

investment of \$9.7 million. Ms. Wilhelm attributed much of the success of these high numbers to their extra full-time and rural counselors, which have enabled the SBDC to help more clients. The SBDC offers a weekly entrepreneurial series to help new and existing businesses.

Chris Proctor-Cleveland introduced Don Green, the new Director of Aviation. She summarized the semi-annual report from the Abilene Airport Business Development Management Program. So far, the Abilene Regional Airport has seen an increase in several areas over last year: a 10.1% increase in passenger enplanements, a 4.9% increase in available seats, a 15.1% increase in parking revenue, and a 22.6% increase in rental car revenue. They are working on developing the West Central Texas Air Service Advisory Council, which will have 32 county delegates to help determine the needs of these outlying counties.

The departure of Allegiant Air was briefly addressed. It was pointed out that Allegiant has publicly announced that their service to/from Abilene and Las Vegas is in suspension – it is not a cessation. Outbound Monday flights from Abilene took a sharp decline once school started last fall. However, airport staff feels strongly that Allegiant Air will return to Abilene, possibly and hopefully this summer. Health issues concerning Allegiant's main contact person have delayed this decision-making process.

- 5. DISCUSSION AND POSSIBLE APPROVAL OF THE DCOA'S SEMI-ANNUAL REPORT OF ACTIVITIES ENDING MARCH 31, 2007.** Richard Burdine echoed what Bill Ehrie touched on earlier about building inventory being down; therefore the DCOA has focused mainly on existing businesses. In the first six months of FY 2007, the DCOA approved assistance for five local companies and one outside company. The DCOA approved total funding of \$2,562,662 to assist companies with growth and retention in Abilene; 83% of which was to local companies. Through this assistance, the DCOA anticipates new employment of 40 jobs (Eagle Aviation) and total retained employment of 109 positions (104 from Abtex Beverages). Progress is being made with Carter & Burgess regarding the Five Points Business Park and the Spec 3 Building. The Welder Training Program has been extended and the MSSC Training Program is underway.

New Airport Aviation Director, Don Green, summarized airport activity. There are many projects and construction in progress which they hope to wrap up within the next four to six weeks. Parking lot construction will probably start in August.

Mike Schweikhard made a motion to approve the report as presented. Joe Crawford seconded the motion and it passed by unanimous consent.

- 6. EXECUTIVE SESSION:** Pursuant to Tex. Gov't Code Sec. 551.087, an executive session may be held (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). After discussion of the contemplated economic development matters in executive session, any action or vote will be taken in public.

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 since deliberation in open session would have a detrimental effect on the DCOA's negotiations with a third party. After discussion in executive session, any action or vote will be taken in public.

Pursuant to Tex. Gov't Code Sec. 551.071, an executive session may be held to consult with the DCOA attorney regarding pending or contemplated litigation or a settlement offer regarding DCOA funded projects or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code. After discussion of the contemplated legal matters in executive session, any action or vote will be taken in public.

At 2:30 p.m. the Board went into Executive Session. At 3:40 p.m. the Board reconvened and announced that no vote or action was taken in Executive Session.

7. **DISCUSSION AND POSSIBLE APPROVAL OF ADDENDUM A TO THE LEASE AGREEMENT WITH AFFILIATED FOOD STORES, INC. FOR THE PROPERTY AT 4109 VINE ST., ABILENE, TEXAS.** Affiliated Food Stores, Inc. (AFS) is an Oklahoma wholesale grocery distributor that sells merchandise to its member-stockholders from its facilities in Abilene, servicing approximately 500 stores in Abilene and the region. The recent influx of major supermarkets in the area has forced many small stores to close, reducing AFS' business. The primary lender forced AFS to file bankruptcy in late 2003. In March 2004, the DCOA approved the purchase of the real estate owned by AFS located at 4109/4009 Vine Street for \$1.2 million. This was the only viable way for the DCOA to assist the business in bankruptcy while protecting its investment if the business were to fail. AFS leases a portion of the property (4109 Vine) from the DCOA for a total of \$14,375 a month, which is one of their largest operating costs.

Staff requests the DCOA Board approve Addendum A to the Lease Agreement reducing the total monthly rent from \$14,375 to \$7,500 beginning April 1, 2007 and continuing through December 31, 2008, to assist the business toward financial stability and preservation of 80 existing jobs. The long-term goal is for AFS to be eligible for long-term financing for repurchase of the building.

Mike Schweikhard moved to approve said addendum as presented. Dee Moore seconded and the motion passed with Ray Ferguson abstaining from voting.

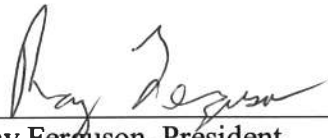
8. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING AN AGREEMENT WITH KEN FORD, PH.D. OF THE FLORIDA INSTITUTE FOR HUMAN AND MACHINE COGNITION (IHMC) TO EVALUATE THE FEASIBILITY OF AN ABILENE-BASED RESEARCH INSTITUTE.** Kenneth Ford is Founder and Director of the IHMC, a not-for-profit research institute of the Florida University System that is affiliated with several Florida universities. IHMC is one of the nation's leading research institutes, is located in downtown Pensacola, Florida, and has had a major impact on the

economic viability of the community. Dr. Ford is willing to assist the Abilene community and Texas Tech University to evaluate the feasibility of an Abilene-based research institute.

Staff requests the DCOA authorize a \$25,000 contract with Dr. Kenneth Ford for him to assist Texas Tech University and the community with the initial feasibility analysis of an Abilene-based research institute.

Joe Crawford moved to approve Resolution DCOA-2007.12. Dee Moore seconded the motion and it passed by unanimous consent.

- 9. ADJOURNMENT.** The next regularly scheduled meeting is May 22nd. There being no further business, the meeting was adjourned.



Ray Ferguson, President