

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
September 12, 2006

MEMBERS PRESENT:	Ray Ferguson Dee Moore	Stan Lambert
MEMBERS ABSENT:	Syd Niblo	Joe Crawford
STAFF PRESENT:	Richard Burdine John Dugan David White	Kim Tarrant David Wright
GUESTS PRESENT:	Bill Ehrie Vicki Anderson Jerry Reed	Abilene Industrial Foundation Abilene Christian University Abilene Reporter-News

- 1. CALL TO ORDER.** Ray Ferguson 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 AUGUST 15, 2006 MEETING.** Stan Lambert made a motion to approve the minutes from the August 15, 2006 meeting. Dee Moore seconded and the motion carried.
- 3. PRELIMINARY FINANCIAL AND STATUS REPORTS FOR JULY 2006.** David Wright presented the preliminary financial reports for July 2006. Total assets as of July 31, 2006 were \$47.8 million, total liabilities were just over \$2.6 million, and the DCOA had an undesignated fund balance of almost \$17.2 million. The sales tax rebate for September was 9.2% higher than last year.
- 4. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ADDITIONAL FUNDING FOR THE TEXAS MANUFACTURING ASSISTANCE CENTER (TMAC).** The Texas Manufacturing Assistance Center (TMAC) exists to enhance the competitive position of the state's manufacturing sector. TMAC's manufacturing professionals work with a wide range of individual firms delivering training and providing technical assistance. They focus on strategic management, quality systems, environmental and safety issues. TMAC has assisted several local companies with many types of training. Staff proposes the DCOA renew its contract with TMAC and provide funding support of \$60,000 over the next three years, with funding limited to \$7,500/manufacturer/year.

Dee Moore moved to approve Resolution No. DCOA- 2006.21 as presented. Stan Lambert seconded the motion and it passed by unanimous consent.
- 5. PRESENTATION OF A REPORT ON THE STATUS OF THE SBIR/STTR GRANT PROGRAM AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ADDITIONAL FUNDING.** Under the Pre-application Phase of the SBIR/STTR federal grant program for research and development, four grants have been submitted to provide assistance with the Phase 1 application preparation cost of \$5,000/application. The first grant submitted has been denied and the reviewer's comments rebutted. The status of the other three is still

pending. Total expenditures for 2006 are \$23,272.50. Staff recommends moving the funding to a fiscal year timetable and authorizing total funding of \$271,400 to support the SBIR/STTR program through fiscal year 2007.

Stan Lambert moved to approve Resolution No. DCOA-2006.22. The motion was seconded by Dee Moore and passed by unanimous consent.

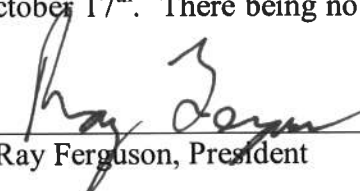
- 6. DISCUSSION OF STRATEGIC PLANNING FOR ECONOMIC DEVELOPMENT EFFORTS FOR FY07 INCLUDING BUT NOT LIMITED TO: A) REVIEW OF CURRENT STATUS OF TARGET INDUSTRIES; B) STATUS OF INDUSTRIAL BUILDING INVENTORY; C) REVIEW OF WORKFORCE DEVELOPMENT; D) REVIEW OF THE FIVE POINTS BUSINESS PARK MASTER PLAN; AND E) REVIEW OF SPEC BUILDING SPECIFICATIONS.** Administrative service centers are one type of target industry and three examples of these in Abilene are Genesis, Highland Campus Health Group, and Sears Methodist Retirement Systems. Another target industry is plastics manufacturing, with PWP Industries filling that category. A third target industry is customer support and service centers. Two companies in Abilene that fit this description are Teleperformance USA and BlueCross BlueShield of Texas. Shelter Distribution is an example of a logistics and distribution center, another target industry. Bill Ehrie addressed the difficulty in attracting distribution centers to Abilene because of the large amount of space required, sometimes as large as 500,000 to 1,000,000 square feet. Transportation costs (by rail) are another hurdle to overcome in attracting new major distribution centers to Abilene. A final target industry, windmill manufacturing, is currently not available in Abilene as that would require a new building which the DCOA does not have to offer at this time.

David White (projects and property manager) reviewed the status of DCOA-owned industrial building inventory. The DCOA owns twelve of the thirteen properties. The other property is Eagle Aviation's Hangar 1 at the airport owned by the City of Abilene but controlled by the DCOA. Ten properties are being fully utilized, leaving three properties currently available.

Bill Ehrie summarized privately-owned industrial building inventory. There are four major properties available: Wes Tex, the Victor Equipment Building, Hancock, and Lockheed. Concern was expressed about Abilene's lacking labor pool and available facilities.

- 7. EXECUTIVE SESSION.** There was no need for an executive session.

- 8. ADJOURNMENT.** The next DCOA meeting will be October 17th. There being no further business, the meeting was adjourned.



Ray Ferguson, President