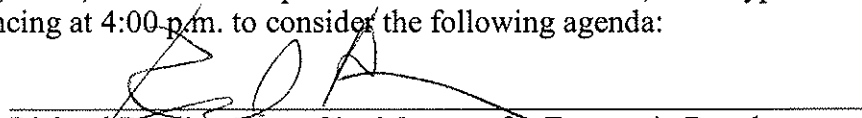


PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A special-called meeting of the Development Corporation of Abilene, Inc. will be held on Monday, September 22, 2008, in the Develop Abilene conference room, 174 Cypress St., Abilene, Texas, 3rd floor, commencing at 4:00 p.m. to consider the following agenda:

SIGNED:


Richard Burdine, Asst. City Manager for Economic Development

AGENDA

September 22, 2008
4:00 p.m.

Develop Abilene Conference Room
174 Cypress St., 3rd floor

1. Call the meeting to order.
2. Approval of the minutes from the August 19, 2008 and September 11, 2008 meetings.
3. Executive Session: Pursuant to Tex. Gov't Code Sec. 551.087, an executive session may be held (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). After discussion in executive session, any action or vote will be taken in public.

Pursuant to Tex. Gov't Code Sec. 551.072, an executive session may be held to discuss the possible exchange, lease, or value of real property associated with a project to be funded by the DCOA since deliberation in open session would have a detrimental effect on the DCOA's negotiations with a third party. After discussion in executive session, any action or vote will be taken in public.

Pursuant to Tex. Gov't Code Sec. 551.071, an executive session may be held to consult with the DCOA attorney regarding pending or contemplated litigation or a settlement offer regarding DCOA funded projects or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code. After discussion of the contemplated legal matters in executive session, any action or vote will be taken in public.

4. Discussion and possible approval of a resolution authorizing funding to renovate laboratory space to meet an immediate need for the expansion of Receptor Logic, Inc.
5. Discussion and possible approval of a resolution authorizing funding for construction of the Life Sciences Accelerator and granting authority to the CEO to negotiate a final contract.

6. Adjournment.

CERTIFICATE

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of Abilene, Texas, on the _____ day of _____, 2008, at _____.

City Secretary

NOTICE

Persons with disabilities who would like special assistance or need special accommodations to participate in this meeting should contact Department of Economic Development, (325) 676-6390, at least forty-eight (48) hours in advance of this meeting. Telecommunication device for the deaf is (325) 676-6360.

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
AUGUST 19, 2008

MEMBERS PRESENT:	Joe Crawford Dee Moore	Mike Schweikhard Paul Cannon
MEMBERS ABSENT:	Stan Lambert	
STAFF PRESENT:	Richard Burdine Dan Santee Melissa Murphy	Kim Tarrant Don Green
GUESTS PRESENT:	Gary Robinett Judy Wilhelm Les Oldham Mike McMahan Rich Leidl Jim Casey Charlie Black Doug Myers	Abilene Industrial Foundation SBDC Tel-IS Abilene Chamber of Commerce Thelen Reid et al Team Concepts DCOA Committee Chair Abilene Reporter-News

- 1. CALL TO ORDER.** Joe Crawford called the meeting to order at 1:30 p.m. in the Develop Abilene conference room located at 174 Cypress, 3rd floor, Abilene, TX.
- 2. APPROVAL OF MINUTES FROM JULY 22, 2008 MEETING.** Paul Cannon made a motion to approve the minutes from the July 22, 2008 meeting. Mike Schweikhard seconded and the motion carried.
- 3. SALES TAX REPORT FOR AUGUST 2008.** In Mindy Patterson's absence, Richard Burdine reviewed this report. The sales tax rebate for economic development for August 2008 was \$864,310.95, which is 3.22% above this same time last year.
- 4. PRESENTATION AND POSSIBLE APPROVAL OF REPORT FROM THE PROJECT EVALUATION COMMITTEE ON FISCAL YEAR 2008 CONTRACT PERFORMANCE FOR TEXAS TECH SMALL BUSINESS DEVELOPMENT CENTER (TTUSBDC), ABILENE INDUSTRIAL FOUNDATION (AIF) AND CHAMBER OF COMMERCE (COC) MILITARY AFFAIRS COMMITTEE, CITY OF ABILENE – AIRPORT BUSINESS DEVELOPMENT MANAGEMENT AND CITY OF ABILENE – BUSINESS SERVICES AND PROPERTY MAINTENANCE DIVISIONS OF THE DEPT OF ECONOMIC DEVELOPMENT.** Charlie Black was named Chairman of the DCOA's Project Evaluation Committee and presented the report from the DCOA Project Evaluation Committee on FY08 contract performance for the above-named entities. The Committee recommends renewing all of these contracts for FY09.

Mike Schweikhard moved to accept this report as presented. Dee Moore seconded and the motion passed by unanimous consent.

- 5. PRESENTATION AND POSSIBLE APPROVAL OF REPORT FROM THE BUDGET & FINANCE COMMITTEE CONCERNING FUNDING PROPOSALS FOR FY 2009 FOR TEXAS TECH SMALL BUSINESS DEVELOPMENT CENTER (TTUSBDC), ABILENE CHAMBER OF COMMERCE (COC)-MILITARY AFFAIRS COMMITTEE, ABILENE INDUSTRIAL FOUNDATION (AIF), CITY OF ABILENE – AIRPORT BUSINESS DEVELOPMENT MANAGEMENT, AND CITY OF ABILENE – BUSINESS SERVICES AND PROPERTY MAINTENANCE DIVISIONS OF THE DEPT OF ECONOMIC DEVELOPMENT.** Charlie Black was also named Chairman of the DCOA's Budget & Finance Committee and presented its report. The Committee recommends approval of all the funding requests as outlined in the report.

Mike Schweikhard moved to accept this report as presented. Dee Moore seconded and the motion passed by unanimous consent.

- 6. PUBLIC HEARING: FUNDING PROPOSALS AND PROPOSED BUDGET FOR FY 2009.** DCOA President Joe Crawford opened the public hearing. There were no public speakers, so President Crawford closed the public hearing.
- 7. DISCUSSION AND POSSIBLE APPROVAL OF FUNDING REQUESTS AND PROPOSED BUDGET FOR FY 2009.** There was no discussion on this item. A motion was made by Paul Cannon to approve the FY 2009 budgets as presented. Dee Moore seconded the motion and it carried.
- 8. PRESENTATION OF ANNUAL REPORT BY THELEN, REID, BROWN, RAYSMAN & STEINER AND TEAM CONCEPTS.** Rich Leidl with Thelen, Reid, Brown, Raysman & Steiner and Jim Casey with Team Concepts presented their annual report to the board. Dyess Air Force Base continues with its airlift mission which is comprised of C-130 aircraft. Due to their age (1970) the C-130H1s are experiencing problems. The C-130Js will replace the H1s in 2010. Dyess is the premium B-1 base with its Engine Maintenance Facility maintaining the fleet of 66 aircraft and implementing the "Realistic Bomber Training Initiative".

Dyess continues to look for ways to improve the base such as a new Armed Forces Reserve Center (\$40 million in FY09), a C-130 Maintenance Hangar (\$21 million in FY09), C-130J simulators and a Consolidated Base Support Center. The waste-to-energy project is still being discussed between Dyess, contractors and the City. Additional missions for Dyess include a new bomber/long range strike aircraft and available acreage on the base will be used.

Both consultants applauded the Abilene community for its support of Dyess Air Force Base. They noted that Abilene is very fortunate to have a proactive Military Affairs Committee who is willing to have events like the "West Texas Cookin'" BBQ in Washington D.C.

9. This item was postponed until after Executive Session. Joe Crawford temporarily left the meeting.

10. EXECUTIVE SESSION. I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, .072, and .087 to consult with our legal counsel, discuss real property transactions, and discuss economic development negotiations involving a business prospect, as set forth on the agenda. Any vote or action will be taken in open session.

Vice President Mike Schweikhard announced the date is August 19, 2008 and the time is 2:04 p.m. Mr. Schweikhard then announced the date is still August 19, 2008 and the time is 2:57 p.m. No vote or action was taken in Executive Session. Joe Crawford returned to the meeting.

9. **(PREVIOUSLY POSTPONED ITEM) DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ADDITIONAL ASSISTANCE FOR TEXAS METALS & RECYCLING (BMWT LEASING).** BMWT Leasing needs to purchase an additional scrap processing shear plus hire and train two more employees to operate it. The purchase price of the shear is estimated to be \$1.6 million and includes installation and construction of a new rail spur (about \$100,000). In Dec. 2001 the DCOA approved funding of \$184,000 to participate in a loan from First Financial Bank to BMWT Leasing to construct the facility at 2989 Pine St., which has a current outstanding balance of \$125,788.

Staff proposes a total incentive package of \$168,000 in exchange for a \$1.6 million capital investment, the retention of 12 FTEs and the creation of 2 additional positions. The assistance will be structured as a loan forgiven over 3 years at a rate of \$56,000/year upon receipt of proof that the owners have invested capital of at least \$560,000 in the project for each year of reduction. The balance of the loan participation (\$125,788) will be converted to an in-house loan the balance applied toward this new loan. The assistance also includes an additional \$8,000 in training costs for the two new employees. New investment by the DCOA is limited to \$42,212 (\$168,000 - \$125,788).

Paul Cannon moved to approve Resolution No. DCOA-2008.17 as presented. Dee Moore seconded the motion. It passed with three affirmative votes and Joe Crawford abstaining.

A second Executive Session was needed at this time. President Joe Crawford announced the date is August 19, 2008 and the time is 3:02 pm. Then Mr. Crawford announced the date is still August 19, 2008 and the time is 4:05 pm. Dee Moore left the meeting during the Executive Session.

- 11. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT DG.** No discussion ensued and no motion was made; therefore this item died.

12. ADJOURNMENT. There being no further business, the meeting was adjourned.

Joe Crawford, President

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**DEVELOPMENT CORPORATION OF ABILENE, INC.
SPECIAL-CALLED BOARD MEETING MINUTES
SEPTEMBER 11, 2008**

MEMBERS PRESENT: Mike Schweikhard Dee Moore
 Paul Cannon Marelyn Shedd

MEMBER ABSENT: Joe Crawford

STAFF PRESENT: Richard Burdine Kim Tarrant
 Dan Santee

GUEST PRESENT: Gary Robinett Abilene Industrial Foundation

1. **CALL TO ORDER.** Mike Schweikhard called the meeting to order at 2:00 p.m. in the Develop Abilene conference room located at 174 Cypress, 3rd floor, Abilene, TX.
2. **FINANCIAL STATUS REPORTS FOR JULY 2008.** In Mindy Patterson's absence, Richard Burdine reviewed the financial status reports for July 2008 and the sales tax report for September 2008. He mentioned the DCOA came out ahead of last year and ahead of projections on the sales tax revenue for FY08. There was no further discussion.

Vice President Mike Schweikhard welcomed new DCOA board member, Marelyn Shedd.

3. **EXECUTIVE SESSION.** I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, .072, and .087 to consult with our legal counsel, discuss real property transactions, and discuss economic development negotiations involving a business prospect, as set forth on the agenda. Any vote or action will be taken in open session.

Mr. Schweikhard announced the date is September 11, 2008 and the time is 2:02 p.m. Then Mr. Schweikhard announced the date is still September 11, 2008 and the time is now 3:05 p.m. No vote or action was taken in Executive Session.

4. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT DG.** There was no discussion on this item.

Paul Cannon moved to approve Resolution No. DCOA-2008.18 as presented which authorizes assistance in the amount of \$200,000 to Project DG for marketing purposes. Dee Moore seconded and the motion carried.

5. **ADJOURNMENT.** There being no further business, the meeting was adjourned.

Mike Schweikhard, Vice President

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: September 22, 2008

PROJECT: Receptor Logic, Inc.'s Expansion and Need for Immediate Lab Space

STAFF: Richard Burdine, CEO

THE COMPANY

Receptor Logic, Inc. (RLI) is a Texas company formed in 2003 to provide powerful tools for medical research, diagnostics, and treatment of diseases such as cancer. Their knowledge of the underlying science of the immune system has led to the groundbreaking discovery and development of T Cell Receptor mimic (TCRm) antibody technology – a specialized monoclonal antibody for use in disease research, vaccine development, and treatment of cancer. TCRm antibodies are a platform, from which a myriad of specific applications can emerge including:

- Reagents for investigational immunology studies
- Potency assay services
- Diagnostic modalities for disease
- Therapeutic monoclonal antibodies

RLI moved to Abilene in Fall 2007 from Amarillo because of an assistance package provided by the DCOA totaling \$2 million, plus the promise of wet lab lease space into which the company would move with room to expand. The DCOA's assistance package is broken down as follows:

Wet lab space, offices and common eqmt approx. 10,000 sq ft	\$ 275,000
Construction and outfitting of lab (eqmt, furniture)	\$ 100,000
Common area equipment	\$1,325,000
Equipment specific to RLI	\$ 300,000
TOTAL	\$2,000,000

So far, \$1.1 million has been spent to equip the lab, the common area and to purchase RLI-specific equipment. The DCOA owns the furniture and equipment and RLI executed a lease agreement for its use at \$1/year. Currently located in the Texas Tech University School of Pharmacy (SOP), RLI has experienced tremendous growth over the last year and is in immediate need for more space. Another great need is space to relocate an existing lab from Lubbock to Abilene to facilitate efficiency and consistency in the tests performed. A highly-paid Senior Scientist is currently spending 10 hours per week driving back and forth to Lubbock to perform necessary procedures at a substantial cost to RLI. In addition, some of the equipment purchased for the Abilene lab is being stored at the SOP, which creates a space encumbrance for RLI employees.

Current employment for the company stands at 11: Dr. Jon Weidanz (Chief Scientist), Dr. Francisca Neethling (Research Scientist), Shannon Caseltine (Lab Manager), Joe Bass (Research Technician), Cody Hamrick (Research Associate), Sheryl Largo (Research Technician), Sandy McNair (Research Technician), Ginger Fabrizio (Clinical Manager), Aaron Rennels (Research

Associate), Kiley Prilliman (Scientist) and Priyanka Gupta (Intern). In addition, Dr. Weidanz has 4 personnel in his academic lab.

RLI was recently awarded \$2 million from the Texas Emerging Technology Fund, the first to be granted to an Abilene company and the first to be granted to a company founded on technology from the Texas Tech University system. This additional capital further compounds RLI's need for space to meet their contractual obligations.

THE PROJECT/REQUEST

Plans for construction of the Life Sciences Accelerator are nearing completion and construction is expected to begin in late October or early November. The building is expected to take a year to construct, which does not help RLI with its immediate needs.

A donor has offered a 6,000 sq. ft. building to the DCOA to meet RLI's immediate space needs. The building can be converted into laboratory space at an estimated cost (including contingency) of \$1.2 million while the Accelerator is being constructed. This could be accomplished in 4 to 5 months and would allow RLI's expansion while retaining the lab space in the SOP. The RLI SOP lab operations will be moved into the Accelerator when completed. Developing the existing building will allow for future growth and somewhat reduce the cost of constructing the Accelerator.

FISCAL IMPACT

Architectural/Engineering fees	\$ 116,750
Construction Cost (\$917,500 less \$275,000 already authorized)	\$ 642,500
Contingency (20% of \$917,500)	<u>\$ 183,500</u>
TOTAL	\$ 942,750

STAFF RECOMMENDATION

Staff recommends approval of resolution DCOA-2008.19 authorizing the CEO to negotiate a construction contract for renovation of the 6,000 square foot building to meet RLI's needs and funding in the amount of \$942,750.

ATTACHMENTS

DCOA Resolution No. DCOA-2008.19.

RESOLUTION NO. DCOA-2008.19

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. ("DCOA"), ABILENE, TEXAS AUTHORIZING FUNDING TO RENOVATE A 6,000 SQUARE FOOT BUILDING TO BE USED AS LABORATORY SPACE BY RECEPTOR LOGIC, INC. (RLI), AND AUTHORIZE THE CEO TO NEGOTIATE A CONTRACT FOR CONSTRUCTION.

WHEREAS, the purpose of the DCOA is to expand employment opportunities for the citizens of Abilene; and

WHEREAS, RLI provides powerful tools for medical research, diagnostics, and treatment of diseases such as cancer, and moved to Abilene from Amarillo in Fall 2007; and,

WHEREAS, the DCOA approved an assistance package of \$2 million for RLI in June of 2007 to provide wet lab space, and equipment for common use and RLI's specific use; and,

WHEREAS, RLI has experienced tremendous growth in the past year and has an immediate need for laboratory space for expansion in addition to laboratory space it currently occupies in the Texas Tech University Health Sciences School of Pharmacy building; and,

WHEREAS, a donor has offered a 6,000 square foot building to be used for laboratory space and staff requests the DCOA authorize funding to renovate the building to suit RLI's lab needs and authorize the CEO to negotiate a construction contract; and,

WHEREAS, the DCOA is authorized by the Development Corporation Act of 1979, as amended, to provide financial assistance to private corporations in order to facilitate the creation, retention or expansion of primary employment.

NOW THEREFORE, BE IT RESOLVED BY THE DEVELOPMENT CORPORATION OF ABILENE, INC., ABILENE, TEXAS, THAT:

PART 1. DCOA authorizes the CEO to negotiate a contract for construction of improvements to the 6,000 square foot building to accommodate RLI's immediate need for laboratory space. DCOA also authorizes total funding in the amount of Nine Hundred Forty Two Thousand Seven Hundred and Fifty Dollars (\$942,750) as follows:

Architectural/Engineering fees	\$ 116,750
Construction Cost (\$917,500 less \$275,000 already authorized)	\$ 642,500
Contingency (20% of \$917,500)	<u>\$ 183,500</u>
TOTAL	\$ 942,750

PART 2. Funding under this resolution is contingent upon execution of all necessary agreements. The funding commitment authorized under this resolution shall expire without notice 180 days from the date of adoption of same unless all required documents and agreements are executed prior to that expiration date or the commitment herein is extended in writing by the DCOA.

PART 3. The Chief Executive Officer (CEO) of the Development Corporation of Abilene, Inc. is hereby authorized to negotiate any contract and all other related documents on behalf of the DCOA.

ADOPTED this the 22nd day of September, 2008.

ATTEST:

Dee Moore
Secretary/Treasurer

Joe Crawford
President

APPROVED:

T. Daniel Santee, City Attorney

S:\DCOA\Resolution\FY 2008\2008.19 Receptor Logic lab space 092208.DOC

Item No. 5

The deadline to receive written proposals from interested contractors for construction of the Life Sciences Accelerator is Friday, September 19, 2008, at 4:00 p.m.

Information will be available to the board during the meeting.