

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. ("DCOA") will be held on Tuesday, November 27, 2018, at the Chamber of Commerce conference room, 174 Cypress St., 2nd floor, Abilene, Texas, commencing at 1:30 p.m. to consider the following agenda:

SIGNED:


Kent Sharp, CEO

AGENDA

November 27, 2018
1:30 p.m.

Chamber of Commerce Conference Room
174 Cypress St., 2nd floor, Abilene, TX

1. Call the meeting to order.
2. Presentation of proclamation from City of Abilene to former board Secretary/Treasurer Greg Blair.
3. Presentation by President John Beckham to former board Secretary/Treasurer Greg Blair.
4. Welcome remarks to new board member Sam Vinson.
5. Election of Secretary/Treasurer.
6. Approval of minutes from the October 15, 2018 board meeting.
7. Sales tax reports for November 2018 and preliminary financial report for September 2018.
8. Presentation of Annual Reports for Fiscal Year Ended September 30, 2018 by:
 - Texas Tech University Small Business Development Center
 - Abilene Industrial Foundation
 - Abilene Chamber of Commerce Military Affairs Committee
 - City of Abilene Airport Business Development Manager
9. Presentation and possible approval of the FY18 Annual Report of Activities of the Development Corporation of Abilene, Inc.
10. 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.

2. B. Prairie Dog Pet Products
2. 551.072 (Deliberations about Real Property)
 - A. Acquisition of parcels of land in West Abilene
 - B. Acquisition of land in Abilene, Texas for Project Cafe
3. 551.074 (Personnel Matters)
4. 551.087 (Business Prospect/Economic Development)
 - A. Project Café
 - B. Texas Tech University Health Sciences Center
 - C. Project Column 2
11. Discussion and possible approval of a FY19 contract with ACU Griggs Center for BE in Abilene Program.
12. Discussion and possible approval of a resolution authorizing a contract with Abilene Education Foundation for administration of the *NEXT*University program.
13. Discussion and possible approval of a resolution authorizing assistance for Project Column 2.
14. Discussion of the next monthly board meeting.
15. 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 21st day of November, 2018, at 10:40 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
October 15, 2018

MEMBERS PRESENT: Jack Rich Greg Blair Seaton Higginbotham
Vic Corley

MEMBER ABSENT: John Beckham

STAFF PRESENT: Kent Sharp Kim Tarrant

GUESTS PRESENT: Mark Zachary McMahan Surovik Suttle, PC
Chris Shelton McMahan Surovik Suttle, PC
Mike Rains City of Abilene Finance
Justin Jaworski Abilene Industrial Foundation
Marissa Thompson Abilene Industrial Foundation
Kate Alvarez Airport
Gray Bridwell ACoC Military Affairs

1. CALL THE MEETING TO ORDER: Vice President Jack Rich called the meeting to order at 1:30 p.m. at 174 Cypress St., 3rd floor conference room, Abilene, Texas.

2. APPROVAL OF MINUTES FROM THE SEPTEMBER 6, 2018 BOARD MEETING: Seaton Higginbotham moved to approve the minutes from the September 6, 2018, board meeting. Greg Blair seconded, and the motion carried.

3. SALES TAX REPORTS FOR SEPTEMBER AND OCTOBER 2018 AND FINANCIAL REPORT FOR AUGUST 2018: Mike Rains, Director of Finance for the City of Abilene, presented the sales tax reports for September and October 2018. The sales tax rebate for September is \$3,591,082.93, which represents July sales. Economic Development received \$897,770.73, which is 10.38% above last year and 10.38% above the revised FY18 budget amount. For the period of October through September, sales tax is 10.89% above last year and 2.50% above the revised FY18 budget amount.

The sales tax rebate for October is \$3,742,292.33, which represents August sales. Economic Development received \$935,573.08, which is 6.36% above last year and 4.28% above the projected FY19 budget amount. This is the first rebate for our Fiscal Year 2019. The DCOA's total current assets as of August 31, 2018 were \$26,638,691. The August revenues totaled \$1,277,816 and total expenditures were \$6,278,665 with \$5,939,245 being spent on nine different projects.

4. EXECUTIVE SESSION – SESSION 1: I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071 and 074 to consult with our legal counsel and discuss personnel matters as set forth on the agenda. Any vote or action will be taken in open session.

Vice President Jack Rich announced the date is October 15, 2018 and the time is 1:37 p.m. Later, Vice President Rich announced the date is still October 15, 2018 and the time is 2:06 p.m. No vote or action was taken in Executive Session.

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: Kent Sharp, CEO of the DCOA, requested approval of resolution DCOA-2019.02 authorizing a contract with Briercroft Fire & Restoration/Signature Group and funding in the amount of Six Hundred Ninety-Eight Thousand Eight Hundred Eleven and no/100's Dollars (\$698,811.00) to clean Buildings A and B, located at 1221 and 1249 Fulwiler Rd, respectively.

Three companies were asked to propose cleaning both buildings, which had been used for production of carbon fiber. Each of the three contractors were asked to submit a proposal explaining what they felt was needed to clean the buildings for re-use by manufacturers (but not to an extent of "food grade"). Following the DCOA receiving each proposal, staff interviewed each contractor to better understand the proposals. After detailed review and analysis, staff believes Briercroft/Signature Group's proposal is the most comprehensive and will provide the best results.

Seaton Higginbotham made the motion to approve resolution DCOA-2019.02 authorizing a contract with Briercroft Fire & Restoration/Signature Group and funding up to \$698,811. Greg Blair seconded and the motion passed.

6. DISCUSSION AND POSSIBLE APPROVAL OF FY19 CONTRACTS WITH CITY OF ABILENE FOR AIRPORT BUSINESS DEVELOPMENT, ABILENE CHAMBER OF COMMERCE MILITARY AFFAIRS AND SMALL BUSINESS DEVELOPMENT CENTER: Kent Sharp presented the annual contracts for FY 2019 with the City of Abilene for Airport Business Development, Abilene Chamber of Commerce Military Affairs (ACoC) and the Small Business Development Center (SBDC). The contract amounts were approved in the FY 19 budget and no significant changes were made from last year's contracts. The fiscal impact for these three contracts is \$833,993 and staff recommends approval. Before a vote was taken Greg Blair stated he was Vice Chairman of the ACoC Military Affairs, and Seaton Higginbotham stated he is the Chairman of the ACoC.

Vic Corley made the motion to approve all the FY 2019 annual contracts as presented. Jack Rich seconded, and the motion passed.

7. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A CONTRACT WITH ABILENE EDUCATION FOUNDATION FOR NEXT UNIVERSITY: This item was not considered.

8. DISCUSSION OF NEXT MONTHLY BOARD MEETING: Vice President Rich announced the next scheduled meeting of the DCOA Board will be on Tuesday, November 27, 2018, at 1:30 p.m.

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

John Beckham, President

MEMORANDUM

November 07, 2018

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

The sales tax rebate for November is \$4,230,996 which represents September sales. This is 9.67% above last year and 7.52% above the projected FY 19 budget amount. The breakdown of the rebate is \$3,173,247 to the General Fund and \$1,057,749 for economic development. Of this rebate, \$304,493.80 is from prior periods, audit payments, future payments, and unidentified payments. For the period of October through November, sales tax is 8.09% above last year and 5.97% above the approved FY 19 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 2017-18	Actual 2017-18		Actual 2018-19	Actual 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
November	2,893,562.65	964,520.88	3,858,083.53	\$3,173,247.00	\$1,057,749.00	4,230,996.00
YTD	\$5,532,332.76	\$1,844,110.91	\$7,376,443.67	\$5,979,966.25	\$1,993,322.08	\$7,973,288.33
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>			

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 2017-18	Actual 2018-19	% Change
October	\$879,590	\$935,573	6.36%
November	964,521	1,057,749	9.67%
YTD	\$1,844,111	\$1,993,322	8.09%
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		
	11,445,677		

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 Nov '18 represents Sept '18 sales. Approximately \$76,123.45 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 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
November	987,887	980,001	930,685	964,521	1,057,749
FY TOTAL	<u>\$1,856,547</u>	<u>\$1,798,683</u>	<u>\$1,767,803</u>	<u>\$1,844,111</u>	<u>\$1,993,322</u>
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.
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
September 30, 2018 and 2017
Preliminary

	September 2018	September 2017
Current Assets:		
Cash and cash investments	\$ 22,646,452	\$ 20,791,125
Accounts receivable	2,606,933	1,677,765
Due from other governments	1,834,074	1,757,691
Prepaid expense	5,106	500
	<u>27,092,565</u>	<u>24,227,081</u>
Total Current Assets		
Noncurrent Assets:		
Notes receivable, net	2,886,267	3,286,267
Notes receivable - earning economic incentives	10,188,383	11,479,057
Capital assets	63,885,149	62,437,447
Accumulated depreciation	(15,831,323)	(14,190,010)
	<u>48,053,826</u>	<u>48,247,437</u>
Total capital assets, net		
	<u>61,128,476</u>	<u>63,012,761</u>
Total Noncurrent Assets		
	<u>\$ 88,221,041</u>	<u>\$ 87,239,842</u>
Total Assets		
Liabilities		
Current:		
Accounts payable	\$ 338,803	\$ 321,683
Accrued expenses	2,606,933	1,693,565
	<u>2,945,736</u>	<u>2,015,248</u>
Total Current Liabilities		
	<u>2,945,736</u>	<u>2,015,248</u>
Total Liabilities		
Net Position		
Net Investment in capital assets	48,053,826	48,247,437
Restricted for contractual obligations	11,963,158	9,531,663
Unrestricted, designated for purposes of trust	25,258,321	27,445,494
	<u>85,275,305</u>	<u>85,224,594</u>
Total Net Position		
Total Liabilities and Net Position	<u>\$ 88,221,041</u>	<u>\$ 87,239,842</u>

DEVELOPMENT CORPORATION OF ABILENE
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the year ending September 30, 2018 and 2017
Preliminary - Budget Basis

	September 2018	Fiscal YTD 2018	Fiscal YTD 2017
Revenues:			
Sales and use taxes	\$ 897,770	\$ 11,385,339	\$ 10,321,308
Investment earning net of change in fair value of investments	(1,819)	531,927	275,171
Building rental / land lease	96,121	1,100,645	1,045,554
Sale of Building	-	1,491,496	-
Miscellaneous revenue	9,186	116,636	84,200
Total Revenues	1,001,258	14,626,043	11,726,233
Expenses:			
Economic Development Projects	1,597,517	11,610,888	5,770,966
Life Sciences property maintenance	7,633	176,204	285,888
DCOA property maintenance	22,119	386,369	325,784
Abilene Industrial Foundation	68,030	588,368	520,034
TTU Small Business Development Center	25,612	202,462	155,512
Chamber Military Affairs	110,533	331,074	375,786
Airport Business Development Manager	47,174	199,802	152,223
Economic Development Operating Division	85,593	994,410	807,870
Total Expenditures	1,964,211	14,489,577	8,394,063
Changes In Net Position	(962,953)	136,466	3,332,170
Net Position at Beginning of Period	86,238,258	85,138,839	81,892,424
Net Position at End of Period	\$ 85,275,305	\$ 85,275,305	\$ 85,224,594 A

Summary of Current Period Economic Development Projects:	
TTU Nursing School (principal reduction)	\$ 269,368
EASI De-Fuel Truck	3,900
Coca Cola Refreshment (principal reduction)	616,356
BCBS Roof A/E	214,851
TTUHSC School of Public Health (principal reduction)	278,776
Donald Hardin Jr - Services	1,000
Access Business Park Phase 1 Development	110,645
BE in Abilene Admin	1,250
5 Pts Business Park-Purchase Zoltek Property	(10)
Airport Access Road (TSTC)	84,414
Dyess JLUS	15,617
Vine Street Roof Project	1,350
Total	\$ 1,597,517

A Reconciliation to Beginning Fund Balance - FY 18	
FY17 Net Position before audit accruals	85,224,594
Add: Fixed assets capitalized	1,479,175
Add: Change in accrued revenue	76,383
Less: Depreciation	(1,641,313)
	85,138,839

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**Development Corporation of Abilene
Economic Program Status
As of September 30, 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	1,614,989	1,345,621	269,368	-
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	23,400	9,960
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	616,356	-	616,356	-
Martin Sprocket & Gear	5388	-	-	-	-
Industrial Maintenance Training AISD	5389	162,154	71,976	40,178	50,000
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	-	214,851	85,149
BCBS Roof Repairs - Construction	5392.2	2,700,000	-	2,462,167	237,833
TTUHSC School of Public Health	5393	836,328	557,552	278,776	-
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	19,500	3,000
Access Business Park A/E	5406	64,150	-	64,051	99
Access Business Park Ph 1 Development	5406.1	1,258,101	-	644,506	613,595
BE In Abl Grant	5407	250,000	-	-	250,000
BE in Abilene Admin ACU	5407.1	35,000	-	34,465	535
Dyess-TMPC Grant Match	5408	198,880	-	-	198,880
2018 Job Fair Sponsor	5409	3,500	-	3,500	-
5 Pts Purchase Zoltek Property	5410	5,065,000	-	4,897,522	167,478
5 Pts. Business Park Repairs/Cleanup	5410.1	1,000,000	-	-	1,000,000
Airport Access Road (TSTC)	5411	84,414	-	84,414	-
BrightFarms/TEX Greenhouse	5412	1,700,000	-	-	1,700,000
Streetlights - 5 Points	5413	80,560	-	-	80,560
Dyess JLUS	5414	15,617	-	15,617	-
Vine St. Roof Project	5415	1,789,830	-	1,350	1,788,480
City Street Maintenance	5416	1,500,000	-	-	1,500,000
Subtotal Economic Program Obligation Reserve		\$ 36,930,007	\$ 13,738,432	\$ 11,610,888	\$ 11,580,687
Plus Administrative Division Obligations:					
Economic Development Operating Division	Division 2760	1,002,576	-	994,410	8,166
Life Sciences Property Maintenance	Division 2765	205,560	-	176,204	29,356
DCOA Property Maintenance	Division 2775	554,460	-	386,369	168,091
Abilene Industrial Foundation	Division 2775	648,275	-	588,368	59,907
TTU Small Business Dev Center	Division 2775	245,000	-	202,462	42,538
Chamber Military Affairs	Division 2775	397,000	-	331,074	65,926
Airport Business Development Manager	Division 2775	208,289	-	199,802	8,487
Subtotal Administrative Divisions Obligation Reserve		\$ 3,261,160	\$ -	\$ 2,878,689	\$ 382,471
Total reserve for obligated programs					\$ 11,963,158
DCOA Board approved projects waiting for signed contracts:					
EASI Roof Cost Share		541,240		10/23/2018	
ACU's NEXT Lab (Project Next)		300,000		12/26/2018	
		<u>\$ 841,240</u>			

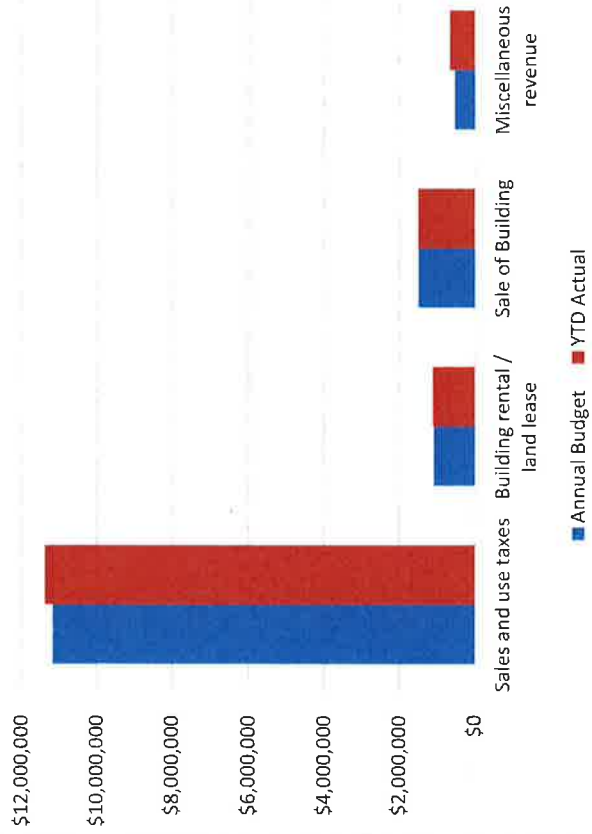
7.7

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

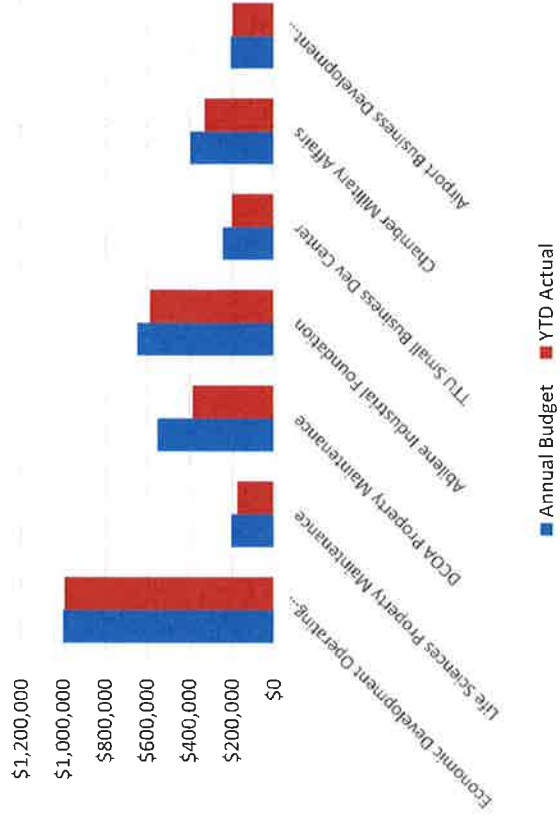
Revenue	Annual Budget	YTD Actual	% of Budget
Sales and use taxes	11,166,612	11,385,339	102%
Building rental / land lease	1,074,014	1,100,645	102%
Sale of Building	1,491,496	1,491,496	100%
Miscellaneous revenue	529,200	648,563	123%
Revenue	14,261,322	14,626,043	103%

Expenses	Annual Budget	YTD Actual	% of Budget
Economic Development Operating Division	1,002,576	994,410	99%
Life Sciences Property Maintenance	205,560	176,204	86%
DCOA Property Maintenance	554,460	386,369	70%
Abilene Industrial Foundation	648,275	588,368	91%
TTU Small Business Dev Center	245,000	202,462	83%
Chamber Military Affairs	397,000	331,074	83%
Airport Business Development Manager	208,289	199,802	96%
	3,261,160	2,878,689	88%

FY 18 Budget vs Actual Revenue



FY 18 Budget vs Actual Expenses



7.8

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: November 27, 2018

PROJECT: Annual Reports for FY18

STAFF: Kent Sharp, CEO

GENERAL INFORMATION

Since 1990, the DCOA has contracted with the Abilene Industrial Foundation (AIF) for promotion and marketing services for Abilene and the immediate vicinity. The board began funding in 1992 the efforts of the Chamber Military Affairs Committee to retain the existing level of operations at Dyess Air Force Base and possible expansion of missions.

The DCOA began partial funding of the Airport Business Development Management Program in 2002. The Airport Master Plan recommends pursuit of a marketing program that will help the airport build activity within its business segments.

The Texas Tech University Small Business Development Center (SBDC) has also contracted with the DCOA since 1990, providing business counseling services to clients in a 17-county region, free-of-charge.

SPECIAL CONSIDERATIONS

The FY18 contracts expired 9-30-18, and the DCOA approved funding for new FY19 contracts. Attached are reports covering activities during FY18 through 9-30-18.

FUNDING/FISCAL IMPACT

None.

STAFF RECOMMENDATION

None.

ATTACHMENT

America's SBDC Texas Tech-Abilene Year End Report FY18

Abilene Industrial Foundation 2017-2018 Semi-Annual Report April 1, 2018 to September 30, 2018

Abilene Chamber of Commerce Military Affairs Committee Semiannual Report, April 2018-September 2018

Abilene Regional Airport Business Development FY18 Annual Report

***America's SBDC at Texas Tech – Abilene
Year End Report – FY18***

America's SBDC at Texas Tech-Abilene (SBDC) continues to assist entrepreneurs with opening new businesses and supporting existing business owners in Abilene. Requests for assistance from the SBDC in FY18 were primarily in the Health Care, Retail, Education, Professional and Technical, and Accommodation/Food. The continued increase in returning clients is a result of the client's awareness of the expanded business services provided throughout the entire business life cycle.

SBDC continues to operate at the reduced 35% decrease levied by the State of Texas on Higher Educational institution's (TTU) sponsored programs for FY18 and FY19. Due to the dedication of the SBDC employees the program has a continued focus on delivering core competencies to the client. Any noticeable decrease in deliverables could impact the rural community service area and any new commitments. However, the SBDC reported assisting with the creation of 209 jobs and \$10,040,198 in capital infusion for the Abilene (ETJ) during FY18.

Seminars are not included in the Development Corporation of Abilene contract, however, they are considered extended services to clients. This year the SBDC delivered 25 seminars that consisted of 115 hours of free business training.

The SBDC has completed National Accreditation review. This certification is a requirement of the U. S. Small Business Administration (SBA) for continued federal funding. An (SBA) financial desk review performed by SBA Washington D.C. office revealed no finding for the Northwest Texas Regional office including the Abilene center. The annual review of the Abilene center by the Lubbock U. S. Small Business Administration District office found compliance in all areas. The SBDC continues to meet all requirements stated in the Development Corporation of Abilene contract.

The SBDC involvement in the new and exciting BE in Abilene program consists of applicant assistance from launch to include support through the transition stage. Support will be available for each recipients through all growth stages of their business. The BE in Abilene program provides another opportunity for an established SBDC client to possibly secure funding to accelerate their business growth making another positive impact on the Abilene community

The SBDC joined in with the Abilene Chamber of Commerce in celebrating Small Business Week in May. The SBDC awardee was Fran Stone of A-Town cleaners. A-Town cleaners is a success story for the SBDC as Fran Stone utilized SBDC assistance when purchasing her first business and is one of the high percentage of returning clients to seeking business assistance as she expanded the business. She currently has three locations and celebrated 10-years of business success this y

Monthly numbers and supporting documentation submitted to DCOA do not reflect the SBDC commitment to the Abilene small business community. It does reflect the results of face to face business assistance and outcomes. The SBDC employees are actively involved in the local community events to include:

24 public speaking engagements and 57 community functions.

Downtown Association committee member.

Judging for Abilene Christian University's entrepreneurship class.

Presentation to McMurry entrepreneurship class.

Assisted high school classes with developing entrepreneurship endeavors. Other organizations have taken responsibility for further development.

Board Memberships

Participate in Expo and Mercado as well as Texas Midwest Community Network events.

Community volunteers.

Continued support to Dyess AFB personnel both active duty and spouses through presentations and one to one counseling. SBDC personnel deliver specific business presentations to various organizations within Dyess. Present business services through the Boots2Business program for Dyess personnel desiring to start a business. Build long term business assistance relationships with retiring service personnel who have chosen to stay in Abilene and start businesses.

SBDC continues to find time to assist a small number of worthy non-profit groups in making significant changes in their organizations to better the quality of life in Abilene. With permission, I am happy to state that the assistance given by SBDC to the newly formed Swenson House Historical Society transition from the Abilene Preservation League was to ensure a better understanding of the financial status for both organizations as they moved forward with the transaction. The SBDC assisted Meals on Wheels in their new for profit endeavor of cell phone repair that has recently opened.

Other trending changes realized in SBDC deliverables is assistance to clients that might be referred to as altruistic entrepreneurs. These individuals are not as profit driven as other entrepreneurs. Success to these clients means that they are serving the community, supporting a cause and sharing is as important as the bottom-line income. The SBDC delivers an understanding approach to counseling that is focused on the required income to sustain the business while reaching the goal the client has set for themselves and their businesses.

Noted increase in requests for business succession assistance. The SBDC role is limited, however, the primary role of the SBDC is to compile current financials and trends from industry standards. Compiling financial information at the request of the seller that will allow for discussions between the seller and the buyer or develop a plan for an intended buyer. This increase is attributed to a second generation family member assuming ownership of the family business or the sale thereof.

SBDC area of responsibility for business services delivery area includes 15 counties surrounding Abilene. These statistics are not included in the DCOA contract nor are they submitted for any financial reimbursement from DCOA. However, the communities within this service area depend highly on Abilene for goods and services to support their rural businesses. The SBDC services to those 15 counties increase their viability that allows for a definite contribution to our local Abilene economy.

As of June 2, 2018 I have assumed the leadership of the Northwest Texas Small Business Development Center- Lead Center in Lubbock, Texas. Due to the size of Texas it currently consists of four State Directors (Dallas, Houston, San Antonio and Lubbock). The Lubbock area of responsibility consists of a 95 county area including Abilene. In addition I am still currently the Abilene Regional Director. My time is divided between the Abilene and Lubbock offices, however, Becky Green, has accepted the role of Interim Assistant Director. She has been with the SBDC program for over 7 years and has worked in all capacities. Expectations are that State of Texas funding issues will be resolved by mid-year at which time the SBDC will be conduct a search for the Director position.

Please accept an enormous "Thank You" from the entire SBDC staff and from the "State" office to our Abilene group. Abilene SBDC can provide more in-depth assistance for the clients thanks to your generosity. Abilene is the envy of many SBDC centers not only in Texas but throughout the national organization. Abilene continues to reassure clients that our more in-depth assistance is due to support from the Development Corporation of Abilene.

2017-2018 Semi-Annual Report

April 1, 2018 to September 30, 2018



Develop Abilene

Abilene Industrial Foundation

8.5

The entire Annual Report
for the Abilene Industrial Foundation
will be sent out separately.



October 10, 2018

Memo for: Board of Directors, Development Corporation of Abilene (DCOA)

From: Abilene Chamber of Commerce (ACOC)

Subject: Semiannual Report on Military Affairs, April 2018–September 2018

EXECUTIVE SUMMARY

The Military Affairs Committee (MAC) of the Abilene Chamber of Commerce planned and executed a wide variety of strategic outreach and engagement efforts since April. While the ongoing local support for Dyess Airmen will continue to be a distinct advantage in these efforts, a key focus is building relationships with senior military and elected officials. These efforts will allow us to proactively posture Abilene and Dyess to ensure the success of the military mission, thereby protecting the long-term viability of Dyess AFB.

This report describes the activities of the Abilene Chamber of Commerce (ACOC) in the area of military affairs from April 2018 through September 2018. The intent is to provide the DCOA Board with information to achieve transparency and accountability in the use of taxpayer dollars. The emphasis of our efforts is on outreach and engagement activities external to Dyess AFB. Additionally, the local support to Airmen and the base provided by the volunteer Military Affairs Committee (MAC) is an integral component of the overall community support for the base, and although not funded by DCOA, those activities are also an essential part of the overall efforts.

The likelihood of another round of BRAC (Base Realignment and Closure) is low with congressional favor pretty much nonexistent, but some Department of Defense officials would like to see some form of it.

Everything we do with taxpayer funds directly impacts the ongoing and growing viability of Dyess AFB. The work in the area of BRAC was focused on making sure that Dyess plays a strong, strategic part in the nation's defense. In that direction, ACOC worked to strengthen the base's most important functions, while working to overcome any factors that might be detrimental in the BRAC.

Much of the effort of the ACOC through its MAC in this half of the fiscal year was focused on two important issues: 1) the basing of the B-21 bomber, and, 2) finding solutions for infrastructure problems in the dormitories on the base.

Here's some of what ACOC has done and is doing:

COMMUNITY PARTNERSHIPS

The Pentagon wants to see local communities and local military installations working together. We are on the forefront of that.

On October 1st, Dyess and the City of Abilene began an agreement where the city provides solid waste management (garbage) services on the base.

The agreement began with the Dyess-Big Country Community Partnership Forum (a group including Dyess, the cities of Abilene and Tye, Taylor County, the Abilene Chamber of Commerce and others, focused on identifying potential partnerships and helping initiate them.

The partnership agreement calls the city to provide those services to facilities on the base, excluding family housing. However, the city may contract with the company who has privatized the family housing.

8.7

The agreement began with the Dyess-Big Country Community Partnership Forum (a group including Dyess, the cities of Abilene and Tye, Taylor County, the Abilene Chamber of Commerce and others, focused on identifying potential partnerships and helping initiate them.

The partnership agreement calls the city to provide those services to facilities on the base, excluding family housing. However, the city may contract with the company who has privatized the family housing.

This is only the eighth Intergovernmental Service Agreement in the Air Force. Four others also deal with solid waste management, however the more than \$1 million savings over the five-year term of the agreement is more than all the savings from all the other such contacts Air Force-wide, combined.

The ACOC helped facilitate this project. We retained two national-level experts to assist and advise during this process.

Discussions are underway for additional community partnership projects.

This is a benefit all the way around. Dyess saves money. The city expands a service it is already providing (and does it at the same commercial rate as with other businesses). We have carried through with a program (community partnerships) of which the Pentagon places a good deal of emphasis.

ABILENE DELEGATION TO WASHINGTON, D.C.

Each year, the ACOC pulls together officials from local governmental entities, members of the Military Affairs Committee and others to travel to Washington, D.C. In late September, 17 Abilenians made the trek.

We all met with Congressman Jodey Arrington and his staff. Arrington is a very strong supporter of Dyess and Abilene. He and his staff are taking aggressive measures to benefit Dyess and Abilene. We share all the issues on which we are working with him. He and his staff have been proacting helping us and getting door opened for us.

Our local delegation divides into groups and spend a day working Congress and the Pentagon.

On the House of Representatives side, part of our delegation met with staff from the offices of members of the Texas delegation: U.S. Reps. John Carter (Fort Hood in his district), Mike Conaway (member of Armed Services Committee and a subcommittee dealing with bombers), Beto O'Rourke (member of Armed Services Committee and Fort Bliss is in his district) and Mac Thornberry (House Armed Services Committee Chair and Sheppard AFB is in his district).

On the Senate side, another part of our delegation me with our two Senators, John Cornyn, Ted Cruz and members of their staffs.

While at the Capitol, members of the Abilene MAC group spent time with Sens. John Cornyn and Ted Cruz. In addition, parts of the group briefed staff members from the Texas delegation and from the Senate Armed Services Committee and Senate Defense Appropriations Subcommittee.

Another MAC group went to the Pentagon and met with Air Force Secretary Dr. Heather Wilson; Tony Reardon, Assistant Deputy Chief of Staff, Office of Strategic Plans and Requirements; Brigadier General Jay Jensen, Director of Air Force Reserve Plans, Programs and Requirements; Dan Sitterly, Principal Deputy Assistant Secretary for Manpower and Reserve Affairs; and Richard Hartley, Principal Deputy Assistant Secretary, Office of Installations, Energy and Environment.

There were four major issues (and several other smaller issues) for which all our groups were advocating. Those, which we will detail next, include securing the Formal Training Unit for the B-21, solving infrastructure problems at Dyess' dormitories, resolving a pay differential that hinds our reserve unit from recruiting and retaining maintainers, and continuing to fund research, development, test, evaluation and procurement for the B-1 and C-130J.

Our presence in the nation's capital isn't just once or twice a year, it is daily. ACOC has a consultant in Washington focused solely on Dyess and Abilene. He has worked with ACOC for many years.

B-21 "RAIDER" BOMBER

As you know, we have been advocating for the new bomber for a number of years. Earlier this year, we were joyful to learn that we are one of three bases to be designated to receive the bomber, likely

sometime in the mid-2020s. The others were Ellsworth AFB in South Dakota and Whiteman AFB in Missouri. However, we can do more than just being on the list to receive the bomber. Dyess would be the ideal location for the Formal Training Unit (FTU) for the B-21.

One small aspect behind the effort to be the first base with the bombers is the B-2 experience. The Air Force entered the B-2 era with the expectation to have more than 100 of the bombers. Cost overruns and other factors forced the total bomber production down to just 21. And, of course, only one base – Whiteman AFB – received any of the aircraft. If something similar were to happen, we want Dyess to be that one, single base.

For 33 years, we have been a proven successful training location for the B-1 bomber. Every crew member who has flown the B-1 has spent approximately nine months at Dyess learning their job. The B-21 needs a location for its schoolhouse. We are strongly advocating the Pentagon and Capitol Hill for it to be Dyess.

Here are some of the advantages of Dyess which we presented on our D.C. trip:

- More than 3 million feet of unused ramp space available
- More than 350 days of VFR flying weather
- Little-to-no encroachment problems
- Quickly accessible training routes
- A track record as a training base
- A welcoming community

The Department of Defense likely will announce in October or November 2018 its “Preferred Alternative,” the base that likely will get the first bombers after they roll off the Northrup Grumman assembly line.

Immediately, an Environmental Impact Study (EIS) will be initiated to make sure there are not reasons the “Preferred Alternative” should not get the first group of aircraft. The EIS should be completed by March 2019. Historically, the “Preferred Alternative” is always selected in the end.

DORMITORY INFRASTRUCTURE SOLUTIONS

The Air Force has a policy that Airmen should stay in base dormitories (unaccompanied housing in AF terms) for three years. That’s to get them accustomed to and acquainted with military life and also to have some level of supervision of these younger Airmen.

Dyess has 11 dormitories with about 675 rooms. They were all built in about 1956 and have been remodeled twice since then. Another round of renovation has begun, but 2025 is the target date for its completion. The solution to the problems should not be drawn out that long.

The outside structure is sturdy as a brick, and yes, it is brick. On the inside, however, the infrastructure has deteriorated significantly, even to the level that somewhere between 175-200 rooms are uninhabitable. Those Airman must live off base.

So, rather than 36 months in the dorms for new Airmen, Dyess averages 15 months. The Air Force is paying a monthly housing supplement for several hundred Airmen.

ACOC brought in consultants who studied the problem at Dyess and around the Air Force. They produced a 25-page white paper on the situation and possible solutions. Those solutions ranged from finding the money and refurbishing the dorms now, to privatizing the dorms, like family housing on the base was done a number of years ago.

Sens. Cruz and Cornyn, Rep. Arrington and House Armed Services Committee Chair Thornberry have toured those dorms and see the mildew, mold and other infrastructural dilemmas. We have also discussed this terrible situation with Air Force officials up and down the line.

With the help of our advocacy, those Air Force officials believe they have found funds that could move the renovation completion date up from 2025 to FY20, and there is a moderately good possibility that the approximate \$36 million for completion might be found in FY19.

You must realize how big this issue is. We are sending these young (as young as 18) out to secure our nation and the world, and we can’t provide them with decent place to live.

RESERVIST PAY SCALE

The 489th Bomb Group at Dyess is an Air Force Reserve unit with B-1s.

The Bomb Group competes people with local aerospace firms and others in the Dallas-Fort Worth Metroplex and other Texas areas.

Currently the pay scale assigned to the group is less-than-competitive making it difficult to retain people to maintain the aircraft.

ACOC has been advocating at all levels of the AF Reserve to assign pay levels that would help balance the competitive scale.

During the D.C., MAC members met with two high-ranking officials of the Reserve. Both were fully aware of the situation and are examining a pair of possible solutions.

Also mentioned by the Abilene delegation in those meetings was the hope the Reserve would stand up a B-21 unit locally.

CONTINUED B-1 AND C-130J FUNDING

The B-1 will be phased out, but likely will continue in operation well past 2030. The new C-130Js have just recently gone online and have many decades to go. That is why it is important to continue the funding of upgrades to both aircraft.

In each meeting on the Hill, our groups brought up that topic.

Realize that the B-1 is the most used aircraft in our war for freedom over Afghanistan and other nations. Its ability to carry a wide variety of munitions, and its speed and maneuverability combine for a lethal combination

The C-130J is probably the most versatile aircraft in the Air Force. It drops supplies and equipment with precision in war zones. It transports personnel to where they are most needed. It jumps into service when humanitarian efforts need help. It is not at all uncommon for our C-130Js and our Dyess Air Mobility Command to be on five continents on a single day.

JOINT LAND USE STUDY (JLUS)

JLUS was an 18-month-long collaborative process among the City of Abilene, City of Tye, Taylor County, property owners, residents, and Dyess AFB. It provides an overview of the JLUS process, the Study Area and communities involved in the JLUS, Dyess AFB missions and operations, a list of the compatibility issues identified through the process, and the Implementation Plan that includes the recommended strategies identified to address the compatibility issues.

All the entities have approved the study and it is time for implementation to begin.

The first priority is funding. A Defense Economic Adjustment Assistance Grant application was made, but limited funding (\$2 million) from the state caused the application to be denied. Only one application of 14 submitted was approved in this round.

An application is being prepared for funds from a federal agency. A local portion will be required to receive the federal grant. We likely will ask the DCOA for that local 10% match.

DYESS BOUNDARY FENCE PROJECT

The ACOC assisted the City of Abilene in applying for and securing a \$281,678 state Defense Economic Adjustment Assistance Grant for the removal and relocation of a boundary fence near the runway at Dyess AFB. The DCOA matched the by almost \$199,000 from the DCOA and \$82,000 from Dyess.

The funds are being used to demolish a fence and erect a new one. The old fence stood 750 feet from the centerline of the runway. Regulations require that to be 1,000 feet. The base has been in non-compliance status, and this will bring it back into compliance.

The fewer out-of-compliance items the base has, the better chance it can gain missions and avoid possible downsizing or closure.

The City will oversee the project and then “gift” it to the base. Air Force approval of the gift has been secured. The MAC continues the City in the project. Bids will be advertised in the near future. The project must be completed by Aug. 31. 2019.

STATE FINANCIAL ASSISTANCE

The ACOC continues to advocate for additional statewide funding for Defense Economic Adjustment Assistance Grant and the Texas Military Value Revolving Loan Fund, both of which are administered through the Texas Military Preparedness Commission.

LICENSURE RECIPROCITY

Secretary of the Air Force Heather Wilson and the other Armed Forces secretaries have agreed that future basing decisions will consider quality of life issues for Airmen and their families. She has identified licensure reciprocity and quality of public schools as major factors.

ACOC has taken those issues seriously and are actively working on them.

We await the criteria for judging public schools. On our September D.C. trip, the secretary told us that she is asking the National Governors Association to determine and agree upon the criteria to be used.

When it comes to occupational and professional licenses being recognized state to state, ACOC is pursuing it vigorously.

The problems the secretary identified are the different requirements that must be met in each different state and additional cost for the licensing. There does exist in some career fields reciprocity agreements that states can sign onto.

In talking to Dyess officials, nursing, social work and education fields are of the greatest concerns locally.

From Day 1, we have been working with State Rep. Stan Lambert, a long-time education advocate, to identify solutions.

He has told Governor Greg Abbott’s staff that he is anxious to carry whatever legislation the Governor has to solve the problems.

We have talked to State Sen. Dawn Buckingham and State Sen. Charles Perry’s staff. Both expressed interest in dealing with the problem.

MAC Chair Gray Bridwell has talked to the Governor’s staff person who is dealing with licensing issues. He and Doug Williamson have had conversations with elected and appointed officials in other states, learning how they are dealing with it.

We’ve been assured that there will be action, either legislation, Governor’s executive orders or both in 2019 addressing the problem.

This appears to be primarily a state-level issue, but during a visit to the base and city, he was informed of the situation and has expressed great interest in working from the federal level to help solve it.

GOVERNOR’S COMMITTEE TO SUPPORT THE MILITARY

In September, Abilenian Sam Vinson was appointed to the new Governor’s Committee to Support the Military.

The committee will actively look for ways to maintain and enhance military value at installations within the state.

The MAC advocated for the appointment.

Two other Abilenians serve on state committees dealing with the military.

- Woody Gilliland is on the Texas Military Preparedness Commission
- Michael Bob Starr is on the Texas Military Value Task Force

ADDITIONAL SECOND HALF FY18 ACTIVITIES:

- Members of the MAC Executive Committee met with representatives of the **Texas Military Preparedness Commission and Governor's Military Value Task Force**. The session was to update information used by the Commission and the Governor's Office in aiding the state's military installations. We also had the opportunity to talk to the about the Texas Military Value Revolving Loan Fund for possible financing of dormitory solutions.
- The MAC hosted the **53rd Annual World's Largest Barbeque**, providing free lunch and dinner to more than 3,000 Dyess military and civilian members and their families. More than 200 volunteers helped make the day a success, and the Dyess Family of the Year award was presented. This remains the MAC's signature event to support the Airmen and families of Dyess.
- At the invitation of the Military Affairs Committee, **Gen. Robin Rand**, commander of Global Strike Command, came to town to attend the World's Largest Barbecue. The evening before the MAC hosted a reception where approximately 200 people met Gen. Rand. Then a smaller dinner was held, at which Gen. Rand updated attendees on the activities of Global Strike and praised the work MAC does for Dyess and the Air Force as a whole.
- In June, four members of MAC attended the **Association of Defense Communities Summit** in Washington, D.C. We had a private meeting with the Assistant Secretary for Installations, Environment and Energy and his staff to discuss important issues for Dyess. We were asked to attend a small session dealing with the relationship between the wind energy industry and the Pentagon.
- **AbileneWorks.com**, a local jobs portal, is up and operating. A marketing campaign will begin in October. It was initiated to deal with the problem of Dyess spouses finding jobs in Abilene. It also has expanded to include Airmen who are exiting the service, and we will begin promoting it to other Texas military installations soon. MAC and the Abilene Industrial Foundation combined efforts to get the site up and operating.
- Fundraising is complete and construction is about to begin on the **Dyess Memorial Park Expansion Project**. More than \$600,000 was donated to pull all the memorial recognitions together to honor the 79 Airmen who have lost their lives in the line of duty since the base opened in the mid-1950s.
- We have been participating in conference calls conducted by the **Air Force Community Partnership Program**. In those sessions, the variety of partnerships that are intact or in the creation stage is shared. In addition, processes and procedures are detailed.
- In April, one MAC member attended the **Air Force Charity Ball**. Another relationship-building opportunity.
- A MAC member attended the **Air Force Association** annual convention in Washington in September. This is even is another one that is key to creating and expanding relationships with military officials.
- One MAC member represented us at the **Strategic Deterrent Coalition Symposium** in Shreveport.
- Doug Peters & Shaun Martin attended the **Air War College** in Montgomery, Alabama.
- MAC was represented at a listening session held by State Sen. Charles Perry. We were able to brief him on issues affecting Dyess
- A number of MAC members attended the presentation of the **Congressional Gold Medal** posthumously to the family of Col. Edwin Dyess.
- A group of MAC members also attended the ceremony awarding the **Distinguished Flying Cross** to the Dyess B-1 crew who landed a severely damaged aircraft in Midland.

Several of the activities mentioned were not funded by DCOA, per its contact with ACOC. However, they do add to that strong base-community relationship that's known Air Force-wide.

As always, none of these efforts would be possible without DCOA's recognition of the value of this important work and commitment to annual funding. The Abilene MAC is a true public-private partnership that continues to pay dividends for Abilene and Dyess AFB. Thank you for your continued endorsement and support.

Any questions regarding the contents of this report may be directed to Doug Williamson, Interim Vice President for Military Affairs.

Doug Peters
President & CEO
Abilene Chamber of Commerce

**Abilene Regional Airport
FY 2018 Annual Report
to Development Corporation of Abilene**

The Abilene Regional Airport's Business Development Program allows the airport to market to our 17 county catchment area via digital media, radio and print advertisement. The Program also provides the airport to create and facilitate a campaign to attract additional air service while also encouraging local economic growth.

Abilene Regional Airport experienced challenges this year with an unstable flight schedule, decreasing seat capacity and rising air fare by American Airlines. Due to declining enplanement numbers and an obvious flight removal from our schedule at the first of the calendar year, airport staff addressed the impending issue with American. It became evident that our metrics for year of year growth would be grossly askew due to less seats being offered in our market. While implementing our general marketing campaign we also found the opportunity to be more aggressive with our search for additional air service as the demand in our market has become ever pressing.

Abilene Regional Airport appreciates the continued assistance received from DCOA, supporting our goal of improving air service and growing our customer base.

FY18 YTD Business Development Activity

Business Development activities have been and will continue to make community outreach through speaking engagements to various civic organizations a priority, focusing on the advantages of flying from Abilene. Presentations made during these engagements highlight the operations of the airport, construction updates, air service needs, fare comparisons and the importance of flying out of Abilene.

We've developed a rapport with the local businesses within our catchment area that use the airport. This one on one relationship provides the ability to show business appreciation. The Business Development Manager continues to participate in the Chamber of Commerce, Rotary, and American Association of Airport Executives, South Central Chapter.

Air Service Development

Abilene Regional Airport (ABI) contracted with ASM Consultant, Martin Kammerman- a once major airline route analyst, Kammerman began work for ABI in October 2017. Quickly he facilitated a grant request from the USDOT for a Small Community Air Service Development (SCASD) grant that would position the airport more aptly at recruiting additional air service. While preparing for the grant submittal, we also began a Leakage Study. This study gives an illustrated analysis of what our catchment area is and what airports our passenger base is choosing. As well as identifying top regional markets our passengers are flying to, this comprehensive study creates a cohesive campaign for meeting with airline route planners to attract their airline to add service at ABI.

ABI has had one headquarter meeting and two additional meetings with a major airline which indicates a promising future. Mr. Kammerman and airport staff have also met with four other potential airlines for the airport while attending airport development conferences throughout the year.

We believe Abilene Regional Airport is well positioned for an additional airline. Mr. Kammerman has used the best resources to present a successful platform to any airline considering ABI and the strength of our current market suggests it will be supported.

On Airport Development

The airport is closing in on ways to market airport property for aeronautical and non-aeronautical commercial development. This includes a comprehensive development plan for available airport land.

Presentations/Events this year include:

Oct. 5	Leadership Abilene, City Day	Mar. 16	Pensadores Presentation
Oct. 20	Presenting Sponsor of Brownwood Chamber Luncheon	Mar. 26-30	TSA Pre-Check Enrollment Center
Oct. 25	Booth at TMCN Exhibit	Mar. 28	Business Expo Exhibitor
Nov. 14	Airport Briefing with stakeholders	Apr. 5	Beltway – Airport tour
Nov. 21	Corporate Passenger Appreciation	Apr. 17	Taste of Abilene
Dec. 11-20	Passenger appreciation, terminal entertainment	Apr. 25	TMCN Membership presentation
Dec. 23-25	Passenger appreciation, secured gate area	May 8	Winters- School tour
		May 21-25	School Tours
		Sept. 6	Brownwood Business Expo

Marketing the Airport

We’ve adapted a harmonious advertisement campaign, beginning with TV commercials then tailoring to our static billboard, digital billboard, print ads and radio ads. We believe continuity in our ad campaigns are essential. Moving forward we will shape our future ad campaigns to envelop search engine optimization (SEO) as digital advertising becomes increasingly necessary.

At the close of FY18, Abilene Regional Airport is finalizing a new look for www.iflyabi.com. This new look and additional content positions us to market digitally more effectively which is critical to passenger business in this day in age.

Social Media

Platforms like social media continue to evolve into helpful communication tools for all businesses. These platforms not only give the Abilene Regional Airport the ability to communicate with our passengers but also gives the opportunity to grow relationships with businesses in and out of the Big Country.

Facebook: [@abileneairport](https://www.facebook.com/abileneairport)

- 3,618 page followers, up 300 followers
- 32,000 ‘check-ins’, up 4,000 check-ins

Facebook’s analytics gives detailed information on users such as gender, language, and region so we are able to utilize best marketing practices accordingly.

Twitter: [@abaiairport](https://twitter.com/abaiairport)

- 1,319 followers, up ~200 followers

Twitter offers a tool to communicate to media relations as well as enabling customer engagement.

Instagram: [@abaiairport](https://www.instagram.com/abaiairport)

- 588 followers, up ~200 followers

A vastly different demographic from the other 2 platforms, this platform helps us connect with a younger passenger base.

Twitter & Instagram followers are attracted and retained purely organically by active engagement on the platform.

8.15

Sponsorships

Community partnerships to increase top of mind awareness by sponsoring various events during.
TMCN- Exhibit Sponsor
Key City Rhythm & Blues Fest (United Way) - Sponsor
Taste of Abilene, Rotary- VIP table sponsor
Abilene Philharmonic Association – Program Sponsor
Abilene Zoo – Train Sponsor

Special Programs & Statistics

ABI-VIP Passenger Rewards Program is a strong tool for communicating with our passengers, with over 2200 registered members. The program’s objectives are to engage customer loyalty and develop a database of passenger information, giving them the opportunity to subscribe to email communications.

Parking Badge program, yet another incentive for our passengers. Specifically, our frequent business travelers.

Enplanements:

YTD scheduled enplanements are down 9%

Revenues:

Major revenue sources to the airport are the car rental concessions and the parking lot.

Rental Car Revenue is down .5%

Parking Lot revenue is down 7%

EASI Parking Revenue Invoiced @ \$0.70

October	4011 entries at \$2,807.70
November	3804 entries at \$2,662.80
December	3836 entries at \$2,685.20
January	4037 entries at \$2,825.90
February	3575 entries at \$2,502.50
March	4103 entries at \$2,872.10
April	3868 entries at \$2,707.60
May	3854 entries at \$2,697.80
June	3224 entries at \$2,256.80
July	3017 entries at \$2,111.90
August	3166 entries at \$2,216.20
September	3022 entries at \$2,115.40

Total Entries: 43,517
Total Value: \$30,461.90

Business Development Outlook:

Abilene Regional Airport’s statistics has a direct correlation to American Airlines schedule, seat capacity and fair (compared to DFW) in our market this past year. At the start of the calendar year, ABI endured a reduction in flight frequency, airport staff immediately contacted American Airlines for further information about the future of the flight. As promised, American did restore the sixth flight back in to our market by Q2 but continues to utilize a smaller aircraft on almost all flights, ultimately offering less seats overall which is driving the ticket fare upwards.

However, with these adjustments we are seeing a record load factor (occupancy per plane) on our flights out of ABI, which assists us in our campaign to attract an additional carrier. Albeit a blessing and a curse, the current average air fare, load factor and generally thriving economy, allows ABI to remain positive with our current state of affairs and for the future.

8.16

ABI will continue to utilize the current Leakage Study to keep our marketing program fresh and effective. We will be vigilant in our efforts with American Airlines to stay abreast to their schedule and seat capacity. As well as continue to work with known regional companies that do international business and engage with companies flying in and out of the region, particularly for any new corporate business activity, to promote ABI as the airport of choice.

8.17

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: November 27, 2018

PROJECT: DCOA Annual Report of Activities for FY18

STAFF: Kent Sharp, CEO

GENERAL INFORMATION:

The By-laws of the DCOA require an annual status report be submitted to the City Council.

SPECIAL CONSIDERATIONS:

The DCOA's FY18 Annual Report covers activities for the period ended 9-30-18 and is the twenty-ninth (29) annual report submitted by DCOA since its inception. The City Council will be presented the report in December.

FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

Staff recommends the Board approve the DCOA's FY18 Annual Report.

ATTACHMENT:

DCOA's FY18 Annual Report of Activities

<https://dcoa.sharepoint.com/Shared Documents/DCOA/Meeting Memos/FY2019/DCOA FY18 Annual Report27118.doc>

9.1



Development Corporation of Abilene, Inc.

October 1, 2017 to September 30, 2018

ANNUAL REPORT

2018

9.2

Letter from the CEO



As we end Fiscal Year 2017-2018, the Development Corporation of Abilene (DCOA) is proud to look back on the last twelve months and reflect on the success we and our partners achieved regarding several major initiatives related to the Five-Year Strategic Plan.

Strategy 1 calls for maintaining appropriate sites and infrastructure to support the growth of existing employers and the attraction of new businesses. The DCOA broke ground on Phase I roads and utilities at the new Access Business Park (Access BP) located directly across Highway 36 from Abilene Regional Airport and a few short miles from Interstate 20. Access BP has over 100 acres and is designed for clean technology and advanced manufacturing processes. It will also accommodate corporate tenants with national and international customers who regularly visit their facilities.

The first tenant of Access BP on 21 acres is Bright Farms, a state of the art 200,000 square feet hydroponics growing facility for herbs and baby greens. Up to \$17 Million will be invested by the private sector and an estimated 25 jobs will be created in the first two years of operation.

The DCOA recently acquired the former Zoltek property in the Five Points Business Park for a combined \$5 Million. Over 280,000 square feet of industrial manufacturing and warehousing space in three (3) separate buildings sit atop 52 acres near I-20 that give Abilene a much-needed boost when courting new businesses to our community. In the current economy, cities with existing available space are at an advantage over their competition as site consultants and corporate relocation experts narrow the search for new locations.

Finally, the DCOA partnered with TSTC and the City of Abilene to build a one-way access road connecting Highway 36 with Navajo Trail and TSTC's new campus. The new road greatly shortens the distance for gaining access to TSTC, Federal Express and other facilities located on the west side of the airport.

DCOA is proud to have partnered with the Abilene Industrial Foundation (AIF), Communities in Schools (CIS) and the local school districts to bring *NEXTU* to fruition. *NEXTU* involves career coaches working individually with high school juniors and seniors in Abilene and Taylor County to provide guidance to students receiving DCOA funds for dual credit training in industrial electrical, welding, industrial maintenance, industrial HVAC and industrial plumbing. Thirty-five (35) AISD and WISD students were enrolled in these courses on the Cisco College campus. *NEXTU* is one example of Abilene working to address Strategy 2 of the plan: build a deep and highly skilled talent base through development, retention, and attraction.

Strategy 3 speaks to the development of an innovation ecosystem that spawns and supports innovative people and businesses, including entrepreneurial efforts. The DCOA invested in two efforts which highlight Abilene's innovative climate:

BE in Abilene is a collaboration of four organizations all working together to "Build Entrepreneurs in Abilene." Guided and funded by the DCOA, the program's goal is to implement an innovation ecosystem that encourages entrepreneurship. The DCOA invested \$100,000 each in two early-stage companies; Pappy Slokum Brewing Co. and JTOPS USA. Both companies are growing their markets, expanding their inventories and product offerings, and more importantly, adding additional manufacturing jobs in Abilene.

According to the ACU NEXT Lab website, <https://www.acunextlab.org/about>, “Energy fuels the future”. The ultimate goal of this work is to advance Liquid Fueled Molten Salt Reactors (LFMSR) to address the world’s need for clean, inexpensive and safe energy, water and medical isotopes to treat cancer. This research project will build a fluid simulator on the Abilene Christian University campus, to help advance the reactor design and allow for regulatory licensing of future research and a test reactor. Having an on-site test facility will provide unprecedented access for students and faculty to collaborate on cutting-edge research to solve one of the world’s most pressing problems: the need for clean, safe and affordable energy.” The DCOA invested \$300,000 in the NEXT Lab research, which is approximately 10% of the total \$3 Million needed over the next 2-3 years.

In Strategy 7, we find the need to continue redeveloping the Pine Street corridor as a central mixed-use artery connecting downtown to the city’s emerging education and healthcare district. When faced with the question of what to do with the former AbLabs building at 1325 Pine St., the DCOA was presented with a proposal by Hardin-Simmons University (HSU) to redevelop the vacant facility, which now houses the School of Physical Therapy. The program will eventually house 150 PT students along with professors and employees, and students will now be able to earn a doctorate degree. HSU approached the DCOA with a cash offer of \$1,500,000, and the DCOA sold the building and equipment to HSU for \$2,250,000 taking a 2-year, interest free note for \$750,000 that HSU will earn out as an incentive when certain performance metrics are achieved.

Strategy 9 speaks to the existence of Dyess Air Force Base (AFB) as a source of talent and as an economic driver. The DCOA partnered with the Chamber Military Affairs Committee to provide match funds of \$198,880 to secure an additional \$364,560 from the Texas Military Preparedness Commission (TMPC). The project involves moving about 3,000 linear feet of perimeter fencing around Dyess AFB to comply with FFA and DoD guidelines.

DEVELOPMENT CORPORATION OF ABILENE

History:

In 1989, this community set a precedent for the rest of Texas when Abilenians voted to become the first to adopt a half-cent sales tax devoted specifically to economic development. On November 16, 1989, City Council authorized the creation of the Development Corporation of Abilene, Inc. (DCOA).



Goals:

DCOA has identified key goals for its economic development efforts:

Goal 1: Develop and communicate ways to implement the Five-Year Strategic Plan

Goal 2: Standardize the process of developing and presenting incentives for approval that aligns with the Five-Year Strategic Plan

Goal 3: Plan, execute and evaluate a new workforce training program with our education partners and Workforce Solutions of West Central Texas

Goal 4: Develop and execute a communications strategy, in conjunction with Abilene Industrial Foundation, to raise awareness by the media and local stakeholders of DCOA successes

Goal 5: Increase the number and size of minority-owned, woman-owned, small and entrepreneurial businesses in Abilene

Goal 6: Cultivate an environment of support and encouragement for local entrepreneurs.

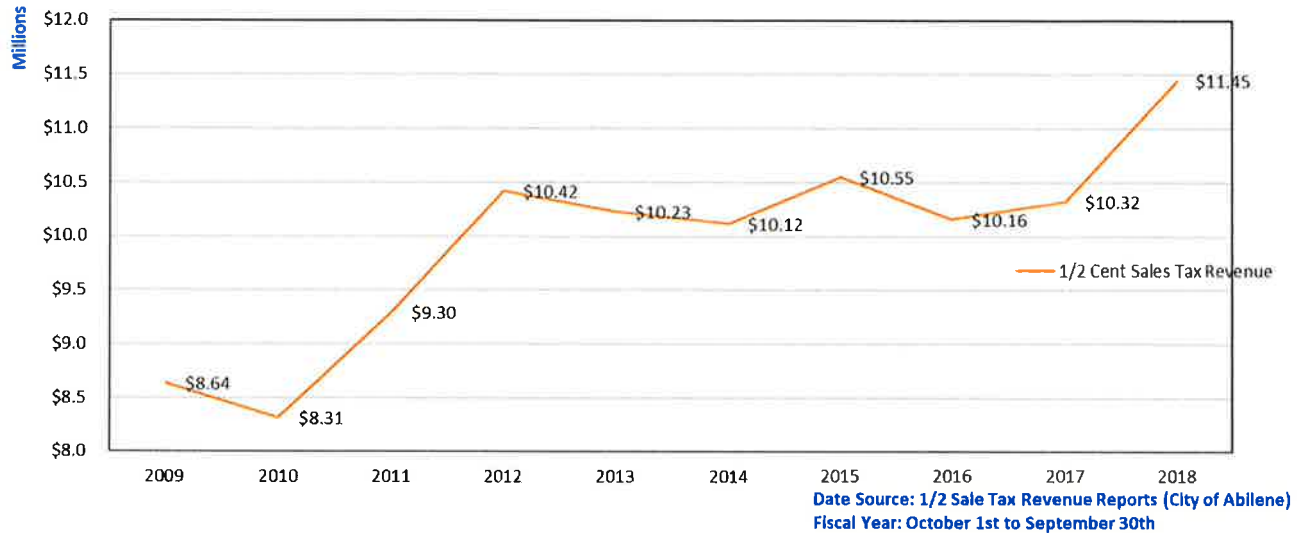
Mission Statement:

The mission of DCOA is to use sales tax revenue to effectively stimulate Abilene's economic growth. This is done by assessing the community's economic development needs, developing a plan to meet those needs, coordinating community economic development efforts, and supporting targeted activities that enhance the quality of life in the community and maximize the public's return on invested dollars.



SALES TAX COLLECTIONS

1/2 Cent Sales Tax Revenue for Economic Development FY 2009 - 2018



September 2018 Sales Tax Revenue City of Abilene

The total sales tax rebate for September 2018 which represents July 2018 sales is \$3,591,082.93. This is 10.38% above the revised FY18 budget amount

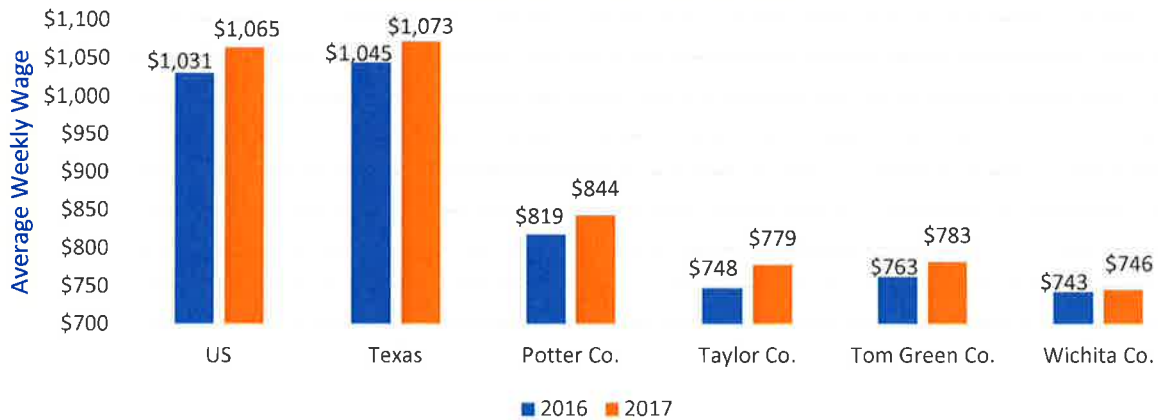
The total sales tax rebate was breakdown into

1. General Fund \$2,806,719.25
2. Economic Development \$ 935,573.08

On this rebate, \$130,098.40 is from prior periods, audit payments, future payments, and unidentified payments. For the period of FY18 October 2017 through September 2018, sales tax is 10.89% above last year and 2.5% above revised FY18 budget amount. The details were provided by the state.

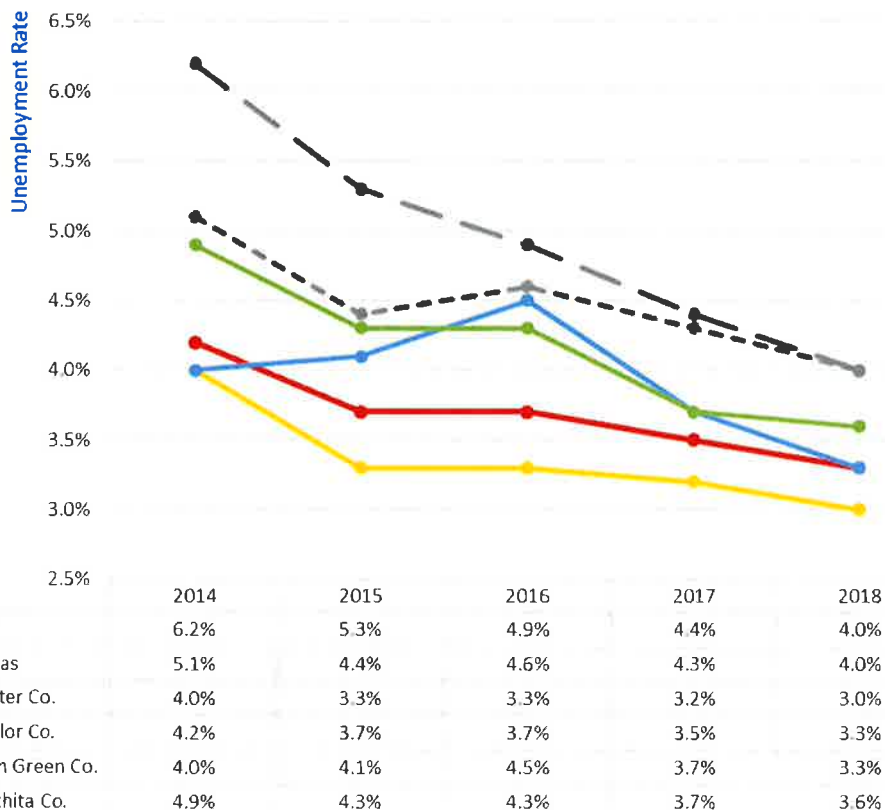
AVERAGE WEEKLY WAGE 2016 - 2017

Quarterly Census of Employment and Wages
U.S. Bureau of Labor Statistics



UNEMPLOYMENT RATE

Unemployment Rate Annual Average
U.S. Bureau of Labor Statistics
2014-September 2018 *
*2018 September figure is preliminary



PROJECT SUMMARIES

October 1, 2017 to September 30, 2018

Hardin-Simmons University

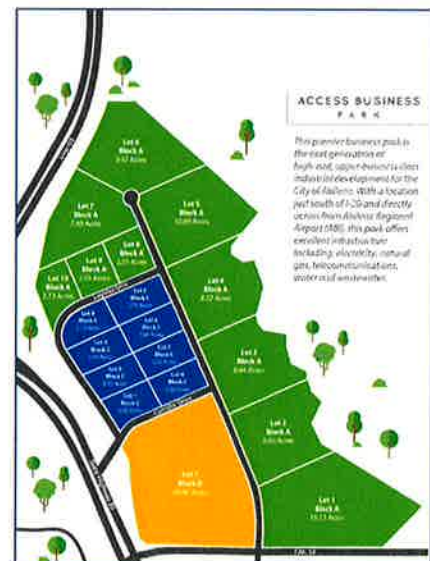
DCOA accepted an offer from Hardin-Simmons University (HSU) to purchase the land and building located at 1325 Pine St. and the adjacent parking lot at 1342 Walnut St., also known as AbLabs, plus all equipment located inside the building. HSU expanded their Physical Therapy (PT) program from the current location, which had only 13,500 sq. ft. and allowed enrollment of only 28 students per year. With the move, they are able to increase the enrollment to 50-75 students per year and have 5 full-time instructors. After consulting with several individuals about the value of the property and building, the DCOA set a price of \$2,250,000. HSU paid

\$1,500,000 cash and executed an agreement for the remaining \$750,000, which will be earned back over a three-year period. The closing took place in December 2017, and HSU held a ribbon-cutting on September 6.



Access Business Park

In 2002, DCOA purchased undeveloped land located at the corner of Hwy 36 and FM 18, formerly known as the 18/36 Industrial Park. Enprotec/Hibbs & Todd (eHT) was awarded a contract in 2017 plus \$52,950 for a preliminary plat of the entire north side area for a new commercial/light industrial subdivision containing 124 acres. Bids were taken for Phase I development (roads and utilities) in April 2018, and the DCOA approved a contract to Epic Construction for \$1,065,013. Once construction got underway, AEP was granted an easement and right of way to relocate an existing above-ground electric line to the west side boundary line of the park. In June the DCOA approved a contract and funding for \$73,987 with J & N Utilities to extend an ATMOS Energy natural gas line into the park.



BrightFarms (Project Ladybug)



In March 2018 the board approved an incentive package totaling \$2,332,700 and 21 acres of raw land to bring Bright Farms (Project Ladybug) to Abilene as the first tenant in the new Access Business Park. The company will invest up to \$17 million in constructing and equipping its first state-of-the-art hydroponic greenhouse facility in Texas, up to 200,000 sq. ft. in size, for growing pesticide-free and non-GMO greens and herbs for local grocery stores. The greens will help meet the growing demand for year-round produce needed by regional grocers throughout Texas and New Mexico. The company received a

large capital infusion that strengthened it but resulted in delays of the closing and subsequent construction. The offer of assistance was set to expire in September 2018; however, the board approved an extension through March 31, 2019, to give the company ample time to break ground for construction, which is now estimated to begin in January or February of 2019.

Next Lab

The DCOA authorized an agreement with Abilene Christian University (ACU) plus funding of \$300,000 in support of NEXT Lab. NEXT Lab is a project of Abilene Christian University's Department of Engineering and Physics and involves the advancement of molten salt reactor technology. The goal of NEXT Lab is to provide global solutions to the world's need for, 1) safer and less expensive water, and 3) medical treatment of cancer. The salt test loop (MSTL), built to analyze flow, pressure \$3,000,000 is needed to development phase, with donated to ACU and another \$500,000 committed by ACU in personnel, facilities and administrative support. The DCOA funds are contingent upon award of match funds of at least \$300,000 from the local Legett and Kickapoo Springs Foundations.



energy, 2) pure and abundant isotopes for diagnoses and technology involves a molten on-campus, which allows them and temperature. A total of continue the research and more than \$500,000 being

Purchase of Former Zoltek Properties (West Abilene Properties)



In April the DCOA authorized the CEO to enter into a purchase contract for industrial properties in West Abilene and \$15,000 for due diligence activities on the property. The due diligence included a Phase I Environmental Site Assessment, structural engineer opinion, and assessments by a plumber, roofing contractor, electrician, HVAC contractor, fire suppression contractor and restoration service contractors. In May, upon approval by the DCOA and the Abilene City Council during a joint meeting, the purchase was authorized for \$5,000,000. The properties are three (3) industrial buildings totaling about

284,000 square feet located on Fulwiler Rd. in the Five Points Business Park on approximately 53 acres. The DCOA also authorized an agreement with Zoltek to lease-back one of the buildings for 30 months.

ADDITIONAL ACTION ITEMS

October 2017

- DCOA approved a request from the Abilene Chamber of Commerce Military Affairs Committee for up to \$198,880 as a match contribution for a Texas Military Preparedness Commission grant to relocate approximately 3,000 feet of fence on the Dyess AFB campus to comply with FAA and DoD guidelines.
- DCOA approved allowing post-secondary students up to the age of 22 to take advantage of the tuition assistance funds available via *NEXT*University (Industrial Workforce Training program) through Cisco College and TSTC.



January 2018

- DCOA approved the sale to Broadwind Towers of a 4.5-acre vacant lot located adjacent to their current yard in the Five Points Business Park for \$60,000, under a new financial assistance agreement. Broadwind decided not to purchase the acreage.
- DCOA approved a contract with AEP and \$80,560 for the installation of 12 streetlights in the Five Points Business Park along Polaris Dr. and Five Points Parkway.
- President John Beckham presented outgoing President and board member Dave Copeland with a proclamation from the City of Abilene and a Certificate of Appreciation from DCOA for his faithful and dedicated service to DCOA and City of Abilene. President Beckham then welcomed new board members Vic Corley and Seaton Higginbotham.



April 2018

- DCOA approved match funds not to exceed \$140,000 for construction of a road from Hwy 36 to access Navajo Trail and the new TSTC campus. The road was completed in August, in time for the grand-opening of the new campus.

September 2018

- DCOA authorized a contract with Barr Roofing Company and \$1,789,830 to replace the roofs at 4009/4109/4125 Vine St. The roofs were damaged in the 2014 hail storm. There is approximately 185,000 total sq. ft. and most of that is leased by AbiMar Foods, Inc.





Board of Directors:

John Beckham President
Jack Rich Vice President
Greg Blair Secretary/Treasurer
Vic Corley
Seaton Higginbotham

Staff:

Kent Sharp Chief Executive Officer
Kim Tarrant Chief Operating Officer
Akane Thaxton Economic Development Specialist
Rick Jones Construction Project Manager
Cynthia Nesmith Administrative Coordinator



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325.676.6390**

www.abilenedcoa.com

Follow us on Twitter and Facebook at DCOA Abilene

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: November 27, 2018

PROJECT: FY19 Contract with ACU Griggs Center for BE in Abilene Program

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.

For the second year, the board has provided funding for services by Abilene Christian University Griggs Center (ACU Griggs) for the BE in Abilene entrepreneurship challenge grant program.

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

- Abilene Industrial Foundation (AIF)- \$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

On October 15, 2018, the board approved three (3) renewal contracts with Chamber Military Affairs, Airport Business Development Management, and Small Business Development Center.

SPECIAL CONSIDERATIONS:

Staff submits for the board's approval a renewal contract with ACU Griggs Center for administration of the BE in Abilene program. The contract with AIF will be presented to the board at a later time.

FISCAL IMPACT:

ACU Griggs Center for BE in Abilene program - \$35,000

STAFF RECOMMENDATION:

Staff recommends the Board approve the FY19 contract renewal with ACU Griggs Center and authorize the CEO to execute on the DCOA's behalf.

ATTACHMENT:

None.

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: November 27, 2018

PROJECT: Abilene Education Foundation – NEXTUniversity Administration

STAFF: Kent Sharp, CEO

BACKGROUND INFORMATION:

Abilene Industrial Foundation (AIF) works to improve the skills of the local workforce to meet the demands of Abilene employers. This strategy also fits into Abilene's community wide 5-year strategic plan to "*Build a deep and highly skilled talent base through development, retention, and attraction.*"

The AIF's Director of Talent Development and Communities in Schools of the Big Country (CIS) proposed in 2017 a partnership with the DCOA in order to create a full-time Workforce Development Coach (Coach) position employed by CIS. CIS works with students on the campuses of Abilene, Cooper, and Wylie High Schools, in addition to the middle schools giving them one-on-one case management to improve attendance, academic scores, and behavior. The Coach assessed each case-managed high school student's plans beyond graduation, conducted skills assessments, promoted local vocational training programs, enrolled students in a vocational training program, if warranted, and provided one-on-one support to ensure the student successfully completed the chosen program. The Coach also helped the students take advantage of NEXTUniversity, a program funded by the DCOA and designed to transition students from high school into local vocational training programs in electrical, plumbing, industrial maintenance, welding, and industrial HVAC through Cisco College. NEXTUniversity is designed to meet the growing need for skilled trade workers to support the development, retention, and expansion of primary jobs in Abilene's manufacturing sector by creating a pipeline of skilled local employees prepared to meet the workforce demands of Abilene based employers seeking to develop, retain, or expand primary jobs.

On January 18, 2017, the DCOA approved resolution DCOA 2017.04 authorizing \$74,100 to cover the salary, benefits, and administrative support for a new Workforce Development Coach to be employed by CIS; 1) \$24,700 for the period April 1, 2017 through September 30, 2017, and, 2) \$49,400 for the period October 1, 2017 through September 30, 2018.

On March 22, 2017, DCOA approved resolution DCOA-2017.08 authorizing additional \$6,750 to cover increased salary and benefits costs plus a one-time bonus of \$1,500 to promote the most qualified person for the Coach position within CIS. The added funds brought the total funding for CIS' Workforce Development Coach to \$80,850 (\$74,100 + \$6,750) for an 18-month period through September 30, 2018. Actual expenses for the contract period were \$62,912, leaving \$19,438 unfunded.

Exhibit A depicts the results of the 18-month Coach program under CIS. NEXTUniversity grants tuition assistance to dual credit high school students and was originally funded by DCOA beginning in 2015 with funding extended through the Spring '19 semester. In October 2017, the board voted to allow recent high school graduates (post-secondary students) up to the age of 22 at the time of enrollment to also be granted funds for training. Below is a summary of funds approved, actual costs and the number of students (including post-secondary) that took advantage of the scholarship program through Cisco College:

Semester	DCOA Funds Approved	DCOA Funds Paid Out	Welding Students	HVAC Students	Electrical Students	Plumbing Students	Industrial Maintenance
Fall '15	\$48,000	\$8,823	10	8	11	0	0
Spring '16		\$11,277	23	7	9	0	0
Fall '16		\$13,512	17	12	14	0	0
Spring '17		\$8,364	11	6	14	0	0
Fall '17	\$50,000	\$15,690	17	6	3	0	0
Spring '18		\$24,488	24	6	3	1	1
TOTALS	\$98,000	\$82,154	102	45	54	1	1

Beginning in the Fall '18 semester, TSTC is training dual credit students in Electrical.

REQUEST:

The Coach position became vacant in June of this year and CIS decided to vacate the program altogether. The Abilene Education Foundation (AEF) has agreed to take over and continue the program and proposes that DCOA fund \$51,437 of the \$55,737 needed to continue funding the Coach position from December 1, 2018 through September 30, 2019. The AEF is a non-profit community organization created to promote and enhance excellence in education for the students of the Abilene Independent School District (AISD) through enrichment of its programs. AEF will provide its full support and all four (4) COOL College Advisors to assist the Coach in:

- a. Recruiting students to enroll in *NEXT*University,
- b. Helping students and parents successfully access the DCOA tuition assistance funds and other financial aid in preparation for entry into local vocational programs,
- c. Providing one-on-one case management services to students enrolled in vocational training programs to help them successfully complete their training certifications

The vacant position will be an AISD employee and filled in December. DCOA's funds will pay the salary and benefits, administrative support, student support (work clothing and supplies) and purchase of a laptop computer. AEF will fund mileage, office space, office supplies, professional fees, and cell phone reimbursement for the Coach totaling \$4,300.

It's anticipated that future funding requests of DCOA for this position will decrease over the following two years until it is fully-funded by AISD.

FISCAL IMPACT:

Up to \$51,437 through September 2019

STAFF RECOMMENDATION:

Staff recommends the board approve Resolution DCOA-2019.01 authorizing a contract with the Abilene Education Foundation and funds up to \$51,437 for the Workforce Development Coach position salary, benefits and other costs for the approximately 10-month period through September 2019.

ATTACHMENTS:

Exhibit A-2017-2018 Enrollment report for CIS Coach
Resolution DCOA-2019.01

EXHIBIT A

2017-2018 Outcomes

Dual Credit

- 26 total students were served
- 11 Welding Level 1 Completed
- 2 HVAC Marketable Skills Awarded
- 3 Electrical Marketable Skills Awarded- Each Student Received:Electrical NCCER Level 2 and Apprenticeship License

Post-Secondary

- 9 total students were served
- 6 Welding Level 1 Certificates Completed
- 1 HVAC Level 1 Certificates Completed
- 1 Industrial Maintenance Level One Certificate Completed
- 1 Plumbing Level 1 Certificate Started
- 4 Welders employed, 1 HVAC Student Employed

Integrated Student Supports

- Over 250 hours of direct services were provided to students
- Presented program to over 1,500 students and community members
- Over 90% of dual credit students served will graduate high school on time
- ISD's Served- Abilene ISD- 4 high schools, Abilene Wylie ISD

Financials

- Total Cost of Scholarships- \$40,246
- Fall Courses Provided- 40, Spring Courses Provided- 70

RESOLUTION NO. DCOA-2019.01

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. ("DCOA"), ABILENE, TEXAS AUTHORIZING A CONTRACT WITH THE ABILENE EDUCATION FOUNDATION (AEF) TO HELP FUND THE WORKFORCE DEVELOPMENT COACH POSITION.

WHEREAS, there is a growing need for skilled trade workers to support the development, retention, and expansion of primary jobs in Abilene's manufacturing sector which can be met by creating a pipeline of skilled local employees prepared to meet the workforce demands of Abilene based employers seeking to develop, retain, or expand primary jobs. ; and,

WHEREAS, the Abilene Industrial Foundation (AIF) works to improve the skills of the local workforce to meet the demands of Abilene employers and help fulfill Abilene's community wide 5-year strategic plan to "Build a deep and highly skilled talent base through development, retention, and attraction."; and,

WHEREAS, the AIF's Director of Talent Development and Communities in Schools of the Big Country (CIS) proposed in 2017 a partnership with the DCOA in order to create a full-time Workforce Development Coach (Coach) position employed by CIS that worked with students on the campuses of Abilene, Cooper, and Wylie High Schools, in addition to the middle schools giving them one-on-one case management to improve attendance, academic scores, and behavior; and,

WHEREAS, the Coach also helped the students take advantage of *NEXT*University, a program funded by the DCOA and designed to transition students from high school into local vocational training programs in electrical, industrial plumbing, industrial maintenance, welding, and industrial HVAC through Cisco College; and

WHEREAS, on January 18, 2017, the DCOA approved resolution DCOA 2017.04 authorizing \$74,100 to cover the salary, benefits, and administrative support for a new Workforce Development Coach to be employed by CIS; 1) \$24,700 for the period April 1, 2017 through September 30, 2017, and, 2) \$49,400 for the period October 1, 2017 through September 30, 2018; and,

WHEREAS, on March 22, 2017, DCOA approved resolution DCOA-2017.08 authorizing additional \$6,750 to cover increased salary and benefits costs plus a one-time bonus of \$1,500 to promote the most qualified person for the Coach position within CIS; and,

WHEREAS, the added funds brought the total funding for CIS' Workforce Development Coach to \$80,850 (\$74,100 + \$6,750) for an 18-month period through September 30, 2018, and actual expenses for the contract period were \$62,912, leaving \$19,438 unfunded; and,

WHEREAS, the *NEXT*University program granting tuition assistance to dual credit high school students is still funded by DCOA through the Spring '19 semester, and in October 2017, the board voted to allow recent high school graduates (post-secondary students) up to the age of 22 at the time of enrollment to also be granted funds for training; and,

WHEREAS, the Coach position became vacant in June of this year and CIS decided to vacate the *NEXT*University program altogether, so the AEF agreed to take over and continue the

NEXTUniversity program; and,

WHEREAS, AEF proposes that DCOA fund \$51,437 of the \$55,737 needed to continue funding the Coach position as an Abilene Independent School District (AISD) employee from December 1, 2018 through September 30, 2019; and,

WHEREAS, DCOA's funds will pay the Coach's salary and benefits, administrative support, student support (work clothing and supplies) and purchase of a laptop computer for the NEXTUniversity program. AEF will fund mileage, office space, office supplies, professional fees, and cell phone reimbursement for the Coach totaling \$4,300 for the NEXTUniversity program; and,

WHEREAS, it is anticipated that future funding requests of DCOA for this position will decrease over the following two years until it is fully-funded by AISD; and,

WHEREAS, staff recommends the DCOA approve a contract with AEF and up to \$51,437 for the NEXTUniversity program for a 10-month period through September 30, 2019.

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

- PART 1.** DCOA authorizes a contract with Abilene Education Foundation and up to Fifty-One Thousand Four Hundred Thirty-Seven and no/100's Dollars (\$51,437.00) to pay the salary and benefits, administrative support, student support (work clothing and supplies) and purchase of a laptop computer for the NEXTUniversity program and the Workforce Development Coach position as an AISD employee beginning December 1, 2018 and ending September 30, 2019. AEF will fund mileage, office space, office supplies, professional fees, and cell phone reimbursement for the Coach and the NEXTUniversity program totaling \$4,300.
- PART 2.** The DCOA's Board of Directors finds that the NEXTUniversity program and Coach position (a) are being implemented for the creation and retention of primary jobs, and (b) are suitable for the development, retention, or expansion of manufacturing facilities, industrial facilities, distribution centers, and other industries listed in Section 501.101(2) of the Texas Local Government Code.
- PART 3.** 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 4.** The Chief Executive Officer of the DCOA is hereby authorized to negotiate any contract and all other related documents on behalf of the DCOA.

12.5

ADOPTED this the 27th day of November 2018.

ATTEST:

Secretary/Treasurer

John Beckham
President

APPROVED AS TO FORM:

Mark Zachary, Attorney

<https://dcoa.sharepoint.com/Shared Documents/DCOA/Resolution/2019/2019.01 AEF Workforce Development Coach 11-27-2018.docx>

12.6

Information for Item #13
will be available during the board meeting