

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
January 16, 2007

MEMBERS PRESENT:	Ray Ferguson Mike Schweikhard	Stan Lambert Dee Moore
MEMBER ABSENT:	Joe Crawford	
STAFF PRESENT:	Richard Burdine Dan Santee	Kim Tarrant
GUESTS PRESENT:	Don Green Nancy Smith Tex Schmidt Gene Faulkner Karen Kavanagh Don Scata Gary Robinett Sarah Varble Burl McKelvain	City of Abilene Airport West Central Tx. Workforce Dev. Board URS Corporation “ “ “ Abilene Industrial Foundation Abilene Reporter-News TSTC West Texas

- 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 and welcomed new DCOA board member, Mike Schweikhard.
- 2. APPROVAL OF MINUTES FROM DECEMBER 19, 2006 MEETING.** Dee Moore made a motion to approve the minutes from the December 19, 2006 meeting. Stan Lambert seconded and the motion carried.
- 3. PRELIMINARY FINANCIAL AND STATUS REPORTS FOR NOVEMBER 2006.** In David Wright's absence, Richard Burdine presented the financial reports for November 2006. He briefly summarized the status of approved projects waiting for signed contracts. Total assets as of November 30, 2006 were \$49 million, total liabilities were about \$2.6 million, and the DCOA had an undesignated fund balance of \$16.9 million. The sales tax rebate for January was \$625,876.16 for economic development and was 9.04% higher than last year.
- 4. ELECTION OF OFFICERS FOR 2007.** Stan Lambert made a motion to accept the same slate of officers as last year: Ray Ferguson as President, Joe Crawford as Vice President, and Dee Moore as Secretary/Treasurer. Mike Schweikhard seconded. The motion passed by unanimous consent.
- 5. REPORT FROM URS CORPORATION ON STATUS OF DEVELOPMENT PLAN FOR EAGLE AVIATION SERVICES, INC.** Richard Burdine introduced Project Manager, Tex Schmidt from URS Corporation. Mr. Schmidt then introduced his team: Gene Faulkner, principal in charge; Don Scata, airfield planner; and Karen Kavanagh, planning project manager for this project. URS representatives explained that they developed several options for EASI's hangar expansion which they summarized, along with the pros and cons of each option.

Option 1 would be to build a temporary 23,000 square-foot fabric hangar attached to the front (east side) of Hangar 1 at a construction cost estimate of \$4.7 million. It would accommodate up to three aircraft and comes with a 20-year warranty. The biggest advantage is that it addresses an immediate need without new apron or hangar construction. A major concern is that the current fire suppression system for Hangar 1 probably does not meet code and the fabric could trigger upgrades to the system, increasing costs. A second disadvantage is that the fabric hangar may not provide full protection from the elements.

Option 2 places a new 25,000 square-foot hangar to the west of Hangar 0 on the existing employee parking lot and would accommodate two aircraft. Total construction cost is estimated at \$7.6 million which includes replacing the parking lot. One advantage is that the metal hangar would provide a completely enclosed space to perform maintenance and fulfill an immediate need. However, the topography of the apron slopes downward and the EASI employee parking would be further away from the buildings.

Option 3 requires the purchase of the Zee Jet lease and relocation of their facilities to another part of the airport. The existing Zee Jet Hangar would be demolished and a new 36,000 square-foot hangar would be constructed in its place. The new hangar would accommodate three aircraft at an estimated construction cost of \$14.4 million. This option would address the immediate need for the Saab maintenance positions and would provide a completely enclosed space to perform maintenance. The disadvantages are that the Zee Jet facilities must be relocated and the site is further from the employee parking area. Also, this is the least cost effective option.

Option 4 consists of building a new 36,000 square-foot hangar to the north of and behind Hangar 0 and would house three aircraft at an estimated construction cost of \$11 million. This includes additional apron, taxiway, and service road construction. A new advantage with this option is that the first phase of the conceptual site plan to have 12 maintenance bays would be in place. The one drawback is the apron and taxiway construction required for access to the site.

Option 4A is a complete build-out, adding three more 36,000 square-foot hangars to the north of the current EASI facilities, housing a total of nine aircraft and costing an estimated \$31.8 million. This also includes additional apron, taxiway, and parking lot construction which is the only disadvantage cited for this option.

Option 4B is a different layout from Option 4A, keeping three 36,000 square-foot hangars, still housing nine aircraft, and costing an estimated \$34.1 million. As in Option 4A, additional apron, taxiway, and parking areas would need to be built. Advantages include providing an area for fleet parking and an area for HAZMAT storage. On the down side, however, it would mean demolishing the existing RAC facility.

Option 4B-1 consists of constructing one 36,000 square-foot building and one 70,500 square-foot building which would house nine aircraft at an estimated cost of \$33.1 million. This

includes adding an EASI employee parking area to the west of the new hangars and constructing additional apron and taxiway areas. Pros and cons are the same as in Option 4B.

Considerable discussion followed about having enough employee parking, especially with the expansion that EASI is anticipating. EASI staff at the Abilene Regional Airport prefers Option 2. Richard Burdine concurred that Option 2 appears to be the best choice – allowing the most efficiency at the least cost. No action was taken.

6. **EXECUTIVE SESSION:** There was no need for an executive session.
7. **REPORT ON WELDER TRAINING PROGRAM AND DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ADDITIONAL FUNDING FOR THE PROGRAM.** Richard Burdine reviewed the report submitted by the Workforce Center for the Fast Track Welding training program. The first two training sessions were completed in the fall of 2006 and graduated 26 students, 22 of which are currently working for local businesses.

Because the program has been so successful, the entities involved are extending the program to include two more four-week sessions. To continue the training, economic development staff has applied for a \$50,000 grant from the West Central Texas Workforce Development Board in partnership with four local companies that employ welders. Staff requests the DCOA Board match the \$50,000 grant with up to \$26,000 to cover expenses for two more sessions in 2007 and 28 total participants.

Stan Lambert moved to approve Resolution No. DCOA-2007.09 authorizing additional funding of \$26,000 to extend the welder training program. Dee Moore seconded the motion and it carried.

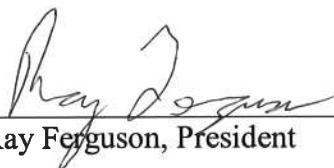
8. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING FUNDING FOR THE WEST CENTRAL TEXAS WORKFORCE DEVELOPMENT BOARD FOR THE MANUFACTURERS SKILLS STANDARDS COUNCIL (MSSC) TRAINING PROGRAM.** Based on nation-wide industry surveys, many workers demonstrate deficiencies in basic skills. The Manufacturing Skills Standards Council (MSSC) certification process addresses skills deficiencies by assessing and certifying individuals on their abilities in math, science, reading, listening, communicating, computer technology, analysis, problem solving, teamwork and basic technical skills, all in a manufacturing context. After a survey conducted in the fall of 2006 of local manufacturers, several of them expressed an interest in participating in a pilot project of MSSC certification, since they view it as a proven mechanism to improve the quality of their entry-level applicant pool. In addition, it appears that local manufacturers are committed to providing employment opportunities and hiring preference to MSSC-certified Manufacturing Production Technicians. The West Central Texas Workforce (WCTW) Board has committed funding toward the development of a pilot project to train and assess local workers as MSSC-Certified Manufacturing Production Technicians.

The WCTW Board requests funding from the DCOA in the amount of \$83,405, which will cover all training-related costs, including TSTC instructor wages, tuition and fees, pre-screening, assessments, and student incentives. The total cost of the pilot program will be \$86,835.

Nancy Smith from the WCTW Board summarized the many benefits of this program and how employers recognize the credentials this program provides to its graduates. The WCTW Board intends to leverage additional funding from the state. And if this pilot program is successful the WCTW Board will partner with various local entities and agencies to apply for skills development funding through the Texas Workforce Commission with the grant proposal to be submitted in early spring 2007. Burl McKelvain from TSTC echoed Ms. Smith's comments and the importance of focusing training for specific employment needs which have been addressed by the local manufacturing and industrial community.

Stan Lambert moved to approve Resolution No. DCOA-2007.10 authorizing funding of \$83,405. Dee Moore seconded the motion and it carried.

9. **ADJOURNMENT.** The next regularly scheduled meeting is February 20th, but there was some discussion about moving it to either the second or fourth Tuesday. There being no further business, the meeting was adjourned.



Ray Ferguson, President