



Agenda

08/22/2018

Notice is hereby given of a regular meeting of the City of San Angelo Development Corporation (COSADC) to be held on August 22, 2018 at 8:30 AM at the McNease Convention Center – South Meeting Room, 501 Rio Concho Drive, San Angelo, Texas, for the purpose of considering the following agenda items.

1. Call to Order

2. Prayer

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. Consent Agenda

- a. Consider approving the July 25, 2018 meeting minutes
- b. Consider approving the necessary Corporation Disbursements
- c. Consider approving the July 2018 Financial Statements
- d. Consider approving a Resolution adopting the investment policy, strategy and broker/dealer list for the City of San Angelo and COSADC for compliance with the Public Funds Investment Act

5. Regular Agenda

- a. Update presentation regarding the Business Retention & Expansion Program, (BREP) Marketing campaign (Presentation made by Stephen McLaughlin, McLaughlin Advertising)
- b. A Resolution authorizing the use of sales and use tax funds in an amount not to exceed \$121,000, to provide master planning services for a business and industrial park located at the City of San Angelo Airport (Mathis Field) with participation by the City of San Angelo for a project authorized under Chapter 505 of the Local Government Code for Type B Development Corporations (Presentation made by Bob Schneeman, Business, Retention & Expansion Coordinator)
- c. Discuss with no action the contract between COSADC and the Chamber of Commerce through September 30, 2019 (Presentation made by Guy Andrews, Director of Economic Development)
- d. Consider approving a Change Order to the AEP contract with Crossland Construction Company, Inc in the amount of \$6,037.00 (Presentation made by Bob Schneeman, Business, Retention & Expansion Coordinator)

- e. Consideration of a resolution making application to the City Council for approval of Second Amendment to the Articles of Incorporation providing for term limits of its board members (Presentation made by Guy Andrews, Director of Economic Development)
- f. Consider a Resolution authorizing the use of sales and use tax funds in an amount not to exceed \$46,435 to provide an economic development incentive to U.S. Customs and Border Protection Air and Marine Operations with participation by the City for a Project authorized under the Texas Economic Development Corporation Act (Presentation made by Bob Schneeman, Business, Retention & Expansion Coordinator)

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. a. Section 551.087 to deliberate regarding commercial or financial information that the Board is receiving from business prospects with whom economic development negotiations are being conducted, and discuss financial or other incentives relating to the following projects:

MedHab, LLC

Project 2018-B223

Project 2018-S224

Project Globe

Project Pak

Any business prospect from whom the Board is receiving commercial or financial information relating to economic development negotiations.

7. Follow Up and Administrative Issues

- a. Announcements and consideration of Future Agenda Items

8. Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of the City of San Angelo, Texas, on the 17th day of August, 2018 at 3:00 p.m.

Guy Andrews, Economic Development Director

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

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

Meeting Date: August 22, 2018

Item type: Consent Item

Caption:

Consider approving the July 25, 2018 meeting minutes

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | | |
|----|---------------------------|-------------------------------|
| 1. | COSADC Minutes 07-25-2018 | COSADC Minutes 07-25-2018.pdf |
|----|---------------------------|-------------------------------|

Presentation:

Approvals/Reviews:

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

City of San Angelo, Texas
Development Corporation Meeting
Wednesday, July 25, 2018

Present:

Edward Carrasco – President
William Dendle – Second Vice President
John Bariou - Director
Dr. David Cummings – Director
Oscar Casillas – Director
Aaron Padilla – Director

1. Call to Order

With a quorum of the City of San Angelo Development Corporation Board Members present, President Edward Carrasco called the regular session of the City of San Angelo Development Corporation meeting to order at 8:30 a.m., on Wednesday, July 25, 2018 in the San Angelo McNease Convention Center, 501 Rio Concho Drive, San Angelo, TX 76903

2. Prayer

An invocation was provided by Director Bariou

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.

Dave Erickson, Executive Director with the ASU Small Business Development Center Director introduced their new intern, Nathan Blair who will be working with the ASU Small Business Development Center.

4. Consent Agenda

- a. Consider approving the June 27, 2018 and July 12, 2018 special meeting minutes
- b. Consider approving the necessary Corporation disbursements

Motion: Director Bariou made a motion, seconded by Second Vice President Dendle to approve the consent agenda with a grammatical change to the minutes as presented. The motion carried unanimously six (6) ayes to zero (0) nays

5. Regular Agenda

- a. Consider approving the June 2018 Financial Statements (Presentation made by Tina Dierschke, Director of Finance)

Motion: Director Bariou made a motion, seconded by Director Dr. Cummings to approve the June 2018 Financial Statements. The motion carried unanimously six (6) ayes to zero (0) nays

Motion: Director Padilla made a motion, seconded by Director Casillas to release the full fund balance (Equipment Replacement) back to available fund balance (future projects) as presented. The motion carried unanimously six (6) ayes to zero (0) nays

- b. Presentation of the Chamber of Commerce 2nd Quarter Report, April - June 2018- (Presentation made by Michael Looney, Vice President of Economic Development)

No action taken on this item

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:

At 8:57 a.m., the Board convened in Executive Session under the provision of Government Code, Title 5. Open government; Ethics, Subtitle A. Open government, Chapter 551. Open Meeting, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

- a. Section 551.087 to deliberate regarding commercial or financial information that the Board is receiving from business prospects with whom economic development negotiations are being conducted, and discuss financial or other incentives relating to the following projects:

Project Pak

Any business prospect from whom the Board is receiving commercial or financial information relating to economic development negotiations.

7. Follow Up and Administrative Issues

At 9:10 a.m., the Board reconvened

No action taken to report from Executive Session

8. Adjournment

Motion: At 9:10 a.m., Director Bariou made the motion, seconded by Director Padilla to adjourn the meeting. The motion carried unanimously six (6) ayes to zero (0) nays

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

Meeting Date: August 22, 2018

Item type: Consent Item

Caption:

Consider approving the necessary Corporation Disbursements

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | | |
|----|-------------------------|-----------------------------|
| 1. | Disbursement 08-22-2018 | Disbursement 08-22-2018.pdf |
|----|-------------------------|-----------------------------|

Presentation:

Approvals/Reviews:

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

**City of San Angelo Development Corporation
Check Disbursements
For Board Approval Aug. 22, 2018**

Economic Development

Blue Cross Blue Shield of Texas	\$	37,118.00	2017 Annual Incentive	Ck. 4322
Office Furniture Discounters		10,680.00	6 FireKing vertical legal file cabinets (Inv 14983)	Ck. 4351
			H.T.E -3rd Qtr Expenses - Elec.=\$2,641.65; Copier rental=\$487.04; Comm. = \$2,127.26; Cellular = \$810.03; Postage = \$33.37; Office supplies = \$1,823.81 & Travel & Lodging = \$	
COSA		10,455.99	2,532.83	
Parkhill Smith & Cooper		5,899.98	Profe Serv from July 1 - July 31, 2018 Ind. Park Phase II	
Parkhill Smith & Cooper		5,836.01	Prof. Serv from June 1-30, 2018 Phase II	
McLaughlin Advertisement		5,512.27	Industrial Park (Inv. 1940617008)	Ck. 4344
McLaughlin Advertisement		5,000.00	Marketing for BREP (Inv. 1830)	
			Air Service Marketing (Inv. 1828)	
Office Furniture Discounters		4,530.00	Purchase 13 desks for incubator area (Inv. 14967)	Ck. 4345
Rock Your World Decorative Concrete		3,275.00	Business Plan Comp. - 1st Place - Reimbursement	Ck. 4348
Rock Your World Decorative Concrete		2,287.33	Business Plan Comp. - 1st Place - Reimbursement	
			Reimburse for July P-card charges for N. Nevarez & G. Andrews. Admin office supplies = \$21.99; Admin Travel = \$635.21; Partner Aff. = \$825.00 & Admin Food = \$197.07	Ck. 4352
COSA		1,679.27		
Total for Board Consideration	\$	92,273.85		
Dirt Doctor	\$	725.00	Monthly general cleaning at BRC (Inv. 3382)	
West Office Technology		350.00	Monthly IT serv for Business Factory (Inv. F10325)	Ck. 4349
Angelo Titan Technology		322.50	Wireless HDMI & 15 ft HDMI cable (Inv. 18001372)	Ck. 4346
Staples		148.53	Office supplies (Inv. 3384792486)	Ck. 4357
COSA Utility Billing		132.43	Water & Sewer serv at BRC (serv date 06/28/18 to 07/30/18)	Ck. 4355
Protection1		124.94	Montly Burglar & Fire Alarm Serv. (Inv. 123906056)	Ck. 4341
Kirbo's Office System		123.60	Mo. Copier lease for Business Factory (Inv. 266957)	Ck. 4343
House of Chemicals		108.21	Cleaning supplies for BRC (Inv. 554385)	Ck. 4356
ASU Small Business Development Center		99.00	Register for Leadercast Women 2018	
COSA Utility Billing		92.79	3 water meters at Industrial Park	
Mediajaw Hosting, LLC		74.85	Hosting and email for Business Factory (Inv. 7876)	Ck. 4350
Republic Services		72.08	Trash services for BRC (Inv. 0691000815693)	
Atmos Energy		47.45	Gas utilities at BRC (Serv date 07/06/18 to 08/07/18)	Ck. 4354
Secretary of State		25.00	File Periodic Report	Ck. 4353
Angelo Water Service		9.50	Water cooler rent at BRC	Ck. 4342
Suddenlink		2.82	Emergency phone line - elevator BRC	Ck. 4340
Total Routine Disbursements	\$	2,458.70		
Total Economic Development Disbursements	\$	94,732.55		
<u>Ballot</u>				
First Title Company	\$	47,533.02	Sell of 701 San Jacinto St.	Ck. 1494
COSA		3,201.68	Reimburse for W TX Water Partnership	
Total for Board Consideration	\$	50,734.70		
Total Routine Disbursements	\$	-		
Total Ballot Disbursements	\$	50,734.70		
Grand Total Disbursements this Period	\$	145,467.25		

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

Meeting Date: August 22, 2018

Item type: Consent Item

Caption:

Consider approving the July 2018 Financial Statements

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | | |
|----|-------------------|-----------------------|
| 1. | COSADC Stmts 1807 | COSADC Stmts 1807.pdf |
|----|-------------------|-----------------------|

Presentation:

Approvals/Reviews:

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

City of San Angelo Development Corporation

Financial Information and Schedules As of July 31, 2018

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Balance Sheet

Revenue & Expenditure Report

Project Commitments

Transaction Detail by Account

2011 Bond Issue

Hickory Water Supply

City of San Angelo Development Corporation
Executive Summary
July 2018

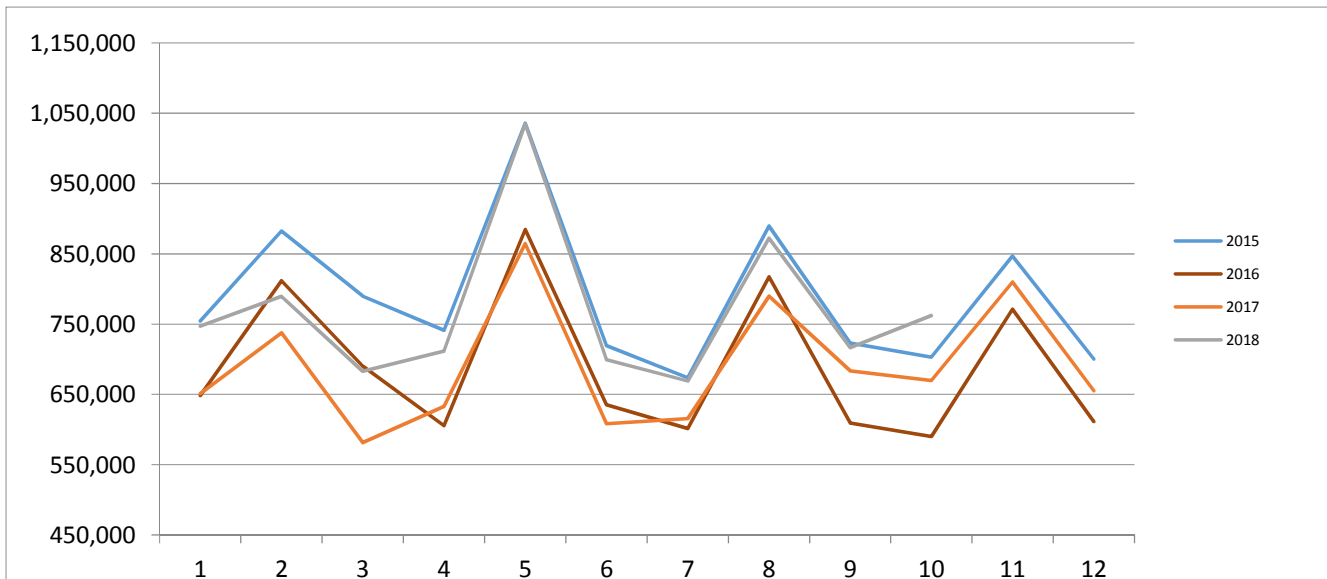
Available Fund Balances

Unrestricted Fund Balance-Economic Development	8,366,326
Unrestricted Fund Balance-Ballot	1,719,683

Sales Tax Analysis

Month	2015	2016	2017	2018	% Over/(Under)
Oct	754,116	648,367	650,926	747,063	14.77%
Nov	882,259	811,466	737,436	789,302	7.03%
Dec	789,859	690,231	581,382	683,012	17.48%
Jan	741,227	605,393	632,603	711,415	12.46%
Feb	1,035,939	884,468	864,339	1,034,662	19.71%
Mar	719,149	635,021	608,253	699,086	14.93%
Apr	673,524	601,420	615,673	669,034	8.67%
May	889,509	816,925	789,680	872,259	10.46%
Jun	723,051	608,947	683,530	716,509	4.82%
Jul	702,893	590,012	669,686	761,927	13.77%
Aug	846,650	771,109	809,685		
Sep	700,008	611,361	655,327		

Estimated Year to Date Sales Tax Budget 83.33% = 7,083,333
excess/(shortage) 609,599



City of San Angelo Development Corporation
Balance Sheet - Economic Development
As of July 31, 2018

ASSETS

Current Assets

Checking/Savings

101101 · Cash 14,782

103200 · Money Market 5,672,244

Total Checking/Savings 5,687,026

Accounts Receivable

115000 · Sales Tax Receivables 392,465

Total Accounts Receivable 392,465

Other Current Assets

117000 · Investments 9,496,898

Total Other Current Assets 9,496,898

Total Current Assets 15,576,389

Fixed Assets

140500 · Land -Industrial Park 85,728

141000 · Industrial Park-Phase I 734,002

143000 · Industrial Park-Phase II 38,624

144000 · Industrial Park-Phase III 20,377

152000 · Building-Business Resource Ctr 2,004,967

159999 · Accum Depr-Building (659,968)

Total Fixed Assets 2,223,730

TOTAL ASSETS

17,800,119

LIABILITIES & FUND EQUITY

Liabilities

Current Liabilities

201000 · Accounts Payable 10,651

Total Current Liabilities 10,651

Total Liabilities 10,651

Fund Equity

Committed for Eco. Dev. Projects 7,199,412

Restricted for Fixed Assets 2,223,730

Assigned for Equipment Replacement -

Unassigned Fund Balance 8,366,326

Total Fund Equity 17,789,468

TOTAL LIABILITIES & FUND EQUITY

17,800,119

City of San Angelo Development Corporation
Revenue & Expenditure Report - Economic Development
July 2018

	<u>Budget</u>	<u>Month Actual</u>	<u>YTD Actual</u>	<u>Over/(Under) Budget</u>	<u>% of Budget</u>
Revenues					
313000 · Income-Sales & Use Tax	2,380,000	216,680	2,154,020	(225,980)	91%
360000 · Interest on Investments	23,000	28,339	169,612	146,612	737%
363101 · Lease Income	74,965	13,093	59,934	(15,031)	80%
380000 · Miscellaneous Income	0	0	200	200	100%
392200 · Gain on Sale Assets	<u>250,000</u>	<u>0</u>	<u>0</u>	<u>(250,000)</u>	<u>0%</u>
Total Revenues	<u>2,727,965</u>	<u>258,112</u>	<u>2,383,766</u>	<u>(344,199)</u>	<u>87%</u>
Expenditures					
410000 · Administrative	157,574	14,540	71,437	(86,137)	45%
412000 · Partner Affiliations	76,197	(16)	73,409	(2,788)	96%
415000 · City Services	433,566	0	0	(433,566)	0%
415331 · Annual Report	1,200	0	240	(960)	20%
420000 · Industrial Park Ops & Maint	30,650	350	4,159	(26,491)	14%
432000 · Outside Legal Services	25,000	0	125	(24,875)	1%
440000 · Marketing-Chamber of Commerce	225,000	18,750	155,951	(69,049)	69%
440200 · Business Ret & Exp Prog	324,765	9,734	12,515	(312,250)	4%
445000 · Promotion (SADC Marketing)	10,300	0	1,811	(8,489)	18%
450000 · Business Resource Ctr	35,281	1,745	23,208	(12,073)	66%
452101 · Business Factory	<u>94,373</u>	<u>2,019</u>	<u>51,285</u>	<u>(43,088)</u>	<u>54%</u>
Total Operating Expenditures	<u>1,413,906</u>	<u>47,122</u>	<u>394,140</u>	<u>(1,019,766)</u>	<u>28%</u>
452112 · Project-Martifer-Hirschfeld	1,390,435	0	0	(1,390,435)	0%
452115 · Project-Blue Cross Blue Shield	111,355	37,118	37,118	(74,237)	33%
452119 · Project-Air Service Marketing	60,000	5,000	39,045	(20,955)	65%
452121 · Project-MedHab	796,250	0	0	(796,250)	0%
452124 · Project-DeCoty Coffee	96,902	0	15,168	(81,734)	16%
452132 · Project-TGC/GAFB	633,000	0	624,601	(8,399)	99%
452134 · Project-Principle LED	194,005	0	85,000	(109,005)	44%
452136 · Project-Phase II Sewer Line	96,000	0	0	(96,000)	0%
452137 · Project-TXDOT Aside Prog. Grant	100,000	0	39,500	(60,500)	40%
452138 · Project-CalTech	583,999	0	1,100	(582,899)	0%
452139 · Project-Parkhill	280,000	5,836	191,624	(88,376)	68%
452140 · Project-Grant Works	54,000	0	4,000	(50,000)	7%
452141 · Project-Houston Harte	103,000	0	46,643	(56,357)	45%
452142 · Project-Netco	60,000	0	50,000	(10,000)	83%
452145 · Project-Elite Solutions	40,260	0	0	(40,260)	0%
452146 · Project-GAFB	1,500,000	0	0	(1,500,000)	0%
452147 · Project-Ind Park Phase II	2,000,000	0	0	(2,000,000)	0%
452148 · Project-Sunken Garden Design	75,000	0	0	(75,000)	0%
452149 · Project-Howard College Const Tr	168,000	0	39,970	(128,030)	24%
452150 · Project-Engine Pro Machine	5,975	0	0	(5,975)	0%
452151 · Project-Airport Hangar Repair	25,000	0	0	(25,000)	0%
452900 · Project-Future Projects	647,763	0	0	(647,763)	0%
453000 · Capital Purchases	<u>31,612</u>	<u>0</u>	<u>0</u>	<u>(31,612)</u>	<u>0%</u>
Total Project Expenditures	<u>9,052,556</u>	<u>47,954</u>	<u>1,173,769</u>	<u>(7,878,787)</u>	<u>13%</u>
Total Expenditures	<u>10,466,462</u>	<u>95,076</u>	<u>1,567,909</u>	<u>(8,898,553)</u>	<u>15%</u>
Revenue Over/(Under) Expenditures	<u>(7,738,497)</u>	<u>163,036</u>	<u>815,857</u>	<u>8,554,354</u>	

City of San Angelo Development Corporation
Economic Development Projects
As of July 31, 2018

Project	Project Allocation	Current Year Activity	Inception to Date	Remaining Allocation
Martifer-Hirschfeld	3,684,743	0	2,294,308	1,390,435
Blue Cross Blue Shield	408,522	37,118	334,285	74,237
Air Service Marketing	60,000	39,045	39,045	20,955
MedHab	797,750	0	1,500	796,250
DeCoty Coffee	101,835	15,168	20,101	81,734
TGC/GAFB	633,000	624,601	624,601	8,399
Principle LED	550,001	85,000	440,996	109,005
Phase II Sewer Line TGC	100,000	0	4,000	96,000
TXDOT Aside Prog. Grant	100,000	39,500	39,500	60,500
CalTech	603,999	1,100	21,100	582,899
Parkhill	308,000	191,624	219,624	88,376
Grant Works	54,000	4,000	4,000	50,000
Houston Harte	108,000	46,643	51,643	56,357
Netco	60,000	50,000	50,000	10,000
Elite Solutions	40,260	0	0	40,260
GAFB	1,500,000	0	0	1,500,000
Ind Park Phase II	2,000,000	0	0	2,000,000
Sunken Garden Design	75,000	0	0	75,000
Howard College Construction Trades	168,000	39,970	39,970	128,030
Engine Pro Machine	5,975	0	0	5,975
Airport Hangar Repair	25,000	0	0	25,000
	11,454,525	1,173,769	4,255,113	7,199,412
Total Committed, Not Expended				7,199,412

City of San Angelo Development Corporation
Balance Sheet - Ballot
As of July 31, 2018

ASSETS

Current Assets

Checking/Savings

101101 · Cash

1,026

103200 · Money Market

3,307,663

Total Checking/Savings

3,308,689

Accounts Receivable

115000 · Sales Tax Receivables

977,208

115201 · Note Receivable

19,800

Total Accounts Receivable

997,008

Other Current Assets

117000 · Investments

1,499,902

Total Other Current Assets

1,499,902

Total Current Assets

5,805,599

TOTAL ASSETS

5,805,599

LIABILITIES & FUND EQUITY

Fund Equity

Committed for Ballot Projects

241,213

Assigned for Debt Service

3,844,703

Unassigned Fund Balance

1,719,683

Total Fund Equity

5,805,599

TOTAL LIABILITIES & FUND EQUITY

5,805,599

City of San Angelo Development Corporation
Revenue & Expenditure Report - Ballot
July 2018

	<u>Budget</u>	<u>Month Actual</u>	<u>YTD Actual</u>	<u>Over/(Under) Budget</u>	<u>% of Budget</u>
Revenues					
313000 · Income-Sales & Use Tax	6,120,000	557,178	5,538,912	(581,088)	91%
360000 · Interest on Investments	4,000	13,771	52,882	48,882	1,322%
Total Revenues	<u>6,124,000</u>	<u>570,949</u>	<u>5,591,794</u>	<u>(532,206)</u>	<u>91%</u>
Expenditures					
410000 · Administrative	3,500	0	2,467	(1,033)	70%
415000 · City Services	144,522	0	0	(144,522)	0%
430000 · Loan/Debt Service	5,126,270	0	0	(5,126,270)	0%
Total Operating Expenditures	<u>5,274,292</u>	<u>0</u>	<u>2,467</u>	<u>(5,271,825)</u>	<u>0%</u>
451102 · Project-Sports Facilities Maint	285,353	0	285,353	0	100%
451200 · Project-Affordable Housing	357,674	47,533	286,333	(71,341)	80%
452123 · Project-W. Tx Water Partnership	200,000	1,523	30,129	(169,871)	15%
452900 · Project-Future Projects	80,305	0	0	(80,305)	0%
Total Project Expenditures	<u>923,332</u>	<u>49,056</u>	<u>601,815</u>	<u>(321,517)</u>	<u>65%</u>
Total Expenditures	<u>6,197,624</u>	<u>49,056</u>	<u>604,282</u>	<u>(5,593,342)</u>	<u>10%</u>
Revenue Over/(Under) Expenditures	<u>(73,624)</u>	<u>521,893</u>	<u>4,987,512</u>	<u>5,061,136</u>	

City of San Angelo Development Corporation
Projects
As of July 31, 2018

Project	Project Allocation	Current Year Activity	Inception to Date	Remaining Allocation
Ballot Projects:				
Water Supply Projects				
West Texas Water Partnership	601,313	30,129	431,441	169,872
* Reclaimed Water Alternatives	1,389,965	0	1,389,965	-
* Red Arroyo Storm Water Basin	151,040	0	151,040	-
Total Expenditures	2,142,318	30,129	1,972,446	169,872
Total Water Supply Projects				169,872
Affordable Housing				
Revenues				
* Sale of Fixed Assets - Blackshear Properties	394,351	0	394,351	0
Total Revenues				
Expenditures				
Affordable Housing	2,854,330	286,333	2,782,989	71,341
* Administrative Contract	120,405	0	120,405	0
* Blackshear Neighborhood Boundary	28,300	0	28,300	0
* Blackshear Properties	404,125	0	404,125	0
* Neighborhood Blitz	550,000	0	550,000	0
* Neighbors Helping Neighbors	53,000	0	53,000	0
* Rebuilding Together - Housing One Stop	23,759	0	23,759	0
* Rebuilding Together - Housing Repair	74,920	0	74,920	0
* Rehabs	114,487	0	114,487	0
* Roofing Grant	200,000	0	200,000	0
Total Expenditures	4,423,326	286,333	4,351,986	71,341
Total Affordable Housing				71,341
Other Projects				
* Sports Facilities Maintenance	285,353	285,353	285,353	-
Total Expenditures	285,353	285,353	285,353	-
Total Ballot Projects Committed, Not Expended				241,213

Voter Approved Projects:

* Fort Concho Improvements	900,000	0	900,000	-
* Sports & Athletics Facilities	708,744	0	708,744	-
* 29th Street Sports Complex	1,750,000	0	1,750,000	-
Total Expenditures	3,358,744	-	3,358,744	-
Total Voter Approved Projects Committed, Not Expended				-
* Completed				-

City of San Angelo Development Corp
Transaction Detail by Account
July 2018

	Num	Name	Memo	Amount
Economic Development				
313000 · Income-Sales & Use Tax (700-0000-313.00-00)				
	845	City of San Angelo	Adjustment to May Sales Tax Receivable	45,730.81
	846	City of San Angelo	Record July Sales Tax Recievable	<u>170,949.42</u>
Total 313000 · Income-Sales & Use Tax (700-0000-313.00-00)				216,680.23
360000 · Interest on Investments (700-0000-361.10-00)				
	843		Record Interest on Security #3134G92H9	4,083.06
	843		Record Interest on Security #3134GBYG1	7,803.00
	843		Record Interest on Security #912828V56	5,625.00
	847		Record Interest for July	77.95
	847		Record MM Interest for July	<u>10,749.53</u>
Total 360000 · Interest on Investments (700-0000-361.10-00)				28,338.54
363101 · Lease Income				
363102 · Airport Hanger Agreement				
	5	City of San Angelo	L-3 Hanger Lease Agreement FY18 3rd quarter Apr. 18 - Jun. 18	<u>11,682.30</u>
Total 363102 · Airport Hanger Agreement				11,682.30
363104 · Business Factory				
	841	OdomRD, Dietian Consultant	Rent for the Month of August	270.30
	842	Kirby Park Villas	Rent for the Month of August	<u>469.76</u>
Total 363104 · Business Factory				<u>740.06</u>
Total 363101 · Lease Income				12,422.36
363109 · Lease Income - Business Factory				
	844		Rent for the Month of July	<u>671.00</u>
Total 363109 · Lease Income - Business Factory				671.00
410000 · Administrative				
410332 · Admin-Software				
	4338	SHI Government Solutions	Inv. GB00286419	0.00
	4338	SHI Government Solutions	Inv. GB00286283	<u>0.00</u>
Total 410332 · Admin-Software				0.00
410530 · Admin-Communication				
	4340	Suddenlink	Acc. 100001-8615-717221601 Service Period 08/01/18 - 08/11/18	<u>-2.82</u>
Total 410530 · Admin-Communication				-2.82
410580 · Admin-Travel & Lodging				
	4327	City of San Angelo (COSA)	June 2018 P-card Reimbursement	-434.70
	4347	Guy D. Andrews	Reimburse - Moving Expenses	<u>-8,900.00</u>
Total 410580 · Admin-Travel & Lodging				-9,334.70
410610 · Admin-Office Supplies (700-0000-411.06-10)				
	4327	City of San Angelo (COSA)	June 2018 P-card Reimbursement	-349.96
	4345	Office Furniture Discounters	Inv. 14967	-4,530.00
	4346	Angelo Titan Technology	Inv. 18001372	<u>-322.50</u>
Total 410610 · Admin-Office Supplies (700-0000-411.06-10)				<u>-5,202.46</u>
Total 410000 · Administrative				-14,539.98
412000 · Partner Affiliations				
	4327	City of San Angelo (COSA)	June 2018 P-card Reimbursement	-54.00
	027350	San Angelo Chamber of Commerce	Refund for Overpayment	<u>70.00</u>
Total 412000 · Partner Affiliations				16.00
420000 · Industrial Park Ops & Maint				
420411 · Ind Park-Water/Sewer Utilities				
	4329	City of San Angelo Utility Billing	Acc. 118947-187772 Service Period 06/04/18 - 07/02/18	-26.68
	4329	City of San Angelo Utility Billing	Acc. 118947-187774 Service Period 05/31/18 - 07/03/18	-32.75
	4329	City of San Angelo Utility Billing	Acc. 118947-187770 Service Period 06/01/18 - 07/02/18	<u>-26.68</u>
Total 420411 · Ind Park-Water/Sewer Utilities				-86.11
420000 · Industrial Park Ops & Maint - Other				
	4331	J & R Silva Tree Service & Landscaping	Inv. 2202	<u>-264.00</u>
Total 420000 · Industrial Park Ops & Maint - Other				<u>-264.00</u>
Total 420000 · Industrial Park Ops & Maint				-350.11
440000 · Marketing-Chamber of Commerce (700-0000-411.05-40)				
	4337	San Angelo Chamber of Commerce	Inv. 2018/6	<u>-18,750.00</u>
Total 440000 · Marketing-Chamber of Commerce (700-0000-411.05-40)				-18,750.00
440200 · Business Ret & Exp Prog				

City of San Angelo Development Corp
Transaction Detail by Account
July 2018

	Num	Name	Memo	Amount
	4339	McLaughlin Advertising	Inv. 1730	-6,357.90
	4339	McLaughlin Advertising	Inv. 1775	-3,375.65
Total 440200 · Business Ret & Exp Prog				-9,733.55
450000 · Business Resource Ctr				
450010 · BRC-Water/Sewer Utilities				
	4329	City of San Angelo Utility Billing	Acc. 186765-50710 Service Period 05/30/18 - 06/28/18	-15.00
	4334	City of San Angelo Utility Billing	Acc. 171939-179340 Service Period 05/30/18 - 06/28/18	-92.58
Total 450010 · BRC-Water/Sewer Utilities				-107.58
450012 · BRC-Gas Utilities				
	4328	Atmos Energy	Acc. 3036648466 Service Period 06/08/18 - 07/05/18	-38.79
Total 450012 · BRC-Gas Utilities				-38.79
450013 · BRC-Trash Utilities				
	4323	Republic Services, Inc	Inv. 0691-000809313	-54.06
Total 450013 · BRC-Trash Utilities				-54.06
450000 · Business Resource Ctr - Other				
	4320	Texas Dept of Licensing & Regulation	Annual Elevator Inspection at BRC	0.00
	4321	Statewide Elevator Inspection, LLC	Inv. 21595	-172.67
	4324	Protection 1 Alarm Monitoring Inc.	Inv. 123413029	-93.71
	4326	Clare's Heating & Air Conditioning	Inv. B33	-200.27
	4326	Clare's Heating & Air Conditioning	Inv. B33	-83.25
	4330	Dirt Doctor of San Angelo	Inv. 3336	-543.75
	4331	J & R Silva Tree Service & Landscaping	Inv. 2201	-306.00
	4336	MDK Services	Inv. 14239	-44.25
	4341	Protection 1 Alarm Monitoring Inc.	Inv. 123906056	-93.71
	4342	Angelo Water Service	Acc. 7005 Service Period 08/01/18 - 08/31/18	-7.13
Total 450000 · Business Resource Ctr - Other				-1,544.74
Total 450000 · Business Resource Ctr				-1,745.17
452101 · Business Factory				
	4320	Texas Dept of Licensing & Regulation	Annual Elevator Inspection at BRC	0.00
	4321	Statewide Elevator Inspection, LLC	Inv. 21595	-57.56
	4323	Republic Services, Inc	Inv. 0691-000809313	-18.02
	4324	Protection 1 Alarm Monitoring Inc.	Inv. 123413029	-31.23
	4325	West Office Technology	Inv. F10303	-350.00
	4326	Clare's Heating & Air Conditioning	Inv. B33	-66.76
	4326	Clare's Heating & Air Conditioning	Inv. B33	-27.75
	4328	Atmos Energy	Acc. 3036648466 Service Period 06/08/18 - 07/05/18	-12.93
	4330	Dirt Doctor of San Angelo	Inv. 3336	-181.25
	4331	J & R Silva Tree Service & Landscaping	Inv. 2201	-102.00
	4333	Longhorn Coffee Company	FY17 - BPC 3rd Place - Inv. 0001	-797.80
	4334	City of San Angelo Utility Billing	Acc. 171939-179340 Service Period 05/30/18 - 06/28/18	-30.86
	4335	Canon Financial Services, Inc.	Inv. 18829961	-171.32
	4336	MDK Services	Inv. 14239	-14.75
	4341	Protection 1 Alarm Monitoring Inc.	Inv. 123906056	-31.23
	4342	Angelo Water Service	Acc. 7005 Service Period 08/01/18 - 08/31/18	-2.37
	4343	Kirbo's Office Systems	Inv. 266957	-123.60
Total 452101 · Business Factory				-2,019.43
452115 · Project-Blue Cross Blue Shield				
	4322	Blue Cross Blue Shield	Annual Incentive Payment	-37,118.00
Total 452115 · Project-Blue Cross Blue Shield				-37,118.00
452119 · Project-Air Service Marketing				
	4332	McLaughlin Advertising	Inv. 1776	-5,000.00
Total 452119 · Project-Air Service Marketing				-5,000.00
452139 · Project-Parkhill				
	4344	Parkhill Smith & Cooper	Inv. 01940617.00-8	-5,836.01
Total 452139 · Project-Parkhill				-5,836.01
TOTAL				163,035.88

City of San Angelo Development Corp
Transaction Detail by Account
July 2018

Ballot

	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>
313000 - Income-Sales & Use Tax				
	290	City of San Angelo	Adjustment to May Sales Tax Recievable	117,593.49
	291	City of San Angelo	Record July Sales Tax Recievable	<u>439,584.23</u>
Total 313000 - Income-Sales & Use Tax				557,177.72
360000 - Interest on Investments				
	289		Record Interest on Security #3134GBYB1	7,497.00
	292		Record Interest for July	5.64
	292		Record MM Interest for July	<u>6,268.39</u>
Total 360000 - Interest on Investments				13,771.03
451200 - Project-Affordable Housing				
	1494	First Title Company	Sell of 701 San Jacinto St	<u>-47,533.02</u>
Total 451200 - Project-Affordable Housing				-47,533.02
452123 - Project-W. Tx Water Partnership				
	1493	City of San Angelo (COSA)	West Tx Water Partnership - May 2018	<u>-1,523.33</u>
Total 452123 - Project-W. Tx Water Partnership				<u>-1,523.33</u>
TOTAL				<u><u>521,892.40</u></u>

THE CITY OF SAN ANGELO, TEXAS

Schedule of Revenues and Expenditures

Fiscal Year through July 31, 2018

2011A Tax/Revenue C.O. - Fund 514

For Airport, Ft. Concho, and Parks Improvements

Debt Payments Through 2024

	Dept	Current Budget	Month Actual	YTD W/Enc	Over/(Under) Budget	Previous Years Activity	Inception to Date
Beginning Fund Balance		1,083,888		1,083,888			
REVENUES:							
C.O. Proceeds		-	-	-	-	13,780,000	13,780,000
Municipal Pool Donation		-	-	-	-	21,225	21,225
SASSRA Stock Barn		-	-	-	-	157,722	157,722
Transfer from Dev. Corp.		-	-	-	-	4,220,000	4,220,000
Interest Income		-	2,773	18,679	18,679	145,771	164,450
Total Revenues		-	2,773	18,679	18,679	18,324,718	18,343,397
EXPENDITURES:							
Airport Terminal Rehab	3925	-	-	-	-	500,000	500,000
Concho River	4119	327,650	-	41,179	(286,471)	8,272,352	8,313,531
Parks	6000	585,535	28,554	135,697	(449,838)	339,465	475,162
Red Arroyo Trail	6040	-	-	-	-	325,000	325,000
Recreation	6100	75,000	-	-	(75,000)	2,597,817	2,597,817
Fort Concho Improvements	6301	61,892	-	61,892	-	38,109	100,001
Auditorium	6602	-	-	-	-	3,750,001	3,750,001
Fairgrounds	6636	-	-	-	-	1,157,722	1,157,722
Issue Costs	9900	-	-	-	-	260,363	260,363
Contingencies	9900	-	-	-	-	-	-
Total Expenditures		1,050,077	28,554	238,768	(811,309)	17,240,829	17,479,597
Revenue Over/(Under) Expenditures		(1,050,077)	(25,781)	(220,089)			
Ending Fund Balance		33,811		863,799			

THE CITY OF SAN ANGELO, TEXAS

Schedule of Revenues and Expenditures

Fiscal Year through July 31, 2018

Hickory Water Supply - Fund 516

	Dept	Current Budget	Month Actual	YTD W/Enc	Over/(Under) Budget	Previous Years Activity	Inception to Date
Beginning Fund Balance		2,214,077		2,214,077			
REVENUES:							
Interest		-	5,672	44,115	44,115	530,686	574,801
C.O. Proceeds		666,552	-	665,303	(1,249)	118,355,409	119,020,712
Total Revenues		666,552	5,672	709,418	42,866	118,886,095	119,595,513
EXPENDITURES:							
Easements/Property Damage	4150	419,826	-	-	(419,826)	106,865	106,865
Engineering	4157	568,472	90,958	568,472	-	16,773,489	17,341,961
Well Field Pipelines	4152	3,083	-	-	(3,083)	3,026,918	3,026,918
30 " Transmission Main	4153	-	-	-	-	38,681,022	38,681,022
Well Field Pumps	4154	-	-	-	-	12,831,038	12,831,038
Well Field Pump Station	4155	1,344,420	-	-	(1,344,420)	1,617,139	1,617,139
Well Field Expansion	4158	-	-	-	-	7,668,888	7,668,888
Treatment Plant	4156	-	-	-	-	27,132,194	27,132,194
Well Field Expansion #2	4159	124,049	-	-	(124,049)	9,640,252	9,640,252
Issue Costs	9900	-	-	-	-	172,251	172,251
Total Expenditures		2,459,850	90,958	568,472	(1,891,378)	117,650,056	118,218,528
Revenue Over/(Under) Expenditures		(1,793,298)	(85,286)	140,946			
Ending Fund Balance		420,779		2,355,023			

	<u>Revenues</u>
Previous Years Activity	118,886,095
Current Year Budget	666,552
Less Interest Earned	(530,686)
TOTAL	119,021,961

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

Meeting Date: August 22, 2018

Item type: Regular Item

Caption:

Consider approving a Resolution adopting the investment policy, strategy and broker/dealer list for the City of San Angelo and COSADC for compliance with the Public Funds Investment Act

Summary/History:

Each year the COSADC Board and the City Council must adopt an investment policy and strategy in accordance with the Public Funds Investment Act. The new investment policy is attached with no changes being made from last year.

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | | |
|----|--|---|
| 1. | EDC Proposed Policy 2018 to be adopted | EDC Proposed Policy 2018 to be adopted.docx |
| 2. | Resolution adopting COSADC policy 2018 (1) | Resolution adopting COSADC policy 2018 (1).docx |

Presentation:

Approvals/Reviews:

Shannon Scott	Created/Initiated
Dan Saluri	Approved
Candice Blake	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

CITY OF SAN ANGELO DEVELOPMENT CORPORATION
INVESTMENT POLICY, STRATEGY AND BROKER/DEALER LIST
2018

It is the policy of the City of San Angelo Development Corporation (the "COSADC") to invest its funds in a manner which will provide the highest reasonable market return within security guidelines while meeting the demands of the COSADC and conforming to all state and local statutes governing the investment of public funds.

This policy satisfies the requirement of the Public Funds Investment Act (the "Act"), Texas Government Code 2256, which requires the creation and annual adoption of a written investment policy.

Section One: Scope

This investment policy applies to all the financial assets of the COSADC.

Section Two: Investment Objectives and Standard of Care

The objectives of the COSADC's investment program shall be, in order of priority, safety, liquidity and yield. Safety of principal shall be the foremost objective of the COSADC's investment program. Investment transactions shall seek to insure that capital losses are avoided, whether they are from securities, defaults or erosion of market value. The portfolio shall be managed with the objective of obtaining a reasonable market yield.

The standard of prudence to be used by investment officers shall be the *prudent person standard* and shall be applied in the context of managing the overall portfolio. Investments shall be made with judgment and care under circumstances then prevailing which a person of prudence, discretion and intelligence would exercise in the management of his/her own affairs with consideration given to the probable safety of capital as well as the probable income to be derived. Investments shall not be made for speculative purposes.

Section Three: Investment Strategy

The COSADC of San Angelo funds shall recognize cash flow needs and adopt a pro-active yet conservative portfolio strategy. The total portfolio will maintain a maximum weighted average maturity of two (2) year which is based on the cash requirements of the COSADC. The long term nature of some projects of the COSADC will allow a maximum maturity of five (5) years.

The COSADC of San Angelo's investment portfolio shall be diversified for safety and shall consist of a variety of securities and maturities. In order to meet Policy objective, securities will be of the highest credit quality and marketability. The portfolio's objectives can be attained by utilization of high credit quality securities and a structure based on cash flow needs in the short and intermediate-term.

It is the intent of the COSADC to hold purchased securities to maturity. However, under conditions defined and procedures approved by the Oversight Committee securities may be traded to capture capital gains and allow for reinvestment into the portfolio.

The investment officers, or designated investment advisors, will create a strategy to project the term for such investments and will invest based on market conditions, cash flow, and diversity in the portfolio

Section Four: Authorized Investments

The COSADC shall invest only in those instruments authorized by law of the State of Texas (Texas Government Code 2256, Public Funds Investment Act) as further limited by this policy.

(1) Depository certificates of deposit issued by state and national banks doing business in Texas that do not exceed one (1) year to maturity from date of issue;

(2) Obligations of the United States Government, its agencies and instrumentalities excluding mortgage-backed securities, not to exceed five (5) years to their stated maturity date;

(3) Fully collateralized repurchase agreements having a defined termination date not to exceed six (6) months, secured by obligations of the United States or its agencies and instrumentalities, collateralized at 102%, executed under a written repurchase agreement, with securities safe-kept with a third party selected or approved by the COSADC, and placed through a bank doing business in Texas or a primary government securities dealer.

(4) Local government investment pools which strive to maintain a \$1 net asset value and as defined by the Act, rated AAA, or its equivalent, as to investment quality by a nationally recognized credit rating agency. Investment in each pool must be specifically authorized by Resolution of the COSADC Board.

(5) AAA-rated, SEC registered money market mutual funds which strive to maintain a \$1 net asset value.

(6) General obligation bonds of states, agencies, counties, cities and other political subdivisions of any state rated A or better or its equivalent by a nationally recognized rating agency and with a stated maturity not to exceed five (5) years.

(7) FDIC insured brokered certificate of deposit securities from banks in any US state, delivered versus payment to the COSADC's safekeeping depository, not to exceed one year to maturity. Before purchase, the Investment Officer or advisor must verify the FDIC status of the bank on www.fdic.gov to assure that bank is FDIC insured.

(8) Fully insured interest bearing accounts of any bank doing business in Texas.

(9) A1/P1 domestic commercial paper with a maximum maturity of ninety (90) days.

In order to provide diversification in the portfolio which reduces market and credit risk exposures the following diversification parameters are established for the Portfolio. Diversification parameters must be met at the time of purchase although cash flows may change the percentages over time. Effort will be made to maintain the diversification guidelines through cyclical cash flow periods.

<u>Security Type</u>	<u>Max. % in Overall Portfolio</u>
Depository CDs	40 %
Per bank	10 %
US Treasuries	80 %
US Agencies & Instrumentalities	80 %
Repurchase Agreements	50 %
Constant Dollar LGIP	80 %
Ownership of the pool	10 %
Money Market Mutual Funds	75 %
Municipal and State Obligations	40 %
FDIC Brokered CDs	20 %
Commercial paper	15 %

Delivery versus Payment

All security transactions shall be purchased and settled "delivery versus payment". That is, the COSADC shall authorize release of its funds only after a purchased security has been received by its safekeeping agent.

Competitive Bidding Required

All investments shall be purchased or sold on a competitive basis with bids or offers from at least three authorized broker/dealers for the best yield and maturity. Offers of new issue agencies need not be competitively bid but must be made from COSADC authorized broker/dealers.

Loss of Rating

There is no requirement to liquidate investments that were authorized investments at the time of purchase. However, should a security that requires a minimum rating under state law not have that required rating, the investment officer shall take all prudent measures to liquidate the security.

Monitoring FDIC Coverage

The Investment Officer or Investment Advisor shall monitor, on no less than a weekly basis, the status and ownership of all banks issuing brokered CDs owned by the COSADC based upon information from the FDIC. If any bank has been acquired or merged with another bank in which brokered CDs are owned, the Investment Officer or Advisor shall immediately liquidate any brokered CD which places the COSADC above the FDIC insurance level.

Monitoring Credit Ratings

The Investment Officer or investment advisor shall monitor, on no less than a weekly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer or advisor shall notify the City and the COSADC Director, within three days, of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available.

Section Five: Collateral and Safekeeping

As a public *corporation* the COSADC is not authorized by FDIC regulations to be pledged collateral for bank deposits. As such all time and demand deposits shall be kept below the FDIC insurance coverage in any one institution.

Repurchase Agreements Owned Collateral

Collateral under a repurchase agreement is owned by the COSADC. It will be held by an independent third party safekeeping agent approved by the COSADC under an executed master repurchase agreement. Collateral with a market value totaling 102% of the principal and accrued interest is required and the counter-party is responsible for the monitoring and maintaining of collateral and margins at all times.

Safekeeping

The laws of the State, this Policy, and prudent treasury management require that all securities be settled on a delivery versus payment basis and be held in safekeeping by an independent third party financial institution approved by the COSADC.

Securities shall not be bought from the banking services bank in order to perfect delivery versus payment separation in the transaction.

All safekeeping arrangements shall be approved by the City and COSADC Board and an agreement of the terms executed in writing. The third party safekeeping institution shall issue original safekeeping receipts to the COSADC listing each specific security, rate, description, maturity, cusip, ownership, and other pertinent information.

Section Six: Investment Officer Designation

The COSADC Board hereby designates the City authorized investment officers and investment adviser as investment officers for COSADC and grants to them the authority to invest COSADC funds as outlined herein on a non-discretionary basis.

No person may engage in an investment transaction except as provided under the terms of this Policy. Any disbursement of COSADC funds for the purchase of investment instruments must bear

the signature of an investment officer.

The investment officers will establish and submit written procedures for the operation of the COSADC investment program consistent with this Investment Policy.

Officers, employees and advisors involved in the investment process shall refrain from personal business activity that could conflict with proper and unbiased execution of the investment program or which could impair their ability to make impartial investment decisions. Any business or personal relationship shall be disclosed to the COSADC Board. If the relationship falls within the second degree of blood or marriage disclosure should also be sent to the Texas Ethics Commission.

Section Seven: Training

All officials designated as investment officers shall attend ten hours of training within twelve months of taking the position and eight hours in each succeeding two year fiscal period (beginning on the first day of the fiscal year) relating to investment responsibilities. The training must include investment controls, security risks, strategy risks, market risks, portfolio diversification and compliance with the Act.

The training provider shall be an independent source approved by the City Investment Committee.

Section Eight: Investment Activity Reporting

Reporting for investments will be made in accordance with the state law. Reports of investments are to be prepared and presented at least quarterly to the COSADC Board. Market values shall be obtained at least monthly from an independent source.

On a quarterly basis the investment officer, or investment adviser, shall prepare a series of detail and management level reports signed by the investment officers in accordance with the Act, disclosing at a minimum:

- 1) The investment activity for the previous quarter;
- 2) The book and market value of investments at the beginning and end of the quarter;
- 3) Assessments of the market value of each investment and change in market value;
- 4) Fully accrued interest and earnings for the period in accordance with GAAP;
- 5) The change in market value, and
- 6) Compliance with the Public Funds Investment Act and this Policy.

Section Nine: Audit

The COSADC independent auditor shall formally review the quarterly investment reports prepared in accordance with this Policy and applicable state statutes. The review shall be conducted annually and the results of the review shall be reported to the COSADC Board. In

addition, in conjunction with the annual audit the COSADC shall perform a compliance audit of management controls on investments and adherence to this Policy. Results of this audit will be reported to the Board.

Section Ten: Authorized Financial Institutions and Broker/Dealers

The Investment Officer will maintain a list of financial institutions and broker/dealers authorized to do business with the COSADC. These firms will be selected according to credit worthiness and service. Brokers may include "primary dealers" or regional dealers that qualify under the SEC's Rule 15C3-1 (uniform net capital rule). All broker/dealers must provide the Investment Officer with:

- Proof of Financial Industry Regulatory Authority (FINRA) registration,
- Proof of registration with the Texas State Securities Commission, and
- Completed COSADC questionnaire.

In accordance with the Public Funds Investment Act, a copy of the COSADC's Investment Policy shall be presented to any pool with which COSADC has become a participant. The pool must execute a written certificate in a form acceptable to the COSADC that they have (1) reviewed the Investment Policy and (2) acknowledged that they have implemented reasonable procedures and controls to preclude investment transactions conducted between the COSADC and the firm which are not authorized by the Policy.

The City Investment Committee will at least annually review, revise and adopt a list of authorized brokers authorized to engage in investment transactions.

Section Eleven: Policy Adoption and Revisions

The COSADC Board will review the Investment Policy not less than annually and adopt a resolution stating that the Policy and incorporated strategies have been reviewed and including all changes to the Policy. This Policy may be amended only by action of the COSADC Board.

The COSADC Board and City Investment Oversight Committee are authorized to recommend revisions to the Policy to the COSADC Board whenever such revisions are necessary and prudent due to changes in State Law, the needs of the COSADC, or the economy and market opportunities. All changes to the Policy must be reviewed and adopted by the COSADC Board before any changes are made in the investment process.

ADOPTED on this the _____ day of _____, 2018

Exhibit A
City of San Angelo Development Corporation
Authorized Broker/Dealer List

2018

The authorized broker/dealer list for City of San Angelo Development Corporations is shown below. Each of these firms, and the individual covering the account, are sent the current COSADC Investment Policy.

The Policy establishes specific criteria for the brokers and requires that the list of broker/dealers be approved annually by the Board. Patterson & Associates maintains the brokerage compliance files for the COSADC.

When any material changes are made to the Investment Policy the new Policy is sent out to all broker/dealers.

Bank of America/Merrill Lynch
BOK Financial
Cantor Fitzgerald
G.X. Clark & Co.
Mizuho Securities
Morgan Stanley
Mutual Securities
Oppenheimer
Piper Jaffray
Raymond James
RBC Capital Markets
Stifel Nicolaus
Vining Sparks
Wells Fargo Securities
Williams Group

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

RESOLUTION # _____

A RESOLUTION ADOPTING INVESTMENT POLICY, STRATEGY AND BROKER/DEALER LIST

WHEREAS, the Public Funds Investment Act (Texas Government Code, Chapter 2256) governs local government investment; and

WHEREAS, the Public Funds Investment Act (Section 2256.005a) requires the City Council to adopt an investment policy and investment strategies by rule, order, ordinance or resolution governing the investment of funds under its control; and

WHEREAS, the Public Funds Investment Act (Section 2256.005e), requires the resolution approving the policy and strategy to record any changes made thereto; and

WHEREAS, the COSADC Board and the City Council have chosen to make no changes material to the COSADC Investment Policy and Strategy;

NOW, THEREFORE, BE IT RESOLVED

That the City has complied with the requirements of the Public Funds Investment Act and the COSADC Investment Policy and Strategy, as amended, attached hereto as Exhibit A, is hereby approved and adopted as the Investment Policy of the COSADC.

PASSED, ADOPTED AND APPROVED by City Council of the City of San Angelo this the ____ day of _____, 2018.

APPROVED:

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

Meeting Date: August 22, 2018

Item type: Regular Item

Caption:

Update presentation regarding the Business Retention & Expansion Program, (BREP) Marketing campaign (Presentation made by Stephen McLaughlin, McLaughlin Advertising)

Summary/History:

At its meeting on May 23, 2018, COSADC approved a resolution authorizing the expenditure of up to \$30,000 to McLaughlin Advertising to develop an advertising campaign promoting the COSADC Business Retention & Expansion Program (BREP). The BREP advertising campaign is approximately 4 months into its anticipated 6-month term. This item is intended to apprise the COSADC Board of the progress to date on the campaign.

Financial Impact:

Update only, no fiscal impact

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Shannon Scott	Created/Initiated
Dan Saluri	Approved
Candice Blake	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

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

Meeting Date: August 22, 2018

Item type: Regular Item

Caption:

A Resolution authorizing the use of sales and use tax funds in an amount not to exceed \$121,000, to provide master planning services for a business and industrial park located at the City of San Angelo Airport (Mathis Field) with participation by the City of San Angelo for a project authorized under Chapter 505 of the Local Government Code for Type B Development Corporations (Presentation made by Bob Schneeman, Business, Retention & Expansion Coordinator)

Summary/History:

The San Angelo Regional Airport / Mathis Field issued a Request for Qualifications (RFQ No. AP-01-18) May 8, 2018 with responses due May 30, 2018. Staff review of the responses resulted in Centurion Planning & Design being selected. The RFQ included master planning services for the entire airport property including both aviation and non-aviation areas. Staff anticipates the Federal Aviation Administration (FAA) via a grant with matching funds from the City will fund the aviation related portion of the master plan. The non-aviation related functions are not eligible for FAA funding.

As a result of certain changes to the runway / taxiway system, additional land at the airport will become available for development. One land use under consideration would be the development of a business park. Staff has requested a proposal from Centurion to 1) prepare an inventory and assessment of current assets including a Location Quotient assessment (LQ) as recommended by Economic Development Administration staff ; 2) prepare a market assessment of relevant commercial and industrial uses and potential demand; 3) prepare a proposed land use plan based on market assessment; 4) prepare an assessment of the potential need, feasibility and cost of reactivating the water and wastewater treatment plants located at the airport currently not in use. This item will also include analysis and incorporation of the results of the Sewer collection system study currently underway by the City Water Utilities Department.

The intent is to contract with Centurion for both the aviation and non-aviation related facilities with the provision that the non-aviation related portion will be funded by COSADC. Attached are the proposal by Centurion and a conceptual plan showing the areas available for development.

Financial Impact:

\$121,000 from Future Projects Acct. No. 452-900 to new project number; Budget amendment required.

Other Information/Recommendation:

Attachments:

- | | | |
|----|--|--|
| 1. | 18-804_COSADC_CITY_AP_MP_POJECT_RESO (002) | 18-804_COSADC_CITY_AP_MP_POJECT_RESO (002) |
| | Final | Final.pdf |

2. SJT.LUMSscope.070818
3. Concept Plan 2

SJT.LUMSscope.070818.pdf
Concept Plan 2.pdf

Presentation:

Approvals/Reviews:

Shannon Scott
Dan Saluri
Candice Blake
Tina Dierschke
Dan Saluri
Guy Andrews

Created/Initiated
Approved
Approved
Approved
Approved
Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS, AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN AN AMOUNT NOT TO EXCEED \$121,000, TO PROVIDE MASTER PLANNING SERVICES FOR A BUSINESS AND INDUSTRIAL PARK LOCATED AT THE CITY OF SAN ANGELO AIRPORT (MATHIS FIELD) WITH PARTICIPATION BY THE CITY OF SAN ANGELO (CITY) FOR A PROJECT AUTHORIZED UNDER CHAPTER 505 OF THE LOCAL GOVERNMENT CODE FOR TYPE B DEVELOPMENT CORPORATIONS.

WHEREAS, on November 2, 2010, voters of the City of San Angelo adopted a ballot proposition approving the use of sales and use tax proceed for the continued economic development projects authorized under Section 4B of the Texas Development Corporation Act (hereinafter the “Act”), and,

WHEREAS, CITY is the owner and operator of the San Angelo Regional Airport-Mathis Field located at 8618 Terminal Circle, San Angelo, Texas (“Airport”); and,

WHEREAS, the City of San Angelo issued a Request for Qualifications, RFQ AP-01-18 “Professional Services—Airport Planning Services”, for professional consultant services relating to airport planning; and,

WHEREAS, the FAA has proposed an AIP 2018 Grant No. 3-48-0191-038-2018, in the maximum sum of up to SEVEN HUNDRED FORTY-THREE THOUSAND SEVEN HUNDRED AND NO/100 DOLLARS (\$743,700.) for payment of ninety percent of allowable costs (\$826,334.00) for that part of professional consulting services needed relating to a project to update the Airport Master Plan and the Airport Layout Plan (hereinafter “Master Plan”); and,

WHEREAS, consulting services not allowable under the FAA AIP 218 Grant, but ancillary thereto and relating to planning and economic development of additional areas of the San Angelo Regional Airport were anticipated; and

WHEREAS, at their meeting of August 7th, 2018 City Council approved the selection of CENTURION PLANNING & DESIGN, LLC for provision of professional consulting services relating to updating the Airport Master Plan, airport layout, and ancillary airport planning and economic development consulting services; and.

WHEREAS CENTURION PLANNING & DESIGN, LLC has submitted a Scope of Work and Cost Proposal to perform said ancillary airport planning and economic development consulting services for development of a business and industrial park on airport property in the amount not to exceed ONE HUNDRED TWENTY ONE THOUSAND NINE HUNDRED NINETY ONE DOLLARS (\$120,991.) (the Project).

WHEREAS, COSADC wishes to enter into an economic development project funding and performance agreement (EDA) with the City of San Angelo for purposes of funding a portion of City’s engagement of CENTURION PLANNING & DESIGN, LLC to perform ancillary airport planning and economic development consulting services for development of a business and industrial park on airport property under a separate task order from that for updating the Master Plan; and.

WHEREAS, the board of directors of COSADC has determined that the Project and provision of Project funding to be incorporated into the EDA are in compliance with the requirements and purposes of the Act, COSADC Articles of Incorporation, and the COSADC Business Retention and Expansion Program

(BREP) approved by City Council; and, that the Project and direct incentives serve the public purposes set forth in the Act; and

WHEREAS, at least sixty (60) days prior to undertaking a project, a public notice of the specific project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act (the Act), Sections 505.159 and 505.160 of the Local Government Code and

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

The City of San Angelo Development Corporation offers this Resolution; finding that the foregoing recitals are true and correct and incorporating them as part of the resolution; authorizing the use of sales and use tax funds not to exceed \$121,000, for ancillary airport planning and economic development consulting services for development of a business and industrial park on property of the San Angelo Regional Airport—Mathis Field, pursuant to the terms of an Economic Development Project Funding and Performance Agreement (EDA) by and between COSADC, and the City of San Angelo; authorizing the Director of Economic Development to prepare and negotiate the EDA in a form approved by the City Attorney; and recommending to the City Council that it approve and authorize the Project and preparation of the EDA.

PASSED, APPROVED, and ADOPTED on this the 22nd day of August, 2018.

CITY OF SAN ANGELO
DEVELOPMENT CORPORATION

Edward Carrasco, President

ATTEST:

Nora Nevarez, Corporation Secretary

APPROVED AS TO FORM

APPROVED AS TO CONTENT

Dan Saluri, City Attorney

Guy Andrews, Director of Economic
Development



SCOPE OF WORK
AIRPORT BUSINESS/INDUSTRIAL PARK PLANNING
San Angelo Regional Airport / Mathis Field
San Angelo, Texas
July, 2018

Tasks outlined below provide professional real estate planning, advisory and consulting services in connection with developing an airport real estate development strategy for San Angelo Regional Airport. The approach is based on an understanding of the City's desire to promote portions of the airport for industrial or business park development. Understanding the potential for commercial (i.e. office, industrial/flex, convenience retail) and aviation-related development on residual land not needed for aeronautical use, the deployment of such land for market-based and economic development utilization can both better serve the needs of customers, employees, passengers and the community as well as diversify and enhance airport revenue sources to support sustainable operations of the Airport.

Information gathered during this Element will support future applications for EDC-related grants to facilitate the upgrade of utilities necessary to attract tenants.

The airport does not plan to release any of the property for sale; therefore, the property will require tenants willing to lease versus buy.

Task 1 - Real Estate Portfolio Review & Analysis, Community Context and Stakeholder Engagement

Building upon the inventory tasks of the upcoming Airport Master Plan Update, the project team will work with airport staff to gain an understanding of the Airport's real estate portfolio and its current performance along with any existing leaseholds, options, etc. that may constrain or provide opportunities for airport real estate assets. This task anticipates working with the client to identify specific parcels/development sites ("subject properties") and attributes such as existing appraisals, acreage, existing improvements, etc. to evaluate for market potential.

Existing, relevant documentation, as identified by the EDC, Airport and the consultant team, will be reviewed as part of the evaluation of baseline conditions. This information will include previous state and local economic development incentives and program initiatives, and other documentation as deemed necessary including the Master Plan which will be underway. The consultant will research and explore the local market dynamics and context for the subject properties.

The consultant will prepare for and conduct an on-site kickoff meeting with Airport staff to define goals and objectives for the project, as well as to discuss any specific opportunities and/or constraints known to exist on the subject property. An important outcome of this meeting is to identify the airport's preferences and priorities for future development to occur on its property, which will help guide Tasks 2 and 3. Additionally, the consultant will conduct local, in-market fieldwork to gain a market overview of development centers and nodes, prevailing development forms and investment patterns.

This task also includes outreach to community stakeholders. Working with Airport staff, we will identify parties to be interviewed by the consultant team. These interviews generally engage representatives of local government/economic development agencies and community economic anchors as well as real estate professionals to understand their various development plans and programs, share the general process being conducted relative to the airport's property, and identify potential real estate needs of the stakeholders which may impact local trade area demand and/or provide potential synergies with the Airport. We will conduct up to five (5) such interviews to be scheduled/coordinated by the client and conducted over a two (2) day period.

This task may include outreach to local developers/commercial brokers regarding the market context of the property and demonstrated interests in developing at the airport to date.

A location quotient (LQ) assessment will be conducted to identify industries with concentrated employment ("industry clusters") in Tom Green County, relative to elsewhere in the State of Texas. The assessment will utilize the most recent yearly average employment data available through the Bureau of Labor Statics or equivalent source. Industries will be assessed at or above the North American Industry Classification System (NAICS) three digit code level, and will be limited to industries for which data are available. LQ values for Tom Green County will be compared against values for other counties within the region, in order to better understand their context.

As an outcome, this task will identify appropriate land uses to be tested for market supportability as part of Task 2 as well as background data collection for same. At this time, we anticipate commercial uses such as office, industrial/flex, limited retail/restaurant/services, as well as aviation-related development may be appropriate for analysis. No residential uses will be analyzed as part of this scope of services.

Task 2 – Market Assessment of Relevant Commercial Uses and Aviation-related Benchmarking

The consultant team will conduct a market assessment of relevant commercial uses for the identified vacant parcels/(re)development sites in the Airport's portfolio. Using market analytics, staff expertise and local fieldwork, we will assess market supportability of uses within the airport submarket/trade area to project demand for specific relevant land uses (e.g. office, industry retail/restaurant/services, etc.). A fair share allocation of demand analysis will then be conducted to estimate demand for Airport commercial properties. This effort will result in the quantification of the nature (office, industrial, retail, etc.), scale (square feet, rooms), timing, and orientation (employees, residents, visitors, etc.) of commercial demand by land use type at the Airport.

Research activities under this task could include, as deemed appropriate:

- Analyzing year-built inventory for the subject trade area by relevant use using public records data/trusted third party data sources
- Evaluating market dynamics through local fieldwork
- Establishing the Airport's regional context relative to population, employment, economic generators, etc.
- Analyzing submarket/local trade area demographic data
- Identifying key economic anchors within the community
- Identifying prevailing intensities/densities where possible
- Considering development orientation to relevant populations
- Other key attributes contributing to the prevailing development pattern and success or lack of success in the market
- Identifying general availability of comparable/competitive land substitutes to Airport property assets within the relevant trade area
- Identifying planned, proposed and under construction projects within the competitive trade area

This task also includes staff time to conduct aviation-related industry benchmarking to identify prevailing regional or national trends that may present opportunities relative to the airport's

real estate holdings. This will include research of aviation-related development at and adjacent to peer airports in order to identify key attributes, site requirements, terms and conditions, and other considerations including economic development programs and associated incentives leveraged to attract similar successful developments. This goal for this task is to help identify and align Airport and City efforts in responding to and working to attract aviation-related development pursuits at the Airport.

Task 3 – Asset Positioning, Conceptual Land Use Diagram and Presentation of Findings

Once commercial market demand has been quantified by phase and orientation, the consultant team will evaluate how to best position available residual Airport property assets to capture said demand on-site. The consultant will further qualify real estate product forms of development eligible for available sites and/or explore economic development programs, if applicable. A conceptual land use diagram will be developed to illustrate findings of the study. This land use diagram will be developed with the end customer being potential development partners.

As part of this task, we will provide the client information which can be used to support decision-making as real estate opportunities arise or become apparent; this information will serve as a roadmap such that near-term decisions do not preclude achieving long-term portfolio goals.

This task includes staff time to conduct a project coordination/work session with Airport staff via conference call or video conference, if deemed necessary, to discuss preliminary findings, etc. of the study. Finally, this task includes an on-line presentation of findings to the client.

Task 4 – On-Airport Water Treatment Plant Evaluations

The City of San Angelo is in the process of preparing a study to assess the demands of water and wastewater needs in the southwestern portions of the city. Considering the timing of this master study, and the potential for development at the airport, alternate means for providing water and wastewater service to the airport should to be investigated to ensure that existing and potential tenant's needs can be met.

The City owns a water treatment plant (WTP) and a wastewater treatment plant (WWTP) serving the San Angelo Regional Airport and the surrounding area. This task will investigate developing options for bringing the treatment plants back on line.

Items that would be investigated to determine the feasibility of re-commissioning the water treatment plant (WTP) would include:

- Raw water quality sampling and analysis to determine if it has changed since the WTP was taken offline
- Review of Water Rights
- Treatment capacity review
- Physical condition assessment

Areas of investigation for the wastewater treatment plant will include

- Treatment capacity review
- Physical condition assessment
- Review of effluent reuse and disposal options

To facilitate this investigation the project team will attend a kick off meeting with the City to discuss the objectives and schedule of the evaluation. This will be followed by a field investigation and condition assessment of the mechanical, electrical and instrumentation and control systems of the treatment systems. Specific efforts will include:

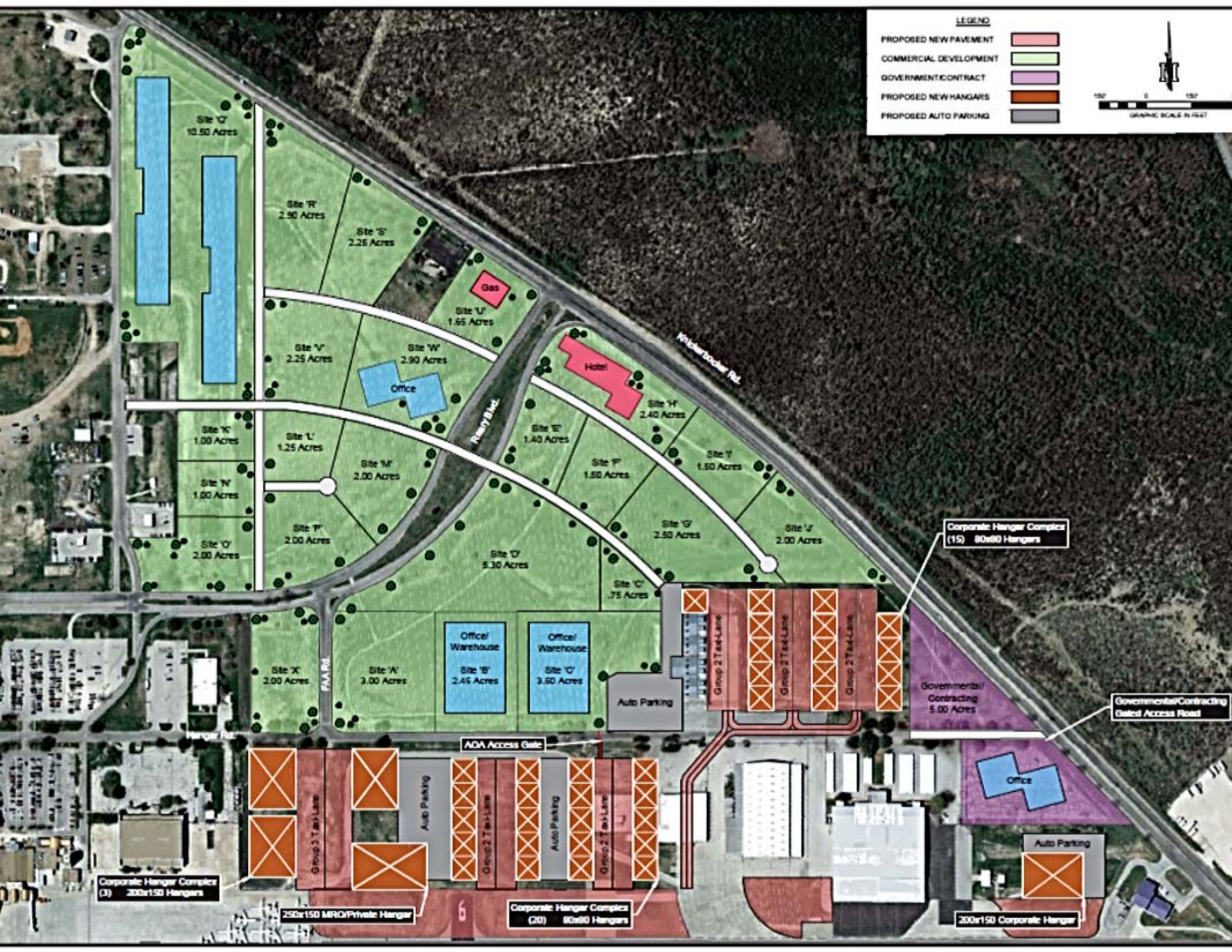
- Develop a raw water testing and analysis plan. Review the results.
- Review the Water Rights for the water treatment plant raw surface water source.
- Analyze the historical plant information including three (3) years' worth of plant operating data and operations and maintenance records for both the WTP and WWTP.
- For the WWTP: Evaluate the historic effluent quality performance, and the capability of treatment plant to handle the anticipated flows and loads.
- For the WTP: Determine the capability of the WTP to treat the current raw water.
- Based on the facility record drawings, perform a desktop review of the treatment capacity of each treatment plant.
- Determine if any modifications or upgrades are required or recommended to improve the operability and reliability of the facility or are needed to meet the current conditions and permit limitations.
- Develop a scope of work for bringing the treatment plants back on-line.
- Develop preliminary cost estimate for the selected plan to bring the treatment plants back on-line.

The findings will be documented within a memo and presented to staff during an onsite meeting.

Task 5 – Documentation

Findings of Tasks 1 through 4 will be documented and a draft report will be sent to Airport and City staff for review and comment. The document will summarize all findings, provide recommendations for next steps, and include graphic materials that are suitable for marketing and/or communicating with interested parties. High level cost estimates will be provided for any identified infrastructure needs and the document will contain information that can be used for further grant applications, etc.

Estimated Project Cost		
Task 1	Real Estate Portfolio Review & Analysis, Community Context and Stakeholder Engagement	\$ 32,471.00
Task 2	Market Assessment of Relevant Commercial Uses and Aviation-related Benchmarking	\$ 52,708.00
Task 3	Asset Positioning, Conceptual Land Use Diagram and Presentation of Findings	\$ 18,572.00
Task 4	On-Airport Water Treatment Plant Evaluations	\$ 13,130.00
Task 5	Documentation	\$ 4,110.00
	Total	\$ 120,991.00



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

Meeting Date: August 22, 2018

Item type: Regular Item

Caption:

Discuss with no action the contract between COSADC and the Chamber of Commerce through September 30, 2019
(Presentation made by Guy Andrews, Director of Economic Development)

Summary/History:

COSADC and the Chamber of Commerce entered into an agreement on October 1st, 2015 for the Chamber to provide professional economic development marketing and recruiting services on behalf of COSADC in an amount not to exceed \$225,000 per fiscal year. The term on the agreement was to last for three (3) years, with an annual renewal in September by the COSADC Board. The agreement is scheduled to end on September 30, 2018. This resolution will allow for the extension of the agreement between COSADC and the Chamber for one (1) year and to end on September 30, 2019.

Financial Impact:

\$225,000 that will be budgeted in fiscal year 2019

Other Information/Recommendation:

Attachments:

- | | | |
|----|---------------------------|--------------------------------|
| 1. | COSADC_CHAMBER_K_EXT_RESO | COSADC_CHAMBER_K_EXT_RESO.docx |
|----|---------------------------|--------------------------------|

Presentation:

Approvals/Reviews:

Shannon Scott	Created/Initiated
Dan Saluri	Approved
Candice Blake	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION (COSADC) BOARD OF DIRECTORS, AUTHORIZING A ONE YEAR EXTENSION OF THE COSADC PROFESSIONAL SERVICES AGREEMENT WITH THE SAN ANGELO CHAMBER OF COMMERCE FOR BUSINESS RECRUITMENT AND DEVELOPMENT SERVICES.

WHEREAS, on August 26, 2015 the Board adopted a resolution authorizing the use of sales and use tax funds in an amount not to exceed \$225,000 per year for the City of San Angelo Chamber of Commerce to provide economic development related marketing and recruitment services for the retention and expansion of existing targeted businesses and the recruitment of new targeted businesses; and,

WHEREAS, COSADC and the Chamber entered into a Professional Services Agreement pursuant to which the Chamber has provided such economic development marketing and recruitment services, which contract will expire on September 30, 2018; and,

WHEREAS, the Board has determined that extension of the Professional Services Agreement with the Chamber is beneficial to COSADC by effectively providing economic development opportunities for the City of San Angelo and regionally;

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

Extension of the Professional Services Agreement by and between COSADC and the Chamber, entered into on October 1, 2015, and expiring on September 30, 2018, for a period of one year through September 30, 2019, is hereby approved. The President of the Board, subject to approval by the City Council, is directed and authorized to execute an extension of the agreement in a form approved by the City Attorney.

PASSED, APPROVED AND ADOPTED on this 22nd day of August, 2018.

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

BY: _____
Ed Carrasco, President

ATTEST:

Nora Nevarez, Secretary

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

Meeting Date: August 22, 2018

Item type: Regular Item

Caption:

Consider approving a Change Order to the AEP contract with Crossland Construction Company, Inc in the amount of \$6,037.00 (Presentation made by Bob Schneeman, Business, Retention & Expansion Coordinator)

Summary/History:

AEP purchased 51.897 acres of land in Phase 2 of the Industrial Park. According to the Real Estate contract dated October 11, 2016, AEP agreed to work with COSADC towards complying with City of San Angelo storm water drainage utility system requirements to address anticipated storm water drainage from the Subject Property. Additionally the contract required COSADC to cause all utilities necessary for AEP's intended use to be extended to the property line of Subject Property.

In order to complete all utilities and other infrastructure improvements required for the AEP construction project and to accommodate the AEP timeline, COSADC entered into a Development Agreement dated January 9th 2018. In accordance with that agreement, upon completion of design documents by Parkhill, Smith & Cooper, AEP obtained cost proposals for the utilities & infrastructure improvements as part of their facility bid package. The improvements referred to as Phase 2.1 of the Industrial Park included significant drainage improvements including detention basins, channel improvements and a culvert crossing at the extension of Gateway Drive. AEP has engaged Crossland Construction Company, Inc. as their contractor on the facility project. Crossland submitted three cost proposals in the form of a change order to their project to include the cost of full drainage improvements in accordance with Phase 2.1 plans, partial drainage improvements sufficient to install the culvert crossing and no drainage improvements at this time. Since COSADC has received a \$1.25 M federal grant to construct Phase 2.2 improvements, at its meeting on February 28, 2018 COSADC elected to accept the lowest cost alternative from Crossland for no drainage improvements at this time in the hopes of obtaining a lower cost due to economies of scale by including those improvements in a larger overall project. The proposed costs ranged from \$582,809 to \$3,133,598, and the \$582,809 option was approved. At that time what effectively amounts to a low water crossing at Gateway Drive had not been designed. Parkhill, Smith and Cooper and the City of San Angelo Engineering Department looked at a number of scenarios to construct that crossing and the final approved plans require a change in type of curbing at the low water crossing and the installation of warning signs. The total cost of the change order is \$6,037 (see attached) and staff recommends approval.

Financial Impact:

\$6,037 from account number 452157; no budget amendment required

Other Information/Recommendation:

Attachments:

1. COR#039R Low Water Crossing

COR#039R Low Water Crossing.pdf

Presentation:

Approvals/Reviews:

Robert Schneeman
Dan Saluri
Candice Blake
Tina Dierschke
Dan Saluri
Guy Andrews

Created/Initiated
Approved
Approved
Approved
Approved
Final Approval

Thursday, August 2, 2018

Mr. Jim Rosing
AMERICAN ELECTRIC POWER SERVICE CORPORATION
1 RIVERSIDE PLAZA
COLUMBUS, OH 43215

**RE: Change Order Request Number COR-039R
AEP San Angelo-17TX19CBUD**

Dear Mr. Rosing,

We have finalized gathering all the required quotations for PCO Number **9039R**, for the following extra work: **Low Water Crossing**. We have reviewed the scopes of work and have verified that all extra work items are in compliance with our contract agreement. The following is a detailed itemization of all extra costs.

Item Number	Description	Proposed Amount	Company
001	PCO#039 \$6,037	\$0.00	
002	Low Water Crossing	\$0.00	
003	Reece Albert	\$5,478.00	REECE ALBERT, INC.
005	SDI & Insurance 3%	\$164.00	
006	Profit & Overhead 7%	\$395.00	

Total Amount \$6,037.00

If you have any questions regarding this Change Order Request, please call me at your earliest convenience,

Respectfully,

Clint Brown

REECE ALBERT, INC.

HEAVY CONSTRUCTION, UTILITIES AND PAVING



CHANGE ORDER PROPOSAL

To	Crossland Construction Company, Inc.	Date	July 27, 2018
	Attn.: Clint Brown	Project	COSADC Gateway Addition
	861 N. Coleman Street, Suite 100		Phase 2.1
	Prosper, TX 75078	Location	San Angelo, TX

WE, THE UNDERSIGNED, PROPOSE TO FURNISH THE NECESSARY MATERIAL, EQUIPMENT, AND LABOR TO DO THE FOLLOWING MENTIONED WORK ON ABOVE PROJECT:

Gateway Drive Extension

(Per plans by Parkhill, Smith & Cooper dated 12-06-2017)

Delete 24" Curb and Gutter (114 LF)	-\$1,601.70
Add 24" Saw Tooth Curb and Gutter (114 LF)	\$3,579.60
NET INCREASE	\$1,977.90

Add Signs

ROAD MAY FLOOD

2 EA

FLOOD GAUGE and FLOOD GAUGE PLACARD

2 EA

Total Lump Sum

\$3,500.00

(\$875.00 / Sign)

EXCLUSIONS:

This quote excludes all work not specifically listed above, including but not limited to the following items:
> Same exclusions as original proposal.

PLEASE SIGN AND RETURN 1 COPY

This Proposal may be withdrawn by us if not accepted within 30 days

Said amount is due and payable in San Angelo, Tom Green County, Texas. Full payment for work accomplished shall be due on receipt of invoice. A 1% per month carrying fee will added to past due accounts. 18% of amount due shall be added if suit is brought thereon.

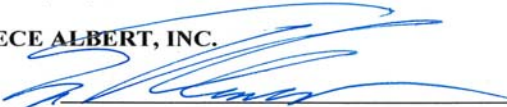
Accepted _____

Yours very truly,

By _____

REECE ALBERT, INC.

Date _____

By 
SKIP KLEMENT, ESTIMATOR

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

Meeting Date: August 22, 2018

Item type: Regular Item

Caption:

Consideration of a resolution making application to the City Council for approval of Second Amendment to the Articles of Incorporation providing for term limits of its board members (Presentation made by Guy Andrews, Director of Economic Development)

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Shannon Scott	Created/Initiated
Dan Saluri	Approved
Candice Blake	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

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

Meeting Date: August 22, 2018

Item type: Regular Item

Caption:

Consider a Resolution authorizing the use of sales and use tax funds in an amount not to exceed \$46,435 to provide an economic development incentive to U.S. Customs and Border Protection Air and Marine Operations with participation by the City for a Project authorized under the Texas Economic Development Corporation Act (Presentation made by Bob Schneeman, Business, Retention & Expansion Coordinator)

Summary/History:

This item is for work to present a proposal to an airport tenant, Customs and Border Protection Air & Marine Operations (CBPAMO). The proposal is for improvements adjacent to an existing hanger in hopes of incentivizing a potential retention & expansion of the current CBPAMO operations. The tenant currently occupies the City-owned hangar located at 8092 Hangar Road, at the San Angelo Regional Airport. Such a proposal has the potential to expand their current mission to include additional personnel. For this to occur certain equipment currently installed on a temporary basis will require more permanent foundations, and the current ramp paved areas will require expansion to accommodate additional aircraft movements.

Engineering design services and cost estimates are necessary to provide the required facilities. The estimated cost of the Engineering and Design services is \$46,435.00 (see attached).

The proposal has the potential to add up to 62 additional jobs at an average salary of \$120,000, and maintenance of additional numbers and types of aircraft.

Financial Impact:

\$46,435.00 from Business Retention & Expansion Projects, Acct No. 440200. Budget amendment required for new project.

Other Information/Recommendation:

Attachments:

- | | | |
|----|---|---|
| 1. | 18-804_COSADC_CITY_CBPAMO_MOU_RESO Final | 18-804_COSADC_CITY_CBPAMO_MOU_RESO Final.pdf |
| 2. | Centurion Proposal STJ1804D.COSADCtransmittal | Centurion Proposal STJ1804D.COSADCtransmittal.pdf |
| 3. | Overhead | Overhead.pdf |

Presentation:

Approvals/Reviews:

Robert Schneeman
Dan Saluri
Candice Blake
Tina Dierschke
Dan Saluri
Guy Andrews

Created/Initiated
Approved
Approved
Approved
Approved
Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS, AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN AN AMOUNT NOT TO EXCEED \$46,435, TO PROVIDE AN ECONOMIC DEVELOPMENT INCENTIVE TO U.S. CUSTOMS & BORDER PROTECTION AIR AND MARINE OPERATIONS, (CBPAMO) WITH PARTICIPATION BY THE CITY OF SAN ANGELO (CITY) FOR A PROJECT AUTHORIZED UNDER CHAPTERS 501 AND 505 OF THE LOCAL GOVERNMENT CODE FOR TYPE B DEVELOPMENT CORPORATIONS.

WHEREAS, on November 2, 2010, voters of the City of San Angelo adopted a ballot proposition approving the use of sales and use tax proceed for the continued economic development projects authorized under Section 4B of the Texas Development Corporation Act (hereinafter the “Act”), and,

WHEREAS, City is the owner and operator of the San Angelo Regional Airport-Mathis Field located at 8618 Terminal Circle, San Angelo, Texas (“Airport”); and,

WHEREAS, the U.S. Customs and Border Protection Air and Marine Operations (CBPAMO) presently operates an aviation operations & maintenance facility for research, testing and development of governmental use of unmanned aerial vehicles and systems on Airport premises that includes a hangar, located at 8210 Hangar Road, San Angelo Regional Airport—Mathis Field (said hangar hereinafter referred to as “Hangar”) and adjacent paved areas under a lease agreement with the CITY; and,

WHEREAS, CBPAMO currently employs sixty (60) employees at their locations at the Airport and proposes to continuously retain at the Hangar at least sixty (60) full time employees in Primary Jobs as defined under the Texas Development Corporation Act, Chapter 501 of the Texas Local Government Code, at current hourly wage rates and pay levels (hereinafter “FTE positions”); and,

WHEREAS, CBPAMO as a part of their mission provides operations and maintenance space for research, testing development and operation of Unmanned Aircraft Systems (UAS) which mission is anticipated to be expanded requiring the accommodation of additional personnel and equipment ; and,

WHEREAS CBPAMO is currently operating certain equipment required for the UAS mission installed on temporary foundations and operating UAS aircraft on less than adequate parking and ground maneuver paved area; and

WHEREAS, COSADC desires to enter into an economic development project funding and performance agreement (EDA) with City for purposes of providing funding to assist in the acquisition and installation of adequate foundation and ground maneuver pavement to accommodate the current mission as well as potential additional personnel and electronic equipment required for the UAS operation at 8210 Hangar Road (hereinafter “Project”) and to

support the retention at the Hangar of at least sixty (60) FTE positions at current hourly wage rates and pay levels; and,

WHEREAS, CITY must provide for the provision of adequate support facilities at and adjacent to the Hangar and,

WHEREAS, the board of directors of COSADC has determined that the Project and provision of Project funding to be incorporated into the EDA are in compliance with the requirements and purposes of the Act, COSADC Articles of Incorporation, and the COSADC Business Retention and Expansion Program (BREP) approved by City Council; and, that the Project and direct incentives serve the public purposes set forth in the Act; and

WHEREAS, at least sixty (60) days prior to undertaking a project, a public notice of the specific project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act (the Act), Sections 505.159 and 505.160 of the Local Government Code and

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

The City of San Angelo Development Corporation offers this Resolution; finding that the foregoing recitals are true and correct and incorporating them as part of the resolution; authorizing the use of sales and use tax funds not to exceed \$46,435, as an economic development incentive for CBPAMO. with participation by the City of San Angelo to provide funding for the design, acquisition and installation of permanent equipment foundations and adequate ground maneuver pavement adjacent to the described Hangar pursuant to terms of an Economic Development Project Funding and Performance Agreement (EDA) by and between COSADC, and the City of San Angelo; authorizing the Director of Economic Development to prepare and negotiate the EDA in a form approved by the City Attorney; and recommending to the City Council that it approve and authorize the project and preparation of the EDA.

PASSED, APPROVED, and ADOPTED on this the 22nd day of August, 2018.

CITY OF SAN ANGELO
DEVELOPMENT CORPORATION

Edward Carrasco, President

ATTEST:

Nora Nevarez, Corporation Secretary

APPROVED AS TO FORM

Dan Saluri, Deputy City Attorney

APPROVED AS TO CONTENT

Guy Andrews, Director of
Economic Development

August 13, 2018

Mr. Robert Schneeman
Business Retention Expansion Coordinator
City of San Angelo Economic Development Department
69 N. Chadbourne Street
San Angelo, TX 76903

**Re: Services for Design of Proposed Antennae Installations and Paving at the USCBP Facility
At San Angelo Regional Airport, San Angelo, Texas**

Dear Mr. Schneeman:

Centurion Planning & Design, LLC (Centurion) is pleased to present this letter detailing our scope of services to provide professional services associated with the above referenced project at the San Angelo Regional Airport. We appreciate the opportunity to provide professional engineering services to the City of San Angelo Development Corporation (COSADC). Based upon preliminary meetings on site, Centurion has a good working understanding of the project.

Please find attached to this letter Centurion's understanding of the scope of services. In general, we understand that the City, if approved by the COSADC Board, intends to provide antennae foundations, antennae towers, and paving near the U.S. Customs and Border Protection (USCBP) hangar at the San Angelo Regional Airport in order to support the USCBP mission in San Angelo. The attached scope of services includes all of the work to provide the design of above referenced items.

We appreciate the opportunity to work with COSADC and the City of San Angelo on this project. If you have any questions, please do not hesitate to contact me or David Alexander at (325) 812-8430.

Thank you,



Molly Waller
Chief Executive Officer



SCOPE OF WORK

Antennae and Paving Installation

San Angelo Regional Airport

San Angelo, Texas

August 2018

The following Scope of Work (SOW) describes the Consultant work effort required to provide basic and additional professional engineering services for the design of antennae foundations, antennae towers, and associated paving at the U.S. Customs and Border Protection (USCBP) facility at the San Angelo Regional Airport.

The design will be in accordance with Federal regulations, Advisory Circulars (ACs), City and State regulations and industry practice, including, among others:

- AC 150/5300-13A, Change 1, *Airport Design*
- Foundation and Tower Design will be conducted by a Licensed Professional Engineer in the State of Texas and in accordance with industry practice and standards.

The general scope of work includes the following:

- Design for the rehabilitation of HMA pavement located adjacent to the south side of the USCBP hangar facility. An area will be expanded to accommodate aircraft loads and the remaining areas will be paved to reduce maintenance and erosion in the areas around the foundations.
- Structural design of shallow foundations to support antennae and steel framed towers. Foundation design will be subject to the recommendations provided by the geotechnical investigation.
- If requested, structural design of tower facilities consisting of steel members. The towers are to support line of site antennae.

To accomplish the scope of work the following project elements and tasks will be undertaken.

ELEMENT 1 – Geotechnical Investigation

A detailed geotechnical investigation will be conducted in the project area. The geotechnical investigation will provide structural design parameters for shallow footings and will be utilized to determine an appropriate pavement section for the paved portion of the work.

ELEMENT 2 – Engineering Topographic Survey

An engineering topographic survey will be conducted for use in the design of the pavement and location of the foundations. The survey will include elevations and project mapping for purposes of evaluating the drainage of the new and existing pavement and providing elevations for the foundations.

ELEMENT 3 – Foundation Design

Design of shallow foundations to support two towers and two ground-based satellite dishes. The foundations will be designed in accordance with industry standards and be signed and sealed by a licensed professional engineer in the State of Texas.

ELEMENT 4 – Tower Design (if requested)

Design of steel towers to support two antennae. The towers will be designed in accordance with industry standards and be signed and sealed by a licensed professional engineer in the State of Texas.

ELEMENT 5 – Basic Services – 90% Design Submittal**Task 5.1 – Prepare 90% Design**

Preparation of 90% design drawings utilizing appropriate design criteria. The drawings will show scope, extent, and character of the work to be performed and submitted to the City for review. Consultant anticipates the plans to consist of approximately seven (7) to ten (10) plan sheets and related specifications. The plan sheets will consist of a cover, a safety and phasing plan, and sheets depicting the layout and sections of the project.

Task 5.2 – Opinion of Probable Project Cost

Based upon the information derived from the 90% design submittal, an opinion of probable project cost (OPPC) will be generated for construction of proposed improvements.

Task 5.3 – Conduct 90% Design Review Meeting

A 90% design review meeting will be held to discuss the submittal in detail with the City. The City shall submit comments back to the consultant within 14 days after the meeting.

Task 5.4 – Submit Document via FAA’s OE/AAA

This item is not included. The project has already been submitted to the FAA OE/AAA.

Task 5.5 – Additional Information

Advise the City if any additional information is required other than what is requested in this task. Centurion requests additional information be provided by the City concerning the antennae for use in foundation and tower design. The weight and dimensions of each antennae type are required to ensure the design will meet the structural loading requirements. If approved by the City, Centurion could coordinate directly with the USCBP to acquire appropriate documentation.

Consultants services under the 90% design submittal phase will be considered complete when the 90% design submittal is delivered to the City.

ELEMENT 6 – Final 100% Design Submittal

Task 6.1 – Preparation of Final 100% Design Submittal

Address City comments from the 90% design submittal. Prepare 100% final design submittal documents including plans and specifications in accordance with FAA requirements. The documents will provide for the construction of the improvements including the scope, extent, and character of the work to be performed by a Contractor. The documents will be submitted to the City.

Task 6.2 – Opinion of Probable Project Cost (OPPC)

Based upon the information derived from the 100% design submittal an OPPC will be generated for construction of proposed improvements.

Task 6.3 – Final Documents

Submit 2 copies of final plans and specifications ready for pricing or bidding to the City.

Consultant’s services under the 100% Design Submittal Phase will be considered complete when final copies are submitted to the City.

ELEMENT 7 – Bidding Support (if requested)

If requested and authorized by the City in writing, after acceptance of the issue for bidding documents, the City will advertise or request quotes from Contractors to complete the work. The Consultant will conduct a pre-bid meeting hosted by the City. The Consultant will issue addenda if required, issue clarifications, or adjust bidding documents as needed. The Consultant will consult with the City on the acceptance of Contractors, subcontractors,

suppliers, materials, etc. for parts of the project where those items are required by the specifications or other parts of the documents.

The bidding phase will be considered complete when the construction phase of the project begins.

ELEMENT 8 – Construction Phase Services (if requested)

If requested and authorized by the City in writing, the Consultant will perform general administration of the construction contract. The Consultant shall have the authority to act on behalf of the City in dealings with the Contractor. Consultant will conduct a preconstruction meeting prior to the commencement of the work. Consultant will make periodic construction site visits and observations as the Consultant deems necessary in order to observe, as a qualified design professional, the progress and quality of the work on the project. The site visit is not intended to be an exhaustive or extend to every detail of the work, but to provide a check upon the current status of the project and provide professional feedback as to the quality and progress of the works general conformance with the plans and specifications. Consultant will issue clarifications and interpretations that may require minor deviations in the plans and specifications, recommend change orders as needed, and review shop drawings or material submittals in order to define conformance with the specifications. The review of material submittals does not extend to Contractor means and methods for construction. Materials testing is recommended and would be provided under this element in accordance with industry standards. Pay application review and approval. Substantial completion walk through and notifications. Consultant will provide final acceptance of the project. Consultant shall not be liable or responsible for the acts or omissions of any Contractor, or of any of the subcontractors, suppliers, or of any individual or entity performing or furnishing any of the work on the project. Consultant shall not be responsible for failure of any Contractor to perform or furnish the work in accordance with the Contract Documents.

Compensation

Element	Description	Fee
1	Geotechnical Investigation	\$9,085
2	Engineering Topographic Survey	\$1,725
3	Foundation Design	\$4,025
4	Tower Design (if requested)	\$4,600
5	90% Design Submittal (Excludes Geotechnical, Survey, Structural)	\$15,000
6	100% Design Submittal	\$5,000
7	Bidding Support (if requested)	\$1,500
8	Construction Phase Services (if requested)	\$5,500
	TOTAL	\$46,435

Excluded items of work

- Substantial redesign resulting from cost-reducing exercises or “value engineering”
- Asbestos or hazardous material studies
- Environmental documentation
- Conceptual renderings
- Permit fees
- Preliminary Planning Meetings

GDT PADS HAVE BEEN MARKED
OUT ON THE GRASSY AREA
WITH STAKES AS A VISUAL
REFERENCE.

GDT Pads are Approx. 40ft into the grassy
area and are spread 50ft apart

Towers are approx.
120ft from centerline
of taxiway

12x12
GDT
Pad

GDT Towers with
antennas attached
will be approx. 30ft
in height.

12x12
GDT
Pad

Ku Antennas are
approx. 30ft in height

Wash
Rack

17x17 Ku
Pad

17x17 Ku
Pad

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

Meeting Date: August 22, 2018

Item type: Executive Session Item

Caption:

a. Section 551.087 to deliberate regarding commercial or financial information that the Board is receiving from business prospects with whom economic development negotiations are being conducted, and discuss financial or other incentives relating to the following projects:

MedHab, LLC

Project 2018-B223

Project 2018-S224

Project Globe

Project Pak

Any business prospect from whom the Board is receiving commercial or financial information relating to economic development negotiations.

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Shannon Scott
Dan Saluri
Candice Blake
Tina Dierschke

Created/Initiated
Approved
Approved
Approved

Dan Saluri
Guy Andrews

Approved
Final Approval

Report to Board



Requestor: Bryan Kendrick, City Clerk, Accounting,

Meeting Date: August 22, 2018

Item type: Consent Item

Caption:

Announcements and consideration of Future Agenda Items

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Bryan Kendrick
Guy Andrews

Created/Initiated
Final Approval