

**NOTICE OF REGULAR MEETING OF BOARD OF DIRECTORS OF  
BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)**

**Monday, January 28, 2019 – 5:00 P.M.**

**Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas**

**1. CALL TO ORDER**

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The Bastrop EDC Board reserves the right to convene into Executive Session at any time during the meeting regarding any agenda item in compliance with the Texas Open Meetings Act, Chapter 551 Government Code.  
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**2. PUBLIC COMMENT(S)**

**3. REGULAR BUSINESS & PRESENTATIONS**

- 3.1. Approval of meeting minutes of the Bastrop EDC Regular Board Meeting of December 17, 2018. **(page 3)**
- 3.2. Acceptance of the Bastrop EDC's financial summary reports for periods ending November 30, 2018, and December 31, 2018. **(page 6)**
- 3.3. Consideration, discussion and possible action on Resolution R-2019-0001 approving an amendment to the agreement with 921 Bastrop, LLC. **(page 35)**
- 3.4. Consideration, discussion and possible action on Resolution R-2019-0002 approving a single amendment to the agreement with AEI Technologies to provide the payment for the 6<sup>th</sup> full-time employee in the amount of \$9,333.00. **(page 42)**
- 3.5. Consideration, discussion and possible action on Resolution R-2019-0003 approving a twenty (20%) percent match to the City of Bastrop's grant pledge for the completion of Agnes Street that will have an immediate, significant economic impact to Bastrop by making large tract properties accessible and marketable for industry attraction. **(pg 60)**
- 3.6. Update on EDC staff activities (e.g., marketing, prospects, projects, agreements, events, and other updates). **(page 64)**

**4. EXECUTIVE SESSION**

- 4.1. The Bastrop EDC Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:
  - (1) **Section 551.071** Consultation with Attorney: 921 Main Street
  - (2) **Section 551.071** Consultation with Attorney: AEI Technologies
  - (3) **Section 551.071** Consultation with Attorney, **551.072** Deliberation about the purchase, exchange, lease, or value of real property, **551.087** Deliberation regarding economic development negotiations: 'Project Kitchen'
- 4.2. The Bastrop EDC Board of Directors will reconvene into open session to discuss, consider and/or take any action necessary related to the executive sessions noted herein.

## 5. ADJOURNMENT

### CERTIFICATE

I, Angela Ryan, Assistant Director of the Bastrop Economic Development Corporation (Bastrop EDC), certify that this Notice of Meeting was posted on the front window of the Bastrop EDC offices, 301 Hwy 71 W., Suite 214, at the Bastrop City Hall, 1311 Chestnut Street, and on the Bastrop EDC's website on this the 24th day of January 2019 at 5:00 p.m. Copies of this agenda have been provided to those members of the media requesting such information.

*Angela Ryan*

Angela Ryan, BEDC Assistant Director

THE BASTROP ECONOMIC DEVELOPMENT CORPORATION IS COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. REASONABLE MODIFICATIONS AND EQUAL ACCESS WILL BE PROVIDED UPON REQUEST. PLEASE CALL 512-303-9700.



## Agenda Item: 3.1

# AGENDA MEMORANDUM

Meeting Date: January 28, 2019

Agenda Item: Approval of meeting minutes of the Bastrop EDC Regular Board Meeting of December 17, 2018.

Prepared by: Angela Ryan, Assistant Director

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The draft minutes from the Regular Board Meeting of December 17, 2018, are attached for the Board's review.

Attachments:

Draft minutes from the Regular Board Meeting of December 17, 2018

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**Recommendation** – Approve the meeting minutes as submitted.

**[RECOMMENDED MOTION]** – I move to approve the minutes as submitted.

**BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)**  
**BOARD OF DIRECTORS**  
**Minutes of Monthly Meeting, December 17, 2018**  
**Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas**

The Bastrop Economic Development Corporation (BEDC) met on Monday, December 17, 2018, at 5:00 p.m. at Bastrop City Hall, 1311 Chestnut Street, for a Monthly Meeting. Board members present: Kevin Plunkett, Jeff Haladyna, Kathryn Nash, Sam Kier, Pat Crawford and Connie Schroeder. Board member Ron Spencer was not present. Staff members present: Mike Kamerlander, Jean Riemenschneider, Phallan Davis and Kathy Merrifield. BEDC Attorney Cameron Cox was also in attendance.

1. **CALL TO ORDER** – Board Chair Kathryn Nash called the Board Meeting to order at 5:00 p.m. and immediately asked if there was a motion to meet in Executive Session to discuss 921 Main Street. Mr. Kier made the motion, Mr. Plunkett seconded, and the motion passed.

2. **EXECUTIVE SESSION**

2.1. At 5:01 p.m., the Bastrop EDC Board of Directors met in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:

(1) **Section 551.071** Consultation with Attorney.

2.2. At 5:22 p.m., the Bastrop EDC Board of Directors reconvened into open session to discuss, consider and/or take any action necessary related to the executive sessions noted herein. Ms. Nash moved Item 4.4 under Regular Business & Presentations to the first item of discussion.

3. **PUBLIC COMMENT(S)** – Richard Smarzik spoke regarding Item 4.4.

4. **REGULAR BUSINESS & PRESENTATIONS**

4.1. Approval of meeting minutes of the Bastrop EDC Regular Board Meeting of October 15, 2018. Ms. Crawford made the motion to approve the minutes as submitted, Mr. Kier seconded, and the motion passed.

4.2. Acceptance of the Bastrop EDC's financial summary reports for periods ending September 30, 2018, and October 31, 2018. Mr. Kier made the motion to accept both sets of financials as submitted, Mr. Plunkett seconded, and the motion passed.

4.3. Consideration, discussion and possible action on Resolution R-2018-0009 approving the Executive Director's hiring of a strategic planning consulting firm and the execution of any necessary agreements with the consulting firm under Texas Local Government Code Section 505.102. Mr. Kamerlander presented proposals from four firms and made his recommendation. Mr. Plunkett made the motion to approve Resolution R-2018-0009 between the BEDC and Garner Economics, Mr. Kier seconded, and the motion passed.

4.4. Consideration, discussion and possible action on Resolution R-2018-0010 approving an expenditure for remediation of the lot at 921 Main Street, Bastrop, Texas, in an amount not to exceed \$10,000. This item was moved to the first item of discussion under Regular Business. Mr. Kamerlander explained the necessity to move forward with the first step of remediating the exposed brick walls of the businesses on either side of 921 Main Street. Public comment was heard from Mr. Smarzik. Mr. Kier made the motion to approve Resolution R-2018-0010, Mr. Plunkett seconded, and the motion passed.

4.5. Update on EDC staff activities (e.g., marketing, prospects, projects, events, and other updates). Mr. Kamerlander welcomed Phallan Davis and introduced her to the Board as the EDC Marketing and Communications Manager. He then presented October and November staff activities, including metrics for the EDC website, social media and projects.

5. **ADJOURNMENT** – Board Chair Kathryn Nash adjourned the meeting at 6:32 pm.

DRAFT

APPROVED: \_\_\_\_\_  
Kathryn Nash, Board Chair

ATTEST: \_\_\_\_\_  
Kathy Merrifield, EDC Assistant



## Agenda Item: 3.2

# AGENDA MEMORANDUM

Meeting Date: January 28, 2019

Agenda Item: Acceptance of the Bastrop EDC's financial summary reports for periods ending November 30, 2018, and December 31, 2018.

Prepared by: Mike Kamerlander, Executive Director

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Attached for the Board's review and consideration are the BEDC financial summary reports for the periods ending November 30, 2018, and December 31, 2018.

Attachment:

Financial Summaries for periods ending November 30, 2018, and December 31, 2018

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**Recommendation** – Accept both financial summary reports as submitted.

**[RECOMMENDED MOTION]** – I move to accept the November and December BEDC financial summary reports as submitted.

# Bastrop Economic Development Corporation

## Financial Summary For Period Ending November 2018

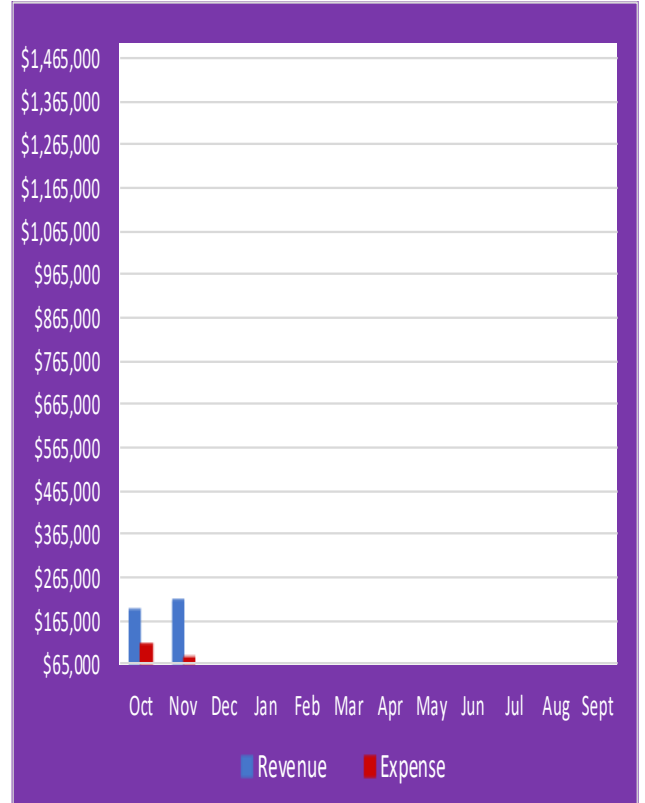


# Summary of Revenues and Expenditures

## As of Nov. 30, 2018



<u>Month</u>	<u>FY2019 Revenue</u>	<u>FY2019 Expense</u>	<u>Monthly Variance</u>
Oct	\$ 188,063	\$ 107,119	\$ 80,944
Nov	208,065	80,898	\$ 127,167
Dec			
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sept			
<b>Total</b>	<b>\$ 396,128</b>	<b>\$ 188,017</b>	<b>\$ 208,111</b>



Positive

Overall the revenue to expenditure comparison reflects a positive variance year to date.





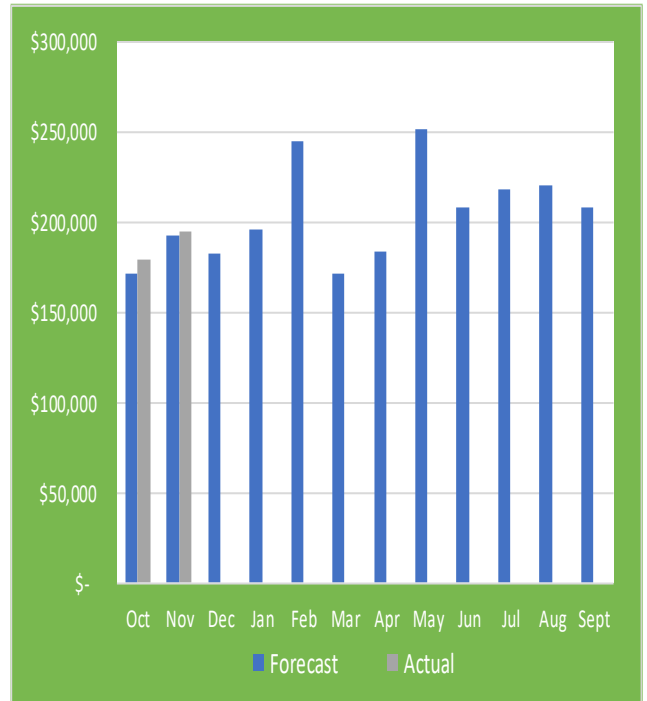
01/24/2019  
**Summary of Sales Tax Revenue**  
 As of Nov. 30, 2018



**REVENUE ANALYSIS**

**SALES TAX REVENUE**

<u>Month</u>	FY2019 <u>Forecast</u>	FY2019 <u>Actual</u>	Monthly <u>Variance</u>
Oct	\$ 171,165	\$ 178,959	\$ 7,794
Nov	192,394	194,036	\$ 1,642
Dec	181,978		
Jan	195,618		
Feb	244,522		
Mar	171,165		
Apr	183,392		
May	250,872		
Jun	207,844		
Jul	218,358		
Aug	220,070		
Sept	207,844		
<b>Total</b>	<b>\$ 2,445,222</b>	<b>\$ 372,995</b>	<b>\$ 9,436</b>
Forecast YTD	\$ 363,559		
Actual to Forecast	\$ 9,436	2.6%	



Positive

Sales Tax revenue is 75% of total revenue. The amount in Oct. and Nov. are estimated due to the timing of receiving the payments. The State Comptroller has a two month lag between month earned and month distributed. The Actual to forecast year to date is a positive 2.6%.



# Expenditures Budget to Actual Comparison

## As of Nov. 30, 2018



### OPERATING EXPENDITURES COMPARISON

<u>Category</u>	<u>FY2019 Forecast</u>	<u>FY2019 Actual</u>	<u>Monthly Variance</u>
Personnel	\$ 57,280	\$ 55,192	\$ 2,088
Supplies & Material	3,105	4,330	\$ (1,225)
Maintenance & Repairs	4,315	3,575	\$ 740
Occupancy	8,530	11,764	\$ (3,234)
Contractual Service	73,132	77,894	\$ (4,762)
Marketing/Advertising	50,555	33,683	\$ 16,872
Contingency	-	-	\$ -
Debt Service	-	-	\$ -
<b>Total</b>	<b>\$ 196,917</b>	<b>\$ 186,438</b>	<b>\$ 10,479</b>

Forecast to Actual % 5.32%

Positive

The forecast to actual comparison is a positive 5.3% year-to-date.



# Expenditures Budget to Actual Comparison

## As of Nov. 30, 2018



### CAPITAL OUTLAY PROJECTS

<u>Project</u>	<u>FY2019 Budget</u>	<u>FY2019 Actual</u>	<u>Budget Balance</u>
<b>Trail System Downtown Loop</b> (only engineering and permitting expenses so far)	\$ 629,218	\$ 805	\$ 628,413
<b>Bus. Ind. Park-Tech/MLK Infra</b> (only engineering expenses so far)	1,157,000	1,486	\$ 1,155,514
<b>Agnes/Home Depot Way Infra</b> Engineering & Corp. portion of construction improvements	878,466	(713)	\$ 879,179
			\$ -
<b>Total</b>	<b>\$ 2,664,684</b>	<b>\$ 1,578</b>	<b>\$ 2,663,106</b>

These projects are funded by various funds including 2013 Bond funds, operating funds and 2018 Bond funds.






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## BASTROP ECONOMIC DEVELOPMENT CORPORATION FUND FY 2018-2019 BUDGET

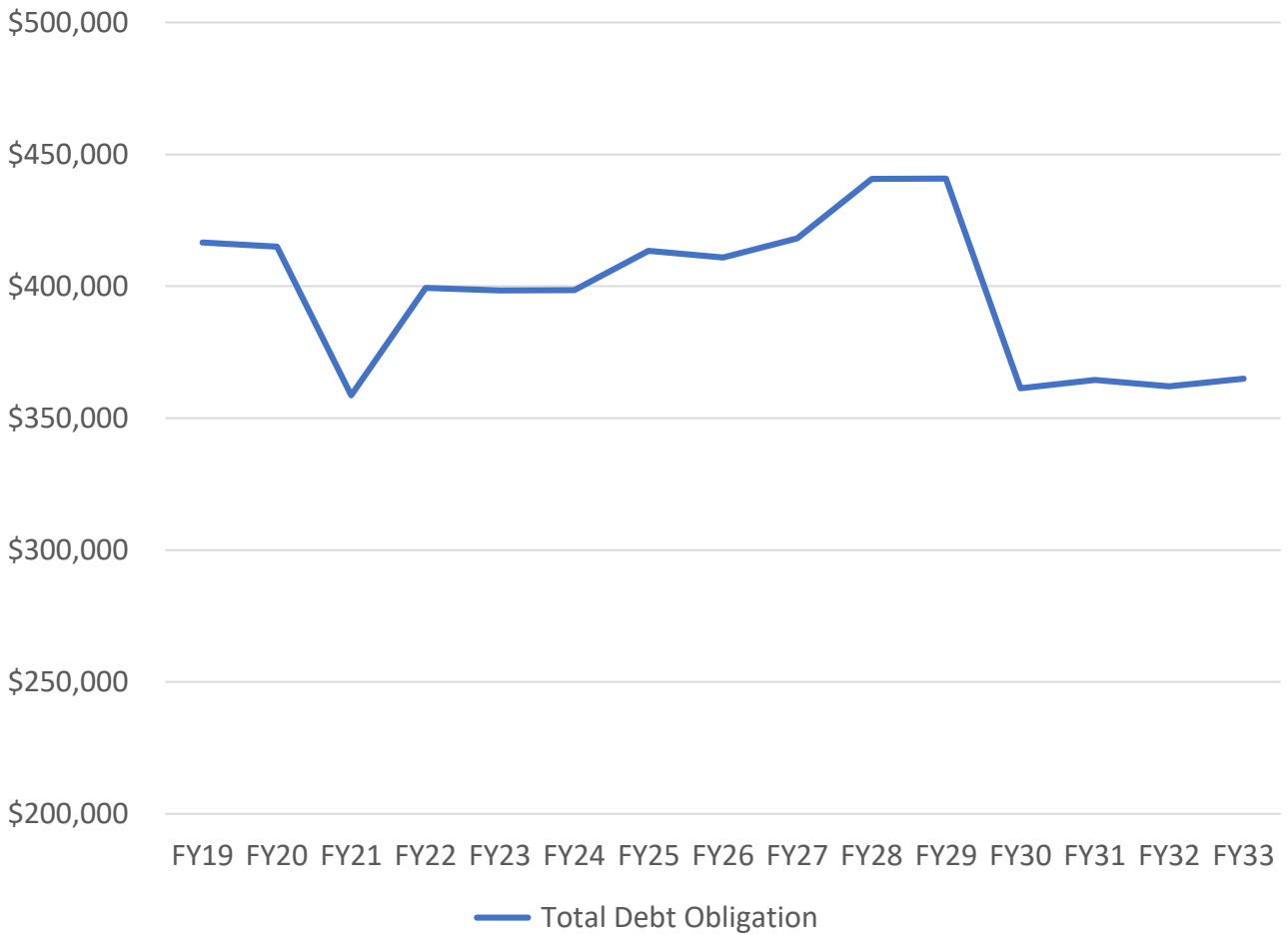
Unaudited Operating Fund Balance 9-30-2018	\$	5,069,820
 <b>FY 2018-2019</b>		
Budgeted		
Revenues	\$	<u>3,228,020</u>
Total FY 2018 Resources	\$	8,297,840
 Budgeted Expenditures:		
Operating Expenses	\$	(2,456,990)
Capital Expenses	\$	(2,664,684)
Debt Service	\$	<u>(462,828)</u>
	\$	(5,584,502)
Projected Ending Gross Fund Balance 09-30-2019	\$	2,713,338
 Reserve 25% of Operating Expense	 \$	 614,248

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\* The projected operating balance includes a \$150,000 reduction for designated operating equity.



### Total Debt Obligation



BEDC Financial Statements attached

601-BASTROP E.D.C. FUND

REVENUES	PRIOR Y-T-D	CURRENT BUDGET	M-T-D ACTUAL	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>TAXES &amp; PENALTIES</u>						
00-00-4005 SALES TAX	370,109.86	2,445,220.00	194,036.23	372,994.89	2,072,225.11	15.25
TOTAL TAXES & PENALTIES	370,109.86	2,445,220.00	194,036.23	372,994.89	2,072,225.11	15.25
<u>CHARGES FOR SERVICES</u>						
00-00-4047 LEASE AGREEMENT	2,300.00	13,800.00	1,150.00	2,300.00	11,500.00	16.67
TOTAL CHARGES FOR SERVICES	2,300.00	13,800.00	1,150.00	2,300.00	11,500.00	16.67
<u>OTHER REVENUE</u>						
<u>INTEREST INCOME</u>						
00-00-4400 INTEREST INCOME	7,697.33	53,000.00	12,854.96	20,781.80	32,218.20	39.21
00-00-4401 INTEREST RECEIVED ON NOTES	130.87	1,000.00	24.20	51.79	948.21	5.18
TOTAL INTEREST INCOME	7,828.20	54,000.00	12,879.16	20,833.59	33,166.41	38.58
<u>MISCELLANEOUS</u>						
00-00-4512 LAND/OTHER SALES	0.00	100,000.00	0.00	0.00	100,000.00	0.00
00-00-4558 BEDC GRANT RECEIPTS	0.00	615,000.00	0.00	0.00	615,000.00	0.00
TOTAL MISCELLANEOUS	0.00	715,000.00	0.00	0.00	715,000.00	0.00
<u>TRANSFERS-IN</u>						
<u>OTHER SOURCES</u>						
** TOTAL REVENUE **	380,238.06	3,228,020.00	208,065.39	396,128.48	2,831,891.52	12.27

601-BASTROP E.D.C. FUND

EXPENDITURES	PRIOR Y-T-D	CURRENT BUDGET	M-T-D ACTUAL	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
DUE TO/FROM						
=====						
00-NON-PROGRAM						
=====						
BADC ADMINISTRATION						
=====						
00-NON-PROGRAM						
=====						
<u>PERSONNEL COSTS</u>						
70-00-5101 BEDC OPERATIONAL SALARIES	35,473.49	270,482.00	22,070.92	40,967.85	229,514.15	15.15
70-00-5116 LONGEVITY	549.84	597.00	579.00	579.00	18.00	96.98
70-00-5150 SOCIAL SECURITY	2,697.39	20,770.00	1,693.15	3,129.37	17,640.63	15.07
70-00-5151 RETIREMENT	4,235.36	31,283.00	2,613.12	4,793.36	26,489.64	15.32
70-00-5155 GROUP INSURANCE	6,384.64	35,739.00	2,516.18	5,628.63	30,110.37	15.75
70-00-5156 WORKER'S COMPENSATION	<u>93.54</u>	<u>507.00</u>	<u>0.00</u>	<u>93.54</u>	<u>413.46</u>	<u>18.45</u>
TOTAL PERSONNEL COSTS	49,434.26	359,378.00	29,472.37	55,191.75	304,186.25	15.36
<u>SUPPLIES &amp; MATERIALS</u>						
70-00-5201 OPERATIONAL SUPPLIES (OFFIC	719.70	7,000.00	493.96	493.96	6,506.04	7.06
70-00-5203 POSTAGE	0.00	360.00	0.00	0.00	360.00	0.00
70-00-5206 OFFICE EQUIPMENT	<u>1,154.07</u>	<u>16,000.00</u>	<u>3,836.08</u>	<u>3,836.11</u>	<u>12,163.89</u>	<u>23.98</u>
TOTAL SUPPLIES & MATERIALS	1,873.77	23,360.00	4,330.04	4,330.07	19,029.93	18.54
<u>MAINTENANCE &amp; REPAIRS</u>						
70-00-5301 MAINT OF EQUIPMENT	0.00	1,000.00	0.00	0.00	1,000.00	0.00
70-00-5331 INDUSTRIAL PARK MAINT EXP	200.00	20,200.00	2,500.00	2,900.00	17,300.00	14.36
70-00-5345 BUILDING REPAIRS & MAINT.	<u>400.00</u>	<u>4,333.00</u>	<u>275.00</u>	<u>675.00</u>	<u>3,658.00</u>	<u>15.58</u>
TOTAL MAINTENANCE & REPAIRS	600.00	25,533.00	2,775.00	3,575.00	21,958.00	14.00
<u>OCCUPANCY</u>						
70-00-5401 COMMUNICATIONS	1,506.18	8,880.00	1,399.78	1,674.78	7,205.22	18.86
70-00-5402 OFFICE RENTAL	9,900.00	109,625.00	3,300.00	9,900.00	99,725.00	9.03
70-00-5403 UTILITIES	<u>0.00</u>	<u>4,900.00</u>	<u>189.61</u>	<u>189.61</u>	<u>4,710.39</u>	<u>3.87</u>
TOTAL OCCUPANCY	11,406.18	123,405.00	4,889.39	11,764.39	111,640.61	9.53



601-BASTROP E.D.C. FUND

EXPENDITURES	PRIOR Y-T-D	CURRENT BUDGET	M-T-D ACTUAL	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>CONTRACTUAL SERVICES</u>						
70-00-5505 PROFESSIONAL SERVICES	6,500.00	99,500.00	6,288.01	10,438.01	89,061.99	10.49
70-00-5518 AUDIT	0.00	10,000.00	0.00	0.00	10,000.00	0.00
70-00-5525 LEGALS	0.00	30,000.00	1,465.00	1,465.00	28,535.00	4.88
70-00-5526 LEGAL PROJECTS	0.00	12,000.00	526.50	526.50	11,473.50	4.39
70-00-5530 ENGINEERING	0.00	15,000.00	0.00	0.00	15,000.00	0.00
70-00-5540 PROPERTY INSURANCE	243.94	1,250.00	0.00	257.20	992.80	20.58
70-00-5561 CONTRACTUAL SERVICES	1,000.00	0.00	5,828.02	10,874.04	( 10,874.04)	0.00
70-00-5574 CITY PROJECTS & PROGRAMS	0.00	551,600.00	0.00	0.00	551,600.00	0.00
70-00-5575 CITY SHARED SERVICES	0.00	7,500.00	0.00	0.00	7,500.00	0.00
70-00-5580 BIP TECHNOLOGY/MLK INFRASTR	103,200.00	103,200.00	0.00	43,000.00	60,200.00	41.67
70-00-5596 MAIN STREET PROG SUPPORT	8,333.34	50,000.00	4,166.67	8,333.34	41,666.66	16.67
70-00-5598 CITY ADMINISTRATIVE SUPPORT	3,000.00	18,000.00	1,500.00	3,000.00	15,000.00	16.67
TOTAL CONTRACTUAL SERVICES	122,277.28	898,050.00	19,774.20	77,894.09	820,155.91	8.67
<u>OTHER CHARGES</u>						
70-00-5603 MARKETING TRAVEL	2,565.17	28,000.00	3,765.96	3,765.96	24,234.04	13.45
70-00-5604 BUSINESS DEVELOPMENT	1,057.05	10,000.00	248.11	344.11	9,655.89	3.44
70-00-5605 TRAINING TRAVEL	2,757.91	12,000.00	3,110.02	6,690.22	5,309.78	55.75
70-00-5606 AUTO ALLOWANCE - STAFF	0.00	9,000.00	263.96	263.96	8,736.04	2.93
70-00-5615 DUES, SUBSCRIPTIONS & PUBLI	5,360.50	24,000.00	2,817.32	2,939.49	21,060.51	12.25
70-00-5631 BONDS FOR BEDC OFFICERS	885.50	1,000.00	0.00	966.00	34.00	96.60
70-00-5633 LOCAL/MISC ADV & SPONSORSHI	1,053.74	15,750.00	258.00	633.00	15,117.00	4.02
70-00-5634 NATIONAL/REG ADV & MARKETIN	2,146.75	45,000.00	375.00	535.00	44,465.00	1.19
70-00-5636 DIGITAL ADV & MARKETING	0.00	10,000.00	0.00	0.00	10,000.00	0.00
70-00-5637 SPECIAL ADV & MARKETING	0.00	12,000.00	0.00	0.00	12,000.00	0.00
70-00-5640 SPL PROJ-REDEVELOPMENT GRAN	0.00	50,000.00	0.00	0.00	50,000.00	0.00
70-00-5641 SPL EDUC & WORKFORCE DEVELO	12,524.37	30,000.00	0.00	10,294.85	19,705.15	34.32
70-00-5642 SPL ENTREPRENEURIAL/SM BUS	155.05	20,000.00	0.00	0.00	20,000.00	0.00
70-00-5643 SPL RETAIL RECRUITING	6,095.00	24,000.00	7,250.00	7,250.00	16,750.00	30.21
70-00-5644 380 AGREEMENT REIMBURSEMENT	0.00	385,000.00	0.00	0.00	385,000.00	0.00
70-00-5645 WATER RIGHTS PROP FUNDING	0.00	60,000.00	0.00	0.00	60,000.00	0.00
70-00-5646 LAND/GRANT REBATES	5,000.00	82,979.00	0.00	0.00	82,979.00	0.00
70-00-5649 SPL PRJT DISASTER RELIEF GR	0.00	10,000.00	0.00	0.00	10,000.00	0.00
70-00-5650 SPL PRJT BUS RETEN & EXPAN	0.00	5,000.00	0.00	0.00	5,000.00	0.00
70-00-5689 OPPORTUNITY AUSTIN	0.00	10,000.00	0.00	0.00	10,000.00	0.00
70-00-5690 CASH INCENTIVE	0.00	123,535.00	0.00	0.00	123,535.00	0.00
70-00-5691 CLOSING COSTS	0.00	35,000.00	0.00	0.00	35,000.00	0.00
TOTAL OTHER CHARGES	39,601.04	1,002,264.00	18,088.37	33,682.59	968,581.41	3.36

601-BASTROP E.D.C. FUND

EXPENDITURES	PRIOR Y-T-D	CURRENT BUDGET	M-T-D ACTUAL	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>CONTINGENCY</u>						
70-00-5900 CONTINGENCY	0.00	25,000.00	0.00	0.00	25,000.00	0.00
TOTAL CONTINGENCY	0.00	25,000.00	0.00	0.00	25,000.00	0.00
<u>CAPITAL OUTLAY</u>						
70-00-6713 TRAIL SYS FROM ESKEW TO HWY	1,266.73	629,218.00	805.00	805.00	628,413.00	0.13
70-00-6715 BIP TECHNOLOGY/MLK INFRASTR	183.00	1,157,000.00	1,486.25	1,486.25	1,155,513.75	0.13
70-00-6716 AGNES/HOME DEPOT INFRASTRUC	0.00	878,466.00	( 723.05)	( 713.05)	879,179.05	0.08-
TOTAL CAPITAL OUTLAY	1,449.73	2,664,684.00	1,568.20	1,578.20	2,663,105.80	0.06
<u>DEBT SERVICE</u>						
70-00-7133 C OF O SERIES 2013 PRINCIPL	0.00	76,000.00	0.00	0.00	76,000.00	0.00
70-00-7134 C OF O SERIES 2013 INTEREST	0.00	94,469.00	0.00	0.00	94,469.00	0.00
70-00-7137 C OF O SERIES 2010 PRINCIPA	0.00	49,274.00	0.00	0.00	49,274.00	0.00
70-00-7138 C OF O SERIES 2010 INTEREST	0.00	7,876.00	0.00	0.00	7,876.00	0.00
70-00-7156 GO REFUNDING 2017-INT	0.00	20,000.00	0.00	0.00	20,000.00	0.00
70-00-7605 BOND PRINCIPAL 2018	0.00	60,000.00	0.00	0.00	60,000.00	0.00
70-00-7606 BOND INTEREST 2018	0.00	47,319.00	0.00	0.00	47,319.00	0.00
TOTAL DEBT SERVICE	0.00	354,938.00	0.00	0.00	354,938.00	0.00
TOTAL 00-NON-PROGRAM	226,642.26	5,476,612.00	80,897.57	188,016.09	5,288,595.91	3.43
ADMINISTRATION =====						
<u>CAPITAL OUTLAY</u>						
<u>DEBT SERVICE</u>						
70-10-7097 INTEREST EXPENSE ON FNB NOT	0.00	500.00	0.00	0.00	500.00	0.00
70-10-7603 BOND PRINCIPAL 2006	0.00	55,000.00	0.00	0.00	55,000.00	0.00
70-10-7604 BOND INTEREST 2006	0.00	5,071.00	0.00	0.00	5,071.00	0.00
70-10-7606 SALES TAX REV BOND 2018 - I	0.00	47,319.00	0.00	0.00	47,319.00	0.00
TOTAL DEBT SERVICE	0.00	107,890.00	0.00	0.00	107,890.00	0.00
TOTAL ADMINISTRATION	0.00	107,890.00	0.00	0.00	107,890.00	0.00
TOTAL BEDC ADMINISTRATION	226,642.26	5,584,502.00	80,897.57	188,016.09	5,396,485.91	3.37
*** TOTAL EXPENSES ***	226,642.26	5,584,502.00	80,897.57	188,016.09	5,396,485.91	3.37

\*\*\* END OF REPORT \*\*\*

01/24/2019

BALANCE SHEET

AS OF: NOVEMBER 30TH, 2018

601-BASTROP E.D.C. FUND

ACCOUNT# TITLE

ASSETS

=====

00-00-1010	BEDC OPERATING ACCT	99,558.44
00-00-1012	TEXAS CLASS	2,015,989.09
00-00-1100	TEXPOOL	3,349,918.54
00-00-1135	DREYFUS MM ACCT	4,668.59
00-00-1141	CERTIFICATE OF DEPOSIT FN	537,000.00
00-00-1224	ACCT RECEIVABLE-SALES TAX	371,036.23
00-00-1272	NOTES RECEIVABLE-GARMENT	8,334.11
00-00-1274	NOTES RECEIVABLE-GTG-LOAN	3,332.55
00-00-1275	NOTES RECEIVABLE-GTG-LOAN	3,732.05
00-00-1276	NOTES RECEIVABLE-GTG-LOAN	88.13
00-00-1420	EQUIPMENT	8,300.77
00-00-1460	FIXED ASSETS - BUILDING	845,593.73
00-00-1470	FIXED ASSETS - LAND	844,671.06
00-00-1480	FIXED ASSETS - INFRASTRUC	0.18
00-00-1490	CONST IN PROGRESS-INFRAST	591,906.94
00-00-1499	ACCUMULATED DEPRECIATION(	330,597.36)
00-00-1575	DEFERRED OUTFLOWS-PENSION	22,006.00
00-00-1576	DEFERRED OUTFLOWS-ACTUARI	2,122.00
00-00-1577	DEFERRED OUTFLOWS-DEFICIT	20,962.00
00-00-1578	DEFERRED OUTFLOWS-ASSUMPT	2,710.00
		<u>8,401,333.05</u>

TOTAL ASSETS

8,401,333.05

=====

01/24/2019

BALANCE SHEET

AS OF: NOVEMBER 30TH, 2018

601-BASTROP E.D.C. FUND

ACCOUNT# TITLE

LIABILITIES & FUND BALANCE

=====

00-00-2000	ACCOUNTS PAYABLE	10,470.20	
00-00-2001	ACCOUNTS PAYABLE-REGULAR	12,331.04	
00-00-2080	NOTES PAYABLE-CITY-WTR PR	300,000.00	
00-00-2081	NOTES PAYABLE-CITY-TDC (	4,165.96)	
00-00-2101	BONDS PAYABLE CURRENT POR	252,774.00	
00-00-2102	TAX/REV 2006 BOND PAYABLE	55,000.00	
00-00-2125	ACCRUED INTEREST PAYABLE	21,043.76	
00-00-2127	ACCRUED EXPENSES-OTHER	37,330.22	
00-00-2235	UNEARNED REVENUE-TOWER	25,300.00	
00-00-2340	DUE TO GENERAL FUND	529.80	
00-00-2346	DUE TO CLEARING FUND	31,365.09	
00-00-2356	DUE TO OTHER GOVERNMENTS	3,000,418.44	
00-00-2376	DEFERRED INFLOW-ACTUARIAL	682.00	
00-00-2405	ENCUMBRANCE ACCOUNT (	30,038.00)	
00-00-2406	RESERVE FOR ENCUMBRANCE	30,038.00	
00-00-2850	NET PENSION LIABLIITY	127,450.00	
00-00-2870	COMPENSATED ABSENCES PAYA	16,320.55	
			<u>3,886,849.14</u>
TOTAL LIABILITIES			3,886,849.14
	SURPLUS (DEFICIT)	208,112.39	
00-00-3000	NET ASSETS	3,575,374.70	
00-00-3119	DESIGNATED OPERATING	150,000.00	
00-00-3400	CONTRIBUTED CAPITAL	521,695.50	
00-00-3502	RESTRICTED - JAMCO	73,644.00	
00-00-3506	RESTRICTED-ELLIOTT PARTN(	0.01)	
00-00-3507	RESTRICTED - AEI TECHNOLO	18,666.00	
00-00-3700	PRIOR PERIOD ADJ	( 33,008.67)	
TOTAL EQUITY			<u>4,514,483.91</u>
TOTAL LIABILITIES & FUND EQUITY			8,401,333.05
			=====

# Bastrop Economic Development Corporation

## Financial Summary For Period Ending December 2018



# Summary of Revenues and Expenditures

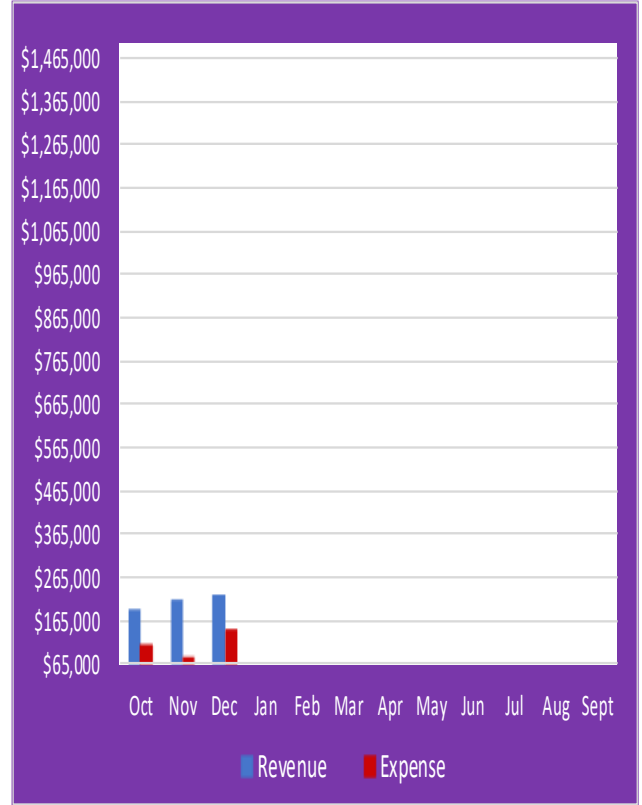
## As of Dec. 31, 2018



### OVERALL FUND PERFORMANCE

### REVENUES VS EXPENSES

Month	FY2019	FY2019	Monthly
	Revenue	Expense	Variance
Oct	\$ 188,063	\$ 107,119	\$ 80,944
Nov	208,065	80,898	\$ 127,167
Dec	221,414	140,654	\$ 80,760
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sept			
<b>Total</b>	<b>\$ 617,542</b>	<b>\$ 328,671</b>	<b>\$ 288,871</b>



Positive

Overall the revenue to expenditure comparison reflects a positive variance year to date.



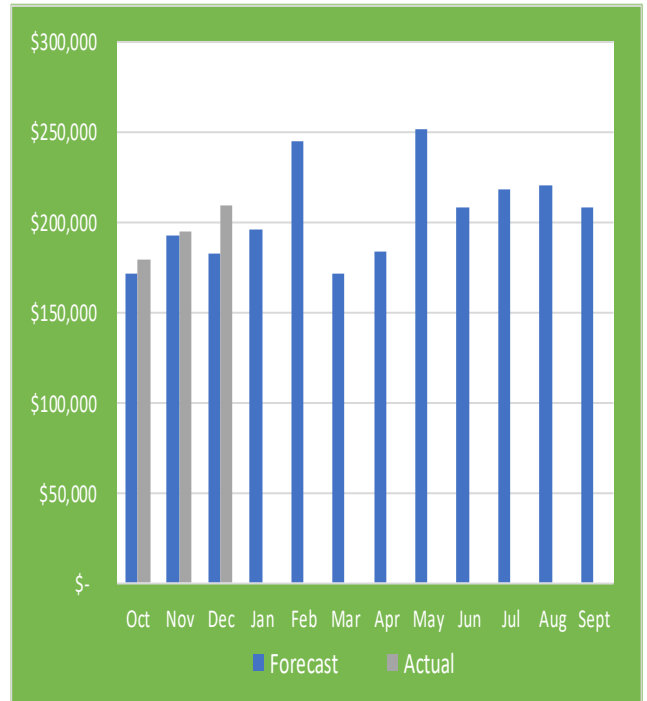
01/24/2019  
**Summary of Sales Tax Revenue**  
 As of Dec. 31, 2018



**REVENUE ANALYSIS**

**SALES TAX REVENUE**

<u>Month</u>	FY2019 <u>Forecast</u>	FY2019 <u>Actual</u>	Monthly <u>Variance</u>
Oct	\$ 171,165	\$ 178,959	\$ 7,794
Nov	192,394	194,036	\$ 1,642
Dec	181,978	208,910	\$ 26,932
Jan	195,618		
Feb	244,522		
Mar	171,165		
Apr	183,392		
May	250,872		
Jun	207,844		
Jul	218,358		
Aug	220,070		
Sept	207,844		



Total	<b>\$ 2,445,222</b>	<b>\$ 581,905</b>	<b>\$ 36,368</b>
Forecast YTD	\$ 545,537		
Actual to Forecast	\$ 36,368	6.7%	

Positive

Sales Tax revenue is 75% of total revenue. The amount in Oct. and Nov. are estimated due to the timing of receiving the payments. The State Comptroller has a two month lag between month earned and month distributed. The Actual to forecast year to date is a positive 6.7%.



# Expenditures Budget to Actual Comparison

## As of Dec. 31, 2018



### OPERATING EXPENDITURES COMPARISON

<u>Category</u>	<u>FY2019 Forecast</u>	<u>FY2019 Actual</u>	<u>Monthly Variance</u>
Personnel	\$ 85,573	\$ 85,625	\$ (52)
Supplies & Material	10,265	7,170	\$ 3,095
Maintenance & Repairs	6,703	3,975	\$ 2,728
Occupancy	12,795	15,554	\$ (2,759)
Contractual Service	85,923	86,475	\$ (552)
Marketing/Advertising	168,733	128,294	\$ 40,439
Contingency	-	-	\$ -
Debt Service	-	-	\$ -
<b>Total</b>	<b>\$ 369,992</b>	<b>\$ 327,093</b>	<b>\$ 42,899</b>

Forecast to Actual % 11.59%

Positive

The forecast to actual comparison is a positive 11.5% year-to-date.





# Expenditures Budget to Actual Comparison

## As of Dec. 31, 2018



### CAPITAL OUTLAY PROJECTS

<u>Project</u>	<u>FY2019 Budget</u>	<u>FY2019 Actual</u>	<u>Budget Balance</u>
<b>Trail System Downtown Loop</b> (only engineering and permitting expenses so far)	\$ 629,218	\$ 805	\$ 628,413
<b>Bus. Ind. Park-Tech/MLK Infra</b> (only engineering expenses so far)	1,157,000	1,486	\$ 1,155,514
<b>Agnes/Home Depot Way Infra</b> Engineering & Corp. portion of construction improvements	878,466	(713)	\$ 879,179
			\$ -
<b>Total</b>	<b>\$ 2,664,684</b>	<b>\$ 1,578</b>	<b>\$ 2,663,106</b>

These projects are funded by various funds including 2013 Bond funds, operating funds and 2018 Bond funds.







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## BASTROP ECONOMIC DEVELOPMENT CORPORATION FUND FY 2018-2019 BUDGET

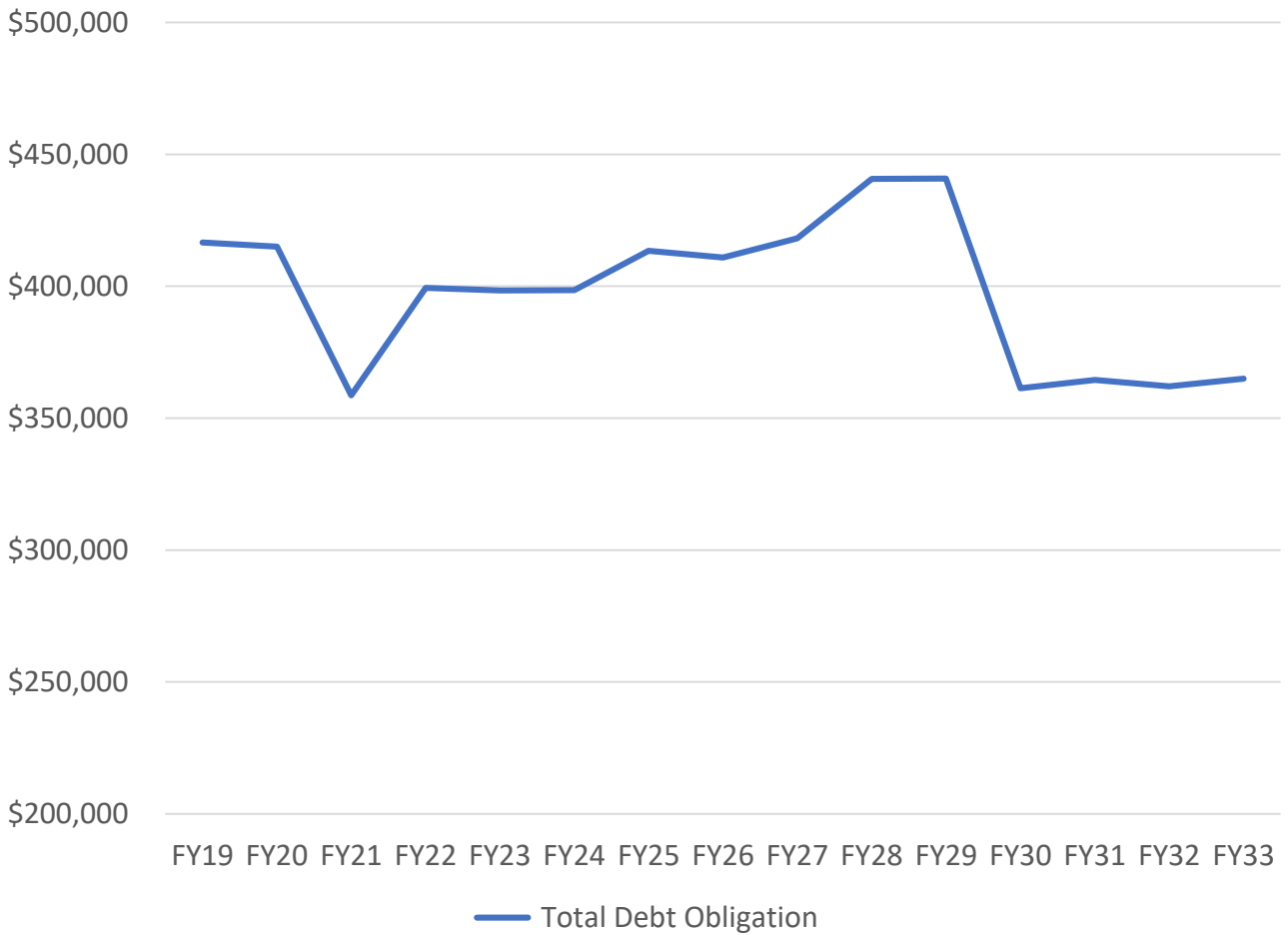
Unaudited Operating Fund Balance 9-30-2018	\$	5,069,820
 <b>FY 2018-2019</b>		
Budgeted		
Revenues	\$	<u>3,228,020</u>
Total FY 2018 Resources	\$	8,297,840
 Budgeted Expenditures:		
Operating Expenses	\$	(2,456,990)
Capital Expenses	\$	(2,664,684)
Debt Service	\$	<u>(462,828)</u>
	\$	(5,584,502)
Projected Ending Gross Fund Balance 09-30-2019	\$	2,713,338
 Reserve 25% of Operating Expense	 \$	 614,248

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\* The projected operating balance includes a \$150,000 reduction for designated operating equity.



### Total Debt Obligation



BEDC Financial Statements attached

601-BASTROP E.D.C. FUND

REVENUES	PRIOR Y-T-D	CURRENT BUDGET	M-T-D ACTUAL	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>TAXES &amp; PENALTIES</u>						
00-00-4005 SALES TAX	548,762.60	2,445,220.00	208,909.68	581,904.57	1,863,315.43	23.80
TOTAL TAXES & PENALTIES	548,762.60	2,445,220.00	208,909.68	581,904.57	1,863,315.43	23.80
<u>CHARGES FOR SERVICES</u>						
00-00-4047 LEASE AGREEMENT	3,450.00	13,800.00	1,150.00	3,450.00	10,350.00	25.00
TOTAL CHARGES FOR SERVICES	3,450.00	13,800.00	1,150.00	3,450.00	10,350.00	25.00
<u>OTHER REVENUE</u>						
<u>INTEREST INCOME</u>						
00-00-4400 INTEREST INCOME	12,040.06	53,000.00	11,333.32	32,115.12	20,884.88	60.59
00-00-4401 INTEREST RECEIVED ON NOTES	191.46	1,000.00	20.79	72.58	927.42	7.26
TOTAL INTEREST INCOME	12,231.52	54,000.00	11,354.11	32,187.70	21,812.30	59.61
<u>MISCELLANEOUS</u>						
00-00-4512 LAND/OTHER SALES	0.00	100,000.00	0.00	0.00	100,000.00	0.00
00-00-4558 BEDC GRANT RECEIPTS	0.00	615,000.00	0.00	0.00	615,000.00	0.00
TOTAL MISCELLANEOUS	0.00	715,000.00	0.00	0.00	715,000.00	0.00
<u>TRANSFERS-IN</u>						
<u>OTHER SOURCES</u>						
** TOTAL REVENUE **	564,444.12	3,228,020.00	221,413.79	617,542.27	2,610,477.73	19.13

601-BASTROP E.D.C. FUND

EXPENDITURES	PRIOR Y-T-D	CURRENT BUDGET	M-T-D ACTUAL	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
DUE TO/FROM =====						
00-NON-PROGRAM =====						
BEDC ADMINISTRATION =====						
00-NON-PROGRAM =====						
<u>PERSONNEL COSTS</u>						
70-00-5101 BEDC OPERATIONAL SALARIES	55,926.23	270,482.00	23,513.32	64,481.17	206,000.83	23.84
70-00-5116 LONGEVITY	549.84	597.00	0.00	579.00	18.00	96.98
70-00-5150 SOCIAL SECURITY	4,236.28	20,770.00	1,690.51	4,819.88	15,950.12	23.21
70-00-5151 RETIREMENT	6,639.62	31,283.00	2,712.90	7,506.26	23,776.74	23.99
70-00-5155 GROUP INSURANCE	8,766.12	35,739.00	2,516.17	8,144.80	27,594.20	22.79
70-00-5156 WORKER'S COMPENSATION	<u>93.54</u>	<u>507.00</u>	<u>0.00</u>	<u>93.54</u>	<u>413.46</u>	<u>18.45</u>
TOTAL PERSONNEL COSTS	76,211.63	359,378.00	30,432.90	85,624.65	273,753.35	23.83
<u>SUPPLIES &amp; MATERIALS</u>						
70-00-5201 OPERATIONAL SUPPLIES (OFFIC	1,001.72	7,000.00	317.60	811.56	6,188.44	11.59
70-00-5203 POSTAGE	0.00	360.00	6.52	6.52	353.48	1.81
70-00-5206 OFFICE EQUIPMENT	<u>1,304.06</u>	<u>16,000.00</u>	<u>2,515.40</u>	<u>6,351.51</u>	<u>9,648.49</u>	<u>39.70</u>
TOTAL SUPPLIES & MATERIALS	2,305.78	23,360.00	2,839.52	7,169.59	16,190.41	30.69
<u>MAINTENANCE &amp; REPAIRS</u>						
70-00-5301 MAINT OF EQUIPMENT	0.00	1,000.00	0.00	0.00	1,000.00	0.00
70-00-5331 INDUSTRIAL PARK MAINT EXP	600.00	20,200.00	0.00	2,900.00	17,300.00	14.36
70-00-5345 BUILDING REPAIRS & MAINT.	<u>600.00</u>	<u>4,333.00</u>	<u>400.00</u>	<u>1,075.00</u>	<u>3,258.00</u>	<u>24.81</u>
TOTAL MAINTENANCE & REPAIRS	1,200.00	25,533.00	400.00	3,975.00	21,558.00	15.57
<u>OCCUPANCY</u>						
70-00-5401 COMMUNICATIONS	2,131.92	8,880.00	319.76	1,994.54	6,885.46	22.46
70-00-5402 OFFICE RENTAL	13,200.00	109,625.00	3,300.00	13,200.00	96,425.00	12.04
70-00-5403 UTILITIES	<u>180.60</u>	<u>4,900.00</u>	<u>170.00</u>	<u>359.61</u>	<u>4,540.39</u>	<u>7.34</u>
TOTAL OCCUPANCY	15,512.52	123,405.00	3,789.76	15,554.15	107,850.85	12.60

601-BASTROP E.D.C. FUND

EXPENDITURES	PRIOR Y-T-D	CURRENT BUDGET	M-T-D ACTUAL	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>CONTRACTUAL SERVICES</u>						
70-00-5505 PROFESSIONAL SERVICES	14,199.00	99,500.00	0.00	10,438.01	89,061.99	10.49
70-00-5518 AUDIT	0.00	10,000.00	0.00	0.00	10,000.00	0.00
70-00-5525 LEGALS	0.00	30,000.00	0.00	1,465.00	28,535.00	4.88
70-00-5526 LEGAL PROJECTS	0.00	12,000.00	0.00	526.50	11,473.50	4.39
70-00-5530 ENGINEERING	1,200.00	15,000.00	0.00	0.00	15,000.00	0.00
70-00-5540 PROPERTY INSURANCE	243.94	1,250.00	0.00	257.20	992.80	20.58
70-00-5561 CONTRACTUAL SERVICES	2,000.00	0.00	2,914.01	13,788.05	( 13,788.05)	0.00
70-00-5574 CITY PROJECTS & PROGRAMS	0.00	551,600.00	0.00	0.00	551,600.00	0.00
70-00-5575 CITY SHARED SERVICES	0.00	7,500.00	0.00	0.00	7,500.00	0.00
70-00-5580 BIP TECHNOLOGY/MLK INFRASTR	103,200.00	103,200.00	0.00	43,000.00	60,200.00	41.67
70-00-5596 MAIN STREET PROG SUPPORT	12,500.01	50,000.00	4,166.67	12,500.01	37,499.99	25.00
70-00-5598 CITY ADMINISTRATIVE SUPPORT	4,500.00	18,000.00	1,500.00	4,500.00	13,500.00	25.00
TOTAL CONTRACTUAL SERVICES	137,842.95	898,050.00	8,580.68	86,474.77	811,575.23	9.63
<u>OTHER CHARGES</u>						
70-00-5603 MARKETING TRAVEL	4,450.06	28,000.00	0.00	3,765.96	24,234.04	13.45
70-00-5604 BUSINESS DEVELOPMENT	1,204.05	10,000.00	230.64	574.75	9,425.25	5.75
70-00-5605 TRAINING TRAVEL	2,757.91	12,000.00	2,150.67	8,840.89	3,159.11	73.67
70-00-5606 AUTO ALLOWANCE - STAFF	0.00	9,000.00	0.00	263.96	8,736.04	2.93
70-00-5615 DUES, SUBSCRIPTIONS & PUBLI	8,862.50	24,000.00	644.24	3,583.73	20,416.27	14.93
70-00-5631 BONDS FOR BEDC OFFICERS	885.50	1,000.00	0.00	966.00	34.00	96.60
70-00-5633 LOCAL/MISC ADV & SPONSORSHI	3,284.32	15,750.00	1,680.00	2,313.00	13,437.00	14.69
70-00-5634 NATIONAL/REG ADV & MARKETIN	2,771.75	45,000.00	157.02	692.02	44,307.98	1.54
70-00-5636 DIGITAL ADV & MARKETING	0.00	10,000.00	0.00	0.00	10,000.00	0.00
70-00-5637 SPECIAL ADV & MARKETING	0.00	12,000.00	0.00	0.00	12,000.00	0.00
70-00-5640 SPL PROJ-REDEVELOPMENT GRAN	0.00	50,000.00	0.00	0.00	50,000.00	0.00
70-00-5641 SPL EDUC & WORKFORCE DEVELO	12,524.37	30,000.00	0.00	10,294.85	19,705.15	34.32
70-00-5642 SPL ENTREPRENEURIAL/SM BUS	155.05	20,000.00	0.00	0.00	20,000.00	0.00
70-00-5643 SPL RETAIL RECRUITING	6,095.00	24,000.00	0.00	7,250.00	16,750.00	30.21
70-00-5644 380 AGREEMENT REIMBURSEMENT	22,147.92	385,000.00	89,748.92	89,748.92	295,251.08	23.31
70-00-5645 WATER RIGHTS PROP FUNDING	0.00	60,000.00	0.00	0.00	60,000.00	0.00
70-00-5646 LAND/GRANT REBATES	5,000.00	82,979.00	0.00	0.00	82,979.00	0.00
70-00-5649 SPL PRJT DISASTER RELIEF GR	0.00	10,000.00	0.00	0.00	10,000.00	0.00
70-00-5650 SPL PRJT BUS RETEN & EXPAN	0.00	5,000.00	0.00	0.00	5,000.00	0.00
70-00-5689 OPPORTUNITY AUSTIN	0.00	10,000.00	0.00	0.00	10,000.00	0.00
70-00-5690 CASH INCENTIVE	0.00	123,535.00	0.00	0.00	123,535.00	0.00
70-00-5691 CLOSING COSTS	0.00	35,000.00	0.00	0.00	35,000.00	0.00
TOTAL OTHER CHARGES	70,138.43	1,002,264.00	94,611.49	128,294.08	873,969.92	12.80

601-BASTROP E.D.C. FUND

EXPENDITURES	PRIOR Y-T-D	CURRENT BUDGET	M-T-D ACTUAL	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>CONTINGENCY</u>						
70-00-5900 CONTINGENCY	0.00	25,000.00	0.00	0.00	25,000.00	0.00
TOTAL CONTINGENCY	0.00	25,000.00	0.00	0.00	25,000.00	0.00
<u>CAPITAL OUTLAY</u>						
70-00-6713 TRAIL SYS FROM ESKEW TO HWY	2,416.73	629,218.00	0.00	805.00	628,413.00	0.13
70-00-6715 BIP TECHNOLOGY/MLK INFRASTR	183.00	1,157,000.00	0.00	1,486.25	1,155,513.75	0.13
70-00-6716 AGNES/HOME DEPOT INFRASTRUC	0.00	878,466.00	0.00	(713.05)	879,179.05	0.08-
TOTAL CAPITAL OUTLAY	2,599.73	2,664,684.00	0.00	1,578.20	2,663,105.80	0.06
<u>DEBT SERVICE</u>						
70-00-7133 C OF O SERIES 2013 PRINCIPL	0.00	76,000.00	0.00	0.00	76,000.00	0.00
70-00-7134 C OF O SERIES 2013 INTEREST	0.00	94,469.00	0.00	0.00	94,469.00	0.00
70-00-7137 C OF O SERIES 2010 PRINCIPA	0.00	49,274.00	0.00	0.00	49,274.00	0.00
70-00-7138 C OF O SERIES 2010 INTEREST	0.00	7,876.00	0.00	0.00	7,876.00	0.00
70-00-7156 GO REFUNDING 2017-INT	0.00	20,000.00	0.00	0.00	20,000.00	0.00
70-00-7605 BOND PRINCIPAL 2018	0.00	60,000.00	0.00	0.00	60,000.00	0.00
70-00-7606 BOND INTEREST 2018	0.00	47,319.00	0.00	0.00	47,319.00	0.00
TOTAL DEBT SERVICE	0.00	354,938.00	0.00	0.00	354,938.00	0.00
TOTAL 00-NON-PROGRAM	305,811.04	5,476,612.00	140,654.35	328,670.44	5,147,941.56	6.00
ADMINISTRATION =====						
<u>CAPITAL OUTLAY</u>						
<u>DEBT SERVICE</u>						
70-10-7097 INTEREST EXPENSE ON FNB NOT	0.00	500.00	0.00	0.00	500.00	0.00
70-10-7603 BOND PRINCIPAL 2006	0.00	55,000.00	0.00	0.00	55,000.00	0.00
70-10-7604 BOND INTEREST 2006	0.00	5,071.00	0.00	0.00	5,071.00	0.00
70-10-7606 SALES TAX REV BOND 2018 - I	0.00	47,319.00	0.00	0.00	47,319.00	0.00
TOTAL DEBT SERVICE	0.00	107,890.00	0.00	0.00	107,890.00	0.00
TOTAL ADMINISTRATION	0.00	107,890.00	0.00	0.00	107,890.00	0.00
TOTAL BEDC ADMINISTRATION	305,811.04	5,584,502.00	140,654.35	328,670.44	5,255,831.56	5.89
*** TOTAL EXPENSES ***	305,811.04	5,584,502.00	140,654.35	328,670.44	5,255,831.56	5.89

\*\*\* END OF REPORT \*\*\*



AS OF: DECEMBER 31ST, 2018

601-BASTROP E.D.C. FUND

ACCOUNT# TITLE

ASSETS  
=====

00-00-1010	BEDC OPERATING ACCT	168,761.82
00-00-1012	TEXAS CLASS	2,020,281.53
00-00-1100	TEXPOOL	3,381,448.60
00-00-1135	DREYFUS MM ACCT	5,160.96
00-00-1141	CERTIFICATE OF DEPOSIT FN	537,000.00
00-00-1224	ACCT RECEIVABLE-SALES TAX	370,925.83
00-00-1272	NOTES RECEIVABLE-GARMENT	6,250.78
00-00-1274	NOTES RECEIVABLE-GTG-LOAN	2,665.88
00-00-1275	NOTES RECEIVABLE-GTG-LOAN	3,052.18
00-00-1276	NOTES RECEIVABLE-GTG-LOAN	71.72
00-00-1420	EQUIPMENT	8,300.77
00-00-1460	FIXED ASSETS - BUILDING	845,593.73
00-00-1470	FIXED ASSETS - LAND	844,671.06
00-00-1480	FIXED ASSETS - INFRASTRUC	0.18
00-00-1490	CONST IN PROGRESS-INFRAST	591,906.94
00-00-1499	ACCUMULATED DEPRECIATION(	330,597.36)
00-00-1575	DEFERRED OUTFLOWS-PENSION	22,006.00
00-00-1576	DEFERRED OUTFLOWS-ACTUARI	2,122.00
00-00-1577	DEFERRED OUTFLOWS-DEFICIT	20,962.00
00-00-1578	DEFERRED OUTFLOWS-ASSUMPT	<u>2,710.00</u>

8,503,294.62

TOTAL ASSETS

8,503,294.62  
=====

AS OF: DECEMBER 31ST, 2018

601-BASTROP E.D.C. FUND

ACCOUNT# TITLE

LIABILITIES & FUND BALANCE  
=====

00-00-2080	NOTES PAYABLE-CITY-WTR PR	300,000.00	
00-00-2081	NOTES PAYABLE-CITY-TDC (	6,249.29)	
00-00-2101	BONDS PAYABLE CURRENT POR	252,774.00	
00-00-2102	TAX/REV 2006 BOND PAYABLE	55,000.00	
00-00-2125	ACCRUED INTEREST PAYABLE	21,043.76	
00-00-2127	ACCRUED EXPENSES-OTHER	37,330.22	
00-00-2235	UNEARNED REVENUE-TOWER	24,150.00	
00-00-2340	DUE TO GENERAL FUND	529.80	
00-00-2346	DUE TO CLEARING FUND	78,601.79	
00-00-2356	DUE TO OTHER GOVERNMENTS	3,000,418.44	
00-00-2376	DEFERRED INFLOW-ACTUARIAL	682.00	
00-00-2405	ENCUMBRANCE ACCOUNT (	27,825.08)	
00-00-2406	RESERVE FOR ENCUMBRANCE	27,825.08	
00-00-2850	NET PENSION LIABLITY	127,450.00	
00-00-2870	COMPENSATED ABSENCES PAYA	<u>16,320.55</u>	
			<u>3,908,051.27</u>
TOTAL LIABILITIES			3,908,051.27
	SURPLUS (DEFICIT)	288,871.83	
00-00-3000	NET ASSETS	3,575,374.70	
00-00-3119	DESIGNATED OPERATING	150,000.00	
00-00-3400	CONTRIBUTED CAPITAL	521,695.50	
00-00-3502	RESTRICTED - JAMCO	73,644.00	
00-00-3506	RESTRICTED-ELLIOTT PARTN(	0.01)	
00-00-3507	RESTRICTED - AEI TECHNOLO	18,666.00	
00-00-3700	PRIOR PERIOD ADJ (	<u>33,008.67</u> )	
TOTAL EQUITY			<u>4,595,243.35</u>
TOTAL LIABILITIES & FUND EQUITY			8,503,294.62
=====			



## Agenda Item: 3.3

# AGENDA MEMORANDUM

Meeting Date: January 28, 2019

Agenda Item: Consideration, discussion and possible action on Resolution R-2019-0001 approving an amendment to the agreement with 921 Bastrop, LLC.

Prepared by: Mike Kamerlander, Executive Director

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The BEDC Board approved entering into an agreement with 921 Bastrop, LLC, at the September meeting, with the understanding that construction of a building at the lot at 921 Main Street would eliminate the need for interim remediation of the lot. However, due to the project being delayed, Staff is recommending that remediation of the lot be performed immediately in order to minimize further damage that may be sustained to the neighboring buildings due to inclement weather.

This new agreement extends the contract 120 days to allow the developer, Stone Cobalt, to continue their marketing efforts for an anchor tenant. The Developer has agreed to pay for the remediation up front. Therefore, this new agreement does not alter the amount of the incentive.

Attachments:

First Amendment to 921 Main Economic Development Performance Agreement  
Draft Resolution R-2019-0001

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**Recommendation** – Approve the Resolution as presented.

[RECOMMENDED MOTION] – I move to approve Resolution R-2019-0001.

**1st AMENDMENT TO ECONOMIC DEVELOPMENT PERFORMANCE  
AGREEMENT**

This First Amendment to Economic Development Performance Agreement (this “Amendment”) is entered into to be effective as of January \_\_\_\_, 2019 (the “Effective Date”), by and between the Bastrop Economic Development Corporation, located in Bastrop County, Texas, a Texas non-profit industrial development corporation under the Development Corporation Act and governed by TEX. LOC. GOV. CODE chapters 501, 502, and 505 and the Texas Non-Profit CORPORATION Act (hereinafter called “CORPORATION”), and 921 Bastrop, LLC, a Texas for profit CORPORATION (hereinafter called “Company”), otherwise known as the “Parties” to this Amendment.

**RECITALS**

**WHEREAS**, the Parties entered into that certain Economic Development Performance Agreement (the “Agreement”) dated as of September 17, 2018, wherein Corporation agreed to provide certain incentives to Company to enable Company to construct and operate a full retail business complex in downtown Bastrop, Texas;

**WHEREAS**, the Parties need to extend the construction deadlines and due to no fault of the Parties;

**WHEREAS**, the Parties agree to amend the Agreement’s Article V solely for the limited purpose of extending the deadlines set forth therein.

**NOW, THEREFORE**, in consideration of the mutual covenants, benefits and agreements described and contained in this Amended Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and further described herein, the Parties agree as follows:

- (1) **AMENDMENT ONE:** Articles III and IV, Section 1 of the Agreement are hereby amended to reflect the following:
  - a. The “Effective Date” was “shall be the date of the last signing by a party to the agreement”; and, is now defined as “shall be one-hundred twenty (120) calendar days after the date the Parties execute this Amended Agreement.”
  - b. The Corporation’s duties from the “Effective Date” shall be adjusted accordingly.
- (2) **AMENDMENT TWO:** Article V, Sections 1-5 of the Agreement are hereby amended and replaced with the new “Effective Date”, and Company’s obligations under the “Commencement Date” are revised therein to reflect the new “Effective Date”.
- (3) **RECITALS:** The Agreement, as amended and modified by this Amendment, is ratified and confirmed by the parties and remains in full force and effect.
  - a. The recitals set forth above are declared true and correct by the Parties and are hereby incorporated as part of this Amendment.
  - b. The terms of this Amendment prevail if there is a conflict with the terms

of the Agreement.

- c. All capitalized terms used but not otherwise defined in this Amendment have the same meanings as in the Agreement.
- d. The signing and performance of this Amendment has been duly and validly authorized, executed, and delivered by all parties hereto, and this Amendment constitutes the valid and enforceable obligation of the Parties in accordance with its terms.

- (4) ENTIRE AGREEMENT: The Agreement, as amended by this Amendment, contains the entire agreement among the parties with respect to the subject matter hereof. All prior negotiations and understandings are merged herein.
- (5) REPRESENTATIONS: Each of the Parties has been represented by counsel of their choosing in the negotiation and preparation of this Amendment. Regardless of which Party prepared the initial draft of this Amendment, this Amendment shall, in the event of any dispute, whatever its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any Party.
- (6) This Amendment may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

**[Signature pages follow]**



**Executed** on this \_\_\_\_\_ day of January 2019.

**BASTROP ECONOMIC  
DEVELOPMENT CORPORATION**

By: \_\_\_\_\_

Mike Kamerlander

Title: Executive Director

STATE OF TEXAS                    }  
COUNTY OF BASTROP            }

This information was acknowledged before me on this \_\_\_\_\_ day of January 2019 by Mike Kamerlander, Executive Director for the Bastrop Economic Development Corporation, a Texas non-profit industrial development corporation, on behalf of said agency.

\_\_\_\_\_  
Notary Public, State of Texas

\_\_\_\_\_  
Notary's typed or printed name

\_\_\_\_\_  
My commission expires

**RESOLUTION NO. R-2019-0001**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION APPROVING AN AMENDMENT TO THE TERMS OF AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT WITH 921 BASTROP, LLC; AUTHORIZING ALL NECESSARY ACTIONS, INCLUDING EXECUTION OF NECESSARY DOCUMENTATION; AND, PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Bastrop Economic Development Corporation (“BEDC”) is a public instrumentality and non-profit industrial development corporation duly established and operating under Local Government Code, Chapters 501 and 505, et seq., as amended, known as the Development Corporation Act of 1979 (the “Act”), and is acting with the approval of the governing body of the City of Bastrop, Texas (the “City”); and

**WHEREAS**, after careful evaluation and consideration by the Board, it was determined that a project (“Project”) proposed by 921 Bastrop, LLC (“Company”) will: (i) improve infrastructure upon a dilapidated City lot; (ii) promote and develop new and expanded business enterprises; and, (iii) facilitate the remediation of the property located at 921 Main Street, Bastrop, Texas, and owned by the BEDC; and

**WHEREAS**, the Board approved entering into an economic development performance agreement with 921 Bastrop, LLC, on September 17, 2018, by Resolution R-2018-0007; and

**WHEREAS**, due to a delay in the commencement of the Project the Board approves a new “Effective Date” to be contained in the Amended Agreement to be executed by the Director; and

**WHEREAS**, the timelines stipulated in the original agreement are no longer attainable and are being moved one hundred (120) days from a new “Effective Date”.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:**

**SECTION 1.** The findings set out above are hereby found to be true and correct and are incorporated herein for all purposes.

**SECTION 2.** The Director, with the assistance of the BEDC’s attorneys, is authorized and directed to prepare any instruments reasonably necessary to fulfill the intent expressed herein, including any amended and/or supplemented agreements with 921 Bastrop, LLC, to reflect the new deadlines.

**SECTION 3.** This Resolution is effective upon passage.

**DULY RESOLVED AND ADOPTED** by the Board of Directors of the Bastrop Economic Development Corporation, this \_\_\_\_ day of \_\_\_\_\_ 2019.



BASTROP ECONOMIC  
DEVELOPMENT CORPORATION

\_\_\_\_\_  
Kathryn Nash, Board Chair

ATTEST:

\_\_\_\_\_  
Sam Kier, Board Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Denton, Navarro, Rocha, Bernal & Zech, P.C.

DRAFT



## Agenda Item: 3.4

# AGENDA MEMORANDUM

Meeting Date: January 28, 2019

Agenda Item: Consideration, discussion and possible action on Resolution R-2019-0002 approving a single amendment to the agreement with AEI Technologies to provide the payment for the 6th full-time employee in the amount of \$9,333.00.

Prepared by: Mike Kamerlander, Executive Director

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The BEDC entered into an economic development agreement with AEI Technologies on May 17, 2016. The first rebate of \$28,000 was processed after Mr. Loeb received the certificate of occupancy (CO) on the facility and hired 4 employees, in July 2017.

In July 2018, the second rebate was processed after Mr. Loeb had hired his 5<sup>th</sup> employee and had been in business for a year, in the amount of \$9,333 (1/3 of remaining incentive funds).

Mr. Loeb is requesting his third rebate now that he has hired his 6<sup>th</sup> employee. He'll receive his final payment of \$9,334 upon hiring the 7<sup>th</sup> employee (provided that he retains the other six).

Staff reviewed the agreement and it was not clear as to whether or not the intent was to reimburse Mr. Loeb and AEI Technologies upon the anniversary of receipt of the CO, or upon the hiring of each additional employee. It was decided to consult with the BEDC attorney, who recommended placing it on the agenda for the Board to make a determination.

Attachments:

Economic Development Agreement between BEDC and AEI Technologies  
Draft Resolution R-2019-0002

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**Recommendation** – Approve the Resolution as presented.

[RECOMMENDED MOTION] – I move to approve Resolution R-2019-0002.

**ECONOMIC DEVELOPMENT AGREEMENT  
BETWEEN  
THE BASTROP ECONOMIC DEVELOPMENT CORPORATION  
AND  
AEI TECHNOLOGIES, INC.**

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This Economic Development Agreement (this "*Agreement*") is entered into by and between AEI Technologies, Inc., a Texas corporation, and its successors and assigns (the "*Owner*") and the Bastrop Economic Development Corporation, a public instrumentality and 4B non-profit industrial development corporation (the "BEDC"), which is incorporated under the State law set forth in the Local Government Code, Chapters 501.001, *et seq.*, and Chapter 505.001, *et seq.*, as amended. The Owner and the BEDC may be referred to jointly as the "Parties" and singularly as a "Party."

**RECITALS**

**WHEREAS**, BEDC is legally authorized to provide certain economic development incentives to the Owner in recognition of the economic benefits that will occur as a result of the Owner's development of a medical equipment manufacturing facility, identified by the BEDC to fall within NAICS number 334, which facility (the "Project") will be located on a tract of land situated in the Bastrop Business and Industrial Park ("Industrial Park").

**WHEREAS**, the BEDC desires to offer incentives to the Owner that will enable the Owner to develop the Project on Land, identified herein below, as a medical equipment manufacturing facility.

**WHEREAS**, the BEDC has determined that development of the property in the Industrial Park (the "Land"), as is more particularly described on Exhibit "A" ( i.e., the Legal Description of Property), will contribute to the economic development of the City by generating property tax, sales tax revenue and by enhancing employment in the Bastrop community.

**NOW, THEREFORE**, in consideration of the mutual benefits described in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the BEDC and the Owner agree as follows:

1.

**AUTHORITY/CONSIDERATION**

The BEDC's execution of this Agreement is authorized by Chapter 501 of the *Texas Local Government Code*, and constitutes a valid and binding obligation of the BEDC, subject to the condition precedent that Owner acquires the appropriate Land, obtains all necessary financing to develop the Project, completes development and improvements related to the Project, and fulfills all obligations and duties, as specified herein.

The Owner's execution and performance of this Agreement constitutes a valid and binding contractual obligation of Owner for the Owner to proceed with the Project. Owner acknowledges that BEDC is acting in reliance upon Owner's full and complete performance of its obligations under this Agreement in making its decision to commit substantial resources of the BEDC to Owner's Project.

## 2.

**DEFINITIONS**

As used in this Agreement, the following words or phrases shall have the following meanings:

**2.1 “Act of Default or Default”** means failure to timely, fully, and completely comply with one or more requirements, obligations, duties, terms, conditions or warranties, as stated in this Agreement. In certain circumstances, the BEDC, in its sole discretion, may accept substantial compliance in lieu of full compliance and may waive the act of default by the Owner, and vice versa. The Parties agree and acknowledge, however, that a single waiver does not waive any other/future defaults.

**2.2 “Certificate of Occupancy”** shall mean that final document issued by the City of Bastrop, Texas, entitled “Certificate of Occupancy,” indicating that all applicable codes, regulations, and ordinances enforced by the City of Bastrop have been unconditionally, fully and completely complied with in all respects. A Certificate of Occupancy shall not include a certificate issued in error, mistake or upon a misrepresentation of facts, nor any temporary or “conditional” document, authorizing temporary or conditional occupancy.

**2.3 “Incentive Payment(s)”** means money paid by the BEDC to the Owner, rebating the appraised value of the Land paid by the Owner, less closing costs incurred by the BEDC (i.e., net proceeds to the BEDC), to incentivize Owner’s development of the Project.

**2.4 “City of Bastrop” or “City”** means the governing municipal corporation that is legally authorized to control the area that is within the corporate limits of the City of Bastrop, and the area that is within the City’s ETJ and/or Bastrop County, Texas, if within the City’s jurisdictional control.

**2.5 “Code”** means the Bastrop Code of Ordinances in effect on the date the Project construction plans, permits, and related documents are approved by the City.

**2.6 “Designated Successors and Assigns”** shall mean (i) an entity to which Owner assigns (in writing) all or any portion of its rights and obligations contained in this Agreement; (ii) any entity which is the successor, by merger or otherwise, to all or substantially all of Owner’s assets and liabilities including, but not limited to, any merger or acquisition pursuant to any public offering or reorganization to obtain financing and/or growth capital; or (iii) any entity which may have acquired all of the outstanding stock or partnership interest of Owner.

**2.7 “Effective Date”** means the date upon which this Agreement has been signed by both Parties.

**2.8 “Force Majeure”** means any event in which any Party shall be delayed, hindered in or prevented from the performance of any act required under this Agreement by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, unavailability of any utility service, restrictive governmental laws or regulations, riots, insurrections, the act, the failure to act, or default of another Party or a material worsening of current conditions caused by acts of terrorism or war (whether or not declared), or severe weather occurring after the execution of this Agreement, which materially impairs the Party’s ability to perform any act required under this Agreement.

**2.9 “Construction Documents”** shall mean construction plans approved by the City, related to construction of the Project.

**2.10 “Owner”** means AEI Technologies, Inc., and its successors and assigns.

**2.11 “Project”** means the development of the Land as a medical equipment manufacturing facility, under NAICS 334, for the purposes of enhancing employment in Bastrop and generating sales tax, within the Bastrop community. Details related to the Project are set forth in Exhibit “B” (i.e., the Project Description), attached hereto and incorporated herein for all purposes.

**2.12 “Minimum Investment Amount”** means the Owner’s minimum investment for construction of the Project, including FF&E (Furniture, Fixtures, and Equipment).

**2.13 “Operations”** means that the Certificate of Occupancy has been obtained for the Facility, AEI Technologies has hired the number of full-time employees (FTEs) required to open and to maintain regular business hours, and continues to maintain a staffing level appropriate for the full-time operation of the Project as a medical equipment manufacturing facility, based on current economic conditions.

**2.14 “Employment”**. Enhancing employment opportunities in Bastrop is the primary objective of the BEDC. Therefore, in order to qualify for the incentives offered by the BEDC, Owner will contractually commit to continuously employ the number of “fulltime”/“full-time equivalent” employees (“FTE”) (i.e., one (1) FTE equals employee(s) working at least 1,820 hours/year). The Parties agree that the ‘term’ of the first ‘Operational Year’ will begin the day the permanent Certificate of Occupancy is issued by the City, and that each Operational Year, thereafter, will be a period of 365 days. Note: Owner’s Employment Obligations will be measured by Operational Year and not by years congruent with the annual anniversary date of the Agreement.

### 3.

#### TERM

“Term” means the period of time this agreement shall be in effect, beginning on the Effective Date and terminating on the first to occur of:

- (a) Ten (10) years following receipt of the Certificate of Occupancy, or
- (b) Twelve (12) months after the Minimum Investment Amount is met and seven (7) FTEs are created, or
- (c) Upon termination or default as otherwise provided for herein.

### 4.

#### DESIGN CRITERIA/DEVELOPMENT STANDARDS/MAINTENANCE VARIANCES GRANTED FROM PROTECTIVE COVENANTS AND RESTRICTIONS

**4.1** Owner agrees to comply with the Code in effect upon the Effective Date, as amended or supplemented by this Agreement, unless otherwise varied by the provisions noted and approved herein. Notwithstanding the foregoing, Owner, in its sole discretion, may choose to comply with any or all City rules, regulations, or Codes promulgated after the Effective Date of this Agreement.

**4.2** It shall be the duty and responsibility of the Owner to ensure that the Land and the buildings and improvements located thereon are consistently maintained in good order and condition and state of repair in accordance with other medical equipment manufacturing facilities located in Central Texas, including, but not limited to, sweeping and removal of trash, litter and refuse, painting of structures and striping of parking areas, repair and replacement of paving as necessary, maintenance of landscaped areas, detention pond and on-site drainage improvements, removal and

maintenance of landscaped areas, detention pond and on-site drainage improvements, removal and proper disposal of any and all production wastes from the Land, clearing of waste from any on-site processes and debris from driveways and parking areas, and maintenance and repair of fencing, lighting fixtures and signs. The failure or refusal of Owner, at any time during the Term, to fulfill or perform any of the obligations contained in this Section 4.2 shall constitute an event of default under this Agreement if such failure or refusal shall continue without correction for a period of thirty (30) days from and after written notice from City and/or the BEDC to Owner; provided, however if due to the nature of said obligation, the same could not be reasonably fulfilled or performed within said thirty (30) day period exercising due diligence, an event of default shall not be deemed to have occurred if Owner has been continuously and diligently pursuing the fulfillment or performance of the obligation and shall thereafter continuously and diligently proceed therewith until completion. With respect to any event of default under this Section 4.2, the BEDC shall have, as its sole and exclusive remedy, the right, but not the obligation, after such notice and cure period to cure such default by the payment of money or the performance of some other action for the account of and at the expense of the defaulting Owner. To effectuate any such cure, either the City or the BEDC shall have the right to enter upon the Land to perform any necessary work or furnish any necessary materials or services to cure the default of the defaulting Owner. In the event the City and/or the BEDC cures a default during the Term, the defaulting Owner shall reimburse City and/or the BEDC for all reasonable and out-of-pocket costs and expenses incurred in connection with the uncured condition and such curative action within thirty (30) days of receipt of demand, together with reasonable documentation supporting the costs incurred and/or expenditures made.

**4.3 Variances to Restrictive Covenants and/or City Codes Granted by the City/BEDC to Owner:**

**a. Building Materials/Partial Use of Metal Siding on Front Façade – RC "C"**

The Board grants to the Owner a variance that will allow the Owner to use a combination of stone or masonry wainscot and metal siding materials on the front façade of the building that faces Technology Drive. This variance will allow up to thirty-six inches (36") of that front facing façade to be of stone or masonry wainscot, with the remaining portion to be comprised of metal, with the same combination of stone or masonry wainscot and metal continuing on the adjoining two sides of the building, for not less than twelve feet (12') on each of the adjoining sides. The Board shall have final approval of the metal proposed to be used, and a sample of same shall be provided to the Board for its evaluation and approval prior to a final decision on its use on the structure. Failure to obtain pre-approval of the metal will negate this variance.

**b. City Code Parking – RC "F"**

The Project will include a minimum of ten (10) on-site parking spaces, one (1) of which will be compliant with the Americans with Disabilities Act (ADA). After issuance of Certificate of Occupancy, the Owner shall otherwise comply with the City of Bastrop's Parking Codes and Regulations that are in effect as of the date the Owner submits its site development Plan to the City for approval.

**5.**

**BEDC OBLIGATIONS**

BEDC makes the following covenants and warranties to the City and to the Owner, and agrees to timely and fully perform the obligations and duties provided below. Any false or substantially misleading statement contained herein or failure to timely and fully perform as required in this Agreement shall be a material Act of Default by BEDC.

**5.1** The BEDC will sell to the Owner the tract of land located in the Industrial Park that is a minimum of 1.4 acres in size, which is situated at the southeast corner of Lot 2, of the Replat of Lots 1 & 2, Reserve B of the Bastrop Business and Industrial Park, Phase 1 [as more fully defined in Exhibit "A"] [the "Land"]. It is agreed and understood that the BEDC shall, at its own expense, take all necessary action to have the Land that will be sold to the Owner appropriately re-platted through the City of Bastrop's Planning Department. The Owner shall have up to fourteen (14) days prior to the BEDC's submission of its request to replat the lot to the City of Bastrop's Planning Department, to either approve or provide the BEDC its written comments or objections, if any, concerning the proposed Land replat which action by BEDC will create the Land to be conveyed to the Owner by the BEDC. If for any reason the Owner does not approve or provide comment regarding the proposed replat within the 14 day period noted herein, then both Parties acknowledge and agree that this Agreement shall be automatically null and void, *ab initio*, with no further action or notice required to be taken by either Party, and with no penalty or claim available to or resulting from either Party.

**5.2** The BEDC agrees it will sell the Land to the Owner for \$56,185.00, as determined by a 2016 independent third-party appraisal, obtained and paid for by the BEDC. ("Purchase Price") The Land shall be used by Owner solely for construction and operation of the Project, and for no other purpose(s).

**5.3** The BEDC will place the Purchase Price, less all costs incurred by the BEDC on the sale (the "Incentive Funds"), in a designated incentive account at the time of closing the sale of the Land to Owner. These Incentive Funds will be rebated back to the Owner in the future, contingent upon the Owner's successful performance of the agreed upon "Incentive Milestones" set forth herein. [See Section 6.3, below, for the Incentive Milestones that will apply.]

**5.4** The BEDC understands that the Owner must acquire the Land in a timely manner to allow the Owner adequate time to complete the Project and move the Owner's production facility prior to May 31, 2017. BEDC agrees to be prepared to close on the sale of the Land on or before August 31, 2016, or this Agreement may become null and void without penalty, at the Owner's discretion.

**5.5** BEDC will rebate the Owner the Incentive Milestone amount due under this Agreement within thirty (30) days of receiving agreeable documentation from the Owner.

## 6.

### **OWNER'S COVENANTS, WARRANTIES, OBLIGATIONS AND DUTIES**

Owner makes the following covenants and warranties to the City and to BEDC, and agrees to timely and fully perform the obligations and duties provided below. Any false or substantially misleading statement contained herein or failure to timely and fully perform as required in this Agreement shall be a material Act of Default by Owner.

**6.1 Owner's Employment Obligations.** Enhancing employment opportunities in Bastrop is a vital objective of the BEDC. Therefore, in order to qualify for the incentives offered by the BEDC, pursuant to the Agreement, the Owner contractually commits to continuously employ personnel in

Bastrop, as noted in Section 6.3 below, who will assist in operating the Project facility in the Industrial Park throughout the Term of this Agreement.

**6.2 Owner's Construction Obligations.** Owner shall construct a Facility on the Land with a minimum of 3,000 sq. ft., under which a minimum of 25% will be climate controlled, and such construction shall be completed and a final Certificate of Occupancy ("CO") shall be issued by the City for same not later than 18 months after the City's approval of the construction permit for the facility, but in no event shall construction be completed later than 24 months of the Effective Date of this Agreement, (i.e., Completion of Construction Date), except for delay caused by Force Majeure.

**6.3 Incentive Milestones.** The Incentive Milestones and related reimbursements by the BEDC will be as follows:

- 1) Upon: (i) Completion of Construction of the Project Facility in the Industrial Park, and (ii) issuance of the permanent CO by the City for the Facility, and (iii) the creation of four (4) Full-Time Employees [Initial FTEs] at the Owner's Bastrop location, the BEDC will rebate to the Owner 50% of the Incentive Funds upon receipt of a copy of the Facility's CO and documentation from the Owner acceptable to the BEDC confirming that four (4) Initial FTEs are present and employed at the Bastrop Facility. [The four Initial FTEs must be continuously employed at the Bastrop Facility for the Owner to remain eligible for any subsequent Incentive Milestone Payments.]
- 2) The BEDC will rebate to the Owner an additional one-third (1/3) of 50% of the Incentive Funds for each additional New FTE that the Owner creates and maintains on its employment rolls, after the first year of operation, but before the end of the Term of the Agreement, for up to three (3) additional New FTEs. [Note: If any of the additional New FTEs are not created by the Owner and/or they are not continuously maintained on the employment rolls of the Project, at any point during the Term of the Project (in addition to the original four Initial FTEs), then any unrebated portion of the second 50% incentive reimbursement shall not be forthcoming to the Owner and any applicable reimbursement provisions in this Agreement may be triggered and applied by the BEDC.]

MILESTONE	NEW EMPLOYEES (FTEs)	TOTAL FTEs	REBATE AMT
*Certificate of Occupancy	4	4	50% (\$28,000)
12 Consecutive Months	1	5	1/3 of 50% (\$9,333)
12 Consecutive Months	1	6	1/3 of 50% (\$9,333)
12 Consecutive Months	1	7	1/3 of 50% (\$9,333)

\*The four (4) Initial FTEs must be maintained for twelve (12) consecutive months after the first rebate is issued (i.e., which will be upon receipt of CO), before the New FTEs are added and eligible for Rebate by the BEDC. Failure to continuously employ any Initial FTE at the Project, once hired by the Owner and rebate from the BEDC is paid to the Owner for same, shall trigger reimbursement of the paid Incentives Funds to BEDC as set forth in Section 8, below, entitled "Owner's Liability." Once employed, New FTEs must be continuously maintained for the full remaining Term of the Agreement. Failure to do so shall trigger reimbursement to the BEDC of the incentive paid for that New FTE, i.e., 1/3 of the 50%, per New FTE.



**6.4 Purchase of Land.** Owner shall acquire fee ownership of the Land and improvements that are located and constructed by the Owner on the Land. The Parties agree that the appraised value of the Land has been determined by a third-party appraisal obtained and paid for by the BEDC.

**6.5 Minimum Investment Amount.** After acquisition, Owner shall develop the Land and improvements thereon with a minimum investment of \$400,000.00, including FF&E, which work shall be completed on or before the end of 18 months following the City's approval of the building permit and within 24 months of the Effective Date of this Agreement, the Construction Completion Date. In the event the Owner fails to meet the required minimum investment amount, the incentive contemplated under Section 6.31 shall be prorated proportionally.

**6.6** Owner is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the Term of this Agreement.

**6.7** The execution of this Agreement has been duly authorized by Owner's general partner(s), if any, and the individual signing this Agreement is empowered to execute such Agreement and bind the partnership, said authorization, signing and binding effect is not in contravention of any law, rule or regulation, or of the provisions of Owner's partnership agreement, or by-laws, or of any agreement or instrument to which Owner is a party or by which it may be bound, such authority to be evidenced by a partnership resolution, attached hereto at the time of execution.

**6.8** No litigation or governmental proceeding is pending or, to the knowledge of Owner or Owner's officers, threatened against or affecting Owner that may result in any material adverse change in Owner's business, properties or operation. No consent, approval or authorization of or registration or declaration within any governmental authority is required in connection with the execution of this Agreement or the transactions contemplated hereby.

**6.9** There are no bankruptcy proceedings or other proceedings currently pending or contemplated, and Owner has not been informed of any potential involuntary bankruptcy proceedings.

**6.10** To its current, actual knowledge, Owner has acquired and maintained all necessary rights, licenses, permits and authority necessary to carry on its business in Bastrop, Texas, and will continue to use its best efforts to acquire and maintain all necessary rights, licenses, permits and authority.

**6.11** Owner shall timely and fully comply with all of the terms and conditions of this Agreement.

**6.12** Owner shall timely acquire and provide evidence of same to the BEDC, fiscal assurance instruments and/or performance bonds in a total amount required to cover all construction obligations related to the Project.

**6.13** Owner shall diligently and faithfully, in good and workmanlike manner, pursue the completion of the Project, which shall be completed no later than the end of the 24<sup>th</sup> full calendar month following the Effective Date.

**6.14** Owner shall purchase all public utility services required for the Project offered by the City for the Term of this Agreement.

## 7.

**SUSPENSION OF PAYMENTS/CESSATION OF OPERATIONS**

**7.1** The BEDC, under the following circumstances, and at its sole discretion, may suspend its obligations under this Agreement and all future incentive payment obligations shall automatically cease upon any one of the following events, which are agreed by the Parties to be material Acts of Default:

- a. The appointment of a receiver of Owner, or of all or any substantial part of its Land, and the failure of such receiver to be discharged within sixty (60) days thereafter.
- b. The adjudication of Owner as bankrupt.
- c. The filing by Owner of a petition or an answer seeking bankruptcy, receivership, reorganization, or admitting the material allegations of a petition filed against it in any bankruptcy or reorganization proceeding.
- d. Failure to complete construction of the Project on or before the end of the 24<sup>th</sup> month after the Effective date of this Agreement.
- e. Failure to create at least four (4) Initial FTEs at the Owner's Bastrop Facility location and/or a failure to continuously maintain these four (4) Initial FTE employees on the Owner's Bastrop Facility employment rolls for the Term of this Agreement.

**7.2** Cessation of Operations/BEDC's Right to Reacquire the Land and the Facility. In the event that AEI Technologies ceases its operations at the Project Facility in the Industrial Park, then the Owner will have the opportunity to assign or sell its ownership rights to the Land and Facility or lease the Land and Facility to another party. However, if the sale or assignment is not completed within 24 months of AEI Technologies' cessation of operations, then the Owner will be contractually obligated to provide the BEDC the right to purchase the Land and the Facility (not to include any equipment or inventory) from the Owner at an amount equal to the then current Fair Market Value, as determined by an independent third party appraisal. Should BEDC decline to make the purchase within six (6) months of the Parties' receipt of the FMV appraisal, then the Owner will be free to market, sell or lease the Facility to another party of its choosing.

## 8.

**OWNER'S LIABILITY**

**8.1** Should Owner fail to timely or substantially comply with any one or more of the requirements, obligations, duties, terms, conditions or warranties of this Agreement (except as expressly provided for in Section 4.2 herein) such failure shall be an Act of Default by Owner and, if not cured and corrected within thirty (30) days after written notice to do so, BEDC may cease making any further economic payments pursuant to this Agreement.

**8.2** In consideration of and precedent to the BEDC's grant of the economic incentives noted herein, Owner acknowledges and agrees that should Owner fail to make the improvements set forth herein, or if Owner ceases to operate the Project or hire and continuously employ four (4) Initial FTEs prior to the expiration of the Term of this Agreement, then the Owner shall be responsible for repayment of any and all economic incentive or reimbursements received from the BEDC, as of the time of the failure to perform. The Parties agree, however, that Owner's failure to continuously employ a New FTE, for the remaining Term of the Agreement, following hiring of that New FTE by

Owner, shall only require reimbursement of the incentive paid for that specific New FTE, not reimbursement of the total of all economic incentives received by the Owner from the BEDC.

**8.3** Any delay for any amount of time by BEDC in providing notice of Default to Owner shall in no event be deemed or constitute a waiver of such Default by BEDC of any of their rights and remedies available in law or in equity.

**8.4** Any waiver granted by BEDC to Owner of an Act of Default shall not be deemed or constitute a waiver of any other existing or future Act of Default by Owner or of a subsequent Act of Default of the same act or event by Owner.

## 9.

### **BEDC LIABILITY LIMITATIONS**

Should the BEDC fail to timely or substantially comply with any one or more of the requirements, obligations, duties, terms, conditions or warranties of this Agreement, such failure shall be an Act of Default by BEDC and BEDC shall have ninety (90) days to cure and remove the Default upon receipt of written notice to do so from Owner. Upon curing the Default with said 90 days, BEDC will no longer be liable for the Default. Owner specifically agrees that BEDC shall only be liable to Owner for the work and the grants provided for herein, and shall not be liable to Owner for any alleged or actual consequential damages or other fees or costs, including but not limited to interest, attorney's fees, or court costs.

## 10.

### **LAND USE**

**10.1** The Parties agree that the Land shall be used in a manner that is compliant with uses consistent with medical equipment manufacturing facilities. The Parties agree that all site development standards and requirements for use of Land located within the City of Bastrop "Light Industrial" zoning classification (i.e., light manufacturing, assembling and fabrication, warehousing, etc.) shall apply to the Project and Facility located thereon unless specifically superseded by the standards and requirements of this Agreement.

## 11.

### **MISCELLANEOUS PROVISIONS**

**11.1 Complete Agreement/Amendment.** This Agreement represents a complete agreement of the Parties and supersedes all prior written and oral matters related to this Agreement. This Agreement may be canceled, changed, modified or amended, in whole or in part, only by written agreement by the BEDC and Owner.

**11.2 Mutual Assistance/Good Faith.** The Parties agree to act in Good Faith and to do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement, and to aid and assist the other in carrying out such terms and provisions in order to put the other in the same condition contemplated by this Agreement, regardless of any changes in public policy, the law or taxes or assessments attributable to the Land.

**11.3 Representations and Warranties.** The Parties represent and warrant to one another that this Agreement is within their authority, and that they are duly authorized and empowered to enter into this Agreement, unless otherwise ordered by a court of competent jurisdiction.

**11.4 Attorney's Fees.** If any legal action or proceeding is commenced between the BEDC and/or the Owner to enforce the provisions of this Agreement or to recover damages for its breach, the prevailing Party in the legal action will be entitled to recover its reasonable attorney's fees and expenses incurred by reason of such action, to the extent allowed by law.

**11.5 Binding Effect.** This Agreement will be binding on and inure to the benefit of the Parties and their respective successors and assigns.

**11.6 Termination.** If the Owner elects not to proceed with the acquisition of the Land or the development of the Project, as contemplated by this Agreement, the Owner will notify the BEDC in writing, and this Agreement and the obligations of all Parties will be deemed terminated and of no further force or effect as of the date of such notice, except those that expressly survive the termination hereof, if any. In the event of Termination, the Owner shall be responsible for repayment of any economic incentive received from the BEDC which was paid prior to the time of the failure to perform plus all professional costs to the BEDC in preparing any agreements or documents related to the Project, if any, with the exception of those listed in Section 5 of this Agreement.

**11.7 Notice.** Any notice and/or statement required or permitted to be delivered shall be deemed delivered by actual delivery, by facsimile with receipt of confirmation, or by depositing the same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

Owner: AEI Technologies, Inc.  
Attn: Phil Loeb  
201 Hunters Crossing Blvd.  
Suite 10-171  
Bastrop, TX 78602

BEDC Bastrop Economic Development Corporation  
Attn: Executive Director  
301 Hwy 71 W., Ste. 214  
Bastrop, Texas 78602  
Phone: (512) 303-9700

All Parties may designate a different address at any time by giving Notice to the other Parties.

**11.8 Interpretation.** Each of the Parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. In the event of any dispute regarding the interpretation of this Agreement, this Agreement will be interpreted fairly and reasonably and neither more strongly for nor against any Party based on draftsmanship.

**11.9 Relationship of the Parties.** This Agreement will not be construed as establishing a partnership or joint venture, joint enterprise, express or implied agency, or employer-employee relationship between the Parties. Neither the BEDC, nor its past, present or future officers, elected officials, employees or agents, assume any responsibility or liability to any third party in connection with the development of the Project or the design, construction or operation of any portion of the Project.

**11.10 Applicable Law.** This Agreement is made, and will be construed and interpreted, under the laws of the State of Texas and venue will lie in Bastrop County, Texas. No Party to this

Agreement waives or relinquishes any immunity or defense on behalf of itself, its officers, employees, agents or representatives as a result of the approval or execution of this Agreement.

**11.11 Severability.** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, it is the intention of the Parties that the remainder of this Agreement not be affected and it is also the intention of the Parties that, in lieu of each provision that is found to be illegal, invalid or unenforceable, a provision be added to this Agreement which is legal, valid or enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

**11.12 Paragraph Headings.** The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the paragraphs.

**11.13 No Third Party Beneficiaries.** This Agreement is not intended to nor shall it be interpreted to confer any rights, privileges or causes of action upon any third party.


**11.14 Counterparts.** This Agreement may be executed simultaneously in two or more counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument. A facsimile signature will be deemed to be an original signature for all purposes.

**11.15 Exhibits.** All referenced Exhibits are incorporated into this Agreement for all purposes.

EXECUTED to be effective as of the 17 day of MAY, 2016.

**OWNER:**

AEI TECHNOLOGIES, INC.


By:   
Name: Phil Loeb  
Title: PRESIDENT

**APPROVED BY BEDC:**

BASTROP ECONOMIC DEVELOPMENT CORPORATION

By:   
Name: Shawn Kirkpatrick  
Title: BEDC Executive Director

**Approved As To Form:**

  
Jo-Christy Brown, Attorney for BEDC

**EXHIBIT "A"**  
**Legal Description**

Bastrop EDC will replat a minimum of 1.4 acres of the Southeast corner of Lot 2 of the Replat of Lots 1 & 2, Reserve B of the Bastrop Business and Industrial Park, Phase 1 as recorded in Cabinet 5, page 122-A of the Bastrop County Plat Records.



# 5100-5 REPEAT OF LOTS 1 & 2, RESERVE B OF THE BASTROP BUSINESS AND INDUSTRIAL PARK, PHASE I

## FINAL PLAT

GRAPHIC SCALE  
1" = 100' ±



- 1. LOT 1
- 2. LOT 2
- 3. LOT 3
- 4. LOT 4
- 5. LOT 5
- 6. LOT 6
- 7. LOT 7
- 8. LOT 8
- 9. LOT 9
- 10. LOT 10
- 11. LOT 11
- 12. LOT 12
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- 91. LOT 91
- 92. LOT 92
- 93. LOT 93
- 94. LOT 94
- 95. LOT 95
- 96. LOT 96
- 97. LOT 97
- 98. LOT 98
- 99. LOT 99
- 100. LOT 100

THIS PLAT shows the subdivision of the land described in the following description into lots, blocks, and reserves. The land is situated in the Bastrop Business and Industrial Park, Phase I, in the Parish of Iberville, Louisiana.

The land is bounded on the north by the Bastrop Business and Industrial Park, Phase I, Reserve B, on the east by the Bastrop Business and Industrial Park, Phase I, Reserve B, on the south by the Bastrop Business and Industrial Park, Phase I, Reserve B, and on the west by the Bastrop Business and Industrial Park, Phase I, Reserve B.

The land is divided into lots, blocks, and reserves as follows:

- Lot 1, 11.391 acres
- Lot 2, 4.238 acres
- Lot 3, 5.477 acres
- Lot 4, 11.391 acres
- Lot 5, 4.238 acres
- Lot 6, 5.477 acres
- Lot 7, 11.391 acres
- Lot 8, 4.238 acres
- Lot 9, 5.477 acres
- Lot 10, 11.391 acres
- Lot 11, 4.238 acres
- Lot 12, 5.477 acres
- Lot 13, 11.391 acres
- Lot 14, 4.238 acres
- Lot 15, 5.477 acres
- Lot 16, 11.391 acres
- Lot 17, 4.238 acres
- Lot 18, 5.477 acres
- Lot 19, 11.391 acres
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- Lot 91, 11.391 acres
- Lot 92, 4.238 acres
- Lot 93, 5.477 acres
- Lot 94, 11.391 acres
- Lot 95, 4.238 acres
- Lot 96, 5.477 acres
- Lot 97, 11.391 acres
- Lot 98, 4.238 acres
- Lot 99, 5.477 acres
- Lot 100, 11.391 acres

**BASTROP BUSINESS & INDUSTRIAL PARK, PHASE I**  
**BASTROP ECONOMIC DEV. CORP.**  
**REPEAT LOTS 1 & 2, RESERVE B**

APPROVED FOR RECORDATION BY THE CLERK OF THE DISTRICT COURT OF THE PARISH OF IBERVILLE, LOUISIANA, ON THIS 15th DAY OF JANUARY, 2019.

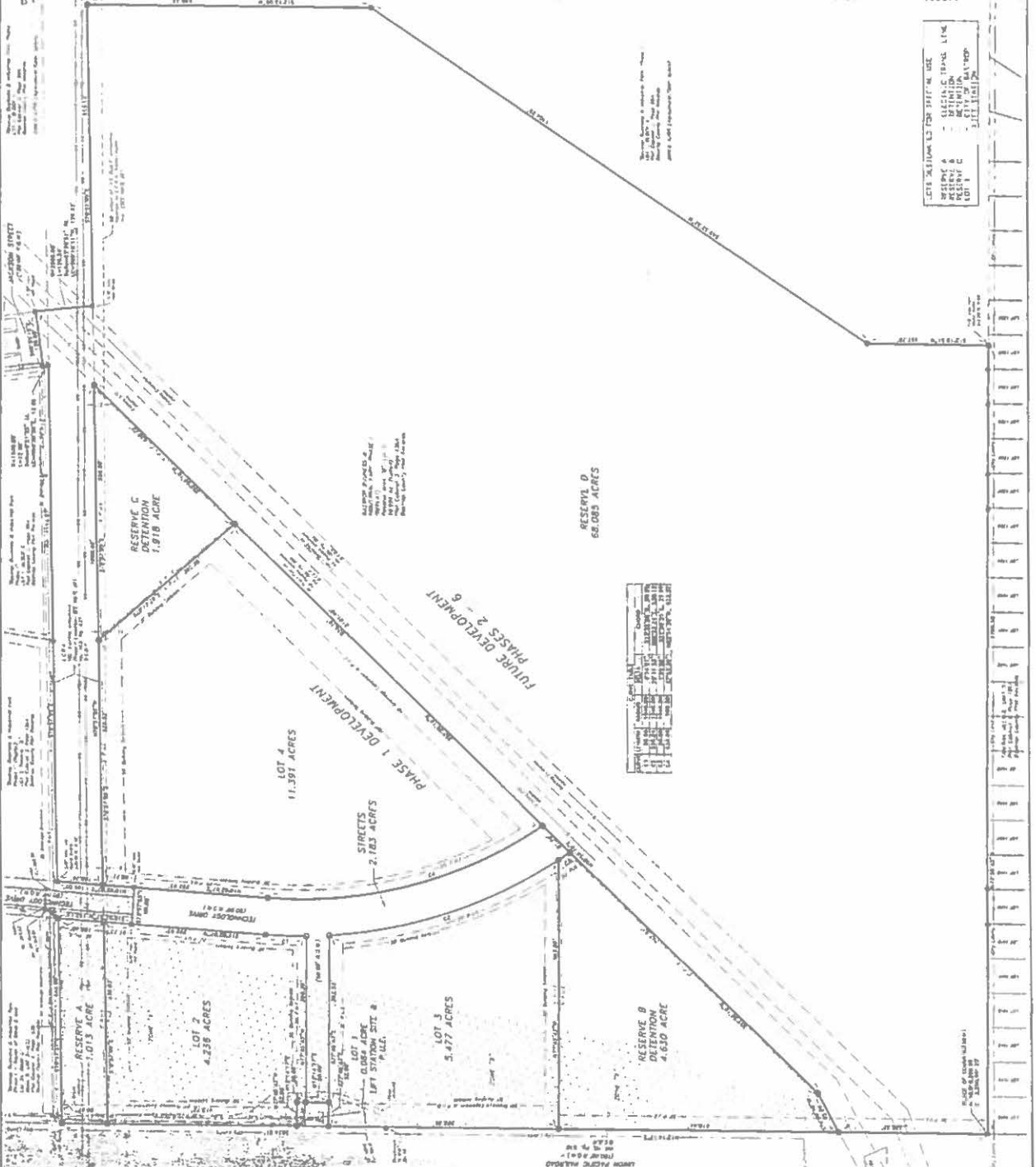
BY: *[Signature]*  
 CLERK OF DISTRICT COURT

APPROVED FOR RECORDATION BY THE CLERK OF THE DISTRICT COURT OF THE PARISH OF IBERVILLE, LOUISIANA, ON THIS 15th DAY OF JANUARY, 2019.

BY: *[Signature]*  
 CLERK OF DISTRICT COURT

APPROVED FOR RECORDATION BY THE CLERK OF THE DISTRICT COURT OF THE PARISH OF IBERVILLE, LOUISIANA, ON THIS 15th DAY OF JANUARY, 2019.

BY: *[Signature]*  
 CLERK OF DISTRICT COURT



**LOT 1**

RESERVE A	1.013 ACRE
RESERVE B	4.630 ACRE
RESERVE C	1.818 ACRE
LOT 1	11.391 ACRES

**LOT 2**

RESERVE A	1.013 ACRE
RESERVE B	4.630 ACRE
RESERVE C	1.818 ACRE
LOT 2	4.238 ACRES

MAP OF THE PARISH OF IBERVILLE, LOUISIANA

5100-5 REPEAT OF LOTS 1 & 2, RESERVE B OF THE BASTROP BUSINESS AND INDUSTRIAL PARK, PHASE I



EXHIBIT "B"  
Project Description

The Bastrop EDC, as part of the agreement with AEI Technologies, Inc., will replat and sell a minimum of 1.4 acres of property starting at the southeast corner of "Amended Plat of Lot 3, Reserve Area "B", and Lot 2 Block "C" of the Bastrop Business and Industrial Park, Phase 1 as recorded in Cabinet 5 page, 162-A of the Bastrop County Plat Records." AEI is planning to construct a minimum of 3,000 and up to 5,000 square foot facility to house its engineering, manufacturing and assembly operations for its medical equipment manufacturing, NAICS code 334510. To operate the facility, AEI will employ four full-time equivalents at the start of operations, anticipating growing to seven full-time equivalents during the term of the agreement.

**RESOLUTION NO. R-2019-0002****A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION ACKNOWLEDGING AEI TECHNOLOGIES' SUBSTANTIAL COMPLIANCE WITH THE TERMS OF AN ECONOMIC DEVELOPMENT AGREEMENT; AUTHORIZING THE RELEASE OF THE THIRD PHASE INCENTIVES DUE UNDER THE ECONOMIC DEVELOPMENT AGREEMENT; REPEALING ALL RESOLUTIONS IN CONFLICT; AND, PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, on the 16th day of May 2016, the BEDC and AEI Technologies ("AEI") entered into that certain Economic Development Agreement (the "Agreement"); and

**WHEREAS**, the Agreement provided for a total of \$56,000.00 in cash incentives, with \$28,000.00 being due to AEI upon completion of the Facility described in the Agreement, issuance of a certificate of occupancy for the Facility, and the hiring of four full-time employees ("FTEs"), with the remaining \$28,000 of incentives due in payments of one-third of the amount (e.g., \$9,333.00), each upon the hiring of one additional FTE up to a total of seven (7) FTEs; and

**WHEREAS**, the BEDC provided to AEI the first incentive of \$28,000.00 on or about July 18, 2017; and

**WHEREAS**, the BEDC provided to AEI the second incentive of \$9,333.00 on or about August 3, 2018; and

**WHEREAS**, AEI hired a 6<sup>th</sup> employee and is requesting payment of the third incentive of \$9,333.00 under the Agreement; and

**WHEREAS**, the Agreement is being amended to allow for the owner and President Phil Loeb to be included as an FTE under the Agreement, thereby qualifying as the 6<sup>th</sup> FTE as amended; and

**WHEREAS**, the Board finds this to be in substantial compliance with the Agreement and allows for the third incentive of \$9,333.00 to be distributed to AEI.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:**

**SECTION 1.** The above stated findings are true and correct and incorporated in this Resolution for all purposes.

**SECTION 2.** AEI is in substantial compliance with the terms of the Agreement related to employment of FTEs.

**SECTION 3.** The third cash incentive, an amount equal to and not to exceed \$9,333.00, may be released to AEI.

**RESOLUTION NO. R-2019-0002**

**SECTION 4.** The Director, with the assistance of the BEDC’s attorneys, is authorized and directed to prepare any instruments reasonably necessary to fulfill the intent expressed herein.

**SECTION 5.** Any prior resolution of this Board in conflict with the provisions contained in this Resolution are hereby repealed and revoked.

**SECTION 6.** Should any part of this Resolution be held to be invalid for any reason, the remainder shall not be affected thereby, and such remaining portions are hereby declared to be severable.

**SECTION 7.** This Resolution shall take effect immediately from and after its passage, and it is duly resolved.

**DULY RESOLVED AND ADOPTED** by the Board of Directors of the Bastrop Economic Development Corporation this \_\_\_\_ day of \_\_\_\_\_ 2019.

BASTROP ECONOMIC  
DEVELOPMENT CORPORATION

\_\_\_\_\_  
Kathryn Nash, Board Chair

ATTEST:

\_\_\_\_\_  
Sam Kier, Board Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Denton, Navarro, Rocha, Bernal & Zech, P.C.



## Agenda Item: 3.5

# AGENDA MEMORANDUM

Meeting Date: January 28, 2019

Agenda Item: Consideration, discussion and possible action on Resolution R-2019-0003 approving a twenty (20%) percent match to the City of Bastrop's grant pledge for the completion of Agnes Street that will have an immediate, significant economic impact to Bastrop by making large tract properties accessible and marketable for industry attraction.

Prepared by: Mike Kamerlander, Executive Director

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The Economic Development Administration (EDA) has allocated \$90 million in FY 2018 supplemental appropriations for disaster recovery grants to support recovery activities in areas receiving a major disaster designation due to Hurricane Harvey and other 2017 natural disasters. Qualifying projects include a wide range of construction and non-construction activities such as studies to assist communities on diversifying economies to mitigate disasters, purchasing buildings, etc. All grants will fund 80% of the project cost and require a 20% match. The EDA will be accepting applications on a rolling basis until all funds are obligated.

As of mid-January, there is \$50 million left for allocation. The City of Bastrop, in collaboration with Bastrop Economic Development Corporation (BEDC), are submitting a grant \$1.5 million to complete Agnes Street between Seton Hospital to its eastern connection point just west of Hasler Boulevard. If funded, this street would connect SH 304 to Childers Drive and offer an east-west connection other than SH 71. This project has been identified as a significant project of importance within the City's Transportation Master Plan, the City's Work Plan, and within the community.

BEDC Executive Director has agreed to provide the 20% match with board approval, which is estimated to be \$300,000. There are two properties identified that will significantly benefit from the completion of this street. Both property owners have agreed to donate the right-of-way for the construction of Agnes. Judge Paul Pape has written a letter of support for this project. The Capital Area Council of Governments (CAPCOG) is working on behalf of the EDA to coordinate grant submissions in this region. CAPCOG representatives have also agreed to submit a letter of support as well.

Attachment:  
Draft Resolution R-2019-0003

**Recommendation** – Approve the Resolution as presented.

**[RECOMMENDED MOTION]** – I move to approve Resolution R-2019-0003.

**RESOLUTION NO. R-2019-0003**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION SUPPORTING THE CITY OF BASTROP'S SUBMISSION OF AN ED-900P – PROPOSAL FOR ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) ASSISTANCE GRANT REQUESTING FUNDING TO COMPLETE AGNES STREET FROM THE EDGE OF SETON HOSPITAL TO ITS EASTERN CONNECTION POINT JUST WEST OF HASLER BOULEVARD; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE ALL NECESSARY DOCUMENTATION; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the Bastrop Economic Development Corporation (“BEDC”) is a public instrumentality and non-profit industrial development corporation duly established and operating under Local Government Code, Chapters 501 and 505, et seq., as amended, known as the Development Corporation Act of 1979 (the “Act”), and is acting with the approval of the governing body of the City of Bastrop, Texas (the “City”); and

**WHEREAS**, the Economic Development Administration (EDA) has allocated \$90 million in FY 2018 supplemental appropriations for disaster recovery grants to support recovery activities in areas receiving a major disaster designation due to Hurricane Harvey and other 2017 natural disasters; and

**WHEREAS**, the City of Bastrop, in collaboration with the BEDC, are applying for a \$1.5 million grant to complete Agnes Street between Seton Hospital to its eastern connection point just west of Hasler Boulevard; and

**WHEREAS**, the project scope is the completion of identified infrastructure in the City's Transportation Master Plan for the design and construction of Agnes Street, located in the City of Bastrop. When completed, this street will be located south of State Highway 71 and east of State Highway 304, providing significant east/west connectivity from Childers Street to SH 304. The only east/west connection through the City is currently State Highway 71; and

**WHEREAS**, the City of Bastrop has determined “Special Need” as the basis of economic distress for eligibility. Bastrop has routinely experienced numerous natural disasters over the last decade. The largest wildfire in Texas occurred in Bastrop in 2011, four (4) FEMA declared flooding disasters occurred in 2015 and 2016, plus Hurricane Harvey in 2017; and

**WHEREAS**, the completion of Agnes Street will have an immediate, significant economic impact to Bastrop by making large tract properties accessible and marketable for industry attraction. It also supports goals in the Comprehensive Plan and is a noted project in the Transportation Master Plan, both adopted by City Council in November 2016; and

**WHEREAS**, these large tracts of land are along the SH 71 corridor and have been identified as key economic development opportunities. However, these tracts are dependent upon this project for accessibility. With Seton Hospital and the regional location of this property along the SH 71 growth corridor, it is prime for immediate private development and the creation of job opportunities within primary industry sectors, offering wages higher than the regional average; and

**RESOLUTION NO. R-2019-0003**

**WHEREAS**, recognizing the crucial need for this transportation project, the Bastrop Economic Development Corporation (BEDC) agrees to fund a 20% match to the funds provided by the City in obtaining this Grant. Funding for this project is immediately available without restrictions. There will be collaboration with property owners benefiting from this project. All property owners have pledged to dedicate the right-of-way needed for this project at no expense to the community.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:**

**SECTION 1.** The Bastrop Economic Development Corporation supports the City of Bastrop’s submission of an ED-900P – Proposal for Economic Development Administration Assistance requesting funding to complete Agnes Street from the edge of Seton Hospital to its eastern connection point just west of Hasler Boulevard.

**SECTION 2.** The Bastrop Economic Development Corporation agrees to fund a 20% match to the funds provided by the City in their submission of the ED-900P Grant.

**SECTION 3.** The Director is hereby authorized and directed to prepare any instruments reasonably necessary to fulfill the intent expressed herein.

**SECTION 4.** This Resolution is effective upon passage.

**DULY RESOLVED AND ADOPTED** by the Board of Directors of the Bastrop Economic Development Corporation, this \_\_\_\_ day of \_\_\_\_\_ 2019.

BASTROP ECONOMIC  
DEVELOPMENT CORPORATION

\_\_\_\_\_  
Kathryn Nash, Board Chair

ATTEST:

\_\_\_\_\_  
Sam Kier, Board Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Denton, Navarro, Rocha, Bernal & Zech, P.C.



## Agenda Item: 3.6

# AGENDA MEMORANDUM

Meeting Date: January 28, 2019

Agenda Item: Update on EDC staff activities (e.g., marketing, prospects, projects, agreements, events, and other updates).

Prepared by: Mike Kamerlander, Executive Director

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Please see attached presentation.

Attachment: PowerPoint Presentation about EDC activities.

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**Recommendation** – No recommendation; item for informational purposes only.







# TODAY'S AGENDA

**01.**  
Call To Order

**02.**  
Public Comment

**03.**  
Regular Business & Presentations

**04.**  
Executive Session

**05.**  
Adjournment



## 2. PUBLIC COMMENT



## 3.1

### Regular Business & Presentations

Approval of meeting  
minutes of the Bastrop  
EDC Regular Board  
Meeting of  
December 17, 2018.



## 3.2

### Regular Business & Presentations

Acceptance of the  
Bastrop EDC's financial  
summary reports for  
periods ending  
November 30, 2018, and  
December 31, 2018.



# Summary of Revenues and Expenditures – 11/30/18 <sup>70</sup>

Month	FY 2019 Revenue	FY 2019 Expense	Monthly Variance
October	\$188,063	\$107,119	\$80,944
November	208,065	80,898	127,167
December			
January			
February			
March			
April			
May			
June			
July			
August			
September			
Total	\$396,128	\$188,017	\$208,111



# Summary of Sales Tax Revenue – 11/30/18

Month	FY 2019 Forecast	FY 2019 Actual	Monthly Variance
October	\$171,165	\$178,959	\$7,794
November	192,394	194,036	1,642
December	181,978		
January	195,618		
February	244,522		
March	171,165		
April	183,392		
May	250,872		
June	207,844		
July	218,358		
August	220,070		
September	207,844		
Total	\$2,445,222	\$372,995	\$9,436 2.6% increase



# Expenditures Budget to Actual - 11/30/18

## OPERATING EXPENDITURES COMPARISON

<u>Category</u>	<u>FY2019 Forecast</u>	<u>FY2019 Actual</u>	<u>Monthly Variance</u>
Personnel	\$ 57,280	\$ 55,192	\$ 2,088
Supplies & Material	3,105	4,330	\$ (1,225)
Maintenance & Repairs	4,315	3,575	\$ 740
Occupancy	8,530	11,764	\$ (3,234)
Contractual Service	73,132	77,894	\$ (4,762)
Marketing/Advertising	50,555	33,683	\$ 16,872
Contingency	-	-	\$ -
Debt Service	-	-	\$ -
<b>Total</b>	<b>\$ 196,917</b>	<b>\$ 186,438</b>	<b>\$ 10,479</b>

Forecast to Actual % 5.32%

Positive

The forecast to actual comparison is a positive 5.3% year-to-date.





# Expenditures Budget to Actual - 11/30/18

## CAPITAL OUTLAY PROJECTS

<u>Project</u>	<u>FY2019 Budget</u>	<u>FY2019 Actual</u>	<u>Budget Balance</u>
<b>Trail System Downtown Loop</b> (only engineering and permitting expenses so far)	\$ 629,218	\$ 805	\$ 628,413
<b>Bus. Ind. Park-Tech/MLK Infra</b> (only engineering expenses so far)	1,157,000	1,486	\$ 1,155,514
<b>Agnes/Home Depot Way Infra</b> Engineering & Corp. portion of construction improvements	878,466	(713)	\$ 879,179 \$ -
<b>Total</b>	<b>\$ 2,664,684</b>	<b>\$ 1,578</b>	<b>\$ 2,663,106</b>

These projects are funded by various funds including 2013 Bond funds, operating funds and 2018 Bond funds.



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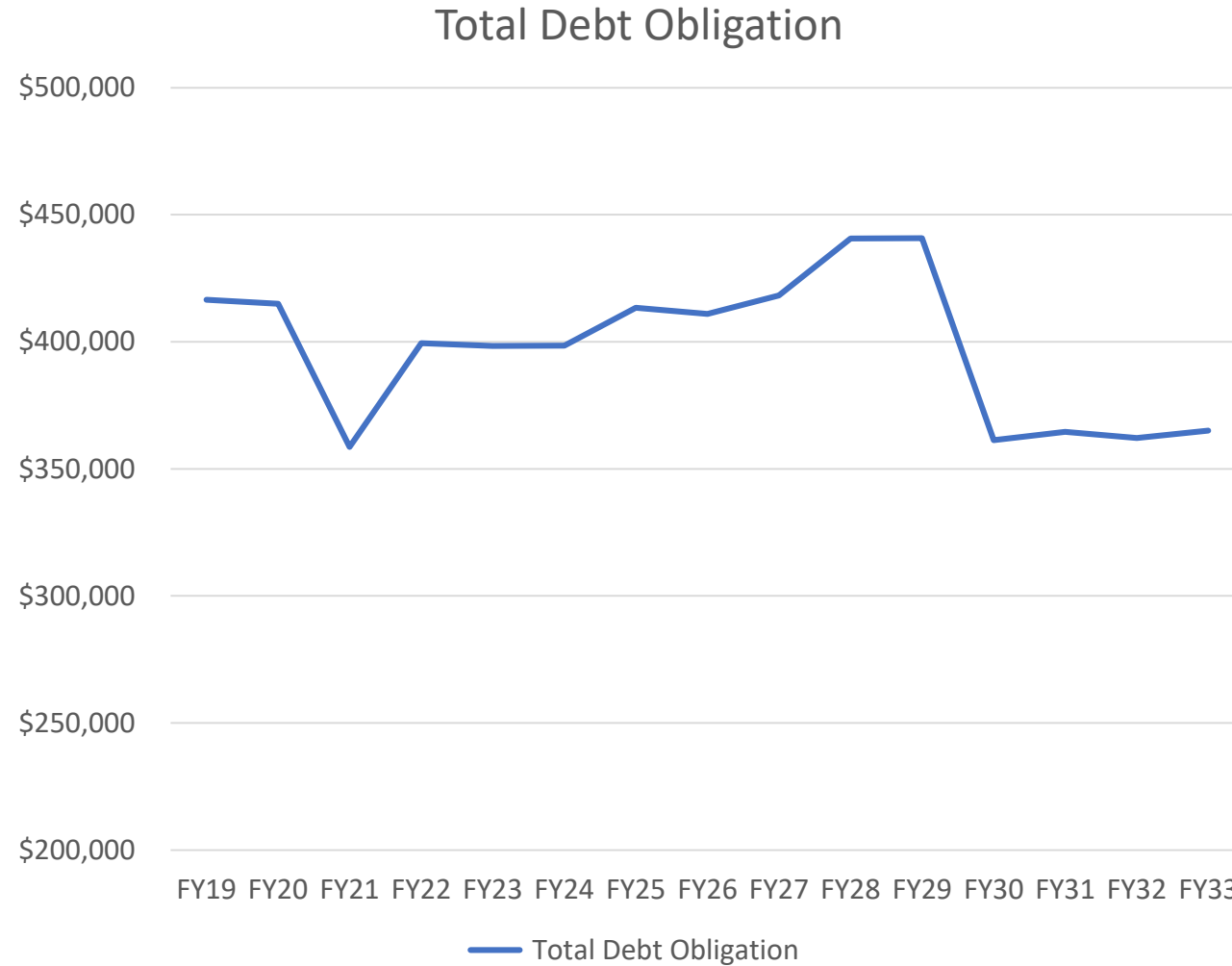
**BASTROP ECONOMIC DEVELOPMENT CORPORATION FUND**  
**FY 2018-2019 BUDGET**

Unaudited Operating Fund Balance 9-30-2018	\$ 5,069,820
<b>FY 2018-2019</b>	
Budgeted	
Revenues	\$ <u>3,228,020</u>
Total FY 2018 Resources	\$ 8,297,840
Budgeted Expenditures:	
Operating Expenses	\$ (2,456,990)
Capital Expenses	\$ (2,664,684)
Debt Service	\$ <u>(462,828)</u>
	\$ (5,584,502)
Projected Ending Gross Fund Balance 09-30-2019	\$ 2,713,338
Reserve 25% of Operating Expense	\$ 614,248

---



# Debt Obligation – 6/21/18



# Summary of Revenues and Expenditures – 12/31/18 <sup>76</sup>

Month	FY 2019 Revenue	FY 2019 Expense	Monthly Variance
October	\$188,063	\$107,119	\$80,944
November	208,065	80,898	127,167
December	221,414	140,654	80,760
January			
February			
March			
April			
May			
June			
July			
August			
September			
Total	\$617,542	\$328,671	\$288,871



# Summary of Sales Tax Revenue – 12/31/18

Month	FY 2019 Forecast	FY 2019 Actual	Monthly Variance
October	\$171,165	\$178,959	\$7,794
November	192,394	194,036	1,642
December	181,978	208,910	26,932
January	195,618		
February	244,522		
March	171,165		
April	183,392		
May	250,872		
June	207,844		
July	218,358		
August	220,070		
September	207,844		
Total	\$2,445,222	\$581,905	\$36,368 6.7% increase



# Expenditures Budget to Actual - 12/31/18

## OPERATING EXPENDITURES COMPARISON

<u>Category</u>	<u>FY2019 Forecast</u>	<u>FY2019 Actual</u>	<u>Monthly Variance</u>
Personnel	\$ 85,573	\$ 85,625	\$ (52)
Supplies & Material	10,265	7,170	\$ 3,095
Maintenance & Repairs	6,703	3,975	\$ 2,728
Occupancy	12,795	15,554	\$ (2,759)
Contractual Service	85,923	86,475	\$ (552)
Marketing/Advertising	168,733	128,294	\$ 40,439
Contingency	-	-	\$ -
Debt Service	-	-	\$ -
<b>Total</b>	<b>\$ 369,992</b>	<b>\$ 327,093</b>	<b>\$ 42,899</b>

Forecast to Actual % 11.59%

Positive

The forecast to actual comparison is a positive 11.5% year-to-date.



# Expenditures Budget to Actual - 12/31/18

## CAPITAL OUTLAY PROJECTS

<u>Project</u>	<u>FY2019 Budget</u>	<u>FY2019 Actual</u>	<u>Budget Balance</u>
<b>Trail System Downtown Loop</b> (only engineering and permitting expenses so far)	\$ 629,218	\$ 805	\$ 628,413
<b>Bus. Ind. Park-Tech/MLK Infra</b> (only engineering expenses so far)	1,157,000	1,486	\$ 1,155,514
<b>Agnes/Home Depot Way Infra</b> Engineering & Corp. portion of construction improvements	878,466	(713)	\$ 879,179 \$ -
<b>Total</b>	<b>\$ 2,664,684</b>	<b>\$ 1,578</b>	<b>\$ 2,663,106</b>

These projects are funded by various funds including 2013 Bond funds, operating funds and 2018 Bond funds.



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**BASTROP ECONOMIC DEVELOPMENT CORPORATION FUND**  
**FY 2018-2019 BUDGET**

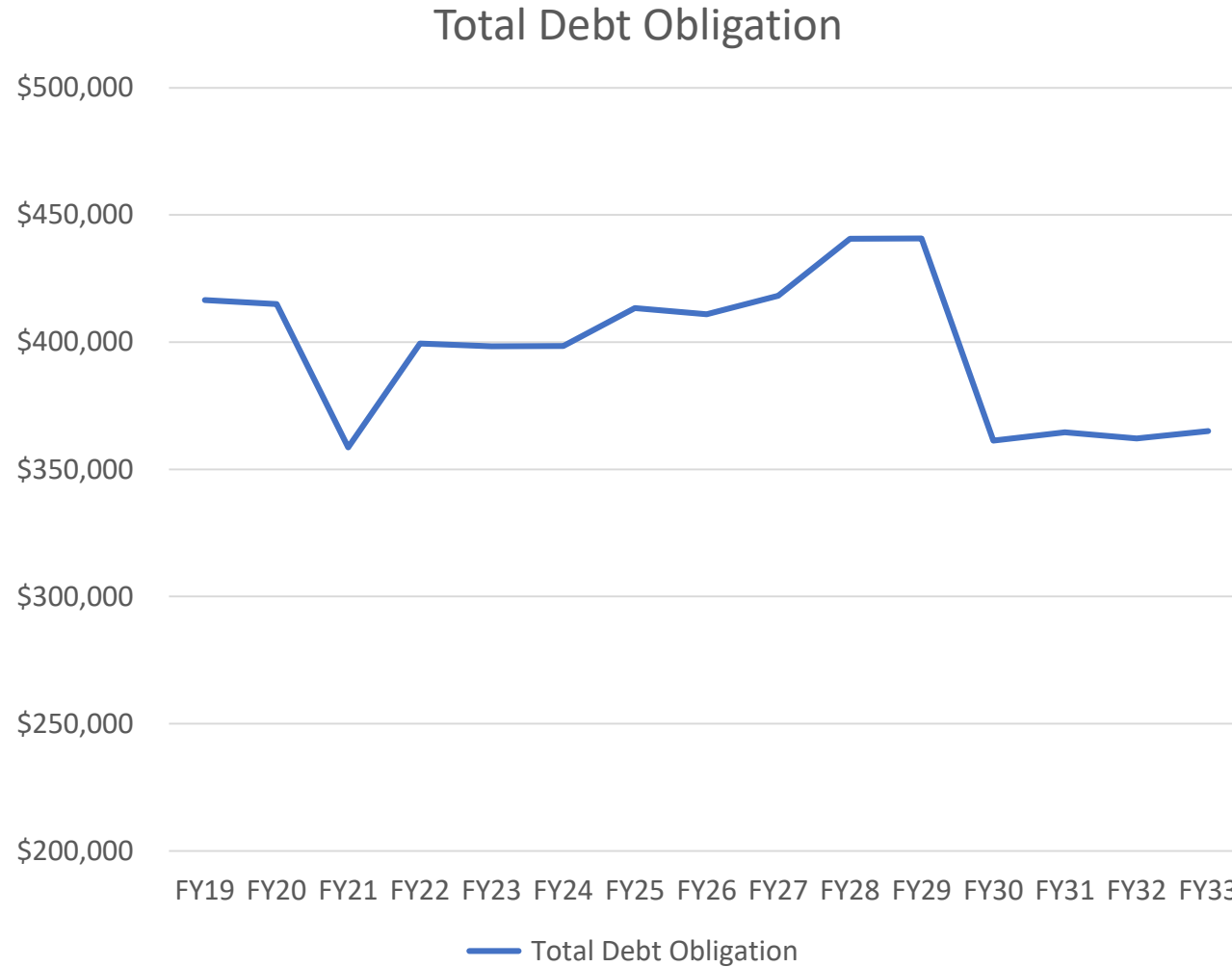
Unaudited Operating Fund Balance 9-30-2018	\$ 5,069,820
<b>FY 2018-2019</b>	
Budgeted	
Revenues	\$ <u>3,228,020</u>
Total FY 2018 Resources	\$ 8,297,840
Budgeted Expenditures:	
Operating Expenses	\$ (2,456,990)
Capital Expenses	\$ (2,664,684)
Debt Service	\$ <u>(462,828)</u>
	\$ (5,584,502)
Projected Ending Gross Fund Balance 09-30-2019	\$ 2,713,338
Reserve 25% of Operating Expense	\$ 614,248

---





# Debt Obligation – 6/21/18



## 3.3

### Regular Business & Presentations

# Resolution R-2019-0001

Consideration, discussion and possible action on Resolution R-2019-0001 approving an amendment to the agreement with 921 Bastrop, LLC.





- Initial remediation to the walls has been completed this past weekend and will prevent further damage to the adjacent structures
- Revised timeline in lease to keep developer on-the-hook and actively marketing the project to prospective tenants
- BEDC is also actively marketing the property



## 3.4

### Regular Business & Presentations

# Resolution R-2019-0002

Consideration, discussion and possible action on Resolution R-2019-0002 approving a single amendment to the agreement with AEI Technologies to provide the payment for the 6th full-time employee in the amount of \$9,333.00.



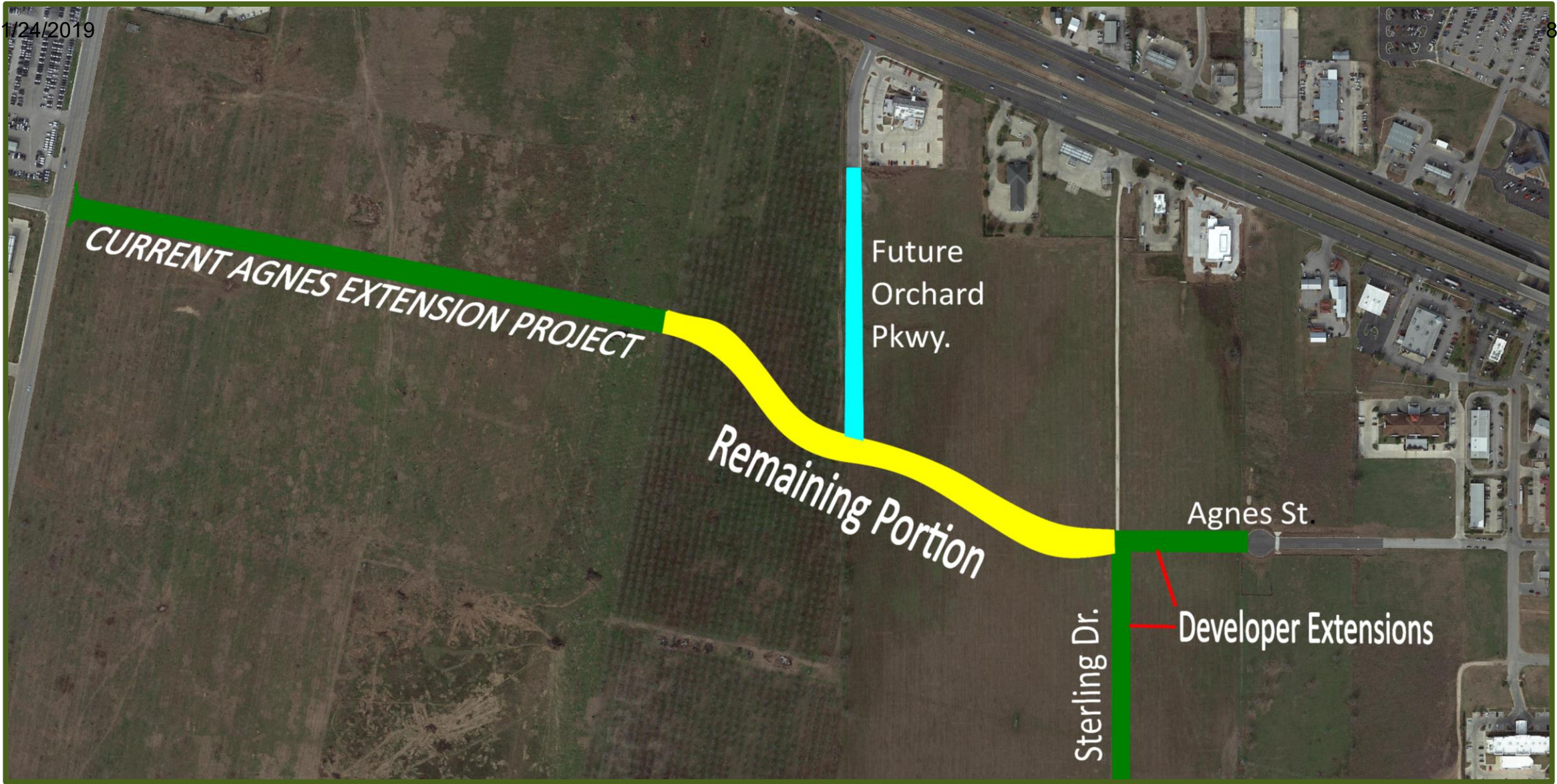
## 3.5

### Regular Business & Presentations

# Resolution R-2019-0003

Consideration, discussion and possible action on Resolution R-2019-0003 approving a twenty (20%) percent match to the City of Bastrop's grant pledge for the completion of Agnes Street that will have an immediate, significant economic impact to Bastrop by making large tract properties accessible and marketable for industry attraction.





# ACTIVITY REPORT



- January Chamber Luncheon (Jean)
- We Believe in BISD visit to Bastrop High School – provided breakfast for 100+ teachers & Staff (Jean & Phallan)
- ICSC Red River Conference January 9-11<sup>th</sup> in Fort Worth TX (Mike & Jean)
- New Republic Studios January 17<sup>th</sup> Film Incentives and Moving Picture Industry (Phallan)
- B.E.S.T. Breakfast (Mike & Phallan)



2019 ICSC Red River – Mike, Jean and Adena





# Business Recruitment Activity Matrix

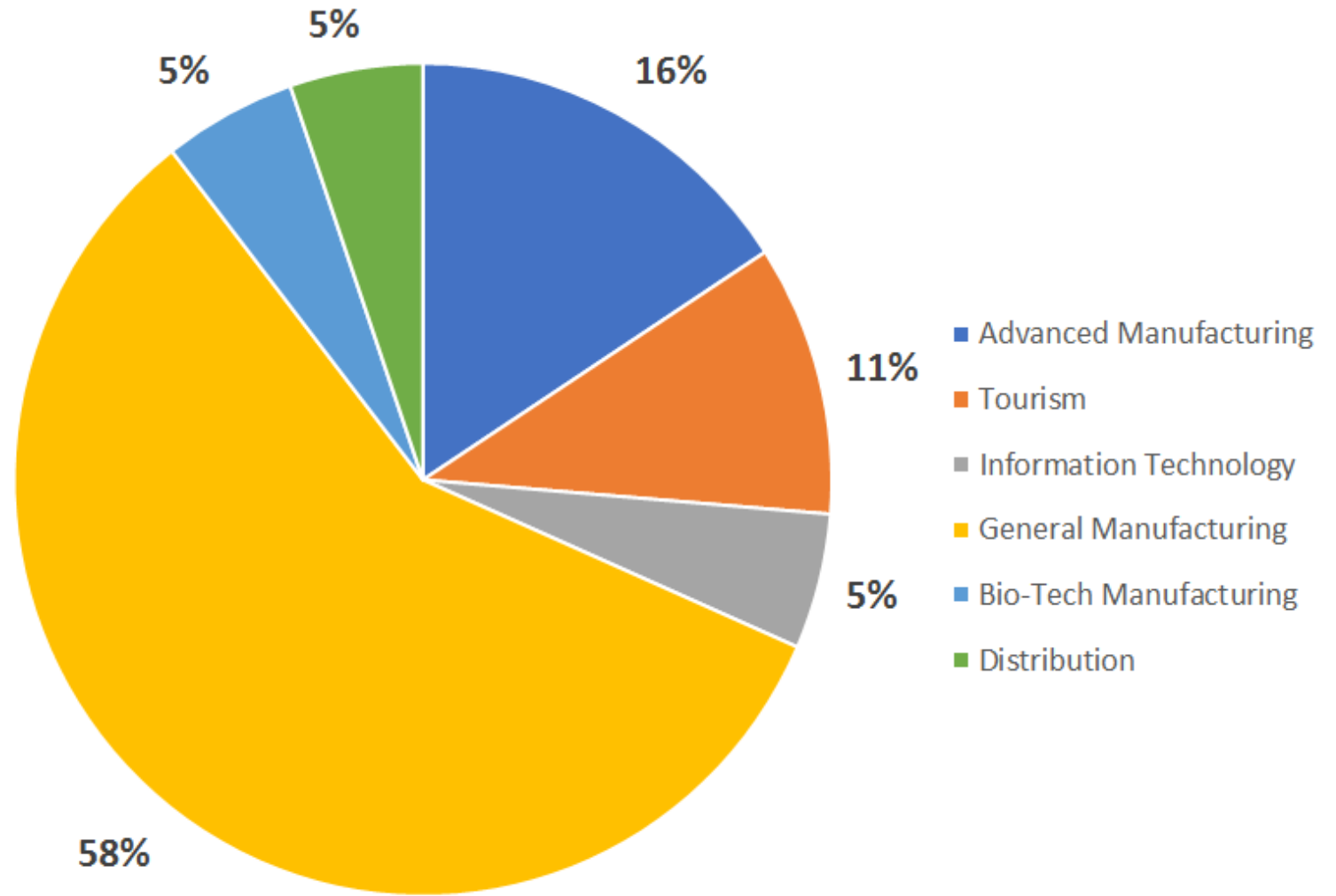
	December 2018	FY 2019 YTD
<b>OUT OF REGION VISITS</b>	0	0
<b>SOURCES OF LEADS</b>	2	4
<b>Internal Leads</b>	1	6
Direct Company	1	2
Local/Regional/Broker	0	4
Site Consultant	0	0
Site Location Partnership	0	0
Other	0	0
<b>External Leads</b>	1	6
Austin Chamber	0	3
State	1	3
<b>PROSPECT FOLLOW UP REQUEST</b>	16	24
<b>PROSPECT VISITS</b>	2	4
New (1st)	1	3
Repeat	1	1
<b>ANNOUNCEMENTS</b>	0	0



# FY 19 YTD LEADS BY INDUSTRY

## Project Updates

2542 jobs  
2,669,000 sq. ft.  
\$1,163,054,000



# Business Retention & Expansion

## Existing Business Engagements

	December 2017	December 2018	FY 2019 YTD
<b>TOTAL ENGAGEMENTS</b>	<b>0</b>	<b>4</b>	<b>12</b>
In Person Visits	0	2	10
Assistance Requests	0	1	1
Workforce Dev. Mtgs.	0	1	1



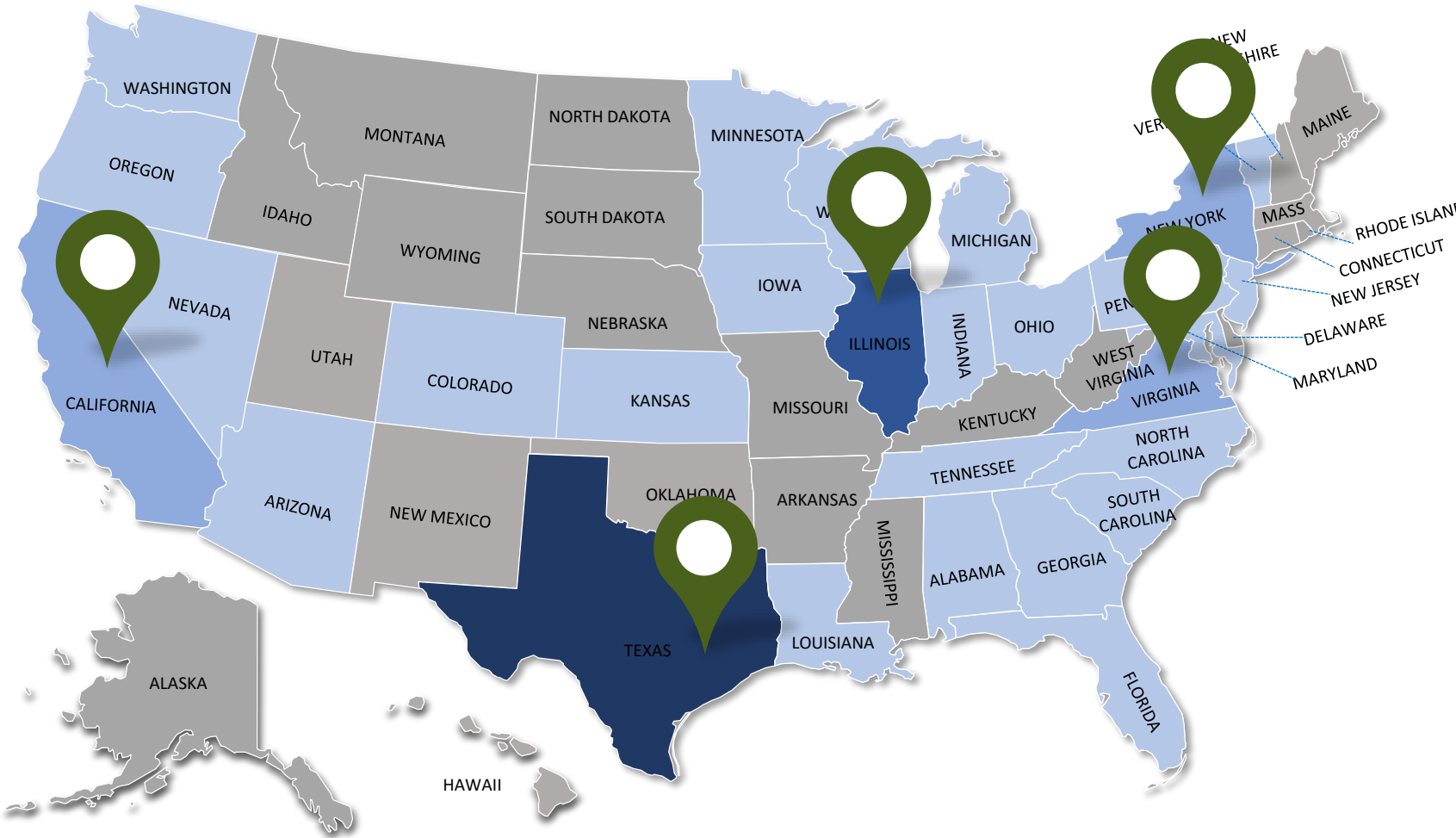


- **912 Unique Users** visited the website; **2,259 Page Views**
- **89.5% New** vs. **10.5% Returning** Users
- **34 States & 31 Countries** represented by website visits in December
- **Top Pages Visited:** Blog, News, Community History, Staff, Mayor Employers, Current (BEDC) Projects
- **43.9%** found the website organically through search engines; **36.8%** visited directly using URLs; **19.3%** were referred from another site, including **10%** social media.



# WEBSITE ANALYTICS DECEMBER 2018

## Users visiting website by state comparison



## TOP 5 WITH MOST VISITORS

### States:

- Texas – 480**
- Illinois – 75**
- Virginia – 31**
- California – 15**
- New York – 13**

### Countries:

- United States – 745**
- Canada – 50**
- Brazil – 24**
- France – 16**
- India – 12**



## Social Media Engagement

	December 2017	December 2018
<b>TOTAL LIKES/FOLLOWERS</b>	<b>3,732</b>	<b>5,098</b>
Facebook Page Likes	3,732	3,819
Twitter Followers	Unknown	1,125
LinkedIn Followers	Unknown	154



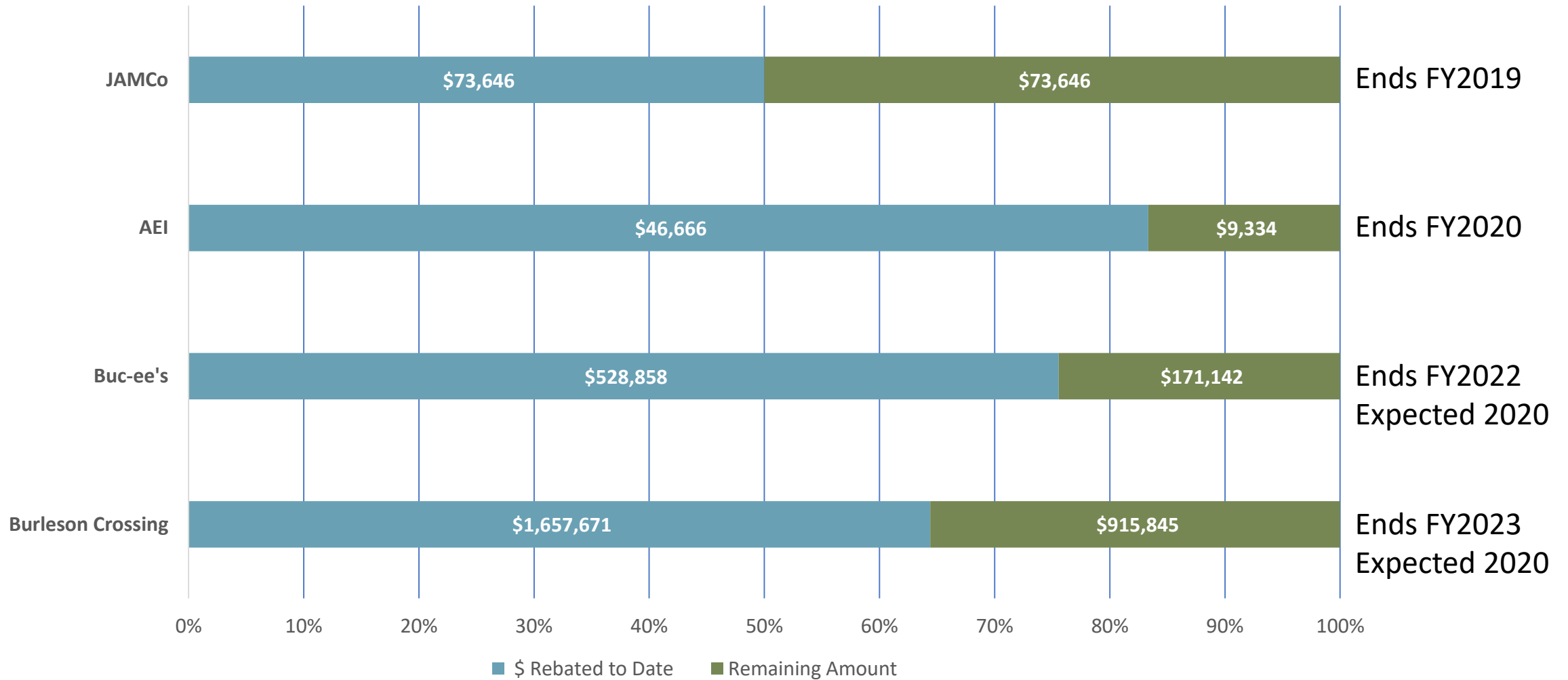
# Project Updates

- Agnes I: Under construction and no known delays other than weather-related.
- 921 Main: First phase of remediation completed this past weekend. Still marketing the building through Stone Cobalt and the BEDC.
- Downtown Trail: Revised cost estimates have been provided by Bowman Consulting. Meeting with City, Bowman, and TxDOT this coming Friday to establish project timeline.
- Technology Drive: Bowman has provided the City and County scope of work and needed approvals to begin construction.



# 380 AGREEMENT UPDATES – Through Q1 FY2019

01/24/2019







GOVERNOR'S

2019 | SMALL BUSINESS WORKSHOP

CENTRAL TEXAS



TexasEconDev



SAVE THE DATE!

BASTROP  
SEPTEMBER 12

GOV.TEXAS.GOV/BUSINESS/EVENTS

Governor's  
Small  
Business  
Workshop



**When:**

- September 12, 2019 8:00 am – 12:00 pm

**Where:**

- City Bastrop Convention Center

**About the Event:**

- The Governor's Small Business Workshops provide small business owners and aspiring entrepreneurs an opportunity to interact with small business resource providers, such as business lenders, business-oriented non-profits, and local, regional, state and federal agencies. Small business owners and entrepreneurs are invited to attend the Workshops to receive interactive, hands-on assistance from the resource providers and gather the information needed to start and strengthen their businesses.
- Registration Fee is \$10. Parking is provided.

# Governor's Small Business Workshop



# 4.1 Executive Session

The Bastrop EDC Board reserves the right to convene into Executive Session at any time during the meeting regarding any agenda item in compliance with the Texas Open Meetings Act, Chapter 551 Government Code.



The Bastrop EDC Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:

- (1) **Section 551.071** Consultation with Attorney: 921 Main St.
- (2) **Section 551.071** Consultation with Attorney: AEI Technologies
- (3) **Section 551.071** Consultation with Attorney, **551.072** Deliberation about the purchase, exchange, lease, or value of real property, **551.087** Deliberation regarding economic development negotiations: 'Project Kitchen'

## 4.2

### Executive Session

The Bastrop EDC Board of Directors will reconvene into open session to discuss, consider and/or take any action necessary related to the executive session items noted herein.



# ADJOURN

Next Meeting: February 25, 2019

