

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD MEETING MINUTES**  
**November 22, 2005**

**MEMBERS PRESENT:**     **Stan Lambert**                     **Joe Crawford**  
                                  **Syd Niblo**                                 **Ray Ferguson**

**MEMBER ABSENT:**       **Dee Moore**

**STAFF PRESENT:**       **Richard Burdine**             **Dan Santee**  
                                  **Kim Tarrant**                     **David Wright**  
                                  **John Dugan**

**GUESTS PRESENT:**     **Sarah Kleiner**                 **Abilene Reporter-News**  
                                  **Jerry Hitt**                         **KTXS TV**  
                                  **Bill Ehrie**                         **Abilene Industrial Foundation**  
                                  **Judy Wilhelm**                     **SBDC**  
                                  **Blake Bradley**                     **SBDC**

1. **CALL TO ORDER.** Ray Ferguson called the meeting to order at 1:35 p.m. in the Develop Abilene conference room located at 174 Cypress, 3rd floor, Abilene, TX.
2. **APPROVAL OF MINUTES FROM NOVEMBER 1, 2005 BOARD MEETING.** Stan Lambert made a motion to approve the minutes from the November 1, 2005 meeting. Joe Crawford seconded. The motion carried by unanimous consent.
3. **PRELIMINARY FINANCIAL AND STATUS REPORTS FOR SEPTEMBER 2005.** David Wright presented the preliminary September 2005 reports. The sales tax rebate for November is \$694,275.33 which represents September sales and is 5.74% above last year. Assets as of September 30, 2005 totaled nearly \$26 million, total liabilities are nearly \$2.7 million, and the DCOA had an undesignated fund balance of just under \$14.5 million.

The DCOA Board has approved just over \$6.2 million in projects that are waiting for signed contracts. Richard Burdine explained that the board resolutions authorize six months to get signed contracts back but he has the authority to extend that deadline.

4. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT BNE.** Project BNE is a publishing company out of Pittsburg, Kansas that performs sales, production and distribution of five telephone directories, covering 52 markets located in several states. They are considering a move to Texas, focusing on Abilene as the regional base of operations, which would support content production and sales. The company plans to take advantage of a workforce that will become available due to a pending reduction in staff of an existing Abilene company. Project BNE projects 53 new positions with 30 of those earning at least \$31,400/year.

Staff proposes a job creation incentive package of \$932,879 as follows: a \$125,000 forgivable loan at 0% interest, earned at 1/5 of the assistance amount per new job per year over five years, secured by all furniture and equipment located in Abilene. A personal guaranty will be

required of the owner; \$807,879 in job creation incentives paid in arrears each year for five years at the rate of 1/5 of the assistance amount, based on the salary amount. These funds will not be disbursed until the loan is fully earned.

A motion was made by Syd Niblo to approve Resolution DCOA – 2006.03 and seconded by Joe Crawford. The motion passed by unanimous consent.

5. **PRESENTATION OF ANNUAL REPORTS FOR FISCAL YEAR ENDED SEPTEMBER 30, 2005 BY THE ABILENE INDUSTRIAL FOUNDATION AND THE TTU SMALL BUSINESS DEVELOPMENT CENTER.** Bill Ehrie presented the annual report for the Abilene Industrial Foundation (AIF). The marketing budget was \$140,000 for FY 05 but only \$122,014.57 was spent. Mr. Ehrie attributed a large part of the savings to using electronic media for marketing instead of printed materials, which cost more. The AIF still participates in some trade shows held in major cities and hosts several events throughout the year as part of their effective marketing strategy. He further explained how important it is to pay attention to the available skills of our workforce when trying to bring companies to Abilene.

Mr. Ehrie informed the Board that Abilene is doing very well in several areas from a marketing retention/federal government point of view as follows: Dyess AFB is strong, the medical area is growing, the education sector reflects significant retention and attendance in schools, the retail segment on the north side of town (specifically by Interstate 20) is developing strongly, fabrication is growing, and airport enplanements are steadily on the rise. Mr. Ehrie further noted how cohesive the Develop Abilene team is, as evidenced by what the AIF, Small Business Development Center (SBDC) and the DCOA staff have accomplished.

Judy Wilhelm presented the annual report for the TTU Small Business Development Center (SBDC). Ms. Wilhelm pointed out that some of the fallout from our economic changes result in the SBDC gaining clients. The SBDC serves 17 counties in Texas. For FY 05, they served 625 total clients with 455 of those in Abilene; 86 total businesses opened, with 62 of those in Abilene; and 325 total jobs were created, with 240 of those in Abilene. The majority of SBDC-assisted business openings for this fiscal year were in service and retail. Ms. Wilhelm explained how well the Abilene regional SBDC office fared in comparison to the other Texas regional SBDC offices. The Abilene and Lubbock SBDC offices met 103% and 101%, respectively, of the required jobs per their contracts. She attributed the high numbers in Abilene to how well the Develop Abilene team works together.

The City of Abilene Airport Business Development Management Program FY 05 Annual Report is postponed until the December 2005 DCOA Board Meeting.

6. **DISCUSSION AND POSSIBLE APPROVAL OF THE DCOA'S ANNUAL REPORT OF ACTIVITIES ENDING SEPTEMBER 30, 2005.** Richard Burdine presented this report to the Board. There has been a substantial amount of stewardship of the DCOA-owned properties; examples are the BlueCross BlueShield roof replacement (bids will go out in the near future), the BlueCross BlueShield parking lot resurfacing, and the Eagle Aviation airport parking lot improvements.

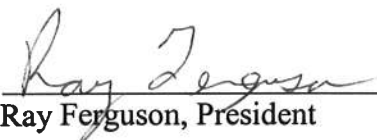
Some additional projects the DCOA funded this year include the ACU economic website and the Small Business Innovation Research Workshop held earlier this fall.

A motion was made by Joe Crawford to accept this report and was seconded by Stan Lambert. The motion passed by unanimous consent.

7. **EXECUTIVE SESSION:** 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's negotiations with a third party discussion in executive session, any action or vote will be taken in public.

At 2:20 p.m. the Board went into Executive Session. At 2:28 p.m. the Board reconvened and announced that no vote or action was taken in Executive Session.

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

  
Ray Ferguson, President