

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Monday, January 22, 2018, 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

January 22, 2018
1:30 p.m.

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

1. Call the meeting to order.
2. Presentation of proclamation from City of Abilene to former board President Dave Copeland.
3. Presentation by Vice President John Beckham to former board President Dave Copeland.
4. Welcome remarks for new board members Vic Corley and Seaton Higginbotham.
5. Officer Elections: President, Vice President and Secretary/Treasurer.
6. Approval of minutes from the December 20, 2017, board meeting.
7. Sales tax report for January 2018 and preliminary financial reports for October and November 2017.
8. 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. Sale of land in Five Points Business Park to Broadwind Towers
 3. 551.074 (Personnel Matters)
 4. 551.087 (Business Prospect/Economic Development)
 - A. Project Lady Bug
 - B. Project CO2
 - C. Broadwind Towers
 - D. Project Safety City

9. Discussion and possible approval of a resolution authorizing a contract with AEP and funds for installation of streetlights in the Five Points Business Park.
10. Discussion and possible approval of a resolution authorizing the CEO to grant an easement to AEP in the Five Points Business Park.
11. Discussion and possible approval of a resolution authorizing a design contract with Jacob & Martin for rebuilding Vine St. and solicitation of bids for construction.
12. Discussion and possible approval of a resolution authorizing additional assistance for Broadwind Towers including sale of land to Broadwind Towers.
13. Discussion of next monthly board meeting.
14. 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 _____, 2018, 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
December 20, 2017**

MEMBERS PRESENT: Dave Copeland John Beckham Jack Rich
Greg Blair

STAFF PRESENT: Kent Sharp Kim Tarrant

GUESTS PRESENT: Mark Zachary McMahon Law Firm
Bruce Kreitler City Council
Mike Rains City of Abilene Finance

1. CALL THE MEETING TO ORDER: President Dave Copeland called the meeting to order at 1:31 p.m. at 174 Cypress St., 3rd floor conference room, Abilene Texas.

2. APPROVAL OF MINUTES FROM THE NOVEMBER 16, 2017, BOARD MEETING: Greg Blair moved to approve the minutes from the November 16, 2017, board meeting as presented. John Beckham seconded and the motion carried.

3. SALES TAX REPORT FOR DECEMBER 2017 AND PRELIMINARY FINANCIAL REPORTS FOR SEPTEMBER 2017: Mike Rains with the City's Finance department presented the sales tax report for December 2017. The sales tax rebate for December is \$3,193,407.96, which represents October sales. Economic Development received \$798,351.99, which is 6.74% above last year and 6.74% above the projected FY18 budget amount. For the period October through December, sales tax is 5.04% above last year and 5.04% above the approved FY18 budget amount. The DCOA's total current assets as of September 30, 2017, were \$24,227,081. The September revenues totaled \$877,135 and total expenditures were \$462,439 with \$15,151 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 December 20, 2017 and the time is 1:40 p.m. Later, President Copeland announced the date is still December 20, 2017 and the time is 2:03 p.m. No vote or action was taken in Executive Session.

5. DISCUSSION OF NEXT MONTHLY BOARD MEETING: President Copeland announced the next scheduled meeting of the DCOA would be Monday, January 22, 2018.

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

_____, President

MEMORANDUM

January 09, 2018

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

The sales tax rebate for January is \$3,434,497.56 which represents November sales. This is 8.25% above last year and 8.25% above the projected FY 18 budget amount. The breakdown of the rebate is \$2,575,873.17 to the General Fund and \$858,624.39 for economic development. Of this rebate, \$134,134.19 is from prior periods, audit payments, future payments, and unidentified payments. For the period of October through January, sales tax is 5.81% above last year and 5.81% above the approved FY 18 budget amount. I have requested the detail from the state.

Should you have any questions, please contact me.

Cc: Mindy Patterson, Assistant City Manager
Michael Rice, Assistant City Manager

CITY OF ABILENE SALES TAX COMPARISON

Accounting Period Month	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL
	Actual 2016-17	Actual 2016-17		Actual 2017-18	Actual 2017-18	
October	\$2,511,352.80	\$837,117.60	\$3,348,470.40	\$2,638,770.11	\$879,590.03	\$3,518,360.14
November	2,792,056.28	930,685.42	3,722,741.70	2,893,562.65	964,520.88	3,858,083.53
December	2,243,907.19	747,969.06	2,991,876.25	2,395,055.97	798,351.99	3,193,407.96
January	2,379,642.60	793,214.20	3,172,856.80	2,575,873.17	858,624.39	3,434,497.56
YTD	\$9,926,958.87	\$3,308,986.28	\$13,235,945.15	\$10,503,261.90	\$3,501,087.29	\$14,004,349.19
February	\$3,277,055.77	\$1,092,351.92	\$4,369,407.69			
March	2,271,451.66	757,150.55	3,028,602.21			
April	2,280,576.71	760,192.23	3,040,768.94			
May	3,048,245.25	1,016,081.75	4,064,327.00			
June	2,303,207.45	767,735.82	3,070,943.27			
July	2,415,625.09	805,208.36	3,220,833.45			
August	3,000,777.33	1,000,259.11	\$4,001,036.44			
September	2,440,024.41	813,341.47	\$3,253,365.88			
	<u>\$30,963,922.54</u>	<u>\$10,321,307.49</u>	<u>\$41,285,230.03</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, INC.
1/2 CENT SALES TAX REVENUE
Monthly and Year-to-Year Comparisons

Accounting Period Month	Actual 2016-17	Actual 2017-18	% Change
October	\$837,118	\$879,590	5.07%
November	930,685	964,521	3.64%
December	747,969	798,352	6.74%
January	793,214	858,624	8.25%
YTD	\$3,308,987	\$3,501,087	5.81%
February	\$1,092,352		
March	757,151		
April	760,192		
May	1,016,082		
June	767,736		
July	805,208		
August	1,000,259		
September	813,341		
	10,321,308		

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 January '18 represents November '17 sales. Approximately \$33,533.55 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 2013-14	Actual 2014-15	Actual 2015-16	Actual 2016-17	Actual 2017-18
October	\$815,126	\$868,660	\$818,682	\$837,118	\$879,590
November	896,761	987,887	980,001	930,685	964,521
December	766,502	836,922	734,411	747,969	798,352
January	744,242	798,120	755,093	793,214	858,624
FY TOTAL	<u>\$3,222,630</u>	<u>\$3,491,589</u>	<u>\$3,288,186</u>	<u>\$3,308,986</u>	<u>\$3,501,087</u>
February	\$1,061,353	\$1,137,082	\$1,139,896	\$1,092,352	
March	743,945	759,360	728,841	757,151	
April	726,196	733,667	779,083	760,192	
May	981,409	1,019,627	971,507	1,016,082	
June	773,012	822,955	754,439	767,736	
July	794,307	778,812	757,642	805,208	
August	966,814	998,076	985,002	1,000,259	
September	845,806	811,136	756,171	813,341	
YTD	<u><u>\$10,115,471</u></u>	<u><u>\$10,552,304</u></u>	<u><u>\$10,160,766</u></u>	<u><u>\$10,321,307</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
October 31, 2017 and 2016

	October 2017	October 2016
Current Assets:		
Cash and cash investments	\$ 20,715,678	\$ 20,480,717
Accounts receivable	2,606,933	1,674,968
Due from other governments	1,834,074	1,757,691
Prepaid expense	-	2,910
Total Current Assets	25,156,685	23,916,286
Noncurrent Assets:		
Notes receivable, net	3,252,933	3,652,933
Notes receivable - earning economic incentives	12,019,686	8,342,852
Capital assets	63,885,149	62,437,447
Accumulated depreciation	(15,831,323)	(14,190,010)
Total capital assets, net	48,053,826	48,247,437
Total Noncurrent Assets	63,326,445	60,243,222
Total Assets	\$ 88,483,130	\$ 84,159,508
Liabilities		
Current:		
Accounts payable	\$ 3,781	\$ 49,455
Accrued expenses	2,606,933	1,674,968
Total Current Liabilities	2,610,714	1,724,423
Total Liabilities	2,610,714	1,724,423
Net Position		
Net Investment in capital assets	48,053,826	48,247,437
Restricted for contractual obligations	13,091,542	14,920,068
Unrestricted, designated for purposes of trust	24,727,048	19,267,580
Total Net Position	85,872,416	82,435,085
Total Liabilities and Net Position	\$ 88,483,130	\$ 84,159,508

DEVELOPMENT CORPORATION OF ABILENE
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the month ending October 31, 2017 and 2016

	October 2017	Fiscal YTD 2018	Fiscal YTD 2017
Revenues:			
Sales and use taxes	\$ 879,590	\$ 879,590	\$ 837,117
Investment earning	18,115	18,115	9,044
Building rental / land lease	88,905	88,905	89,212
Miscellaneous revenue	11,298	11,298	-
Total Revenues	997,908	997,908	935,373
Expenses:			
Economic Development Projects	32,000	32,000	173,684
Life Sciences property maintenance	40,842	40,842	54,215
DCOA property maintenance	26,492	26,492	21,108
Abilene Industrial Foundation	-	-	-
TTU Small Business Development Center	-	-	-
Chamber Military Affairs	-	-	-
Airport Business Development Manager	5,651	5,651	-
Economic Development Operating Division	159,346	159,346	143,705
Total Expenditures	264,331	264,331	392,712
Changes In Net Position	733,577	733,577	542,661
Net Position at Beginning of Period	85,138,839	85,138,839	81,892,424
Net Position at End of Period	\$ 85,872,416	\$ 85,872,416	\$ 82,435,085

Summary of Current Period Economic Development Projects:	
Rentech ' 12 - principal reduction	\$ 30,000
Donald Harding Jr - Services	2,000
Total	\$ 32,000

**Development Corporation of Abilene
Economic Program Status
As of October 31, 2017**

Economic Programs:	Project	Amount Budgeted	Prior Years Disbursement	Current Year Disbursement	Balance reserved for budgeted programs
Murf Systems	4998	\$ 237,240	\$ 237,240	\$ -	\$ -
TTU Pharmacy School	5242	2,018,255	2,018,255	-	-
TTU 842 Pine	5308	1,020,231	1,020,231	-	-
Enavail, LLC	5316	709,071	386,241	-	322,830
Petrosmith Ph 5	5330.1	301,334	301,334	-	-
TTUHSC School of Nursing	5331	1,345,621	1,345,621	-	-
Rentech '12	5342	500,000	470,000	30,000	-
Hangar Doghouses A/E	5348.1	423,000	352,301	-	70,699
EASI De-Fuel Truck	5354	111,560	101,600	-	9,960
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	4,852,997	-	270,003
Fehr Foods 14	5378	160,278	160,278	-	-
BWJ Consulting	5382	619,000	372,260	-	246,740
Datoo Technologies	5385	234,785	142,785	-	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	121,976	71,976	-	50,000
Lone Star Canvas	5390	50,000	-	-	50,000
Abimar Foods 2015	5391	600,000	300,000	-	300,000
BCBS Roof Repairs - A/E	5392.1	300,000	-	-	300,000
BCBS Roof Repairs - Construction	5392.2	2,700,000	-	-	2,700,000
TTUHSC School of Public Health	5393	557,552	557,552	-	-
Praire Dog Pet Products	5394	-	-	-	-
Broadwind Towers	5400	110,000	-	-	110,000
TSTC New Abilene Campus	5401	4,179,600	179,600	-	4,000,000
Communities in Schools	5403	80,850	19,203	-	61,647
City Owned Surplus Land	5404	386,960	384,442	-	2,518
Donald Hardin, Jr. Service Contract	5405	28,500	6,000	2,000	20,500
18/36 Park Development	5406	62,950	-	-	62,950
BE In Abl Grant	5407	250,000	-	-	250,000
Subtotal Economic Program Obligation Reserve		\$ 23,977,563	\$ 13,738,432	\$ 32,000	\$ 10,207,131

Plus Adminstrative Division Obligations:

Economic Development Operating Division	Division 2760	899,177	-	159,346	739,831
Life Sciences Property Maintenance	Division 2765	270,650	-	40,842	229,808
DCOA Property Maintenance	Division 2775	471,490	-	26,492	444,998
Abilene Industrial Foundation	Division 2775	648,275	-	-	648,275
TTU Small Business Dev Center	Division 2775	245,000	-	-	245,000
Chamber Military Affairs	Division 2775	397,000	-	-	397,000
Airport Business Development Manager	Division 2775	185,150	-	5,651	179,499
Subtotal Administrave Divisions Obligation Reserve		\$ 3,116,742	\$ -	\$ 232,331	\$ 2,884,411
Total reserve for obligated programs					\$ 13,091,542

DCOA Board approved projects waiting for signed contracts:

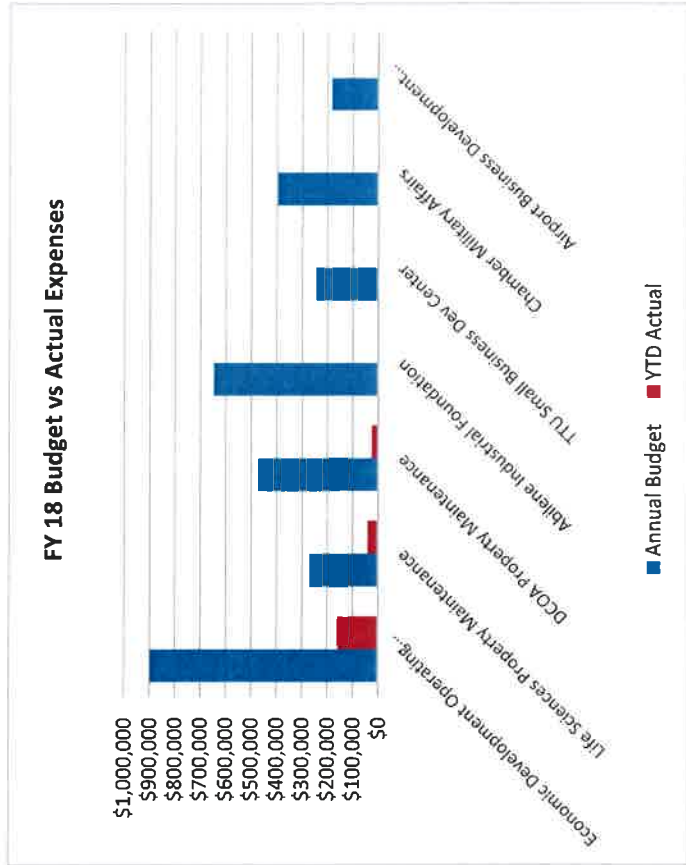
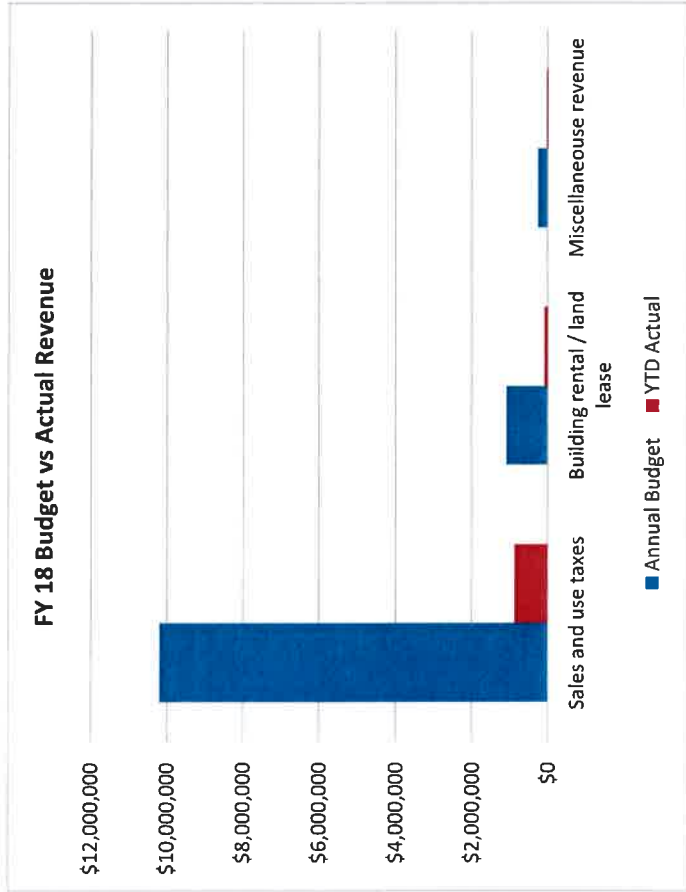
	Amount	Expiration Date
Dyess JLUS	\$ 50,000	06/30/18
Dyess TMPC Grant Match	198,880	03/11/18
Total	\$ 248,880	

**Development Corporation of Abilene
Revenue and Expense
Budget vs Actual Comparison
October 2017**

Revenue	Annual Budget	YTD Actual	% of Budget
Sales and use taxes	10,201,313	879,590	9%
Building rental / land lease	1,091,618	88,905	8%
Miscellaneous revenue	261,190	29,413	11%
Revenue	11,554,121	997,908	9%

Expenses	Annual Budget	YTD Actual	% of Budget
Economic Development Operating Division	899,177	159,346	18%
Life Sciences Property Maintenance	270,650	40,842	15%
DCOA Property Maintenance	471,490	26,492	6%
Abilene Industrial Foundation	648,275	-	0%
TTU Small Business Dev Center	245,000	-	0%
Chamber Military Affairs	397,000	-	0%
Airport Business Development Manager	185,150	5,651	3%
	3,116,742	232,331	7%

7.8



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

	<u>November 2017</u>	<u>November 2016</u>
Current Assets:		
Cash and cash investments	\$ 20,715,678	\$ 21,290,148
Accounts receivable	2,606,933	1,677,765
Due from other governments	<u>1,834,074</u>	<u>1,757,691</u>
Total Current Assets	<u>25,156,685</u>	<u>24,725,604</u>
Noncurrent Assets:		
Notes receivable, net	3,252,933	3,505,850
Notes receivable - earning economic incentives	12,019,686	8,456,602
Capital assets	63,885,149	62,437,447
Accumulated depreciation	<u>(15,831,323)</u>	<u>(14,190,010)</u>
Total capital assets, net	<u>48,053,826</u>	<u>48,247,437</u>
Total Noncurrent Assets	<u>63,326,445</u>	<u>60,209,889</u>
Total Assets	<u>\$ 88,483,130</u>	<u>\$ 84,935,493</u>
Liabilities		
Current:		
Accounts payable	\$ 3,781	\$ 36,984
Accrued expenses	<u>2,606,933</u>	<u>1,677,765</u>
Total Current Liabilities	<u>2,610,714</u>	<u>1,714,749</u>
Total Liabilities	<u>2,610,714</u>	<u>1,714,749</u>
Net Position		
Net Investment in capital assets	48,053,826	48,247,437
Restricted for contractual obligations	12,371,810	14,675,507
Unrestricted, designated for purposes of trust	<u>25,446,780</u>	<u>20,297,800</u>
Total Net Position	<u>85,872,416</u>	<u>83,220,744</u>
Total Liabilities and Net Position	<u>\$ 88,483,130</u>	<u>\$ 84,935,493</u>

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

	November 2017	Fiscal YTD 2018	Fiscal YTD 2017
Revenues:			
Sales and use taxes	\$ 964,521	\$ 1,844,111	\$ 1,767,803
Investment earning	19,953	38,067	18,978
Building rental / land lease	88,850	177,755	152,107
Miscellaneous revenue	-	11,298	-
Total Revenues	<u>1,073,324</u>	<u>2,071,231</u>	<u>1,938,888</u>
Expenses:			
Economic Development Projects	520,193	552,193	221,028
Life Sciences property maintenance	19,775	60,617	74,294
DCOA property maintenance	20,634	47,125	42,174
Abilene Industrial Foundation	71,447	71,447	42,079
TTU Small Business Development Center	14,587	14,587	14,494
Chamber Military Affairs	-	-	-
Airport Business Development Manager	-	5,651	7,957
Economic Development Operating Division	73,096	232,442	208,542
Total Expenditures	<u>719,732</u>	<u>984,062</u>	<u>610,568</u>
Changes In Net Position	353,592	1,087,169	1,328,320
Net Position at Beginning of Period	<u>85,872,416</u>	<u>85,138,839</u>	<u>81,892,424</u>
Net Position at End of Period	<u>\$ 86,226,008</u>	<u>\$ 86,226,008</u>	<u>\$ 83,220,744</u>

Summary of Current Period Economic Development Projects:

Enavail LLC, principal debt resolved	\$ 322,829
EASI De-Fuel Truck	1,950
Tucker Energy Service, Job Creation	44,984
Tucker Energy Service, Capital Investment Funding	128,519
Industrial Maintenance Training AISD	15,690
Communities in School, job training	4,221
Donald Harding Jr - Services	2,000
Total	<u>\$ 520,193</u>

**Development Corporation of Abilene
Economic Program Status
As of November 30, 2017**

Economic Programs:	Project	Amount Budgeted	Prior Years Disbursement	Current Year Disbursement	Balance reserved for budgeted programs
Murf Systems	4998	\$ 237,240	\$ 237,240	\$ -	\$ -
TTU Pharmacy School	5242	2,018,255	2,018,255	-	-
TTU 842 Pine	5308	1,020,231	1,020,231	-	-
Enavail, LLC	5316	709,070	386,241	322,829	-
Petrosmith Ph 5	5330.1	301,334	301,334	-	-
TTUHSC School of Nursing	5331	1,345,621	1,345,621	-	-
Rentech '12	5342	500,000	470,000	30,000	-
Hangar Doghouses A/E	5348.1	423,000	352,301	-	70,699
EASI De-Fuel Truck	5354	111,560	101,600	1,950	8,010
Tucker Energy Services	5359	585,000	171,705	173,503	239,792
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	4,852,997	-	270,003
Fehr Foods 14	5378	160,278	160,278	-	-
BWJ Consulting	5382	619,000	372,260	-	246,740
Datoo Technologies	5385	234,785	142,785	-	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	121,976	71,976	15,690	34,310
Lone Star Canvas	5390	50,000	-	-	50,000
Abimar Foods 2015	5391	600,000	300,000	-	300,000
BCBS Roof Repairs - A/E	5392.1	300,000	-	-	300,000
BCBS Roof Repairs - Construction	5392.2	2,700,000	-	-	2,700,000
TTUHSC School of Public Health	5393	557,552	557,552	-	-
Praire Dog Pet Products	5394	-	-	-	-
Broadwind Towers	5400	110,000	-	-	110,000
TSTC New Abilene Campus	5401	4,179,600	179,600	-	4,000,000
Communities in Schools	5403	80,850	19,203	4,221	57,426
City Owned Surplus Land	5404	386,960	384,442	-	2,518
Donald Hardin, Jr. Service Contract	5405	28,500	6,000	4,000	18,500
18/36 Park Development	5406	62,950	-	-	62,950
BE In Abl Grant	5407	250,000	-	-	250,000
Subtotal Economic Program Obligation Reserve		\$ 23,977,562	\$ 13,738,432	\$ 552,193	\$ 9,686,937

Plus Adminstrative Division Obligations:

Economic Development Operating Division	Division 2760	899,177	-	232,442	666,735
Life Sciences Property Maintenance	Division 2765	270,650	-	60,617	210,033
DCOA Property Maintenance	Division 2775	471,490	-	47,125	424,365
Abilene Industrial Foundation	Division 2775	648,275	-	71,447	576,828
TTU Small Business Dev Center	Division 2775	245,000	-	14,587	230,413
Chamber Military Affairs	Division 2775	397,000	-	-	397,000
Airport Business Development Manager	Division 2775	185,150	-	5,651	179,499
Subtotal Administrave Divisions Obligation Reserve		\$ 3,116,742	\$ -	\$ 431,869	\$ 2,684,873
Total reserve for obligated programs					\$ 12,371,810

DCOA Board approved projects waiting for signed contracts:

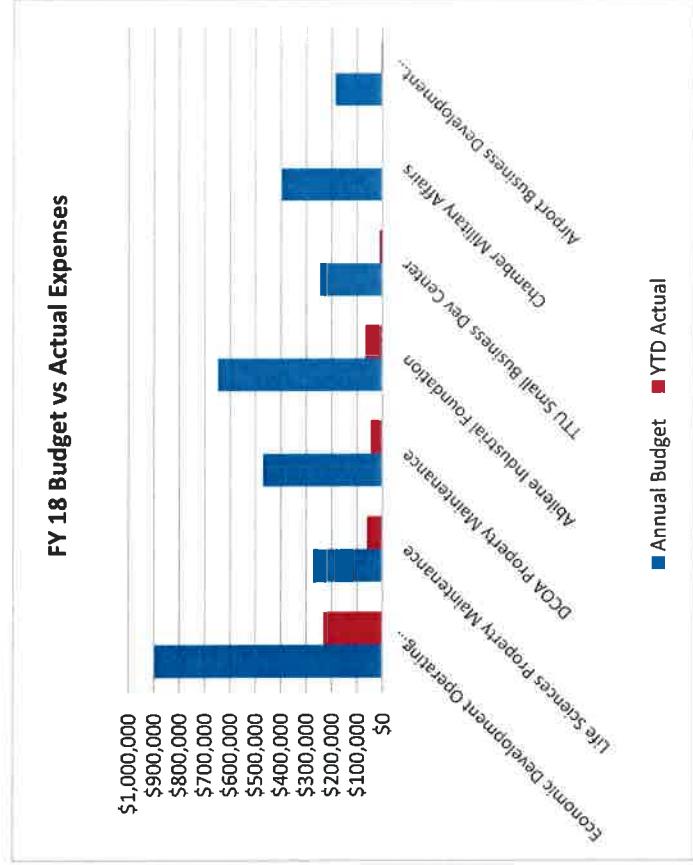
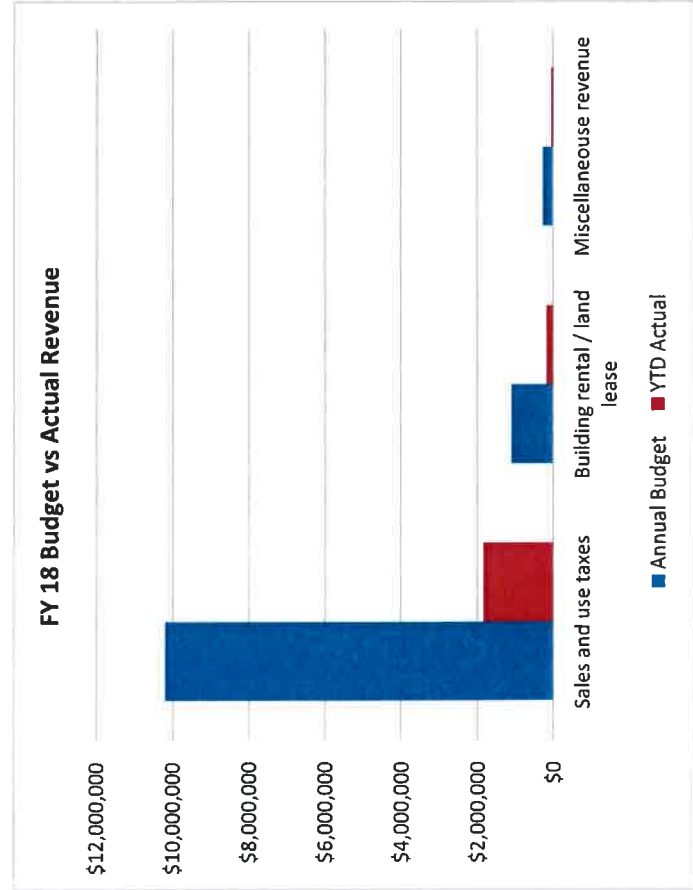
		Expiration Date
Dyess JLUS	\$ 50,000	06/30/18
Dyess TMPC Grant Match	198,880	03/11/18
	<u>\$ 248,880</u>	

**Development Corporation of Abilene
Revenue and Expense
Budget vs Actual Comparison
October 2017 - November 2017**

Revenue	Annual Budget	YTD Actual	% of Budget
Sales and use taxes	10,201,313	1,844,111	18%
Building rental / land lease	1,091,618	177,755	16%
Miscellaneous revenue	261,190	49,365	19%
Revenue	11,554,121	2,071,231	18%

Expenses	Annual Budget	YTD Actual	% of Budget
Economic Development Operating Division	899,177	232,442	26%
Life Sciences Property Maintenance	270,650	60,617	22%
DCOA Property Maintenance	471,490	47,125	10%
Abilene Industrial Foundation	648,275	71,447	11%
TTU Small Business Dev Center	245,000	14,587	6%
Chamber Military Affairs	397,000	-	0%
Airport Business Development Manager	185,150	5,651	3%
	3,116,742	431,869	14%

7.12



DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: January 22, 2018

PROJECT: Five Points Business Park Streetlights

STAFF: Kent Sharp, CEO

BACKGROUND

Since Polaris Dr. was installed in the Five Points Business Park in 2014, nighttime activity has increased with illegal dumping and drag racing. Dumping has been a problem on Marigold St. for many years and continues to this day. At times, large appliances and furniture are left behind. Staff recently installed video cameras to help in catching and prosecuting illegal dumpers.

Streetlights are needed to illuminate Polaris Dr., Marigold St. and parts of Five Points Parkway with the hopes that illegal activity will decrease and possibly even cease altogether.

THE REQUEST

AEP will install four (4) 150-watt HPS lights on Marigold on existing wood poles with special 16' arms to determine if they will sufficiently light the street. If so, more lights will be installed by AEP at no cost to DCOA. Lights (also 150-watt HPS) on 37' steel embedded poles are proposed along Polaris Dr. and Five Points Parkway. There will be eight (8) on Polaris and four (4) on Five Points Parkway with 6' arms about 350' apart and with underground power lines. The attached drawing shows the proposed light locations.

The costs for installation of the steel embedded poles with underground cabling is:

Polaris Dr., 8 poles – \$39,230

Five Points Parkway from Fulwiler Rd. east, 3 poles - \$13,175

Five Points Parkway between Pactiv and Prairie Dog Pet Products, 1 pole - \$3,155

Trenching - \$20,000 (est)

Contingency - \$5,000

Total estimated cost - \$80,560

Staff requests the board authorize an agreement with AEP for installation of the streetlights with underground power lines as proposed. The monthly cost to DCOA is about \$10/light to power 12 poles on Polaris and Five Points Parkway plus 4 poles on Marigold and will total around \$160/month. This expense will be paid from the existing building maintenance budget approved for this fiscal year.

FISCAL IMPACT

Estimated cost for installation of street lights in Five Points Business Park - \$80,560

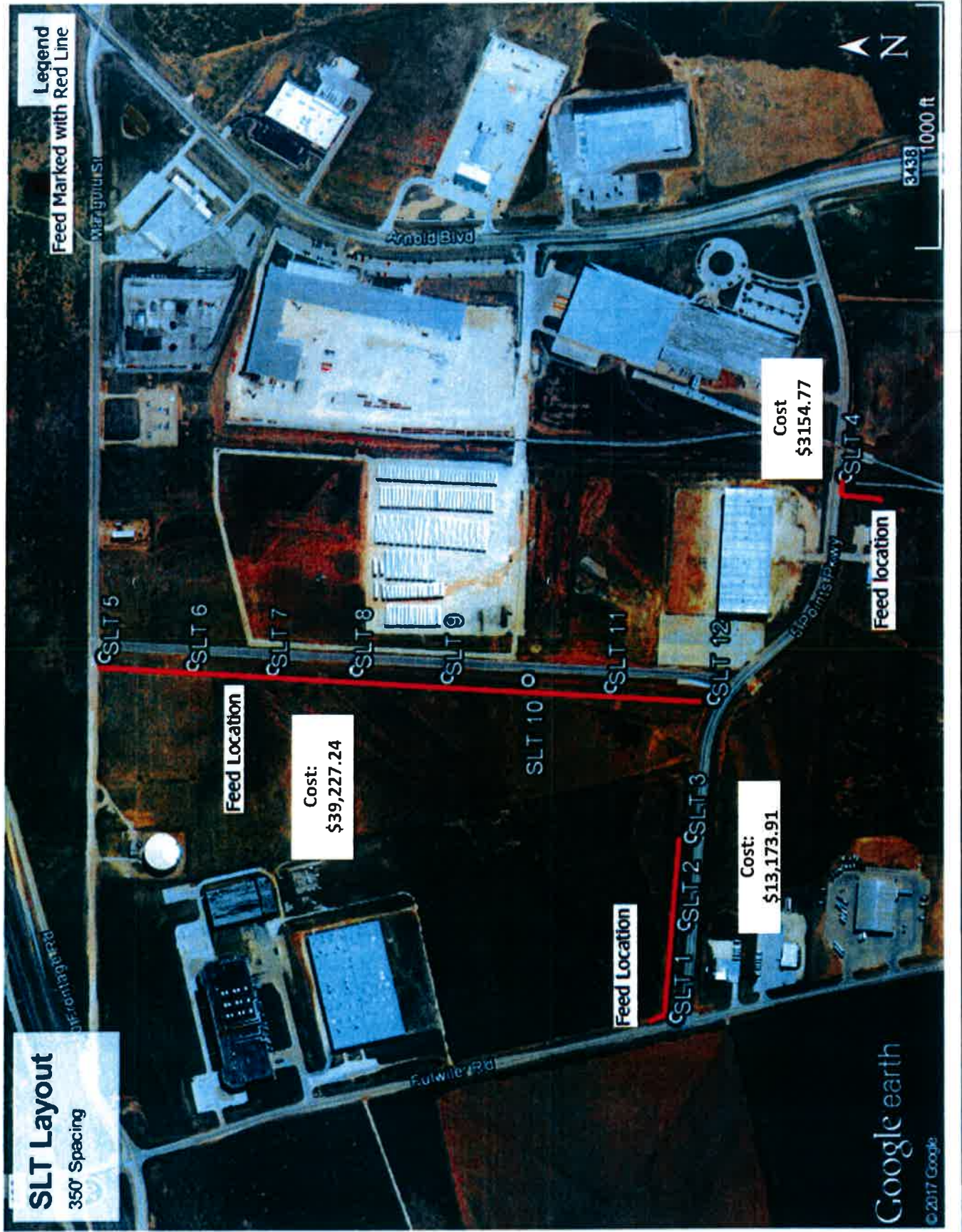
STAFF RECOMMENDATION

Staff recommends the DCOA approve resolution DCOA-2018.09 authorizing an agreement with AEP for installation of streetlights in the Five Points Business Park and funding of up to \$80,560.

ATTACHMENTS

Drawing of proposed street light layout in Five Points Business Park.
Resolution DCOA-2018.09

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RESOLUTION NO. DCOA-2018.09

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING AN AGREEMENT WITH AEP FOR INSTALLATION OF STREETLIGHTS IN THE FIVE POINTS BUSINESS PARK ("PARK").

WHEREAS, since Polaris Dr. was installed in the Park in 2014, nighttime activity has increased with illegal dumping and drag racing; and,

WHEREAS, dumping has been a problem on Marigold St. for many years and continues to this day; and,

WHEREAS, staff recently installed video cameras on Marigold St. to help in catching and prosecuting illegal dumpers; and,

WHEREAS, Streetlights are needed to illuminate Polaris Dr., Marigold St. and parts of Five Points Parkway with the hopes that illegal activity will decrease and possibly even cease altogether; and,

WHEREAS, AEP will install four (4) 150-watt HPS lights on Marigold on existing wood poles with special 16' arms to determine if they will sufficiently light the street with more to follow if they do; and,

WHEREAS, eight (8) streetlights (also 150-watt HPS) on 37' steel embedded poles with 6' arms about 350' apart and with underground power lines are proposed along Polaris Dr. and four (4) on Five Points Parkway; and,

WHEREAS, the estimated cost for installation of twelve (12) steel embedded poles with underground cabling is \$80,560, and DCOA will pay monthly power charges for each light of about \$10; and,

WHEREAS, staff requests DCOA authorize an agreement with AEP for installation of streetlights in the Park.

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

PART 1. DCOA authorizes an agreement with AEP for installation of streetlights in the Five Points Business Park plus funding of up to Eighty Thousand Five Hundred Sixty and no/100's Dollars (\$80,560.00). The cost includes twelve (12) 37' steel embedded poles with 6' arms about 350' apart with underground power lines located along Polaris Dr. and Five Points Parkway.

Monthly power charges for each streetlight will be about \$10 and will be paid from the DCOA's building maintenance budget for FY 2018.

PART 2. Funding under this resolution is contingent upon execution of all necessary agreements. The funding commitment authorized under this resolution shall expire without notice 180 days from the date of adoption of same unless all required documents and agreements are executed prior to that expiration date or the commitment herein is extended in writing by the DCOA.

PART 3. The Chief Executive Officer of the Development Corporation of Abilene, Inc. is hereby authorized to negotiate, enter into and execute a final contract(s) and all other related documents on behalf of the DCOA.

ADOPTED this the 22nd day of January, 2018.

ATTEST:

Secretary/Treasurer

President

APPROVED:

Mark Zachary, Attorney at Law

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**Information for Item #10
will be available during the board meeting**

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: January 22, 2018

PROJECT: Vine St. Rebuild Design Contract

STAFF: Kent Sharp, CEO

BACKGROUND

The DCOA-owned property at 3901, 4009, 4109, 4125 and 4141 Vine St. stretches from S. 39th St. south to Industrial Blvd. on the east side of the street (see attached drawing). DCOA purchased the property in 2004 from Affiliated Food Stores for \$1.2 million and leased it back. In mid-2011, Affiliated Foods closed its business and vacated the property, which consists of four (4) large connecting warehouses (A-D) and adjoining offices. Ryder Trucks currently leases the separate structure at 4125 Pine, which has truck bays. The lot at 3901 is vacant and will soon be leased to AbiMar Foods. The lot at 4141 is improved with some paving, fencing and a sewer dump station and is currently available for overflow parking. AbiMar Foods is leasing Warehouses A through D totaling about 175,000 sq ft for its finished product storage. The offices are currently vacant and staff is working to lease that space.

Since 2011, staff has worked to make the property ready for leasing, including removal of two underground fuel storage tanks, warehouse lighting upgrades, asbestos removal, parking lot rebuild, offices renovation, fire line replacement, and new fire suppression added to all structures (except 4125 leased to Ryder). AbiMar began leasing Warehouse A in 2011 and now occupies all the warehouse space.

AbiMar hires leased truck drivers to pick up and deliver its products. The truck activity has increased significantly over the last couple of years, leaving Vine St. with large areas of failed asphalt and potholes. The Streets Dept. has responded with occasional fills of potholes; however, the street remains in a perpetual state of disrepair. Attached are photos to illustrate this claim.

THE REQUEST

Jacob & Martin is familiar with the property and has proposed designing a rebuild of Vine St. from S. 39th to Industrial (approx. 1,100 linear feet) with either concrete or asphalt/concrete mix to ensure durability for many years to come.

Staff requests DCOA authorize a contract with Jacob & Martin for design services and funds up to \$30,000 including reimbursable costs. Staff also requests authority to solicit bids for the work and return to the board for approval of a construction contract. All work will comply with City code and be approved by the Public Works Dept of the City of Abilene.

FISCAL IMPACT

Jacob & Martin design services and reimbursable costs – up to \$30,000

STAFF RECOMMENDATION

Staff recommends the DCOA approve resolution DCOA-2018.08 authorizing a Vine St. rebuild design contract with Jacob & Martin and authority to solicit bids for the work.

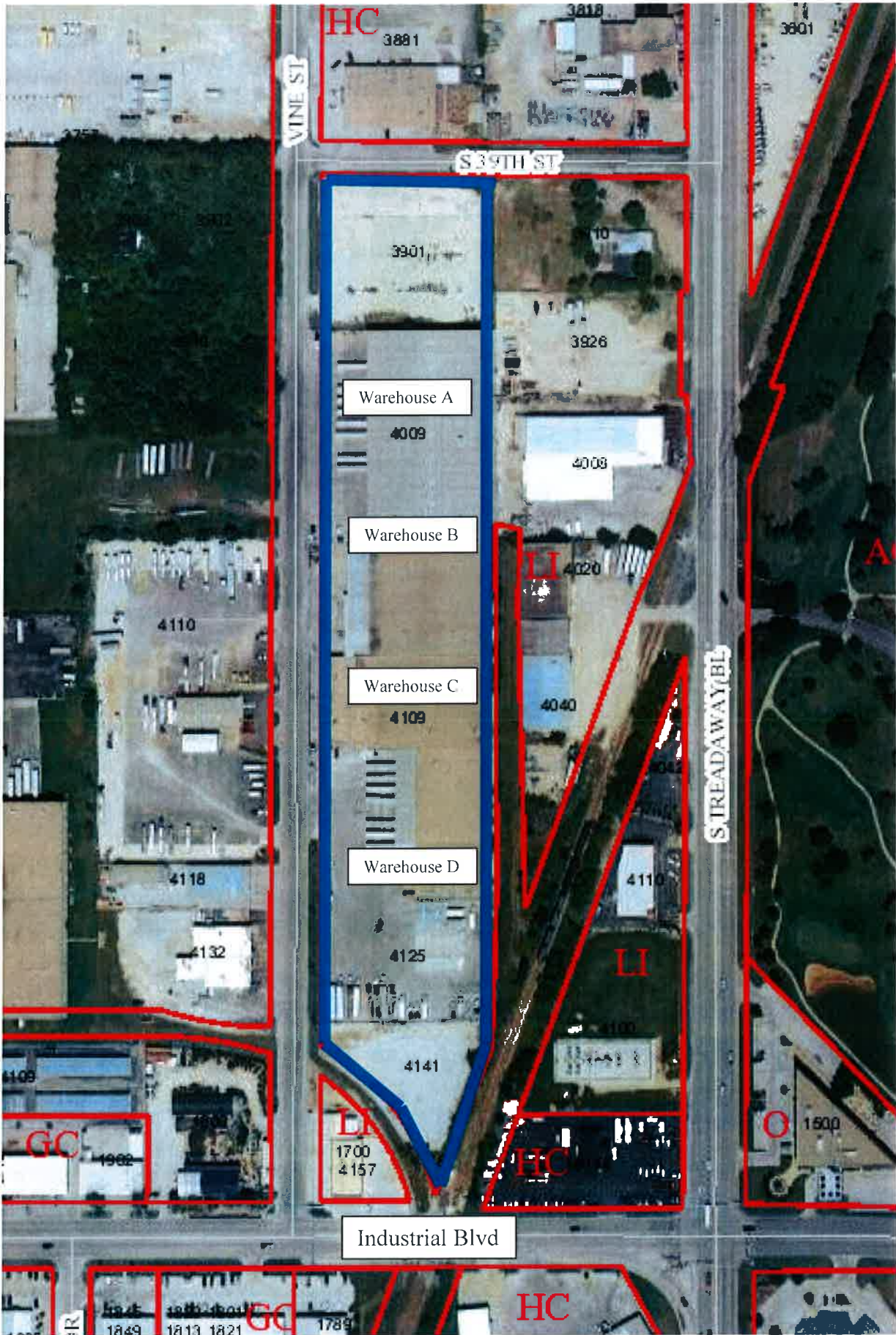
ATTACHMENTS

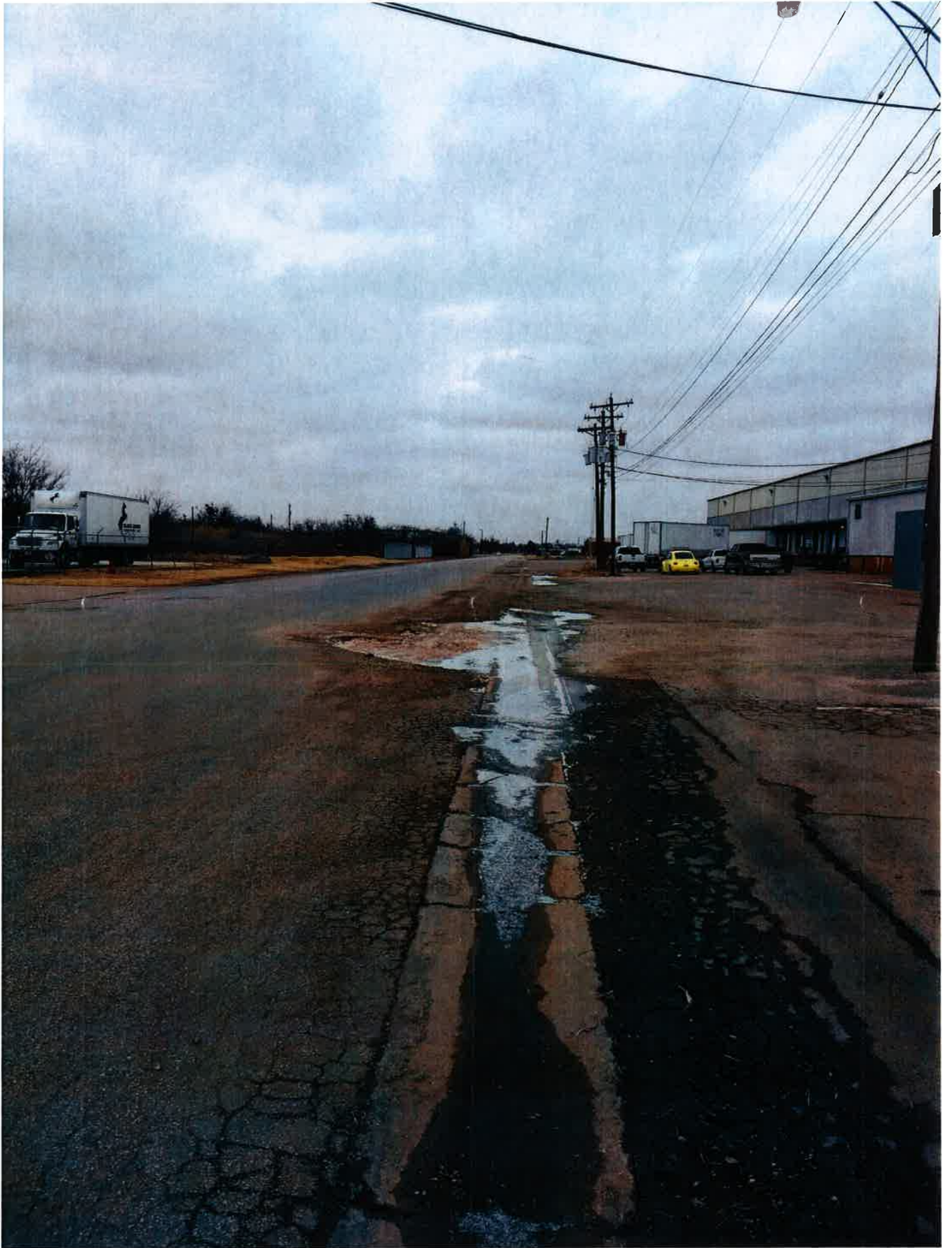
Drawing of DCOA-owned property on Vine St.

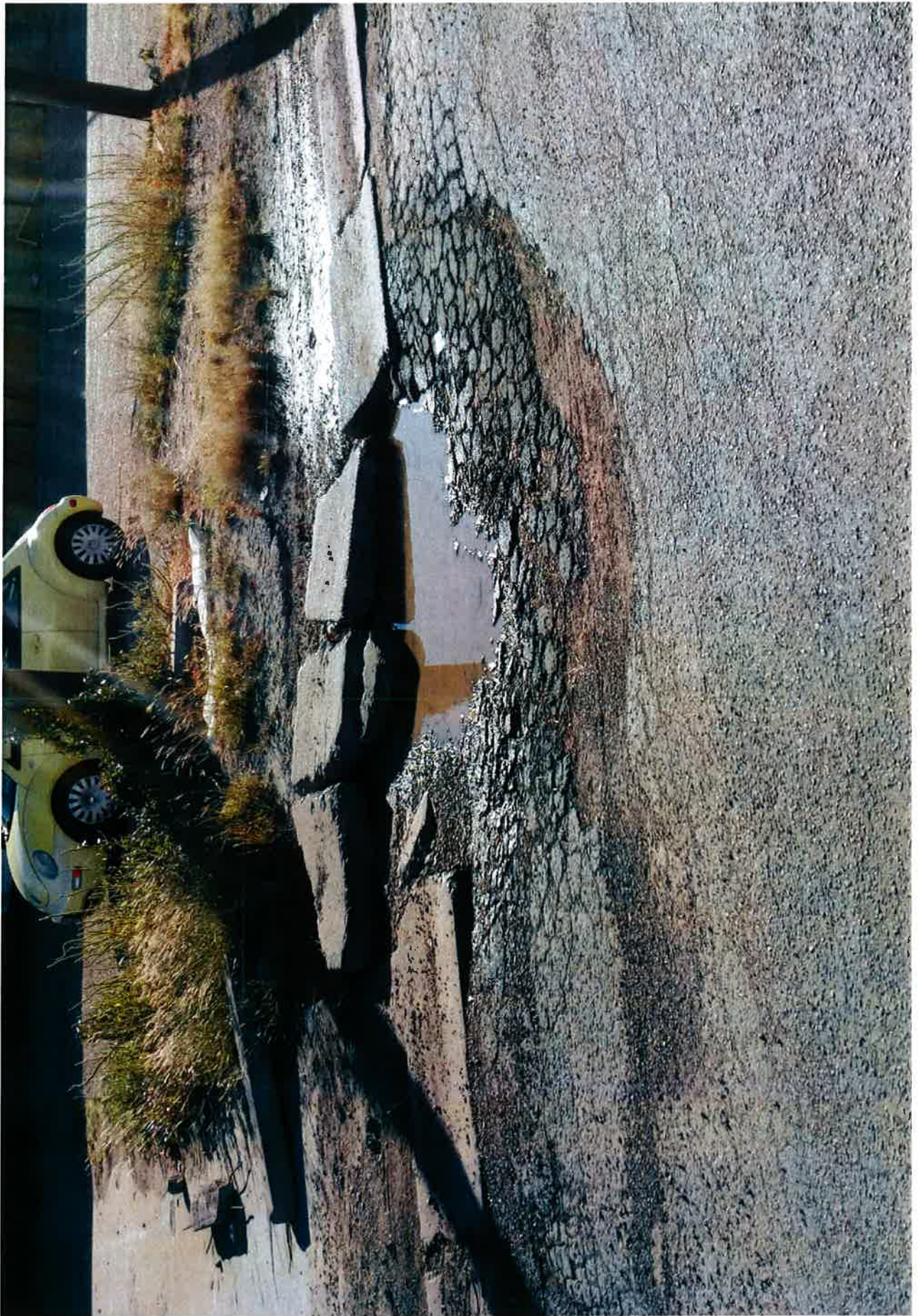
Three photos of street damage on Vine St.

Resolution DCOA-2018.08

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RESOLUTION NO. DCOA-2018.08

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING A CONTRACT WITH JACOB & MARTIN FOR VINE ST. REBUILD DESIGN SERVICES.

WHEREAS, the DCOA-owned property at 3901, 4009, 4109, 4125 and 4141 Vine St. stretches from S. 39th St. south to Industrial Blvd. on the east side of the street and consists of four (4) large connecting warehouses (A-D) and adjoining offices; and,

WHEREAS, DCOA purchased the property in 2004 from Affiliated Food Stores for \$1.2 million and leased it back until mid-2011 when Affiliated Foods closed its business and vacated the property; and,

WHEREAS, since 2011, staff has worked to make the property ready for leasing, including removal of two underground fuel storage tanks, warehouse lighting upgrades, asbestos removal, parking lot rebuild, offices renovation, fire line replacement, and new fire suppression added to all structures (except 4125 leased to Ryder); and,

WHEREAS, AbiMar Foods began leasing Warehouse A in 2011 and now occupies all of the warehouse space; and,

WHEREAS, AbiMar hires leased truck drivers to pick up and deliver its products, and the truck activity has increased significantly over the last couple of years, leaving Vine St. with large areas of failed asphalt and potholes; and,

WHEREAS, the Streets Dept. has responded with occasional fills of potholes; however, the street remains in a perpetual state of disrepair; and,

WHEREAS, Jacob & Martin is familiar with the property and has proposed designing a rebuild of Vine St. from S. 39th to Industrial (approx. 1,100 linear feet) with either concrete or asphalt/concrete mix to ensure durability for many years to come; and,

WHEREAS, staff requests DCOA authorize a contract with Jacob & Martin for design services plus authority to solicit bids for the work.

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

PART 1. DCOA authorizes a contract with Jacob & Martin for the proposed rebuilding of Vine St. from S. 39th St. south to Industrial Blvd. and funding of up to Thirty Thousand and no/100's Dollars (\$30,000.00) for base services and reimbursable costs.

Also authorized is solicitation of bids for the rebuild construction work. Once all proposals and/or estimates are received, Staff will return to DCOA for funding authorization to perform the work.

PART 2. Funding under this resolution is contingent upon execution of all necessary agreements. The funding commitment authorized under this resolution shall expire without notice 180

days from the date of adoption of same unless all required documents and agreements are executed prior to that expiration date or the commitment herein is extended in writing by the DCOA.

PART 3. The Chief Executive Officer of the Development Corporation of Abilene, Inc. is hereby authorized to negotiate, enter into and execute a final contract(s) and all other related documents on behalf of the DCOA.

ADOPTED this the 22nd day of January, 2018.

ATTEST:

Secretary/Treasurer

President

APPROVED:

Mark Zachary, Attorney at Law

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11.8

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: January 22, 2018

PROJECT: Broadwind Towers Expansion Assistance

STAFF: Kent Sharp, CEO

BACKGROUND INFORMATION

The DCOA has assisted Broadwind Towers since 2008 when the company constructed its Abilene manufacturing facility in the Five Points Business Park. The company manufactures wind towers and monopoles for on- and off-shore wind development. Broadwind Towers, Inc. was formerly known as Tower Tech Systems, Inc. and changed its name in May 2011. The company was founded in 2003, is based in Manitowoc, Wisconsin, and has plants in Manitowoc, Wisconsin; Sioux Falls, South Dakota; and Abilene. Broadwind Towers, Inc. operates as a subsidiary of Broadwind Energy, Inc. Below is a summary of the assistance approved and funded:

2008 Agreement: The DCOA authorized an assistance package for Broadwind Towers in the total amount of \$3,816,250 in direct incentives for job creation of 150 and capital investment of \$20+ million for construction of a new manufacturing plant in the Five Points Business Park and equipment purchases. The package also includes indirect incentives totaling \$911,250 for job training through the Fast Track Welding Training program, conveyance by the DCOA of 41.6 acres on Arnold Blvd. (north of Pactiv Industries) valued at \$600,000, and rail service to the south boundary of the new construction site.

Addenda A, B & C (2008-2012): The DCOA 1) Approved additional \$700,000 for construction cost overruns of \$7MM or more, 2) Reallocated \$20,500 to train 15 welders for the company's Caterpillar contract, and 3) Reallocated another \$30,000 to train 20 more welders and conduct leadership training for the supervisory team.

Construction was completed in early 2009, and two Fast Track Welding training sessions were held in 2008 and early 2009. Below is a summary of the assistance package as amended, which expired on 10-31-13:

	2008 Agreement	Revised	Funded
Job Creation Incentive	\$1,816,250	\$1,757,350	\$1,241,539
Capital Investment Incentive	\$2,000,000	\$2,700,000	\$2,700,000
Conveyance/Sale of Land	\$600,000	\$600,000	\$600,000
RR Service Extension	\$236,250	\$236,250	\$236,250
Welder Training Assistance	\$75,000	\$75,000	\$70,226
Advanced Welder Training Assistance		\$49,500	\$49,490
Leadership Training Assistance		\$9,400	\$6,572
TOTAL	\$4,727,500	\$5,427,500	\$4,904,077

Due to the economic downturn, the company experienced layoffs and furloughs of employees. FTE counts reported by Broadwind Towers during the contract period are:

	FTE's Regular	FTE's Temporary	Total Jobs	Amt. Earned for New Jobs
Year 1- to 10/31/09	100.9		100.9	222,466.78
Year 2-to 10/31/10	87.1	11.0	98.1	234,006.99
Year 3- to 10/31/11	99.4	10.0	109.4	258,443.14
Year 4- to 10/31/12	62.24	8.6	70.8	176,434.41
Year 5- to 10/31/13	110.44	4.89	115.3	350,187.21
				1,241,538.53

2014 Agreement: During the process of planning for expanded rail service in the Five Points Business Park, it became clear that DCOA needed additional land, so the board authorized incentives in exchange for the company's 4.6 undeveloped acres of land located at the south end of their tower storage lot, which were subsequently platted into the Spec 3 lot (now occupied by Prairie Dog Pet Products).

Also approved to help Broadwind expand its yard and prepare for installation of expanded rail service; 1) \$516,000 in unearned job creation incentive money from the 2008 Agreement was reauthorized for another 5 years for FTEs in excess of 115, 2) At an estimated cost of \$200,000, the DCOA would extend a new railroad line on the west side of the existing drainage ditch. At an estimated cost of \$20,000, the DCOA would install a fence along the new property line in the event Broadwind Towers begins construction of a fence around their storage yard, 3) DCOA would pay to level Lot 303, Block B (containing 10.909 undeveloped acres) at an estimated cost of \$74,700 and bid the work along with construction of Polaris Dr. After the lot is leveled, DCOA would sell the lot to Broadwind Towers for \$15,000/acre, or \$163,635, and finance the purchase for up to 5 years at 0% interest, secured by a first lien on the lot. The first \$163,635 of earned job creation incentives would be applied toward reducing the note balance, and 4) Finance up to 75% of the cost, or up to \$526,350, for 18" of base material or \$702,525 for 24" of base material, under a 5-year, 0% interest note secured by a 1st lien on the 10.909 acre lot. The company had until March 1, 2017 to contract directly for the installation of compacted limestone base material. After the 10.909-acre lot purchase note is fully earned, any earned job creation incentive payments would be applied to this note.

Addendum A (2015): Broadwind Towers decided the extended rail spur as described above would not benefit their operations, so the board re-allocated the rail spur funds of \$200,000 for; 1) Security fencing around the company's entire perimeter costing \$163,300 and additional funds of \$12,546 to fence the new property line as previously approved. The \$20,000 estimate was low with actual fencing costing \$32,546, and 2) Leftover funds of \$69,246 from the fencing project would be reimbursed to the company as all or part of their 25% payment obligation for the base material note, should the company move forward with installation of the compacted limestone base on the 10.909 acre lot.

STATUS:

1. The 4.6 acres (valued at \$68,985) were conveyed to DCOA and re-platted into the Spec 3 lot in 2014.

2. DCOA contracted with Epic Construction to grade and level Lot 303, Block B, which was completed in late 2014 at a cost of \$65,713 (a savings of \$8,987). The lot was sold to Broadwind Towers under Note BTLOT303.14 dated 12-18-14 in the amount of \$163,635. The note balance was fully earned in January 2016 through job creation.

3. Broadwind Towers did not request the base material installation loan and grant funds as described above for the 10.909-acre lot. **The undisbursed amount of \$771,771 (\$69,246 grant for the 25% down payment and \$702,525 loan for 75% of total cost) was rescinded by DCOA in 2016.**

4. The company earned job creation incentives through 10-31-15 (Year 2) at the maximum \$516,000, reporting 198 total FTEs. Note BTLOT303.14 was fully earned, and \$352,365 was paid to the company in January 2016.

5. Broadwind installed fencing around its entire storage yard area and DCOA reimbursed the company \$163,300 in December 2015.

	2014 Agreement	Revised	Funded
Job Creation Incentive	\$516,000	\$516,000	\$516,000
Rail Extension grant	\$200,000	\$0	\$0
Fencing along Spec 3 property line	\$20,000	\$32,546	\$32,546
Fencing around perimeter of company's property	\$0	\$130,754	\$130,754
Sale of Lot 303, Blk B (10.909 acres)	\$163,635	\$163,635	\$163,635
Base Material Loan for Lot 303, Blk B at 75%	\$702,525	\$702,525	\$0
Base Material - grant toward Co's 25% obligation	\$0	\$69,246	\$0
TOTAL	\$1,602,160	\$1,614,706	\$842,935

2016 Agreement:

Broadwind estimated a \$7.15 million investment in 2016 to double production capacity of monopoles at the Abilene plant due to an extension of the PTC (production tax credit), a federal tax credit for renewable energy projects. The PTCs played a significant role in securing \$50 million in additional contracts. The facility performed its manufacturing process on three parallel rails. The process starts with rolling and welding flat sheets of steel in a concave shape that supports the nacelle at the top, otherwise referred to as the monopole. Once welding is complete, the poles moved down the rail to a paint preparation booth where they were cleaned. Then the pole moved into a second booth for painting and then to the final stage for assembly of internal parts. In four phases, the company will add a second paint booth and final assembly will be moved to a third structure to be located adjacent to the existing facility. The company expects to double its monopole production capacity by making these changes, which will make better use of the internal design of the facility.

On August 24, 2016, DCOA approved resolution DCOA-2016.18 authorizing \$715,000 for the expansion funded at 10% of the company's total costs. At the same time, the \$771,771 remaining available under the 2014 Agreement was rescinded. Phases I, II and III of the project are to be disbursed before August 31, 2017 (up to \$605,000), under a promissory note with 0% interest secured by a corporate guaranty. The company is to complete all three phases and

provide DCOA with a copy of its Certificate of Occupancy for the new assembly building and paid invoices evidencing actual expenditures. The principal balance will be reduced over a five-year period in equal installments of 1/5 of the final principal amount under the note with the first reduction occurring 12 months after the disbursement.

Phase IV will add paint robotics and funds are to be disbursed before August 31, 2018 (up to \$110,000), under a second promissory note with 0% interest secured by a corporate guaranty. Again, the balance will be reduced over five years.

STATUS:

1. Phases I-III loan funds of \$570,628.21 were disbursed 10-10-17; however, the company did submit proof of capital investment totaling \$5,706,282 before 08-31-17.
2. Phase IV has not begun therefore no loan funds have been disbursed.

THE PROJECT

On July 13, 2017, DCOA approved resolution DCOA-2017.12 authorizing a land lease to Broadwind Towers for the adjacent vacant lot consisting of 4.5 acres in Five Points Business Park located at the SE corner of the intersection of Polaris and Marigold. The lot is depicted on the attached drawing of Five Points Business Park as Lot 8, which was recently cleared. Broadwind is in the process of hiring 100 new employees, and the additional land is needed for more laydown, storage and holding area for the company's raw materials, inventory, equipment and finished product. The lease terms include twelve (12) months with the option to extend for a total lease period of no longer than five (5) years, and an annual lease payment of \$6,000. The lease also included a purchase option of \$15,000/acre, or \$67,500. Lease payments would not apply toward the purchase price. The company was given 30 days to execute a lease agreement or lease terms might change. Broadwind did not execute a lease agreement.

Broadwind expressed a renewed interest in the land this month and would like to purchase for \$60,000. Without the additional storage space, the company would be forced to find alternative space, which would add cost to an order and could limit their ability to successfully bid on new orders. A separate agreement for financial assistance will be executed along with a sales contract wherein the company must install base material and fence the lot within nine (9) months of closing or a penalty of \$10,000 will be paid to DCOA. The company expects to spend over \$800,000 for improvements to the lot.

FISCAL IMPACT

Sales revenue of \$60,000 less closing costs

STAFF RECOMMENDATION

Staff recommends approval of resolution DCOA-2018.07 authorizing additional assistance for Broadwind Towers including the sale of a 4.5 acres vacant lot in the Five Points Business Park.

ATTACHMENTS

Drawing depicting subject lot
Resolution DCOA-2018.07

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Five Points Business Park

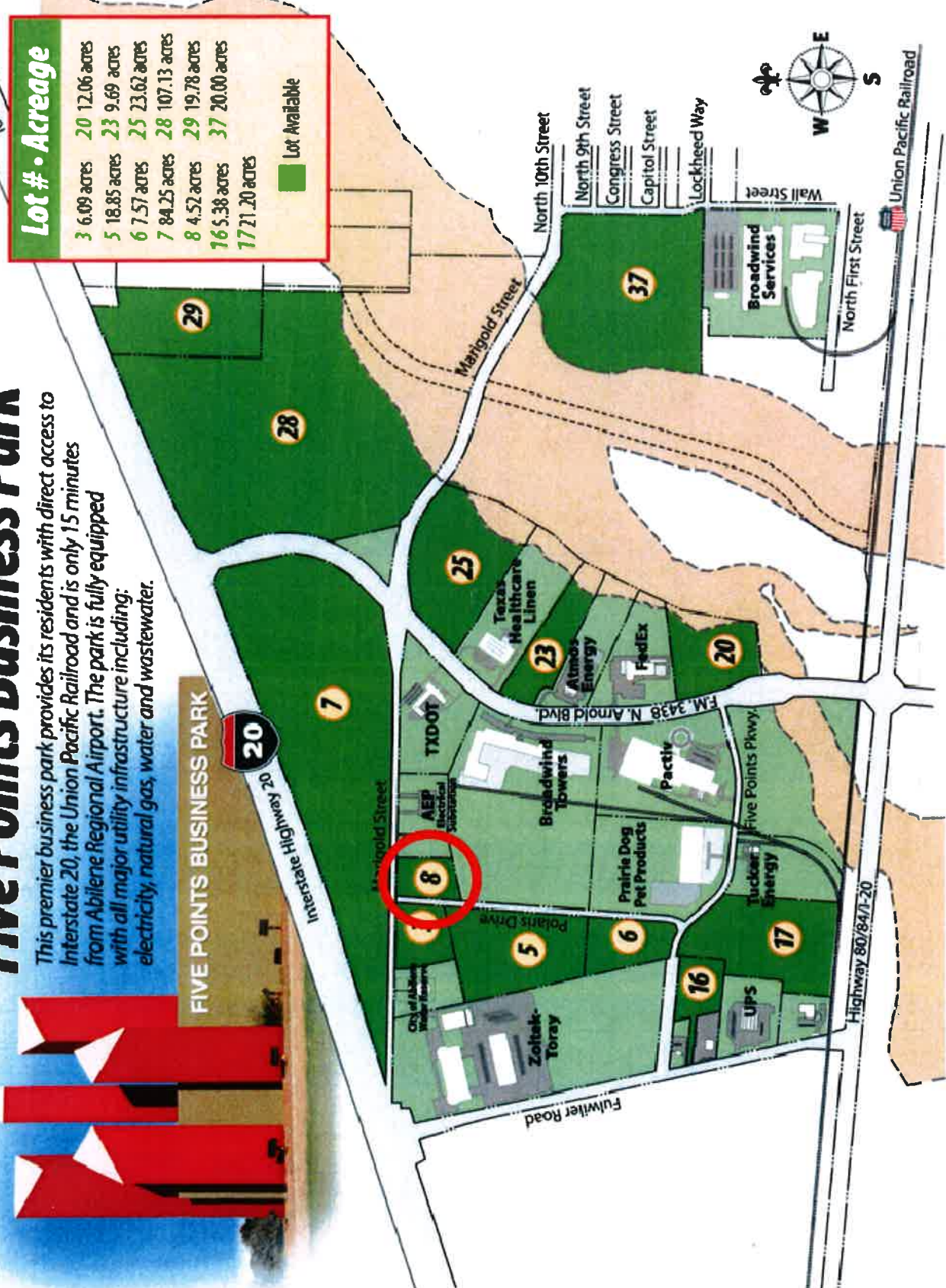
This premier business park provides its residents with direct access to Interstate 20, the Union Pacific Railroad and is only 15 minutes from Abilene Regional Airport. The park is fully equipped with all major utility infrastructure including: electricity, natural gas, water and wastewater.

FIVE POINTS BUSINESS PARK

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



12.5

RESOLUTION NO. DCOA-2018.07

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING ADDITIONAL ASSISTANCE FOR BROADWIND TOWERS (“COMPANY”) INCLUDING THE SALE OF LAND IN THE FIVE POINTS BUSINESS PARK, ABILENE, TAYLOR COUNTY, TEXAS.

WHEREAS, Broadwind Towers, Inc., is based in Manitowoc, Wisconsin and manufactures wind turbine towers or monopoles; and,

WHEREAS, in 2008, the DCOA approved resolution DCOA-2008.14 authorizing an assistance package for Company in the total amount of \$3,816,250 in direct incentives for job creation of 150 and capital investment of \$20+ million for construction of a new manufacturing plant in the Five Points Business Park and equipment purchases; and,

WHEREAS, the package also included indirect incentives totaling \$911,250 for job training through the Fast Track Welding Training program, conveyance by the DCOA of 41.6 acres on Arnold Blvd. (north of Pactiv Industries) valued at \$600,000, and rail service to the south boundary of the new construction site; and,

WHEREAS, in 2008, the DCOA also approved additional \$700,000 capital investment incentive for construction cost overruns of approximately \$7 million paid at 10% of the company’s actual cost, which was around \$27.5 million; and,

WHEREAS, in 2011, the DCOA authorized the reallocation of \$20,500 in job creation incentive funds to instead be used to train 15 welders for the company’s Caterpillar, and in 2012 another \$30,000 was reallocated to train 20 more welders and provide leadership training for the supervisory team; and,

WHEREAS, of the \$5,427,500 total authorized under the original agreement, \$4,904,077 was funded; and,

WHEREAS, in 2014, the DCOA approved resolution DCOA-2014.20 authorizing a new assistance package for Company’s growth in the amount of \$1,602,160, including: 1) re-approving \$516,000 unearned Job Creation Incentive funds from the original agreement for creation of FTEs in excess of 115, 2) \$200,000 to extend a new railroad line to the north property line of Company’s current storage yard, 3) \$20,000 to install a fence along the new property line between DCOA and Company, 4) \$163,635 financing Company’s purchase of a DCOA-owned 10.909 acre lot located adjacent to Company’s existing storage yard, and 5) \$702,525 maximum financing for 75% of the cost to install base material on the 10.909 acre lot; and,

WHEREAS, Broadwind Towers decided the extended rail spur would not benefit their operations, so in 2015 the DCOA re-allocated the rail spur funds of \$200,000 for; 1) Security fencing around the company’s entire perimeter costing \$163,300 and additional funds of \$12,546 to fence the new property line as previously approved, and 2) Leftover funds of \$69,246 from the fencing project would be reimbursed to the company as all or part of their 25% payment obligation for the base material note; and,

WHEREAS, of the \$1,614,706 total authorized under the 2014 agreement, \$842,935 was funded

leaving \$771,771 available; and,

WHEREAS, Company secured additional contracts in 2016 for monopole production and expanded the Abilene facility to double production and includes a new third structure constructed adjacent to the existing plant for final assembly, a new paint booth, equipment purchases, and preparation of the laydown yard; and,

WHEREAS, on August 24, 2016, DCOA approved resolution DCOA-2016.18 authorizing \$715,000 for the expansion funded at 10% of the company's total costs; and,

WHEREAS, at the same time, the \$771,771 remaining available under the 2014 Agreement was rescinded; and,

WHEREAS, Phases I, II and III of the expansion project (up to \$605,000) is to be disbursed under a promissory note with 0% interest secured by a corporate guaranty with the Company completing all three phases (including a new assembly building) no later than August 31, 2017; and,

WHEREAS, Phase IV funding (up to \$110,000) is to be disbursed under a second promissory note with identical terms no later than August 31, 2018; and,

WHEREAS, the principal balance under each note will be reduced over a five-year period in equal installments of 1/5 of the final principal amount under the note with the first reduction occurring 12 months after the disbursement; and,

WHEREAS, on July 13, 2017, DCOA approved resolution DCOA-2017.12 authorizing a land lease with an option to purchase for \$67,500.00 to Company for the adjacent vacant lot consisting of 4.5 acres in Five Points Business Park located at the SE corner of the intersection of Polaris and Marigold Broadwind because Company needs more laydown, storage and holding area for its raw materials, inventory, equipment and finished product; and,

WHEREAS, DCOA provided Company thirty (30) days to sign the land lease with the stipulation that lease terms could change past the 30 days; however, Company did not sign the land lease; and,

WHEREAS, Company recently expressed a renewed interest in the land and would like to purchase for \$60,000 because without the additional storage space, Company would be forced to find alternative space, which would add cost to an order and could limit their ability to successfully bid on new orders; and,

WHEREAS, a separate agreement for financial assistance will be executed along with a sales contract wherein the company must install base material and fence the lot at a cost of over \$800,000.00 within nine (9) months of closing or a penalty of \$10,000 will be paid to DCOA; and,

WHEREAS, staff requests the DCOA approve an additional assistance package for the Company to include the sale of land 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 assistance to Broadwind Towers, Inc. to include the sale of a 4.5-acre vacant lot identified as Lot 301, Block B, Five Points Business Park, Abilene Taylor County, Texas. A separate agreement for financial assistance will be executed along with a sales contract wherein the company must purchase for Sixty Thousand and no/100's Dollars (\$60,000.00), install base material and fence the lot within nine (9) months of closing or a penalty of \$10,000 will be paid to DCOA. The company expects to spend over \$800,000 for improvements to the lot.

PART 2. This resolution is 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 3. The Chief Executive Officer of the Development Corporation of Abilene, Inc. is hereby authorized to negotiate, enter into and execute a final contract and all other related documents on behalf of the DCOA.

ADOPTED this the 22nd day of January, 2018.

ATTEST:

Secretary/Treasurer

President

APPROVED:

Mark Zachary, Attorney at Law