


PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, June 18, 2019, at Develop Abilene conference room, 174 Cypress St., 3rd floor, Abilene, Texas, commencing at 1:30 p.m. to consider the following agenda:

SIGNED:


Charlie Dromgoole, Interim CEO

AGENDA

June 18, 2019
1:30 p.m.

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

1. Call the meeting to order.
2. Approval of minutes from the May 23, 2019 board meeting.
3. Sales tax report for June 2019 and financial report for April 2019.
4. Executive Session:
The DCOA reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by the Texas Government Code Sections:
 1. 551.071 (Consultation with Attorney)
 - A. Agreement for roof replacement, roof repairs, roof design and roof monitoring services on Vine St. buildings located at 4009, 4109 and 4125 Vine St.,
 - B. Agreements for roof replacement, roof repairs and roof design services for hangars and other structures at the Abilene Regional Airport.
 - C. Agreement for roof replacement design and engineering work for the buildings located at 1121, 1221 and 1249 Fulwiler Rd.
 - D. Lease negotiations for land and buildings/hangars at the Abilene Regional Airport.
 - E. Agreements for administration of the NEXT University program
 2. 551.072 (Deliberations about Real Property)
 - A. Acquisition of parcels of land in West Abilene
 - B. Sale/lease of property in Five Points Business Park
 - C. Acquisition of property and/or land in West Abilene (different property than that described in 2.A. above)
 - D. Acquisition of property in central Abilene
 - E. Acquisition of parcels of land in East Abilene
 3. 551.074 (Personnel Matters)
 - A. CEO Search Committee report and other personnel matters relating to CEO on subject matters set forth in Texas Government Code Section 551.074 including appointment, employment, compensation and duties of public officers or employees

4. 551.087 (Business Prospect/Economic Development)
 - A. Project Mayday
 - B. Project Recovery
 - C. Project Tidal Wave
 - D. Project Lasso
 - E. Broadwind Towers, Inc.
5. Discussion and possible approval of a resolution authorizing an agreement with the Abilene Industrial Foundation to administer the *NEXT*University program.
6. Discussion and possible approval of a resolution authorizing amended assistance for Broadwind Towers, Inc.
7. Discussion and possible approval of a resolution authorizing assistance for Project Tidal Wave.
8. If requested, reconvene Executive Session under any subjects identified in the "Executive Session" section set forth above.
9. Discussion of the next monthly board meeting.
10. Adjournment.

CERTIFICATE

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of Abilene, Texas, on the 14th day of June, 2019, at 1:50 p.m.



Shawna Atkinson, 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
May 23, 2019**

MEMBERS PRESENT: John Beckham Jack Rich Vic Corley
Seaton Higginbotham Sam Vinson

STAFF PRESENT: Charlie Dromgoole Kim Tarrant

GUESTS PRESENT: Doug Williamson ACoC Military Affairs
Gray Bridwell ACoC Military Affairs
Mark Zachary McMahon Surovik Suttle, PC
Chris Shelton McMahon Surovik Suttle, PC
Mike Rains City of Abilene Finance
Robert Hanna City Manager
Justin Jaworski Abilene Industrial Foundation
Judy Wilhelm SBDC
Kate Alvarez Abilene Regional Airport
Blaise Regan Regan Law Firm
Elizabeth Smyser Texas Lottery Commission

1. CALL THE MEETING TO ORDER: President John Beckham called the meeting to order at 1:33 p.m. at 174 Cypress St., 3rd floor conference room, Abilene, Texas.

2. APPROVAL OF MINUTES FROM THE April 16, 2019 BOARD MEETING: Seaton Higginbotham moved to approve the minutes from the April 16, 2019, board meeting. Jack Rich seconded, and the motion carried.

3. SALES TAX REPORT FOR MAY 2019 AND FINANCIAL REPORT FOR MARCH 2019: Mike Rains, Director of Finance for the City of Abilene, presented the sales tax report for May 2019. The sales tax rebate for May is \$4,379,699.44 which represents March sales. Economic Development received \$1,094,924.86, which is .87% below last year and 2.82% below the projected FY19 budget amount. Of this rebate, \$128,651.96 is from prior periods, audit payments, future payments and unidentified payments. For the period of October through May, sales tax is .81% above last year and 4.24% above the approved FY19 budget amount.

The DCOA's total current assets as of March 31, 2019 were \$31,814,981. The March revenues totaled \$1,012,730 and total expenditures were \$981,208 with \$792,308 being spent on nine different projects.

4. PRESENTATION OF SEMI-ANNUAL REPORTS OF ACTIVITIES FOR SIX MONTHS ENDED MARCH 31, 2019, BY: TTU SMALL BUSINESS DEVELOPMENT CENTER, ABILENE CHAMBER OF COMMERCE FOR MILITARY AFFAIRS COMMITTEE, CITY OF ABILENE AIRPORT BUSINESS DEVELOPMENT MANAGEMENT PROGRAM, ABILENE INDUSTRIAL FOUNDATION:

Texas Tech University Small Business Development Center (SBDC): Judy Wilhelm, Director of the SBDC, presented their semi-annual report to the DCOA. During the first six

months of FY19, SBDC served 292 clients and assisted in securing funding for new businesses in the amount of \$2.9 million with 21 new businesses opening. They were also instrumental in organizing a meeting between the Abilene Industrial Foundation (AIF) and the Texas Manufacturing Assistance Center (TMAC) to determine what benefits the TMAC program could bring to local manufacturing companies. Boots2Business is another training service offered by SBDC to the Dyess Community for anyone desiring to start a business while at Dyess. For the second year in a row, the SBDC partnered with the AIF, Abilene Christian University Griggs Center and DCOA for the BE in Abilene program. SBDC delivers training to the eligible contestants and continues to assist each individual on developing their business plan to present to the judges. Once the winner(s) is announced, the SBDC continues to monitor their progress.

Abilene Chamber of Commerce Military Affairs (MAC): Gray Bridwell, Vice President of Military Affairs, presented their semi-annual report to the DCOA. On March 27, 2019 it was announced that Dyess Air Force Base will house the operational testing and evaluation squadron and a weapons training school for the new B-21 Bomber. He emphasized the importance of state-to-state license equivalency for military spouses to enable them to practice in a different state. MAC continues to advocate in Washington DC to assign pay levels for the purpose of retention at Dyess. The City of Abilene applied for a Defense Economic Adjustment Assistance Grant that the DCOA matched to move a perimeter fence from centerline of the runway.

City of Abilene Airport Business Development (ABI): Kate Alvarez, Marketing and Development Manager for the Abilene Regional Airport, presented their semi-annual report to the board. ABI has continued the “One-Stop to the Rest of the World” advertising theme during the first six months of FY19. Presentations included the Air Service Development public forum, which was an opportunity to get in front of the community to discuss attraction of another airline. TSA Pre Check had another good turnout with 300-500 people from the Big Country attending to sign-up. Enplanement numbers are up 13% over March of 2018, rental car revenue is down 9% and the parking lot revenue is up 5%. Ms. Alvarez and Don Green attended several conferences and were able to meet with American Airlines (AA) to discuss scheduling and seating capacity for ABI's flights. By August of this year, ABI should be back up to seven daily flights. They have also had several conversations with other airlines and are positive about the outcome.

Abilene Industrial Foundation: Justin Jaworski, Executive Director of the Abilene Industrial Foundation (AIF), presented their semi-annual report. There were thirteen (13) qualified leads in the last 6 months, one is Project Wildcat an international company searching for another location with a potential \$30 million investment and approximately 80 new jobs. Another is Project Tidal Wave, a local manufacturer, and Project Deep Freeze, which could mean a \$75 million capital investment and approximately 600 jobs. Half of the leads asked about work force being able to provide customized training to meet their labor needs before they would relocate to Abilene. The *NEXT*University program has transitioned to the Abilene Education Foundation which has been beneficial to the program. The BE in Abilene entrepreneurship program with DCOA's backing and funding has evolved with two years of experience in the program.

5. DISCUSSION AND POSSIBLE APPROVAL OF DCOA'S SEMI-ANNUAL REPORT OF ACTIVITIES FOR SIX MONTHS ENDED MARCH 31, 2019: Charlie Dromgoole, Interim CEO of the DCOA, presented the Semi-Annual Report for the period October 1, 2018 to March 31, 2019. The DCOA purchased the former Zoltek properties last year, and staff has worked to have the buildings cleaned and ready for occupancy. The Signature Group did an extensive clean to rid two of the buildings of the heavy carbon fiber residue that was present in the buildings as a result of previous operations. Once the buildings are ready to market, the Abilene Industrial Foundation will begin marketing the properties. Also finalized was the financial assistance with Funeral Directors Life Insurance Company, and construction is underway for FDLIC's expansion. The DCOA approved funds for a regional High Demand Job Training grant that will benefit area school districts to establish a workforce training program at the high school level. With DCOA funding of \$100,000, the Abilene Chamber of Commerce will contract for marketing activities related to the upcoming 2020 census. The Street Expenditures agreement was finalized with the City of Abilene for total funding of \$8.5 million over the next five years. Roof replacement at the airport on the hangars and parts/records storage building occupied by Eagle Aviation Services starts soon to remediate damage caused from the 2014 hailstorm. A product called Tuff Wrap is being installed in the parts/records storage building and Hangar 2 to catch falling debris during the reroofing process. The DCOA purchased 2.5 acres of land on N. 1st Street for a possible manufacturing project and sold 842 and 834 Pine St., otherwise known as the vivarium, to Texas Tech University Health Sciences Center. The DCOA welcomed Sam Vinson as a new board member, and bid farewell to Kent Sharp, former CEO. Charlie Dromgoole was contracted as the Interim CEO until a replacement is chosen.

Seaton Higginbotham moved to approve by oral resolution the Semi-Annual Report of Activities as presented. Sam Vinson seconded and the motion carried.

6. EXECUTIVE SESSION I: I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, 072, 074 and 087 to consult with our legal counsel, discuss real property transactions, personnel matters, and discuss economic development negotiations involving a business prospect, as set forth on the agenda. Any vote or action will be taken in open session.

President John Beckham announced the date is May 23, 2019 and the time is 2:40 p.m. Later, President Beckham announced the date is still May 23, 2019 and the time is 4:08 p.m. No vote or action was taken in Executive Session.

7. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING FUNDS FOR PURCHASE OF A UTILITY BED PICKUP FOR USE BY DCOA'S CONSTRUCTION PROJECT AND PROPERTY MANAGER: Mark Zachary reminded the board that they are governed by Section 22.230 of the Texas Business Organizations Code (TBOC) which provides for contracts or transactions involving interested directors, officers and members, and if any board member works in a managerial capacity or has a financial interest in an entity that is involved in a matter that comes before the board, the board member is not prohibited from participating in the discussion or voting on the item (with an exception noted in the TBOC concerning voting to make a loan to a director).

However, before discussing and voting on the item, it is recommended that the board member disclose the interest in the other organization(s) to the board.

Charlie Dromgoole presented a request for funds to purchase a utility bed pickup for use by the DCOA's Construction, Project and Property Manager. The DCOA consulted Fleet Management with the City of Abilene in reference to the structure of a bid document, which was then submitted to Lawrence Hall Chevrolet and Arrow Ford. One sealed bid was submitted on May 2nd from Arrow Ford. The bid is for a Ford F350 Super Cab, 1-ton, 4 x 4 long bed, which will be removed for a utility body installation with tool storage compartments. Also included in the Resolution are funds for purchase of after-market accessories that staff indicates are needed for the pickup such as an overhead ladder rack and LED compartment lighting. The bid from Arrow Ford including the utility body was \$43,878, and after-market accessories will cost approximately \$2,000 making the total request \$45,878. The City of Abilene will purchase the truck with fleet pricing and the DCOA will then purchase the pickup from the City.

Jack Rich made the motion to approve Resolution DCOA-2019.20 authorizing funds in the total amount of Forty-Five Thousand Eight Hundred Seventy-Eight and no/100's Dollars (\$45,878.00) to purchase a utility pickup for the Construction, Project and Property Manager. Vic Corley seconded and the motion passed. Seaton Higginbotham abstained from voting because of his financial interest in Arrow Ford.

8. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING AMENDED ASSISTANCE TO THE ABILENE CHAMBER OF COMMERCE TO ACCOMPLISH AS COMPLETE A COUNT OF ABILENE CITIZENS AS POSSIBLE IN THE UPCOMING NATIONAL DECENNIAL POPULATION COUNT, 2020 CENSUS:

Charlie Dromgoole presented a request for revised funding to the Chamber for contracting to accomplish as complete a count of Abilene citizens as possible during the upcoming national decennial population count, 2020 Census. The DCOA had previously approved this Resolution on January 3, 2019 authorizing \$50,000 in FY 2018-2019 and \$50,000 in FY 2019-2020. Most of the expenditures will be in FY 2019-2020 and the Abilene Chamber of Commerce requested that the \$100,000 be available to draw down as needed until September 30, 2020.

Jack Rich made the motion to approve Resolution DCOA-2019.06 REVISED allowing the Abilene Chamber of Commerce be able to draw down up to One Hundred Thousand and no/100's Dollars (\$100,000.00) as needed until September 30, 2020. Seaton Higginbotham seconded and the motion passed.

9. DISCUSSION OF THE TEXAS ECONOMIC DEVELOPMENT COUNCIL'S SALES TAX TRAINING WORKSHOP TO BE HELD IN ABILENE ON AUGUST 23, 2019:

Charlie Dromgoole informed the board about the opportunity to attend the Texas Economic Development Council's Sales Tax Workshop in Abilene at the Hilton Garden Inn on Ridgmont Dr. in August. He explained that this workshop is a comprehensive tool that is available to learn the intricacies relating to Type A or Type B Economic Development Corporations.

10. DISCUSSION OF NEXT MONTHLY BOARD MEETING: President Beckham announced the next scheduled meeting of the DCOA Board will be on Tuesday, June 18, 2019, at 1:30 p.m.

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


John Beckham, President

<https://dcoa.sharepoint.com/Shared Documents/DCOA/Minutes/FY19/2019-05-23.docx>

MEMORANDUM

June 12, 2019

TO: Robert Hanna, City Manager

FROM: Mike Rains, Director of Finance 

SUBJECT: June Sales Tax

The sales tax rebate for June is \$3,703,036.04 which represents April sales. This is 10.36% above last year and 8.20% above the projected FY 19 budget amount. The breakdown of the rebate is \$2,777,277.03 to the General Fund and \$925,759.01 for economic development. Of this rebate, \$224,157.07 is from prior periods, audit payments, future payments, and unidentified payments. For the period of October through June, sales tax is 1.75% above last year and 4.65% 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 2017-18	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL 2018-19
	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
December	2,395,055.97	798,351.99	3,193,407.96	2,760,838.68	920,279.56	3,681,118.24
January	2,575,873.17	858,624.39	3,434,497.56	2,688,524.09	896,174.70	3,584,698.79
February	4,177,134.62	1,392,378.21	5,569,512.83	3,493,572.86	1,164,524.29	4,658,097.15
March	2,735,613.92	911,871.30	3,647,485.22	2,596,054.89	865,351.63	3,461,406.52
April	2,397,121.59	799,040.53	3,196,162.12	2,510,122.72	836,707.57	3,346,830.29
May	3,313,759.56	1,104,586.52	4,418,346.08	3,284,774.58	1,094,924.86	4,379,699.44
June	2,516,518.53	838,839.51	3,355,358.04	2,777,277.03	925,759.01	3,703,036.04
YTD	\$25,643,410.12	\$8,547,803.36	\$34,191,213.48	\$26,091,131.10	\$8,697,043.70	\$34,788,174.80
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%
December	798,352	920,280	15.27%
January	858,624	896,175	4.37%
February	1,392,378	1,164,524	-16.36%
March	911,871	865,352	-5.10%
April	799,041	836,708	4.71%
May	1,104,587	1,094,925	-0.87%
June	838,840	925,759	10.36%
YTD	\$8,547,803	\$8,697,044	1.75%
July	\$885,910		
August	1,114,193		
September	897,771		
	<u>11,445,677</u>		

Note: Report reflects the month sales tax is received from Austin.
Revenue is recorded on this basis for budgetary purposes.

The Comprehensive Annual Financial Report (CAFR) will reflect revenue based upon the month the sales tax is paid by the vendor to the State Comptroller in accordance with GASB 33 requirements.

Revenue for June '19 represents April '19 sales. Approximately \$56,039.27 of the rebate is from prior periods, audit, and future payments.

Audit Payments: Larger businesses submit sales tax collections to the State Comptroller every month and smaller ones either quarterly or annually. The Comptroller audits the books of these businesses on a four year cycle to determine if sales tax was collected on all taxable sales. Audit collections represent the sales tax revenue from prior sales and submitted or refunded subsequent to the audit.

3.3

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
December	836,922	734,411	747,969	798,352	920,280
January	798,120	755,093	793,214	858,624	896,175
February	1,137,082	1,139,896	1,092,352	1,392,378	1,164,524
March	759,360	728,841	757,151	911,871	865,352
April	733,667	779,083	760,192	799,041	836,708
May	1,019,627	971,507	1,016,082	1,104,587	1,094,925
June	822,955	754,439	767,736	838,840	925,759
FY TOTAL	<u>\$7,964,281</u>	<u>\$7,661,952</u>	<u>\$7,702,499</u>	<u>\$8,547,803</u>	<u>\$8,697,044</u>
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>\$10,552,305</u>	<u>\$10,160,766</u>	<u>\$10,321,308</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.

3.4

DEVELOPMENT CORPORATION OF ABILENE
STATEMENT OF NET POSITION
April 30, 2019 and 2018

	April 2019	April 2018
Current Assets:		
Cash and cash investments	\$ 25,212,327	\$ 25,445,899
Accounts receivable	4,466,848	2,606,933
Due from other governments	1,983,177	1,834,074
Total Current Assets	31,662,352	29,886,906
Noncurrent Assets:		
Notes receivable, net	2,732,933	3,072,933
Notes receivable - earning economic incentives	10,228,383	11,246,190
Capital assets	60,410,934	63,885,149
Accumulated depreciation	(14,132,185)	(15,831,323)
Total capital assets, net	46,278,749	48,053,826
Total Noncurrent Assets	59,240,065	62,372,949
Total Assets	\$ 90,902,417	\$ 92,259,855
Liabilities		
Current:		
Accounts payable	\$ 26,255	\$ 1,982
Accrued expenses	1,789,830	2,606,933
Total Current Liabilities	1,816,085	2,608,915
Total Liabilities	1,816,085	2,608,915
Net Position		
Net Investment in capital assets	46,278,749	48,053,826
Restricted for contractual obligations	18,481,827	8,129,759
Unrestricted, designated for purposes of trust	24,325,756	33,467,355
Total Net Position	89,086,332	89,650,940
Total Liabilities and Net Position	\$ 90,902,417	\$ 92,259,855

DEVELOPMENT CORPORATION OF ABILENE
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the seven months ending April 30, 2019 and 2018

	April 2019	Fiscal YTD 2019	Fiscal YTD 2018
Revenues:			
Sales and use taxes	\$ 836,708	\$ 6,676,360	\$ 6,604,377
Investment earning	50,325	408,339	250,871
Building rental / land lease	96,713	654,969	623,821
Sale of Building	-	-	1,491,496
Miscellaneous revenue	-	9,420	57,277
Total Revenues	<u>983,746</u>	<u>7,749,088</u>	<u>9,027,842</u>
Expenses:			
Economic Development Projects	868,064	3,845,618	3,010,201
Life Sciences property maintenance	-	-	121,644
DCOA property maintenance	55,046	447,164	169,709
Abilene Industrial Foundation	59,215	332,702	353,634
TTU Small Business Development Center	16,912	98,906	102,937
Chamber Military Affairs	84,056	158,497	80,197
Airport Business Development Manager	14,536	80,611	78,965
Economic Development Operating Division	54,378	590,651	598,454
Total Expenditures	<u>1,152,207</u>	<u>5,554,149</u>	<u>4,515,741</u>
Changes In Net Position	(168,461)	2,194,939	4,512,101
Net Position at Beginning of Period	<u>89,249,793</u>	<u>86,886,393</u>	<u>85,138,839</u>
Net Position at End of Period	<u>\$ 89,081,332</u>	<u>\$ 89,081,332</u>	<u>\$ 89,650,940</u>

Summary of Current Period Economic Development Projects:	
5 Pts Bus Park Repairs/Cleanup	\$ 595,138
Streetlights - 5 Points	66,978
Vine St. Roof Project	188,459
Abilene Education Foundation	4,190
Interim CEO	13,299
Total	<u>\$ 868,064</u>

**Development Corporation of Abilene
Economic Program Status
As of April 30, 2019**

Economic Programs:	Project	Amount Budgeted	Prior Years Disbursement	Current Year Disbursement	Balance reserved for budgeted programs
Murf Systems	4998	\$ 237,240	\$ 237,240	\$ -	\$ -
TTU 842 Pine	5308	1,020,231	1,020,231	-	-
TTUHSC School of Nursing	5331	1,614,989	1,614,989	-	-
Hangar Doghouses A/E	5348.1	423,000	352,301	-	70,699
EASI De-Fuel Truck	5354	158,360	125,000	11,700	21,660
5 Pts RR Expansion	5363.1	30,800	24,320	-	6,480
BWJ Consulting	5382	614,109	529,109	-	85,000
Coca Cola Refreshments	5387	616,356	616,356	-	-
Martin Sprocket & Gear	5388	160,000	160,000	-	-
Industrial Maintenance Training AISD	5389	162,154	112,154	18,672	31,328
Lone Star Canvas	5390	10,067	-	10,067	-
Abimar Foods 2015	5391	900,000	600,000	300,000	-
TTUHSC School of Public Health	5393	836,328	836,328	-	-
Praire Dog Pet Products	5394	-	-	-	-
Broadwind Towers	5400	-	-	-	-
TSTC New Abilene Campus	5401	4,179,600	579,600	-	3,600,000
Donald Hardin, Jr. Service Contract	5405	28,500	25,500	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	443,001	170,594
BE In Abl Grant	5407	250,000	-	-	250,000
Dyess-TMPC Grant Match	5408	198,880	-	-	198,880
5 Pts Purchase Zoltek Property	5410	5,065,000	4,897,522	125,769	41,709
5 Pts. Business Park Repairs/Cleanup	5410.1	1,000,000	-	845,265	154,735
BrightFarms/TEX Greenhouse	5412	-	-	-	-
Streetlights - 5 Points	5413	80,560	-	66,978	13,582
Dyess JLUS	5414	15,617	15,617	-	-
Vine St. Roof Project	5415	1,789,830	1,350	1,298,855	489,625
City Street Maintenance	5416	8,500,000	-	-	8,500,000
ACU NEXT Lab	5417	300,000	-	300,000	-
Abilene Educ Foundation	5418	51,437	-	24,656	26,781
Hardin Simmons Universtiy	5419	250,000	-	250,000	-
842/834 Pine St	5420	5,000	-	-	5,000
Interim CEO	5421	75,000	-	47,416	27,584
N 1st Land Purchase	5422	90,000	-	88,705	1,295
CEO Search Firm 2019	5423	40,000	-	11,534	28,466
Workforce Solutions High Demand Job Training	5424	31,658	-	-	31,658
Airport Roofing Project	5425	1,976,786	-	-	1,976,786
FDLIC	5426	1,035,000	-	-	1,035,000
Subtotal Economic Program Obligation Reserve		\$ 33,068,753	\$ 12,456,174	\$ 3,845,618	\$ 16,766,961
Plus Administrative Division Obligations:					
Economic Development Operating Division	Division 2760	1,039,919	-	590,651	449,268
DCOA Property Maintenance	Division 2775	857,210	-	447,164	410,046
Abilene Industrial Foundation	Division 2775	692,275	-	332,702	359,573
TTU Small Business Dev Center	Division 2775	245,000	-	98,906	146,094
Chamber Military Affairs	Division 2775	397,000	-	158,497	238,503
Airport Business Development Manager	Division 2775	191,993	-	80,611	111,382
ACU Griggs Center	Division 2775	35,000	-	-	35,000
Subtotal Administrave Divisions Obligation Reserve		\$ 3,458,397	\$ -	\$ 1,708,531	\$ 1,714,866
Total reserve for obligated programs					\$ 18,481,827
DCOA Board approved projects waiting for signed contracts:					
JLUS Implementation		\$ 55,000	06/10/2019		
Chamber 2020 Census Count		100,000	07/03/2019		
Staff Retention Bonuses		12,500	09/19/2019		
Airport - Aerospace Cluster Study Ph I		55,000	10/16/2019		
		\$ 222,500			

3.7

**Development Corporation of Abilene
Revenue and Expense
Budget vs Actual Comparison
October 2018 - April 2019**

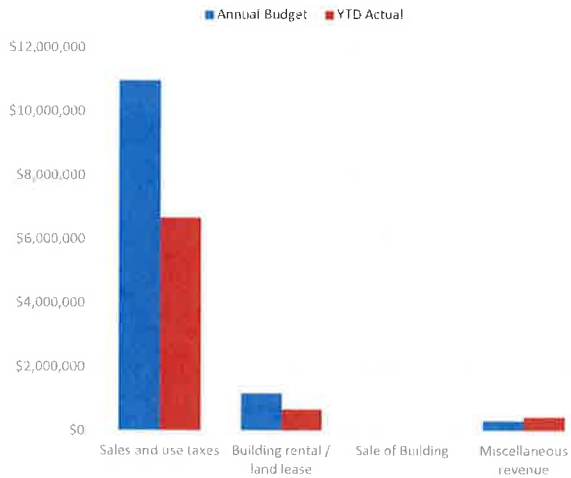
Revenue

	Annual Budget	YTD Actual	% of Budget
Sales and use taxes	10,981,812	6,676,360	61%
Building rental / land lease	1,162,257	654,969	56%
Sale of Building	-	-	-
Miscellaneous revenue	300,000	417,759	139%
Revenue	12,444,069	7,749,088	62%

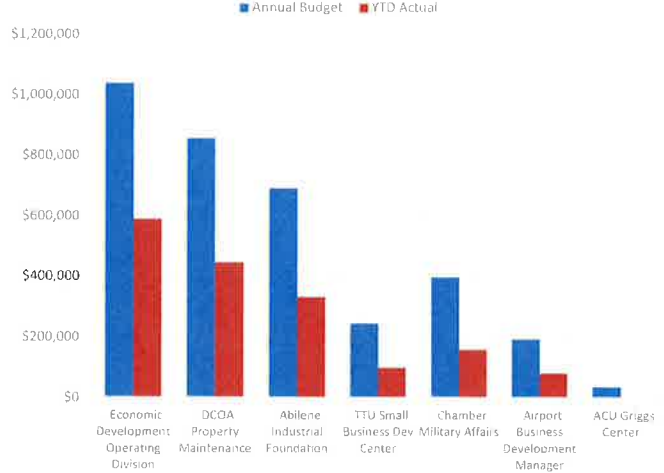
Expenses

	Annual Budget	YTD Actual	% of Budget
Economic Development Operating Division	1,039,919	590,651	57%
DCOA Property Maintenance	857,210	447,164	52%
Abilene Industrial Foundation	692,275	332,702	48%
TTU Small Business Dev Center	245,000	98,906	40%
Chamber Military Affairs	397,000	158,497	40%
Airport Business Development Manager	191,993	80,611	42%
ACU Griggs Center	35,000	-	0%
	3,458,397	1,708,531	49%

FY 19 Budget vs Actual Revenue



FY 19 Budget vs Actual Expenses



3.8

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: June 18, 2019

PROJECT: Abilene Industrial Foundation Agreement for *NEXT*University Administration

STAFF: Charlie Dromgoole, Interim CEO

GENERAL INFORMATION:

There was a need to develop a sustainable, high quality industrial workforce training program for Abilene to meet the 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. Such a program must be ongoing year after year to address the consistent low unemployment rate of Abilene and Taylor County combined with the deficiency of local workforce participants trained in certain industrial workforce skills. Past and current models in other parts of the state and country, which seem to be the most effective, are composed of partnerships between local training institutions such as community colleges and technical colleges, independent school districts, local workforce boards and local economic development corporations. Each partner brings an important element to the effort.

In 2015, the DCOA authorized participation with Taylor County school districts and Cisco College beginning with the fall semester of 2015 and funding of \$40,000 for an Industrial Workforce Training program for high school juniors and seniors that focuses on training in the areas of HVAC, plumbing, electrical, welding and industrial maintenance. These five curriculum modules were identified as target demand occupations in our area, which pay a higher starting wage to trained employees versus candidates without these skill sets. The board also approved \$30,000 as match grant funds for the Cisco College's purchase of specialized equipment needed to conduct the industrial maintenance module of the Program, which was paid in early 2016.

In 2017, the DCOA partnered with Communities in Schools of the Big Country (CIS) to create a full-time Workforce Development Coach (Coach) position employed by CIS. The Coach assessed each case-managed high school student's plans beyond graduation, conducted skills assessments, promoted local vocational training programs, enrolled the student 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 the industrial workforce training money provided by the DCOA as described above. DCOA funded the salary, benefits and administrative support for the Coach through September 30, 2018.

Also in 2017, the DCOA authorized allowing recent high school graduates (post-secondary students) to participate in the program as long as they reside in Taylor County and are not over the age of 22 years at the time of enrollment. The program then became known as *NEXT*University, which is overseen by the Abilene Industrial Foundation (AIF). *NEXT*University empowers AISD students to transition from high school to careers in the local workforce. Each dual credit and eligible post-secondary student must complete a career development plan designed to help them discover, graduate and become employed.

In late 2018, the Abilene Education Foundation (AEF) took over the role of program administrator from CIS and the DCOA continues to fund the Coach position through the AEF under an agreement

that expires September 30, 2019. The DCOA also continues to fund \$50,000 per fiscal year in scholarships for students enrolled in *NEXT*University. Dual credit courses are offered through Cisco College and TSTC. Since 2015, the DCOA has paid \$100,826 in student tuition and other fees for enrolled students. Below is a summary by category and semester of the students enrolled in the program over the last four (4) years:

Semester	HVAC	Plumbing	Electrical	Welding	Industrial Maintenance
Fall 2015	8	0	11	10	0
Spring 2016 (including 7 Trent ISD students)	7	0	9	23	0
Fall 2016 (including 1 Jim Ned ISD student)	12	0	14	17	0
Spring 2017 (including 1 Woodson ISD student)	6	0	14	12	0
Fall 2017	6	0	3	17	0
Spring 2018 (including 7 WISD students & 9 post-secondary)	6	1	3	24	1
Fall 2018 (including 2 post-secondary)	0	0	20	18	0
Spring 2019 (including 1 post-secondary)	0	0	20	13	0
TOTAL	45	1	94	134	1

SPECIAL CONSIDERATIONS:

As overseer of the *NEXT*University program, the AIF has assumed the position of coordinator/trainer between the AEF, Cisco College and TSTC to avoid delays and potential confusion regarding roles. The AIF’s Director of Talent Development maintains comprehensive records of the students and tracks their progress through the program. This person also tracks the use of the DCOA’s funds and communicates and coordinates with AISD, post-secondary educators and local employers to determine training needs. Staff proposes an agreement with the AIF that memorializes the AIF’s role in overseeing the program and provides for AIF’s authority to direct and coordinate the program with the other involved entities.

Also proposed, is giving the AIF the authority and flexibility to adjust the program to ensure that training courses are available that better meet the needs of our local employers, so long as the training provided fits the criteria of a primary job as defined in the Tex. Loc. Gov’t Code Section 501.001 et. seq., as amended.

Finally, to further define the program and DCOA’s funding participation, staff proposes that the DCOA fund no more than \$2,500 per student over the course of the student’s participation in the program.

The proposed agreement will be effective through September 31, 2019, at which time the agreement provisions will be added to the AIF’s FY20 contract for administration and marketing expense.

FISCAL IMPACT:

None.

5.2

STAFF RECOMMENDATION:

Staff recommends the Board approve resolution DCOA-2019.22 authorizing an agreement with the Abilene Industrial Foundation for administration of the *NEXT*University program as described above, plus limiting the funding per student to \$2,500 over the course of the student's participation in the program.

ATTACHMENT:

Resolution DCOA-2019.22

<https://dcoa.sharepoint.com/Shared Documents/DCOA/Meeting Memos/FY2019/Abilene Industrial Found NEXT U admin 06-18-19.docx>

RESOLUTION NO. DCOA-2019.22

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING AN AGREEMENT WITH THE ABILENE INDUSTRIAL FOUNDATION (“AIF”) TO ADMINISTER THE *NEXT*UNIVERSITY PROGRAM (“PROGRAM”).

WHEREAS, there was a need to develop a sustainable, high quality industrial workforce training program for Abilene to meet the 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, in 2015, the DCOA authorized participation with Taylor County school districts and Cisco College beginning with the fall semester of 2015 and funding of \$40,000 for an Industrial Workforce Training program for high school juniors and seniors that focuses on training in the areas of HVAC, plumbing, electrical, welding and industrial maintenance; and,

WHEREAS, these five curriculum modules were identified as target demand occupations in our area, which pay a higher starting wage to trained employees versus candidates without these skill sets, and the DCOA approved \$30,000 as match grant funds for the Cisco College’s purchase of specialized equipment needed to conduct the industrial maintenance module of the Program; and,

WHEREAS, in 2017, the DCOA partnered with Communities in Schools of the Big Country (CIS) to create a full-time Workforce Development Coach (Coach) position employed by CIS, which the DCOA funded through September 30, 2018. The Coach assessed each case-managed high school student’s plans beyond graduation, conducted skills assessments, promoted local vocational training programs, enrolled the student in a vocational training program, if warranted, and provided one-on-one support to ensure the student successfully completed the chosen program; and,

WHEREAS, also in 2017, the DCOA authorized allowing recent high school graduates (post-secondary students) to participate in the program as long as they reside in Taylor County and are not over the age of 22 years at the time of enrollment; and,

WHEREAS, the program was rebranded in 2017 as *NEXT*University, which is overseen by the Abilene Industrial Foundation; and,

WHEREAS, *NEXT*University empowers AISD students to transition from high school to careers in the local workforce where each dual credit and eligible post-secondary student must complete a career development plan designed to help them discover, graduate and become employed; and,

WHEREAS, in late 2018, the Abilene Education Foundation (AEF) assumed the role of program administrator from CIS and the DCOA continues to fund the Coach position through the AEF under an agreement that expires September 30, 2019; and,

WHEREAS, the DCOA also continues to fund \$50,000 per fiscal year in scholarships for students enrolled in *NEXT*University taking dual credit courses offered through Cisco College and TSTC; and,

WHEREAS, as overseer of the *NEXT*University program, the AIF has assumed the position of coordinator/trainer between the AEF, Cisco College and TSTC to avoid delays and potential confusion

regarding roles; and,

WHEREAS, the AIF's Director of Talent Development maintains comprehensive records of the students, tracks their progress through the Program, tracks the use of the DCOA's funds and communicates and coordinates with AISD, post-secondary educators and local employers to determine training needs; and,

WHEREAS, staff requests the DCOA approve an agreement with the AIF that memorializes the AIF's role in overseeing the program and provides for AIF's authority to direct and coordinate the program with the other involved entities; and,

WHEREAS, also proposed is grant to the AIF the authority and flexibility to adjust the program to ensure that training courses are available that better meet the needs of local employers, so long as the training provided fits the criteria of a primary job as defined in the Development Corporation Act of 1979, as amended; and,

WHEREAS, to further define the program and DCOA's funding participation, staff proposes that the DCOA fund no more than \$2,500 per student over the course of the student's participation in the program.

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

PART 1. DCOA authorizes an agreement with the AIF to be effective through September 20, 2019, which grants to the AIF oversight authority for the *NEXT*University program to direct and coordinate the program with the other involved entities (Abilene Education Foundation, Cisco College and TSTC).

Also authorized is the authority and flexibility to adjust the training courses offered through the *NEXT*University program to better ensure that the needs of local employers are met, so long as the training provided fits the criteria of a primary job as defined in the Tex. Loc. Gov't Code Section 501.001 et. seq., as amended.

Also authorized, in order to further define the program and DCOA's funding participation, is that the DCOA funding support per student is limited to no more than \$2,500 over the course of the student's participation in the program.

DCOA further authorizes any other provisions to the herein described agreement which are consistent with and necessary to effectuate the changes outlined above as determined by the DCOA's Chief Executive Officer.

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

PART 3. The Chief Executive Officer (Interim, if applicable) and/or Chief Operating Officer are authorized to execute any documents on behalf of the DCOA relating to the transaction

authorized in this resolution.

ADOPTED this the 18th day of June 2019.

ATTEST:

Vic Corley
Secretary/Treasurer

John Beckham
President

APPROVED AS TO FORM:

Mark Zachary, Attorney at Law

<https://dcoa.sharepoint.com/Shared Documents/DCOA/Resolution/2019/2019.22 NEXT U admin agrmt with AIF 06-18-19 docx>

5.6

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