

## PUBLIC NOTICE

### DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on February 28, 2020, at Develop Abilene conference room, 174 Cypress St., 3<sup>rd</sup> floor, Abilene, Texas, commencing at 10:00 am to consider the following agenda:



SIGNED:

Misty Mayo, CEO

### AGENDA

February 28, 2020  
10:00 am

Develop Abilene Conference Room  
174 Cypress St., 3<sup>rd</sup> floor

1. Call the meeting to order.
2. Public Comment:
  - a) Discussion and possible approval of a resolution adopting procedures governing Public Comment
  - b) Public Comment on Agenda items
3. Announcements from Misty Mayo, CEO:
  - a) DCOA received the Texas Economic Development Council's 2019 Economic Excellence Recognition Award
  - b) Texas Economic Development Corporation Business Summit hosted by the DCOA on Thursday, April 16, 2020
4. Approval of minutes from the January 28, 2020 board meeting.
5. February sales tax report and preliminary financial report for December 2019.
6. 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. FY20 Abilene Industrial Foundation contract
  2. 551.072 (Deliberations about Real Property)
    - A. Acquisition of property in Central Abilene
  3. 551.074 (Personnel Matters)
    - A. Realignment of Chief Operating Officer Duties
  4. 551.087 (Business Prospect/Economic Development)
    - A. Project ISO

- B. Project Gateway
  - C. Project Threshold
  - D. Project Windmill
7. Oral presentation of Semi-Annual Report from Abilene Chamber of Commerce Military Affairs Committee.
  8. Discussion and possible approval of a resolution authorizing an Agreement with Project Gateway.
  9. Discussion and possible approval of a resolution authorizing an Agreement (including Real Estate Sales Contract) with Project Threshold.
  10. Discussion and possible approval of a resolution authorizing an Agreement (including Real Estate Sales Contract) with Project Windmill.
  11. Discussion and possible approval of a resolution authorizing the CEO to enter into a contract to acquire property in Central Abilene and expend funds for due diligence prior to purchase.
  12. Discussion of the next board meeting date.
  13. 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 24th day of February, 2020 at 4:30 p.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.

**RESOLUTION NO. DCOA-2020.16**

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC., ABILENE, TEXAS ("DCOA"), ADOPTING PROCEDURES GOVERNING PUBLIC COMMENT.

WHEREAS, in conjunction with the DCOA providing for public comment during its Board of Directors (the "Board") meetings, Texas Government Code Section 551.007(c) provides that the Board may adopt reasonable rules regarding public testimony provided at each DCOA meeting, including rules that limit the amount of time that a member of the public may address the Board on the items that are on the meeting's Agenda; and

WHEREAS, during the public comment portion of a DCOA Board meeting, the Board desires to provide for up to five minutes of time that a member of the public may address the Board of Directors on the items that are on the meeting's Agenda. In the event that a member of the public addresses the Board of Directors through a translator, such member of the public shall be given twice the amount of time (ten minutes) as is previously set forth.

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

**PART 1.** During the public comment portion of DCOA Board meetings, the Board hereby establishes five minutes as the amount of time that each member of the public may address the DCOA Board of Directors on the items that are on the meeting's Agenda; provided however, that in the event that a member of the public addresses the Board of Directors through a translator, the Board hereby establishes ten minutes as the amount of time that each member of the public may address the DCOA Board of Directors.

**PART 2.** This Resolution shall take effect immediately.

ADOPTED this the 28<sup>th</sup> day of February, 2020.

ATTEST:

\_\_\_\_\_  
Vic Corley  
Secretary/Treasurer

\_\_\_\_\_  
Jack Rich  
President

APPROVED AS TO FORM:

\_\_\_\_\_  
Mark Zachary, Attorney at Law

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD MEETING MINUTES**  
**January 28, 2020**

<b>MEMBERS PRESENT:</b>	John Beckham Sam Vinson	Jack Rich Shea Woodard-Hall	Vic Corley
<b>STAFF PRESENT:</b>	Misty Mayo	Cynthia Nesmith	Akane Thaxton
<b>GUESTS PRESENT:</b>	Mark Zachary Chris Shelton Justin Jaworski Julie Johncox Siglinger Gray Bridwell	McMahon Surovik Suttle, PC McMahon Surovik Suttle, PC Abilene Industrial Foundation JP Solutions Abilene Chamber MAC	

1. **CALL THE MEETING TO ORDER:** President John Beckham called the meeting to order at 1:32 p.m. at 174 Cypress St., 3<sup>rd</sup> floor conference room, Abilene, Texas. President Beckham also welcomed new board member Shea Woodard-Hall to the meeting. Misty Mayo, CEO of the DCOA also introduced Julie Johncox with JP Solutions to the meeting.

2. **DISCUSSION CONCERNING EXTENDING TERM OF DIRECTOR SERVING AS DCOA PRESIDENT:** President Beckham mentioned that over the next several months, the DCOA will be reworking its Bylaws with consideration for updating the current minimum limit amount for projects that are required to go before the City Council for approval and numerous items that Mrs. Mayo and Mark Zachary have discussed that can be clarified in the Bylaws. President Beckham also made reference to an amendment that should be considered that would extend the President's term in the event that a board member is serving his or her 1<sup>st</sup> year as President in his or her 6<sup>th</sup> year (i.e. his or her last year) as a board member. President Beckham noted that an addition of this nature would not apply to him as he has just completed his 2<sup>nd</sup> year as President, and reminded the board that according to the Local Government Code, changes to the DCOA's Bylaws must be approved by the City Council.

3. **OFFICER ELECTIONS: PRESIDENT, VICE PRESIDENT AND SECRETARY/TREASURER:** Sam Vinson moved to elect Jack Rich as the DCOA board President, Vic Corley seconded and the motion carried. Vic Corley moved to elect Sam Vinson as Vice President, John Beckham seconded and the motion carried. John Beckham moved to elect Vic Corley as Secretary/Treasurer, Sam Vinson seconded and the motion carried. Newly elected officers assumed the duties of presiding over the meeting.

4. **APPROVAL OF MINUTES FROM THE DECEMBER 20, 2019 BOARD MEETING:** Sam Vinson moved to approve the minutes from the December 20, 2019 board meeting. Vic Corley seconded, and the motion carried.

5. **PRELIMINARY FINANCIAL REPORT FOR NOVEMBER 2019:** Before the financial report was given, President Rich stated that since new officers have been elected, the signature card for the DCOA's one and only checking account with First Financial Bank will need to be updated to remove previous President John Beckham and Chief Operating

Officer Kim Tarrant due to her retirement and add President Jack Rich. It was noted that no specific board action was needed on this item.

Akane Thaxton, Economic Development Specialist with the DCOA, presented the Financial Report for November 2019. The DCOA's total current assets as of November 30, 2019 were \$35,132,048. The November revenues totaled \$1,205,343 and total expenditures were \$629,944 with \$364,517 spent on five different projects.

**6. DISCUSSION CONCERNING NEW GOVERNANCE SCHEDULE:** Misty Mayo presented a new governance schedule to the board. Mrs. Mayo explained that the schedule is a tool to plan the upcoming year's business, as well as to plan rotating reports from partners that the DCOA funds in order to allow the board an opportunity to engage with the partners, and give the partners an opportunity to report on contractual commitments. President Rich stated this is a "living" document that is a new tool for use by the board and that items can be added or taken off of the governance schedule as needed.

**7. EXECUTIVE SESSION:** President Rich stated: 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 Rich announced the date is January 28, 2020 and the time is 1:57 p.m. Later, President Rich announced the date is still January 28, 2020 and the time is 2:58 p.m. No vote or action was taken in Executive Session.

**8. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE CHARGE-OFF OF \$7,860.86 IN DEBT OWED BY HOLLAND TRAINING & DEVELOPMENT DBA MURF SYSTEMS FROM 2003:** Misty Mayo presented resolution DCOA-2020.15 authorizing the charge off of \$7,860.86 in debt owed by Holland Training & Development dba Murf Systems from 2003. Mrs. Mayo stated that due to the age of this indebtedness, she recommends that this item should be charged off.

After discussion, John Beckham moved to approve resolution DCOA-2020.15 authorizing the charge-off of \$7,860.86 in debt owed by Holland Training & Development dba Murf Systems from 2003. Shea Woodard-Hall seconded and the motion passed.

**9. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AWARDED A CONTRACT FOR THE RE-ROOFING OF THREE BUILDINGS ON FULWILER RD.:** Misty Mayo presented resolution DCOA-2020.10 handed out at the meeting awarding a contract for the re-roofing of three buildings on Fulwiler Rd. Mrs. Mayo noted that this is the first instance that the DCOA has used its new procurement procedure for bidding purposes. A summary of contractor bids and their ratings was prepared by Jacob Martin and handed out at the meeting. The summary included a list of nine contractors which were each rated in several areas. Trumble Construction was noted as the contractor which received the highest rating score.

It was noted that the rating categories may change per project depending on the scope of each project. The ranking system rates the company most qualified based on the key-criteria, which includes factors such as price. Cynthia Nesmith reported to the board that the bid for building C/D had sales tax added since Zoltek was leasing the building. However, further clarification was sought from the DCOA's attorneys and accountants regarding the sales tax, and they advise that it does not appear that sales tax will need to be charged. Accordingly, once the board approves the contract, it is anticipated that a change order may be prepared for Trumble Construction to remove the sales tax. Trumble Construction's base proposal was \$2,644,853.21 and with alternate bid #2 of \$88,780.71 upgrading the insulation from an R22 to an R30, the total bid amount is \$2,733,633.92. After consulting with Jacob Martin, it is recommended that the alternate bid #1 for a new drain system for the roofs not be added because the existing drains are metal pipes which are in good condition that can be cleaned out with a high-pressure wash to remove any carbon fiber debris. Further discussion continued amongst members of the board regarding the advantages of using a local contractor for the job when compared to an out of town company. Board members expressed their favor for local companies and discussed the large financial difference between the bids from Trumble Construction and the bid from the second highest rated bid, which is a local company. Several board members observed that making a selection by a system too heavily weighted for local companies potentially impacts the responsibility of the board and that for this project, the financial impact is significant. The board also commented that additional consideration could be given in the future to the rating system for local companies.

John Beckham moved to approve resolution DCOA-2020.10 awarding a contract for the re-roofing of three buildings on Fulwiler Rd. to Trumble Construction with a base bid of Two Million Six Hundred Forty-Four Thousand Eight Hundred Fifty-Three and 21/100's Dollars (\$2,644,853.21) and Alternate Bid #2 in the amount of Eighty-Eight Thousand Seven Hundred Eighty and 71/100's Dollars (\$88,780.71) making the total bid Two Million Seven Hundred Thirty-Three Thousand Six Hundred Thirty-Three and 92/100's Dollars (\$2,733,633.92). Vic Corley seconded and the motion passed.

**10. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING MATCH FUNDING FOR A DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT FOR EXPANSION CONSTRUCTION:** Misty Mayo introduced Gray Bridwell with the Abilene Chamber's Military Affairs Committee (MAC). Mr. Bridwell explained that the current security access control center at the front gate of Dyess Air Force Base is a very small, outdated building in need of updating. Mr. Bridwell requested that the DCOA consider a 50% matching grant for the purpose of making a request to the Texas Military Preparedness Team for funds to triple the size of and updating the center. This request will be strengthened by this 50% match grant from the community. Mr. Bridwell further observed that with the B21 coming, anything that will strengthen security at Dyess is a plus and will increase Dyess' ability to score well with future BRAC discussions. Mrs. Mayo recommended the board approve resolution DCOA-2020.13 authorizing the matching funds up to \$500,000 for the expansion.

Sam Vinson moved to approve resolution DCOA-2020.13 authorizing match funding for a defense economic adjustment assistance grant for expansion construction. Shea Woodard-Hall seconded and the motion passed.

**11. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE DCOA'S CHIEF EXECUTIVE OFFICER TO TAKE CERTAIN ACTIONS:** President Jack Rich presented resolution DCOA-2020.14 authorizing the DCOA's CEO to take certain actions. The resolution confirms the board is giving the DCOA's CEO the general powers and authority to transact the general business of the DCOA, aligning with the CEO's position. This is to offer clarification until more specific CEO authority can be addressed in future Bylaw updates.

John Beckham moved to approve resolution DCOA-2020.14 authorizing the DCOA's Chief Executive Officer to take certain actions. Vic Corley seconded and the motion passed.

**12. DISCUSSION OF THE NEXT BOARD MEETING DATE:** President Rich announced the next scheduled meeting of the DCOA board will be on February 28, 2020, at 10:00 a.m.

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

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Jack Rich, President

**MEMORANDUM**

February 12, 2020

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

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The sales tax rebate for February is \$5,187,786.01 which represents December sales. This is 11.37% above last year and 8.39% above the projected FY 20 budget amount. The breakdown of the rebate is \$3,890,839.51 to the General Fund and \$1,296,946.50 for economic development. Of this rebate, \$157,591.35 is from prior periods, audit payments, future payments, and unidentified payments. \$31,057.32 is from Single Local Rate collections. For the period of October through February, sales tax is 6.32% above last year and 3.47% above the approved FY 20 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 2018-19	Actual 2018-19		Actual 2019-20	Actual 2019-20	
October	\$2,806,719.25	\$935,573.08	\$3,742,292.33	\$2,913,497.59	\$971,165.86	\$3,884,663.45
November	3,173,247.00	1,057,749.00	4,230,996.00	3,247,000.80	1,082,333.60	4,329,334.40
December	2,760,838.68	920,279.56	3,681,118.24	3,122,618.53	1,040,872.84	4,163,491.37
January	2,688,524.09	896,174.70	3,584,698.79	2,691,835.67	897,278.55	3,589,114.22
February	3,493,572.86	1,164,524.29	4,658,097.15	3,890,839.51	1,296,946.50	5,187,786.01
<b>YTD</b>	<b>\$14,922,901.88</b>	<b>\$4,974,300.63</b>	<b>\$19,897,202.51</b>	<b>\$15,865,792.10</b>	<b>\$5,288,597.35</b>	<b>\$21,154,389.45</b>
March	\$2,596,054.89	\$865,351.63	\$3,461,406.52			
April	2,510,122.72	836,707.57	3,346,830.29			
May	3,284,774.58	1,094,924.86	4,379,699.44			
June	2,777,277.03	925,759.01	3,703,036.04			
July	2,803,483.73	934,494.58	3,737,978.31			
August	3,308,445.82	1,102,815.27	4,411,261.09			
September	2,989,963.36	996,654.45	3,986,617.81			
	<u>\$35,193,024.01</u>	<u>\$11,731,008.00</u>	<u>\$46,924,032.01</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 2018-19	Actual 2019-20	% Change
October	\$935,573	\$971,166	3.80%
November	1,057,749	1,082,334	2.32%
December	920,280	1,040,873	13.10%
January	896,175	897,279	0.12%
February	1,164,524	1,296,947	11.37%
<b>YTD</b>	<b>\$4,974,301</b>	<b>\$5,288,597</b>	<b>6.32%</b>
March	\$865,352		
April	836,708		
May	1,094,925		
June	925,759		
July	934,495		
August	1,102,815		
September	996,654		
	<u>11,731,008</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 February 2020 represents December '19 sales. Approximately \$39,397.84 of the rebate is from prior periods, audit, future, and unidentified payments. \$7,764.33 is from Single Local Rate collections.

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**  
**STATEMENT OF NET POSITION**  
**December 31, 2019 and 2018**

	<u>December 2019</u>	<u>December 2018</u>
<b>Current Assets:</b>		
Cash and cash investments	\$ 33,987,614	\$ 24,060,011
Accounts receivable	1,085	4,466,848
Due from other governments	<u>2,042,065</u>	<u>1,983,177</u>
Total Current Assets	<u>36,030,764</u>	<u>30,510,036</u>
<b>Noncurrent Assets:</b>		
Notes receivable, net	2,598,480	2,786,267
Notes receivable - earning economic incentives	8,885,086	10,228,383
Capital assets	59,355,448	60,410,934
Accumulated depreciation	<u>(14,041,728)</u>	<u>(14,132,185)</u>
Total capital assets, net	<u>45,313,720</u>	<u>46,278,749</u>
Total Noncurrent Assets	<u>56,797,286</u>	<u>59,293,399</u>
<b>Total Assets</b>	<u>\$ 92,828,050</u>	<u>\$ 89,803,435</u>
<b>Liabilities</b>		
Current:		
Accounts payable	\$ 126,051	\$ 37,454
Accrued expenses	<u>15,756</u>	<u>1,789,830</u>
Total Current Liabilities	<u>141,807</u>	<u>1,827,284</u>
Total Liabilities	<u>141,807</u>	<u>1,827,284</u>
<b>Net Position</b>		
Net Investment in capital assets	45,313,720	46,278,749
Restricted for contractual obligations	16,997,544	13,258,838
Unrestricted, designated for purposes of trust	<u>30,374,979</u>	<u>28,438,564</u>
Total Net Position	<u>92,686,243</u>	<u>87,976,151</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 92,828,050</u>	<u>\$ 89,803,435</u>

**DEVELOPMENT CORPORATION OF ABILENE**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**For three months ending December 31, 2019 and 2018**  
*Preliminary - Budget Basis*

	December 2020	Fiscal YTD 2020	Fiscal YTD 2019
<b>Revenues:</b>			
Sales and use taxes	\$ 1,040,873	\$ 3,094,372	\$ 2,913,602
Investment earning	49,301	150,346	126,181
Building rental / land lease	131,203	298,719	290,865
Miscellaneous revenue	10	4,610	7,337
Total Revenues	<u>1,221,387</u>	<u>3,548,047</u>	<u>3,337,985</u>
<b>Expenses:</b>			
Economic Development Projects	778,651	1,190,705	1,561,751
DCOA property maintenance	172,716	288,883	198,608
Abilene Industrial Foundation	39,821	96,841	92,075
TTU Small Business Development Center	9,581	25,481	30,900
Chamber Military Affairs	-	-	-
Airport Business Development Manager	9,599	28,798	6,072
ACU Griggs Center	-	-	-
Economic Development Operating Division	77,007	358,046	358,821
Total Expenditures	<u>1,087,375</u>	<u>1,988,754</u>	<u>2,248,227</u>
<b>Changes In Net Position</b>	134,012	1,559,293	1,089,758
<b>Net Position at Beginning of Period</b>	<u>92,552,231</u>	<u>91,126,950</u>	<u>86,886,393</u>
<b>Net Position at End of Period</b>	<u>\$ 92,686,243</u>	<u>\$ 92,686,243</u>	<u>\$ 87,976,151</u>

<b>Summary of Current Period Economic Development Projects:</b>	
EASI De-fuel Truck	\$ 1,950
Industrial Maintenance Training AISD	5,178
Broadwind Towers (earned principal reduction)	114,126
Abilene Education Foundation (job training)	7,602
Hardin Simmons University (earned principal reduction)	250,000
842/834 Pine St. (earned principal reduction TTU)	385,000
North 1st Street Land Purchase	(900)
Staff Retention Bonus	15,695
Total	<u>\$ 778,651</u>

**Development Corporation of Abilene  
Economic Program Status  
As of December 31, 2019**

Economic Programs:	Project	Amount Budgeted	Prior Years Disbursement	Current Year Disbursement	Balance reserved for budgeted programs
Murf Systems	4998	\$ 237,240	\$ 237,240	\$ -	\$ -
EASI De-Fuel Truck	5354	158,360	148,400	3,900	6,060
Coca Cola Refreshments	5387	1,232,712	1,232,712	-	-
Industrial Maintenance Training AISD	5389	181,098	131,098	11,828	38,172
Abimar Foods 2015	5391	1,200,000	900,000	300,000	-
TTUHSC School of Public Health	5393	1,115,104	1,115,104	-	-
Broadwind Towers	5400	213,798	99,672	114,126	-
TSTC New Abilene Campus	5401	4,179,600	979,600	-	3,200,000
Access Business Park A/E	5406	64,150	64,051	-	99
Access Business Park Ph 1 Development	5406.1	1,258,101	1,140,758	-	117,343
BE In Abl Grant	5407	250,000	-	-	250,000
5 Pts Purchase Zoltek Property	5410	5,023,290	5,023,290	-	-
5 Pts. Business Park Repairs/Cleanup	5410.1	974,041	974,169	(128)	-
Fulwiler Property Re-Roof Design	5410.2	134,658	4,658	-	130,000
Vine St. Roof Project	5415	1,789,830	1,736,100	9,035	44,695
City Street Maintenance	5416	8,500,000	-	-	8,500,000
Abilene Educ Foundation	5418	93,012	49,727	7,602	35,683
Hardin Simmons University	5419	500,000	250,000	250,000	-
842/834 Pine St.	5420	389,857	-	385,000	4,857
N 1st Land Purchase	5422	98,592	93,005	4,686	901
Airport Roofing Project	5425	1,976,786	1,434,949	88,961	452,876
FDLIC	5426	1,035,000	-	-	1,035,000
Chamber 2020 Census	5427	100,000	26,471	-	73,529
Airport-Aerospace Cluster Study	5428	55,000	24,000	-	31,000
Staff Retention Bonus	5430	15,695	-	15,695	-
DCOA Reorganization	5431	27,500	-	-	27,500
174 Cypress & Parking Garage	5432	6,000	-	-	6,000
<b>Subtotal Economic Program Obligation Reserve</b>		<b>\$ 30,809,424</b>	<b>\$ 15,665,004</b>	<b>\$ 1,190,705</b>	<b>\$ 13,953,715</b>
<b>Plus Administrative Division Obligations:</b>					
Economic Development Operating Division	Division 2760	1,171,132	-	358,046	813,086
DCOA Property Maintenance	Division 2775	983,640	-	288,883	694,757
Abilene Industrial Foundation	Division 2775	771,525	-	96,841	674,684
TTU Small Business Dev Center	Division 2775	253,000	-	25,481	227,519
Chamber Military Affairs	Division 2775	437,000	-	-	437,000
Airport Business Development Manager	Division 2775	198,081	-	28,798	169,283
ACU Griggs Center	Division 2775	27,500	-	-	27,500
<b>Subtotal Administrave Divisions Obligation Reserve</b>		<b>\$ 3,841,878</b>	<b>\$ -</b>	<b>\$ 798,049</b>	<b>\$ 3,043,829</b>
<b>Total reserve for obligated programs</b>					<b>\$ 16,997,544</b>
<b>DCOA Board approved projects waiting for signed contracts:</b>				Expiration Date	
JLUS Implementation		\$ 55,000		Contingent upon execution of all necessary agreements	
Project Peanut		750,000		04/22/2020	
		<b>\$ 805,000</b>			

**Development Corporation of Abilene  
Revenue and Expense  
Budget vs Actual Comparison  
For three months ending December 31, 2019**

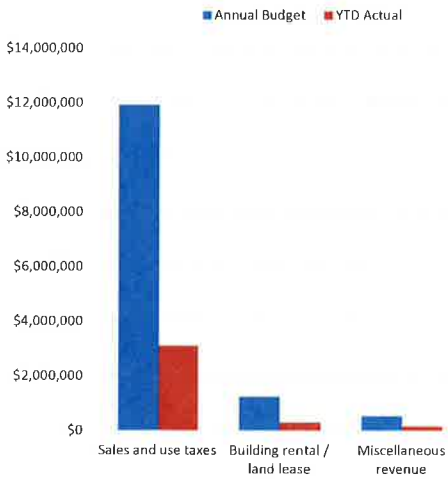
**Revenue**

	Annual Budget	YTD Actual	% of Budget
Sales and use taxes	11,913,770	3,094,372	26%
Building rental / land lease	1,233,814	298,719	24%
Miscellaneous revenue	532,000	154,956	29%
<b>Revenue</b>	<b>13,679,584</b>	<b>3,548,047</b>	<b>26%</b>

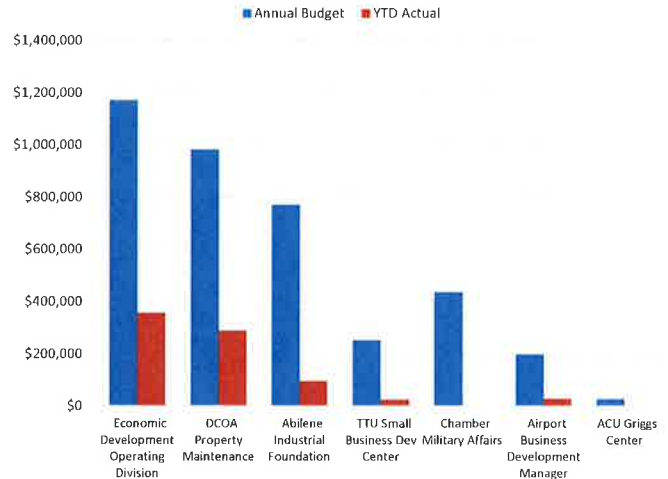
**Expenses**

	Annual Budget	YTD Actual	% of Budget
Economic Development Operating Division	1,171,132	358,046	31%
DCOA Property Maintenance	983,640	288,883	29%
Abilene Industrial Foundation	771,525	96,841	13%
TTU Small Business Dev Center	253,000	25,481	10%
Chamber Military Affairs	437,000	-	0%
Airport Business Development Manager	198,081	28,798	15%
ACU Griggs Center	27,500	-	0%
	<b>3,841,878</b>	<b>798,049</b>	<b>21%</b>

**FY 20 Budget vs Actual Revenue**



**FY 20 Budget vs Actual Expenses**



## RESOLUTION NO. DCOA-2020.18

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC., ABILENE, TEXAS ("DCOA") AUTHORIZING AN INCENTIVE FOR PROJECT GATEWAY ("COMPANY").

WHEREAS, Company is a healthy lifestyle brand and nutrition company that manufactures its own line of nutrition products and dietary supplements with corporate headquarters located in Abilene, Texas; and,

WHEREAS, Company was launched in 2010 and is a locally owned, self-launched startup that has generated thirteen million dollars in sales; and

WHEREAS, Company has a strong online marketing program that has helped Company (i) become an internationally recognized consumer brand with products sold in 9 countries in more than 2,000 retail stores, including H-E-B, United Supermarkets, Market Street, Hy-Vee, Complete Nutrition and Academy Sports and (ii) secure major manufacturing contracts with Nutralife and Labrada, all of which has resulted in a need to expand its operations; and,

WHEREAS, Company desires to relocate to a new facility in Abilene, Texas and projects a capital investment of approximately \$2,580,000.00 for the purchase and renovation of a new corporate headquarters & manufacturing facility; and,

WHEREAS, Company currently employs 23 full-time employees ("FTEs") and projects to create, by the end of a three-year period, an additional 46 FTEs for total employment of 69 FTEs; and,

WHEREAS, Company requests the DCOA provide an incentive of up to \$387,000.00 equal to 15% of the Company's capital investment for the purchase and renovation of a new corporate headquarters & manufacturing facility; and,

WHEREAS, the DCOA's staff requests the DCOA's Board of Directors approved an incentive for Project Gateway in an amount up to \$387,000.00; and,

WHEREAS, the DCOA's Board of Directors finds that Project Gateway (a) creates and/or retains primary jobs, and (b) is suitable for the development, retention or expansion of manufacturing and industrial facilities, a regional or national corporate headquarters facility, and or any other facilities described in Section 501.101(2) of the Texas Local Government Code.

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

**PART 1.** DCOA hereby authorizes an incentive package for Project Gateway in an amount not to exceed \$387,000.00 in exchange for the Company's retention of at least 23 FTEs and creation of 46 new FTEs for total employment of 69 FTEs at the end of a three-year period.

The incentive package will be up to \$387,000.00 funded at 15% of the Company's actual capital investment for the purchase and renovation of a new corporate headquarters & manufacturing facility, earned over three years.

**PART 2.** The funding commitment authorized under this resolution shall expire without notice 180 days from the date of adoption of same unless all required documents and agreements are executed prior to that expiration date or the funding commitment herein is extended in writing by the DCOA's Chief Executive Officer ("CEO") prior to the expiration date.

**PART 3.** The CEO is hereby authorized to, on behalf of the DCOA, negotiate, enter into and execute all agreements and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above.

**PART 4.** This Resolution takes effect immediately upon passage.

ADOPTED this the 28<sup>th</sup> day of February, 2020.

ATTEST:

\_\_\_\_\_  
Vic Corley  
Secretary/Treasurer

\_\_\_\_\_  
Jack Rich  
President

APPROVED AS TO FORM:

\_\_\_\_\_  
Mark Zachary, Attorney at Law



**RESOLUTION NO. DCOA-2020.17**

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC., ABILENE, TEXAS (“DCOA”) AUTHORIZING AN INCENTIVE, INCLUDING A CONTRACT FOR THE SALE OF A BUILDING FOR PROJECT THRESHOLD (“COMPANY”).

WHEREAS, Company is a window and door extrusion manufacturer for residential and light commercial applications; and

WHEREAS, Company and the DCOA have determined that 1249 Fulwiler Road, Abilene, Texas 79603, described as Lot 302 (5.253 acres) and Lot 303 (3.563 acres) in Exhibit A, attached hereto and fully incorporated herein, together with all improvements thereon (the “**Property**”), is suitable for the Company’s expansion into Abilene; and,

WHEREAS, the boundary lines separating Lots 301, 302, 303, and 304 and the other changes shown on Exhibit A represent a proposed replat of the property so that the buildings located thereon can be separated into separate tracts; and,

WHEREAS, Company currently projects to employ, over a five-year period, 19 full-time employees (“**FTEs**”); and,

WHEREAS, the DCOA estimates the value of the Property to be \$1,100,000; and,

WHEREAS, the DCOA’s staff requests the DCOA’s Board of Directors approve (i) the sale of the Property to the Company for \$700,000, with the Company paying \$70,000 toward the purchase price and the DCOA financing the remaining \$630,000 on a 10 year note with an interest rate of 2.25% and (ii) an incentive for Project Threshold in an amount not to exceed \$400,000; and,

WHEREAS, the DCOA's Board of Directors finds that Project Threshold (a) creates and/or retains primary jobs, and (b) is suitable for the development, retention or expansion of manufacturing and industrial facilities, and/or any other facilities described in Section 501.101(2) of the Texas Local Government Code.

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

**PART 1.** DCOA hereby authorizes, in exchange for the Company’s creation of 19 FTEs over a five-year period, (i) a Real Estate Sales Contract whereby DCOA will sell, in an “AS IS, WHERE IS” basis, the Property to the Company for \$700,000, with the Company paying \$70,000 towards the purchase price and the DCOA financing the remaining \$630,000 on a 10 year note with an interest rate of 2.25% and (ii) an incentive package for Project Threshold in an amount not to exceed \$400,000.

**PART 2.** The funding commitment authorized under this resolution shall expire without notice 180 days from the date of adoption of same unless all required documents and agreements are executed prior to that expiration date or the funding commitment herein is extended in writing by the DCOA’s Chief Executive Officer (“**CEO**”) prior to the expiration date.

**PART 3.** The CEO is hereby authorized to, on behalf of the DCOA, negotiate, enter into and

execute all agreements and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above including, but not limited to, dividing up the property on Exhibit A, as the CEO reasonably determines, so that the building on Lot 302 and any surrounding acreage can be separated from the land shown on Exhibit A and the Property can be sold to the Company as described above.

**PART 4.** This Resolution takes effect immediately upon passage.

ADOPTED this the 28<sup>th</sup> day of February, 2020.

ATTEST:

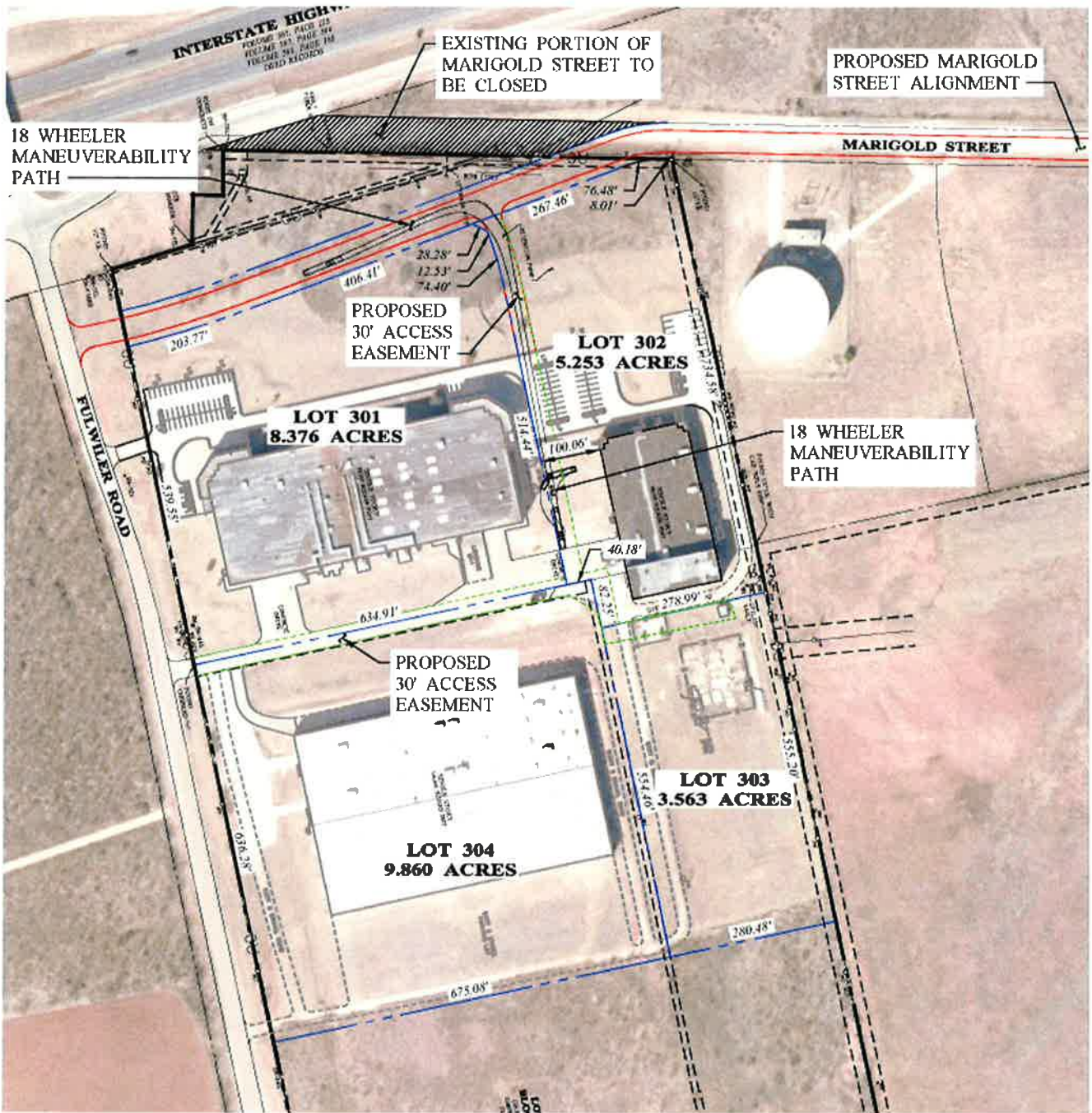
\_\_\_\_\_  
Vic Corley  
Secretary/Treasurer

\_\_\_\_\_  
Jack Rich  
President

APPROVED AS TO FORM:

\_\_\_\_\_  
Mark Zachary, Attorney at Law

### Exhibit A



9.3

**RESOLUTION NO. DCOA-2020.19**

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC., ABILENE, TEXAS (“DCOA”) AUTHORIZING AN INCENTIVE, INCLUDING A CONTRACT FOR THE SALE OF A BUILDING FOR PROJECT WINDMILL (“COMPANY”).

WHEREAS, Company is engaged in the commercial preparation, baking, and distribution of cookies and crackers; and

WHEREAS, Company and the DCOA have determined that 3901 Vine Street, 4009 Vine Street, 4109 Vine Street, 4125 Vine Street, 4141 Vine Street, and 1782 Industrial Boulevard, each of which represent one contiguous tract of land in Abilene (collectively the “Property”), is suitable for the Company’s warehouse and office needs; and,

WHEREAS, Company currently employs over 550 full-time employees (“FTEs”) and agrees to retain, over a three-year period, 550 FTEs; and,

WHEREAS, the DCOA estimates the value of the Property to be \$3,000,000; and,

WHEREAS, the DCOA’s staff requests the DCOA’s Board of Directors approve (i) the sale of the Property to the Company for \$1,000,000, with the DCOA financing the purchase price on a 3 year note with an interest rate of 0% and (ii) an incentive for Project Windmill in an amount not to exceed \$2,000,000; and,

WHEREAS, the DCOA's Board of Directors finds that Project Windmill (a) creates and/or retains primary jobs, and (b) is suitable for the development, retention or expansion of manufacturing and industrial facilities, and/or any other facilities described in Section 501.101(2) of the Texas Local Government Code.

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

- PART 1.** DCOA hereby authorizes, in exchange for the Company’s retention of 550 FTEs over a three-year period, (i) a Real Estate Sales Contract whereby DCOA will sell, in an “AS IS, WHERE IS” basis, the Property to the Company for \$1,000,000, with the DCOA financing the \$1,000,000 on a 3 year note with an interest rate of 0% and (ii) an incentive package for Project Windmill in an amount not to exceed \$2,000,000.
- PART 2.** The funding commitment authorized under this resolution shall expire without notice 180 days from the date of adoption of same unless all required documents and agreements are executed prior to that expiration date or the funding commitment herein is extended in writing by the DCOA’s Chief Executive Officer (“CEO”) prior to the expiration date.
- PART 3.** The CEO is hereby authorized to, on behalf of the DCOA, negotiate, enter into and execute all agreements and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above including, but not limited to, including clauses that allow for a reduction in the total amount of FTEs retained (i) for events of force majeure and/or (ii) if Company loses a major customer, provided that such reduction in FTEs for a loss of a major customer shall not exceed more than 30% of the total FTEs

described above in a 6 month period.

**PART 4.** This Resolution takes effect immediately upon passage.

ADOPTED this the 28<sup>th</sup> day of February, 2020.

ATTEST:

\_\_\_\_\_  
Vic Corley  
Secretary/Treasurer

\_\_\_\_\_  
Jack Rich  
President

APPROVED AS TO FORM:

\_\_\_\_\_  
Mark Zachary, Attorney at Law

**RESOLUTION NO. DCOA-2020.20**

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”), ABILENE, TEXAS AUTHORIZING THE CHIEF EXECUTIVE OFFICER (“CEO”) TO ENTER INTO A PURCHASE CONTRACT IN CENTRAL ABILENE PLUS AUTHORITY TO EXPEND FUNDS.

WHEREAS, certain property in Central Abilene (the “Central Abilene Property”) is for sale and would provide the DCOA’s staff with a cost-effective means for developing projects as the term is used in the Local Government Code; and

WHEREAS, the CEO should be given the authority to enter into a purchase contract for the Central Abilene Property and to expend the funds necessary to conduct due diligence activities, including environmental studies, on the property; and

WHEREAS, closing on the purchase will occur only after receipt and review of any studies conducted and the DCOA Board of Directors (the “DCOA Board”) authorizes the purchase via additional DCOA Board action.

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

- PART 1.** The DCOA Board authorizes the CEO to enter into (on the DCOA’s behalf) a purchase contract for the Central Abilene Property and to expend the funds necessary in order to conduct due diligence activities, including environmental studies, on the property prior to closing on the purchase. Staff will return to the DCOA Board for authorization and funds for the purchase.
- PART 2.** The funding commitment authorized under this resolution shall expire without notice 180 days from the date of adoption of same unless all required documents and agreements are executed prior to that expiration date or the commitment herein is extended in writing by the DCOA.
- PART 3.** The CEO is hereby authorized to negotiate, enter into and execute a purchase contract(s) and all other related documents on behalf of the DCOA.

ADOPTED this the 28th day of February, 2020.

ATTEST:

\_\_\_\_\_  
Vic Corley  
Secretary/Treasurer

\_\_\_\_\_  
Jack Rich  
President

APPROVED AS TO FORM:

\_\_\_\_\_  
Mark Zachary, Attorney at Law