered into a service request/authorization agreement with CCG to begin roof design services for the BCBS building, which provides for payment to CCG of the basic service fee at 8.5% of final construction costs and for reimbursable expenses.

CCG developed specs and drawings for roof work that also included items needing repair, which were not previously identified by the local A/E firm. The existing roof has ponding and drainage problems that, according to CCG, must be addressed during any repairs or replacement of the roof. The project was placed for bid in August 2017, and bids were opened on August 29, 2017. Three contractors submitted; Lydick Hooks Roofing, Texas Roof Management and Tecta America. Attached is a letter from CCG, which summarizes the bids received and recommends award to Texas Roof Management, Inc.

Health Care Service Corporation is the actual Lessee of the facility. The existing Lease Agreement originated on June 1, 2001, and was amended twice to extend the lease term to May 31, 2022. There is an option for the company to extend beyond that to May 31, 2036, but lease payments will increase to market rate. Though the company will assume responsibility for repairs and maintenance of parking areas beginning in 2022, DCOA will retain repair and maintenance responsibility for the roof, foundation and exterior walls, exterior plumbing lines and exterior electrical lines.

THE REQUEST

Staff requests the board authorize a contract with Texas Roof Management for the base proposal amount of \$2,492,525. During June of this year, the board approved a budget for FY18, which included \$3,000,000 for roof replacement and requests that the board authorize payment to CCG for its roof design services in an amount equal to 8.5% of final construction costs for the BCBS building based upon the above referenced bid award to Texas Roof Management.

Also requested is the board ratify the existing service request/authorization agreement with CCG to begin roof design services. The service request/authorization agreement states that CCG's basic service fee will be calculated at 8.5% of the final construction contract amount and include design development (25%), construction/bid documents (55%), bidding/negotiations (5%), construction (10%), and project close-out (5%). Reimbursable expenses are paid on top of the base fee and include subconsultants at cost plus 10% and shipping/postage at cost. Based on Texas Roof Managements base bid of \$2,492,525, CCG's basic services fee is \$211,864.63.

Once the pending lawsuit filed by City of Abilene against TMLIRP is resolved, it is anticipated that insurance claim funds will be paid to DCOA as reimbursement for all or a significant part of this contract cost.

FISCAL IMPACT

Texas Roof Management Base Proposal	\$2,492,525.00
CCG Services	\$ 211,864.62
Reimbursable expenses & contingency TBD	\$ 295,610.38 (or less)
TOTAL BUDGET NOT TO EXCEED	\$3,000,000.00

STAFF RECOMMENDATION

Staff recommends approval of resolution DCOA-2017.16 REV. authorizing the award of Bid CB-1770 and a contract with Texas Roof Management for roof replacement on the DCOA-owned building otherwise known as the Blue Cross Blue Shield building, located at 4002 Loop 322 and authorization of payment to CCG for its services as described above.

ATTACHMENTS

Crenshaw Consulting Group letter dated 09-05-17 summarizing bids received and recommending award
Resolution No. DCOA-2017.16 REV.

RECEIVED

SEP 05 2017

DCOA

616 S. Coppel Rd.
Coppell, TX 75019



Phone (214) 758-0785
Fax (214) 792-9548

September 5, 2017

Mr. Kent Sharp, Director of Economic Development
Development Corporation of Abilene, Inc.
174 Cypress St, Suite 301
Abilene, TX 79601

Tel: 325.676.6390
Fax: 325.676.6377
EM: Kent.Sharp@abilenetx.com

RE: Award Recommendation
Development Corporation of Abilene, Inc., Roof Replacement & Miscellaneous Work, CB-1770
Blue Cross Blue Shield (TML ID #225) &
Blue Cross Blue Shield Storage Building (TML ID #343)
CCG 1-131-9

Dear Mr. Sharp:

Proposals were received for the referenced project on August 29, 2017. Three (3) contractors submitted qualifications and cost proposals. Crenshaw Consulting Group, LLC (CCG) and City of Abilene representatives (the Evaluation Committee) evaluated the responsiveness of each proposal based on the evaluation criteria listed in the Request for Proposals. The Evaluation Committee assigned each proposer a score based on qualifications and cost.

CONTRACTOR	QUALIFICATIONS SCORE	PROPOSAL AMOUNT	COST PROPOSAL SCORE	TOTAL SCORE
Lydick Hooks Roofing	5	\$3,021,500.00	2.4	7.4
Texas Roof Management	7	\$2,492,525.00	3	10
Tecta America	5	\$2,696,700.00	2.7	7.7

The above tables summarizes the results of the proposal evaluation. **Exhibit No. 1** includes the completed Proposal Evaluation and Proposal Tabulation.

CCG recommends award to Texas Roof Management, Inc. in the amount of \$2,492,525.00 for the base bid.

Upon approval, CCG will prepare contracts between the Development Corporation of Abilene, Inc. and Texas Roof Management, Inc.

CCG offers increased supervision during construction with the additional service of fulltime or part-time roof monitoring. CCG can provide this additional service at the hourly rate of \$130 / hour per the current agreement between the Development Corporation of Abilene, Inc. and CCG.

If you have any questions, please call. Thank you.

Respectfully,



Vickie Crenshaw, P.E., RRC, RRO
President

VAC/ds

Enclosure

cc: Robert Hanna, City of Abilene, Robert.Hanna@abilenetx.com
Mindy Patterson, City of Abilene, Mindy.Patterson@abilenetx.com
Melissa Denson, City of Abilene, Melissa.Denson@abilenetx.com

EXHIBIT 1



Development Corporation of Abilene, Inc.
Blue Cross Blue Shield Facility & Storage Building
8/29/2017
CCG 1-131-9D

PROPOSAL EVALUATION

	PRICE		FIRM EXPERIENCE		PERSONNEL EXPERIENCE		PROJECT APPROACH		PAST EXPERIENCE WITH PROJECTS OF SIMILAR SIZE & COMPLEXITY WITH CITIES/MUNICIPALITIES		TOTAL SCORE	
	30% of Score		20% of Score		20% of Score		20% of Score		10% of Score			
	Eval Ranking	30%	Eval Ranking	20%	Eval Ranking	20%	Eval Ranking	20%	Eval Ranking	10%		
CONTRACTOR												
Lydick Hooks	8	2.4	10	2	10	2	10	2	0	10	1	7.4
Texas Roof Management	10	3	10	2	10	2	10	2	10	2	10	10
Tecta	9	2.7	10	2	10	2	10	2	0	10	1	7.7

BCBS Facility and
Storage Building
ROOF REPLACEMENT MISCELLANEOUS WORK

CONTRACTOR NAME:		CONTRACTOR NAME:		CONTRACTOR NAME:	
Texas Roof Management		Lydick Hooks		Tecta America	
LOT #1 - ROOFING	COST PROPOSAL	LOT #1 - ROOFING	COST PROPOSAL	LOT #1 - ROOFING	COST PROPOSAL
BCBS Facility (TML#223)	\$ 2,441,694.00	\$ 2,980,000.00	\$ 2,633,700.00		
BCBS Storage Building (TML#343)	\$ 28,235.00	\$ 21,500.00	\$ 28,200.00		
Subtotal - Lot #1 - ROOFING	\$ 2,469,929.00	\$ 3,001,500.00	\$ 2,661,900.00		
LOT #2 - EXTERIOR WORK	COST PROPOSAL	LOT #2 - EXTERIOR WORK	COST PROPOSAL	LOT #2 - EXTERIOR WORK	COST PROPOSAL
BCBS Storage Building (TML#343)	\$ 22,596.00	\$ 20,000.00	\$ 34,800.00		
COMBINED TOTAL, LOTS #1 & #2	\$ 2,492,525.00	\$ 3,021,500.00	\$ 2,696,700.00		
GRAND TOTAL	\$ 2,492,525.00	\$ 3,021,500.00	\$ 2,696,700.00		
UNIT PRICES					
Metal Deck Replacement	\$ 6.50 /sq. ft.	\$ 6.00 /sq. ft.	\$ 25.00 /sq. ft.		
Gypsum Plank Deck Replacement, 2" x 2' x 8'	\$ 215.00 /ea.	\$ 525.00 /ea.	\$ 30.00 /ea.		
Wood Nailers, 2 x 4	\$ 2.00 /lin. ft.	\$ 2.75 /lin. ft.	\$ 7.00 /lin. ft.		
Wood Nailers, 2 x 6	\$ 2.25 /lin. ft.	\$ 3.10 /lin. ft.	\$ 8.00 /lin. ft.		
Wood Nailers, 2 x 8	\$ 2.50 /lin. ft.	\$ 3.75 /lin. ft.	\$ 9.00 /lin. ft.		
Wood Nailers, 2 x 10	\$ 2.75 /lin. ft.	\$ 4.25 /lin. ft.	\$ 10.00 /lin. ft.		
Wood Nailers, 2 x 12	\$ 3.00 /lin. ft.	\$ 5.10 /lin. ft.	\$ 11.00 /lin. ft.		
ADDENDUM ACKNOWLEDGEMENT					
Addendum #1	YES	YES	YES		
Addendum #2	YES	YES	YES		
Addendum #3	YES	YES	YES		
NUMBER OF COPIES TO BE SUBMITTED					
One (1) Original Hard Copy	YES	YES	YES		
One (1) Duplicate Hard Copy	YES	YES	YES		
One (1) Digital Copy	YES	YES	YES		
REQUIRED DOCUMENTS INCLUDED					
AIA A305 - Qualification Statement	YES	YES	YES		
Contractor's Qualification Affidavit	YES	YES	YES		
Resumes of Key Personnel	YES	YES	YES		
Project Management Plan	YES	NO	NO		
Project Experience & References	YES	YES	YES		
Subcontractor Listing	YES	YES	YES		
Surety Form / Documentation	YES	YES	YES		
Documentation of Insurability	YES	YES	YES		
Anti-Trust Form	YES	YES	YES		
Proposal / Bid Bond	YES	YES	YES		
Completed W-9 Form	YES	YES	YES		
Sample Certificate of Insurance	YES	YES	YES		

RESOLUTION NO. DCOA-2017.16 REV.

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING AWARD OF BID CB-1770 FOR ROOF REPLACEMENT AND MISCELLANEOUS WORK ON THE BLUE CROSS BLUE SHIELD BUILDING AT 4002 LOOP 322, ABILENE, TEXAS, WHICH WAS DAMAGED AS A RESULT OF THE JUNE 2014 HAIL STORM.

WHEREAS, on June 12, 2014, the northern and eastern parts of Abilene were hit by a severe storm that produced baseball-sized hail stones; and,

WHEREAS, the facility at 4002 Loop 322, occupied by Blue Cross Blue Shield (BCBS), suffered significant damage and,

WHEREAS, the facility is approximately 160,870 sq ft, which was and is still insured under the City of Abilene's self-insurance program, which is administered by Texas Municipal League Intergovernmental Risk Pool (TMLIRP); and,

WHEREAS, a lawsuit is pending between City of Abilene and TMLIRP concerning claims filed after the hailstorm of 2014; and,

WHEREAS, on October 13, 2015, the DCOA approved resolution DCOA-2016.02 (which has subsequently been rescinded) authorizing a construction contract with Lydick Hooks Roofing for base proposal of \$908,000 to repair the roof at 4002 Loop 322 plus a contingency of 5%, or \$45,400; and,

WHEREAS, at that time, it was determined by a local architectural/engineering firm that the roof did not need to be replaced but, rather a new layer of roofing could be placed over the existing roof; and,

WHEREAS, subsequently, the City of Abilene employed the services of Crenshaw Consulting Group, LLC (CCG), a roofing consulting and design group, from Coppell, Texas, to provide engineering services including the evaluation of properties with damaged roofs; and,

WHEREAS, in February 2016, DCOA staff entered into a service request/authorization agreement with CCG to begin roof design services for the BCBS building, which included payment for said services being equal to 8.5% of final construction costs based on the bid award and reimbursable expenses; and,

WHEREAS, CCG developed specs and drawings for roof work that also included items needing repair, which were not previously identified by the local A/E firm; and,

WHEREAS, the existing roof has ponding and drainage problems that, according to CCG, must be addressed during any repairs or replacement of the roof; and,

WHEREAS, the project was placed for bid in August 2017, bids were opened on August 29, 2017, and three contractors submitted; Lydick Hooks Roofing, Texas Roof Management and Tecta America; and,

WHEREAS, Health Care Service Corporation is the actual Lessee of the facility under an existing Lease Agreement that originated on June 1, 2001, and was amended twice to extend the lease term to

May 31, 2022; and,

WHEREAS, there is an option for the company to extend the lease to May 31, 2036, but lease payments will increase to market rate. Though the company will assume responsibility for repairs and maintenance of parking areas beginning in 2022, DCOA will retain repair and maintenance responsibility for the roof, foundation and exterior walls, exterior plumbing lines and exterior electrical lines; and,

WHEREAS, CCG recommends bid award to Texas Roof Management in the base proposal amount of \$2,492,525; and,

WHEREAS, during June of this year, the board approved a budget for FY18, which included a line item for roof replacement for the BCBS building; and,

WHEREAS, on September 11, 2017, DCOA considered and tabled a prior version of this resolution DCOA-2017.16, which authorized the award of Bid CB-1770 and a contract with Texas Roof Management for roof work on the Blue Cross Blue Shield building, \$2,492,525, and authorized payment to CCG under the February 16, 2016, Service Request/Authorization Agreement for services rendered at 8.5% of final construction costs based upon the bid award; and,

WHEREAS, staff again requests the board award Bid CB-1770 to and a contract with Texas Roof Management for roof replacement on the BCBS building and authorize payment to CCG for its roof design services for the BCBS building based upon the above referenced bid award to Texas Roof Management.

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

- PART 1.** DCOA hereby authorizes the award of Bid CB-1770 and a contract with Texas Roof Management for roof replacement on the DCOA-owned building otherwise known as the Blue Cross Blue Shield building, located at 4002 Loop 322, Abilene, Texas (the contract amount is Two Million Four Hundred Ninety-Two Thousand Five Hundred Twenty-Five and no/100's Dollars (\$2,492,525.00)) and authorizes payment to CCG under the February 16, 2016, Service Request/Authorization Agreement for services rendered at 8.5% of final construction costs based upon the bid award and reimbursable expenses.
- PART 2.** Funding under this resolution is contingent upon execution of all necessary agreements.
- PART 3.** The Chief Executive Officer of the DCOA is hereby authorized to negotiate, enter into and execute a final contract and all other related documents on behalf of the DCOA in reference to the foregoing resolutions.

ADOPTED this the 27th day of September, 2017.

ATTEST:

Jack Rich

Dave Copeland

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Secretary/Treasurer

President

APPROVED:

Mark Zachary, Attorney at Law

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