City of San Angelo Development Corporation Agenda
Regular Agenda via Audio/Video Broadcast
11/18/2020

Notice is hereby given in accordance with an order of the Office of the Governor issued March 16, 2020, of a Regular Meeting of the City of San Angelo Development Corporation (COSADC) scheduled for November 18, 2020 at 8:30 a.m. The McNease Convention Center – South Meeting Room, 501 Rio Concho Drive, San Angelo, Texas WILL NOT be open to the public. COSADC members and staff will attend virtually in order to advance the public health goal of limiting face-to-face meetings (also called "social distancing") to slow the spread of the Coronavirus (COVID-19). There will be no public access to the regular meeting location. A public, free-of-charge audio/video broadcast of the meeting will be available on the City's YouTube channel at https://www.youtube.com/user/CityofSanAngeloTx.

The Meeting Agenda and the Agenda Packet are posted online at https://www.cosatx.us/departments-services/economic-development/city-of-san-angelo-development-corporation

Members of the public who wish to submit **Public Comment** on agenda items must send their written comments via email to nora.nevarez@cosatx.us by noon November 17, 2020.

The subject must be in the following format: "Public Comment: [item number] – November 18, 2020." All emails must include your name and address.

Please note all Public Comment emails relevant to posted agenda items received by the deadline will be published as part of the agenda packet prior to the meeting are therefore public record.

Call 325- 653-7197 for staff assistance.

Anyone who wishes to speak remotely during **statutorily mandated Public Hearing for Regular Agenda items 5 B, C, & D must** send their request to nora.nevarez@cosatx.us by noon November 17, 2020 to register as a speaker and obtain information regarding how to make a public comment remotely during the meeting.

A recording of the meeting will be available to the public in accordance with the Open Meetings Act upon written request.

1. **Call to Order**
2. **Prayer**

3. Public Comment

At this time, Board Directors may ask staff members questions regarding Public Comments submitted via email.

a. Announce the 2020 Business Plan Competition Winners

4. Consent Agenda

a. Consider approving the October 13, 2020 and October 28, 2020 minutes

b. Consider approving the necessary corporation disbursement

c. Consider approval of a VIP Sponsorship of $10,000 for the Convention and Visitor Bureau Air Race 1 to be held in October, 2021, contingent on obtaining insurance and community sponsorships for the event.

d. Consider authorizing the Board President to execute an amendment to the ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT entered into with DLH WENDLAND, LLC, effective November 1, 2019, reducing the minimum capital investment required from $2,000,000, to $1,000,000, with a commensurate reduction in the maximum grant payable from $400,000, to $200,000, and related amendments approved by the Director of Economic Development as to content and in a form approved by the City Attorney.

e. Consider authorizing the Board President to execute an amendment to the ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT entered into with SPECIAL MATERIALS COMPANY, effective August 1, 2020, reducing the minimum capital investment required from $3,000,000, to $1,250,000, with a commensurate reduction in the maximum grant payable based upon reduction in the minimum capital investment required while maintaining the grant allowance for retention and creation of jobs, from $350,000, to a corresponding reduced maximum grant sum, and related amendments approved by the Director of Economic Development as to content and in a form approved by the City Attorney.

f. Consider authorizing the Board President to execute a service agreement with Kirbo's Office Systems, LL C for a Canon copier to be located at the Business Resource Center to be used by the Business Factory - Business Incubator clients, 69 N. Chadbourne, San Angelo, TX 76903, for a twenty four (24) month term , at rates set forth in lease dated August 21, 2020, with content approved by the Director of Economic and Development and form approved by the City Attorney's office.

5. Regular Agenda

a. Update presentation regarding the 2019 COSADC contract Audit. (Presentation by Internal Auditor, Brandon Sanders)

b. Public hearing for SME Education Foundation for up to $150,000 to provide economic development incentives for the SME PRIME program in conjunction with Ethicon Inc., and Principal LED, LLC for a project that will support the next generation of manufacturing, fabrication and engineering talent high school or similar programs for high school students in the City of San Angelo in partnership with local manufacturers to prepare students for careers in manufacturing, fabricating and engineering related jobs. (Presentation by Guy Andrews, Economic Development Director.)

c. Public hearing San Angelo Chamber of Commerce for up to $262,500 to provide marketing and recruitment services in the development or operation of an economic development program. (Presentation by Guy Andrews, Economic Development Director.)

d. Public hearing monument signage for up to $100,000 to provide signage and related landscaping, enhancing a project for cleanup and open space improvements on the Knickerbocker Road right of way and adjoining Bureau of Reclamation land, open space fronting the San Angelo Regional Airport-Mathis Field. (Presentation by Guy Andrews, Economic Development Director.)

e. Discussion and Board direction regarding potential future improvements to the Industrial Park Phases 1 & 2 (Presentation made by Robert Schneeman, Economic Development Project Manager)

6. Closed Session

Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

a. 551.087 Business Prospect/Economic development regarding San Angelo Regional Airport - Mathis Field

7. Follow Up and Administrative Issues

a. Consideration and possible action of items discussed in Closed Session, if needed

b. Announcements and consideration of Future Agenda Items

8. Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was published on the City of San Angelo's website on the 13th day of November 2020 at 5:00 p.m.

Nora Nevarez on behalf of Guy Andrews

Guy Andrews, Director of Economic Development

All agenda items are subject to action. All contracts/agreements may be subject to further negotiation prior to execution. The Board reserves the right to consider business out of posted order and/or meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

In compliance with the Americans with Disabilities Act, the City of San Angelo Development Corporation will provide for reasonable accommodations for persons attending board meetings. To better serve you, requests should be received 48 hours prior to the meetings. Please contact the Economic Development Office at 325-653-7197.

Citizen requests to display materials on the city's monitors must submit the request 96 hours prior to the meeting by email to nora.nevarez@cosatx.us. Time limits of discussion are as stated above and materials cannot exceed 10 pages. Citizens bringing materials for distribution to City of San Angelo Development Corporation members during the meeting must bring a minimum of 12 copiers.

COSADC meetings are broadcast on Channel 17-Government Access at 8:00 A.M. on every Wednesday on the Wednesday after each meeting.

Report to Board

CITY OF SAN ANGELO TEXAS
Development Corporation

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: November 18, 2020

Item type: Regular Item

Caption:

Announce the 2020 Business Plan Competition Winners

Summary/History:

Announcement of the 2020 Business Plan Competition

Coordinators for the event:

COSADC
ASU SBDC
ASU Norris-Vincent College of Business

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Nora Nevarez Created/Initiated

Report to Board

CITY OF SAN ANGELO TEXAS
Development Corporation

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: November 18, 2020

Item type: Consent Item

Caption:

Consider approving the October 13, 2020 and October 28, 2020 minutes

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

1.	COSADC Workshop Minutes, Oct. 13, 2020	COSADC Workshop Minutes, Oct. 13, 2020.docx
2.	COSADC Meeting Minutes, Oct 28, 2020	COSADC Meeting Minutes, Oct 28, 2020.docx

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

City of San Angelo, Texas
Development Corporation
Workshop Meeting
Tuesday, October 13, 2020

Present:
Todd Kolls, President
Bill Dendle, First Vice President
Dr. David, Cummings, Second Vice President
Edward Carrasco, Director
Max Puello, Director
Garland Freeze, Director
Erika Lara, Director

1. Call to Order

With a quorum of the City of San Angelo Development Corporation Board Members present, President Kolls called the workshop session of the City of San Angelo Development Corporation to order at 3:02 p.m., on Tuesday, October 13, 2020 in the Business Resource Center – Training Room, 69 N. Chadbouurne, San Angelo, TX 76903.

2. Prayer

An invocation was provided by Director Freeze.

3. Public Comment

Issues or items that are not on the agenda may be raised by the public at this time. Citizens should speak from the podium, begin by stating their name and limit remarks to less than three minutes. Board members may request that a discussed item be placed on a future agenda. The Board takes public comment on all Regular Agenda items during the discussion of those items.

4. Workshop Agenda

Discussion on the following items:

1. Workforce
2. Housing
3. Community Development Projects
    a. Airport Exit Improvements & Bureau of Reclamation Property
    b. Gateway Improvements
    c. Industrial Park Improvements & Developments
4. Economic Development Stand Alone Website

Second Vice President Dr. Cummings arrived at 3:40 p.m.

5. Business Retention and Expansion Plans
6. COVID-19 Crisis
    a. How it affects our budget
    b. The impact on future and current projects

7. New Water Agreement
8. Board and Council Protocol
9. Rail Facility Development
10. Business Recruitment
11. Marketing
12. Business Plan Competition
13. Broadband
    a. Redundancy/speed issues (TimeClock Plus)
    b. Cost of last mile connection
    c. Symmetric upload/download speeds
    d. Mobile device access to internet
    e. https://broadbandnow.com/Texas
14. Transportation Infrastructure
    a. I-14
    b. I-27

Items one (1) – fourteen (14) were discussion items only. No board approvals were required.

5. Adjournment

There being no further business, the meeting adjourned by consensus at 4:56 p.m.

THE CITY OF SAN ANGELO

_____
Corporation President

ATTEST:

_____
Corporation Secretary

In accordance with Chapter 2, Article 2.300, of the Official Code of the City of San Angelo, the minutes of this meeting consist of the preceding Minute Record and the Supplement Minute Record. Details on Board meetings may be obtained from the City Clerk's Office. (Portions of the video recording may be distorted due to equipment malfunction or other uncontrollable factors.)

City of San Angelo, Texas
Development Corporation Meeting
Wednesday, October 28, 2020

Present:
Todd Kolls, President
Bill Dendle, First Vice President
Dr. David, Cummings, Second Vice President
Edward Carrasco, Director
Max Puello, Director
Garland Freeze, Director
Erika Lara, Director

Additional Guest:

Roxanne Fentress, SAISD	Michael Looney	Michael Dane
Mark A. Jones, SME Prime	Walt Koenig	Dan Saluri
Delilah Harper, Principal LED	Dr. Tiffani Price	Mike Berry, Ethicon
Diann Bayes	Tina Dierschke	
Suzanna Valenzuela	Ryan Gaddy	

1. Call to Order

With a quorum of the City of San Angelo Development Corporation Board Members present, President Kolls called the regular session of the City of San Angelo Development Corporation to order at 8:45 a.m., on Wednesday, October 28, 2020, via Zoom live streamed to the City's YouTube channel at youtube.com/CityofSanAngelo.

2. Prayer

An invocation was provided by President Kolls.

3. Public Comment

No public comments were received for this meeting.

4. Consent Agenda

a. Consider approving the September 23, 2020 meeting minutes

b. Consider approving the necessary corporation disbursement

c. Consider authorizing the Board President to negotiate and execute an Alarm Monitoring Agreement and Addendum, and a Service Agreement with Ener-Tel Services l, LLC , in substantially the attached form approved by the City Attorney for security services at the Business Resource Center, 69 N. Chadbourne, San Angelo, Texas 76903.

d. Consider authorizing the Board President to execute a services agreement with DIRT DOC, LLC, d/b/a Dirt Doctor (Contractor) for cleaning services at the Business Resource Center, 69 N. Chadbourne, San Angelo, TX. 76903, for a three year term, at rates set forth in Contractor's quote dated September 21, 2020, in a form approved by the Director of Economic Development

and the City Attorney's Office.

e. Consider adoption of a motion authorizing the Board President to enter into an extension of service agreement with Russell E. Wallace, d/b/a CTR Data, pursuant to option to extend the Service Agreement, for technology services for Business Factory.

f. Consider approving an agreement for the mutual termination of the Memorandum of Understanding by and between the City of San Angelo Development Corporation and the City of San Angelo providing an economic development incentive to U.S. Customs & Border Protection Air and Marine Operations with participation by the City for a project related to business enterprises that create or retain primary jobs

Motion: First Vice President Dendle made a motion, seconded by Second Vice President Dr. Cummings to approve the consent agenda as presented. The motion carried unanimously seven (7) ayes to zero (0) nays.

5. Regular Agenda

a. Discussion and possible action concerning a request for partial funding from the San Angelo Convention & Visitors Bureau for Air Races to be held at the San Angelo Regional Airport. (Presentation by Guy Andrews, Economic Development Director and CVB Staff)

Suzanna Valenzuela, Leisure and SMERF Manager and Diann Bayes, Vice President of the Convention & Visitors Bureau discussed the event and provided additional information.

City Council approved support for this event on October 20, 2020.

President Kolls directed staff to work on a proposal in the amount of Ten Thousand ($10,000) as a VIP sponsorship.

b. Consider approving the September 2020 Financial Statements (Presentation by Tina Dierschke, Director of Finance)

Motion: Director Carrasco made a motion, seconded by Director Freeze to approve the September 2020 Financial Statements. The motion carried unanimously seven (7) ayes to zero (0) nays.

c. Consider approving the proposed COSADC meeting calendar for 2021 (Presentation made by Nora Nevarez, Economic Development Assistant)

Motion: First Vice President Dendle made a motion, seconded by Second Vice President Dr. Cummings to approve the 2020 meeting calendar as presented. The motion carried unanimously seven (7) ayes to zero (0) nays.

d. Consider adoption of a resolution authorizing the use of sales and use tax funds in an amount not to exceed $150,000, to provide an economic development incentive matching grant with Ethicon, Inc. and Principal LED, LLC to SME Education Foundation for its SME Prime next generation of manufacturing, fabrication and engineering talent high school or similar program for high school students in the City of San Angelo in partnership with local manufacturers to prepare students for careers in manufacturing, fabricating and engineering related jobs, a project authorized for a Type B corporation under local government code chapters 501 and 505 of the Texas Development Corporation Act."

Roxanne Fentress, SAISD, training will be held at the West Texas Training Center and available to both Lake View and Central High school students.

Mark Jones, SME Prime, briefly discussed how the program will work for the workforce and the students.

Dr. Tiffani Price stated her organization was excited to be a part of this program.

Mike Berry, Ethicon, thanked the board for their support.

Motion: Director Lara made a motion, seconded by First Vice President Dendle to adopt the resolution as presented. The motion carried unanimously seven (7) ayes to zero (0) nays.

e. Consider authorizing extension of the professional services performance agreement with the San Angelo Chamber of Commerce, Incorporated as provided in the agreement, through December 31, 2021, for adjusted compensation in the annual sum of $262,500, and directing the Board President to execute such agreement and any related documents in a form approved by the City Attorney. (Presentation by Guy Andrews, Director of Economic Development.)

Motion: Director Lara made a motion, seconded by Director Carrasco to approve the extension of the professional service performance agreement as presented. The motion carried unanimously seven (7) ayes to zero (0) nays.

f. Consider a resolution of the San Angelo Development Corporation (C0SADC) authorizing the use of Sales and Use Tax Funds in an amount not to exceed $100,000, for monument signage and related landscaping welcoming travelers into the City of San Angelo, enhancing an approved project for cleanup, open space improvement and landscaping of the Knickerbocker Road right of way and adjoining Bureau of Reclamation land, open space fronting the San Angelo Regional Airport—Mathis Field, a project authorized under Chapter 505 of the Texas Local Government Code for open space improvement and promotional purposes necessary to develop business enterprises; and, authorizing the board President to negotiate and execute an addendum to the project Memorandum of Understanding (MOU) with the City of San Angelo, and such other documentation with the Bureau of Reclamation as may be necessary, to provide terms for performance, and to execute any other related legal documents, in a form approved by the City Attorney, subject to approval of City Council. (Presentation by Guy Andrews, Economic Development Director)

Mr. Andrews stated maintenance will be maintained by Lake and Park Division.

Motion: Director Puello made a motion, seconded by First Vice President Dendle to approve the resolution as presented. The motion carried unanimously seven (7) ayes to zero (0) nays.

g. Consider approving First addendum to Memorandum of Understanding by and between the city of San Angelo Development Corporation and the City of San Angelo concerning a project for open space improvement, landscaping and related facilities necessary to enhance the Knickerbocker Road right of way and adjoining Bureau of Reclamation land fronting the San Angelo Regional Airport—Mathis Field. (Presentation by Guy Andrews, Economic Development Director)

Motion: First Vice President Dendle made a motion, seconded by Director Puello to approve the first addendum to the Memorandum of Understanding as presented. The motion carried unanimously seven (7) ayes to zero (0) nays.

h. Public Hearing regarding the use of sales and use tax funds in an amount not to exceed $362,500 to provide an Economic Development Incentive to SPECIAL MATERIALS COMPANY, for a project related to Business Enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 505 Subchapter C. (Presentation by Shannon Scott, Business, Retention & Expansion Coordinator)

No registered speakers for this Public Hearing.

i. Public Hearing regarding the use of sales and use tax funds in an amount not to exceed $150,000 to provide an Economic Development Incentive to BP SURFACE SOLUTIONS, LLC d/b/a DORADO CONSTRUCTION GROUP, for a project related to Business Enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 505 Subchapter C. (Presentation by Shannon Scott, Business, Retention & Expansion Coordinator)

No registered speakers for this Public Hearing.

6. Follow Up and Administrative Issues

a. Consideration and possible action of items discussed in Closed Session, if needed

Closed Session not held.

b. Announcements and consideration of Future Agenda Items

No announcements or future agenda items were discussed

Second Vice President Dr. Cummings left the meeting at 9:42 a.m.

7. Adjournment

Motion: Director Puello made a motion, seconded by Director Carrasco to adjourn the meeting. The motion carried unanimously six (6) ayes to zero (0) nays.

There being no further business, the meeting adjourned by consensus at 9:43 a.m.

THE CITY OF SAN ANGELO

_____
Corporation President

ATTEST:

_____
Corporation Secretary

In accordance with Chapter 2, Article 2.300, of the Official Code of the City of San Angelo, the minutes of this meeting consist of the preceding Minute Record and the Supplement Minute Record. Details on Board meetings may be obtained from the City Clerk's Office. (Portions of the video recording may be distorted due to equipment malfunction or other uncontrollable factors.)

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Report to Board

CITY OF SAN ANGELO TEXAS
Development Corporation

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: November 18, 2020

Item type: Consent Item

Caption:

Consider approving the necessary corporation disbursement

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

1. Disbursement 11-18-2020 Disbursement 11-18-2020.pdf

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

City of San Angelo Development Corporation
Check Disbursements
For Board Approval November 18, 2020

Economic Development				
BP Surface Solutions, LLC	$	100,000.00	Capital investment Grant per fulfillment of Performance Agreement	
Tom Green County		320,554.33	DEAA Grant	*Ck. 5234*
Reece Albert Inc,		60,308.84	Gateway Addn 2.1 (Inv 11577 & 11578)	
Atmos Energy		112.35	Gas utilities (Serv date 10/08/2020 to 111/04/2020)	
Staples		9.49	Office supplies (Inv. 3459803439)	
Total for Board Consideration	**$**	**480,985.01**		
JR Silva Tree Service & Landscaping	$	978.00	Landscaping at BRC & Ind. Park (Inv 3097 & 3098)	*Ck. 5238*
Standard Times		852.14	Legal notice (Ad 4372323 & 4390900)	*Ck. 5237*
Dirt Doctor		725.00	Mo. Cleaning at BRC (Inv. 4463)	
SKG Engineering		715.00	Const. Materials Testing - Indust Park (Inv. 1166Sept20)	*Ck. 5239*
Ener-tel		628.00	Mo burglar/fire alarm & Annual Intrusion System (Inv. 227737 & 227835)	
House of Chemicals		213.89	Cleaning supplies for BRC (Inv. 569193)	
Angelo Water Serv Co		63.60	Water delivery and cooler rental (Inv. 10222020)	
	$	**4,175.63**		
Total Economic Development Disbursements	**$**	**485,160.64**		
Ballot				
Total for Board Consideration	**$**	**-**		
Total Routine Disbursements	**$**	**-**		
Total Ballot Disbursements	**$**	**-**		
Grand Total Disbursements this Period	**$**	**485,160.64**		

Report to Board

CITY OF SAN ANGELO TEXAS
Development Corporation

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: November 18, 2020

Item type: Consent Item

Caption:

Consider approval of a VIP Sponsorship of $10,000 for the Convention and Visitor Bureau Air Race 1 to be held in October, 2021, contingent on obtaining insurance and community sponsorships for the event.

Summary/History:

This item was discussed at the October 28, 2020 COSADC Board of Directors meeting. A presentation was made by Suzanna Valenzuela and Diann Bayes about Air Race 1.

The attached PowerPoint provides additional details about the air race.

Financial Impact:

$10,000 budget amendment to the appropriate account would be required.

Other Information/Recommendation:

Attachments:

1. Air Race Presentation 10-20-2020 — Air Race Presentation 10-20-2020.pptx

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

City Council

October 20, 2020

AIR RACE E

Event Background

- Air Race 1 / Air Race Events (Dubai, UAE)
  - Formula One Air Racing
  - Worldwide event
- Race Layout
  - 8 aircraft race together simultaneously
  - 50’ above the ground
  - 250 – 300 mph
  - Oval track
    - Roughly 1 mile in length (end to end)
  - 5 day event
    - 3 days of setup and practice
    - 2 days of racing (public welcome)

Photo courtesy Air Race 1
https://airrace1.com/photos/

Course

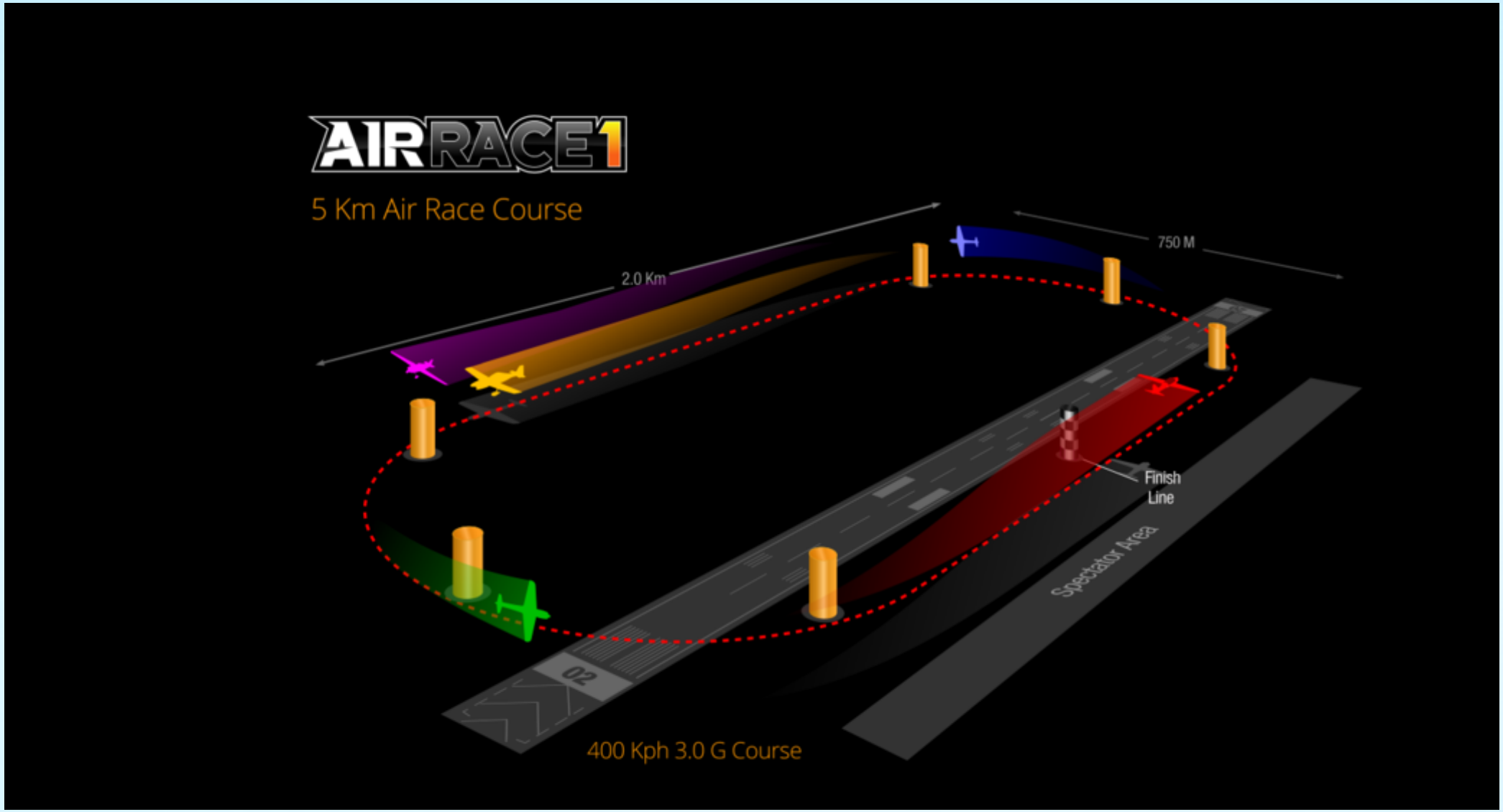
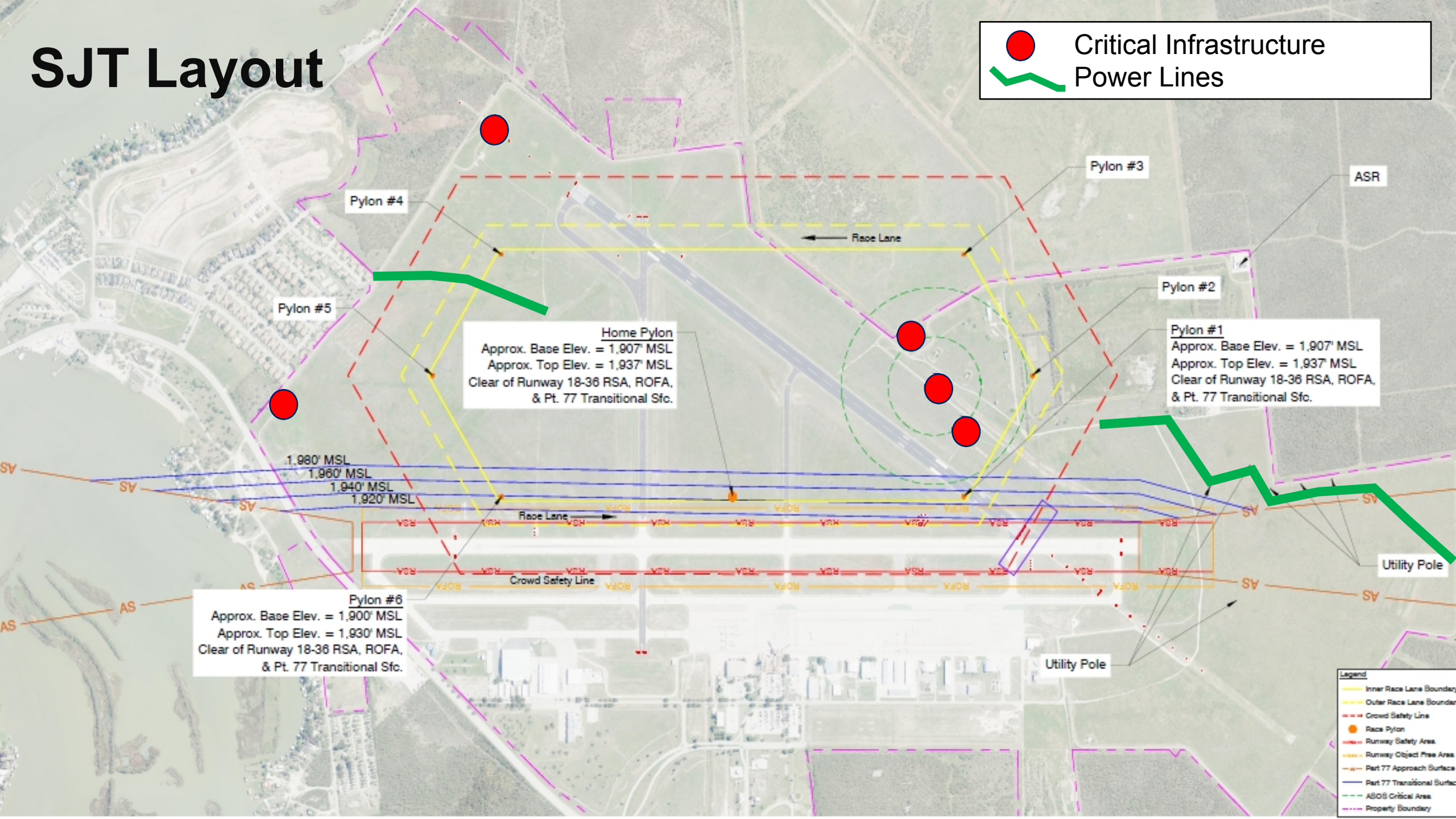


Image courtesy Air Race 1

https://airrace1.com/the-sport/

SJT Layout


Critical Infrastructure
Power Lines
Pylon #4
Pylon #3
ASR
Race Lane
Pylon #5
Pylon #2
Home Pylon
Approx. Base Elev. = 1,907' MSL
Approx. Top Elev. = 1,937' MSL
Clear of Runway 18-36 RSA, ROFA,
& Pt. 77 Transitional Sfc.
Pylon #1
Approx. Base Elev. = 1,907' MSL
Approx. Top Elev. = 1,937' MSL
Clear of Runway 18-36 RSA, ROFA,
& Pt. 77 Transitional Sfc.
1,980' MSL
1,960' MSL
1,940' MSL
1,920' MSL
Race Lane
Crowd Safety Line
Pylon #6
Approx. Base Elev. = 1,900' MSL
Approx. Top Elev. = 1,930' MSL
Clear of Runway 18-36 RSA, ROFA,
& Pt. 77 Transitional Sfc.
Utility Pole
Utility Pole
Legend

Aircraft

- Light weight piston driven aircraft
  - 1,000 – 1,500lbs
- 100LL fuel (available through FBO)

Photo courtesy Air Race 1
https://airrace1.com/photos/

Hangar Space

- Air Race 1 has requested the use of a 10,000sq/ft hangar
  - No vacant hangars
  - Tenants could volunteer hangar space
  - Portable hangars

Risk vs Reward

Risk

- Activity is outside of normal airport use
- Not covered under current insurance
  May need to be self insured
- Safety areas not designed for such activity
- Critical infrastructure directly beneath or within the oval track
- May see reduction in aircraft traffic during event

Reward

- Public event at the airport
- Marketing / exposure
- Economic benefit
  - Heads in beds
  - Visitor dollars
- Place us on the global map
- May see an increase in GA traffic

Needs

- EMS
  - 4 pickup trucks
  - 2 structural trucks
  - 2 ground ambulances
  - 16 EMS / Fire personnel
- Security
  - 4 uniformed law enforcement officers during public opening
- VOLUNTEERS!!!
- Financial support
  - FAA's Airport Revenue Use Policy
    - Airport funds cannot be used to directly support the event, unless the event was to make monetary profit for the airport.
    - Event must be open to the public

CVB - Air Race 1

- CVB began discussions with Air Race 1 and Airport Director Jeremy Valsgardson to host an air race event in San Angelo in July 2020. The race would be held in October of 2021.
- Due to COVID-19 Air Race 1 has remodeled their business plan. Normally they charge a hosting fee between $75,000 to 250,000 to host an event. This is currently being waived.
- CVB anticipates 260 room nights from Air Race 1 event staff and participating teams plus additional rooms for attendees.

- The event is similar to a NASCAR race in that the 6-8 planes race simultaneously.
- A course has been laid out and agreed upon between the airport and Air Race 1.
- CVB has met with Police and Fire to come up with a plan for the event.
- CVB has met with San Angelo Chamber of Commerce to consider running the event side of the race.

- CVB has negotiated incentives costs, these incentives will not be paid out to Air Race 1.

Incentive	Amount
Marketing for event	$20,000
VIP Event for opening or closing	$10,000
Fuel	$4000
Transportation	*0 (Concho Valley Transit would like to sponsor)
Discounts on flights	*0
Lodging	$20,000
Lunch for Participants	$2,000
Emergency Medical Services	*$14,000 (Possible savings with a partnership with Goodfellow)
Event Insurance	*? (City is looking for a vendor)
Tents	*? (Working on using a hangar)
Total	*70,000 (Outstanding expenses)

- The CVB Board of Directors held an emergency meeting on October 9th to discuss incentives for Air Race 1 and approved the following:
  - A motion to authorize the CVB to commit up to $40,000 in visitor event and or sports incentives to Air Race 1 to hold an air race at the San Angelo Regional Airport in October 2021. We agree the CVB will also solicit sponsorships to cover additional fees for the event, seek assistance from City Council for additional HOT funds, as well as apply for the Texas Events Trust Fund in hopes of receiving monies from the state to offset any other expenses.

Report to Board

CITY OF SAN ANGELO TEXAS
Development Corporation

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: November 18, 2020

Item type: Consent Item

Caption:

Consider authorizing the Board President to execute an amendment to the ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT entered into with DLH WENDLAND, LLC, effective November 1, 2019, reducing the minimum capital investment required from $2,000,000, to $1,000,000, with a commensurate reduction in the maximum grant payable from $400,000, to $200,000, and related amendments approved by the Director of Economic Development as to content and in a form approved by the City Attorney.

Summary/History:

On May 27th, 2020, the COSADC Board unanimously approved a BREP Project and Resolution for an incentives package for DLH WENDLAND, LLC of which the details of the incentives are listed below:

$400,000 one time capital investment grant once the $2,000,000 capital investment/improvements have been made.

Total Proposed Incentives: $400,000

The Project and Resolution were subsequently ratified by City Council on June 6th, 2020.

On behalf of DLH WENDLAND, LLC, they are requesting a lower minimum project capital investment threshold due to lower than anticipated building and construction costs in the amount of $1,000,000. Accordingly, the incentive's amounts earned will be adjusted to reflect this new minimum capital investment threshold.

Financial Impact:

Original Incentives Approved:

$400,000 one time capital investment grant once the $2,000,000 capital investment/improvements have been made.

Total Proposed Incentives: $400,000

New Proposed Incentives:

Minimum Capital Investment lowered from $2,000,000 to $1,000,000. Incentives amounts for anything expended in an amount over $1,000,000 will be based on a formula of 20% of the overall capital investment.

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Shannon Scott	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

Report to Board

CITY OF SAN ANGELO TEXAS
Development Corporation

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: November 18, 2020

Item type: Consent Item

Caption:

Consider authorizing the Board President to execute an amendment to the ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT entered into with SPECIAL MATERIALS COMPANY, effective August 1, 2020, reducing the minimum capital investment required from $3,000,000, to $1,250,000, with a commensurate reduction in the maximum grant payable based upon reduction in the minimum capital investment required while maintaining the grant allowance for retention and creation of jobs, from $350,000, to a corresponding reduced maximum grant sum, and related amendments approved by the Director of Economic Development as to content and in a form approved by the City Attorney.

Summary/History:

On September 23, 2020, the COSADC Board unanimously approved a BREP Project and Resolution for an incentives package for SPECIAL MATERIALS COMPANY of which the details of the incentives are listed below:

$350,000 one time capital investment grant once the $3,000,000 capital investment has been made.

$2,500 per FTE's created for up to 5 FTE's.

Total Proposed Incentives: $362,500.

The Project and Resolution were subsequently ratified by City Council on October 6th, 2020.

On behalf of SPECIAL MATERIALS COMPANY, they are requesting a lower minimum project capital investment threshold from $3,000,000 to $1,250,000.

Financial Impact:

Original Incentives Approved:

$350,000 one time capital investment grant once the $3,000,000 capital investment has been made.

$2,500 per FTE's created for up to 5 FTE's.

Total Proposed Incentives: $362,500.

New Proposed Incentives:

Minimum Capital Investment lowered from $3,000,000 to $1,250,000. Staff is currently working to adjust the performance agreement so that they new proposed incentives are adjusted accordingly with the new minimum project investment threshold.

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Shannon Scott	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

Report to Board

CITY OF SAN ANGELO TEXAS
Development Corporation

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: November 18, 2020

Item type: Consent Item

Caption:

Consider authorizing the Board President to execute a service agreement with Kirbo's Office Systems, LL C for a Canon copier to be located at the Business Resource Center to be used by the Business Factory - Business Incubator clients, 69 N. Chadbourne, San Angelo, TX 76903, for a twenty four (24) month term , at rates set forth in lease dated August 21, 2020, with content approved by the Director of Economic and Development and form approved by the City Attorney's office.

Summary/History:

Consider authorizing the Board President to execute a service agreement with Kirbo's Office Systems, LL C for a Canon copier to be located at the Business Resource Center to be used by the Business Factor - Business Incubator clients, 69 N. Chadbourne, San Angelo, TX 76903, for a twenty four (24) month term , at rates set forth in lease dated August 21, 2020, with content approved by the Director of Economic and Development and form approved by the City Attorney's The current Canon copier lease will expire November 29, 2020. The new lease will begin November 30, 2020.

Financial Impact:

This item is already budgeted.

Other Information/Recommendation:

Attachments:

1.	Lease - Canon copier	Lease - Canon copier.pdf

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

Kirbo's Office Systems LLC
Installation Report / Lease Program

Rep Name: Harold Sharp **Date:** 8/21/2020

Customer: CITY OF SAN ANGLEO ECONOMIC DEVELOPMENT CORPORATION
69 NORTH CHADBOURNE
SAN ANGELO, TX 76903

Billing Address:

Phone #: (325) 657-9214 Contact: NORA REGINO-NEVAREZ
Fax #:

Equipment

Model # : CANON iRC5051 Serial # : GQM61436 EQ4613
Accy: FINISHER A1 Serial # : FHU68632
Accy: CFU AD1 Serial # : PZD12871
Accy: FAX-DIRECT PRINT-PS-PCL Serial # :

Install Date: 8/21/2020 Install / Start Meter: 101= 142,076 109= 60,452 102= 150,483 124= 90,031

Trade In: End Meter 101= 109=
Serial #: 102= 124=

Transaction Details (check box beside transaction type or types)

[X] ***Lease*** Type: **FMV** (FMV, 1$ out, muni, etc.) Payment: **149.00** (without taxes) Term : **24** (months)

Advanced payments: (0 or 2) Lease Company: **CFS** (Can Fin, GE Cap, Gambo, other)

[ ] **Warranty** (check box if warranty is included, no copies allowed on cartridge machines)

1 year or copies.

Toner included in warranty: Yes [ ] No [ ]

[X] **Service Agreement** (check box if service agreement is included, not available for cartridge machines)

Cost Per Copy: Includes toner: **YES** (Yes or No)

Volume Allowed: **2000 BLACK** Per: **MO** (month or year) Overages: **0.01 BK** Each

Billing cycle: **XXX** (monthly) (quarterly) **0.06 COLOR** (other)

Service agreement includes all parts, labor, service and preventative maintenance.

[X] ***Networked***

O/S Workstations:

[X] Additional Information :

Network support and driver installation after initial installation is not included in maintenance agreement rates.

[X] **Acceptance of Delivery and Terms**

Signature indicates that the terms of the maintenance agreement are understood and accepted.

✗ Harold D Andrews ✓ Nov. 3, 2020 Declined: (initial)

Customer Signature Date

Canon

CANON FINANCIAL SERVICES, INC. ("CFS")
Remittance address: 14904 Collections Center Drive
Chicago, Illinois 60693 Phone: (800) 220-0200

LEASE AGREEMENT

One-Page Agreement for Transactions Under $150,000 CFS-1122 (06/16)

CFS' AGREEMENT NUMBER: 788389

COMPANY LEGAL NAME	DBA		PHONE ("Customer")
THE CITY OF SAN ANGELO DEVELOPMENT CORPORATIO			325-653-7197

BILLING ADDRESS	CITY	COUNTY	STATE	ZIP
69 NORTH CHADBOURNE	SAN ANGELO	TOM GREEN	TX	76903

EQUIPMENT ADDRESS	CITY	COUNTY	STATE	ZIP
SAME				

EQUIPMENT INFORMATION

Quantity	Serial Number	Make/Model/Description	NUMBER AND AMOUNT OF PAYMENTS: Number of Payments	Payment Amount *
1	GQM61436	CANON iRC5051	24	$149.00

Term in months: 24
Number of Payments in Advance:
Total Amount Due At Signing *:

Payment Frequency: ☑ Monthly ☐ Quarterly ☐ Other:
End of Term Purchase Option: ☑ Fair Market Value ☐ $1.00 ☐ Other: ($ or %) (estimated)
* Plus Applicable Taxes

THIS AGREEMENT IS NON-CANCELABLE BY CUSTOMER. CUSTOMER REPRESENTS THAT ALL ACTION REQUIRED TO AUTHORIZE EXECUTION OF THIS AGREEMENT ON BEHALF OF CUSTOMER BY THE FOLLOWING SIGNATORIES HAS BEEN TAKEN. THE UNDERSIGNED HAS READ, UNDERSTANDS AND HEREBY AGREES TO ALL OF THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT.

ACCEPTED BY CANON FINANCIAL SERVICES, INC.
By:
Title:
Date:

AUTHORIZED CUSTOMER SIGNATURE
X By: Guy D. Andrews Title: Director of Eco. Dev
X Printed Name: Guy D. Andrews Email address: guy.andrews@cosatx.us
Tax ID#: If proprietor, DOB: X Date: 11/3/2020

ACCEPTANCE CERTIFICATE
To: Canon Financial Services, Inc. ("CFS")
Customer certifies that (a) the Equipment referred to in this Agreement has been received, (b) installation has been completed, (c) the Equipment has been examined by Customer and is in good operating order and condition and is, in all respects, satisfactory to Customer, and (d) the Equipment is irrevocably accepted by Customer for all purposes under this Agreement. Accordingly, Customer hereby authorizes billing under this Agreement.
X Signature: Guy D. Andrews X Printed Name: Guy D. Andrews X Title (if any): Director X Date: 11/3/2020

TERMS AND CONDITIONS

1. AGREEMENT: CFS leases to Customer, a NON PROFIT organized under the laws of the State of TX, with its chief executive office at 69 N CHADBOURNE SAN ANGELO, TX 76903 and Customer leases from CFS with its place of business at 158 Gaither Drive, Suite 200, Mt Laurel, New Jersey 08054, all the equipment described above ("Equipment"). This Agreement shall be effective on the date the Equipment is delivered to Customer ("Commencement Date"), provided Customer executes CFS' form of acceptance ("Acceptance Certificate") or provides to CFS other written confirmation of its acceptance of the Equipment, which shall conclusively establish that the Equipment has been delivered to and accepted by Customer for all purposes of the Agreement. The term of this Agreement begins on the date accepted by CFS or any later date CFS designates ("Agreement Date") and shall consist of the payment period specified above, any Interim Period, and any renewal periods. If Customer has not, within 10 days after delivery of the Equipment, delivered to CFS written notice of non-acceptance of any of the Equipment, specifying the reasons therefor and specifically referencing this Agreement, Customer shall be deemed to have irrevocably accepted the Equipment. After acceptance of the Equipment, Customer shall have no right to cancel this Agreement, revoke acceptance or return the Equipment to CFS prior to the end of the scheduled term of this Agreement for any reason whatsoever.

2. PAYMENTS: Customer shall pay CFS the payments specified under "Number and Amount of Payments" above and such other amounts permitted hereunder as invoiced by CFS ("Payments"). Customer shall also pay CFS an interim payment in an amount equal to 1/30th of the monthly amount of the Payment multiplied by the number of days between the Effective Date and the Commencement Date ("Interim Period"), as determined by CFS. A late payment fee equal to the greater of 10% of the late amount or $25 will be due if a Payment is late. This lease is a net lease. Payments shall be made without set-off or deduction, even if the Equipment malfunctions. Customer authorizes CFS to adjust the Payment and End of Term Purchase Option ("Purchase Option") herein by up to 15% if the actual total cost of the Equipment, including any sales or use tax, is more or less than originally estimated. Customer (a) shall pay an $85 documentation fee, and (b) agrees to pay any applicable taxes (including personal property tax), expenses, charges and fees imposed upon CFS or Customer with respect to the Equipment, the Payments, or Customer's performance or non-performance hereunder and shall reimburse CFS for the same plus processing fees (collectively, "Costs"). Customer agrees that CFS may in its sole discretion apply, but shall not be obligated to apply, any amount paid in advance to any amount due or to become due hereunder, and in no event shall any amount paid in advance earn interest except where required by applicable law.

3. NAME; OFFICES: Customer's legal name (as set forth in its constituent documents), chief executive office address and jurisdiction of organization are as set forth herein. Customer shall provide CFS written notice at least 30 days prior to any change of its legal name, chief executive office address or its form of organization (including its jurisdiction of organization), and shall execute and deliver to CFS such documents as required or appropriate.

4. WARRANTIES: CUSTOMER ACKNOWLEDGES THAT CFS IS NOT A MANUFACTURER, DEALER, OR SUPPLIER OF THE EQUIPMENT, AND AGREES THAT THE EQUIPMENT IS LEASED "AS IS" AND IS OF A SIZE, DESIGN, AND CAPACITY SELECTED BY CUSTOMER. CFS HAS MADE NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT, INCLUDING SPECIFICALLY ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CFS shall not be liable for consequential, special, indirect or punitive damages. Any warranty related to the Equipment made by the manufacturer, dealer, or supplier is separate from, and is not a part of, this Agreement, and CFS assigns to Customer any warranties agreed between Customer and the manufacturer, dealer, or supplier. Customer acknowledges and agrees that the supplier or dealer is not an agent of CFS and is not authorized to waive or alter any term of the Agreement, or make any representation or warranty with respect to this Agreement or the Equipment on behalf of CFS. Customer warrants that the Equipment will not be used for personal, family or household purposes.

5. LIENS; MAINTENANCE; ALTERATIONS; LOSS: Customer shall keep the Equipment free and clear of all claims and liens other than those in favor of CFS. Customer shall keep and maintain the Equipment in good working order and shall, at its expense, supply and install replacement parts and accessories when required to maintain the Equipment. Any such changes or substitutions shall be the property of CFS and shall be deemed Equipment. Effective upon delivery to Customer, Customer shall (a) bear the entire risk of any loss, theft of, or damage to the Equipment, and (b) during the term hereof, including renewals and extensions, keep the Equipment insured with CFS as loss payee. If Customer fails to provide proof of insurance, CFS may, but is not required to, obtain insurance covering CFS' interests, and charge Customer for the costs of such insurance, and an administrative fee. CFS and any affiliate may make a profit on the foregoing. No such loss, theft, or damage shall relieve Customer of any obligation hereunder.

6. DEFAULT: If Customer fails to pay any amount due to CFS, CFS will have the right to exercise any one or all of the following remedies in any order: (a) require Customer to immediately pay all unpaid Payments hereunder (whether or not then due), the Purchase Option amount and any other Costs (collectively, "Remaining Lease Balance"), (b) terminate any and all agreements with Customer, (c) repossess the Equipment, (d) sell the Equipment and recover the amount by which the Remaining Lease Balance exceeds the net amount CFS received from such sale, and/or (e) pursue any other remedy permitted at law or in equity. CFS (i) may sell the Equipment after preparing it or not, (ii) may disclaim warranties of title and the like, and (iii) may comply with applicable law, and these actions shall be deemed commercially reasonable. In the event the Equipment is not available for sale, the Customer shall be liable for the Remaining Lease Balance. Customer shall reimburse CFS for its out-of-pocket costs and expenses incurred in enforcing this Agreement and exercising its remedies, including reasonable fees and expenses of attorneys and collection agencies. Any other default hereunder shall entitle CFS to all remedies available at law and equity. Failure to exercise any remedy that CFS may have shall not constitute a waiver of any obligation with respect to which Customer is in default. Customer will also pay for CFS' reasonable collection and other costs which, in the case of a court action, 25% of the total amount sought shall be deemed reasonable.

7. ASSIGNMENT: CUSTOMER SHALL NOT ASSIGN OR PLEDGE THIS AGREEMENT, NOR SHALL CUSTOMER SUBLET OR LEND ANY ITEM OF EQUIPMENT. CFS may pledge or assign this Agreement. If CFS assigns this Agreement, the assignee will have the same rights and benefits that CFS has now and will not have to perform any of CFS' obligations, and the rights of the assignee will not be subject to any claims, defenses, or setoffs that Customer may have against CFS.

8. PURCHASE OPTION: (A) END OF TERM PURCHASE OPTION. At the end of any term, Customer shall give CFS 60 days' irrevocable prior written notice (unless the Purchase Option is $1.00) that it will purchase all the Equipment at the Purchase Option plus any Costs. (B) PRIOR TO MATURITY PURCHASE. Customer may, at any time, upon 60 days' irrevocable prior written notice, purchase all the Equipment at a price equal to the sum of all remaining Payments plus the Fair Market Value plus Costs. "Fair Market Value" shall be CFS' retail price when Customer purchases the Equipment. Equipment purchases shall be "AS-IS WHERE-IS" without warranty, except for title.

9. RENEWAL; RETURN: This Agreement automatically renews under the same terms and conditions on a month-to-month basis if Customer fails to give CFS 60 days' prior written notice of its intent to purchase or return the Equipment before the end of any term. Unless this Agreement automatically renews or Customer purchases the Equipment, Customer shall return the Equipment on the day the Agreement terminates in good operating condition, ordinary wear and tear resulting from proper use excepted, at Customer's sole cost and expense to a location specified by CFS, and shall reimburse CFS for any costs incurred to place the Equipment in good operating condition. CFS may charge Customer a return fee equal to the greater of one Payment or $250 for the processing of returned Equipment.

10. DATA: Customer acknowledges that the hard drive(s) on the Equipment, including attached devices, may retain images, content or other data that Customer may store for purposes of normal operation of the Equipment ("Data"). Customer acknowledges that CFS is not storing Data on behalf of Customer and that exposure or access to the Data by CFS, if any, is purely incidental to the services performed by CFS. Neither CFS nor any of its affiliates has an obligation to erase or overwrite Data upon Customer's return of the Equipment to CFS. Customer is solely responsible for: (A) its compliance with applicable law and legal requirements pertaining to data privacy, storage, security, retention and protection; and (B) all decisions related to erasing or overwriting Data. Without limiting the foregoing, if applicable, Customer should, (i) enable the Hard Disk Drive (HDD) data erase functionality that is a standard feature on certain Equipment and/or (ii) prior to return or other disposition of the Equipment, utilize the Hard Disk Drive (HDD) (or comparable) formatting function (which may be referred to as "Initialized All Data/Settings" function) if found on the Equipment to perform a one pass overwrite of Data or, if Customer has higher security requirements, Customer may purchase from its Canon dealer at current rates an appropriate option for the Equipment, which may include (a) an HDD Data Encryption Kit option which disguises information before it is written to the hard drive using encryption algorithms, (b) an HDD Data Erase Kit that can perform up to a 3-pass overwrite of Data (for Equipment not containing data erase functionality as a standard feature), or (c) a replacement hard drive (in which case Customer should properly destroy the replaced hard drive). Customer shall indemnify CFS, its subsidiaries, directors, officers, employees and agents from and against any and all costs, expenses, liabilities, claims, damages, losses, judgments or fees (including reasonable attorneys' fees) arising or related to the storage, transmission or destruction of the Data. This section survives termination or expiration of this Agreement. The terms of this section shall solely govern as to Data, notwithstanding that any provisions of this Agreement or any separate confidentiality or data security or other agreement now or hereafter entered into between Customer and CFS applies, or could be construed to apply to Data.

11. UCC: Customer authorizes CFS to file any form of financing or continuation statements and amendments thereto. THIS AGREEMENT IS INTENDED AS A "FINANCE LEASE" AS THAT TERM IS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE ("UCC 2A") AND CFS IS ENTITLED TO ALL BENEFITS, PRIVILEGES AND PROTECTIONS OF A LESSOR UNDER A FINANCE LEASE. CUSTOMER WAIVES ITS RIGHTS AS A LESSEE UNDER UCC 2A SECTIONS 508-522. If this Agreement is determined not to be a true lease, Customer grants CFS a security interest in the Equipment.

12. MISCELLANEOUS: THIS AGREEMENT SHALL BE GOVERNED BY NEW JERSEY LAW. ANY ACTION BETWEEN CUSTOMER AND CFS SHALL BE BROUGHT IN A COURT LOCATED IN THE COUNTY OF BURLINGTON OR CAMDEN, NEW JERSEY, PROVIDED THAT CFS AT ITS SOLE OPTION MAY BRING ANY SUCH ACTION IN A COURT WHERE CUSTOMER OR THE EQUIPMENT IS LOCATED. CUSTOMER AND CFS IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDINGS. CFS may accept a facsimile or other electronic transmission of this Agreement and Acceptance Certificate as an original. Customer shall reimburse CFS for and defend CFS against any claim for losses or injury caused by the Equipment, both before and after termination of this Agreement. CFS may insert missing or correct other information, including the Equipment's description, serial number, and location, and corrections to Customer's legal name; otherwise this Agreement embodies the entire agreement.

PERSONAL GUARANTY

The undersigned absolutely, irrevocably and unconditionally, jointly and severally, guarantee to CFS all payments and other obligations under this Agreement. This is an absolute and continuing guaranty. SECTION 12 ABOVE SHALL APPLY TO THIS PERSONAL GUARANTY. The undersigned waive any right to require any action against Customer or any other party before enforcing this Personal Guaranty.

Printed Name: Signature: (no title) Date:
Address: Phone:

Report to Board

CITY OF SAN ANGELO TEXAS
Development Corporation

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: November 18, 2020

Item type: Regular Item

Caption:

Update presentation regarding the 2019 COSADC contract Audit. (Presentation by Internal Auditor, Brandon Sanders)

Summary/History:

Presentation regarding the 2019 COSADC contract audit

Financial Impact:

Other Information/Recommendation:

Attachments:

1.	Memo - COSADC compliance audit 2019	Memo - COSADC compliance audit 2019.docx
2.	COSADC 2019 Project Tracking Spreadsheet	COSADC 2019 Project Tracking Spreadsheet.xlsx

Presentation:

Brandon Sanders

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

MEMORANDUM

To: Michael Dane Assistant City Manager, Guy Andrews Economic Development Director
From: Brandon Sanders, Internal Auditor
Date: November 3, 2020
Subject: 2019 COSADC Compliance Audit

A compliance audit was conducted for COSADC's contract activity for the year 2019.

There were a total of 63 contracts reviewed, of those 26 where approved in 2019 with two contracts being terminated by the time of the audit. The remaining 37 contracts stemmed back as far as 2015. The total amount paid was over $7.5 million dollars for the various agreements to date.

At the conclusion of the audit there were only two contracts that had any findings. In both cases the issue arose from failure to retain or report new FTE employees. In one case the company has already been in contact with COSADC in an effort to showcase plans in order to meet the terms of the agreement. The company had already received funds for 4 FTE's that were reported from a previous year but have not been maintained. The other recipient received monies for capital improvements with a requirement to add 4 FTE as part of the agreement, but at the conclusion of the audit COSADC had not received any documentation to conclude either way. The remaining 61 contracts had no exceptions noted, and required no action.

In conclusion it is the opinion of the auditor that in both cases where contract terms are not being met, the Staff made attempts to reach out to help aid those businesses. It is of the part of the Business to gather and present the required information as part of the agreement. In those situations where terms are not being met and no additional communication is made Staff should look into utilizing the claw back provisions in the contract.

Project Number	Project Description Resolutions	Approved By COSADC	Audit Notes
1	Approval of $25,000 for membership at the Foundation level for the High Ground of Texas	10/24/2018	
2	Approval of $5,000 for membership for the Texas Midwest Community Network	10/24/2018	
3	Approval of up to $225,000 for Marketing & recruitment services for the Chamber of Commerce	9/26/2018	
4	Approval Resolution & MOU for 2nd Amendment to lease for ASU SBDC office space (adjustments in rent and services)	10/24/2018	
5	Approval $49,225 incentive to US Customs & Border Protection Air & Marine Operations	11/28/2018	
6	Resolution - AEP Texas- elec utility easement-100ft - Phase II @ Industrial Park	12/19/2018	Property was paid for on 1/27/2020
7	Resolution - Parkhill Smith & Cooper - not to exceed $15,000 prof. engineering and surveying services	12/19/2018	
8	Resolution- Shea Transportation Consulting- Prof. marketing Serv., not to exceed $49,000 (Industrial tranportation facilities, industry needs)	1/23/2019	
9	Resolution -awarding Community Development Stratagies house analysis in the sum $65,000	2/27/2019	
10	Resolution - Sale of 6.4 acres (Industrial Park) to Jeff Prince. $25,000 per acre	2/27/2019	Contract terminated per request of the buyer.
11	Resolution - Prof. Serv Agree. W. Centurion Planning & Design not to exceed $7,500	2/27/2019	

12	Resolution authorize $50,000 not to exceed to Ener-Tel for BREP incentive	3/27/2019	Agreement was mutually terminated on 6/1/2020
13	Resolution - authorize not to exceed $200,000 to Special Materials Company (SMC-Global)	3/27/2019	At time of the audit min. project investment had not been meet.
14	Resolution- authorize to negotiate an MOU w COSA infrastructure improvements for platting 153.007 +/- acres of Phase II - SA Industrial Park - $4 million	4/24/2019	
15	Resolution-J's Deer & Wild Game Processing not to exceed $60,000 create & retain primary jobs (BREP)	5/22/2019	Min. Project Threshold $550,000.00, will result in $45,000 payment. Maintain 4 FTE not to exceed 15 $1,000 per FTE.
16	Resolution - Permian Basin Freight Advisory Committee membership for Guy	5/22/2019	
17	Resolution - McLaughlin Advertising - Business Plan Comp. Markting - not to exceed $5,000	5/22/2019	
18	Resolution-US Customs and Border Protec. Air & Marine (CBPAMO) not to exceed $1,100,000	6/26/2019	
19	Sale of 12 acres at Industrial Park to Allen's Transport USA	6/26/2019	payment recevied on 2/5/2020
20	Purchase of 180 acres more or less in the amount not to exceed $600,000 out of the JC Matthews Abstract 8071 & 4031	7/24/2019	
21	BREP - W TX Steel & Supply Inc in the amount of $59,000	7/24/2019	Min. Project Threshold $750,000.00 will result in $50,000 pmt. Creation of 3 FTE of $3,000 per FTE
22	Resolution - Support of the Central TX Corridor as part of I-14 Gulf Coast	6/26/2019	
23	Resolution - Affordable Housing Assistance - damages due to E2 tornando in the amount of $638,861	8/28/2019	At time of the audit no payments have been requested.

24	BREP- Resolution- Double Barrel Outfittlers, LLC in the amount of $70,000	8/28/2019	Min. Project Threshold $750,000.00 will result in $50,000 pmt. Creation of 4 FTE not to exceed 20 FTE of $1,000 per FTE
25	MOU w. the COSA funding not to exceed $13,000 for a project for Air Service Marketing and Recruitment Services	8/28/2019	
26	Resolution-Centurion Planning & Design in the sum of $24,765 to perform prof engineering and survey for right turn lane and drive approach design and	10/23/2019	
27	Resolution - Centurion Planning & Design (BREP) in the amount not to exceed $36,000	11/20/2019	
28	Adopt resolution authorizing Board President to neg.& execute a first amendment to Eco Dev Grant proj w Howard College to extend the term of the agreement	11/20/2019	
29	Resolution awarding RFB DC-01-20 for infrastructure improvement Phase 2.1 & 2.2 of SA Indust Park to Reece Albert, authorizing board President to neg. & execute const serv contract in the sum not to exceed $3,354,682.70	12/30/2019	
30	Approval of an additional $200,000 in BREP financial incentives for Principal LED, LLC. (Original incentive was approved for $350,000 for a new total of $550,000).	1/25/2017	Minimun Project Threshold of $2,750,000 reflected on tax statement. $200,000 upon completion. $1,000 rebates for project sight. $1,000 rebate for sales & use tax. Tax grants up to $14,123 (2018 35% up to $4,298) Individual incentives $1,000 for employees attending job training program up to $50,000. Minimum 15 FTE ($35,000 equal 1 FTE) excluding $175,000 + sal. $5,000 per FTE not to exceed $250,000.

31	Approval of $20,000 to provide Zimmerman Properties, LLC a short term loan in support of the Kirby Park Villas Low Income Housing Tax Credit	1/25/2017	
32	Resolution and MOU of $100,000 for the extension of sewer main into Phase II of the San Angelo Business and Industrial Park	2/22/2017	
33	Approval of $4,000 to execute a Professional Services Agreement with Grant Works to perform grant administration services related to EDA grant application preparation and implementation	4/26/2017	
34	Approval of $3.75 million ($750,000 for 5 years) for future funding of the Chadbourne street pedestrian corridor project	4/26/2017	
35	Approval of $165,000 for Telecommunications Fiber Infrastructure to the San Angelo Industrial Park	4/26/2017	To date this has not been executed. No payments made.
36	Approval of a resolution of up to $190,000 for BREP incentives for Netco Energy Products, Inc.	6/28/2017	
37	Approval of up to $280,000 to execute Task 2 of the PSA with Parkhill, Smith & Cooper for Professional Engineering and Surveying Services for Infrastructure Design for Phase 2 of the Industrial Park	9/27/2017	Task Order No. 2
38	Approval of up to $168,000 for a Construction Trades Program at Howard College	10/25/2017	
39	Approval of up to $1,500,000 in local matching funds for expansion of the training mission of GAFB	10/25/2017	

40	Approval of up to $40,260 in BREP incentives for Elite Solutions, Inc.	11/15/2017	To date no incentives have been met nor payments made.
41	Approval of up to $750,000 for utility and infrastructure improvements for platting the subdivision of a portion of Phase II of the Industrial Park for AEP	12/13/2017	
42	Approval of up to $1.25 million of matching funds for the EDA's Public Works Investment Assistance Program for infrastructure improvements a the Industrial Park	12/13/2017	
43	Approval of up to $25,000 for U.S. Customs & Border Protection Air & Marine Operations	3/28/2018	No action on this item.
44	Approval of up to $7,650 for two AmeriCorps VISTA's to help with the WRC Regional expansion and COSADC organizational support	4/25/2018	Only 1 AmeriCorps person
45	2018 Business Plan Comp - 1st Place- $50,000 - Rock Your World Decorative Concrete, LLC (Effective date 04/25/2018 to April 25, 2021)	4/25/2018	Balance left $10,645.20
46	Approval of up to $121,000 to provide master planning services for a business and industrial park located at the City of San Angelo Airport	8/22/2018	
47	Approval of up to $46,435 for economic development incentives to the U.S. CBPAMO	8/22/2018	Proposed retention 60 FTE. To date no money has been spent.

48	Agreement with Principal LED (2V LED) for BREP incentives up to $300,147.00	10/1/2018	One time capital investment up to $100,000.00 for $2,400,000 increase to tax reports. Annual tax grants up to $40,147.00, Job incentives $2,500 per FTE with min. of 15 up to $160,000.00
49	CalTech not to exceed $603,050 15 FTE jobs,	8/24/2016	If FTE is not retained at YE (2020) 33% remibursement should be enacted.Rebates of development fees up to $600. Tax grants up to $1,950.00 Rebates of sales & use tax up to $500.00. $5,000 per FTE min. of 15. capped @ $500,000.00. Individual incentive of $1,000 per employee attending job training up to $100,000.
50	Carter-Fentrees Engineering, LLC not to exceed $20,000 for creating (4) FTE, minimum project threshold, of $200,000 increase in property tax	3/18/2018	$16,000 capital investment grant $1000 FTE (4)
51	Approval of COSA Admin Serve Agreement; FY 18 = $578,088	3/22/2018	
52	Allocating up to $100,000 for a Texas Dept. of Transportation Alternatives Set-Aside Program grant for street improvement and streetscaping on Chadbourne St. from Houston Harte to Washington	2/22/2017	no other activity since the orginial expenditure.
53	Economic Development BREP Performance Agreement with **DeCoty Coffee Company Inc**, in the amount of $98,288.50 in economic incentives.	2/25/15	
54	Approval of $5,975 in BREP incentives for Engine Pro Machine (EPM)		must retain (7) employees through end of contract
55	Glazer's 50% property tax rebate	5/18/2010	

56	2nd place Business Plan competetion receipiant MOONTIME LLC $20,000 of approved business expesnes.	5/8/2017	
57	ODOMRD, LLC 1st place business competition recipiant $15,000 for approved business expenses	4/27/2018	
58	Ranger Aviation	1/27/2016	
59	2017 3rd place receipiant Business plan competition Longhorn Coffee Company	5/18/2017	
60	2017 1st place receipiant Business plan competition HR Onboarding Solutions	5/18/2017	
61	J Bar Meats, LLC 2019 Business Plan Comp 1st place. $40,000	**12/11/2019**	
62	Ranch Road Boots, LLC 2019 Business plan comp. 2nd place $20,000	1/31/2019	
63	Old Central Firehouse Pizzeria & Taproom 2019 Business plan comp. 3rd place $10,000	12/9/2019	

Findings	Payments made	Final Date
No exceptions noted. No action needed.	10/30/2019 $25,000.00, 12/18/2018 $25,000.00	9/2/2020
No exceptions noted. No action needed.	12/18/2018 $5,000.00	
No exceptions noted. No action needed.	6/25/2019 $56,250.00, 4/2/2019 $56,250.00, 1/2/2019 $56,,250.00, 11/6/2018 $56,250.00	9/30/2019
No exceptions noted. No action needed.		8/31/2020
No exceptions noted. No action needed.	2/19/2019 $49,225	3/4/2019
No exceptions noted. No action needed.		1/27/2020
No exceptions noted. No action needed.		
No exceptions noted. No action needed.	3/12/2020 $8,200.00, 2/25/2020 $4,904.11, 1/21/2020 $3,628.41, 12/31/2019 $8,544.58, 12/3/2019 $1,123.52, 11/26/2019 $6,650.00, 10/8/2019 $5,600.00, 9/3/2019 $3,516.58, 5/7/2019 $4,400.00, 4/2/2019 $2,390.00	Lease agreement ends 2/29/2020
No exceptions noted. No action needed.	4/2/2019 $28,250.00, 5/7/2019 $2,483.94, 6/4/2019 $2,206.89, 7/23/2019 $28,250.00, 8/27/2019 $1,774.18, 12/17/2019 $390.93	
No exceptions noted. No action needed.		3/7/2019
No exceptions noted. No action needed.	6/25/2019 $7,120.00	6/25/2019

No exceptions noted. No action needed.	No payments made	12/31/2022
No exceptions noted. No action needed.	No payments made	12/31/2022
No exceptions noted. No action needed.		
No exceptions noted. No action needed.	N/A	12/31/2022
No exceptions noted. No action needed.	N/A	
No exceptions noted. No action needed.	10/8/2019 $5,075.90, 7/29/2020 $5,000.00	5/1/2020
No exceptions noted. No action needed.	No payments made	
No exceptions noted. No action needed.		2/5/2020
No exceptions noted. No action needed.	7/10/2019 $5,000.00 10/28/2019 $536,813.60	10/28/2019
No exceptions noted. No action needed.	N/A	12/31/2022
No exceptions noted. No action needed.	2/18/2020 $15,000.00	
No exceptions noted. No action needed.	No payments made	No end date?

No exceptions noted. No action needed.	n/a	12/31/2022
No exceptions noted. No action needed.	No payments made	
No exceptions noted. No action needed.	6/16/2020 $19,685.00	3/7/2020
No exceptions noted. No action needed.	N/A	3 years after payment by COSADC
no exceptions noted. No action needed.		
No exceptions noted. No action needed.		
No exceptions noted. No action needed.	4/9/2019 $63,324.30 job creation (12) & tax incentives 5/15/2018 $85,000.00 Job creation (17) 7/18/2017 $50,000.00 (training incentive) 7/5/2017 $305,996 (capital investment, job creation (21 FTE), permit fees ($996))	

No exceptions noted. No action needed.		final pmt 12/11/2019
No exceptions noted. No action needed.	$4000 in 2017	
No exceptions noted. No action needed.	1/30/2018 $4,000	5/16/2020 with 5/16/2022 option to extend
No exceptions noted. No action needed.	5/28/2019 $1,500,000.00	2/22/2022
No exceptions noted. No action needed.		
No Exceptions noted. No action needed.	2/27/2018 $50,000.00, 3/26/2019 $4,500.00	12/31/2020
No exceptions noted. No action needed.	11/15/2017 $2,443.00, 12/12/2017 $59,055.00, 1/16/2018 $46,090.39, 2/27/2018 $17,095.41, 3/6/2018 $51,000.00, 5/29/2018 $12547.50, 7/31/2018 $5,836.01, 8/21/2018 $5,899.98, 9/21/2018 $12,928.00, 1/2/2019, $17,314.40, 1/9/2019 $1,689.20, 4/2/2019 $4,227.83, 4/23/2019 $7,683.50, 10/28/2019 $1,324.50, 6/2/2020 $4,832.66, 8/12/2020 $10,209.48, 2/25/2020 $3,048.34, 7/23/2019 $648.73, 7/2/2019 $875.86	
No exceptions noted. No action needed.	1/22/2019 $54,925.00, 6/26/2018 $39,970.42	2/29/2020
No exceptions noted. No action needed.	2/6/2018 $624,600.61, 11/27/2018 $246,871.50, 4/16/2019 $64,423.64 11/5/2019 $333,014.71	10/15/2019

No Exceptions noted. No action needed.		12/31/2020
No exceptions noted. No action needed.	6/20/2020 $588,846.00	10/25/2020
No exceptions noted. No action needed.	6/16/2020 $472,509.38	
No exceptions noted. No action needed.		
No exceptions noted. No action needed.	2/5/2019 $3,075.00	1/21/2020
No exceptions noted. No action needed.	3/19/2019 $366.86, 3/27/2019 $448.31, 5/21/2019 $292.26, 9/3/2019 536.07, 10/29/2019 $361.94, 11/1/2019 $405.42, 9/1/2020 $379.80, 9/20/2019 544.67, 12/4/2018 $384.77, 12/18/2018 $1,711.85, 11/27/2018 $1,631.19, 9/18/2018 $2,945.09, 11/13/2018 $437.75, 10/8/2018 $955.37, 10/2/2018 $508.74, 9/25/2018 $4,511.80, 9/4/2018 $4,541.58, 8/21/2018 $2,287.33, 8/7/2018 $3,275.00, 6/26/2018 $5,329.00, 6/13/2018 $7,500.00	4/25/2021
No exceptions noted. No action needed.	1/15/2019 $120,991.00	
No exceptions noted. No action needed.		

No exceptions noted. No action needed.	4/9/2019 $63,324.30,4/16/2019 $100,000.00	12/31/2021
FTE has not been maintained.	4/2/2019 4 FTE's @$5,000 ($20,000) total	
No new FTE. No paperwork to conclued either way.	5/7/2019 $16,000 (captial improvements)	12/31/2021
No exceptions noted. No action needed.	2/27/2019 $15,232.60, 5/14/2019 $137,093.40, 8/13/2019 $137,093.40, 9/30/2019 $137,093.40, 9/25/2018 $216,783.00, $72,261.00, $102,741.38, $34,247.12, $7,533.50, 10/9/2018 $102,741.38, $34,247.12, $7,533.50	30-Sep-20
No exceptions noted. No action needed.	5/8/2018 $39,500.00	upon full expediture
No exceptions noted. No action needed.	5/8/2018 $15,168.18, 4/9/2019 $168.18	Final pmt made on 4/9/2019
No exceptions noted. No action needed.	9/25/2018 $5,975.00	3/6/2021
No exceptions noted. No action needed.	2/25/2020 $83,310.57 2/19/2019 $74,467.02	9/9/2019

No Exceptions noted. No action needed.	pmts made in 2017	5/8/2020
No exceptions noted. No action needed.	pmts made in 2016	4/27/2019
No exceptions noted. No action needed.	PMT of $240,000 in 2016	3/21/2019
No Exceptions noted. No action needed.	7/24/2018 $797.80	5/3/2020
No exceptions noted. No action needed.	4/10/2018 $2,212.35,	5/18/2020
No Exceptions noted. No action needed.		1/31/2023
No Exceptions noted. No action needed.	9/1/2020 $3,454.84, 3/31/2020 $6,305.00, 2/25/2020 $10,240.16,	1/31/2023
No Exceptions noted. No action needed.	1/14/2020 $10,000.00	1/31/2023

Project Number	Project Description Resolutions	Approved By COSADC
1	Approval of $25,000 for membership at the Foundation level for the High Ground of Texas	10/24/2018
2	Approval of $5,000 for membership for the Texas Midwest Community Network	10/24/2018
3	Approval of up to $225,000 for Marketing & recruitment services for the Chamber of Commerce	9/26/2018
4	Approval Resolution & MOU for 2nd Amendment to lease for ASU SBDC office space (adjustments in rent and services)	10/24/2018
5	Approval $49,225 incentive to US Customs & Border Protection Air & Marine Operations	11/28/2018
6	Resolution - AEP Texas- elec utility easement-100ft - Phase II @ Industrial Park	12/19/2018
7	Resolution - Parkhill Smith & Cooper - not to exceed $15,000 prof. engineering and surveying services	12/19/2018
8	Resolution- Shea Transportation Consulting- Prof. marketing Serv., not to exceed $49,000 (Industrial tranportation facilities, industry needs)	1/23/2019
9	Resolution -awarding Community Development Stratagies house analysis in the sum $65,000	2/27/2019
10	Resolution - Sale of 6.4 acres (Industrial Park) to Jeff Prince. $25,000 per acre	2/27/2019
11	Resolution - Prof. Serv Agree. W. Centurion Planning & Design not to exceed $7,500	2/27/2019
12	Resolution authorize $50,000 not to exceed to Ener-Tel for BREP incentive	3/27/2019
13	Resolution - authorize not to exceed $200,000 to Special Materials Company (SMC-Global)	3/27/2019
14	MOU w COSA infrastructure improvements for platting 153.007 +/- acres of Phase II - SA Industrial Park -$4 million	4/24/2019
15	Resolution-J's Deer & Wild Game Processing not to exceed $60,000 create & retain primary jobs (BREP)	5/22/2019

16	Resolution - Permian Basin Freight Advisory Committee membership for Guy	5/22/2019
17	Resolution - McLaughlin Advertising - Business Plan Comp. Markting - not to exceed $5,000	5/22/2019
18	Resolution-US Customs and Border Protec. Air & Marine (CBPAMO) not to exceed $1,100,000	6/26/2019
19	Sale of 12 acres at Industrial Park to Allen's Transport USA	6/26/2019
20	Purchase of 180 acres more or less in the amount not to exceed $600,000 out of the JC Matthews Abstract 8071 & 4031	7/24/2019
21	BREP - W TX Steel & Supply Inc in the amount of $59,000	7/24/2019
22	Resolution - Support of the Central TX Corridor as part of I-14 Gulf Coast	6/26/2019
23	Resolution - Affordable Housing Assistance - damages due to E2 tornando in the amount of $638,861	8/28/2019
24	BREP- Resolution- Double Barrel Outfittlers, LLC in the amount of $70,000	8/28/2019
25	MOU w. the COSA funding not to exceed $13,000 for a project for Air Service Marketing and Recruitment Services	8/28/2019
26	the sum of $24,765 to perform prof engineering and survey for right turn lane and drive approach design and	10/23/2019
27	Resolution - Centurion Planning & Design (BREP) in the amount not to exceed $36,000	11/20/2019
28	amendment to Eco Dev Grant proj w Howard College to extend the term of the agreement	11/20/2019
29	authorizing board President to neg. & execute const serv contract in the sum not to exceed $3,354,682.70	12/30/2019

30	Approval of an additional $200,000 in BREP financial incentives for Principal LED, LLC. (Original incentive was approved for $350,000 for a new total of $550,000).	1/25/2017
31	Zimmerman Properties, LLC a short term loan in support of the Kirby Park Villas Low Income Housing Tax Credit	1/25/2017
32	extension of sewer main into Phase II of the San Angelo Business and Industrial Park	2/22/2017
33	administration services related to EDA grant application preparation and implementation	4/26/2017
34	years) for future funding of the Chadbourne street pedestrian corridor project	4/26/2017
35	Approval of $165,000 for Telecommunications Fiber Infrastructure to the San Angelo Industrial Park	4/26/2017
36	Approval of a resolution of up to $190,000 for BREP incentives for Netco Energy Products, Inc.	6/28/2017
37	Approval of up to $280,000 to execute Task 2 of the PSA with Parkhill, Smith & Cooper for Professional Engineering and Surveying Services for Infrastructure Design for Phase 2 of the Industrial Park	9/27/2017
38	Approval of up to $168,000 for a Construction Trades Program at Howard College	10/25/2017
39	Approval of up to $1,500,000 in local matching funds for expansion of the training mission of GAFB	10/25/2017
40	Approval of up to $40,260 in BREP incentives for Elite Solutions, Inc.	11/15/2017

41	infrastructure improvements for platting the subdivision of a portion of Phase II of the Industrial Park for AEP	12/13/2017
42	Investment Assistance Program for infrastructure improvements a the Industrial Park	12/13/2017
43	Approval of up to $25,000 for U.S. Customs & Border Protection Air & Marine Operations	3/28/2018
44	AmeriCorps VISTA's to help with the WRC Regional expansion and COSADC organizational support	4/25/2018
45	2018 Business Plan Comp - 1st Place- $50,000 - Rock Your World Decorative Concrete, LLC (Effective date 04/25/2018 to April 25, 2021)	4/25/2018
46	Approval of up to $121,000 to provide master planning services for a business and industrial park located at the City of San Angelo Airport	8/22/2018
47	Approval of up to $46,435 for economic development incentives to the U.S. CBPAMO	8/22/2018
48	Agreement with Principal LED (2V LED) for BREP incentives up to $300,147.00	10/1/2018
49	CalTech not to exceed $603,050 15 FTE jobs,	8/24/2016
50	exceed $20,000 for creating (4) FTE, minimum project threshold, of $200,000 increase in property tax	3/18/2018
51	Approval of COSA Admin Serve Agreement; FY 18 = $578,088	3/22/2018

52	Program grant for street improvement and streetscaping on Chadbourne St. from Houston Harte to Washington	2/22/2017
53	Economic Development BREP Performance Agreement with **DeCoty Coffee Company Inc**, in the amount of $98,288.50 in economic incentives.	2/25/15
54	Approval of $5,975 in BREP incentives for Engine Pro Machine (EPM)	
55	Glazer's 50% property tax rebate	5/18/2010
56	2nd place Business Plan competetion receipiant MOONTIME LLC $20,000 of approved business expesnes.	5/8/2017
57	ODOMRD, LLC 1st place business competition recipiant $15,000 for approved business expenses	4/27/2018
58	Ranger Aviation	1/27/2016
59	2017 3rd place receipiant Business plan competition Longhorn Coffee Company	5/18/2017
60	2017 1st place receipiant Business plan competition HR Onboarding Solutions	5/18/2017
61	J Bar Meats, LLC 2019 Business Plan Comp 1st place. $40,000	12/11/2019
62	Ranch Road Boots, LLC 2019 Business plan comp. 2nd place $20,000	1/31/2019
63	Old Central Firehouse Pizzeria & Taproom 2019 Business plan comp. 3rd place $10,000	12/9/2019

Audit Notes	Findings
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
Property was paid for on 1/27/2020	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
Contract terminated per request of the buyer.	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
Agreement was mutually terminated on 6/1/2020	No exceptions noted. No action needed.
At time of the audit min. project investment had not been meet.	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
Min. Project Threshold $550,000.00, will result in $45,000 payment. Maintain 4 FTE not to exceed 15 $1,000 per FTE.	No exceptions noted. No action needed.

	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
payment recevied on 2/5/2020	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
Min. Project Threshold $750,000.00 will result in $50,000 pmt. Creation of 3 FTE of $3,000 per FTE	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
Min. Project Threshold $750,000.00 will result in $50,000 pmt. Creation of 4 FTE not to exceed 20 FTE of $1,000 per FTE	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	no exceptions noted. No action needed.
	No exceptions noted. No action needed.

Minimun Project Threshold of $2,750,000 reflected on tax statement. $200,000 upon completion. $1,000 rebates for project sight. $1,000 rebate for sales & use tax. Tax grants up to $14,123 (2018 35% up to $4,298) Individual incentives $1,000 for employees attending job training program up to $50,000. Minimum 15 FTE ($35,000 equal 1 FTE) excluding $175,000 + sal. $5,000 per FTE not to exceed $250,000.	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
To date this has not been executed. No payments made.	No exceptions noted. No action needed.
	No Exceptions noted. No action needed.
Task Order No. 2	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
To date no incentives have been met nor payments made.	No Exceptions noted. No action needed.

	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
No action on this item.	No exceptions noted. No action needed.
Only 1 AmeriCorps person	No exceptions noted. No action needed.
Balance left $10,645.20	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
Proposed retention 60 FTE. To date no money has been spent.	No exceptions noted. No action needed.
One time capital investment up to $100,000.00 for $2,400,000 increase to tax reports. Annual tax grants up to $40,147.00, Job incentives $2,500 per FTE with min. of 15 up to $160,000.00	No exceptions noted. No action needed.
If FTE is not retained at YE (2020) 33% remibursement should be enacted.Rebates of development fees up to $600. Tax grants up to $1,950.00 Rebates of sales & use tax up to $500.00. $5,000 per FTE min. of 15. capped @ $500,000.00. Individual incentive of $1,000 per employee attending job training up to $100,000.	FTE has not been maintained. Receiptent has been in contact with a plan to resolve the issue.
$16,000 capital investment grant $1000 FTE (4)	No new FTE. No paperwork to conclued either way.
	No exceptions noted. No action needed.

no other activity since the orginial expenditure.	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
must retain (7) employees through end of contract	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No Exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No Exceptions noted. No action needed.
	No exceptions noted. No action needed.
	No Exceptions noted. No action needed.
	No Exceptions noted. No action needed.
	No Exceptions noted. No action needed.

Payments made	Final Date
10/30/2019 $25,000.00, 12/18/2018 $25,000.00	9/2/2020
12/18/2018 $5,000.00	
6/25/2019 $56,250.00, 4/2/2019 $56,250.00, 1/2/2019 $56,,250.00, 11/6/2018 $56,250.00	9/30/2019
N/A	8/31/2020
2/19/2019 $49,225	3/4/2019
N/A	1/27/2020
N/A	
3/12/2020 $8,200.00, 2/25/2020 $4,904.11, 1/21/2020 $3,628.41, 12/31/2019 $8,544.58, 12/3/2019 $1,123.52, 11/26/2019 $6,650.00, 10/8/2019 $5,600.00, 9/3/2019 $3,516.58, 5/7/2019 $4,400.00, 4/2/2019 $2,390.00	Lease agreement ends 2/29/2020
4/2/2019 $28,250.00, 5/7/2019 $2,483.94, 6/4/2019 $2,206.89, 7/23/2019 $28,250.00, 8/27/2019 $1,774.18, 12/17/2019 $390.93	
N/A	3/7/2019
6/25/2019 $7,120.00	6/25/2019
No payments made	12/31/2022
No payments made	12/31/2022
N/A	12/31/2022

N/A	
10/8/2019 $5,075.90, 7/29/2020 $5,000.00	5/1/2020
No payments made	
N/A	2/5/2020
7/10/2019 $5,000.00 10/28/2019 $536,813.60	10/28/2019
N/A	12/31/2022
2/18/2020 $15,000.00	
Transfer date 1-10/2020	
N/A	12/31/2022
No payments made	
6/16/2020 $19,685.00	3/7/2020
N/A	3 years after payment by COSADC
N/A	
N/A	

4/9/2019 $63,324.30 job creation (12) & tax incentives 5/15/2018 $85,000.00 Job creation (17) 7/18/2017 $50,000.00 (training incentive) 7/5/2017 $305,996 (capital investment, job creation (21 FTE), permit fees ($996))	
N/A	final pmt 12/11/2019
$4000 in 2017	
1/30/2018 $4,000	5/16/2020 with 5/16/2022 option to extend
5/28/2019 $1,500,000.00	2/22/2022
N/A	
2/27/2018 $50,000.00, 3/26/2019 $4,500.00	12/31/2020
11/15/2017 $2,443.00, 12/12/2017 $59,055.00, 1/16/2018 $46,090.39, 2/27/2018 $17,095.41, 3/6/2018 $51,000.00, 5/29/2018 $12547.50, 7/31/2018 $5,836.01, 8/21/2018 $5,899.98, 9/21/2018 $12,928.00, 1/2/2019, $17,314.40, 1/9/2019 $1,689.20, 4/2/2019 $4,227.83, 4/23/2019 $7,683.50, 10/28/2019 $1,324.50, 6/2/2020 $4,832.66, 8/12/2020 $10,209.48, 2/25/2020 $3,048.34, 7/23/2019 $648.73, 7/2/2019 $875.86	
1/22/2019 $54,925.00, 6/26/2018 $39,970.42	2/29/2020
2/6/2018 $624,600.61, 11/27/2018 $246,871.50, 4/16/2019 $64,423.64 11/5/2019 $333,014.71	10/15/2019
N/A	12/31/2020

6/20/2020 $588,846.00	10/25/2020
6/16/2020 $472,509.38	
N/A	
2/5/2019 $3,075.00	1/21/2020
3/19/2019 $366.86, 3/27/2019 $448.31, 5/21/2019 $292.26, 9/3/2019 536.07, 10/29/2019 $361.94, 11/1/2019 $405.42, 9/1/2020 $379.80, 9/20/2019 544.67, 12/4/2018 $384.77, 12/18/2018 $1,711.85, 11/27/2018 $1,631.19, 9/18/2018 $2,945.09, 11/13/2018 $437.75, 10/8/2018 $955.37, 10/2/2018 $508.74, 9/25/2018 $4,511.80, 9/4/2018 $4,541.58, 8/21/2018 $2,287.33, 8/7/2018 $3,275.00, 6/26/2018 $5,329.00, 6/13/2018 $7,500.00	4/25/2021
1/15/2019 $120,991.00	
N/A	
4/9/2019 $63,324.30,4/16/2019 $100,000.00	12/31/2021
4/2/2019 4 FTE's @$5,000 ($20,000) total	
5/7/2019 $16,000 (captial improvements)	12/31/2021
$137,093.40, 9/30/2019 $137,093.40, 9/25/2018 $216,783.00, $72,261.00, $102,741.38, $34,247.12, $7,533.50, 10/9/2018 $102,741.38, $34,247.12, $7,533.50	9/30/2020

5/8/2018 $39,500.00	upon full expediture
5/8/2018 $15,168.18, 4/9/2019 $168.18	Final pmt made on 4/9/2019
9/25/2018 $5,975.00	3/6/2021
2/25/2020 $83,310.57 2/19/2019 $74,467.02	9/9/2019
pmts made in 2017	5/8/2020
pmts made in 2016	4/27/2019
PMT of $240,000 in 2016	3/21/2019
7/24/2018 $797.80	5/3/2020
4/10/2018 $2,212.35,	5/18/2020
N/A	1/31/2023
9/1/2020 $3,454.84, 3/31/2020 $6,305.00, 2/25/2020 $10,240.16,	1/31/2023
1/14/2020 $10,000.00	1/31/2023

	$ 7,500,602.37
	$ 50,000.00
	$ 5,000.00
	$ 225,000.00
	$ 49,225.00
	$ -
	$ -
	$ 48,957.20
	$ 63,355.94
	$ -
	$ 7,120.00
	$ -
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	$ 10,075.90
	$ -
	$ -
	$ 541,813.60
	$ -
	$ 15,000.00
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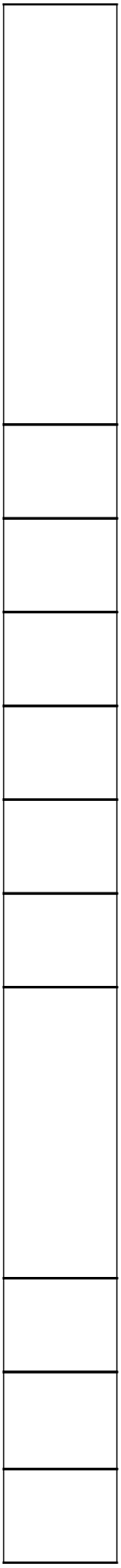
	$ -
	$ 19,685.00



$ 505,316.30

$ 4,000.00

$ 4,000.00

$ 1,500,000.00

$ 54,500.00

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$ 94,895.42

$ 1,268,910.46

	$ 588,846.00
	$ 472,509.38
	$ 3,075.00
	$ 39,354.80
	$ 120,991.00
	$ 163,324.30
	$ 20,000.00
	$ 16,000.00
	$ 818,298.18

	$ 39,500.00
	$ 15,336.36
	$ 5,975.00
	$ 157,777.59
	$ 20,000.00
	$ 15,000.00
	$ 240,000.00
	$ 797.80
	$ 2,212.35
	$ 20,000.00
	$ 10,000.00

COSADC Agenda date		Presented to COSADC	
8/27/2014		Consideration of ratifying the approval of funding for the proposed Smith Blvd and Paul Ann Blve improvements, construction budget, and related action thereto for purposes of awarding the project bid to (RFP # ES 03 14 Reece Albert in the amount of $718,215.80. amending the previous budget from $512,900.00 to $753,268.59 and allowing approximately 5% contingency in the amount of $35,012.79 with a total increase of project funds in the amount of $240,368.59	

City Council Agenda Date		Presented to City Council
9/2/2014		

COSADC Agenda date		Presented to COSADC	
24-Jun-15		Consideration of approving an allocation of $1,200,000 for costs to be incurred in conducting a pilot test for the design of Direct Potable Reuse of reclaimed water (Presentation by Water Utilities Director Bill Riley)	
24-Jun-15		Consideration of approving an allocation of $41,000 for costs to be incurred in installing and maintaining a gauging station on the Red Arroyo (Presentation by Water Utilities Director Bill Riley)	

City Council Agenda Date		Presented to City Council

Report to Board

CITY OF SAN ANGELO TEXAS Development Corporation

Requestor: Guy Andrews, Economic Development Director, COSADC, (325) 653-7197

Meeting Date: November 18, 2020

Item type: Regular Item

Caption:

Public hearing for SME Education Foundation for up to $150,000 to provide economic development incentives for the SME PRIME program in conjunction with Ethicon Inc., and Principal LED, LLC for a project that will support the next generation of manufacturing, fabrication and engineering talent high school or similar programs for high school students in the City of San Angelo in partnership with local manufacturers to prepare students for careers in manufacturing, fabricating and engineering related jobs. (Presentation by Guy Andrews, Economic Development Director.)

Summary/History:

This topic was introduced and discussed by Mark Jones of SME Prime at the September 23, 2020 COSADC Board meeting. COSADC will match $150,000 in funding being provided by Ethicon and Principal LED. The payments will be made over a three year period of time at $50,000 annually beginning in 2021.
The attachments provide a description of the SME Prime program. The program is administered by the Society of Manufacturing Engineers (SME) Foundation. SME Prime stands for Society of Manufacturing Engineering Partnership Response in Manufacturing Education.
This item was approved by the COSADC Board of Directors on October 28, 2020 and ratified by City Council on November 3, 2020.

Financial Impact:

$150,000 paid over a period of three years starting in 2021 with annual payments of $50,000.

Other Information/Recommendation:

Attachments:

1.	City of San Angelo Development Corporation Funding Request	City of San Angelo Development Corporation Funding Request.docx
2.	SME Education Foundation - Overview Brochure DIGITAL	SME Education Foundation - Overview Brochure DIGITAL.pdf
3.	SME Education Foundation - Inspire - Student Summits DIGITAL	SME Education Foundation - Inspire - Student Summits DIGITAL.pdf
4.	SME Education Foundation - Prepare - SME PRIME DIGITAL	SME Education Foundation - Prepare - SME PRIME DIGITAL.pdf
5.	SME Education Foundation - Support - Student Scholarships DIGITAL	SME Education Foundation - Support - Student Scholarships DIGITAL.pdf

Presentation:

Approvals/Reviews:

Guy Andrews	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

August 31st, 2020

Mr. Guy Andrews
Economic Development Director
City of San Angelo Development Corporation
69 N. Chadbourne Street
San Angelo, TX 76903

RE: Funding request to support the development of an SME PRIME manufacturing education program within the San Angelo Independent School District

Dear Mr. Andrews,

In follow-up to our presentation in San Angelo on February 27th, as well as our recent conversations, at your request I am submitting this letter to formally request funding from the City of San Angelo Development Corporation to help establish an SME PRIME manufacturing education program within the San Angelo Independent School District (San Angelo ISD).

Funding Request:

The SME Education Foundation (SMEEF) formally requests $150,000 to be paid over a three-year period.

Organizational Background:

The SME Education Foundation was established in 1979 as a non-profit organization and serves as the philanthropic arm of the Society of Manufacturing Engineers.

The Society of Manufacturing Engineers was founded in 1932 as a national non-profit association of professionals, educators, and students dedicated to promoting and supporting the manufacturing industry.

The mission of the SME Education Foundation is to inspire, prepare, and support the next generation of manufacturing and engineering talent.

Problem Addressed by SME PRIME:

The U.S. is facing a severe shortage of manufacturing workers nationwide.

This shortage is largely due to two key factors. First, as baby boomers age large numbers are leaving the manufacturing industry due to retirement. Second, over the past several decades young people have been discouraged from pursuing careers in manufacturing as parents and schools channeled young men and women towards traditional 4-year college degrees. As a result, the workforce shortage issue in the manufacturing sector is now acute.

According the National Association of Manufacturers, 522,000 manufacturing jobs across the country are currently unfilled. A 2018 Deloitte Manufacturing Institute report suggests that 2.4 million of these jobs could go unfilled between 2018 and 2028. The report further suggests that these unfilled jobs could cost industry approximately $2.5 trillion by 2028.

The SME PRIME program directly addresses this shortage by establishing state-of-the-art manufacturing programs in high schools designed to educate and train the next generation manufacturing workforce.

Program Description:

SME PRIME is a manufacturing education program developed for and implemented in high schools nationwide by the SME Education Foundation.

Supported and informed by private industry, SME PRIME builds cost-effective, highly tailored manufacturing/engineering programs designed to provide students with the skills they need to pursue careers in manufacturing immediately upon graduation or to purse post-secondary education in STEM-related or manufacturing fields.

The strength of the PRIME program is the partnership that occurs between the SME Education Foundation, a local high school, and one or more industry partners who collaborate to develop a program that teaches students manufacturing skills that are in

demand by employers in their community**. In this manner, SME PRIME directly addresses the workforce needs of local employers.**

The PRIME program focuses on implementing educational pathways that are identified through input received from manufacturers who partner with the school. The list of pathways available to PRIME schools and students is shown below:

1. Additive Manufacturing
2. Computer Aided Design and Manufacturing
3. Engineering
4. Industrial Maintenance
5. Machining and Fabrication
6. Materials Science
7. Mechatronics and Robotics
8. Metrology and Quality
9. Welding

Program Deliverables:

The PRIME program provides six key deliverables **AT NO COST** to participating schools:

1. Manufacturing equipment, materials and supplies
2. Tailored curriculum plan
3. Professional development
4. Post-secondary scholarships
5. STEM-related extra-curricular activities (camps, clubs, field trips, etc.)
6. Marketing assistance to promote the program

Program Implementation:

In implementing the PRIME program in a school, the SME Education Foundation collaborates with a variety of partners, including manufacturers, schools, foundations, local and state entities, equipment and curriculum vendors, and others to deliver the PRIME program. Each partner collaborates with SMEEF to play an important role in the implementation of a successful PRIME program:

- SME works with its industry partners and manufacturers to secure funding for the local PRIME school, solicit their input into the curriculum design process and create opportunities for students to gain relevant, hands-on knowledge and skills for manufacturing. Through PRIME, manufacturing partners are encouraged to

actively engage with their school, to serve on advisory boards and to connect with students by providing internships, co-ops and mentoring opportunities and hosting Manufacturing Day and other industry-related events.

- Schools and teachers implement the PRIME curriculum and work with manufacturers and SME Education Foundation staff to develop on-going program evaluations and performance metrics.

- Tooling-U SME, one of the country's premier providers of workforce education and development programming, plays an important role in the implementation of PRIME by providing access to its vast library of manufacturing training modules.

    - As background, Tooling-U SME is used by more than half of the Fortune 500 companies for their workforce education and development needs and has a client base of over 5,000 companies across the United States and Canada. Their extensive experience in the workforce education sector provides tremendous benefit to SME PRIME schools and partnering companies.

- SME PRIME works with the National Coalition of Certification Centers (NC3) to provide professional education to PRIME school teachers as needed. NC3 offers advanced technical education to teachers from highly skilled instructors, allowing them to bring their new knowledge back to their PRIME classrooms.

- SME PRIME also works with equipment vendors such as Starrett/Snap On, Siemens, Mastercam, FANUC, Haas Automation and others in acquiring the equipment necessary to fully equip a PRIME school.

Program Reach and Impact:

Since 2011 PRIME has reached more than 50,000 students in 60 schools located in 22 different states around the country. Importantly, our research into the efficacy of PRIME programs indicates that nearly 85% of students graduating from PRIME high schools either entered the manufacturing workforce or pursued additional education within a manufacturing or STEM-related field.

SME PRIME designated schools serve as high profile catalysts within their communities, broadening the scope of opportunities available to students while facilitating relationships between schools and local manufacturing companies. **PRIME offers the opportunity for students who are not college-bound to change the trajectory of their lives by developing marketable skills that are in great demand by manufacturers within their communities.**

Schools and teachers also benefit from PRIME. With historic cuts in vocational training, the number of experienced teachers has declined nationwide. PRIME teachers receive professional development and training that builds their instructional capabilities.

Participating schools receive state-of-the-art equipment, curriculum and other resources that strengthen their manufacturing career training programs. Manufacturers derive important benefits from PRIME. The collaborative partnerships they form with schools in their communities give them a direct connection to a local high school and the ability to influence the development of a trained future workforce tailored to meet their needs. Through their involvement with PRIME, manufacturers can fulfill two key business objectives by linking corporate citizenship goals to workforce development needs.

Funding Model:

The costs associated with funding an SME PRIME program are approximately $315,000 over a three-year period. These funds cover the costs of the deliverables the SME Education Foundation provides to the school as described above.

Funds for PRIME programs are secured primarily from the manufacturers who become investors and partners with their PRIME school. As discussed previously, these funds underwrite the costs of equipment, materials, curriculum and other expenses associated with the implementation of PRIME. Funding for the program is also derived from foundation grants, government grants, community organizations, and other sources.

Current Status:

The San Angelo Independent School District has expressed its interest in developing an SME PRIME program.

We are currently in the process of reaching out to companies in the greater San Angelo area to introduce them to the PRIME program and to invite their investment and participation. Ethicon, through its Plant Manager, has expressed its strong interest in supporting the program and partnering with San Angelo ISD. Principal LED has also expressed tentative interest.

Grant Impact:

This grant from the City of San Angelo Development Corporation would provide approximately one-half of the necessary funding to support SME PRIME program development and implementation within San Angelo ISD.

Importantly, this level of investment by COSADC would make it more much more affordable and attractive for San Angelo area companies (regardless of size) to participate as investors and manufacturing partners as it would significantly reduce their investment costs**. In this manner, this investment is an economic development initiative that will benefit manufacturers throughout the entire greater San Angelo area.**

I am happy to provide additional information and answer any other questions you may have about the SME Education Foundation or the SME PRIME program at your convenience.

Thank you for considering this funding request.

Sincerely,

Mark Alan Jones
Senior Development Officer
SME Education Foundation
1000 Town Center, Suite1910
Southfield, MI 48075

Phone: (708) 359-1544
Email: mjones@sme.org

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EDUCATION
FOUNDATION
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SME Education Foundation: **Overview**

Mission

The SME Education Foundation inspires, prepares and supports the next generation of manufacturing and engineering talent through its Student Summit event series, SME PRIME® (Partnership Response In Manufacturing Education) initiative, and Student Scholarship program.

The philanthropic arm of SME, an internationally recognized nonprofit organization serving the manufacturing industry, the SME Education Foundation has had significant impact on hundreds of thousands of people since its inception in 1979.

A national 501(c)(3) organization, the foundation draws upon SME's almost 90-year history and thought leadership in manufacturing-focused conference and events, media production, and training and workforce development — as well as its international membership — to attract and develop a skilled manufacturing workforce.

Why do we do it?

We understand that manufacturing is key to economic growth and prosperity, and that a manufacturing talent shortage and skills gap threatens both. Without a spirited, highly skilled workforce, manufacturing – and the global population who rely upon it – will suffer.

For more information, contact us at 313.425.3000.

Join us on

smeef.org

INSPIRE

STUDENT SUMMITS

Providing student-centric programming with hands-on challenges and competitions, technology demonstrations and guided show-floor tours at SME conferences and events.

"What an amazing experience for our students regarding manufacturing and engineering. Extremely well-organized, highly educational, and student-friendly booths and vendors. One of the best field trips I have attended in my 13 years as an SPS educator."

Paul Scoville, Springfield (Mass.) High School of Science and Technology

PREPARE

SME PRIME

Directly enhancing the skilled trades pipeline by partnering with industry to develop manufacturing programs in high schools across the country, providing modern equipment, tailored curriculum and a hands-on training experience.

"We want to expand and improve STEM education and workforce development outcomes. We're delighted to join with local businesses, government and Fraser Public Schools to provide opportunities for students to learn hands-on skills through the PRIME curriculum — and to explore meaningful careers in Macomb County."

Michael Simcoe, vice president of global design, GM

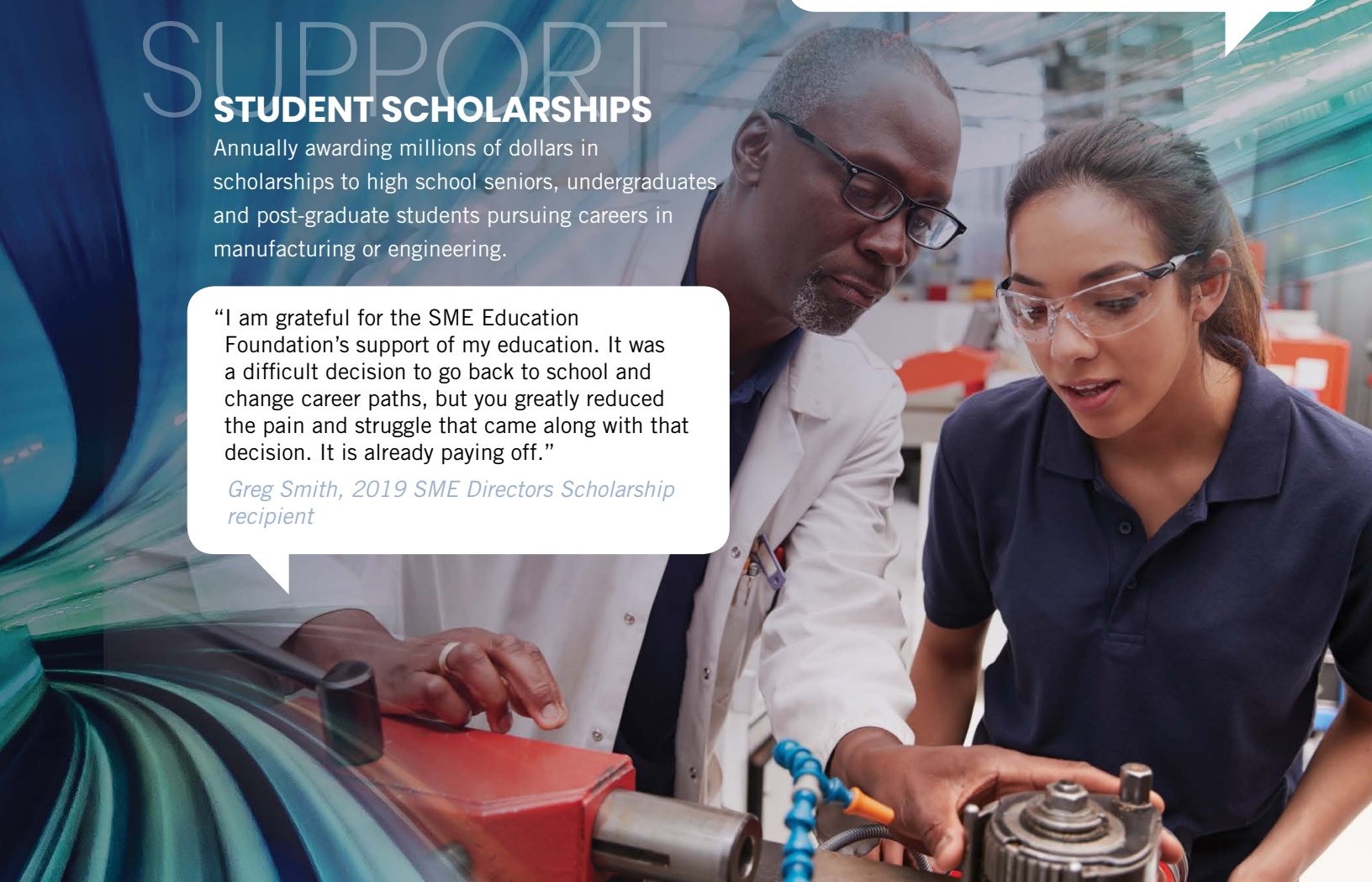
SUPPORT

STUDENT SCHOLARSHIPS

Annually awarding millions of dollars in scholarships to high school seniors, undergraduates and post-graduate students pursuing careers in manufacturing or engineering.

"I am grateful for the SME Education Foundation's support of my education. It was a difficult decision to go back to school and change career paths, but you greatly reduced the pain and struggle that came along with that decision. It is already paying off."

Greg Smith, 2019 SME Directors Scholarship recipient



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Student Summits

The first step in developing the next generation of talent is to inspire students to consider manufacturing as a career choice. The SME Education Foundation Student Summit event series showcases the high-tech nature of modern manufacturing and effectively fights the misperception that manufacturing is dull, dirty and dying.

Delivering student-centric programming, guest speakers, hands-on competitions, technology demonstrations and guided show-floor tours, these one-day summits are designed to provide 16- and 17-year-old students with their first taste of manufacturing.

Student Summits are hosted alongside SME conferences and events across North America, and high schools from the surrounding areas are invited to participate. Parents have the opportunity to attend with their children as chaperones.

HANDS-ON COMPETITIONS

- **Drone Challenge**
- **Mars Rover Challenge**
- **Racing Challenge**

*Winning teams receive cash prizes and/or scholarships

Ways you can help:

- Invest in a summit
- Refer a school
- Nominate a speaker

INSPIRE

SME EDUCATION FOUNDATION

Inspire. Prepare. Support.

Student Summits take place at
SME conferences and events.

AeroDef Manufacturing

MMTS MONTREAL MANUFACTURING TECHNOLOGY SHOW

westec

rapid + tct

FABTECH

CMTS CANADIAN MANUFACTURING TECHNOLOGY SHOW

FABTECH

houstex

southtec

SMART MANUFACTURING EXPERIENCE

eastec

FABTECH

sme EDUCATION FOUNDATION

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SME PRIME

Supported and informed by private industry, SME PRIME® (Partnership Response In Manufacturing Education) builds cost-effective and tailored manufacturing/ engineering programs in high schools across the country.

PRIME students receive hands-on training on modern equipment, and learn about technology and processes through tailored curriculum that is informed by local manufacturers in their communities. Students who wish to pursue a post-secondary education in manufacturing or engineering have the opportunity to apply for an exclusive PRIME scholarship.

PRIME teachers receive professional development and certifications that equip them to certify their students.

PRIME investors receive a pool of skilled talent who have been trained — and often certified — to fill specific roles at their respective manufacturing companies, providing the investors with a direct return on their investment.

Manufacturing companies of all sizes can invest in a PRIME program.

TOP PRIME DELIVERABLES

1. Equipment and Supplies
2. Curriculum and Certification
3. Professional Development
4. Scholarships
5. Extracurricular Activities

All deliverables are free to the school and informed by local manufacturers.

PRIME PATHWAYS

- Additive manufacturing
- Computer-aided design and manufacturing
- Engineering
- Industrial maintenance
- Machining and fabrication
- Materials science
- Mechatronics and robotics
- Metrology and quality
- Welding

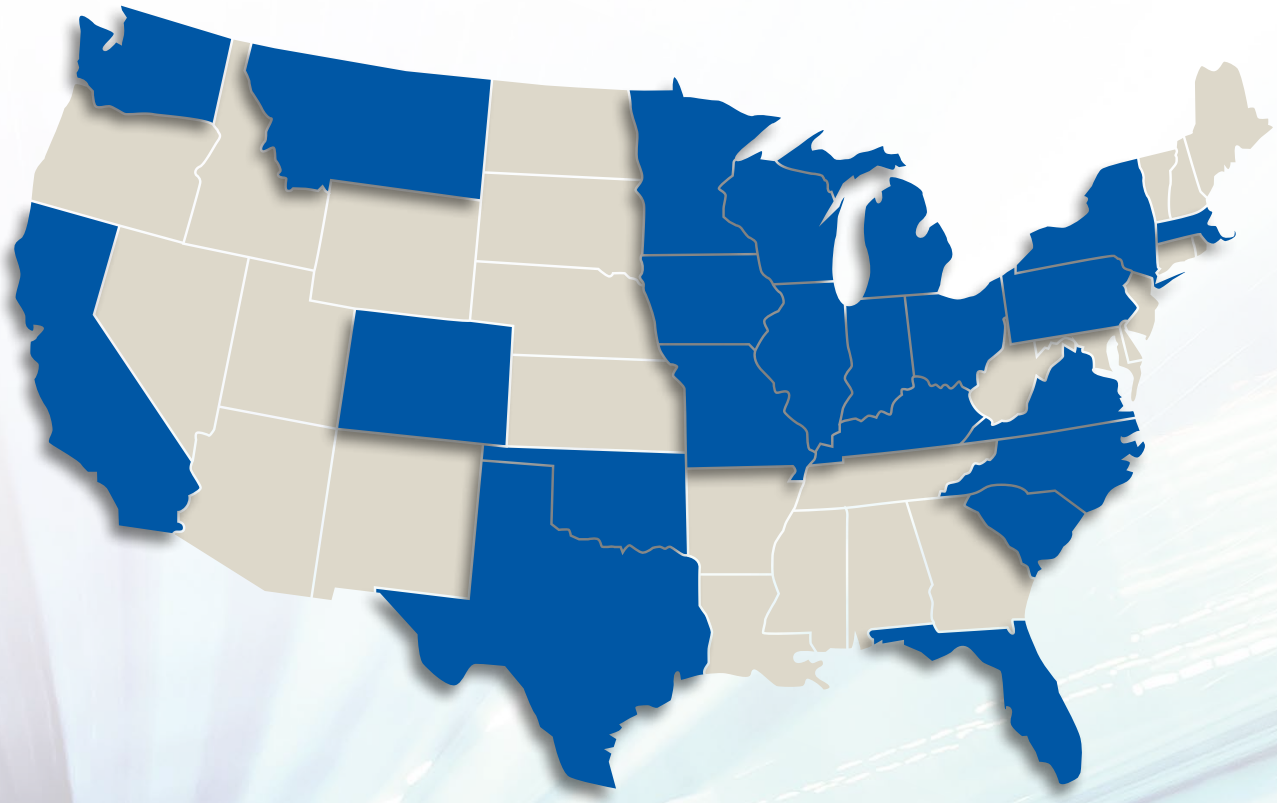
Ways you can help:

- Support PRIME Network
- Invest in the PRIME initiative
- Recommend a School District

PREPARE

sme | prime®

Located in more than 50 schools across dozens of states, PRIME has served nearly **100,000 students** to date. And it's gotten measurable results: **84 percent** of students who graduated from a PRIME program are pursuing careers or post-secondary education in a manufacturing or engineering field.



LEGEND

States with SME PRIME Schools

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Scholarship Program

The SME Education Foundation annually awards millions of dollars in scholarships to graduating high school seniors, undergraduates and graduate students pursuing two-year, four-year or advanced degrees in manufacturing or engineering.

Nearly 60 individual scholarship funds award hundreds of students with scholarships ranging from $1,000 – $40,000. Awardees can use the money for tuition, books, on-campus living expenses, or lab and course fees.

Scholarship applications are accepted from Nov. 1 – Feb 1. every year, and awards are announced in the spring. Winners of the larger awards, along with their parents, receive airfare and lodging to attend SME's International Awards Gala, where they are publicly recognized and presented with their checks.

Scholarship Administration

In addition to awarding scholarships from its own endowed funds, the SME Education Foundation administers scholarships on behalf of major corporations. Our professional scholarship management expertise helps corporations achieve their goals of supporting post-secondary educational opportunities for students pursuing careers in manufacturing, manufacturing technology and closely related disciplines.

Applicants are evaluated and scored via a thorough selection process, led by an exemplary scholarship review committee made up of SME Education Foundation board members, SME members and industry professionals.

Ways you can help:

- Endow a scholarship
- Refer scholarship applicants
- Ask the SME Education Foundation to administer your scholarship

SUPPORT

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SUPPORT THE NEXT GENERATION OF MANUFACTURING ENGINEERS.

Visit smeef.org now.

Report to Board

CITY OF SAN ANGELO TEXAS Development Corporation

Requestor: Guy Andrews, Economic Development Director, COSADC, (325) 653-7197

Meeting Date: November 18, 2020

Item type: Regular Item

Caption:

Public hearing San Angelo Chamber of Commerce for up to $262,500 to provide marketing and recruitment services in the development or operation of an economic development program. (Presentation by Guy Andrews, Economic Development Director.)

Summary/History:

This item was discussed in Executive Session at the September 23, COSADC Board of Directors Meeting.

Extension of the COSADC - Chamber of Commerce Professional Services Agreement with a $12,500 annual increase. This will increase the agreement from $250,000 annually to $262,500 annually. Payments will be made quarterly in the amount of $65,625 beginning in January 2021. The first year of the agreement will run from January 1, 2021 through December 31, 2021. The agreement will be for a period of two (2) years. The $12,500 will be re-allocated from discontinued membership in The High Ground of Texas.

Additional tasks are being added to include special marketing campaigns that address developing opportunities that arise such as those resulting from supply chain disruptions, on-shoring initiatives, and other adaptations resulting from the changed business and industrial environments. Also, tasks related to exploring new business opportunities in Mexico that would utilize the South Orient Freight Corridor.

This item was approved by the COSADC Board of Directors on October 28, 2020 and ratified by City Council on November 3, 2020.

Financial Impact:

This will increase the agreement from $250,000 annually to $262,500 annually. The $12,500 increase will be re-allocated from the discontinued membership in The High Ground of Texas.

Other Information/Recommendation:

Attachments:

1. 20-1102_COSADC_CHAMBER_K_2021_EXTEND_AMEND_RESO (FINAL)	20-1102_COSADC_CHAMBER_K_2021_EXTEND_AMEND_RESO (FINAL).docx
2. 20-1102_COSADC_CHAMBER_K_2021(FINAL)	20-1102_COSADC_CHAMBER_K_2021(FINAL).docx

Presentation:

Approvals/Reviews:

Guy Andrews	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS, AUTHORIZING EXTENSION OF THE PROFESSIONAL SERVICES PERFORMANCE AGREEMENT WITH THE SAN ANGELO CHAMBER OF COMMMERCE, INCORPORATED, THROUGH DECEMBER 31, 2022, FOR ADJUSTED COMPENSATION IN THE ANNUAL SUM OF $262,500.

WHEREAS, on the 25th day of September, 2019, the COSADC Board approved a Project authorizing the use of sales and use tax funds for a Professional Services Performance Agreement to be negotiated with the San Angelo Chamber of Commerce, Incorporated, for the provision of marketing, recruitment and related activities pertaining to targeted industries for economic development purposes, in a form approved by the City Attorney, for an annual compensation of $250,000, payable in quarterly installments, effective through December 31 2020, and subject to extension by duly authorized written agreement of the parties; and,

WHEREAS, the Board has determined that the contract should be extended for an additional two (2) years, through December 31, 2022, with revisions to include adjusting the annual sum payable to $262,500 substantially in the form attached hereto as **Exhibit "A";** and,

WHEREAS, the San Angelo Chamber of Commerce is agreeable to extend the Professional Services Agreement for the adjusted compensation on terms as set forth in the agreement attached hereto as **Exhibit "A"**; and,

WHEREAS, extension of the agreement on terms provided is subject to approval of the City of San Angelo City Council;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

The Board President, subject to approval of the City Council, is authorized and directed to execute the 2021 Professional Services Performance Agreement extending the term of the Agreement through December 31, 2022, for an annual consideration of $262,500 in substantially the form of **Exhibit "A"** attached hereto.

ADOPTED on this the 28th day of October, 2020.

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

By: _____
Todd Kolls, President

ATTEST**:**
By: _____
Nora Nevarez, Corporation Secretary

2021 COSADC-CHAMBER OF COMMERCE
PROFESSIONAL SERVICES PERFORMANCE AGREEMENT

This Agreement is entered into this 28th day of October 2020, and having an Effective Date of January 1, 2021, by and between the CITY OF SAN ANGELO DEVELOPMENT CORPORATION, a Texas nonprofit economic development corporation ("COSADC") and the SAN ANGELO CHAMBER OF COMMERCE, INCORPORATED. a Texas non-profit corporation ("PROVIDER").

RECITAL

A. COSADC is in need of professional economic development marketing and recruitment services to develop and implement an economic development marketing and recruitment program which will be conducive to ensuring the continued economic growth of the City of San Angelo ("Services").

B. PROVIDER possesses all necessary qualifications and expertise to perform Services.

C. COSADC wishes to engage the services of PROVIDER, and PROVIDER wishes to perform Services for COSADC, under the terms and conditions set forth herein ("Agreement").

NOW THEREFORE, in consideration of the mutual covenants and promises herein contained, COSADC and PROVIDER agree as follows:

TERMS

1. **RECITAL:** The recitals are true and correct and are hereby incorporated into and made a part of this Agreement.

2. **INITIAL TERM:** The Initial Term of this Agreement shall commence on the Effective Date, subject to authorization of the COSADC Board and approval of the City

Council, and shall be in effect for two (2) years, terminating on December 31, 2022 ("Term"), unless earlier terminated as herein provided and subject to extension by duly authorized written agreement of the parties.

3. SCOPE OF SERVICE:

A. PROVIDER agrees to provide Services as prescribed in **Exhibit "A"**, "SCOPE OF SERVICES", attached here to and made a part of this Agreement for all purposes.

B. PROVIDER represents and warrants to COSADC that: (i) it possesses all qualifications, licenses and expertise required for the performance of Services; (ii) it is not delinquent in the payment of any sums due COSADC, including payment of permit fees, occupational licenses, etc., nor in the performance of any obligations to COSADC; (iii) all personnel assigned to perform Services are and shall be, at all times during the term hereof, fully qualified and trained to perform the tasks assigned to each; and (iv) Services will be performed in the manner prescribed in **Exhibit "A".**

4. COMPENSATION:

A. The total compensation payable by COSADC to PROVIDER for the Initial Term of this Agreement shall be $262,500. In no event shall the total compensation payable under this Agreement for the Initial Term exceed TWO HUNDRED SIXTY-TW0 THOUSAND FIVE HUNDRED AND NO/100 DOLLARS ($262,500).

B. PROVIDER shall maintain supporting documentation that contains sufficient detail to reflect work performed under Agreement to allow a proper audit of expenditures should COSADC require one to be performed.

C. Compensation payable by COSADC to PROVIDER under 4(A) "COMPENSATION" shall be paid quarterly according to the following schedule:

January 1, 2021 - $65,625.

April 1, 2021 - $65,625.

July 1, 2021 - $65,625.

October 1, 2021 - $65,625.

D. PROVIDER shall refund and remit to COSADC any and all compensation paid to PROVIDER by COSADC, not later than sixty (60) days after expiration of each fiscal year or after termination of Agreement under 7. "TERMINATION" hereunder, which are verified as being attributable to Services not actually performed or rendered by PROVIDER under Agreement.

5. **AUDIT AND INSPECTION RIGHTS:** CHAMBER shall establish and maintain a reasonable accounting system necessary to track, report and verify performance of the services to be provided under this agreement. During the Initial Term of this Agreement and any extension thereof, and for a period of three years from and after its expiration of the term as the term may be extended, PROVIDER shall allow COSADC or its third party auditor, upon five (5) days advance notice, to inspect and audit all books and records of PROVIDER as necessary to verify PROVIDER's compliance with the terms and conditions of this Agreement.

6. **INDEPENDENT PROVIDER**: This Agreement is not intended to create a joint enterprise. PROVIDER is and shall at all times be considered as an independent provider and

neither PROVIDER nor PROVIDER's employees shall be considered to be employees of COSADC or the City of San Angelo ("City").

A. PROVIDER agrees that this Agreement does not entitle PROVIDER or its employees, agents, or volunteers to workers' compensation benefits, unemployment compensation benefits, or any other benefits or protections that accrue from an employment relationship, all of which shall remain the sole and exclusive responsibility of PROVIDER or its employees or agents.

B. PROVIDER, its employees or agents shall be responsible for any business registration or licenses required by any governmental entity relating to PROVIDER's services under this Agreement.

C. Neither PROVIDER nor PROVIDER's employees, agents or volunteers are to be considered agents or employees of COSADC or City for any purpose, including that of federal and state taxation, and neither PROVIDER nor its employees or agents are entitled to any of the benefits that the COSADC or City may provide to their employees.

7. **TERMINATION:** It is understood and agreed that either COSADC or PROVIDER may terminate this Agreement for convenience upon thirty (30) days prior written notice to the other party.

8. **AMENDMENT:** Agreement constitutes the sole and entire agreement between COSADC and PROVIDER. No modification or amendment hereto shall be valid unless in a written instrument entered into by COSADC and PROVIDER, authorized by the COSADC Board and approved by City Council.

9. **CONTINGENCY CLAUSE:** COSADC funding for this Agreement is contingent on the availability of funds and continued authorization from the City Council. This Agreement

is subject to amendment or termination upon thirty days advance notice given to PROVIDER due to lack of funds, reduction of funds or discontinuance of City Council authorization.

10. **ASSIGNMENT:** This Agreement is not to be assigned by PROVIDER, in whole or in part, and PROVIDER shall not assign any part of its operations.

11. **REPORTING:** PROVIDER shall report to COSADC on its activities in relation to this Agreement as described in **Exhibit "B"** and upon request by COSADC Board.

12. **HOLD HARMLESS:** Each party agrees to indemnify, hold harmless, and defend the other from any and all claims, causes of action, and damages of every kind arising from the operations of the other, its officers, agents and employees, carried out in furtherance of this Agreement.

13. **ENTIRE AGREEMENT**: This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter contained in it, and supersedes all prior agreements, understandings and negotiations between the parties. The express terms of this Agreement control and supersede any course of performance or usage of trade inconsistent with any of the terms of the Agreement.

EXECUTED in duplicate originals this day of _____, 2020.

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

By: _____
Todd Kolls, President

ATTEST:

By: _____
Nora Nevarez, Corporate Secretary

SAN ANGELO CHAMBER OF

COMMERCE, INCORPORATD

By: _____
E. Walter Koening, President
EMAIL: walt@sanangelo.org

APPROVED AS TO CONTENT

_____
Guy D. Andrews, Economic Development Director

APPROVED AS TO FORM

_____
Dan T. Saluri, Deputy City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

The scope of services provided under this agreement include marketing, recruitment and related activities described in the "Task Summary", **Attachment 1** to this Exhibit. The Tasks shall, pertain to industries identified in the COSADC Strategic Plan and target jobs having specific NAICS Code classifications as outlined in **Attachment 2** to this Exhibit. The task descriptions below contain a number of specifically prescribed functions to be performed in carrying out the Scope of Services.

Task 1

Marketing and Recruitment Services

A. Provide professional economic development marketing and recruitment services to develop and implement an economic development marketing and recruitment program with all necessary qualifications and expertise to perform services.

B. Provide Public Relations services.

C. Participate in marketing efforts with the Governor's Office, Texas Economic Development Council, Texas Midwest Community Network (TMCN) and other economic development organizations to promote San Angelo for job creation and capital investment.

D. Meet with the COSADC Economic Development Director prior to presenting to the Board for consideration and final adoption of the PROVIDER's *Plan of Action* as it relates to economic development marketing and recruitment to solicit comments and input on desired outcomes and activities related to COSADC funding.

E. Present, no later than the October meetings of each year, such *Plan of Action* as it relates to economic development marketing and recruitment for approval at a regular meeting of the

COSADC. COSADC and PROVIDER staff will review the PROVIDER's Plan of Action as it relates to evaluating the success of efforts in the plan.

F. Present a written report, in January, April, July and October of each year to COSADC concerning the status of each task.

G. Maintain and publish a Community Profile, cost of living index, special media advertising land and buildings, general community information necessary for the site selection process.

H. Provide background information for any projects including, but not limited to, the site requirement form, economic impact analysis (which may be written in cooperation with COSADC on a case-by-case basis), prospect summary reports for use by COSADC staff in their preparation of a formal incentive application, financial due diligence reviews and/or presentations to the COSADC Board of Directors and City Council. Upon award of financial incentives as recommended by COSADC and approved by the City Council, COSADC shall become the primary point of contact for said business.

I. Work in cooperation with local economic development partners through the Business Resource Center model.

J. Maintain a cross-branded website between COSADC and PROVIDER website, with links as deemed appropriate by PROVIDER, to other local, state, and federal business resources, that will direct traffic to other partner websites including but not limited to: San Angelo Development Corporation, Downtown San Angelo, The Business Factory, Concho Valley Workforce Development, the ASU Small Business Development Center, Howard College/West Texas Training Center, and the San Angelo Chamber of Commerce, and any other economic development partner.

K. Coordinate San Angelo responses to all prospect leads, ensuring complete information sharing and involvement of all relevant economic development partners. All contacts and actions on leads, existing and potential companies/employers will be maintained and organized by PROVIDER using a mutually agreeable project management system.

L. Maintain current community information and other relevant information required by business prospects. This information is to be updated as soon as relevant new market data is available each year and coordinated with COSADC Staff to ensure consistency of data provided by COSADC and PROVIDER.

Task 2

Internet & Print Marketing

This may include subscriptions to online interactive sites, internet advertising costs, and any print media.

Task 3

Marketing Campaigns

Provide marketing materials to prospective primary job creators. PROVIDER will provide information to potential prospective employers highlighting the benefits of the regional market, labor pool, facilities, amenities, etc. encouraging them to consider San Angelo for expansion, relocation or merger/acquisition with existing primary employers. Consider and encourage, when feasible, cooperative working and supply relations between prospective employers and existing San Angelo companies. PROVIDER will, considering the impacts of the COVID—19 pandemic, develop special marketing campaigns that address developing opportunities that arise such as

those resulting from supply chain disruptions, on-shoring initiatives, and other adaptions resulting from the changed business and industrial environment.

Task 4

Prospect Meetings and Coordination

Encourage personal visits to San Angelo to discuss investment in the City with PROVIDER, COSADC staff, City/County staff, Workforce Development and all other economic development partners.

Task 5

Trade Shows

PROVIDER may engage in attendance at, exhibitor participation in, or the hosting of national, regional or local trade shows.

Task 6

Site Selector/Prospect Generation Services

PROVIDER may utilize website services and electronic advertising and engage the services of qualified professional site selection/prospect generation services to create greater awareness of the benefits of the San Angelo market, workforce, facilities and incentives.

Task 7

Goodfellow AFB Outreach

Coordinate with personnel at Goodfellow AFB, Department of Defense, Department of the Air Force, NSA and related personnel to retain and increase the AFB facility size and missions.

Task 8

Third Party Services

PROVIDER may engage third-party expert consultants when appropriate to assist in the capture of new employers or the expansion of existing employers into San Angelo.

Task 9

Maintain Professional Memberships

Maintain professional memberships and contact with economic development allies, and resource providers, such as the Governor's Economic Development Office, Texas Economic Development Council, Private Lead Generation/Site Selector Companies, Utility Companies, Texas Midwest Community Network (TMCN) and other economic development organizations.

Task 10

SARMA/BRE Cooperative Efforts

Coordinate with the Business Expansion and Retention Coordinator of COSADC to conduct periodic visits to existing industries and businesses that have qualifying NAICS codes.

Task 11

Rail Business Recruitment

Actively recruit new businesses to the San Angelo intermodal rail facility, working with COSADC and consultants. Explore, along with consultants, new business opportunities in Mexico that would utilize the South Orient Freight Corridor.

Task 12

Industrial Career Promotion and/or Talent Acquisition for Post-Secondary Tech Students

Actively engage in Industrial Career Promotion and/or Talent Acquisition utilizing special outreach to post-secondary tech school students nearing graduation, encouraging them to work in the trades in San Angelo.

Task 13

Industrial Career Promotion and/or Talent Acquisition for High School Students

Actively engage in Industrial Career Promotion and/or Talent Acquisition utilizing special outreach to high school students to encourage them to acquire technical training and to work in the trades in San Angelo.

Task 14

Industrial Training

Actively engage in activities with the Texas Manufacturing Assistance Center (TMAC) and other trade organization to provide Industry Training to local industries and businesses with qualifying NAICS codes.

EXHIBIT "A"

Attachment 1

TASK SUMMARY

Task 1	**Marketing and Recruitment Services**	
Task 2	**Internet & Print Marketing**	
Task 3	**Marketing Campaigns**	
Task 4	**Prospect Meetings and Coordination**	
Task 5	**Trade Shows**	
Task 6	**Site Selector/Prospect generation services**	
Task 7	**Goodfellow AFB outreach**	
Task 8	**Third Party Services**	
Task 9	**Professional Memberships**	
Task 10	**SARMA/BRE Cooperative Efforts**	
Task 11	**Rail Business and Operator Recruitment**	
Task 12	**Industrial Career Promotion and/or Talent Acquisition for Post-Secondary Tech Students**	
Task 13	**Industrial Career Promotion and/or Talent Acquisition for High School Students**	
Task 14	**Industrial Training**	

EXHIBIT "A"

Attachment 2

NAICS CODE – ELIGIBLE "TARGETED INDUSTRIES"

NAICS code-eligible "targeted industries" that provide "Primary jobs" as approved under the Development Corporation Act of 1979 are listed in the table below. A "Primary job" means; **(A)** a job that is: (i) available at a company for which a majority of the products or services of that company are ultimately exported to regional, statewide, national, or international markets infusing new dollars into the local economy; and, (ii) included in one of the following sectors of the North American Industry Classification System (NAICS):

Sector Number	**Description**
111	Crop Production
112	Animal Production
113	Forestry and Logging
115	Support Activities for Agriculture and Forestry
211-213	Mining
221	Utilities
311-339	Manufacturing
42	Wholesale Trade
48-49	Transportation and Warehousing
523-525	Securities, Commodity Contracts, and other Financial Investments and related activities; Insurance Carriers and Related Activities; Funds, Trusts, and Other Financial Vehicles
5413, 5415	Scientific Research and Development Services
5416, 5417, 5419 and 551	Management of Companies and Enterprises
56142	Telephone Call Centers
922140	Correctional Institutions

(B)

Sector Number	**Description**
928110	A job that is included in NAICS sector number 928110, National Security, for the corresponding index entries for Armed Forces, Army, Navy, Air Force, Marine Corps, and Military Bases.

EXHIBIT "B"

REPORTING REQUIREMENTS

1. **Weekly written update from the Chamber on all economic development related activities.**

2. **Monthly oral and written report to the COSADC Board of projects under negotiation with prospects.**

3. **Quarterly oral and written summary to the COSADC Board.**

4. **Annual oral and written report to the COSADC Board.**

5. **Other reports and meetings as requested by the COSADC Board.**

Report to Board

CITY OF SAN ANGELO TEXAS
Development Corporation

Requestor: Guy Andrews, Economic Development Director, Economic Development, (325) 653-7197

Meeting Date: November 18, 2020

Item type: Regular Item

Caption:

Public hearing monument signage for up to $100,000 to provide signage and related landscaping, enhancing a project for cleanup and open space improvements on the Knickerbocker Road right of way and adjoining Bureau of Reclamation land, open space fronting the San Angelo Regional Airport-Mathis Field. (Presentation by Guy Andrews, Economic Development Director.)

Summary/History:

The Addendum is the performance agreement for the new signage project (Phase Three of the entire open space project). This project adds Phase Three to the scope of the formerly approved project for clearing, and removal of brush (Phase One) and grading, seeding and fencing (Phase Two). The project provides for gateway monumentation to be added to the open space.

This item was approved by the COSADC Board of Directors on October 28, 2020 and ratified by City Council on November 3, 2020.

Financial Impact:

The accompanying resolution approves expenditures of up to $100,000.

Other Information/Recommendation:

Attachments:

1.	21-0032_COSADC_CITY_GATEWAYL_SIGN_MOU_ADDEN - FINAL	21-0032_COSADC_CITY_GATEWAYL_SIGN_MOU_ADDEN - FINAL.docx

Presentation:

Approvals/Reviews:

Guy Andrews	Created/Initiated
Guy Andrews	Approved
Theresa James	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Theresa James	Approved
Julia Antilley	Final Approval

FIRST ADDENDUM TO MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION AND THE CITY OF SAN ANGELO CONCERNING A PROJECT FOR OPEN SPACE IMPROVEMENT, LANDSCAPING AND RELATED FACILITIES NECESSARY TO ENHANCE THE KNICKERBOCKER ROAD RIGHT OF WAY AND ADJOINING BUREAU OF RECLAMATION LAND FRONTING THE SAN ANGELO REGIONAL AIRPORT—MATHIS FIELD.

This First Addendum to Memorandum of Understanding ("First Addendum") entered into by and between the CITY OF SAN ANGELO DEVELOPMENT CORPORATION, a State of Texas non-profit Type B development corporation ("COSADC") and the CITY OF SAN ANGELO, TEXAS, a home rule municipal corporation ("CITY"), effective November 3, 2020 ("**Effective Date**"), relates to expanding the scope of a project for enhancement of the Knickerbocker Road Right-of-Way and adjoining Bureau of Reclamation vacant land fronting the San Angelo Regional Airport—Mathis Field.

RECITALS

WHEREAS, Knickerbocker Road and adjacent undeveloped Bureau of Reclamation land parallel frontage of the San Angelo Regional Airport—Mathis Field for a distance of one quarter mile or more, along the primary access to the Airport from the city, as well as being the gateway from the Airport into the city (hereinafter "Open Space"); and,

WHEREAS, the Open Space is undeveloped, unkempt and an eyesore casting a negative impression upon visitors and local citizens regarding the quality of life and state of economic development opportunities within the City of San Angelo; and,

WHEREAS, the CITY, with concurrence of the Bureau of Reclamation, desires to improve the open space as needed to enhance economic development in the City (hereinafter 'project").

WHEREAS, Phases One and Two of the project were authorized by resolution of the Board adopted on April 22, 2020, and approved by the CITY on May 5, 2020. The First Phase of the project is "grubbing" the open space, clearing scrub trees, and removal of brush piles, which work has been completed. The Second Phase to be completed is grading, seeding and fencing; and,

WHEREAS, the, CITY desires to expand the scope of the project by adding a Phase Three for installation of landscape signage and related landscaping which can be accomplished contemporaneously with Phase Two of the project, and for which the CITY desires funding assistance from COSADC; and,

WHEREAS, the parties have determined that substantial economic benefits will accrue as a result of expanding the project to include landscape signage and landscaping by enhancing vacant land adjacent to the gateway to the municipal airport affording an environment that is welcoming of visitors, investors, and new and expanding business enterprises; and,

WHEREAS, on October 28, 2020, the COSADC Board approved allocation of an amount not to exceed ONE HUNDRED THOUSAND AND NO/100 DOLLARS ($100,000) of sales and use tax proceeds for reimbursement to CITY of costs to be incurred by CITY for Phase Three of the project to include installation of landscape signage and related landscaping, and having authorized this MOU; and,

WHERAS, on November 3, 2020, the City of San Angelo City Council approved the Board's resolution adopting the project and also authorized this MOU; and,

WHEREAS, on November 25, 2020, the Board conducted a public hearing on the project; and,

WHEREAS, more than 60 days have passed from publication of notice of the project without receiving a petition from more than ten percent of the registered voters of the municipality requesting an election prior to undertaking the project;

NOW THEREFORE, the Parties hereto cause this MOU to be executed by their duly authorized representatives for the purpose of memorializing the expanded scope of the project pursuant to the terms expressed herein.

1. **Recitals:** The foregoing recitals are true and correct and are adopted by the parties as part of this First Addendum

2. **Term**: The term of this First Addendum and the MOU shall be extended through November 25, 2021.

3. **Funding Obligation of COSADC for Phase Three of the project:** Provided that CITY is in compliance with the terms and provisions of the MOU and this First Addendum:

a. COSADC shall provide additional funding to that of the MOU as provided for herein for reimbursing expenses incurred by CITY for contracting with qualified third parties for work and materials necessary to complete Phase Three of the project for installation of landscape signage and related landscaping.

b. COSADC shall deposit with the City of San Angelo Finance Department funding for reimbursement of Phase Three of project expenses incurred by CITY under contract as needed for timely reimbursement of such expenses.

c. COSADC shall ensure that the funds deposited pursuant to this First Addendum for reimbursement to City are expended in strict compliance with Chapter 505 of the Texas Local Government Code, and shall recover such funds if CITY fails to meet its performance requirements under the MOU and this First Addendum.

d. Notwithstanding anything to the contrary in this First Addendum to MOU, COSADC's funding obligations under this First Addendum shall not exceed $100,000.

4. **City's Obligations:** In addition to CITY's obligations under the MOU, with respect to this First Addendum :

(a) CITY shall contract with qualified third parties for such materials and services necessary to complete Phase Three of the project, and shall provide copies of all such contracts and related invoices for such work to COSADC.

(b) CITY shall endeavor to substantially complete Phase Three of the project within twelve (12) months from the Effective Date of this First Addendum

(c) CITY shall periodically and upon completion of the project or at other times on request of COSADC report progress on the project and provide accountings of the application of COSADC project funds relating to reimbursement requests.

(d) No later than the earlier of sixty (60) days after completion of the project or expiration of the time permitted for completion CITY shall repay, refund and remit to COSADC all funds deposited for reimbursement to CITY for project costs not utilized for project expenses. CITY shall provide COSADC with such records as COSADC may in its discretion deem sufficient to verify under generally accepted accounting and audit principals the facts attested to in the accounting.

5. **Application of Provisions of MOU:** The terms and conditions of the MOU shall remain in full force and effect. Sections 5 through 12 of the MOU are adopted as part of this addendum as if fully set forth herein.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed by their respective officials thereunto duly authorized, on the dates indicated below.

ATTEST:

CITY OF SAN ANGELO
DEVELOPMENT CORPORATION

_____
Nora Nevarez, Secretary

_____
Todd Kolls, President

ATTEST:

CITY OF SAN ANGELO

_____
Julia Antilley, City Clerk

_____
Daniel Valenzuela, City Manager

APPROVED AS TO CONTENT

APPROVED AS TO FORM

_____
Guy Andrews, Director of
Economic Development

_____
Theresa James, City Attorney

APPROVED AS TO FORM

_____
Dan T. Saluri, Deputy City Attorney as
Counsel for COSADC

Report to Board

CITY OF SAN ANGELO TEXAS
Development Corporation

Requestor: Robert Schneeman, Economic Development Coordinator, COSADC, 325.653.7197

Meeting Date: November 18, 2020

Item type: Regular Item

Caption:

Discussion and Board direction regarding potential future improvements to the Industrial Park Phases 1 & 2 (Presentation made by Robert Schneeman, Economic Development Project Manager)

Summary/History:

Staff is seeking Board guidance on the following potential projects relating to Phase 1 and Phase 2 of the Industrial Park:

Phase 1

Turn Lane construction for Phase 1 - $395,000
Industrial Park Master Plan Remaining Lots Phase 1 - $50,000
Buy back of sold properties (3 parcels) sold but currently undeveloped - $389,750

Total Estimated Cost - $834,750

Phase 2

Install Gas Mains Phase 2 - $300,000
Install U/G Electrical Distribution – TBD (in design by AEP)
Install Fiber Optic Cable Phase 2 - $200,000
Entrance Monument sign Phase 2 - $125,000
Clearing of brush from select areas Phase 2 – 66.5 Ac @ $750 = $49,875

Total Estimated Cost - $674,875

The Phase 1 improvements are intended to improve the marketability of the remaining properties along FM 380 and to buy back properties which were sold but not yet developed in order to complete the development of Phase 1. There is a provision in the Covenants, Conditions & Restrictions applicable to Phase 1 that allows for the buyback at the original price if the property is not developed within two years. Staff requests Board guidance prior to contacting the two buyers of the subject properties prior to approaching the owners. Staff recommends approval of this proposal.

The proposed Phase 2 improvements are items not included in the project which was 50% funded by the Economic Development Administration grant. The maximum project cost was limited to $2.5M with 50% funding by EDA. Staff is seeking Board guidance on all items listed including prioritization in the event funds are not available to complete all items.

Financial Impact:

No fiscal impact at this time. Seeking Board guidance. Projects will require budget amendments if recommended by Board

Other Information/Recommendation:

Attachments:

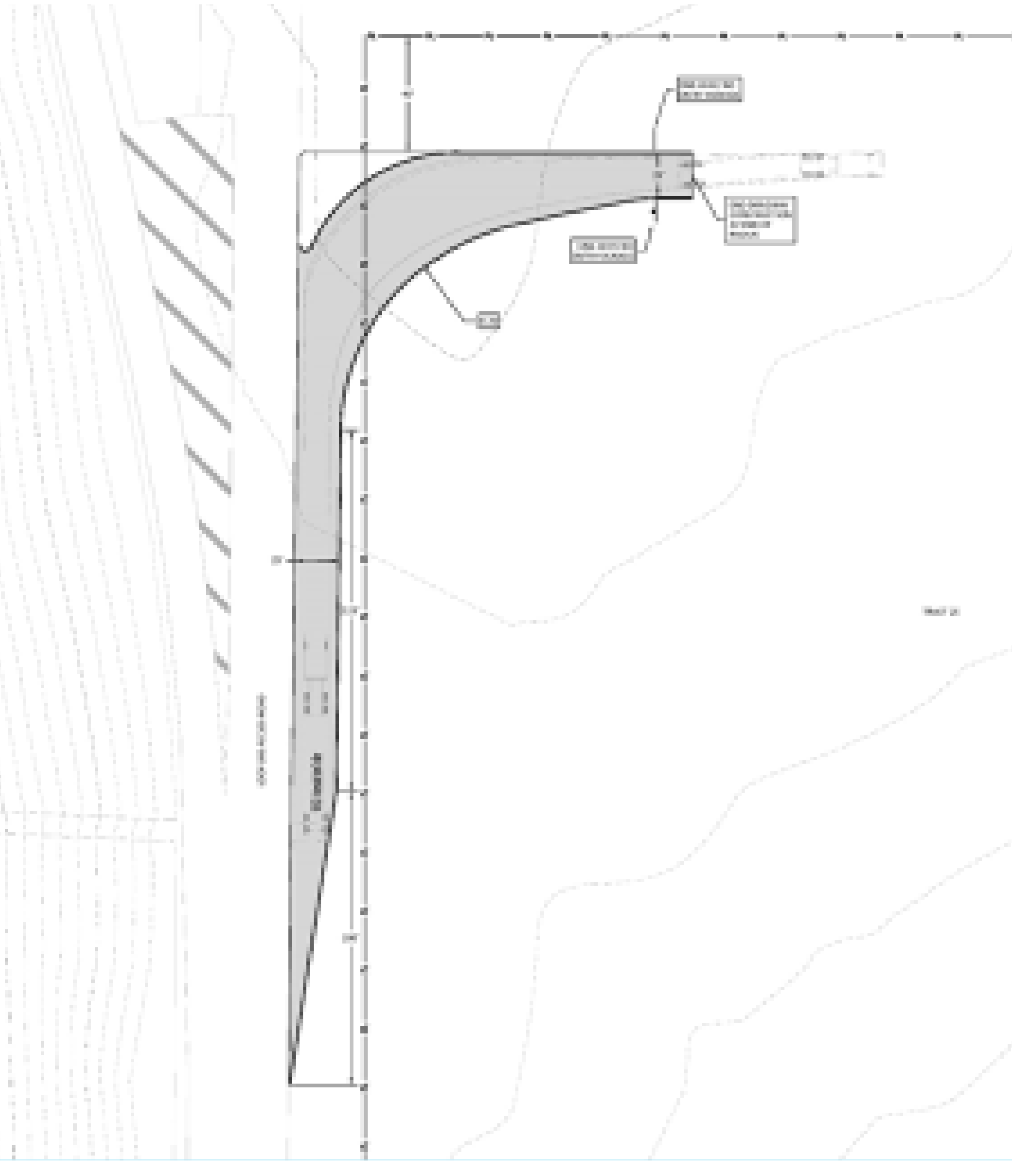
1.	Phase 1 Turn Lane Exhibit	Phase 1 Turn Lane Exhibit.docx
2.	Phase 1 Master Plan Exhibit	Phase 1 Master Plan Exhibit.docx
3.	Phase 1 Buy Back Exhibit	Phase 1 Buy Back Exhibit.docx
4.	Phase 2 Monument Sign Exhibit	Phase 2 Monument Sign Exhibit.docx
5.	Phase 2 Lot Clearing Exhibit	Phase 2 Lot Clearing Exhibit.docx
6.	Phase 2 Franchise Utilities Exhibit	Phase 2 Franchise Utilities Exhibit.docx

Presentation:

Approvals/Reviews:

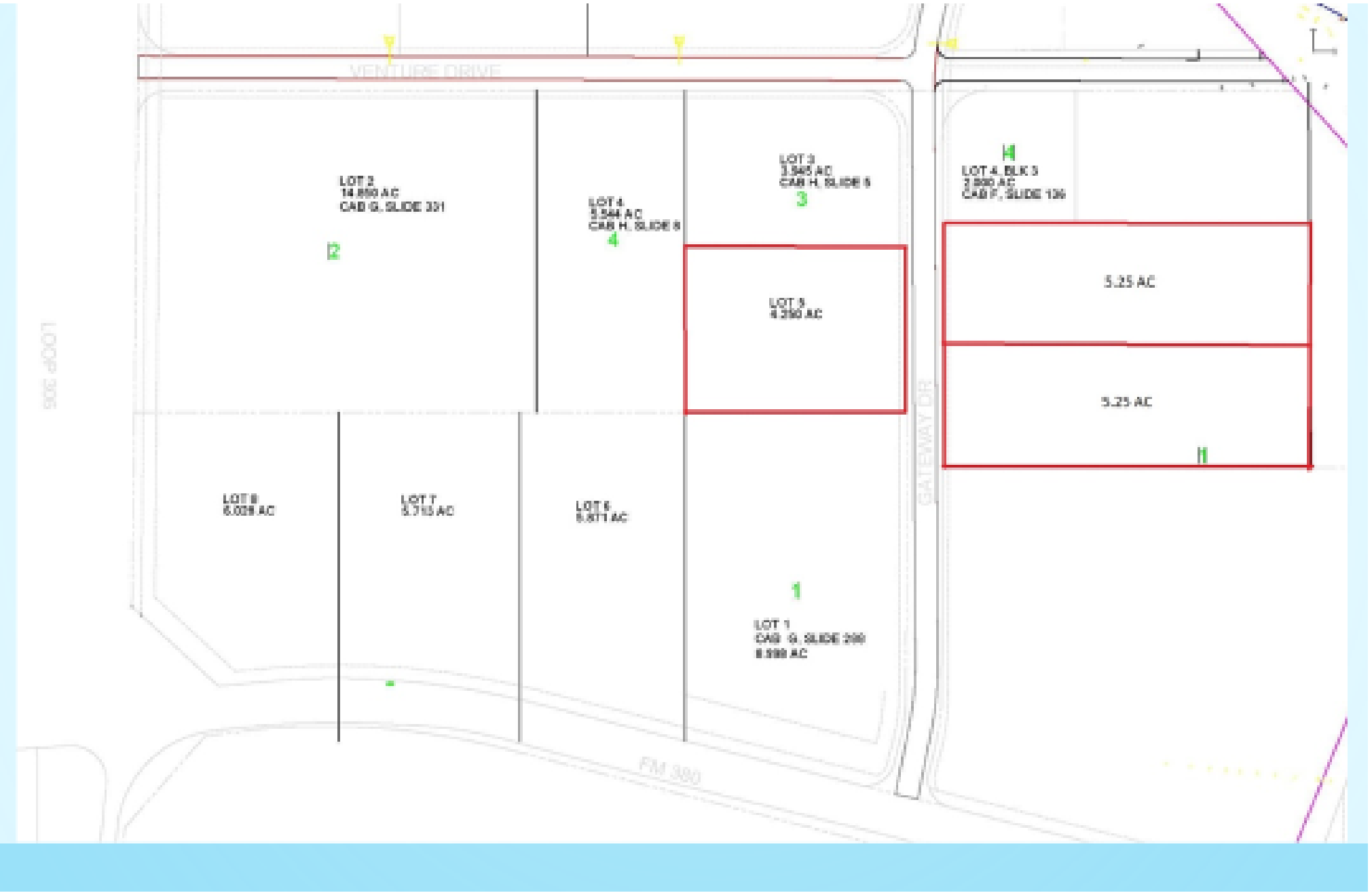
Robert Schneeman	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

Phase 1 Turn Lane Exhibit



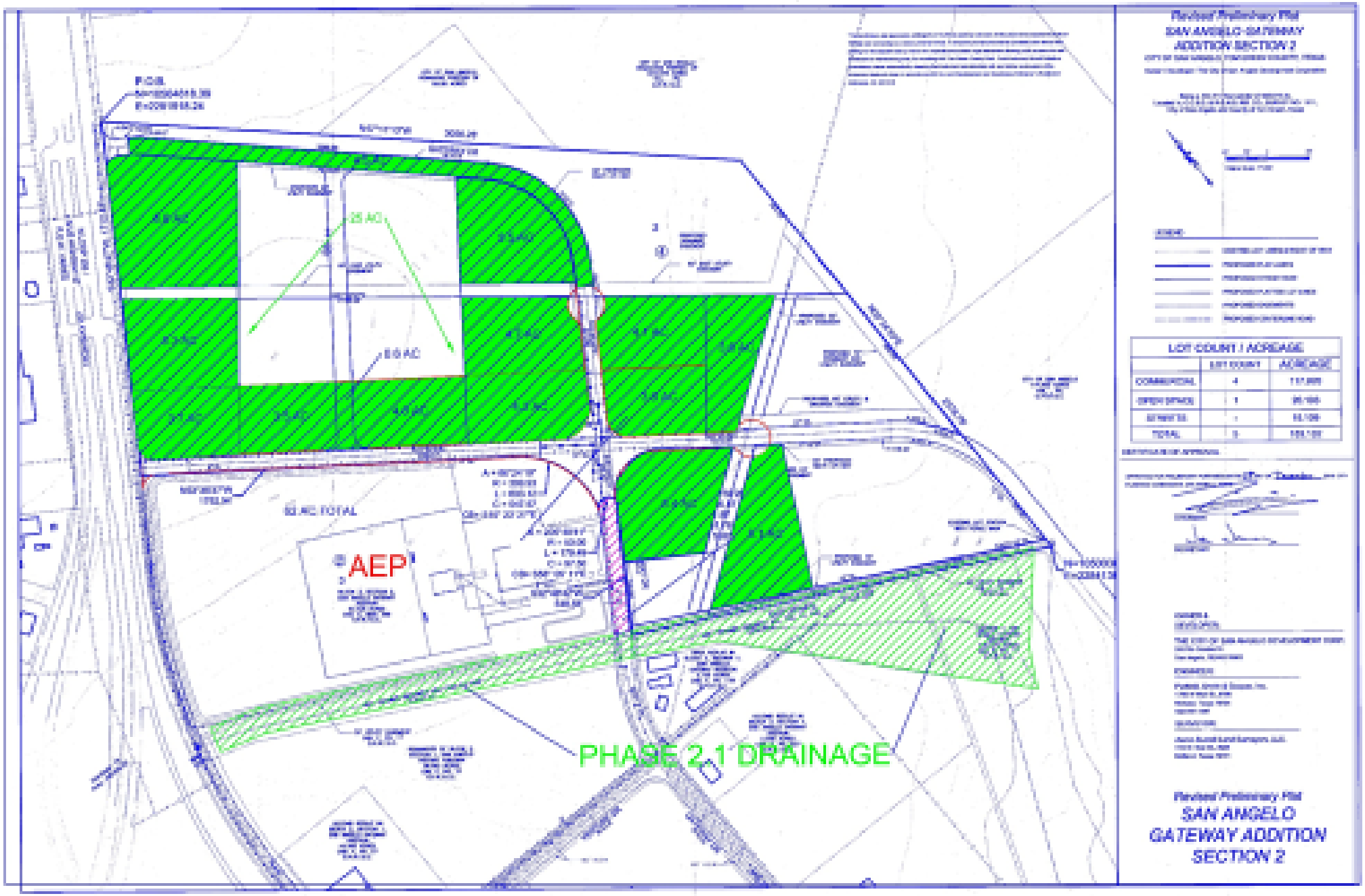
Phase 1 Master Plan Exhibit

Phase 1 Buy Back Exhibit

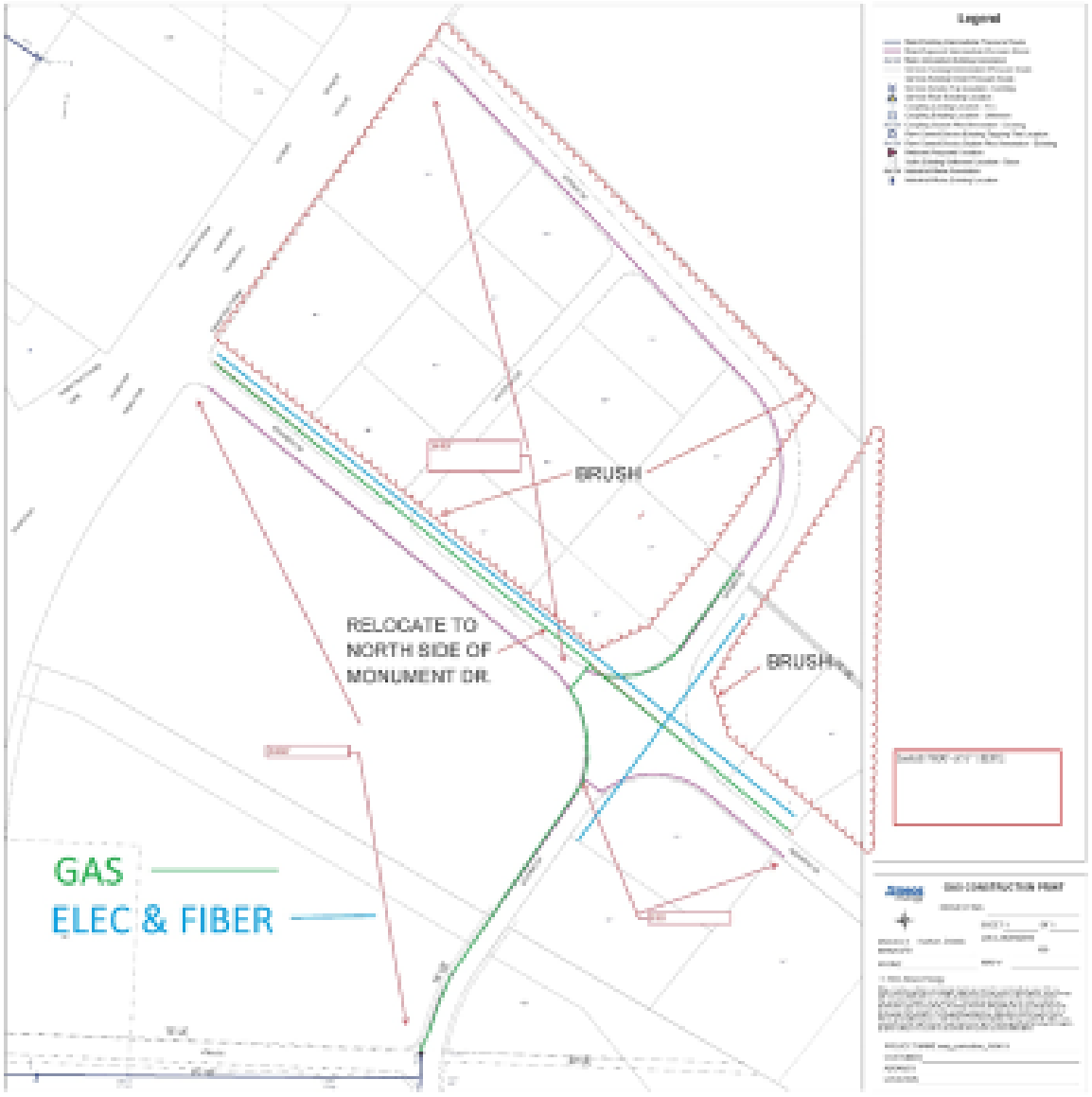


Phase 2 Monument Sign Exhibit

Phase 2 Lot Clearing Exhibit



Phase 2 Franchise Utilities Exhibit



SAN ANGELO
Development Corporation