

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. ("DCOA") will be held on Monday, October 15, 2018, at the Development 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

October 15, 2018
1:30 p.m.

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

1. Call the meeting to order.
2. Approval of minutes from the September 6, 2018 board meeting.
3. Sales tax reports for September and October 2018 and financial report for August 2018.
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. Insurance claims including, but not limited to, contracts for roof replacement, roof repairs, roof design and roof monitoring services on Vine St. buildings located at 4009, 4109 and 4125 Vine St., and hangars and other structures at the Abilene Regional Airport, Abilene, Texas.
 - B. Prairie Dog Pet Products
 2. 551.072 (Deliberations about Real Property)
 - A. Acquisition of land in Abilene, Texas for Project Cafe
 3. 551.074 (Personnel Matters)
 4. 551.087 (Business Prospect/Economic Development)
 - A. Texas Tech University Health Sciences Center
 - B. Project Cafe
5. Discussion and possible approval of a resolution authorizing a contract for cleaning the interior of buildings located at 1221 and 1249 Fulwiler Rd., Abilene, Texas.
6. Discussion and possible approval of FY19 contracts with:
 - A. City of Abilene for Airport Business Development
 - B. Abilene Chamber of Commerce Military Affairs
 - C. Small Business Development Center

7. Discussion and possible approval of a resolution authorizing a contract with Abilene Education Foundation for NEXT University.
8. Discussion of the next monthly board meeting.
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 12th day of October, 2018, at 10:48 a.m.


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
September 6, 2018**

MEMBERS PRESENT: John Beckham Greg Blair Vic Corley
Seaton Higginbotham

MEMBER ABSENT: Jack Rick

STAFF PRESENT: Kent Sharp Kim Tarrant

GUESTS PRESENT: Mark Zachary McMahan Surovik Suttle
Justin Jaworski Abilene Industrial Foundation
Marissa Thompson Abilene Industrial Foundation
Chris Shelton McMahan Surovik Suttle

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

2. **APPROVAL OF MINUTES FROM THE AUGUST 22, 2018, BOARD MEETING:** Greg Blair moved to approve the minutes from the August 22, 2018, board meeting. Vic Corley seconded, and the motion carried.

3. **FINANCIAL REPORT FOR JULY 2018:** Kent Sharp, CEO of the DCOA, presented the financial report for July 2018. The DCOA's total current assets as of July 31, 2018 were \$31,606,946. The July revenues totaled \$1,036,374 and total expenditures were \$442,304 with \$248,435 being spent on six 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 John Beckham announced the date is September 6, 2018 and the time is 10:07 a.m. Later, President Beckham announced the date is still September 6, 2018 and the time is 10:49 a.m. No vote or action was taken in Executive Session.

5. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A CONTRACT FOR ROOF REPAIRS AND/OR REPLACEMENT AT 4009/4109/4125 VINE ST., ABILENE, TEXAS:** Kent Sharp requested approval of resolution DCOA-2018.26 authorizing a contract with Barr Roofing Company and funding of \$1,789,830 to replace the roofs at 4009/4109/4125 Vine St. The roofs were damaged in the 2014 hail storm, and there is approximately 185,000 total sq ft. with about 175,000 sq ft. leased by AbiMar Foods, Inc.

Staff recommends replacing the existing built-up roofs with a Thermoplastic Polyolefin (TPO) System of 80-mil versus the standard 40-mil. Bids were opened on August 1, 2018 with 8 contractors submitting. Barr Roofing Company was the lowest responsible bidder at \$1,497,956, which includes the TPO system over the existing built-up system. Also requested is \$75,874 for Option #1, metal framing and wall panel, a contingency of \$79,000, and \$137,000 for fees and reimbursable expenses to Crenshaw Consulting Group.

Greg Blair made the motion to approve resolution DCOA-2018.26 authorizing a contract with Barr Roofing Company and \$1,789,830.00 to replace the roofs at 4009/4109/4125 Vine St. Seaton Higginbotham seconded and the motion passed.

6. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING AN EXTENSION OF THE EXISTING AGREEMENT WITH TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER (TTUHSC), WHICH MAY INCLUDE THE CONVEYANCE OF THE FACILITY LOCATED AT 842 PINE ST., ALL EQUIPMENT LOCATED THEREIN, AND ADJACENT PARKING LOT AT 834 PINE ST. TO TTUHSC: Kent Sharp requested approval of resolution DCOA-2018.27, which was handed-out during the meeting, to extend the existing operating agreement between the Development Corporation of Abilene (DCOA) and Texas Tech University Health Sciences Center (TTUHSC) for the small animal research facility located at 842 Pine St. and the parking lot at 834 Pine St. This modification would take the DCOA out of the financial responsibility for operations and maintenance of the facility but will continue covering the property with property and casualty insurance. The current agreement expired on August 30, 2018, and TTUHSC has asked that the agreement be extended through December 31, 2018, or whenever the property is conveyed to TTUHSC, whichever occurs first. A performance agreement is being prepared and should be presented at TTUHSC's board meeting in October.

Mark Zachary stated he has been in contact with TTUHSC's attorneys about the performance agreement in the context of economic development. Terms have not been negotiated at this point, but the process will start in the near future. At this point, discussions with the attorneys have been productive and positive. There was further discussion about certain wording in the resolution and questions of responsibility and liability.

Seaton Higginbotham moved to approve resolution DCOA-2018.27 extending the agreement with TTUHSC for the facility at 842 Pine and the parking lot at 834 Pine until December 31, 2018. Vic Corley seconded, and the motion passed.

7. DISCUSSION OF NEXT MONTHLY BOARD MEETING: President Beckham announced the next scheduled meeting of the DCOA Board would be Monday, October 15, 2018 at 1:30 p.m.

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

John Beckham, President

MEMORANDUM

September 12, 2018

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

The sales tax rebate for September is \$3,591,082.93 which represents July sales. This is 10.38% above last year and 10.38% above the revised FY 18 budget amount. The breakdown of the rebate is \$2,693,312.20 to the General Fund and \$897,770.73 for economic development. Of this rebate, \$130,098.40 is from prior periods, audit payments, future payments, and unidentified payments. For the period of October through September, sales tax is 10.89% above last year and 2.50% above the revised FY 18 budget amount. I have requested the detail from the state.

Should you have any questions, please contact me.

Cc: Mindy Patterson, Deputy 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	2016-17	Actual 2017-18	Actual 2017-18	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
February	3,277,055.77	1,092,351.92	4,369,407.69	4,177,134.62	1,392,378.21	5,569,512.83
March	2,271,451.66	757,150.55	3,028,602.21	2,735,613.92	911,871.30	3,647,485.22
April	2,280,576.71	760,192.23	3,040,768.94	2,397,121.59	799,040.53	3,196,162.12
May	3,048,245.25	1,016,081.75	4,064,327.00	3,313,759.56	1,104,586.52	4,418,346.08
June	2,303,207.45	767,735.82	3,070,943.27	2,516,518.53	838,839.51	3,355,358.04
July	2,415,625.09	805,208.36	3,220,833.45	2,657,731.10	885,910.37	3,543,641.47
August	3,000,777.33	1,000,259.11	4,001,036.44	3,342,578.36	1,114,192.79	4,456,771.15
September	2,440,024.41	813,341.47	3,253,365.88	2,693,312.20	897,770.73	3,591,082.93
YTD	\$30,963,922.54	\$10,321,307.49	\$41,285,230.03	\$34,337,031.78	\$11,445,677.25	\$45,782,709.03
	<u><u>\$30,963,922.54</u></u>	<u><u>\$10,321,307.49</u></u>	<u><u>\$41,285,230.03</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, 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%
February	1,092,352	1,392,378	27.47%
March	757,151	911,871	20.43%
April	760,192	799,041	5.11%
May	1,016,082	1,104,587	8.71%
June	767,736	838,840	9.26%
July	805,208	885,910	10.02%
August	1,000,259	1,114,193	11.39%
September	813,341	897,771	10.38%
YTD	\$10,321,308	\$11,445,677	10.89%

10,321,308

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Revenue for Sept '18 represents July '18 sales. Approximately \$32,524.60 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
February	1,061,353	1,137,082	1,139,896	1,092,352	1,392,378
March	743,945	759,360	728,841	757,151	911,871
April	726,196	733,667	779,083	760,192	799,041
May	981,409	1,019,627	971,507	1,016,082	1,104,587
June	773,012	822,955	754,439	767,736	838,840
July	794,307	778,812	757,642	805,208	885,910
August	966,814	998,076	985,002	1,000,259	1,114,193
September	845,806	811,136	756,171	813,341	897,771
FY TOTAL	<u>\$10,115,471</u>	<u>\$10,552,304</u>	<u>\$10,160,766</u>	<u>\$10,321,307</u>	<u>\$11,445,677</u>
 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.

3.4

MEMORANDUM

October 10, 2018

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

The sales tax rebate for October is \$3,742,292.33 which represents August sales. This is 6.36% above last year and 4.28% above the projected FY 19 budget amount. The breakdown of the rebate is \$2,806,719.25 to the General Fund and \$935,573.08 for economic development. Of this rebate, \$142,815.67 is from prior periods, audit payments, future payments, and unidentified payments. This is the first rebate for our 2018-19 fiscal year. I have requested the detail from the state.

Should you have any questions, please contact me.

Cc: Mindy Patterson, Deputy 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 2017-18	Actual 2017-18	2017-18	Actual 2018-19	Actual 2018-19	2018-19
October	\$2,638,770.11	\$879,590.03	\$3,518,360.14	\$2,806,719.25	\$935,573.08	\$3,742,292.33
YTD	\$2,638,770.11	\$879,590.03	\$3,518,360.14	\$2,806,719.25	\$935,573.08	\$3,742,292.33
November	\$2,893,562.65	\$964,520.88	\$3,858,083.53			
December	2,395,055.97	798,351.99	3,193,407.96			
January	2,575,873.17	858,624.39	3,434,497.56			
February	4,177,134.62	1,392,378.21	5,569,512.83			
March	2,735,613.92	911,871.30	3,647,485.22			
April	2,397,121.59	799,040.53	3,196,162.12			
May	3,313,759.56	1,104,586.52	4,418,346.08			
June	2,516,518.53	838,839.51	3,355,358.04			
July	2,657,731.10	885,910.37	3,543,641.47			
August	3,342,578.36	1,114,192.79	4,456,771.15			
September	2,693,312.20	897,770.73	3,591,082.93			
	<u>\$34,337,031.78</u>	<u>\$11,445,677.25</u>	<u>\$45,782,709.03</u>			

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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 2017-18	Actual 2018-19	% Change
October	\$879,590	\$935,573	6.36%
YTD	\$879,590	\$935,573	6.36%
November	\$964,521		
December	798,352		
January	858,624		
February	1,392,378		
March	911,871		
April	799,041		
May	1,104,587		
June	838,840		
July	885,910		
August	1,114,193		
September	897,771		
	<u>11,445,677</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.

Revenue for Oct '18 represents Aug '18 sales. Approximately \$35,703.92 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.

3.7

DEVELOPMENT CORPORATION OF ABILENE, INC.
1/2 CENT SALES TAX REVENUE
Five Year Comparison

Accounting Period Month	Actual 2014-15	Actual 2015-16	Actual 2016-17	Actual 2017-18	Actual 2018-19
October	\$868,660	\$818,682	\$837,118	\$879,590	\$935,573
FY TOTAL	<u>\$868,660</u>	<u>\$818,682</u>	<u>\$837,118</u>	<u>\$879,590</u>	<u>\$935,573</u>
November	\$987,887	\$980,001	\$930,685	\$964,521	
December	836,922	734,411	747,969	798,352	
January	798,120	755,093	793,214	858,624	
February	1,137,082	1,139,896	1,092,352	1,392,378	
March	759,360	728,841	757,151	911,871	
April	733,667	779,083	760,192	799,041	
May	1,019,627	971,507	1,016,082	1,104,587	
June	822,955	754,439	767,736	838,840	
July	778,812	757,642	805,208	885,910	
August	998,076	985,002	1,000,259	1,114,193	
September	811,136	756,171	813,341	897,771	
YTD	<u>\$10,552,304</u>	<u>\$10,160,766</u>	<u>\$10,321,307</u>	<u>\$11,445,677</u>	

Note: Report reflects the month sales tax is received from Austin.
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3.8

DEVELOPMENT CORPORATION OF ABILENE
STATEMENT OF NET POSITION
August 31, 2018 and 2017

	August 2018	August 2017
Current Assets:		
Cash and cash investments	\$ 22,197,684	\$ 20,051,971
Accounts receivable	2,606,933	1,677,765
Due from other governments	1,834,074	1,757,691
Total Current Assets	26,638,691	23,487,427
Noncurrent Assets:		
Notes receivable, net	2,919,600	3,319,600
Notes receivable - earning economic incentives	11,252,882	11,479,057
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	62,226,308	63,046,094
Total Assets	\$ 88,864,999	\$ 86,533,521
Liabilities		
Current:		
Accounts payable	\$ 19,808	\$ 45,858
Accrued expenses	2,606,933	1,677,765
Total Current Liabilities	2,626,741	1,723,623
Total Liabilities	2,626,741	1,723,623
Net Position		
Net Investment in capital assets	48,053,826	48,247,437
Restricted for contractual obligations	8,417,246	8,684,729
Unrestricted, designated for purposes of trust	29,767,186	27,877,732
Total Net Position	86,238,258	84,809,898
Total Liabilities and Net Position	\$ 88,864,999	\$ 86,533,521

DEVELOPMENT CORPORATION OF ABILENE
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For eleven months ending August 31, 2018 and 2017

	August 2018	Fiscal YTD 2018	Fiscal YTD 2017
Revenues:			
Sales and use taxes	\$ 1,114,193	\$ 10,547,907	\$ 9,507,966
Investment earning	39,801	473,408	275,877
Building rental / land lease	113,229	1,004,524	990,045
Sale of Building	-	1,491,496	-
Miscellaneous revenue	10,593	107,449	75,211
Total Revenues	<u>1,277,816</u>	<u>13,624,784</u>	<u>10,849,099</u>
Expenses:			
Economic Development Projects	5,939,245	10,013,371	5,755,815
Life Sciences property maintenance	5,826	168,570	258,698
DCOA property maintenance	81,527	364,251	249,360
Abilene Industrial Foundation	24,004	520,339	434,079
TTU Small Business Development Center	14,906	176,850	121,575
Chamber Military Affairs	77,612	220,540	257,928
Airport Business Development Manager	57,412	152,627	118,059
Economic Development Operating Division	78,133	908,817	736,111
Total Expenditures	<u>6,278,665</u>	<u>12,525,365</u>	<u>7,931,625</u>
Changes In Net Position	(5,000,849)	1,099,419	2,917,474
Net Position at Beginning of Period	<u>91,239,107</u>	<u>85,138,839</u>	<u>81,892,424</u>
Net Position at End of Period	<u>\$ 86,238,258</u>	<u>\$ 86,238,258</u>	<u>\$ 84,809,898</u>

Summary of Current Period Economic Development Projects:

TTU Pharmacy School (principal reduction)	\$ 93,308
EASI De-Fuel Truck	1,950
BCBS Roof Construction	123,108
TSTC New Abilene Campus (job training)	400,000
Communities in School	4,221
Donald Hardin Jr - Services	1,000
Access Business Park A/E	2,537
Access Business Park Phase 1 Development	426,474
5 Pts Business Park-Purchase Zoltek Property	4,886,647
Total	<u>\$ 5,939,245</u>

**Development Corporation of Abilene
Economic Program Status
As of August 31, 2018**

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	2,111,563	2,018,255	93,308	-
TTU 842 Pine	5308	1,020,231	1,020,231	-	-
Enavail, LLC	5316	709,071	386,241	322,830	-
Petrosmith Ph 5	5330.1	452,000	301,334	150,666	-
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	134,960	101,600	19,500	13,860
Tucker Energy Services	5359	345,208	171,705	173,503	-
Five Points Infrastructure	5359.1	137,491	137,491	-	-
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	614,109	372,260	156,849	85,000
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	40,178	9,822
Lone Star Canvas	5390	18,000	-	-	18,000
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	-	2,462,167	237,833
TTUHSC School of Public Health	5393	557,552	557,552	-	-
Praire Dog Pet Products	5394	-	-	-	-
Broadwind Towers	5400	-	-	-	-
TSTC New Abilene Campus	5401	4,179,600	179,600	400,000	3,600,000
Communities in Schools	5403	80,850	19,203	43,708	17,939
City Owned Surplus Land	5404	384,442	384,442	-	-
Donald Hardin, Jr. Service Contract	5405	28,500	6,000	18,500	4,000
Access Business Park A/E	5406	64,150	-	64,051	99
Access Business Park Ph 1 Development	5406.1	1,258,101	-	533,861	724,240
BE In Abl Grant	5407	250,000	-	-	250,000
BE in Abilene Admin ACU	5407.1	35,000	-	33,215	1,785
Dyess-TMPC Grant Match	5408	198,880	-	-	198,880
2018 Job Fair Sponsor	5409	3,500	-	3,500	-
Purchase Property - West Abilene	5410	5,065,000	-	4,897,532	167,468
Airport Access Road (TSTC)	5411	84,415	-	-	84,415
BrightFarms/TEX Greenhouse	5412	1,700,000	-	-	1,700,000
Streetlights - 5 Points	5413	80,560	-	-	80,560
Subtotal Economic Program Obligation Reserve		\$ 31,419,883	\$ 13,738,432	\$ 10,013,371	\$ 7,668,080
Plus Administrative Division Obligations:					
Economic Development Operating Division	Division 2760	1,002,576	-	908,817	93,759
Life Sciences Property Maintenance	Division 2765	205,560	-	168,570	36,990
DCOA Property Maintenance	Division 2775	554,460	-	364,251	190,209
Abilene Industrial Foundation	Division 2775	648,275	-	520,339	127,936
TTU Small Business Dev Center	Division 2775	245,000	-	176,850	68,150
Chamber Military Affairs	Division 2775	397,000	-	220,540	176,460
Airport Business Development Manager	Division 2775	208,289	-	152,627	55,662
Subtotal Administrative Divisions Obligation Reserve		\$ 3,261,160	\$ -	\$ 2,511,994	\$ 749,166
Total reserve for obligated programs					\$ 8,417,246
DCOA Board approved projects waiting for signed contracts:					
Dyess JLUS		\$ 50,000	09/30/2018		
EASI Roof Cost Share		541,240	10/23/2018		
ACU's NEXT Lab (Project Next)		300,000	12/26/2018		
		<u>\$ 891,240</u>			

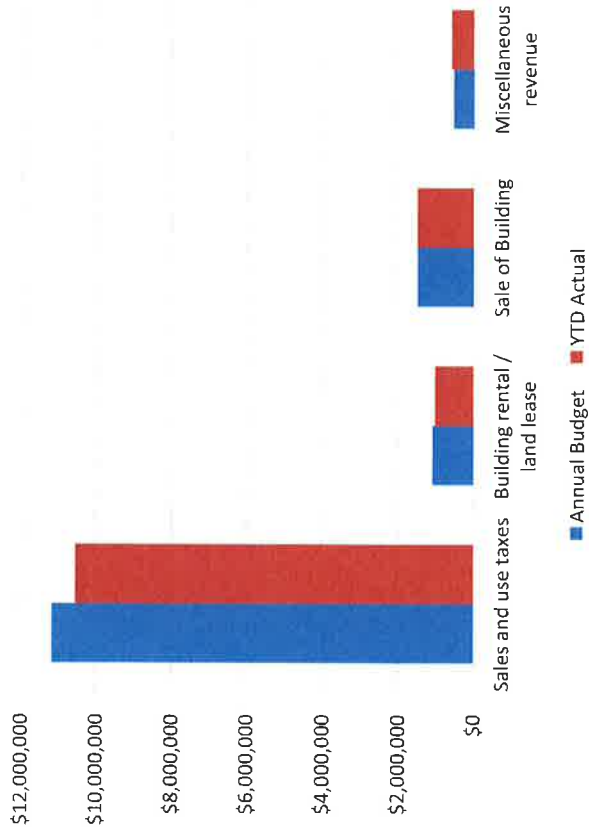
3.11

**Development Corporation of Abilene
Revenue and Expense
Budget vs Actual Comparison
October 2017 - August 2018**

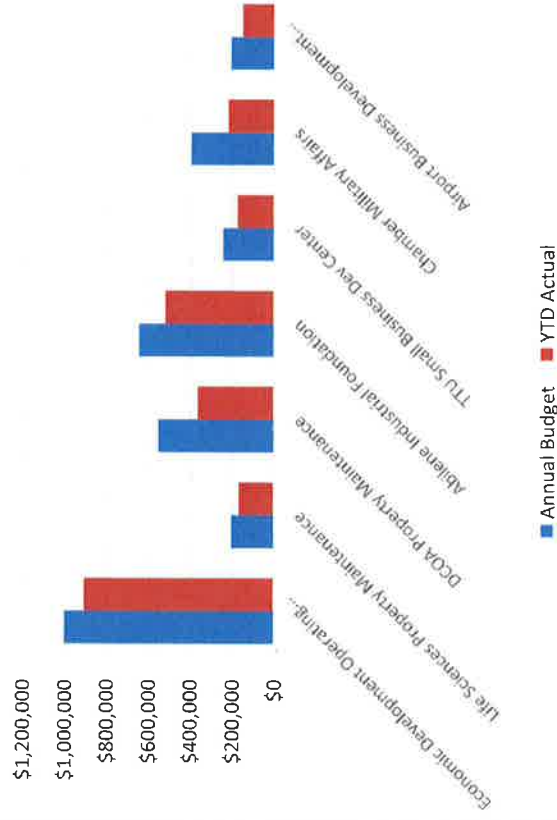
Revenue	Annual Budget	YTD Actual	% of Budget
Sales and use taxes	11,166,612	10,547,907	94%
Building rental / land lease	1,074,014	1,004,524	94%
Sale of Building	1,491,496	1,491,496	100%
Miscellaneous revenue	529,200	580,857	110%
Revenue	14,261,322	13,624,784	96%

Expenses	Annual Budget	YTD Actual	% of Budget
Economic Development Operating Division	1,002,576	908,817	91%
Life Sciences Property Maintenance	205,560	168,570	82%
DCOA Property Maintenance	554,460	364,251	66%
Abilene Industrial Foundation	648,275	520,339	80%
TTU Small Business Dev Center	245,000	176,850	72%
Chamber Military Affairs	397,000	220,540	56%
Airport Business Development Manager	208,289	152,627	73%
	3,261,160	2,511,994	77%

FY 18 Budget vs Actual Revenue



FY 18 Budget vs Actual Expenses



3.12

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: October 15, 2018

PROJECT: Fulwiler Rd. Property Clean-Up – Five Points Business Park

STAFF: Kent Sharp, CEO

BACKGROUND INFORMATION:

On August 20, 2018, DCOA purchased the former Zoltek property on an as-is basis containing 52 acres and three (3) large industrial buildings which are described as; 1) Building A at 1221 Fulwiler Rd. is 99,303 sq ft; 2) Building B at 1249 Fulwiler Rd. is 40,188 sq ft., and 3) Building C/D at 1121 Fulwiler Rd. is 144,843 sq ft. Zoltek continues to occupy Building C/D under a triple-net lease agreement for 30 months. Buildings A and B were originally used for manufacturing and processing carbon fiber and are vacant while Building C/D is used for warehousing. Prior to purchasing the property, DCOA staff conducted detailed inspections of the buildings and was aware that the buildings would require extensive clean-up, which was factored into the amount DCOA offered for the property.

Buildings A and B are coated with a thick layer of carbon fiber dust on the walls, floors and ceilings. In order to lease or sell the buildings for future manufacturing use, they will require an extensive clean-up effort, some demolition work and mechanical, electrical and plumbing systems repairs. Other issues being dealt with by DCOA's Construction Project and Property Manager, Rick Jones, include fire suppression system malfunctions, new electric meters to split-off the buildings from a single meter, and break-ins.

For the clean-up of the carbon fiber dust, DCOA staff contacted two local contractors; Briercroft Fire & Water Restoration and AML Environmental. Another company, Emergency Environmental Services from Haslet also scoped the project. The companies were given the opportunity to walk the buildings and conduct tests to determine the extent of the clean-up needed. DCOA staff relied on the experience and knowledge of each company to determine the best course of action that complies with City sewer discharge and state environmental requirements. Representatives from the companies were then interviewed by DCOA staff to determine how to best proceed with clean-up and what to recommend to the board.

REQUEST:

Briercroft Fire & Restoration engaged Signature Group from Port Neches, Texas to help propose the clean-up. Signature Group has extensive experience in industrial clean-up efforts, including a former carbon fiber plant. Their bid was found to be comprehensive and thorough, and DCOA staff believes Buildings A and B will be in the best condition for re-use once Briercroft/Signature Group are finished.

The proposed cost is \$698,811 to be finished in 30 days. Staff requests the board authorize a contract with Briercroft/Signature Group. The FY19 budget approved by the board and City Council includes a line item for purchasing plus an amount for cleaning the property of approximately \$1,000,000.

FISCAL IMPACT:

Contract with Briercroft/Signature Group-\$698,811 to be applied to the FY19 budget line item "Purchase Properties-West Abilene (5410)

STAFF RECOMMENDATION:

Staff recommends the board approve Resolution DCOA-2019.02 authorizing a contract with Briercroft Fire & Restoration/Signature Group for clean-up of Buildings A & B located on Fulwiler Rd. in Five Points Business Park.

ATTACHMENTS:

Resolution DCOA-2019.02

<https://dcoa.sharepoint.com/Shared Documents/DCOA/Meeting Memos/FY2019/Fulwiler Rd property clean-up 10-15-18.docx>

RESOLUTION NO. DCOA-2019.02

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. ("DCOA"), ABILENE, TEXAS AUTHORIZING A CONTRACT FOR CLEAN-UP OF BUILDINGS A AND B LOCATED AT 1221 AND 1249 FULWILER RD., RESPECTIVELY, IN THE FIVE POINTS BUSINESS PARK, ABILENE, TEXAS.

WHEREAS, on August 20, 2018, DCOA purchased the former Zoltek property on an as-is basis containing 52 acres and three (3) large industrial buildings which are described as; 1) Building A at 1221 Fulwiler Rd. is 99,303 sq ft; 2) Building B at 1249 Fulwiler Rd. is 40,188 sq ft., and 3) Building C/D at 1121 Fulwiler Rd. is 144,843 sq ft.; and,

WHEREAS, Zoltek continues to occupy Building C/D under a triple-net lease agreement for 30 months; and,

WHEREAS, Buildings A and B were originally used for manufacturing and processing carbon fiber and are vacant while Building C/D is used for warehousing; and,

WHEREAS, prior to purchasing the former Zoltek property, DCOA staff conducted detailed inspections of the buildings and was aware that the buildings would require extensive clean-up, which was factored into the amount DCOA offered for the property; and,

WHEREAS, Buildings A and B are coated with a thick layer of carbon fiber dust on the walls, floors and ceilings; and

WHEREAS, in order to lease or sell the buildings for future manufacturing use, they will require an extensive clean-up effort, some demolition work and mechanical, electrical and plumbing systems repairs; and,

WHEREAS, for the clean-up of the carbon fiber dust, DCOA staff contacted two local contractors, Briercroft Fire & Water Restoration and AML Environmental, while another company, Emergency Environmental Services from Haslet, also scoped the project; and,

WHEREAS, the companies were given the opportunity to walk the buildings and conduct tests to determine the extent of the clean-up needed; and,

WHEREAS, DCOA staff relied on the experience and knowledge of each company to determine the best course of action that complies with City sewer discharge and state environmental requirements; and,

WHEREAS, representatives from the companies were then interviewed by DCOA staff to determine how to best proceed with clean-up and what to recommend to the board; and,

WHEREAS, Briercroft Fire & Restoration engaged Signature Group from Port Neches, Texas to help propose the clean-up because Signature Group has extensive experience in industrial clean-up efforts, including a former carbon fiber plant; and,

WHEREAS, Briercroft/Signature Group's bid was found to be comprehensive and thorough, and DCOA staff believes Buildings A and B will be in the best condition for re-use once Briercroft/Signature Group are finished; and,

WHEREAS, DCOA staff requests the DCOA board authorize a contract with Briercroft Fire & Restoration/Signature Group for clean-up of the buildings described above in accordance with the scope of work that Briercroft Fire & Restoration/Signature Group proposed in its final bid.

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

- PART 1.** DCOA authorizes a contract with Briercroft Fire & Restoration/Signature Group for Six Hundred Ninety-Eight Thousand Eight Hundred Eleven and no/100's Dollars (\$698,811.00) to clean Buildings A and B at 1221 and 1249 Fulwiler Rd., respectively, in accordance with its final bid.
- 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 DCOA is hereby authorized to negotiate any contract and all other related documents on behalf of the DCOA.

ADOPTED this the 15th day of October, 2018.

ATTEST:

Greg Blair
Secretary/Treasurer

John Beckham
President

APPROVED AS TO FORM:

Mark Zachary, Attorney

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: October 15, 2018

PROJECT: DCOA FY19 Contract Renewals

STAFF: Kent Sharp, CEO

GENERAL INFORMATION:

Since 1990, the DCOA has contracted with various agencies to perform services that assist with accomplishment of several of its goals, stated below:

1. To make Abilene competitive in the attraction of business and industry in order to create new, sustainable jobs.
2. To facilitate the creation of new jobs and retention of existing jobs by providing assistance to existing and emerging businesses.
3. To strengthen and expand the skills of the Abilene labor force in coordination with local employers.
4. To strengthen and revitalize downtown Abilene.
5. To increase the number and size of minority-owned, woman-owned, small and entrepreneurial businesses in Abilene.
6. To effectively administer the sales tax revenue.

The board provides annual funding for certain services performed by the Abilene Industrial Foundation (AIF), the City's Airport Business Development Management Program, Chamber Military Affairs, and Small Business Development Center (SBDC), and as of last year Abilene Christian University Griggs Center (ACU Griggs) for the BE in Abilene program.

SPECIAL CONSIDERATIONS:

In August of this year, the board approved a FY19 budget that included funding for the agencies listed above totaling \$1,561,268 as follows:

- Abilene Industrial Foundation - \$692,275
- Chamber Military Affairs - \$397,000
- City for Airport Business Development Management - \$191,993
- Small Business Development Center - \$245,000 (including \$45k for BE in Abilene support)
- ACU Griggs Center (BE in Abilene) - \$35,000

Staff is submitting three (3) renewal performance contracts for the board's approval; City of Abilene Airport Business Development Management Program, Chamber Military Affairs and Small Business Development Center. The contracts with Abilene Industrial Foundation and ACU Griggs Center will be presented to the board at a later time.

FISCAL IMPACT:

City Airport Business Development Management Program	\$ 191,993
Chamber Military Affairs	\$ 397,000
Small Business Development Center	<u>\$ 245,000</u>
TOTAL	\$ 833,993

STAFF RECOMMENDATION:

Staff recommends the Board approve the FY19 contract renewals with the agencies listed above and authorize the CEO to execute on the DCOA's behalf.

ATTACHMENT:

FY19 contracts with:

City of Abilene for Airport Business Development Management Program

Chamber of Commerce Military Affairs

Small Business Development Center

<https://dcoa.sharepoint.com/Shared Documents/DCOA/Meeting Memos/FY2019/FY19 DCOA Annual Contract/1018.docx>

THE STATE OF TEXAS X
 X KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF TAYLOR X

THIS AGREEMENT, effective the 1st day of October, 2018, by and between the **City of Abilene**, a municipal corporation, situated in Taylor and Jones Counties, Texas, acting by and through its City Manager, (hereinafter referred to as "CITY"), and the **Development Corporation of Abilene, Inc.** (hereinafter referred to as "DCOA") acting by and through its President and in accordance with the Development Corporation Act of 1979, as amended:

WITNESSETH:

That for and in consideration of the covenants, promises, and agreements set forth herein, it is mutually agreed as follows:

I. PURPOSE

That the City agrees to administer the Airport Business Development Management Program designed to build activity within the Abilene Regional Airport’s business segments.

The City also agrees to provide, for no additional amount of assistance from the DCOA, access to the number of parking spaces in the Airport’s covered parking lot at the far north end needed to accommodate parking by employees of Eagle Aviation Services, Inc. (“EASI”).

II. DUTIES

A. CITY AGREES TO:

1. Continue to develop the Business Development Management Program at the Abilene Regional Airport by:
 - a. Participating in major area trade shows and continuing the community outreach efforts by seeking speaking engagements to civic groups throughout our 16-county catchment area that highlight the operations of the airport, construction updates, air service needs and fare comparisons, and
 - b. Marketing the airport amenities and upgrades using a variety of medium including digital media campaign, television, radio, billboards, individual events, sponsorships, publications, and social media promotions, and
 - c. Continuing the ABI-VIP Passenger Rewards Program to encourage air travel from Abilene.
 - d. Continuing to work with the air service consultant to retain the current air service and explore new service.
 - e. Attend air service development conference(s).

2. Submit a written report to DCOA by April 10, 2019 of progress made through the

activities specified in Sec. A. 1., above, since October 1, 2018. The report shall also be presented orally to the DCOA during the April 2019 board meeting, or the first board meeting to occur subsequent to April 10, 2019.

In addition, a second written report will be submitted by October 10, 2019, of progress made since April 2019. Likewise, the report shall be presented orally to the DCOA during the October 2019 board meeting, or the first board meeting to occur subsequent to October 10, 2019.

3. Provide the number of needed parking spaces in the Airport's covered parking lot at the far north end to the DCOA for use by employees of Eagle Aviation Services, Inc. ("EASI").
4. Enforce all parking rules and regulations directly with EASI and notify the DCOA of any recurring problems or violations.
5. Continue policing the subject parking spaces as with the remainder of the parking lot and maintaining the covered awnings.

B. DCOA AGREES TO:

Provide the City funding in the total amount of One Hundred Ninety-One Thousand Nine Hundred Ninety-Three and no/100's Dollars (\$191,993) in accordance with the budget attached hereto as Exhibit A for the one-year period ending September 30, 2019.

Additionally, funding shall pay for all supplies necessary to allow EASI employee access to the parking lot and for all improvements and upgrades necessary to the parking spaces and surrounding area. The City shall provide the DCOA copies of invoices/receipts evidencing eligible expenses.

Funding amounts listed above may be moved from one budget line item to another only with the written authorization of the CEO.

III. TERMINATION

This contract may be terminated by the DCOA or the City, in whole, or from time to time, in part, upon good cause and whenever such termination is in the best interest of the DCOA or the City. Termination will be effective sixty (60) days after delivery of Notice of Termination specifying to what extent performance or work under the contract has been terminated and specifying that the contract shall be terminated sixty (60) days after receipt by the notified party.

If no notice of termination is received from either party prior to August 2, 2019, this contract expires without notification on September 30, 2019.

IV. OFFICIALS NOT TO BENEFIT

No public official of the governing body of the City or the DCOA who exercises any functions or responsibilities in the review or the approval of the undertaking or carrying out of any project hereunder, shall participate in any decision relating to the contract which affects his personal interest, nor shall he have any personal or pecuniary interest direct or indirect in this contract or proceeds thereof.

V. MINORITY AND SMALL BUSINESSES

The City will encourage and utilize small businesses and minority suppliers and services to the extent possible under present law for use in completion of this contract.

VI. EQUAL EMPLOYMENT OPPORTUNITIES

During the performance of this contract, the City agrees as follows:

The City will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, or disability. The City will take affirmative action to ensure that applicants and their employees are treated equally without regard to race, color, religion, sex, national origin, or disability. The City agrees to post in conspicuous places available to employees and applicants for employment notices to be provided setting forth the provisions of this nondiscrimination clause. The City will, in all solicitations or advertisements for employees placed by or on behalf of the City, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, or disability.

VII. AGREEMENT:

This Agreement shall constitute the sole agreement between the City and the DCOA relating to the object of this Agreement and correctly sets forth the complete rights, duties, and obligations of each party to the other as of its date. Any prior agreements, promises, negotiations or representations, verbal or otherwise, not expressly set forth in this Agreement are of no force and effect.

WITNESS our hands to this AGREEMENT this _____ day of _____, 2018.

**DEVELOPMENT CORPORATION OF
ABILENE, INC.**
174 Cypress, Ste. 301
Abilene, Texas 79601

CITY OF ABILENE
P.O. Box 60
Abilene, Texas 79604

Kent Sharp, CEO

Robert Hanna, City Manager

ATTEST:

ATTEST:

Kim Tarrant, Chief Operating Officer

Rosa Rios, City Secretary

Approved as to form:

Approved as to form:

Mark Zachary, Attorney at Law

Stanley Smith, City Attorney

S:\DCOA\Annual Contracts\Airport Business Development\FY2019 Airport Development Contract.doc

Exhibit "A"

Abilene Airport DCOA Budget 2018-2019			
	Approved	Proposed	Difference
	2017-2018 Budget	2018-2019	FY 18 & FY 19
Airport Business Development	DCOA Funding	DCOA Funding	DCOA Funding
Automobile/Mileage	1,500.00	1,500.00	0.00
Telephone	600.00	600.00	0.00
Contracted Services (Airport Development Consultant)	25,000.00	53,100.00	28,100.00
Salaries	53,544.00	54,961.00	1,417.00
Payroll Taxes	4,540.00	4,343.00	(197.00)
Group Insurance	5,801.00	5,801.00	0.00
Retirement	5,804.00	6,488.00	684.00
Stability	-	1,200.00	1,200.00
TV Ads	-	5,000.00	5,000.00
Radio Ads	2,000.00	8,000.00	6,000.00
Digital Media / Online Ads	75,000.00	12,000.00	(63,000.00)
Outdoor billboards (static & digital)	-	13,000.00	13,000.00
Publications	2,000.00	3,000.00	1,000.00
Social media	500.00	1,500.00	1,000.00
Promotional Material	1,000.00	1,200.00	200.00
Website hosting & maintenance	2,000.00	2,500.00	500.00
VIP program maintenance	2,000.00	2,000.00	0.00
Audio, Video, Graphic	500.00	2,000.00	1,500.00
Sponsorships	-	5,000.00	5,000.00
Individual Events	-	1,300.00	1,300.00
Airport Development	4,000.00	7,500.00	3,500.00
Total	185,789.00	191,993.00	6,204.00

6.7

THE STATE OF TEXAS X
X
COUNTY OF TAYLOR X

KNOW ALL MEN BY THESE PRESENTS:

This Agreement, effective the 1st day of October 2018, by and between the **Development Corporation of Abilene, Inc.** ("DCOA"), a Texas economic development corporation formed pursuant to *Texas Local Govt. Code, Sec. 501.001, et. seq. (formerly Tex. Rev. Civ. Stat. Ann. Art. 5190.6)* acting by and through its Chief Executive Officer, 174 Cypress St., Ste. 301, Abilene, Texas, 79601, the **Abilene Chamber of Commerce**, Abilene, Texas ("ACOC"), located at 174 Cypress St., Ste., 200, Abilene, Texas, 79601.

WITNESSETH:

That for and in consideration of the covenants, promises, and agreements set forth herein, it is mutually agreed as follows:

I. PURPOSE

The ACOC is a 501(c)(6) nonprofit organization with the purpose, in part, of promoting and improving business in the Abilene community. The DCOA and ACOC wish to enter into an agreement whereby the DCOA, acting in accordance with the Development Corporation Act of 1979 (as amended), may reimburse certain expenses incurred by the ACOC while pursuing additional missions and improvements for Dyess Air Force Base. Section 4A(b)(1) of the Development Corporation Act of 1979 (as amended) allows the DCOA to support promotional efforts designed to enhance the economic condition of the Abilene community.

The DCOA shall act through its agent, the Chief Executive Officer (CEO) or his duly authorized representative unless otherwise stated in this Agreement.

II. DUTIES

A. The DCOA agrees to:

1. Reimburse the ACOC for expenses incurred while supporting Abilene in order to maintain a proactive position with regards to Dyess Air Force Base. Said amount to be reimbursed shall not exceed Three Hundred Ninety-Seven Thousand and no/100 Dollars (\$397,000) for the period beginning October 1, 2018, through September 30, 2019. Approved expenses shall be reimbursed to the ACOC no later than fourteen days after receipt of invoices detailing eligible expenses incurred and subject to reimbursement under this agreement.

The funding shall be reimbursed for expenses as described below:

- a. Operational expenses up to \$137,000 for expenses such as, but not limited to, airfare (coach), hotel accommodations and meals for trips by ACOC staff, Military Affairs Committee members, and/or invitees to travel to Department of Defense (DoD) installations, legislative locations, military-related conferences or meetings, and DoD Contractor locations. Expenses shall also include photocopying, travel expenses (including mileage) to/from meetings, telephone

charges, Abilene Trophy production and shipping, production expenses for Dyess promotional materials, and receptions or other social gatherings for DoD and legislative officials and representatives. Expenses related to local, recurring Military Affairs Committee events (for example, Busted Putter golf tournament, World's Largest Barbeque, quarterly lunches, etc.) do not meet the intent of funding under this agreement, and are not eligible for reimbursement with taxpayer dollars.

- b. Personnel expenses up to \$260,000 for reimbursable ACOC staffing costs (which includes the salary and employee costs of the ACOC Vice President for Military Affairs position, and a time-based allocation of the salary and employee costs of other ACOC staff who are detailed to support reimbursable Military Affairs engagements) and fees paid to subcontractors or consultants retained by ACOC to support its efforts as described in Section II.B.1 below (each, a "Consultant").
 - c. ACOC may adjust the allocation between Operational and Personnel expenses as ACOC deems appropriate up to \$10,000 in the aggregate. Any adjustments between Operational and Personnel expense above \$10,000 in the aggregate must be approved in advance by the DCOA CEO.
2. Monitor the use of such funds to ensure use of the funds is in compliance with the provisions herein.

B. The ACOC agrees to:

1. Direct its efforts, those of the Military Affairs Committee, and those of any subcontractors or consultants, to focus on preserving the significant economic impact that Dyess AFB provides to the Abilene area, and identifying and pursuing opportunities to expand operations at Dyess. This includes, but is not limited to, monitoring legislative discussions on potential Base Realignment and Closure ("BRAC") efforts, establishing and maintaining relationships with key military and legislative decision makers, and engaging with community leaders from other military communities. ACOC shall develop specific goals and activities in these areas, and document them in its overall annual business plan.
2. Upon request, provide copies of any subcontracts or consulting agreements entered into between the ACOC and any Consultants. ACOC will be responsible for coordinating the efforts of the Consultants. The Consultants will submit invoices to ACOC for payment. ACOC will be responsible for determining whether the fees and expenses of the Consultants are reasonable and allowable, and will be obligated to make payment to any Consultant.
3. Furnish to the DCOA written requests for reimbursement detailing eligible expenses incurred by the ACOC, as stipulated in Sec. II.A above.
4. Monitor the use of DCOA funds to ensure appropriate use of said funds.
5. Require a 30-day termination clause in any subcontract.
6. Submit a semi-annual written report to DCOA by April 10, 2019 and October 10, 2019 detailing progress made in identifying and pursuing opportunities to retain and expand

military operations at Dyess.

7. Supervise the duties of any Consultants to enhance interaction with Texas Elected Officials, the Texas Congressional delegation, other Congressional offices, the Texas Governors' Office, the Air Force, the DoD, and other defense communities, as needed.
8. Appoint a DCOA board member or representative as an ex-officio member of the Military Affairs Committee to act as a liaison between the DCOA and Committee.
9. Maintain records for three (3) years after final payment under this contract.
10. Maintain and, upon request, make available for inspection or audit by any authorized representative of the DCOA, books, documents, and other evidence pertaining to the cost and expenses of this contract, hereinafter called the "Records," to the extent and in such detail as will properly reflect all costs, direct and indirect, of travel, supplies and services and other costs and expenses of whatever nature for which reimbursement is claimed under the provisions of this contract. All records shall be maintained in accordance with generally accepted accounting principles.
11. Exercise reasonable precautions on behalf of, and be responsible for the safety of, its officers, agents, employees, customers, visitors, as well as their property, while performing the tasks required under this Agreement.

III. DURATION, TERMINATION

This contract may be terminated by the DCOA or ACOC in whole, or from time to time, in part, upon good cause and whenever such termination is in the best interest of the DCOA or the ACOC. Termination will be effective 60 days after delivery of Notice of Termination specifying to what extent performance or work under the contract has been terminated and specifying that the contract shall be terminated 60 days after receipt by the notified party. If no notice of termination is received from either party prior to August 2, 2019, this contract expires without notification on September 30, 2019.

IV. STATUS OF ACOC AS INDEPENDENT CONTRACTOR

ACOC shall operate hereunder as Independent Contractor and not as officers, agents, servants, or employees of the DCOA. ACOC shall have exclusive control of, and the exclusive right to control, the details of the work and services of ACOC performed hereunder, and shall be solely responsible for the acts and omissions of their officers, directors, authorized agents, servants, and employees in connection with this Agreement. DCOA shall not be responsible or liable for the acts or omissions of ACOC's officers, directors, agents, or employees, nor vice versa. The doctrine of respondeat superior shall not apply between the DCOA and ACOC or between the DCOA and any Consultant or other subcontractors of ACOC.

Nothing herein shall be construed as creating a partnership or joint enterprise between the DCOA and ACOC. It is expressly agreed that no officer, director, member, agent, employee, subcontractor, licensee, or invitee of ACOC is in the paid service of the DCOA. The DCOA does not have the legal right to control the details of the tasks performed hereunder by ACOC, its officers, directors, members, agents,

employees, subcontractors, program participants, licensees, or invitees. In no event shall any person participating in the program of ACOC be an officer, agent, servant, or employee of the DCOA.

V. VENUE

Should any action, whether real or asserted, at law or in equity, arise out of the execution, performance, attempted performance or non-performance of this Agreement, venue for said action shall be in the City of Abilene, Taylor County, Texas.

VI. ASSIGNMENT

The ACOC shall not assign all or any part of their rights, privileges, or duties under this Agreement without the DCOA's prior written approval, except that ACOC may retain such Consultants as they deem necessary to advise on and enhance those duties. Any attempted assignment of same without approval shall be void, and shall constitute a breach of this Agreement.

VII. INDEMNITY

ACOC agrees to indemnify, hold harmless, and defend DCOA and the City, their respective officers, agents, and employees from and against all liability for claims, liens, suits, demands, and/or actions for damages, injuries to person (including death), property damage (including loss of use), and expenses including court costs and attorney's fees, and reasonable costs arising out of or resulting from ACOC's activities conducted under or incidental to this Agreement and from any liability arising out of or resulting from the intentional acts or negligence, including all such causes of action based on common, constitutional, or statutory law, or based in whole or in part on the negligent or intentional acts or omissions of ACOC, including but not limited to its officers, agents, employees, subcontractors, licensees, invitees, and other persons.

Further, the DCOA and the City assume no responsibility or liability for harm, injury, or any damaging events which are directly or indirectly attributable to premise defects which may now exist or which may hereafter arise upon the premises, responsibility for any and all such defects being expressly assumed by ACOC. This indemnity provision applies to any and all claims, suits, demands, and/or actions based upon or arising from any such premise defects or conditions, including but not limited to its officers, agents, employees, subcontractors, licensees, invitees, and other persons.

It is further agreed with respect to the above indemnity that the DCOA and ACOC will each provide the other prompt and timely notice of any event covered which in any way, directly or indirectly, contingently or otherwise, affects or might affect ACOC or DCOA, and each shall have the right to reasonably compromise and defend the same to the extent of its own interest.

VIII. AGREEMENT

This Agreement shall constitute the sole agreement between ACOC and the DCOA relating to the object of this Agreement and correctly sets forth the complete rights, duties, and obligations of each party to the other as of its date. Any prior agreements, promises, negotiations or representations, verbal or otherwise, not expressly set forth in this Agreement are of no force and effect.

ABILENE CHAMBER OF COMMERCE

**DEVELOPMENT CORPORATION OF
ABILENE, INC.**

Douglas Peter, President and CEO

Kent Sharp, CEO

Date: _____

Date: _____

ATTEST:

ATTEST:

Frances Williamson, V.P. Administration

Kim Tarrant, Chief Operating Officer

Approved as to form:

Mark Zachary, Attorney at Law

<https://dcoa.sharepoint.com/Shared Documents/DCOA/Annual Contracts/Military Affairs/FY 2019/FY2019 MAC Contract.docx>

6.12

THE STATE OF TEXAS X
 X
COUNTY OF TAYLOR X

KNOW ALL MEN BY THESE PRESENTS:

This Agreement, effective the 1st day of October, 2018, by and between the **Development Corporation of Abilene, Inc.** ("DCOA"), acting by and through its Chief Executive Officer, and Texas Tech University ("TECH"). The designated agent for TECH that provides services is the **Small Business Development Center** ("SBDC"), 749 Gateway St. #301 Building C, Abilene, TX 79602.

WITNESSETH:

That for and in consideration of the covenants, promises, and agreements set forth herein, it is mutually agreed as follows:

I. PURPOSE

The SBDC partners with the U. S. Small Business Administration, which operates a system of over 1110 centers, and Texas Tech University as the host institution. The SBDC provides one-on-one counseling, business plan development, and financial planning for small businesses, free of charge, in a 16-county area surrounding Abilene, Texas. The SBDC also provides assistance to area firms interested in international trade and doing business with federal, state, and local government entities.

The DCOA and the SBDC wish to enter into an agreement whereby the DCOA, acting in accordance with the Development Corporation Act of 1979, as amended, may reimburse certain expenses incurred by the SBDC to provide counseling services and contract procurement services to small business owners based within the City of Abilene and the City's extraterritorial jurisdiction. This will allow the SBDC to continue to leverage federal and state funds in providing the assistance.

The DCOA shall act through its agent, the Chief Executive Officer, or his duly authorized representative, unless otherwise stated in this agreement.

II. DUTIES

A. The DCOA agrees to:

1. Reimburse the SBDC a portion of the total expenses incurred for providing business counseling to new and existing small business owners located in the City of Abilene and its extraterritorial jurisdiction. Said amount to be reimbursed shall be calculated at an equivalent hourly rate of \$75.00 and shall not exceed \$200,000.00 for the period beginning October 1, 2018 through September 30, 2019.

2. Reimburse the SBDC for staff costs associated with development and implementation of the entrepreneurship challenge grant program, otherwise known as BE in Abilene, to include business training modules for applicants and awardees in an amount not to exceed \$45,000.00 for the period October 1, 2018 through September 30, 2019. Costs shall include salary for a counselor dedicated to this program, contracted services, Internet expense, office supplies and equipment used exclusively for this purpose.

B. The SBDC agrees to:

1. Provide counseling services, to include but not be limited to, the areas of business plans, record keeping, market feasibility, inventory control and accounting procedures to small business clients in the city limits of Abilene and the city's extraterritorial jurisdiction, free of charge.
2. Provide assistance with international trade and government contracting and procurement to Abilene business people wanting to sell their goods/services to federal, state and local governmental agencies.
3. Provide review and evaluation services for the SBIR/STTR programs.
4. Provide business training modules for the new BE in Abilene entrepreneurship challenge grant program participants during all phases of the application and business development/growth phases for awardees.
5. Submit a written report to DCOA by April 10, 2019 of progress made through the activities specified above since October 1, 2018. The report shall also be presented orally to the DCOA during the April 2019 board meeting, or the first board meeting to occur subsequent to April 10, 2019.

In addition, a second written report will be submitted by October 10, 2019 of progress made since April 2019. Likewise, the report shall be presented orally to the DCOA during the October 2019 board meeting, or the first board meeting to occur subsequent to October 10, 2019.

6. Furnish to the DCOA Chief Executive Officer, within 30 days of the end of the invoice period, invoices detailing eligible expenses and a written report of the following:
 - a. Counseling hours spent with each Abilene client and a summary of actions taken;
 - b. The number of jobs created or retained by clients; and
7. Maintain and, upon request, make available for inspection or audit by any

authorized representative of the DCOA, books, documents, and other evidence pertaining to the cost and expenses of this contract, hereinafter called the "Records", to the extent and in such detail as will properly reflect all costs, direct and indirect, of labor, material, equipment, supplies and services and other costs and expenses of whatever nature for which reimbursement is claimed under the provisions of this contract. All records shall be maintained in accordance with generally accepted accounting principles.

8. Maintain records for three (3) years after final payment on any programs under this contract.

III. DURATION, TERMINATION

This contract may be terminated by the DCOA or the SBDC, in whole or in part, whenever such termination is in the best interest of the DCOA or the SBDC. Termination will be effective sixty (60) days after delivery of Notice of Termination specifying to what extent performance or work under the contract has been terminated. If no notice of termination is received from either party prior to August 2, 2019, this contract expires without notification on September 30, 2019.

IV. STATUS OF SBDC AS INDEPENDENT CONTRACTOR

SBDC shall operate hereunder as an Independent Contractor and not as an officer, agent, servant, or employee of the DCOA. SBDC shall have exclusive control of, and the exclusive right to control, the details of the work and services performed hereunder, and all persons performing same as long as such services are consistent with this agreement. For the duration of this Agreement, SBDC shall be solely responsible for the acts and omissions of SBDC's officers, directors, authorized agents, servants, and employees in connection with this Agreement.

The DCOA shall neither be responsible nor liable for the acts or omissions of SBDC's officers, directors, agents, or employees. The doctrine of respondeat superior shall not apply between the DCOA and SBDC or between the DCOA and any subcontractors.

SBDC shall neither be responsible nor liable for the acts or omissions of the DCOA's officers, directors, agents, or employees. The doctrine of respondeat superior shall not apply between SBDC and the DCOA nor between the SBDC and any subcontractors.

Nothing herein shall be construed as creating a partnership or joint enterprise between the DCOA and SBDC. It is expressly agreed that no officer, director, member, agent, employee, subcontractor, licensee, or invitee of SBDC is in the paid

service of the DCOA. The DCOA does not have the legal right to control the details of the tasks performed hereunder by SBDC, its officers, directors, members, agents, employees, subcontractors, program participants, licensees, or invitees. In no event shall any person participating in the program of SBDC be an officer, agent, servant, or employee of the DCOA.

V. VENUE

Should any action, whether real or asserted, at law or in equity, arise out of the execution, performance, attempted performance or non-performance of this Agreement, venue for said action shall be in the City of Abilene, Taylor County, Texas.

VI. ASSIGNMENT

The SBDC shall not assign all or any part of its rights, privileges, or duties under this Agreement without the prior written approval of the DCOA. Any attempted assignment of same without approval shall be void and shall constitute a breach of this Agreement.

VII. INDEMNITY

To the extent allowable by the laws and constitution of the State of Texas, the SBDC agrees to indemnify, hold harmless and defend DCOA and the City of Abilene ("City"), their respective officers, agents, and employees from and against all liability for claims, liens, suits, demands, and/or actions for damages, injuries to person (including death), property damage, (including loss of use), and expenses including court costs and attorney's fees, and reasonable costs arising out of or resulting from SBDC's activities under this Agreement and arising out of or resulting from the intentional acts or negligence of SBDC, its officers, agents, employees, or invitees.

SBDC further agrees that it shall at all times exercise reasonable precautions on behalf of, and be responsible for the safety of, its officers, agents, employees, customers, visitors, as well as their property, while performing the tasks required under this Agreement.

It is further agreed with respect to the above indemnity that the DCOA and SBDC will each provide the other prompt and timely notice of any event covered which in any way, directly or indirectly, contingently or otherwise, affects or might affect SBDC or DCOA, and each shall have the right to reasonably compromise and defend the same to the extent of its own interest.

VIII. AGREEMENT

This Agreement shall constitute the sole agreement between the SBDC and the DCOA relating to the object of this Agreement and correctly sets forth the complete rights, duties, and obligations of each party to the other as of its date. Any prior agreements, promises, negotiations or representations, verbal or otherwise, not expressly set forth in this Agreement are of no force and effect.

**TEXAS TECH UNIVERSITY FOR THE
SMALL BUSINESS
DEVELOPMENT CENTER**
2579 S. Loop 289, Suite 210
Lubbock, TX 79423

**DEVELOPMENT CORPORATION OF
ABILENE, INC.**
174 Cypress St., Ste. 301
Abilene, TX 79601

Kathleen Harris,
Senior Associate Vice President for Research

Kent Sharp, Chief Executive Officer

Date: _____

Date: _____

ATTEST:

ATTEST:

Name: _____

Kim Tarrant, Chief Operating Officer

Title _____

Approved as to form:

Mark Zachary, Attorney at Law

6.17

Information for Item #7

will be available during the board meeting