



Agenda 10/24/2018

Notice is hereby given of a regular meeting of the City of San Angelo Development Corporation (COSADC) to be held on October 24, 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 September 26, 2018 meeting minutes
- b. Consider approving the necessary Corporation Disbursements

5. Regular Agenda

- a. Consider approving the September 2018 Financial Statements (Presentation made by Tina Dierschke, Director of Finance)
- b. Presentation of the Chamber of Commerce 3rd Quarter Report, July - September 2018- (Presentation made by Michael Looney, Vice President of Economic Development)
- c. Consider a resolution authorizing the Board President to negotiate and execute a Second Amendment to Lease Agreement with Angelo State University for office space in the Business Resource Center, and Memorandum of Understanding providing for an adjustment in rent and assumption by ASU and the Small Business Development Center of marketing, recruitment and related services for the Business Factory/Incubator Program (Presentation by Nora Nevarez, Executive Office Coordinator and Dave Erickson, SBDC Director)
- d. Consider approving a Resolution for COSADC membership in The High Ground of Texas (Presentation made by Guy Andrews, Director of Economic Development)
- e. Consider approving a Resolution for COSADC membership in the Texas Midwest Community Network (Presentation made by Guy Andrews, Director of Economic Development)

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. Sec. 551.072. Deliberation Regarding Real Property. A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person
- b. 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 2018-S224

Project 2018-R905

Project 2018-M193

Project Pak

Principal LED

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,

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: October 24, 2018

Item type: Consent Item

Caption:

Consider approving the September 26, 2018 meeting minutes

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

1. FINAL COSADC Minutes 09-26-2018

FINAL COSADC Minutes 09-26-2018.pdf

Presentation:

Approvals/Reviews:

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

Created/Initiated
Approved
Approved
Approved
Approved
Final Approval

City of San Angelo, Texas Development
Corporation Meeting Wednesday,
September 26, 2018

Present:

Todd Kolls, First Vice President
John Bariou, Director
Oscar Casillas, Director
Dr. David Cummings, Director

1. Call to Order

With a quorum of the City of San Angelo Development Corporation Board Members present, First Vice President Todd Kolls called the regular session of the City of San Angelo Development Corporation meeting to order at 8:44 a.m., on Wednesday, September 26, 2018 in the San Angelo McNease Convention Center, 501 Rio Concho Drive, San Angelo, TX 76903

2. Prayer

An invocation was provided by First Vice President Kolls.

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.

No public comment.

4. Consent Agenda

- a. Consider approving the August 22, 2018 meeting minutes
- b. Consider approving the necessary Corporation Disbursements
- c. Consider approving the August 2018 Financial Statements

Motion: Director Bariou made a motion, seconded by Director Casillas to approve the consent agenda as presented. The motion carried unanimously four (4) ayes to zero (0) nays.

5. Regular Agenda

- a. Public Hearing regarding 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)

No action taken on this item.

- b. Consider approving a memorandum of understanding by and between the City of San Angelo Development Corporation and the City of San Angelo relating to a Type B Development Corporation project providing consulting & planning services for a proposed business & industrial park to be located at the San Angelo Regional Airport-Mathis Field (Presentation by Bob Schneeman, Business Retention & Expansion Coordinator)

Motion: Director Dr. Cummings made the motion, second by Director Bariou to approve the Memorandum of Understanding as presented. The motion carried unanimously four (4) ayes to zero (0) nays.

- c. Public Hearing regarding 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)

No action taken on this item.

- d. Consider approving a memorandum of understanding by and between the City of San Angelo Development Corporation and the City of San Angelo relating to a Type B Development Corporation project providing planning and design services for infrastructure improvements in support of U.S. Customs & Border Protection Air & Marine Operations branch at the San Angelo Regional Airport--Mathis Field. (Presentation by Bob Schneeman, Business Retention & Expansion Coordinator)

Motion: Director Bariou made the motion, second by Director Casillas to approve the Memorandum of Understanding as presented. The motion carried unanimously four (4) ayes to zero (0) nays

- e. Update presentation regarding the COSADC Board member term revisions (Presentation made by Guy Andrews, Director of Economic Development)

No action taken on this item.

- f. Consider a resolution authorizing the use of sales and use tax funds in an amount not to exceed \$225,000 to the San Angelo Chamber of Commerce for promotional and business recruitment services, a Project authorized under Chapters 502 and 505 of the Texas Local Government Code; providing for publication of notice of the project; providing for public hearing; and, authorizing the Board President to execute a performance agreement with the Chamber in a form approved by the City Attorney, subject to City Council approval (Presentation made by Guy Andrews, Director of Economic Development)

Motion: Director Casillas made the motion, second by Director Bariou to approve the resolution as presented. The motion carried unanimously four (4) ayes to zero (0) nays

- g. Discussion and direction on membership in The High Ground of Texas (Presentation made by Guy Andrews, Director of Economic Development)

No action taken on this item.

- h. Discussion and direction on membership in the Texas Midwest Community Network (Presentation made by Guy Andrews, Director 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 9:26 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 2018-S224

Project 2018-R905

Project 2018-M193

Project Pak

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

No action taken at this time.

- b. Sec. 551.072. Deliberation Regarding Real Property. A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person

Sale of 6.4 Acres +/- out of Block 1, San Angelo Gateway Addition Section 1

Sale of 5.0 Acres +/- out of Block 1, San Angelo Gateway Addition Section 1

At 10:22 a.m., the Board reconvened

Motion: Director Bariou made the motion, second by Director Casillas to approve the sale of 6.4 Acres +/- out of Block 1 as presented. The motion carried unanimously four (4) ayes to zero (0) nays

Motion: Director Bariou made the motion, second by Director Dr. Cummings to approve the sale of 5.0 Acres +/- out of Block 1 as presented. The motion carried unanimously four (4) ayes to zero (0) nays

7. Follow Up and Administrative Issues

- a. Announcements and consideration of Future Agenda Items

8. Adjournment

Motion: At 10:24 a.m., Director Bariou made a motion, seconded by Director Casillas to

adjourn the meeting. The motion carried unanimously four (4) 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: October 24, 2018

Item type: Consent Item

Caption:

Consider approving the necessary Corporation Disbursements

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | | |
|----|-------------------------|-----------------------------|
| 1. | Disbursement 10-24-2018 | Disbursement 10-24-2018.pdf |
|----|-------------------------|-----------------------------|

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
Check Disbursements
For Board Approval Oct. 24, 2018

Economic Development

COSA	\$	216,783.00	Admin Service Agreement - 1st & 2nd Qtr	Ck. 4389
COSA		102,741.38	Admin Service Agreement - 4th Qtr	Ck. 4404
Chamber of Commerce		18,750.00	Marketing & Recruitments Service for the month of Sept (Inv. 2018/9)	Ck. 4398
Parkhill Smith & Cooper		12,928.00	Prof. Services - Indust. Park (Inv. 194061700-10)	Ck. 4399
			Reimburse COSA for 4th QTR partial: Adm. Comm. = \$1,910.81; Admin. Cellular = \$253.35; Admin Travel & Lodging= \$4,839.55; Admin Office supplies = \$121.76; & Admin Postage = \$7.05	Ck. 4377
COSA		7,132.52	BP 1st Place (1014 & 1015)	Ck. 4378
Rock Your World Decorative Concrete, LLC		2,945.09		

Total for Board Consideration \$ 361,279.99

Rock Your World Decorative Concrete	\$	955.37	BP 2018 (Inv. 1021 & 1020)	Ck. 4402
Sam Tambunga Insurance LLC		872.05	Gen. Liability Coverage for Industrial Park	Ck. 4401
Chamber of Commerce		550.00	Tuition for Leadership San Angelo	Ck. 4403
San Angelo Standard Times		543.66	Legal notice ad (Inv. 2101317)	Ck. 4386
Rock Your World Decorative Concrete		508.74	BP 2018-Inv 1019	Ck. 4395
San Angelo Chamber of Commerce		450.00	2018 Business Expo booth (Inv. 83618)	Ck. 4400
			Registration for Sales Tax Workshop training T. Kolls & M. Puellos	
TEDC		350.00	Install TV receptacle BRC lobby (Inv. 341)	
MC Electric		309.95	Mobile plan center (Inv 3392009352)	
Staples Advantage		299.99	Office Supplies (Inv. 3391124660)	Ck. 4405
Staples Advantage		286.86	Water utilities at BRC & 3 meters at Industrial Park	
COSA Utility Billing		219.45	Drain leak (Inv. 4314)	Ck. 4396
Clare's Heating & Air		173.00	A/C repair (Inv. 4332)	
Clare's Heating & Air		94.00	3 water meters at Industrial Park	Ck. 4382
COSA Utility Billing		92.79	Trash services for BRC (Inv. 306911004436)	
Republic Services		74.17	Overage charge for copies (06/21/18 to 09/20/2018 Inv. 995204)	Ck. 4397
CTWP		127.30	Montly Burglar & Fire Alarm Serv. (Inv.124947281)	Ck. 4406
Protection1		124.94	Annual fire extinguisher insp & maintenance (Inv. 0181809)	
West Texas Fire Extinguisher		73.85	Gas utilities at BRC (Serv date 09/07 to 10/05)	
Atmos Energy		48.37	Water deliver at BRC (Deliver dates 08/29/2018 to 09/20/2018)	Ck. 4393
Angelo Water Service		43.25		

Total Routine Disbursements \$ 6,197.74

Total Economic Development Disbursements \$ 367,477.73

Ballot

COSA	\$	493,868.12	Admin Service Agreement - 4th Qtr = \$486,334.62 & Affordable Housing = \$7,533.50	Ck. 1498
COSA		4,746,443.17	Admin Service Agreement - 1st & 2nd Qtr = \$72,261.00 & 2012 Go Debt Serv & Water Supply = \$4,674,182.17	Ck. 1496
COSA		19,108.49	Reimburse for W TX Water Partnership (July = \$13,816.85 & Aug. = \$5,291.64)	Ck. 1499

Total for Board Consideration \$ 5,259,419.78

Total Routine Disbursements \$ -

Total Ballot Disbursements \$ 5,259,419.78

Grand Total Disbursements this Period \$ 5,626,897.51

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

Meeting Date: October 24, 2018

Item type: Regular Item

Caption:

Consider approving the September 2018 Financial Statements (Presentation made by Tina Dierschke, Director of Finance)

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | | |
|----|------------------|----------------------|
| 1. | COSADC Stmt 1809 | COSADC Stmt 1809.pdf |
|----|------------------|----------------------|

Presentation:

Approvals/Reviews:

Robert Schneeman	Created/Initiated
Theresa James	Approved
Candice Blake	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

City of San Angelo Development Corporation

Financial Information and Schedules As of September 30, 2018

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Transaction Detail by Account

2011 Bond Issue

Hickory Water Supply

**City of San Angelo Development Corporation
Executive Summary
September 2018**

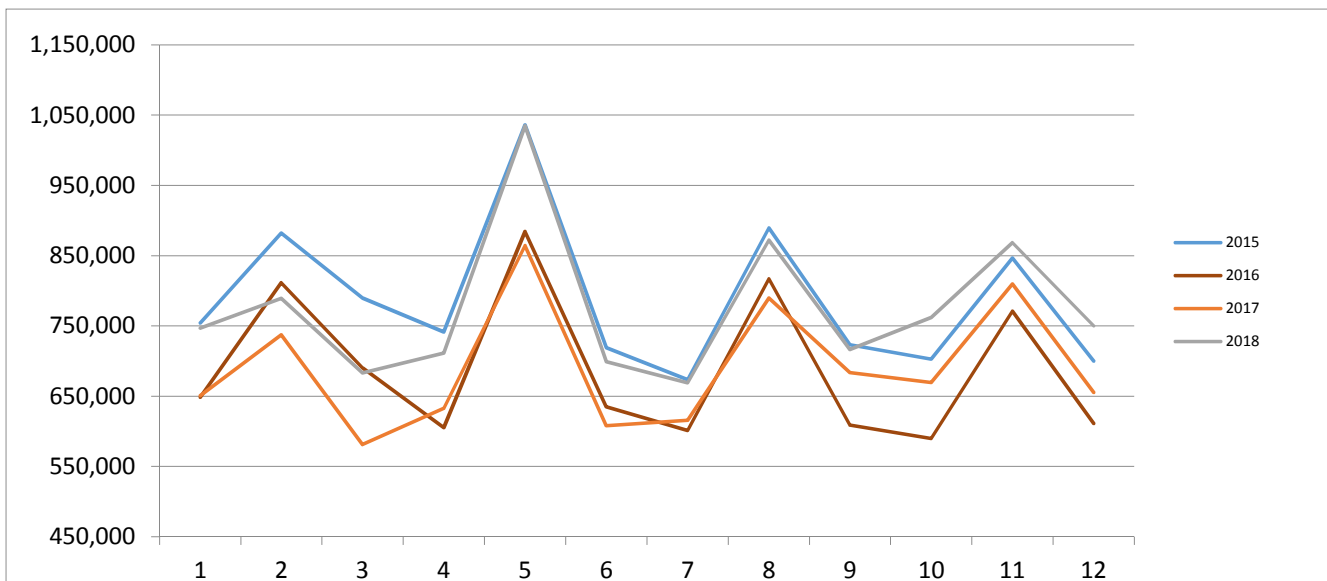
Available Fund Balances

Unrestricted Fund Balance-Economic Development	8,320,466
Unrestricted Fund Balance-Ballot	1,612,866

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	868,604	7.28%
Sep	700,008	611,361	655,327	750,212	14.48%

Estimated Year to Date Sales Tax Budget 100.00% = 8,500,000
excess/(shortage) 1,000,451



City of San Angelo Development Corporation
Balance Sheet - Economic Development
As of September 30, 2018

ASSETS

Current Assets

Checking/Savings

101101 · Cash 17,859

103200 · Money Market 5,210,495

Total Checking/Savings 5,228,354

Accounts Receivable

115000 · Sales Tax Receivables 446,370

Total Accounts Receivable 446,370

Other Current Assets

117000 · Investments 9,994,082

Total Other Current Assets 9,994,082

Total Current Assets 15,668,806

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

17,892,536

LIABILITIES & FUND EQUITY

Liabilities

Current Liabilities

201000 · Accounts Payable 147,662

Total Current Liabilities 147,662

Total Liabilities

147,662

Fund Equity

Committed for Eco. Dev. Projects 7,200,678

Restricted for Fixed Assets 2,223,730

Unassigned Fund Balance 8,320,466

Total Fund Equity 17,744,874

TOTAL LIABILITIES & FUND EQUITY

17,892,536

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

	Budget	Month Actual	YTD Actual	Over/(Under) Budget	% of Budget
Revenues					
313000 · Income-Sales & Use Tax	2,380,000	270,576	2,660,126	280,126	112%
360000 · Interest on Investments	23,000	19,338	261,322	238,322	1,136%
363101 · Lease Income	74,965	13,020	75,407	442	101%
380000 · Miscellaneous Income	0	0	200	200	100%
392200 · Gain on Sale Assets	250,000	0	0	(250,000)	0%
Total Revenues	2,727,965	302,934	2,997,055	269,090	110%
Expenditures					
410000 · Administrative	153,574	18,350	86,285	(67,289)	56%
412000 · Partner Affiliations	76,197	108	74,362	(1,835)	98%
415000 · City Services	433,566	422,266	422,266	(11,300)	97%
415331 · Annual Report	1,200	0	240	(960)	20%
420000 · Industrial Park Ops & Maint	31,050	596	4,755	(26,295)	15%
432000 · Outside Legal Services	25,000	0	125	(24,875)	1%
440000 · Marketing-Chamber of Commerce	225,000	55,974	211,925	(13,075)	94%
440200 · Business Ret & Exp Prog	278,330	6,700	24,727	(253,603)	9%
445000 · Promotion (SADC Marketing)	10,300	0	1,811	(8,489)	18%
450000 · Business Resource Ctr	38,881	4,378	28,436	(10,445)	73%
452101 · Business Factory	94,373	14,356	72,077	(22,296)	76%
Total Operating Expenditures	1,367,471	522,728	927,009	(440,462)	68%
452112 · Project-Martifer-Hirschfeld	1,390,435	0	0	(1,390,435)	0%
452115 · Project-Blue Cross Blue Shield	111,355	0	37,118	(74,237)	33%
452119 · Project-Air Service Marketing	60,000	5,000	49,045	(10,955)	82%
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	12,928	210,452	(69,548)	75%
452140 · Project-Grant Works	54,000	0	4,000	(50,000)	7%
452141 · Project-Houston Harte Property	46,643	0	46,643	0	100%
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	75,000	75,000	0	100%
452149 · Project-Howard College Const Tr	168,000	0	39,970	(128,030)	24%
452150 · Project-Engine Pro Machine	5,975	5,975	5,975	0	100%
452151 · Project-US Customs Retention	25,000	0	0	(25,000)	0%
452152 · Project-US Customs Retention Ph. II	46,435	0	0	(46,435)	0%
452153 · Project-Airport Master Plan	120,991	0	0	(120,991)	0%
452900 · Project-Future Projects	583,129	0	0	(583,129)	0%
453000 · Capital Purchases	31,612	0	15,210	(16,402)	48%
Total Project Expenditures	9,098,991	98,903	1,298,782	(7,800,209)	14%
Total Expenditures	10,466,462	621,631	2,225,791	(8,240,671)	21%
Revenue Over/(Under) Expenditures	(7,738,497)	(318,697)	771,264	8,509,761	

City of San Angelo Development Corporation
Economic Development Projects
As of September 30, 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	49,045	49,045	10,955
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	210,452	238,452	69,548
Grant Works	54,000	4,000	4,000	50,000
Houston Harte Property	51,643	46,643	51,643	0
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	75,000	75,000	0
Howard College Construction Trades	168,000	39,970	39,970	128,030
Engine Pro Machine	5,975	5,975	5,975	0
US Customs Retention	25,000	0	0	25,000
US Customs Retention Ph. II	46,435	0	0	46,435
Airport Master Plan	120,991	0	0	120,991
	11,565,594	1,283,572	4,364,916	7,200,678
Total Committed, Not Expended				7,200,678

City of San Angelo Development Corporation
Balance Sheet - Ballot
As of September 30, 2018

ASSETS

Current Assets

Checking/Savings

101101 · Cash

7,114

103200 · Money Market

1,192,460

Total Checking/Savings

1,199,574

Accounts Receivable

115000 · Sales Tax Receivables

1,113,074

115201 · Note Receivable

15,074

Total Accounts Receivable

1,128,148

Total Current Assets

2,327,722

TOTAL ASSETS

2,327,722

LIABILITIES & FUND EQUITY

Liabilities

Current Liabilities

201000 · Accounts Payable

512,977

Total Current Liabilities

512,977

Total Liabilities

512,977

Fund Equity

Committed for Ballot Projects

201,879

Assigned for Debt Service

-

Unassigned Fund Balance

1,612,866

Total Fund Equity

1,814,745

TOTAL LIABILITIES & FUND EQUITY

2,327,722

City of San Angelo Development Corporation
Revenue & Expenditure Report - Ballot
September 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	695,768	6,840,325	720,325	112%
360000 · Interest on Investments	4,000	3,715	66,974	62,974	1,674%
Total Revenues	<u>6,124,000</u>	<u>699,483</u>	<u>6,907,299</u>	<u>783,299</u>	<u>113%</u>
Expenditures					
410000 · Administrative	3,500	0	2,467	(1,033)	70%
415000 · City Services	144,522	140,755	140,755	(3,767)	97%
430000 · Loan/Debt Service	5,126,270	5,126,270	5,126,270	0	100%
Total Operating Expenditures	<u>5,274,292</u>	<u>5,267,025</u>	<u>5,269,492</u>	<u>(4,800)</u>	<u>100%</u>
451102 · Project-Sports Facilities Maint	285,353	0	285,353	0	100%
451200 · Project-Affordable Housing	357,674	15,067	301,400	(56,274)	84%
452123 · Project-W. Tx Water Partnership	200,000	19,108	54,396	(145,604)	27%
452900 · Project-Future Projects	80,305	0	0	(80,305)	0%
Total Project Expenditures	<u>923,332</u>	<u>34,175</u>	<u>641,149</u>	<u>(282,183)</u>	<u>69%</u>
Total Expenditures	<u>6,197,624</u>	<u>5,301,200</u>	<u>5,910,641</u>	<u>(286,983)</u>	<u>95%</u>
Revenue Over/(Under) Expenditures	<u>(73,624)</u>	<u>(4,601,717)</u>	<u>996,658</u>	<u>1,070,282</u>	

City of San Angelo Development Corporation
Ballot Projects
As of September 30, 2018

Project	Project Allocation	Current Year Activity	Inception to Date	Remaining Allocation
Ballot Projects:				
Water Supply Projects				
West Texas Water Partnership	601,313	54,396	455,708	145,605
* 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	54,396	1,996,713	145,605
Total Water Supply Projects				145,605
Affordable Housing				
Revenues				
* Sale of Fixed Assets - Blackshear Properties	394,351	0	394,351	-
Total Revenues				
Expenditures				
Affordable Housing	2,854,330	301,400	2,798,056	56,274
* Administrative Contract	120,405	0	120,405	-
* Blackshear Neighborhood Boundary	28,300	0	28,300	-
* Blackshear Properties	404,125	0	404,125	-
* Neighborhood Blitz	550,000	0	550,000	-
* Neighbors Helping Neighbors	53,000	0	53,000	-
* Rebuilding Together - Housing One Stop	23,759	0	23,759	-
* Rebuilding Together - Housing Repair	74,920	0	74,920	-
* Rehabs	114,487	0	114,487	-
* Roofing Grant	200,000	0	200,000	-
Total Expenditures	4,423,326	301,400	4,367,053	56,274
Total Affordable Housing				56,274
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				201,879

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
September 2018

	Num	Name	Memo	Amount
Economic Development				
313000 · Income-Sales & Use Tax (700-0000-313.00-00)				
	863	City of San Angelo	Adjustment to July Sales Tax Receivable	39,109.86
	864	City of San Angelo	Record September Sales Tax Recievable	231,466.61
Total 313000 · Income-Sales & Use Tax (700-0000-313.00-00)				270,576.47
360000 · Interest on Investments (700-0000-361.10-00)				
	861		Record Interest on Sec #912828L40	7,812.50
	865		Record Interest for September	249.63
	865		Record MM Interest for September	11,275.82
Total 360000 · Interest on Investments (700-0000-361.10-00)				19,337.95
363101 · Lease Income				
363104 · Business Factory				
	858	Kirby Park Villas	Rent for the month of Oct	366.00
	859	OdomRD, Dietian Consultant	Rent for the month of Oct	274.75
	860	Centurion Planning & Design, LLC	Rent for the month of Oct	696.52
Total 363104 · Business Factory				1,337.27
Total 363101 · Lease Income				1,337.27
410000 · Administrative				
410332 · Admin-Software				
	4376	Zactax	Inv. 18045	0.00
Total 410332 · Admin-Software				0.00
410530 · Admin-Communication				
	4377	City of San Angelo (COSA)	Reimbursement for HTE Expenses	-1,910.81
	4379	City of San Angelo	Reimbursement for HTE Expenses	-2,127.26
Total 410530 · Admin-Communication				-4,038.07
410531 · Admin-Cell Phone				
	4377	City of San Angelo (COSA)	Reimbursement for HTE Expenses	-253.35
	4379	City of San Angelo	Reimbursement for HTE Expenses	-810.03
Total 410531 · Admin-Cell Phone				-1,063.38
410580 · Admin-Travel & Lodging				
	4377	City of San Angelo (COSA)	Reimbursement for HTE Expenses	-4,839.55
	4379	City of San Angelo	Reimbursement for HTE Expenses	-2,532.83
	4380	City of San Angelo (COSA)	Reimburesement for August P-card Purchases	-1,190.57
Total 410580 · Admin-Travel & Lodging				-8,562.95
410590 · Admin-Training				
	4380	City of San Angelo (COSA)	Reimburesement for August P-card Purchases	-99.00
Total 410590 · Admin-Training				-99.00
410591 · Admin-Professional Dues				
	4380	City of San Angelo (COSA)	Reimburesement for August P-card Purchases	-500.00
Total 410591 · Admin-Professional Dues				-500.00
410600 · Admin-Fees & Subscriptions				
	4371	Sam's Club Direct	Sam's Club Membership Fee	-15.00
	856		Refund Over Pmt from TX Comptroller of Public Accounts	20.00
Total 410600 · Admin-Fees & Subscriptions				5.00
410605 · Admin-Public Notices				
	4386	San Angelo Standard Times	Inv. 2101317	-543.66
Total 410605 · Admin-Public Notices				-543.66
410610 · Admin-Office Supplies (700-0000-411.06-10)				
	4377	City of San Angelo (COSA)	Reimbursement for HTE Expenses	-121.76
	4379	City of San Angelo	Reimbursement for HTE Expenses	-487.04
	4379	City of San Angelo	Reimbursement for HTE Expenses	-1,823.81
	4380	City of San Angelo (COSA)	Reimburesement for August P-card Purchases	-414.45
Total 410610 · Admin-Office Supplies (700-0000-411.06-10)				-2,847.06
410614 · Admin-Postage				

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

	Num	Name	Memo	Amount
	4377	City of San Angelo (COSA)	Reimbursement for HTE Expenses	-7.05
	4379	City of San Angelo	Reimbursement for HTE Expenses	-33.37
Total 410614 · Admin-Postage				-40.42
410630 · Admin-Food				
	4368	City of San Angelo (COSA)	FY18 Coffee set-ups for COSADC meetings	-240.00
	4371	Sam's Club Direct	Water for Meetings	-5.96
Total 410630 · Admin-Food				-245.96
Total 410000 · Administrative				-17,935.50
412000 · Partner Affiliations				
	4385	San Angelo Chamber of Commerce	Inv. 83511	-108.00
Total 412000 · Partner Affiliations				-108.00
415000 · City Services				
415310 · COSA-Legal Services				
	4389	City of San Angelo (COSA)	1st and 2nd Quarter Admin Services Agreement	-216,783.00
	4390	City of San Angelo (COSA)	3rd Quarter Admin Services Agreement	-102,741.38
Total 415310 · COSA-Legal Services				-319,524.38
Total 415000 · City Services				-319,524.38
420000 · Industrial Park Ops & Maint				
420411 · Ind Park-Water/Sewer Utilities				
	4382	City of San Angelo Utility Billing	Acc 118947-187774 Period 07/31/18 - 08/01/18	-33.34
	4382	City of San Angelo Utility Billing	Acc 118947-187772 Period 08/01/18 - 09/04/18	-26.68
	4382	City of San Angelo Utility Billing	Acc 118947-187770 Period 08/01/18 - 09/04/18	-26.68
	4382	City of San Angelo Utility Billing	Acc 118947-187774 Period 07/03/18 - 07/31/18	-32.75
	4382	City of San Angelo Utility Billing	Acc 118947-187772 Period 07/02/18 - 08/01/18	-26.68
	4382	City of San Angelo Utility Billing	Acc 118947-187770 Period 07/31/18 - 08/01/18	-33.36
Total 420411 · Ind Park-Water/Sewer Utilities				-179.49
420000 · Industrial Park Ops & Maint - Other				
	4387	J & R Silva Tree Service & Landscaping	Inv. 1393	-330.00
Total 420000 · Industrial Park Ops & Maint - Other				-330.00
Total 420000 · Industrial Park Ops & Maint				-509.49
440000 · Marketing-Chamber of Commerce (700-0000-411.05-40)				
	4388	San Angelo Chamber of Commerce	Inv. 2018/8	-18,750.00
	4388	San Angelo Chamber of Commerce	Inv. 2018/7	-18,474.00
Total 440000 · Marketing-Chamber of Commerce (700-0000-411.05-40)				-37,224.00
440200 · Business Ret & Exp Prog				
	4375	McLaughlin Advertising	Inv. 1889	-6,250.00
Total 440200 · Business Ret & Exp Prog				-6,250.00
450000 · Business Resource Ctr				
450010 · BRC-Water/Sewer Utilities				
	4382	City of San Angelo Utility Billing	Acc 186765-50710 Period 07/30/18 - 08/29/18	-15.00
	4382	City of San Angelo Utility Billing	Acc 171939-179340 Period 07/30/18 - 08/29/18	-93.03
Total 450010 · BRC-Water/Sewer Utilities				-108.03
450011 · BRC-Electricity				
	4379	City of San Angelo	Reimbursement for HTE Expenses	-2,641.65
Total 450011 · BRC-Electricity				-2,641.65
450012 · BRC-Gas Utilities				
	4381	Atmos Energy	Acc 3036648466 Service Period 08/08/18 - 09/06/18	-36.95
Total 450012 · BRC-Gas Utilities				-36.95
450013 · BRC-Trash Utilities				
	4384	Republic Services, Inc	Inv. 0691-000822142	-57.81
Total 450013 · BRC-Trash Utilities				-57.81
450000 · Business Resource Ctr - Other				

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

	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>
	4369	MC Electric	Inv. 305	-90.00
	4370	Clare's Heating & Air Conditioning	Inv. 4188	-126.73
	4372	Protection 1 Alarm Monitoring Inc.	Inv. 124408421	-93.71
	4383	Dirt Doctor of San Angelo	Inv. 3427	-543.75
	4387	J & R Silva Tree Service & Landscaping	Inv. 1394	-344.25
	4393	Angelo Water Service	Acc 7005 Service Period 10/01/18 - 10/31/18	-32.44
Total 450000 · Business Resource Ctr - Other				<u>-1,230.88</u>
Total 450000 · Business Resource Ctr				-4,075.32
452101 · Business Factory				
	4367	Rock Your World Decorative Conrete	Inv. 1011	-1,391.40
	4367	Rock Your World Decorative Conrete	Inv. 1012	-654.43
	4367	Rock Your World Decorative Conrete	Inv. 1013	-2,495.75
	4369	MC Electric	Inv. 305	-30.00
	4370	Clare's Heating & Air Conditioning	Inv. 4188	-42.24
	4372	Protection 1 Alarm Monitoring Inc.	Inv. 124408421	-31.23
	4373	West Office Technology	Inv. F10380	-350.00
	4374	MediaJaw Hosting LLC	Inv. 11545	-24.95
	4378	Rock Your World Decorative Conrete	FY18 BPC - 1st Place - Inv. 1014	-2,111.91
	4378	Rock Your World Decorative Conrete	FY18 BPC - 1st Place - Inv. 1015	-833.18
	4381	Atmos Energy	Acc 3036648466 Service Period 08/08/18 - 09/06/18	-12.31
	4382	City of San Angelo Utility Billing	Acc 171939-179340 Period 07/30/18 - 08/29/18	-31.01
	4383	Dirt Doctor of San Angelo	Inv. 3427	-181.25
	4384	Republic Services, Inc	Inv. 0691-000822142	-19.27
	4387	J & R Silva Tree Service & Landscaping	Inv. 1394	-114.75
	857		Refund Over Pmt on Marketing Services	17.01
	4392	Rock Your World Decorative Conrete	FY18 BPC - 1st Place - Inv. 1016	-211.80
	4392	Rock Your World Decorative Conrete	FY18 BPC - 1st Place - Inv. 1017	-4,300.00
	4393	Angelo Water Service	Acc 7005 Service Period 10/01/18 - 10/31/18	-10.81
	4394	Canon Financial Services, Inc.	Inv 19183533	-188.45
Total 452101 · Business Factory				<u>-13,017.73</u>
452119 · Project-Air Service Marketing				
	4375	McLaughlin Advertising	Inv. 1888	-5,000.00
Total 452119 · Project-Air Service Marketing				<u>-5,000.00</u>
452148 · Project-Sunken Garden Design				
	4366	City of San Angelo (COSA)	Inv. 50242	-75,000.00
Total 452148 · Project-Sunken Garden Design				<u>-75,000.00</u>
452150 · Project-Engine Pro Machine				
	4391	1st Community Federal Credit Union	Engine Pro Machine ED Incentive	-5,975.00
Total 452150 · Project-Engine Pro Machine				<u>-5,975.00</u>
TOTAL				<u><u>-193,367.73</u></u>

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

Ballot

	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>
313000 · Income-Sales & Use Tax				
	298	City of San Angelo	Adjustment to July Sales Tax Receivable	100,568.19
	299	City of San Angelo	Record September Sales Tax Recievable	595,199.87
Total 313000 · Income-Sales & Use Tax				<u>695,768.06</u>
360000 · Interest on Investments				
	5126	ZP Kirby Park Villas, LP	Note Receivable Interest	39.73
	300		Record MM Interest for September	2,580.56
	300		Record Interest for September	1,094.26
Total 360000 · Interest on Investments				<u>3,714.55</u>
415000 · City Services				
415310 · COSA-Legal Services				
	1496	City of San Angelo (COSA)	1st and 2nd quarter Admin Services Contract	-72,261.00
	1497	City of San Angelo	3rd Quarter Admin Services Agreement	-34,247.12
Total 415310 · COSA-Legal Services				<u>-106,508.12</u>
Total 415000 · City Services				-106,508.12
430000 · Loan/Debt Service				
	1496	City of San Angelo (COSA)	2012 GO Debt Service and Water Supply	-4,674,182.17
Total 430000 · Loan/Debt Service				<u>-4,674,182.17</u>
451200 · Project-Affordable Housing				
	1497	City of San Angelo	3rd Quarter Admin Services Agreement - Affordable Housing	-7,533.50
Total 451200 · Project-Affordable Housing				<u>-7,533.50</u>
TOTAL				<u><u>-4,088,741.18</u></u>

THE CITY OF SAN ANGELO, TEXAS

Schedule of Revenues and Expenditures

Fiscal Year through September 30, 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		-	(76)	21,650	21,650	145,771	167,421
Total Revenues		-	(76)	21,650	21,650	18,324,718	18,346,368
EXPENDITURES:							
Airport Terminal Rehab	3925	-	-	-	-	500,000	500,000
Concho River	4119	327,650	-	41,180	(286,470)	8,272,352	8,313,532
Parks	6000	585,535	72	137,366	(448,169)	339,465	476,831
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	72	240,438	(809,639)	17,240,829	17,481,267
Revenue Over/(Under) Expenditures		(1,050,077)	(148)	(218,788)			
Ending Fund Balance		33,811		865,100			

THE CITY OF SAN ANGELO, TEXAS

Schedule of Revenues and Expenditures Fiscal Year through September 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		-	(156)	50,183	50,183	530,686	580,869
C.O. Proceeds		666,552	-	665,303	(1,249)	119,333,447	119,998,750
Total Revenues		666,552	(156)	715,486	48,934	119,864,133	120,579,619
EXPENDITURES:							
Easements/Property Damage	4150	419,826	-	-	(419,826)	106,865	106,865
Engineering	4157	568,472	63,852	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	63,852	568,472	(1,891,378)	117,650,056	118,218,528
Revenue Over/(Under) Expenditures		(1,793,298)	(64,008)	147,014			
Ending Fund Balance		420,779		2,361,091			

	<u>Revenues</u>
Previous Years Activity	119,864,133
Current Year Budget	666,552
Less Interest Earned	(530,686)
TOTAL	120,000,000

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

Meeting Date: October 24, 2018

Item type: Regular Item

Caption:

Presentation of the Chamber of Commerce 3rd Quarter Report, July - September 2018- (Presentation made by Michael Looney, Vice President of Economic Development)

Summary/History:

The Chamber of Commerce Marketing & Recruitment division makes regular quarterly update presentations to the Board regarding the status of on going projects, new recruitment prospects and other matters of interest to the Board.

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Shannon Scott
Theresa James
Candice Blake
Tina Dierschke
Guy Andrews

Created/Initiated
Approved
Approved
Approved
Final Approval

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

Meeting Date: October 24, 2018

Item type: Regular Item

Caption:

Consider a resolution authorizing the Board President to negotiate and execute a Second Amendment to Lease Agreement with Angelo State University for office space in the Business Resource Center, and Memorandum of Understanding providing for an adjustment in rent and assumption by ASU and the Small Business Development Center of marketing, recruitment and related services for the Business Factory/Incubator Program (Presentation by Nora Nevarez, Executive Office Coordinator and Dave Erickson, SBDC Director)

Summary/History:

ASU SBDC requires a lease for office space in the Business Resource Center. Lease shall be renewed and extended for an additional twenty-four (24) month period, beginning September 1, 2018, and terminating on August 31, 2020. The annual rent will adjust to \$10 per year during this two (2) year period.

COSADC will do the following:

- Continue to maintain contractual agreements with and provide requirements to incubator clients
- Continue to manage facility and responsibility for all repairs and maintenance
- Continue to maintain all service contracts for incubator amenities i.e. copier, Wi-Fi etc.
- Continue to collect rent and service fees from incubator clients
- Reimburse SBDC for mutually agreed upon advertising expenses

ASU SBDC will be responsible for the following:

- Assume responsibility for marketing the Business Factory as a partnership program between COSADC and ASU SBDC to secure incubator clients
- Assume responsibility for the recruitment of incubator clients, including referral of applications to the Business Factory Advisory Panel (BFAP) and consideration of the panel's findings and recommendations
- Assume orientation of clients to business incubator and liaison with COSADC on requirements, policies, and responsibilities of clients in the business incubator
- Continue business development efforts with incubator clients with no-cost and confidential one-on-one business advising and no cost to low-cost business training
- Assume responsibility for assisting incubator clients through advisory panel reporting
- Receive a rent reduction to \$10 annually for the length of the MOU/lease amendment

Financial Impact:

Rent reduction to \$10 annually for the length of the MOU/lease amendment.

Other Information/Recommendation:

Staff recommends approval as presented

Attachments:

- | | | |
|----|--------------------------------------|---|
| 1. | 19-028_COSADC_ASU_LEASE_AMEND-2 | 19-028_COSADC_ASU_LEASE_AMEND-2.docx |
| 2. | 19-028_COSADC_ASU_LEASE_AMEND-2_RESO | 19-028_COSADC_ASU_LEASE_AMEND-2_RESO.docx |

Presentation:

Nora Nevarez

Approvals/Reviews:

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

LEASE**ANGELO STATE UNIVERSITY****AMENDMENT****SAN ANGELO, TEXAS**

LEASED PREMISES: Business Resource Center
69 North Chadbourne St.
San Angelo, TX 76903-5848
Suites 110.0 – 110.10

AMENDMENT NO: 2

DATE: September 1, 2018

LESSOR: City of San Angelo
Development Corporation
69 North Chadbourne St.
San Angelo, Texas 76903

ACCOUNT NUMBER(S):
Program Income

The original Lease Agreement that commenced on September 1, 2016 and ends on August 31st 2020 and renews at an annual rent of \$22,488 (reduced to \$13,494 from lease amendment number 1) on the above referenced leased property is hereby renewed and extended, under the following terms and conditions: **The lease shall be renewed and extended for an additional twenty-four month period (24) month period, beginning September 1, 2018 and terminating on August 31, 2020. The annual rent will adjust to \$10 per year during this two year period.** All other terms and conditions of the original Lease Agreement shall remain in full force and effect. A MOU between COSADC and ASU detailing the Business Factory partnership between COSADC and the ASU SBDC is attached. ASU SBDC will assume the marketing, recruitment and business development services for the Business Factory, a program of COSADC.

This Lease Amendment is not valid until fully executed by the Lessee and Lessor.

City of San Angelo Development Corporation**Angelo State University**

69 North Chadbourne Street
San Angelo, Texas 76903

Mayer Administration Bldg., Ste. 213
Station #11007
San Angelo, Texas 76909

BY: _____
Ed Carrasco, Board President

BY: _____
Brian J. May, President

DATE: _____

DATE: _____

REVIEWED FOR FISCAL IMPLICATIONS

Angie Wright, Vice President of Finance
& Administration

DATE: _____

See attached supporting documents

**MEMORANDUM OF UNDERSTANDING (MOU) BY AND
BETWEEN THE CITY OF SAN ANGELO DEVELOPMENT
CORPORATION (COSADC), OPERATOR OF THE BUSINESS
RESOURCE CENTER (BRC), AND ANGELO STATE UNIVERSITY
(ASU) RELATING TO A PARTNERSHIP IN THE OPERATION OF
THE BUSINESS FACTORY.**

WHEREAS, the City of San Angelo Development Corporation (COSADC) is a Texas non-profit development corporation organized pursuant to the Texas Development Corporation Act for purposes of promoting the development of new and expanding enterprises which create or retain jobs; and, the Business Factory (Business Incubator) is a program of COSADC, and,

WHEREAS, the Angelo State University (ASU), a member of the Texas Tech University System, is a state institution of higher learning, and, the Small Business Development Center (SBDC) is a small business outreach and assistance program in the ASU Norris-Vincent College of Business.

NOW, THEREFORE, the COSADC and ASU enter into the following Memorandum of Understanding (MOU) and agree as follows:

In regards to Business Factory program, COSADC will:

1. Continue to maintain contractual agreements with and provide requirements to incubator clients.
2. Continue to manage facility and responsibility for all repairs and maintenance.
3. Continue to maintain all service contracts for incubator amenities i.e. copier, Wi-Fi etc.
4. Continue to collect rent and service fees from incubator clients.
5. Reimburse SBDC for mutually agreed upon advertising expenses.

In regards to the Business Factory program, ASU SBDC will:

1. Assume responsibility for marketing the Business Factory as a partnership program between COSADC and ASU SBDC to secure incubator clients.
2. Assume responsibility for the recruitment of incubator clients, including referral of applications to the Business Factory Advisory Panel (BFAP) and consideration of the panel's findings and recommendations.
3. Assume orientation of clients to business incubator and liaison with COSADC on requirements, policies, and responsibilities of clients in the business incubator.
4. Continue business development efforts with incubator clients with no-cost and confidential one –on-one business advising and no-cost to low-cost business training.
5. Assume responsibility of assisting incubator clients through the advisory panel reporting process.
6. Receive a rent reduction to \$10 annually for the length of the MOU/lease amendment.

1. Term of Agreement. The original term of this agreement starts October 1, 2018 and ends August 30, 2020. Thereafter, this agreement shall automatically renew on an annual basis unless 60 days written notice of intent to terminate the agreement is given by ASU to COSADC or if COSADC notifies the ASU. Any party may terminate their contractual obligation to this agreement at any time, with or without cause, by giving 60 days written notice of its intent to terminate.
2. Notice. Any notice to be given hereunder by any Party(s) to the other Parties shall be in writing and sent by first class U.S. mail, registered or certified, return receipt requested as follows:

CITY OF SAN ANGELO DEVELOPMENT CORPORATION
Attention: Board President
69 N. Chadbourne St.
San Angelo, Texas 76903

With a copy to:
City Attorney's Office
P.O. Box 1751
San Angelo, Texas 76902

ANGELO STATE UNIVERSITY
Attention: President
2601 W. Avenue N
San Angelo, Texas 76909

EXECUTED by the Parties hereto, each respective entity acting by and through its duly authorized officer as required by law, in multiple counterparts each of which shall be deemed to be an original, on the date specified.

CITY OF SAN ANGELO
DEVELOPMENT CORPORATION

By: _____,
Ed Carrasco, Board President

ITS: _____

DATE: _____, 2018

ANGELO STATE UNIVERSITY

By: _____,
Brian J. May, President

ITS: _____

DATE: _____, 2018

Memorandum of Understanding between COSADC and ASU RE: Business FactoryProgram

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING THE PRESIDENT TO NEGOTIATE AND EXECUTE A SECOND AMENDMENT TO LEASE AGREEMENT WITH ANGELO STATE UNIVERSITY (ASU) AND MEMORANDUM OF UNDERSTANDING PROVIDING FOR AN ADJUSTMENT IN RENT AND ASSUMPTION BY ASU AND THE SMALL BUSINESS DEVELOPMENT CENTER (SBDC) OF MARKETING, RECRUITMENT AND RELATED SERVICES NECESSARY FOR OPERATION OF THE BUSINESS FACTORY/INCUBATOR PROGRAM AT THE BUSINESS RESOURCE CENTER (BRC) AS APPROVED BY CITY COUNCIL.

WHEREAS, the City of San Angelo Development Corporation (COSADC) entered into a Lease Agreement with Angelo State University (ASU) for certain office space in the Business Resource Center (BRC), effective September 1, 2016 and renewing annually to August 31, 2020 (the "Lease"); and,

WHEREAS, the Lease was amended by First Amendment effective September 1, 2017, renewing the lease for twenty-four months and adjusting rent; and,

WHEREAS, the parties desire to amend the lease a second time for purposes of extending the lease through August 31 2020, reducing rent, and entering into a Memorandum of Understanding (MOU) providing that ASU and its Small Business Development Center (SBDC) assume marketing, recruitment and other services necessary for operation of the Business Factory/Incubator Program.

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

The City of San Angelo Development Corporation authorizes the Board President to negotiate and execute on behalf of the corporation a Second Amendment to the Lease with Angelo State University of certain office space in the Business Resource Center for purposes of reducing rent and entering into a Memorandum of Understanding (MOU) with ASU providing that ASU and its Small Business Development Center (SBDC) assume marketing, recruitment and other services necessary for operation of the Business Factory/Incubator Program, said First Amendment to Lease and MOU to be in substantially

the attached form and subject to approval of the City of San Angelo City Council.

PASSED, APPROVED, and ADOPTED on this the 24th day of October, 2018.

CITY OF SAN ANGELO
DEVELOPMENT CORPORATION

ATTEST:

Edward Carrasco, President

Nora Nevarez, Corporate Secretary
APPROVED AS TO FORM:

APPROVED AS TO CONTENT

Dan T. Saluri, Deputy City Attorney

Guy Andrews, Director of
Economic Development

RATIFIED by City of San Angelo City Council this 6th day of November, 2018.

Brenda Gunter, Mayor

ATTEST:

Julia Antilley, Interim City Clerk

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

Meeting Date: October 24, 2018

Item type: Regular Item

Caption:

Consider approving a Resolution for COSADC membership in The High Ground of Texas (Presentation made by Guy Andrews, Director of Economic Development)

Summary/History:

The High Ground of Texas is a marketing coalition made up of over 75 members with economic development interests in the region. Developed in 1988, the High Ground represents cities, counties and organizations in the West Texas region. The main purpose of the High Ground is to create jobs and increase the tax base of the region. We continue to have a strong presence on the regional, state, and national level with an emphasis on marketing the region to prospective new industries, networking, economic development, education, and providing a common voice on issues that affect the region.

At the regular COSADC meeting on September 26, 2018 staff made a presentation regarding membership in High Ground of Texas.

AS a result of that presentation, the COSADC Board directed staff to prepare an Agenda Item for the October 24, 2018 Board Meeting to consider approval of membership. The resolution and additional supporting information are attached.

Financial Impact:

\$25,000 from Acct. 452-900 Future Projects to 412-000 Partner Affiliations; Budget amendment required.

Other Information/Recommendation:

Attachments:

- | | | |
|----|---|--|
| 1. | 18-XXXX_COSADC_HGT_MEMBERSHIP_RESO | 18-XXXX_COSADC_HGT_MEMBERSHIP_RESO.docx |
| 2. | High Ground of Texas Power Point | High Ground of Texas Power Point.pdf |
| 3. | MEMBERSHIPS IN THE HIGH GROUND OF TEXAS | MEMBERSHIPS IN THE HIGH GROUND OF TEXAS.docx |

Presentation:

Approvals/Reviews:

Shannon Scott
Theresa James
Candice Blake
Tina Dierschke

Created/Initiated
Approved
Approved
Approved

Guy Andrews

Final Approval

**A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION
AUTHORIZING CORPORATE MEMBERSHIP IN THE “HIGH GROUND OF TEXAS”
REGIONAL ECONOMIC DEVELOPMENT MARKETING COALITION (HGT);
DIRECTING THE BOARD PRESIDENT TO EXECUTE A MEMBERSHIP APPLICATION
AND RELATED DOCUMENTS; APPROVING AN ANNUAL MEMBERSHIP FEE OF UP
TO \$15,000; AND, DIRECTING THE BOARD PRESIDENT WITH ASSISTANCE OF THE
DIRECTOR OF ECONOMIC DEVELOPMENT TO PURSUE REPRESENTATION OF THE
CORPORATION ON THE HGT BOARD OF DIRECTORS.**

WHEREAS, the City of San Angelo Development Corporation is a type 4B development corporation organized pursuant to the Texas Development Corporation Act and is authorized to expend not more than ten percent of corporate revenues for promotional purposes; and,

WHEREAS, regional economic development organizations provide the means for collaboration, the pooling and leveraging of otherwise limited marketing resources, taking advantage of scale, expanding the capacity for growth, securing political support, and boosting widespread economic development; and,

WHEREAS, “The High Ground of Texas” is a regional economic development coalition that cooperatively markets the Panhandle, South Plains, and Permian Basin, made up of over seventy-five development corporation and community members, and as such, is one of the most important economic development partners in the region; and,

WHEREAS, the board has determined that membership in the HGT will serve the purposes of the corporation to develop and expand business, commerce, industry, higher education and job training in the San Angelo region;

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

Corporate membership in the “High Ground of Texas” regional economic development marketing coalition is hereby authorized. The Board President is directed to execute a membership application and related documents for an annual membership fee not to exceed \$15,000, subject to ratification by City Council. The Board President is further authorized, with assistance of the Director of Economic Development, to pursue representation of the corporation on the HGT board of directors.

PASSED, APPROVED, and ADOPTED on this the 24th day of October, 2018.

CITY OF SAN ANGELO DEVELOPMENT
CORPORATION

By: _____

Edward Carrasco, President

ATTEST:

By: _____

Nora Nevarez, Corporation Secretary

RATIFIED by City Council this 6th day of November, 2018.

Brenda Gunter, Mayor

ATTEST:

Bryan Kendrick, City Clerk

The High Ground of Texas membership

Presentation by:

Guy Andrews

Director of Economic Development



The High Ground of Texas



The High Ground of Texas



The high ground of Texas is the largest regional economic development organization in the United States.

The High Ground of Texas



About the High Ground

- The High Ground of Texas is a marketing coalition made up of over 75 members with economic development interests in the region.
- Developed in 1988, the High Ground represents cities, counties and organizations in the West Texas region.
- The main purpose of the High Ground is to create jobs and increase the tax base of the region.

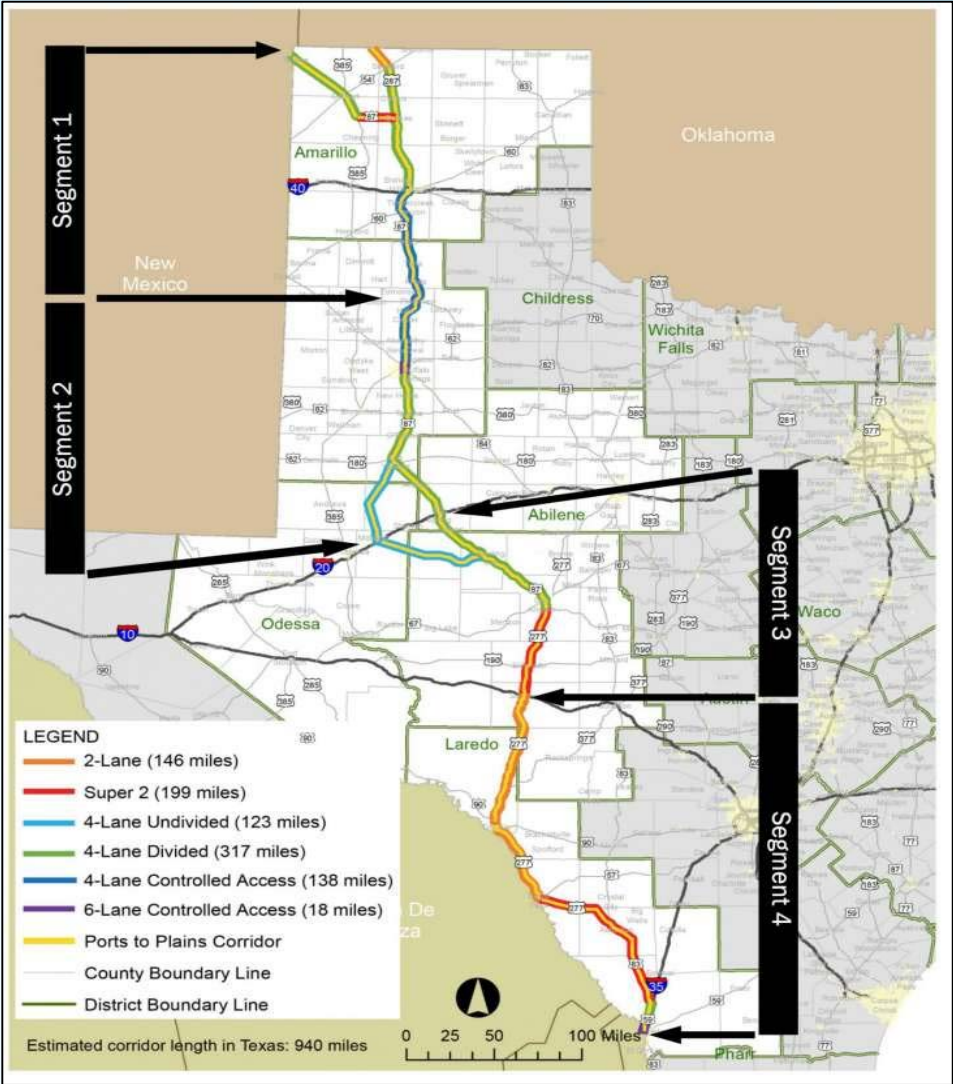
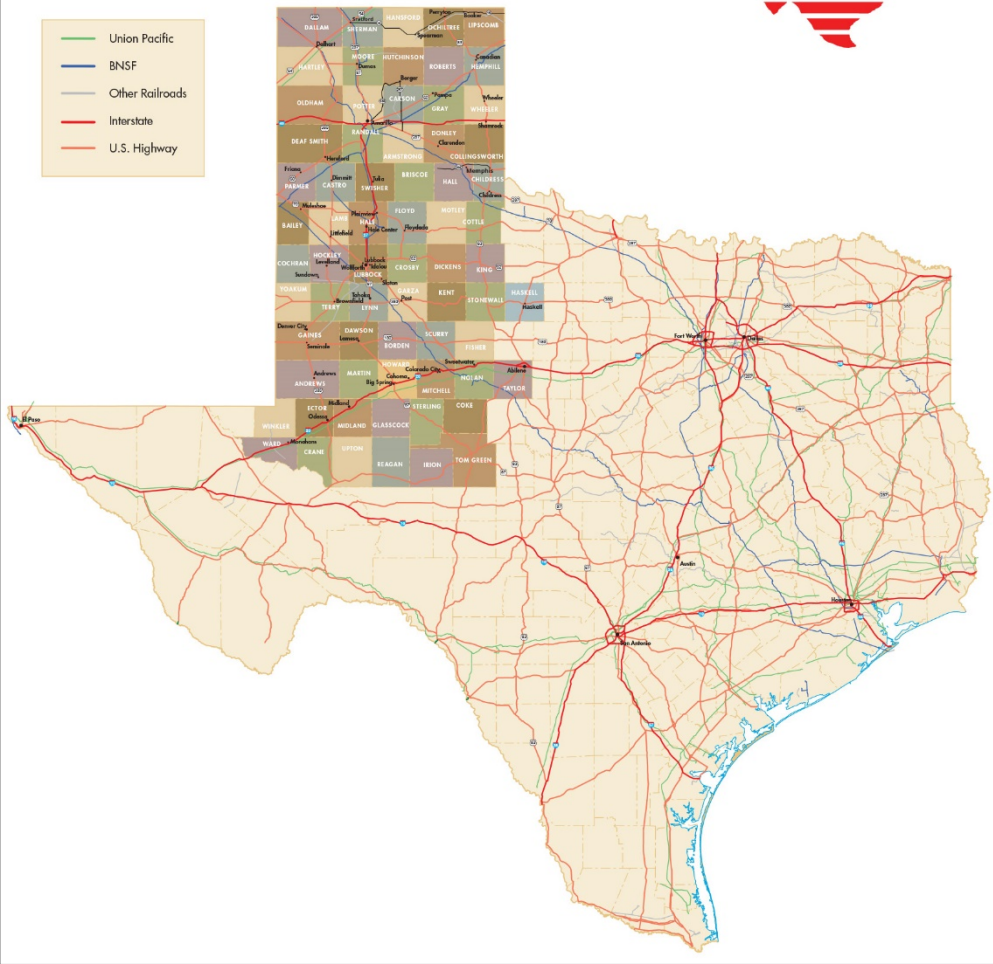
About the High Ground

- We continue to have a strong presence on the regional, state, and national level with an emphasis on marketing the region to prospective new industries, networking, economic development, education, and providing a common voice on issues that affect the region.
- The organization is membership-based and is supported by a 15 person board. The board is made up of Foundation Members, COG representatives and eight at-large members from around the region.

The High Ground of Texas Transportation



- Union Pacific
- BNSF
- Other Railroads
- Interstate
- U.S. Highway



Industry Focus



Reasons to join the High Ground of Texas

- **Collaboration:** A long-standing code of conduct in The High Ground is: Help your Neighbor. The attitude of “What’s good for one is good for all” continues to breed successful ventures. When you choose to join the High Ground City, expect a “package deal” – a friendly region that will help support you.
- **Networking:** The High Ground of Texas is a 75 member strong organization that has experienced everything you can imagine in the world of Economic Development from big city to small town USA. Our members are willing to help with anything your organization may need.



Reasons to join the High Ground of Texas

- **Professional Development:** The High Ground offers two meetings a year and various training sessions to help you stay informed on industry trends and the latest news in the world of Economic Development.
- **Strong Legislative Voice:** The High Ground has 3 State Senators and 10 State Representatives in our area that support the Economic Development needs of our area.

Reasons to join the High Ground of Texas

- Membership is \$15,000 annually
- San Angelo would become a Platinum member with a seat on the Board of Directors

Reasons to join the High Ground of Texas

EDC Foundation Members (\$25,000)

Abilene Industrial Foundation

Amarillo Economic Development Corporation

Lubbock Economic Development Alliance

Midland Development Corporation

Odessa Development Corporation



MEMBERSHIPS IN THE HIGH GROUND OF TEXAS

In the September 26, 2018 COSADC Board Meeting I made a presentation on memberships in The High Ground of Texas and the Texas Midwest Community Network (TMCN). I have attached a copy of the presentation for reference.

The Board's directive was for me to prepare an Agenda Item for the October 24, 2018 Board Meeting to consider approval of membership in these two organizations by resolution. Copies of the resolutions are attached.

Board members also requested some additional information concerning these organizations. Following are links to each of the websites where you will find additional information including membership information:

The High Ground of Texas:

https://www.youtube.com/watch?v=5k_7f5rN25c – A must see video! Short version.

<https://www.youtube.com/watch?v=EV94WSPEals> – Longer version.

<http://highground.org/> - Official Website

<https://www.facebook.com/TheHighGroundOfTexas/>

The minimum level for San Angelo is \$15,000 annually. This is at the Platinum level, and we would be the only member in that category. All of the other communities that are over 100,000 have joined as Foundation members at the \$25,000 level. This includes Amarillo, Abilene, Lubbock, Midland, and Odessa. My initial thought was to come back into The High Ground at the minimum level of \$15,000, but after determining that we would be the only member at that level, I recommend that we come in as equal partners with the other larger cities as a Foundation Member at a \$25,000 level.

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

Meeting Date: October 24, 2018

Item type: Regular Item

Caption:

Consider approving a Resolution for COSADC membership in the Texas Midwest Community Network (Presentation made by Guy Andrews, Director of Economic Development)

Summary/History:

Texas Midwest Community Network (TMCN) was founded in 1994 to provide a means by which communities in the region could work together to accomplish what one community cannot do alone. Each program and activity sponsored by TMCN is designed to accomplish the goals outlined in the Mission Statement and allow members the opportunity to share ideas and collaborate when possible. Membership in TMCN is comprised of communities within the West Central Texas region with each member community represented by a delegate and alternate.

At the regular COSADC meeting on September 26, 2018 staff presented an item regarding TMCN for Board consideration. As a result of that presentation was for staff to prepare an Agenda Item for the October 24, 2018 Board Meeting to consider approval of membership in TMCN.

The resolution and supporting documentation are attached.

Financial Impact:

\$5,000 from Acct. 452-900 Future Projects to 412-000 Partner Affiliations; Budget amendment required.

Other Information/Recommendation:

Attachments:

- | | | |
|----|---|--|
| 1. | 18-XXXX_COSADC_TMCN_MEMBERSHIP_RESO | 18-XXXX_COSADC_TMCN_MEMBERSHIP_RESO.docx |
| 2. | TMCN Power Point | TMCN Power Point.pdf |
| 3. | MEMBERSHIP IN THE TEXAS MIDWEST COMMUNITY NETWORK | MEMBERSHIP IN THE TEXAS MIDWEST COMMUNITY NETWORK.docx |

Presentation:

Approvals/Reviews:

Shannon Scott
Theresa James
Candice Blake
Tina Dierschke

Created/Initiated
Approved
Approved
Approved

Guy Andrews

Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION AUTHORIZING CORPORATE MEMBERSHIP IN THE “TEXAS MIDWEST COMMUNITY NETWORK” (TMCN), A REGIONAL ORGANIZATION FOR NETWORKING COMMUNITY LEADERS AND COORDINATING ECONOMIC DEVELOPMENT PROGRAMS TO BENEFIT THE REGION; DIRECTING THE BOARD PRESIDENT TO EXECUTE A MEMBERSHIP APPLICATION AND RELATED DOCUMENTS; APPROVING AN ANNUAL MEMBERSHIP FEE OF UP TO \$5,000; AND, DIRECTING THE BOARD PRESIDENT WITH ASSISTANCE OF THE DIRECTOR OF ECONOMIC DEVELOPMENT TO PURSUE REPRESENTATION OF THE CORPORATION ON THE TMCN BOARD OF DIRECTORS.

WHEREAS, the City of San Angelo Development Corporation is a type 4B development corporation organized pursuant to the Texas Development Corporation Act and is authorized to expend not more than ten percent of corporate revenues for promotional purposes; and,

WHEREAS, regional economic development networking organizations provide the means for collaboration, the pooling and leveraging of otherwise limited marketing resources, taking advantage of scale, expanding the capacity for growth, securing political support, and boosting regional economic development; and,

WHEREAS, “The Texas Midwest Community Network” is a regional economic development networking organization made up of over fifty development corporation and community members, collaborating to achieve economic and community growth in the region; and,

WHEREAS, the board has determined that membership in the TMCN will serve the purposes of the corporation to develop and expand business, commerce, industry, higher education and job training in the San Angelo region;

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

Corporate membership in the “Texas Midwest Community Network” a regional organization for networking community leaders and coordinating economic development programs to benefit the region is hereby authorized. The Board President is directed to execute a membership application and related documents for an annual membership fee not to exceed \$5,000, subject to ratification by City Council. The Board President is further authorized, with assistance of the Director of Economic Development, to pursue representation of the corporation on the TMCN board of directors.

PASSED, APPROVED, and ADOPTED on this the 24th day of October, 2018.

CITY OF SAN ANGELO DEVELOPMENT
CORPORATION

By: _____

Edward Carrasco, President

ATTEST:

By: _____

Nora Nevarez, Corporation Secretary

RATIFIED by City Council this 6th day of November, 2018.

Brenda Gunter, Mayor

ATTEST:

Bryan Kendrick, City Clerk

The Texas Midwest Community Network membership

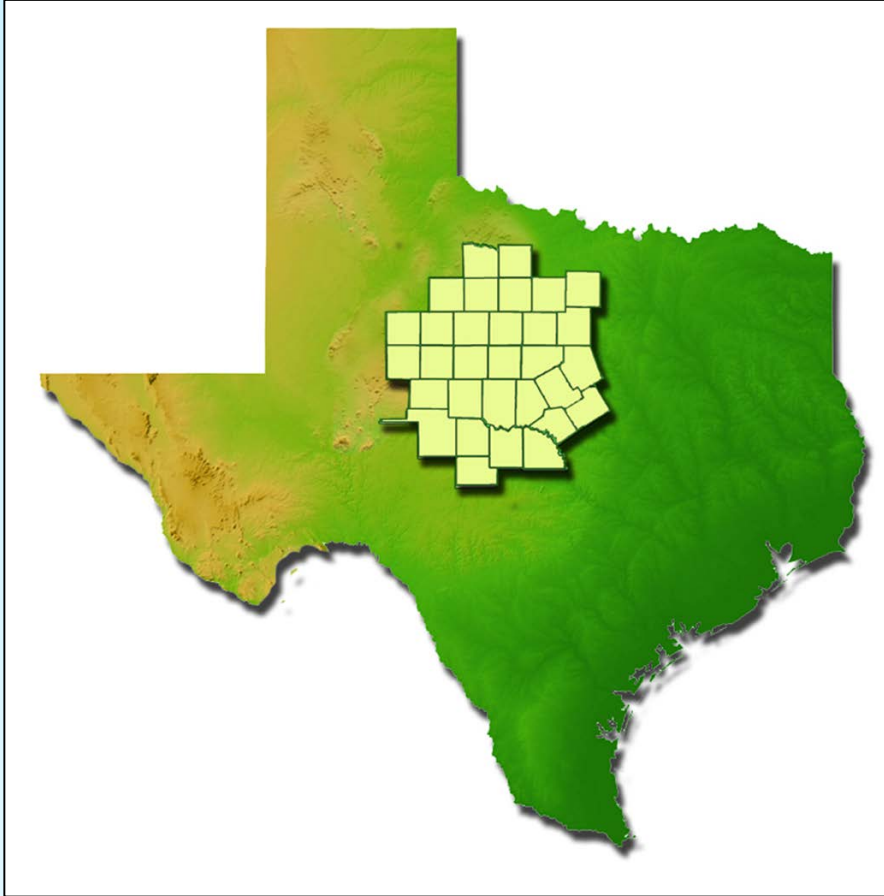
Presentation by:

Guy Andrews

Director of Economic Development



Texas Midwest Community Network



Texas Midwest Community Network

The rationale for joining TMCN is the same as that for participation in The High Ground of Texas but on a smaller scale.

Membership in TMCN is \$5,000 annually.

MEMBERSHIP IN THE TEXAS MIDWEST COMMUNITY NETWORK

TMCN:

<https://www.facebook.com/TexasMidwest/>

<http://myemail.constantcontact.com/Your-TMCN-E-Update-Has-Arrived-.html?soid=1102938290336&aid=XNQgoWykU30>

– Provides some good examples of the things TMCN is doing.

Membership in TMCN is \$5,000 annually.

Funding would be included in the 2018-2019 Budget under 41200 Partner Affiliations which currently contains Ports-to-Plains - (\$60,297) and I-14 - (\$15,000) memberships. Since the Budget has already been approved, a budget amendment would be required and I suggest that dollars could be reallocated from 452900 Future Projects.

COSADC Board in September 26th Meeting directed staff to bring this item to the October 24th Meeting to consider approving membership in these regional organizations.

Guy Andrews and Michael Looney have been in discussion with Kevin Carter, Executive Director of the High Ground of Texas, and Kathy Keane, Executive Director of the Texas Midwest Community Network (TMCN) concerning re-instating our memberships in these regional economic development organizations. Michael Looney and I are firm believers in the value of San Angelo being a part of both of these organizations. In my opinion, the major advantage of a regional approach is that communities can achieve more by working together. Regional economic development organizations allow for increased coordination and communication, resulting in more efficient use of resources. Regions are able to pool and leverage limited resources to ensure the broad region is appropriately served. This collaboration facilitates an environment where stakeholders can address issues that once put them at odds with each other. Additionally, larger groups are more effective at voicing issues of a collective concern than smaller local divisions; thus, maximizing political influence. I do not think we should view San Angelo as a “fortress” unto itself, but a city that has been blessed and in turn blesses others around us that may not have the same advantages. Annual membership in The High Ground of Texas is \$15,000 annually, and TMCN is \$5,000 annually. I will be bringing a request for funding to the September 26th COSADC Board meeting.

In summary:

- ★ **Collaboration:** A long-standing code of conduct in The High Ground is: Help your Neighbor. The attitude of “What’s good for one is good for all” continues to breed successful ventures. When you choose to join the High Ground city, expect a “package deal” – a friendly region that will help support you.
- ★ **Networking:** The High Ground of Texas is a 75 member strong organization that has experienced everything you can imagine in the world of Economic Development from big city to small town USA. Our members are willing to help with anything your organization may need.
- ★ **Professional Development:** The High Ground offers two meetings a year and various training sessions to help you stay informed on industry trends and the latest news in the world of Economic Development.
- ★ **Strong Legislative Voice:** The High Ground has 3 State Senators and 10 State Representatives in our area that support the Economic Development needs of our area.

Report to Board



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

Meeting Date: October 24, 2018

Item type: Executive Session Item

Caption:

Sec. 551.072. Deliberation Regarding Real Property. A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Robert Schneeman
Theresa James
Candice Blake
Tina Dierschke
Guy Andrews

Created/Initiated
Approved
Approved
Approved
Final Approval

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

Meeting Date: October 24, 2018

Item type: Executive Session Item

Caption:

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 2018-S224

Project 2018-R905

Project 2018-M193

Project Pak

Principal LED

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Shannon Scott
Theresa James
Candice Blake
Tina Dierschke
Guy Andrews

Created/Initiated
Approved
Approved
Approved
Final Approval

Report to Board



Requestor: Bryan Kendrick, Previous - City Clerk, COSADC,

Meeting Date: October 24, 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
Robert Schneeman

Created/Initiated
Final Approval