

**LUBBOCK REESE REDEVELOPMENT AUTHORITY (LRRRA)
MEETING AGENDA OF THE BOARD OF DIRECTORS**

*Pursuant to the Executive Orders of Governor Abbott, and other authority provided by the Texas Attorney General, the Board of Directors will convene in-person and via video and/or teleconference.
You may join the meeting by video here: <https://us02web.zoom.us/j/83855654956> or dial in using this telephone number (346) 248-7799.*

Date: Wednesday, February 24, 2021

Time: 8:00 a.m.

Place: Reese Technology Center, LRRRA Reese Room, 9801 Reese Blvd, Suite 106, Lubbock, TX 79416

AGENDA ITEMS	TAB	SPEAKER
Call the Meeting to Order		Joe Rapier
1. Citizen Comments - Any citizen wishing to appear before a regular meeting of the Lubbock Reese Redevelopment Authority Board of Directors, regarding any matter posted on the Board Agenda, shall complete the sign-up form provided at the meeting, no later than 7:45 a.m.	TAB 1	Joe Rapier
2. Presentation and Discussion Item – KBR	TAB 2	Tony Parton
3. a. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.072, regarding certain matters concerning real property. Discussions regarding interest in the lease, sale, or value of buildings and property. b. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.074(a), Deliberations Regarding Personnel Matters: <ul style="list-style-type: none"> • Executive Director • Manager of Business Development • Manager of Accounting • Manager of Operations • Operations Lead • Service Technician • Service Technician • Administrative Coordinator • Administrative Assistant • Board of Directors c. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.071, Consultation with Attorney.	TAB 3	John Tye Muvat Musa Don Provost Joe Rapier Muvat Musa Darrell Guthrie

4. Action Item – Consider the Minutes of the January 27, 2021 Board of Directors Meeting.	TAB 4	Joe Rapier
5. Action Item – Approve LRRRA Enabling Legislation Changes	TAB 5	Darrell Guthrie
6. Discussion Item – Financial Reports and Make Ready Cost Reporting	TAB 6	Sandy Hamilton
7. Discussion Item – Marketing Report	TAB 7	Lacy Elliott
8. Discussion Item – Reese Events & Activities	TAB 8	Murvat Musa
Adjourn the Meeting		Joe Rapier

Lubbock Reese Redevelopment Authority (LRRRA) will post this meeting agenda on its front doors and on its website at <http://www.reesetechnologycenter.com/agendas/> by 5:00 p.m., Friday, February 19, 2021.

by: 
Lacy Elliott, Administrative Coordinator

The LRRRA Board meetings are available to all persons regardless of disability. To notify the LRRRA of your attendance or if you require special assistance, please contact them at (806) 885-6592 or write Reese Technology Center, 9801 Reese Blvd., Suite 200, Lubbock, Texas 79416 at least 48 hours in advance of the meeting.

ITEM 1

Citizen Comments

ITEM 2

KBR Presentation

ITEM 3

EXECUTIVE SESSION

Information to be provided at
meeting
(if applicable)

Lubbock Reese Redevelopment Authority

Board Meeting Minutes

January 27, 2021

The Lubbock Reese Redevelopment Authority held a regular meeting at 8:00 a.m. Wednesday, January 27, 2021 at the Lubbock Reese Redevelopment Authority Board Room, 9801 Reese Boulevard, Suite 106, Lubbock, TX 79416.

These are the minutes of the Board of Directors of the Lubbock Reese Redevelopment Authority, a State of Texas Political Subdivision.

<u>MEMBERS PRESENT:</u>	Joe Rapier	Todd McKee	Tim Pierce
	John Tye	Dewayne Askins	Steve Verett
	Tim Collins		

MEMBERS ABSENT: None

OTHERS PRESENT:

Reese Staff: Murvat Musa-Executive Director, Don Provost-Manager of Business Development, Sandy Hamilton-Manager of Accounting, Chris Evans-Manager of Operations, Lacy Elliott-Administrative Coordinator, and Cecilia Davila-Administrative Assistant

Legal Counsel: Darrell Guthrie, by video conference

Others: Mitchel Burt, KBR

Call the meeting to order

Joe Rapier called the meeting to order at 8:04 a.m.

ITEM 1 Action Item – The Oath of Office was administered to Tim Collins as new Board Member.

ITEM 2 Citizen Comments – Joe Rapier called for any citizen comments. There were none.

ITEM 3 Hold an Executive Session. Joe Rapier called the Executive Session to order at 8:09 a.m.

- a. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.072, regarding certain matters concerning real property. Discussions regarding interest in the lease, sale, or value of buildings and property.

- b. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.074(a), Deliberations Regarding Personnel Matters.

Executive Director
Manager of Business Development
Manager of Accounting
Manager of Operations
Operations Lead
Service Technician
Service Technician
Administrative Coordinator
Administrative Assistant
Board of Directors

No action was taken in the Executive Session.

Reconvene the Board of Directors Meeting

Joe Rapier adjourned the Executive Session and reconvened Open Session at 8:44 a.m.

- ITEM 4** **Consider the Minutes of the November 20, 2020 Board of Directors Meeting.**
Action Item – Todd McKee moved to approve the minutes and Dewayne Askins seconded. The minutes were approved 7-0.
- ITEM 5** **Consider Lease Approval for Rhodes USA, LLC.** **Action Item** – Todd McKee moved to approve the lease subject to final negotiations with Board President; Tim Pierce seconded. The motion passed 7-0.
- ITEM 6** **LRRA Proposed Enabling Legislation Changes** – **Discussion Item** – No action required, Murvat Musa discussed changes to LRRA enabling legislation to add certain provisions of Local Government Code Chapter 379B to LRRA enabling legislation found in the Special District Local Laws Code Chapter 3501. These changes would put LRRA on the same playing field with other closed bases in the state of Texas.
- ITEM 7** **Financial Reports and Make Ready Cost Reporting.** **Discussion Item** - No action required. Sandra Hamilton presented financial reports for November and December and relevant make ready costs to the Board.
- ITEM 8** **Marketing Report.** **Discussion Item** – No action required. Lacy Elliott presented a new marketing plan for 2021 to the Board.
- ITEM 9** **Reese Events and Activities.** **Discussion Item** – No action required. Murvat Musa presented upcoming events to the Board.

Adjourn the meeting. Joe Rapier adjourned the meeting at 10:16 a.m.

Content of minutes agreed to and approved by:

Approved by _____
Joseph R. Rapier, President

ATTEST:

LRRA Board Member

AGENDA ITEM 5
EXECUTIVE SUMMARY
LRRA ENABLING LEGISLATION PROPOSED CHANGES

As you are aware, we have had discussions about modifying our enabling legislation to put LRRA on equal footing with other BRAC bases in Texas and allow LRRA to enter into agreements more easily with developers. To move this effort forward, Darrell has provided a redline of the legislation (attached) and I have provided a summary of my conversations with our elected officials below (our argument being that these changes are necessary to put us on equal footing with other closed bases in Texas):

Representative Dustin Burrows:

I spoke with Matt Crow, Lubbock District Director, on 2/2/2021 and explained what we would like to do, then I sent him the redline of our legislation provided by Darrell and an email explaining what and why we are making these changes. He forwarded the information to Ross Leake, Chief of Staff in Austin. On 2/9/2021 I had a conversation with Ross, answered his questions, and stated our case for why these changes are appropriate. He stated that he had an initial conversation with Representative Burrows about it and he's confident Representative Burrows is interested in filing the bill. He will get with Representative Burrows in more detail and let me know for sure. On 2/16/2021 I followed up with Ross with an email. I have not heard back from him yet and I suspect that is due to the freeze in Austin and the lack of electricity.

Senator Perry:

I spoke with Robyn Tepper, Lubbock District Director, on 2/2/2021. She referred me to Rob Callan who is responsible for both state affairs and local government in Austin. I spoke with Rob that same day and sent him the same information about what and why we wanted these changes. He did not seem at all familiar with Reese or BRAC bases in general. After reviewing the information, we had a Zoom meeting on 2/12/2021 to discuss it further and for me to answer his questions. Rob is very sharp, did his homework, and had lots of questions. I believe I answered them all to his satisfaction and made our case. I went into a lot of history about why we are the way we are so he could understand, and I think that helped. He said he would get with Senator Perry for a final decision on this and said they take local issues very seriously. Without saying it, he eluded that Senator Perry would support this. I emailed Rob on 2/18/2021 to follow up.

Representative Frullo:

While Reese is not located in Representative Frullo's district, as a courtesy, I contacted his office to keep him in the loop and let him know what we are up to. I spoke with Donna Corbin, Lubbock District Director, and told her what we are doing and sent her the redline of the document and a detailed email full of information. She appreciated the heads up.

Staff is requesting Board approval for these enabling legislation changes subject to final negotiations with the Board President.

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 4. DEVELOPMENT AND IMPROVEMENT

SUBTITLE B. DEFENSE BASE DEVELOPMENT

CHAPTER 3501. LUBBOCK REESE REDEVELOPMENT AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3501.001. DEFINITIONS. In this chapter:

(1) "Authority" means the Lubbock Reese Redevelopment Authority.

(2) "Base property" means land described by Section [3501.002](#)(a), including any property used in connection with or comprising the former Reese Air Force Base.

(3) "Board" means the board of directors of the authority.

(4) "Bond" means an interest-bearing obligation issued by the authority under this chapter, including a bond, certificate, note, or other evidence of indebtedness.

Sec. 3501.002. AUTHORITY TERRITORY. (a) The authority's territory is that described by Section 13.10, Chapter 62, Acts of the 76th Legislature, Regular Session, 1999, enacting former Section 396.009, Local Government Code, and includes all other real property, related interests, including fee interests, perpetual and other easements, licenses, leases, and any other

property used in connection with or comprising Reese Air Force Base and as may be shown by instruments recorded in the real property records of Lubbock and Terry counties.

(b) The authority's territory does not include property conveyed by the United States before June 17, 1997, as shown by instruments recorded in the real property records of Lubbock and Terry counties.

Sec. 3501.003. PURPOSE AND NATURE OF AUTHORITY. (a) The purpose of the authority is to undertake projects necessary or incidental to the industrial, commercial, or business development, redevelopment, maintenance, and expansion of new and existing businesses on the property, now or formerly known as Reese Air Force Base, described in Section [3501.002](#)(a), including the acquisition, construction, operation, maintenance, enhancement, or disposal of:

- (1) roads, bridges, and rights-of-way;
- (2) housing;
- (3) property;
- (4) police, fire, medical, cultural, educational, and research services, equipment, institutions, and resources;
- (5) other community support services;
- (6) flood control, water, wastewater treatment, and all other utility facilities;~~—and~~
- (7) other infrastructure improvements~~—;~~

(8) encourage the development of new industry by private businesses; and

(9) encourage financing of projects designated under Section 3501.1024.

(b) The authority is a political subdivision of this state that exercises public and essential governmental functions.

(c) The exercise of a power this chapter grants is for a public purpose and is a matter of public necessity.

(d) The authority is a governmental unit under Chapter [101](#), Civil Practice and Remedies Code. The operations of the authority are not proprietary functions for any purpose, including the application of Chapter [101](#), Civil Practice and Remedies Code.

Sec. 3501.004. EXEMPTION FROM TAXATION. ~~The property, revenue, and income of the authority are exempt from a tax imposed by the state or a political subdivision of the state.~~ (a) The property, income, and operations are exempt from taxes imposed by the state or a political subdivision of the state.

(b) Section 25.07(a), Tax Code, applies to a leasehold or other possessory interest in real property granted by an authority for a project designated under Section 3501.1024(a) in the same manner as it applies to a leasehold or other possessory interest in real property constituting a project described by Section 505.161(a), Local Government Code.

(c) A commercial aircraft to be used as an instrumentality of commerce that is under construction inside the authority is presumed to be in interstate, international, or foreign commerce and not located in this state for longer than a temporary period for purposes of Sections 11.01 and 21.02, Tax Code.

(d) Tangible personal property located inside the authority is presumed to be in interstate, international, or foreign commerce and not located in this state for longer than a temporary period for purposes of Sections 11.01 and 21.02, Tax Code, if the owner demonstrates to the chief appraiser for the appraisal district in which the authority is located that the owner intends to incorporate the property into or attach the property to a commercial aircraft described by Subsection (c).

(e) In this section, "commercial aircraft" means an aircraft under construction that is designed to be used as described by Section 21.05(e), Tax Code.

Sec. 3501.005. APPLICATION OF OTHER LAW. (a) In this section, "qualifying project" means any real estate project involving the construction of:

(1) tenant finish-out or construction of a build-to-suit facility for a tenant who, through the execution of a lease with the authority, pays for or reimburses the authority for the cost of the improvements;

(2) infrastructure improvements, including roads, driveways, or utility extensions, made in connection with the sale or lease of property owned by the authority and for which the proceeds of the sale or the lease are used to reimburse the authority for the infrastructure improvements; or

(3) an income-producing facility that generates revenue for the authority and that is constructed by a private developer with special expertise in development.

(b) Chapters 2267 and 2269, Government Code, do not apply to a qualifying project of the authority.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3501.051. COMPOSITION OF BOARD. (a) The board is composed of:

(1) five directors appointed by the governing body of the City of Lubbock from a list of persons recommended by the board under this section;

(2) one director appointed by the commissioners court of Lubbock County from a list of persons recommended by the board under this section; and

(3) the executive director of the South Plains Association of Governments.

(b) Before the term of a director appointed under Subsection (a)(1) or (a)(2) expires, the board, in consultation with the City of Lubbock or Lubbock County, as applicable, shall recommend to the governing body of the City of Lubbock or the commissioners court of Lubbock County, as applicable, a list of persons to serve on the succeeding board. After reviewing the list of recommendations, the governing body of the City of Lubbock or the commissioners court of Lubbock County, as applicable, shall appoint the appropriate number of directors from the recommended persons, or request that the board provide additional recommendations.

(c) The governing body of the City of Lubbock, the commissioners court of Lubbock County, or the board, as appropriate, shall make recommendations and appointments to the board so that places on the board are occupied by persons with experience in:

- (1) real estate;
- (2) finance;
- (3) manufacturing;
- (4) agriculture; and
- (5) general business.

Sec. 3501.052. TERM; VACANCIES. (a) A director serves a term of four years.

(b) A vacancy on the board is filled in the same manner as the original appointment.

(c) Except as provided by Subsection (d), a director may be appointed as the director's own successor for not more than one term.

(d) A director appointed to fill a vacancy for an unexpired term shall serve for the remainder of that term and may be appointed as the director's own successor for not more than two terms.

Sec. 3501.053. OFFICERS. (a) The board shall elect from its membership a president and a vice president.

(b) The vice president shall preside in the absence of the president.

Sec. 3501.054. EMPLOYEES. The board may employ and compensate persons to carry out the powers and duties of the authority.

Sec. 3501.055. RULES FOR PROCEEDINGS. The board shall adopt rules for its proceedings.

Sec. 3501.056. HEARINGS BY TELEPHONE OR SIMILAR MEANS.

(a) As an exception to Chapter 551, Government Code, and other law, if the president or vice president of the board, or chairperson or vice chairperson of a board committee, is physically present at a meeting of the board or committee, any number of the other members of the board or committee may attend

the meeting by use of telephone conference call, video conference call, or other similar telecommunication device. This subsection applies for purposes of constituting a quorum, for purposes of voting, and for any other purpose allowing a board or committee member to otherwise fully participate in any board or committee meeting. This subsection applies without exception with regard to the subject of the meeting or topics considered by the members.

(b) A meeting held by use of telephone conference call, video conference call, or other similar telecommunication device:

(1) is subject to the notice requirements applicable to other meetings;

(2) must specify in the notice of the meeting the location of the meeting at which the president, vice president, chairperson, or vice chairperson will be physically present;

(3) must be open to the public and audible to the public at the location specified in the notice of the meeting as the location of the meeting at which the president, vice president, chairperson, or vice chairperson will be physically present; and

(4) must provide two-way audio communication between all board or committee members attending the meeting during the entire meeting, and if the two-way audio communication link with

any member attending the meeting is disrupted at any time, the meeting may not continue until the two-way audio communication link is reestablished.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3501.101. AUTHORITY OF BOARD. The board shall manage, control, and operate the authority.

Sec. 3501.102. GENERAL POWERS AND DUTIES. (a) The authority may accept title, on approval by and in coordination with the governor, from the United States to all or any portion of the base property.

(b) The authority may exercise, on approval by and in coordination with the governor, any power necessary or convenient to accomplish a purpose of this chapter, including the power to:

(1) sue and be sued, and plead and be impleaded, in its own name;

(2) adopt an official seal;

(3) adopt and enforce bylaws and rules for the conduct of its affairs;

(4) acquire, hold, own, and dispose of its revenue, income, receipts, and money from any source;

(5) select its depository;

(6) establish its fiscal year;

(7) adopt an annual operating budget for all major expenditures before the beginning of the fiscal year;

(8) establish a system of accounts for the authority;

(9) invest its money in accordance with Chapter [2256](#), Government Code;

(10) acquire, hold, own, use, rent, lease, or dispose of any property, including a license, patent, right, right-of-way, easement, and other interest in property, by purchase, exchange, gift, assignment, condemnation, lease, sale, or any other means, to perform a duty or to exercise a power under this chapter;

(11) manage, operate, or improve that property, to perform a duty or to exercise a power under this chapter;

(12) sell, assign, lease, encumber, mortgage, or otherwise dispose of any base property, or any interest in that property, release or relinquish any right, title, claim, lien, interest, easement, or demand, however acquired, and, notwithstanding any other law, conduct any transaction authorized by this subdivision by public or private sale;

(13) lease or rent any land, buildings, structures, or facilities located on the base property to any person to accomplish the purposes of this chapter;

(14) request and accept any appropriation, grant, allocation, subsidy, guarantee, aid, service, labor, material, gift, or money from any source, including the federal government, the state, a public agency, and a political subdivision;

(15) maintain an office;

(16) appoint and determine the duties, tenure, qualifications, compensation, and removal of officers, employees, agents, professional advisors, and counselors, including financial consultants, accountants, attorneys, architects, engineers, appraisers, and financing experts, as considered necessary or advisable by the board;

(17) borrow money as necessary to acquire, improve, or operate a facility on the base property, not to exceed the amount determined by the ~~governing body of the City of Lubbock~~ Board;

(18) establish, impose, and collect rents, rates, fees, and charges for its facilities and services;

(19) loan money;

(20) authorize by resolution the incorporation of a nonprofit airport facility financing corporation as provided and authorized by Subchapter E, Chapter 22, Transportation Code, to provide financing to pay the costs, including interest, and reserves for the costs of an airport facility authorized by that

chapter and for other purposes set forth in the articles of incorporation;

(21) exercise the powers granted to a local government for the financing of facilities to be located on airport property, including those set out in Chapter 22, Transportation Code, consistent with the requirements and the purposes of Section 52-a, Article III, Texas Constitution;

(22) lease, own, and operate an airport and exercise the powers granted to municipalities and counties by Chapter 22, Transportation Code;

(23) lease, own, and operate port facilities for air, trucking, and rail transportation;

(24) provide security for port functions, facilities, and operations;

(25) cooperate with and participate in programs and security efforts of this state and the federal Department of Homeland Security;

(26) participate as a member or partner of a limited liability company, a limited liability partnership, or other entity organized to finance a project designated as a redevelopment project under Section 3501.1024; and

(1927) exercise the powers Chapter [380](#), Local Government Code, grants to a municipality for expansion of economic development and commercial activity.

Sec. 3501.1021. INLAND PORT AND TRADE POWERS. (a) The authority may establish and operate an inland port and related port facilities to engage in world trade.

(b) The authority may participate in national and international agreements advancing world trade at the port.

Sec. 3501.1022. SERVICES. The authority may charge for a service provided, including:

(1) professional consultation services provided in relation to international trade, planning, land use, or construction;

(2) real estate development services, including an employee licensed under Chapter 1101, Occupations Code, acting as a broker;

(3) support or participation in the acquisition of venture capital to finance the authority's redevelopment project, both inside and outside the authority;

(4) participation in or assistance on a joint venture composed of both public and private entities;

(5) promotion of an activity that creates employment opportunities; and

(6) any other service provided in relation to a project undertaken by the authority, alone or with others, to fulfill the authority purpose or objective.

Sec. 3501.1023. TRANSPORTATION PROJECT. (a) The authority may implement a transportation project:

(1) on the base property; or

(2) outside of the base property to provide access to the base property.

(b) The authority may enter into an agreement with any person, including another governmental entity, to plan, finance, construct, or maintain a project described by Subsection (a).

(c) The authority may construct a building, loading dock, or other facility as part of a transportation project described by Subsection (a)(1).

Sec. 3501.1024. REDEVELOPMENT PROJECTS. (a) The board may designate as a redevelopment project a project that relates to:

(1) the development of base property and the surrounding areas; or

(2) the development of property directly related to the purposes or goals of the authority.

(b) A project designated under Subsection (a) is for a public purpose.

Sec. 3501.103. UTILITIES. (a) As may be necessary and appropriate to accomplish the purposes for which the authority was established, the authority may exercise those powers granted to general law districts by Chapter [49](#), Water Code, and granted

to municipal utility districts by Chapter [54](#), Water Code, may provide all other utility services that may be provided by an electric, gas, or water utility on an immediate basis without the need for state regulatory approval, and without restriction, may delegate those powers and the provision of those services to a neighboring municipality, a municipally owned utility, a cooperative corporation, or other utility provider.

(b) The authority shall continue to be served by the provider, as of September 1, 1999, of electricity and related services to the authority until the authority delegates the provision of electric services under Subsection (a).

(c) A delegation under Subsection (a) of a power related to electric service and the provision of electric services may be made only to an electric utility provider that agrees to upgrade the electrical system infrastructure so that the authority can accomplish its purpose. The authority shall determine the criteria to be used for determining the level of infrastructure improvements necessary to encourage the expansion of economic development and commercial activity. The authority may delegate the provision of electric services without state regulatory approval.

(d) The authority may contract to convey the property related to the supply and distribution of electrical power in the authority's territory to an electric utility provider that

requires the conveyance as a condition of making an upgrade prescribed by Subsection (c).

Sec. 3501.104. SECURITY FOR COSTS OR BOND NOT REQUIRED. In a suit, the authority may not be required to give security for costs or a supersedeas or cost bond in an appeal from a judgment.

Sec. 3501.105. ADVISORY BOARDS. The board may appoint advisory boards to assist the board in administering this chapter.

Sec. 3501.106. ~~REVENUE BONDS. The authority may issue for any authority purpose bonds or other obligations payable from any source of authority revenue. The authority may issue a bond or other obligation in the form of a bond, note, certificate of participation or other instrument evidencing a proportionate interest in payments to be made by the authority, or other type of obligation.~~ BONDS. (a) The authority may issue bonds if authorized by Board resolution.

(b) A bond issued under this chapter must:

- (1) be payable solely from authority revenue;
- (2) mature not later than 40 years after its date of issuance; and
- (3) state on its face that it is not an obligation of this state or the municipality.

(c) The authority may exercise the powers granted to the governing body of an issuer with regard to the issuance of obligations and the execution of credit agreements under Chapter 1371, Government Code.

SUBCHAPTER D. DISSOLUTION

Sec. 3501.151. LEGISLATIVE INTENT. The legislature intends that the authority be dissolved after conveyance and sale of all of the base property.

Sec. 3501.152. DUTY TO DISSOLVE. (a) The authority shall be dissolved on approval of the City of Lubbock and Lubbock County:

(1) when all the functions of the authority are performed and completed; and

(2) after all debts or obligations have been satisfied or retired with the assets of the authority.

(b) On dissolution, any remaining assets of the authority shall be conveyed or transferred to the City of Lubbock and Lubbock County in proportion to any initial contribution of money made.

BOARD ACTION ITEM #2021-0224-074

**BOARD OF DIRECTORS
LUBBOCK REESE REDEVELOPMENT AUTHORITY (LRRRA)
FEBRUARY 24, 2021**

Item to be Considered:

Approve LRRRA Enabling Legislation Changes

Previous Board Action:

The Board previously voted to adopt changes to its enabling legislation in 2003 and 2005.

Statement of Pertinent Facts:

- a. The LRRRA was created through Chapter 396 of the Local Government Code.
- b. In 2003, the enabling legislation was moved to Chapter 3501 of the Special District Code.
- c. In 2005, it was again amended.
- d. We are now asking for a modification that would put LRRRA on equal footing with the other closed bases in Texas.

Advice, Opinions, Recommendations and Motion:

If the Board of Directors concurs, the following motion is in order:

“Resolved, that the Board of Directors of the Lubbock Reese Redevelopment Authority hereby approves the changes to its enabling legislation, subject to negotiation of final terms and conditions, on this 24th day of February 2021.”

Joseph R. Rapier, President

ATTEST:

Board Member

CASH BALANCES - JANUARY 31, 2021

	12/31/2020	1/31/2021	Change
General Fund Bank Accounts	\$ 3,112,573.00	\$ 3,221,576.00	\$ 109,003.00
Fiber Optic Fund Checking	\$ -	\$ -	\$ -
Capital Maintenance - Designated	\$ 855,000.00	\$ 855,000.00	\$ -
Petty Cash	\$ 100.00	\$ 100.00	\$ -
Total Cash	\$ 3,967,673.00	\$ 4,076,676.00	\$ 109,003.00
Accounts Receivable - G/F	\$ 237,729.00	\$ 214,796.00	\$ (22,933.00)
Accounts Receivable - F/O	\$ 13,045.00	\$ 13,700.00	\$ 655.00
Total Accounts Receivable	\$ 250,774.00	\$ 228,496.00	\$ (22,278.00)
Total Cash & Accounts Receivable	\$ 4,218,447.00	\$ 4,305,172.00	\$ 86,725.00

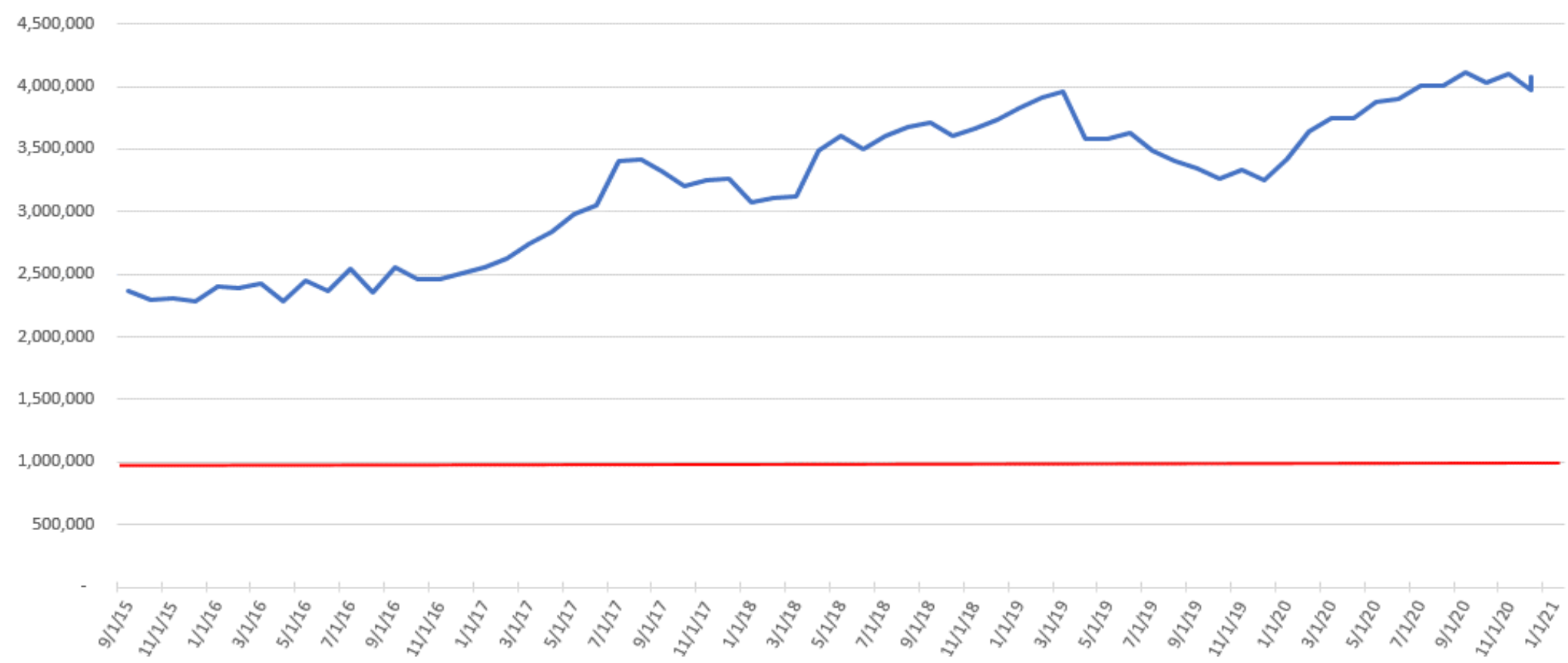
Aged Accounts Receivable as of 01/31/2021

CURRENT	1 - 30 Days - Invoices	31 - 60 Days - Invoices	61 > Days - Invoices	Over 90 Days	TOTAL
146,776.66	26,748.48	34,751.95	20,157.40	61.05	228,495.54

Aged Accounts Receivable as of 01/12/2021

75,956.83	22,692.54	14,487.43	112.88	61.05	113,310.73
-----------	-----------	-----------	--------	-------	------------

LRRA Available Cash
SEPTEMBER 2015 - JANUARY 2021



FINANCIAL HIGHLIGHTS - JANUARY 2021

DESCRIPTION	Month G/F	Month F/O	Month's Total	YTD G/F	YTD F/O	YTD Total
Operating Revenue	\$ 228,229	\$ 15,022	\$ 243,251	\$ 957,193	\$ 60,053	\$ 1,017,246
Other Revenue - Usage Fees	\$ 17,820	\$ 1,943	\$ 19,763	\$ 81,521	\$ 9,055	\$ 90,576
Total Revenue	\$ 246,049	\$ 16,965	\$ 263,014	\$ 1,038,714	\$ 69,108	\$ 1,107,822
Expenses	\$ 168,661	\$ 11,938	\$ 180,599	\$ 666,953	\$ 44,754	\$ 711,707
Net Income BPSID	\$ 77,388	\$ 5,027	\$ 82,415	\$ 371,761	\$ 24,354	\$ 396,115
Interest Income - Plus	\$ 849	\$ -	\$ 849	\$ 3,390	\$ -	\$ 3,390
Depreciation - Less	\$ (45,445)	\$ (2,550)	\$ (47,995)	\$ (181,781)	\$ (10,201)	\$ (191,982)
Net Income	\$ 32,792	\$ 2,477	\$ 35,269	\$ 193,370	\$ 14,153	\$ 207,523

EXTRAORDINARY EXPENSES/CAPITAL EXPENSES & OTHER

HVAC UNIT FOR BLDG # 210	\$ 73,474.00	CAPITALIZED EXPENSE
100 GAL WATER HEATER FOR BLDG # 210	\$ 6,328.84	CAPITALIZED EXPENSE

\$ 79,802.84

LUBBOCK REESE REDEVELOPMENT AUTHORITY

Balance Sheet
As of 1/31/2021

(In Whole Numbers)

	<u>General Fund</u>	<u>Fiber Optic Fund</u>	<u>Total</u>
ASSETS			
CASH	3,221,676	0	3,221,676
DESIGNATED-CAPITAL MAINT	610,000	0	610,000
WATER INFRASTRUCTURE RESERVE	245,000	0	245,000
INVESTMENTS	0	0	0
ACCOUNTS RECEIVABLE	214,796	13,700	228,496
ALLOWANCE FOR DOUBTFUL	0	0	0
INTERFUND TRANSFERS	0	0	0
NOTES RECEIVABLE	0	0	0
CONSTRUCTION IN PROGRESS	328,462	0	328,462
PROPERTY AND EQUIPMENT, NET	6,660,963	132,001	6,792,965
OTHER ASSETS	198,258	21,682	219,940
Total ASSETS	<u>11,479,155</u>	<u>167,383</u>	<u>11,646,538</u>
LIABILITIES			
ACCOUNTS PAYABLE	112,860	7,742	120,602
ACCRUED EXPENSES	62,109	3,958	66,067
DEFERRED REVENUE	232,800	15,541	248,341
NET PENSION LIABILITIES	8,337	0	8,337
NOTES PAYABLE	10,282	0	10,282
INTERFUND TRANSFERS	0	0	0
REFUNDABLE DEPOSITS	33,787	223	34,010
OTHER LIABILITIES	(12,179)	0	(12,179)
Total LIABILITIES	<u>447,997</u>	<u>27,464</u>	<u>475,460</u>
FUND EQUITY			
BEGINNING OF PERIOD	11,784,250	(820,697)	10,963,553
YEAR TO DATE EARNINGS	193,371	14,154	207,525
Total FUND EQUITY	<u>11,977,621</u>	<u>(806,543)</u>	<u>11,171,078</u>
TOTAL LIABILITY AND FUND	<u>12,425,617</u>	<u>(779,079)</u>	<u>11,646,538</u>

LUBBOCK REESE REDEVELOPMENT AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
From 10/1/2020 Through 1/31/2021

(In Whole Numbers)

	<u>General Fund</u>	<u>Fiber Optic Fund</u>	<u>Total</u>
OPERATING REVENUES	1,038,715	69,108	1,107,823
OPERATING EXPENSES	848,734	54,955	903,688
OPERATING INCOME(LOSS)	<u>189,981</u>	<u>14,154</u>	<u>204,135</u>
NONOPERATING INTEREST INCOME	3,390	0	3,390
NET NONOPERATING REVENUES	3,390	0	3,390
INCREASE (DECREASE) IN FUND	<u>193,371</u>	<u>14,154</u>	<u>207,525</u>
FUND EQUITY, BEGINNING	11,784,250	(820,697)	10,963,553
FUND EQUITY, ENDING	11,977,621	(806,543)	11,171,078

LUBBOCK REESE REDEVELOPMENT AUTHORITY

SUPPLEMENTAL SCHEDULE OF REVENUES

From 10/1/2020 Through 1/31/2021

(In Whole Numbers)

	<u>General Fund</u>	<u>Fiber Optic Fund</u>	<u>Total</u>
LEASES	682,273	0	682,273
USAGE FEES	81,521	9,055	90,576
PBT CAM FEES	240,096	0	240,096
CONTRACT SERVICES	14,653	0	14,653
FIBER OPTIC/WIRELESS INCOME	<u>0</u>	<u>60,053</u>	<u>60,053</u>
TOTAL OPERATING REVENUE	<u>1,018,544</u>	<u>69,108</u>	<u>1,087,652</u>
UTILITY FRANCHISE FEES	20,171	0	20,171
TOTAL REVENUES	<u>1,038,715</u>	<u>69,108</u>	<u>1,107,823</u>

LUBBOCK REESE REDEVELOPMENT AUTHORITY

Statement of Revenues and Expenditures

From 10/1/2020 Through 1/31/2021

(In Whole Numbers)

	General Fund	Fiber Optic Fund	Total
OPERATING EXPENSES			
SALARIES & TAXES	263,236	0	263,236
BENEFITS - HEALTH, RETIREMENT & WKR'S COMP	45,045	0	45,045
INSURANCE - PROPERTY & GENERAL LIABILITY	56,880	2,994	59,874
ADMINISTRATIVE EXPENSES	2,550	0	2,550
GENERAL OFFICE EXPENSES	19,589	1,257	20,845
ACCTG. & AUDITING SERVICES	391	0	391
COMPUTER SOFTWARE & MAINT.	0	12,563	12,563
INTERNET	0	6,779	6,779
LEGAL SERVICES	9,423	0	9,423
NETWORK MAINTENANCE CONTRACT	2,133	0	2,133
TRAINING & TRAVEL	947	0	947
MARKETING EXPENSES	21,130	0	21,130
OPERATIONS - GROUND MAINT. AND ENGINEERING CONTRACTS	162,504	0	162,504
UTILITIES	83,124	16,817	99,942
DEPRECIATION EXPENSE	181,781	10,201	191,981
Total OPERATING EXPENSES	848,734	50,611	899,345

LUBBOCK REESE REDEVELOPMENT AUTHORITY
Statement of Revenues and Expenditures
From 1/1/2021 Through 1/31/2021

GENERAL FUND

(In Whole Numbers)

	Current Month			YTD Actual vs		
	Actual vs			Budget		
	Current Month	Current Month	Budget	YTD Actual	YTD Budget	YTD Actual vs
	Actual	Budget	Variance			Budget Variance
REVENUES						
Leases	166,740	142,917	23,824	682,273	571,667	110,607
PBT Cam Fees	60,024	60,000	24	240,096	240,000	96
Usage Fees	17,820	20,833	(3,013)	81,521	83,333	(1,812)
Contract Services	0	1,250	(1,250)	14,653	5,000	9,653
Utility Franchise Fees	1,465	2,417	(952)	20,171	9,667	10,504
Total REVENUES	246,049	227,417	18,633	1,038,715	909,667	129,048
EXPENSES						
Salaries & Taxes	76,249	64,167	(12,083)	263,236	256,667	(6,570)
Benefits - Health, Retirement & Wkr's	12,095	10,742	(1,353)	45,045	42,967	(2,079)
Insurance -Property & General Liabilities	14,203	14,583	380	56,880	58,333	1,453
Administrative Expenses	1,250	892	(358)	2,550	5,567	3,017
General Office Expenses	3,193	5,121	1,928	19,589	20,483	895
Accounting & Auditing Services	83	6,833	6,751	391	12,083	11,692
Legal Services	3,105	4,167	1,062	9,423	16,667	7,244
Network Maintenance Contract	696	667	(29)	2,133	2,667	534
Training & Travel	0	708	708	947	2,833	1,886
Marketing Expenses	7,140	4,250	(2,890)	21,130	17,000	(4,130)
Operations	28,058	41,250	13,192	162,504	165,000	2,496
Utilities	22,590	15,917	(6,674)	83,124	73,667	(9,458)
Total EXPENSES	168,661	169,296	634	666,953	673,933	6,980
NIBPSID	77,388	58,121	19,267	371,762	235,733	136,028
NON OPERATING REVENUE						
Interest Income	849	542	307	3,390	2,167	1,223
Total NON OPERATING REVENUE	849	542	307	3,390	2,167	1,223
DEPRECIATION						
Depreciation Expense	(45,445)	(47,083)	1,638	(181,781)	(188,333)	6,553
Total DEPRECIATION	(45,445)	(47,083)	1,638	(181,781)	(188,333)	6,553
Increase (Decrease) In Fund Equity	32,792	11,579	21,212	193,371	49,567	143,804

GENERAL FUND

Explanation of Significant Budget Variances

2021 JANUARY

	Month Variance	YTD Variance	Explanations	Projected Outcome at Year End
Revenues, Leases	\$ 23,824	\$ 110,607	Budgeted less monies due to potential loss of ZACHRY	Year End is expected to be over budget.
Revenues, Contract Services	\$ (1,250)	\$ 9,653	KBR had 3 events billed during November	Year End is expected to on budget.
Revenues, Utility Franchise Fees	\$ (952)	\$ 10,504	SPEC paid a Share Refund - Capital Credit 4,375.67 - NOVEMBER	Year End is expected to be on budget.
Expenses, Salaries & Taxes	\$ (12,083)	\$ (6,570)	Incentive Pay , Raises, and bonuses were paid	Year End is expected to be on budget.
Expenses, Accounting & Auditing Services	\$ 6,751	\$ 11,692	Audit costs have not been billed this year	Year End is expected to be on budget.
Expenses, Marketing Expenses	\$ (2,890)	\$ (4,130)	Annual website maintenance & EDC Program purchased	Year End is expected to be on budget.
Expenses, Operations	\$ 13,192	\$ 2,496	Difficult to predict when something will need repairing	Year End is expected to be over budget.

FIBER OPTIC OPERATING FUND

(In Whole Numbers)

	Current Month			YTD Actual vs		
	Actual vs			YTD Actual vs		
	Current Month	Current Month	Budget	YTD Actual	YTD Budget	Budget Variance
	Actual	Budget	Variance			
REVENUES						
Usage Fees	1,943	2,500	(557)	9,055	10,000	(945)
Fiber Optic/Wireless Income	15,022	15,833	(811)	60,053	63,333	(3,280)
Total REVENUES	16,965	18,333	(1,369)	69,108	73,333	(4,225)
EXPENSES						
Insurance -Property & General Liabilities	748	750	2	2,994	3,000	6
General Office Expenses	314	317	3	1,257	1,267	10
Computer Software & Maintenance	2,941	3,417	476	12,563	13,667	1,103
Internet	1,695	1,833	139	6,779	7,333	554
Building Maintenance & Repairs	735	833	98	4,343	3,333	(1,010)
Utilities	5,506	5,142	(364)	16,817	20,567	3,749
Total EXPENSES	11,938	12,292	354	44,754	49,167	4,413
NIBPSID	5,027	6,042	(1,015)	24,355	24,167	188
DEPRECIATION						
Depreciation Expense	(2,550)	(3,500)	950	(10,201)	(14,000)	3,799
Total DEPRECIATION	(2,550)	(3,500)	950	(10,201)	(14,000)	3,799
Increase (Decrease) In Fund Equity	2,477	2,542	(65)	14,154	10,167	3,987

FIBER OPTIC FUND

Explanation of Significant Budget Variances

2021 JANUARY

Month Variance YTD Variance Explanations Projected Outcome at Year End

NONE

LUBBOCK REESE REDEVELOPMENT AUTHORITY
Statement of Revenues and Expenditures
From 1/1/2021 Through 1/31/2021

COMBINED FUNDS

(In Whole Numbers)

	Current Month Actual	Current Month Budget	Month Budget Variance	YTD Actual	YTD Budget	YTD Budget Variance
REVENUES						
Leases	166,740	142,917	23,824	682,273	571,667	110,607
PBT Cam Fees	60,024	60,000	24	240,096	240,000	96
Usage Fees	19,763	23,333	(3,571)	90,576	93,333	(2,757)
Contract Services	0	1,250	(1,250)	14,653	5,000	9,653
Utility Franchise Fees	1,465	2,417	(952)	20,171	9,667	10,504
Fiber Optic/Wireless Income	15,022	15,833	(811)	60,053	63,333	(3,280)
Total REVENUES	263,014	245,750	17,264	1,107,823	983,000	124,823
EXPENSES						
Salaries & Taxes	76,249	64,167	(12,083)	263,236	256,667	(6,570)
Benefits - Health, Retirement & Wkr's	12,095	10,742	(1,353)	45,045	42,967	(2,079)
Insurance -Property & General Liabilities	14,950	15,333	383	59,874	61,333	1,460
Administrative Expenses	1,250	892	(358)	2,550	5,567	3,017
General Office Expenses	3,507	5,438	1,931	20,845	21,750	905
Accounting & Auditing Services	83	6,833	6,751	391	12,083	11,692
Computer Software & Maintenance	2,941	3,417	476	12,563	13,667	1,103
Internet	1,695	1,833	139	6,779	7,333	554
Legal Services	3,105	4,167	1,062	9,423	16,667	7,244
Network Maintenance Contract	696	667	(29)	2,133	2,667	534
Training & Travel	0	708	708	947	2,833	1,886
Marketing Expenses	7,140	4,250	(2,890)	21,130	17,000	(4,130)
Operations	28,058	41,250	13,192	162,504	165,000	2,496
Building Maintenance & Repairs	735	833	98	4,343	3,333	(1,010)
Utilities	28,096	21,058	(7,038)	99,942	94,233	(5,709)
Total EXPENSES	180,599	181,587	988	711,707	723,100	11,393
NIBPSID	82,415	64,163	18,252	396,116	259,900	136,216
NON OPERATING REVENUE						
Interest Income	849	542	307	3,390	2,167	1,223
Total NON OPERATING REVENUE	849	542	307	3,390	2,167	1,223
DEPRECIATION						
Depreciation Expense	(47,995)	(50,583)	2,588	(191,981)	(202,333)	10,352
Total DEPRECIATION	(47,995)	(50,583)	2,588	(191,981)	(202,333)	10,352
Increase (Decrease) In Fund Equity	35,268	14,121	21,147	207,525	59,733	147,791

MONTHLY & YTD COMPARISONS OF CURRENT & PRIOR YEAR'S ACTUALS

(In Whole Numbers)

	Current Month Actual	Prior Year Actual	Variance	YTD Actual	Prior Year YTD Actual	Variance
REVENUES						
Leases	166,740	154,701	12,039	682,273	666,280	15,993
PBT Cam Fees	60,024	60,276	(252)	240,096	239,863	233
Usage Fees	19,763	17,278	2,485	90,576	99,707	(9,131)
Contract Services	0	2,923	(2,923)	14,653	4,303	10,350
Utility Franchise Fees	1,465	0	1,465	20,171	14,253	5,918
Insurance Proceeds	0	1,425	(1,425)	0	1,425	(1,425)
Fiber Optic/Wireless Income	15,022	16,260	(1,238)	60,053	59,121	932
Total REVENUES	263,014	252,863	10,151	1,107,823	1,084,952	22,871
EXPENSES						
Salaries & Taxes	76,249	72,000	4,249	263,236	231,296	31,940
Benefits - Health, Retirement & Wkr's	12,095	16,444	(4,349)	45,045	39,129	5,916
Insurance -Property & General Liabilities	14,950	14,689	261	59,874	58,757	1,117
Administrative Expenses	1,250	1,633	(383)	2,550	4,752	(2,202)
General Office Expenses	3,507	4,503	(996)	20,845	17,465	3,380
Accounting & Auditing Services	83	1,079	(996)	391	4,365	(3,974)
Computer Software & Maintenance	2,941	2,865	76	12,563	12,808	(245)
Internet	1,695	4,021	(2,326)	6,779	12,115	(5,336)
Legal Services	3,105	5,940	(2,835)	9,423	13,827	(4,404)
Network Maintenance Contract	696	421	275	2,133	2,727	(594)
Training & Travel	0	111	(111)	947	4,313	(3,366)
Marketing Expenses	7,140	7,140	0	21,130	22,871	(1,741)
Operations	28,058	40,654	(12,596)	162,504	156,086	6,418
Building Maintenance & Repairs	735	0	735	4,343	4,873	(530)
Utilities	28,096	21,592	6,504	99,942	87,008	12,934
Total EXPENSES	180,599	193,092	(12,493)	711,707	672,392	39,315
NIBPSID	82,415	59,771	22,644	396,116	412,560	(16,444)
NON OPERATING REVENUE						
Interest Income	849	3,022	(2,173)	3,390	12,412	(9,022)
Total NON OPERATING REVENUE	849	3,022	(2,173)	3,390	12,412	(9,022)
DEPRECIATION						
Depreciation Expense	(47,995)	(43,395)	(4,600)	(191,981)	(172,672)	(19,309)
Total DEPRECIATION	(47,995)	(43,395)	(4,600)	(191,981)	(172,672)	(19,309)
Increase (Decrease) In Fund Equity	35,268	19,398	15,870	207,525	252,299	(44,774)

Make Ready Project Reconciliation								2021 JANUARY
Lease Date	Estimated Move In Date	Actual Move In Date	Building/Customer	Estimated Cost	Actual Cost to Date	Actual Final Cost	Difference	Comments
12/01/2020	12/01/2020	12/01/2020	BLDG # 210 / PREMIER LUBBOCK SPORTSPLEX, LTD	\$ 54,268.00	\$ 107,357.75	\$ 107,357.75	\$ (53,089.75)	
								Customer added 3,538 sq ft to lease which required
								additional HVAC approx. \$ 36,000.00
								Approx 4,000.00 in replacement LED's due to bad Ballast &
								excessive power in lines
								Additional space required more lights
								Unexpected plumbing issues
2/1/2021	2/1/2021	2/1/2021	6 ACRES / REC FIELDS - WILSCOTT	\$ 265,000.00	\$ 291,104.05	\$ 291,104.05	\$ (26,104.05)	
								Bid came in at \$287,000.00
								Lab Testing and Engineering Costs
								CUSTOMER IS REPAYING ACTUAL EXPENSE \$ 291,104.05

AGENDA ITEM 7 MARKETING REPORT

Building 1180 is one of the recently vacated Zachry hangars that we are aggressively marketing.

Building 1180 is the former T-1 Aircraft Hangar that is situated on the Northernmost end of the flightline. With 47,440 total SF, including 1,440 SF of office space, this building is ideal for a manufacturing operation. There are 6 main 64' wide tilt-outward doors and concrete slabs ranging from 6-8" thick, making it perfect for operations using heavy equipment or machinery.

Marketing video will be shown during PowerPoint presentation at the meeting.



FEBRUARY 2021 – EVENTS & ACTIVITIES

	DATE	EVENT
FEBRUARY	February 1, 2021	Southwest Rotary Club Presentation
	February 12-19, 2021	Arctic Freeze
LOOKING AHEAD		
MARCH	March 24, 2021	LRRA Board of Directors Meeting