

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
October 17, 2006

MEMBERS PRESENT:	Ray Ferguson Dee Moore	Stan Lambert Joe Crawford
MEMBER ABSENT:	Syd Niblo	
STAFF PRESENT:	Richard Burdine Susan Campbell	John Dugan Dan Santee
GUESTS PRESENT:	Judith Wilhelm Gary Robinett Chris Proctor-Cleveland Cam Tran	SBDC AIF Abilene Regional Airport KTXS-TV

- 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 SEPTEMBER 12, 2006 MEETING.** Dee Moore made a motion to approve the minutes from the September 12, 2006 meeting. Stan Lambert seconded and the motion passed.
- 3. PRELIMINARY FINANCIAL AND STATUS REPORTS FOR AUGUST 2006.** David Wright was sick and unable to attend the meeting. Richard Burdine presented the financial reports for August 2006. Total assets as of August 31, 2006 were \$47.3 million, total liabilities were nearly \$2.6 million, and the DCOA had an undesignated fund balance of almost \$16 million less authorized projects pending signed contracts of \$4.4 million, leaving \$11.6 million to work with. The sales tax rebate for October was \$650,474.25 for economic development and was 9.55% higher than last year.
- 4. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING AN AMENDMENT TO CURRENT APPROVED FUNDING FOR INFRASTRUCTURE TO SUPPORT THE TEXAS TECH UNIVERSITY PHARMACY SCHOOL IN ABILENE.** Mr. Burdine explained that under state law, expenditures for infrastructure improvements are eligible under Section 4a and are limited to streets and roads, water, sewer, electric and gas utilities, drainage, site improvements and related improvements, telecommunications and Internet improvements. The estimated qualified expenditures have increased from \$850K to actual of \$1,044,622. Staff recommends increasing assistance to the project by \$194,622. The pharmacy school plans to be open this fall and they will be temporarily located in the Grant Building downtown.

There was some discussion on possible conflict of interests for Stan Lambert and Joe Crawford. Assistance city attorney Dan Santee explained there was no conflict under the state statute since neither one stands to benefit financially.

Joe Crawford moved to approve Resolution No. DCOA- 2007.01 as presented. Dee Moore seconded the motion and it carried.

5. PRESENTATION OF ANNUAL REPORTS FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006 BY THE ABILENE INDUSTRIAL FOUNDATION, THE TEXAS TECH UNIVERSITY SMALL BUSINESS DEVELOPMENT CENTER, AND THE CITY OF ABILENE AIRPORT BUSINESS DEVELOPMENT MANAGEMENT PROGRAM. Gary Robinett presented the FY 2006 Annual Report from the Abilene Industrial Foundation (AIF). While the marketing budget was \$140,000 only \$105,615.78 was spent. This is partly attributed to the vacancy created when Tim Simmonds left and the position was vacant for several months before being filled by Mr. Robinett. Although a lower percentage of qualified leads were responded to compared to last year, the AIF remains focused on the *quality* of leads and what is best for Abilene, based on results from the Wadley Donovan Study. This is evidenced by the increased number of prospect visits. Some of the day-to-day activities include phone calls, visits, inquiries, and attending trade shows and conferences. The AIF will be focusing on site selection for 2007. One of the largest expenses the AIF had was for the Dyess/DCOA video. One reason for the high cost is that it had not been updated in several years. This is a high-quality video designed on the executive level. This video has been circulated to the Pentagon, top Air Force officials, etc as an effort to promote Dyess AFB in Abilene.

Judy Wilhelm presented the FY 2006 Annual Report from the Texas Tech University Small Business Development Center (SBDC). The SBDC exceeded their DCOA budget of \$195,000, with actual expenditures of \$202,662 for the year. They fulfilled their contractual obligations. Some of these include: a) training coordination with the Texas Manufacturing Assistance Center (TMAC) and b) supporting the Small Business Innovation Research (SBIR) program. The SBDC provided almost 2,800 counseling hours for FY 2006, hosted 40 workshops with 721 attendees and helped open 58 businesses.


Chris Proctor-Cleveland presented the FY 2006 Annual Report from the Abilene Regional Airport's Business Development Management Program. Passenger enplanements increased by 15.9% from FY05. They increased available seats by 21.1% from last fiscal year. This is largely attributed to the addition of Allegiant Air, which makes two nonstop flights to Las Vegas twice a week. Parking revenue increased by 21.3% from FY05. Rental car revenue increased by 36.7% for the third quarter of FY06 compared to the same period in FY05. The Airport was recently awarded a second grant in the amount of \$465,100 to secure air service to the western U.S. The addition of Allegiant Air has drawn people from surrounding areas and from as far away as Knox County and Midland-Odessa to Abilene's airport. This gives Abilene a proven track record when trying to attract other airlines.

6. PRESENTATION AND POSSIBLE APPROVAL OF THE DCOA ANNUAL REPORT OF ACTIVITIES FOR FY 2006. Richard Burdine showed a 12-minute video about the DCOA's 16-year history. Its main purpose is to tell our citizens what has been accomplished and to clarify misconceptions people have about economic development. The video has been running on the City's Channel 7 on a regular basis.

The DCOA FY 2006 Annual Report of Activities was presented. Attention was drawn to the Summary of Projects chart reflecting a job creation commitment of 763 new jobs and a job retention commitment of 617 jobs. Mr. Burdine summarized the DCOA's assistance to Teleperformance USA, Robinson Fans, PWP Industries, and Genesis Networks. The roofing project at BlueCross BlueShield is expected to be finished before the end of the year. Additional highlights for FY 2006 include the sale of the former Tige' Boats facility to local company Pinnacle Countertop Solutions, the SBIR/STTR program, and the Welder Training Pilot Program, which has placed all the graduates in jobs.

Joe Crawford moved to approve the annual report as presented. Stan Lambert seconded. The motion carried.

7. **EXECUTIVE SESSION.** There was no need for an executive session.
8. **ADJOURNMENT.** The next DCOA meeting will be November 21st. There being no further business, the meeting was adjourned.



Ray Ferguson, President