

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD MEETING MINUTES**  
**January 31, 2006**

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| <b>MEMBERS PRESENT:</b> | Ray Ferguson<br>Dee Moore                                      | Joe Crawford                               |
| <b>MEMBERS ABSENT:</b>  | Syd Niblo<br>Stan Lambert                                      |  |
| <b>STAFF PRESENT:</b>   | Richard Burdine<br>Kim Tarrant<br>John Dugan<br>Susan Campbell | Dan Santee<br>Sharon Hicks<br>David Wright |
| <b>GUESTS PRESENT:</b>  | Sarah Kleiner<br>Morgan Ash                                    | Abilene Reporter-News<br>KRBC-TV           |

- 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. ELECTION OF OFFICERS: PRESIDENT, VICE PRESIDENT, AND SECRETARY/TREASURER.** Ray Ferguson opened the floor for discussion. Dee Moore made a motion that the officers remain as they are for 2006 with Ray Ferguson as President, Joe Crawford as Vice President and Dee Moore as Sec./Treas. Joe Crawford seconded. The motion carried by unanimous consent.
- 3. APPROVAL OF MINUTES FROM DECEMBER 20, 2005 BOARD MEETING.** Dee Moore made a motion to approve the minutes from the December 20, 2005 meeting. Joe Crawford seconded. The motion carried by unanimous consent.
- 4. PRELIMINARY FINANCIAL AND STATUS REPORTS FOR NOVEMBER 2005.** David Wright presented the preliminary November 2005 reports. The sales tax rebate for January is \$572,854.62 which represents November sales and is 9.59% above last year. Total Assets as of November 30, 2005 were almost \$44.4 million, total liabilities are just over \$2.5 million, and the DCOA had an undesignated fund balance of almost \$15.2 million. Activity for the month was minimal.
- 5. BRIEFING BY ASSISTANT CITY ATTORNEY ON THE NEW TEXAS CONFLICT OF INTEREST LAW.** Due to time constraints, this item will be discussed at the next DCOA board meeting.
- 6. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AWARDED A BID AND AUTHORIZING FUNDING TO REPLACE THE ROOF OF THE DCOA-OWNED FACILITY AT 4001 LOOP 322, OCCUPIED BY BLUECROSS BLUESHIELD.** Richard Burdine reminded the board that the Development Corporation of Abilene (DCOA) purchased the former Texas Instruments building on Loop 322 in 1995 and it is currently leased to BlueCross BlueShield of Texas (BCBSTX). There have been several major renovations to the

structure that have affected the integrity of the roof. Because of the amount of high-tech equipment in the facility, BCBSTX operations can be jeopardized by roof leaks.

Bids were opened for replacing the roof on January 5, 2006. Twelve bids were received ranging in cost from \$728,700 to \$1,521,770, total base bid plus add alternate amounts, and construction times ranging from 90 days to 230 days.

Joe Crawford moved to approve Resolution DCOA-2006.05 authorizing a bid award to the lowest bidder, Lydick Hooks, along with funding of \$728,700 plus a 7% contingency amount of \$51,010 for total funding of \$779,710. Ray Ferguson seconded the motion and it passed by unanimous consent. Dee Moore abstained from the voting after having signed a Conflict of Interest Affidavit due to her employment at BCBSTX.

- 7. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT BP.** John Dugan presented information on Project BP. The company currently distributes quality roofing, siding, windows, and related products to contractors, builders, and lumberyards. They are interested in establishing a distribution center in Abilene to service central Texas, which would include customers from Wichita Falls to San Angelo and as far west as Lubbock. The company would create 4 full-time jobs, all paying more than \$30,000 per year and will make a capital investment of about \$237,000.

Staff proposes a job creation incentive for the 4 new jobs up to \$69,142 based on salary amounts, payable in arrears over three years. Also proposed is a capital investment incentive up to \$23,700 based on 10% of the Company's capital investment, with payments being made over a three-year period upon the Company's certification of actual investment in capital equipment.

Joe Crawford moved to approve Resolution DCOA-2006.07 authorizing total funding of up to \$92,842 to assist Project BP in establishing a distribution center in Abilene. Dee Moore seconded the motion and it carried by unanimous consent.

- 8. DISCUSSION OF POSSIBLE DCOA SUPPORT FOR RESEARCH OPPORTUNITIES IN ABILENE VIA THE SBIR/STTR PROGRAMS OF THE U.S. GOVERNMENT.** Due to time constraints, this item will be discussed during the next DCOA board meeting.
- 9. 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.**

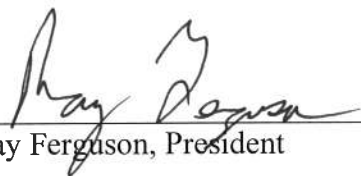
**EXECUTIVE SESSION: Pursuant to Tex. Gov't Code Sec. 551.071, an executive session may be held to consult with the DCOA attorney regarding contemplated litigation regarding DCOA funded projects. After discussion of the contemplated litigation, in executive session, any action or vote will be taken in public.**

At 1:45 p.m. the Board went into Executive Session. At 2:00 p.m. the Board reconvened and announced that no vote or action was taken in Executive Session.

**10. DISCUSSION OF DISPOSITION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE SALE OF DCOA-OWNED PROPERTY LOCATED AT 6803 HWY 277 N.** Ray Ferguson explained that there has been some public interest in buying the DCOA-owned property known as the old Tige Boats Plant at 6803 Hwy 277 North.

Joe Crawford moved to approve an oral resolution authorizing Richard Burdine to accept sealed bids for the property, with the minimum bid amount equal to the tax appraised value of said property and with a time period for accepting bids as determined by Richard Burdine. Dee Moore seconded the motion. The motion carried by unanimous consent.

**11. ADJOURNMENT.** There being no further discussion, the meeting was adjourned.

  
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Ray Ferguson, President