

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD MEETING MINUTES**  
**July 31, 2007**

**MEMBERS PRESENT:** Ray Ferguson  
Mike Schweikhard

Stan Lambert

**MEMBERS ABSENT:** Dee Moore

Joe Crawford

**STAFF PRESENT:** Richard Burdine  
David Wright

Kim Tarrant  
Dan Santee

**GUESTS PRESENT:** Ken Burgess, WCTIC  
Bryan Clemmer, KTXS-TV  
Loretta Fulton, AR-N  
Pam Christoferson, Senior Safe at Home

Jennifer Saucedo, KTXS-TV  
Monty Lynn, ACU  
Darcy Deupree, KRBC-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 JUNE 26, 2007 MEETING.** Mike Schweikhard made a motion to approve the minutes from the June 26, 2007 meeting. Stan Lambert seconded and the motion carried.
3. **PRELIMINARY FINANCIAL AND STATUS REPORTS FOR JUNE 2007.** David Wright reviewed the financial reports for June 2007. Total assets as of June 30, 2007 were \$51.9 million, total liabilities were \$2.5 million, and the DCOA had an undesignated fund balance of \$21.7 million. The sales tax rebate for economic development is \$662,492, which is 6.85% above last year for the period October through July.

Due to schedules, it was necessary to proceed with Agenda Items 4, 5, 6 and 7 in the following order:

5. **PRESENTATION BY DR. MONTY LYNN FROM ACU OF THE SECOND REPORT OF PROGRESS MADE BY THE CENTER FOR BUSINESS & ECONOMIC RESEARCH (CBER) ON THE REGIONAL WEBSITE FOR ECONOMIC DATA & ANALYSIS.** There are 766 pages and files on the CBER web site with 622 downloadable files. In the past year a CBER page or file was visited 107,969 times and 62,202 files were downloaded. Dr. Lynn noted that local economic development publications and county data are being searched. ACU, the West Central Texas Workforce Board (WCTWB), and Develop Abilene have enhanced name recognition, and maps are popular. Fifteen of the 19 counties are included in the top 35 visited pages, which proves there is wide usage across our region. Results from a survey indicated that people who need regional economic information used the CBER web site the most and data customized for our region is the most helpful. Dr. Lynn thanked the

DCOA for funding assistance to help launch CBER. Evidence suggests that it has helped fill a gap of centrally-available information for Abilene and West Central Texas.

- 7. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING FUNDING FOR THE WEST TEXAS CENTER FOR INNOVATION AND COMMERCIALIZATION (WTCIC).** The WTCIC is one of eight regional committees that review businesses' applications to the state's multi-million dollar Emerging Technology Fund (ETF) that was established several years ago by the Texas Legislature to encourage commercialization of technology. The WTCIC has the opportunity to receive up to \$400,000 in funding over the next biennium, but in order to receive the funding, it will be necessary to match the amount from within the West Texas region. The WTCIC is asking the Economic Development Corporations that are members of the WTCIC for funding in the amount of \$16,582/year each for two years. Each Small Business Development Center (SBDC) will in turn, receive \$12,500/year for seed money that must be used to promote technology-related economic development, technology commercialization, and technology-related incubation & acceleration processes.

Staff recommends the DCOA authorize participation in the funding of the WTCIC in the amount of \$16,582 per year for two years - for a total of \$33,164.

Stan Lambert moved for approval of Resolution DCOA-2007.21 as presented. Mike Schweikhard seconded and the motion carried.

- 4. APPOINTMENT BY THE PRESIDENT OF 2007 STANDING COMMITTEES AND POSSIBLE BOARD APPROVAL: PROJECT EVALUATION AND BUDGET & FINANCE.** The following were appointed by DCOA President Ray Ferguson to the Budget & Finance Committee and the Project Evaluation Committee: DCOA board members Dee Moore and Joe Crawford (with board member Mike Schweikhard as a backup to either board member in their absence), Paul Cannon, John Stearns, Dani Ramsay, Marelyn Shedd, and Tucker Bridwell.

Mike Schweikhard moved to approve above appointees to said committees. Stan Lambert seconded and the motion carried.

- 6. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT SSH.** Project SSH is a new company developed by an existing Abilene company that combines assistive technology with professional care management services delivered 24/7 from a centralized client service center. The client service center will be located in Abilene and will provide first contact client support as well as professional medical services, technologies, logistics, and operational support to services within the local areas. The Company's mission is to develop, deliver, and maintain an array of remote medical support systems using selected in-home technologies to allow "aging in place".

Staff recommends the DCOA approve a total assistance package of \$402,455 as follows: a \$100,000 forgivable loan for computer hardware and furniture for the call center plus job creation incentives of \$302,455 payable over five years in arrears, for the creation of 17 new jobs in Abilene paying over \$30,000/year (including benefits).

A motion was made by Stan Lambert to approve Resolution No. DCOA-2007.19 as presented. Mike Schweikhard seconded, and the motion carried.

- 8. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A CONTRACT WITH CARTER & BURGESS, INC. FOR AN OVERALL MASS GRADING DESIGN FOR LAND IN FIVE POINTS BUSINESS PARK.** Design concepts were developed around a Texas Department of Transportation (TxDOT) project to construct an overpass for FM 3438 over Hwy 84 (Business I-20). The project requires 60,000 cubic yards of earth and a prospective contractor has offered to purchase fill dirt from the Five Points Business Park. The topography of the Park on the west side of Arnold Blvd., north of Five Points Parkway, has some steep grades that prohibit development. Also, on the east side of Arnold Blvd., there are three potential lots available for development but filling in part of the floodplain would make the lots deeper and more useful.

Staff recommends the DCOA authorize a contract with Carter & Burgess to perform an overall mass grading plan for the Five Points Business Park and funding of \$34,000.

Mike Schweikhard moved to approve Resolution No. DCOA-2007.18 as presented. The motion was seconded by Stan Lambert and passed by unanimous consent.

- 9. 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 2:15 p.m. the Board went into Executive Session. At 3:15 p.m. the Board reconvened and announced that no vote or action was taken in Executive Session.

- 10. DISCUSSION AND POSSIBLE APPROVAL OF AN ORAL RESOLUTION AUTHORIZING A LEASE OR PURCHASE OF PROPERTY FOR PROJECT JW.** Project JW is a Texas company formed in 2003 to commercialize biotechnology licensed from a Texas university. In June, the DCOA approved funding in an amount not to exceed \$2,000,000 to include general alterations/renovations to an approximately 10,000 sq. ft. facility; construction, outfitting, and commissioning of lab space; common area equipment; and equipment specific to the Company's needs. Mr. Burdine requested the board authorize him to hire an architect to evaluate the different options available to assist Project JW in finding a suitable facility. It may be more feasible to renovate an existing facility or construct a new facility. The architect can help staff determine the most cost and time efficient approach to get Project JW up and running. Staff will return to the board with a report from the architect and possible a request for funding to proceed with the best approach.

Stan Lambert made an oral resolution authorizing the CEO to employ an architect to help evaluate building options for Project JW. Mike Schweikhard seconded the motion and it passed by unanimous consent.

- 11. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE CEO TO SOLICIT BIDS FOR THE CONSTRUCTION OF A SPEC 3 BUILDING IN FIVE POINTS BUSINESS PARK.** Previous DCOA Board actions have authorized and funded contracts with Carter & Burgess, Inc. (C&B) to update the master plan for the Five Points Business Park, prepare preliminary drawings for development of the Park, design a third speculative shell building, and conduct site civil engineering work for the new building. C&B has completed drawings for the building.

Staff requests the DCOA authorize the CEO to solicit bids for construction of a 100,000 square-foot Spec 3 shell building to be located in the Five Points Business Park. Staff will return to the board after bids are received for approval of a construction contract and funding.

Mike Schweikhard moved to approve Resolution No. DCOA-2007.17 as presented. Stan Lambert seconded, and the motion carried.

- 12. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING FUNDING FOR ESTABLISHMENT OF A RESEARCH**

**CENTER.** Abilene has the opportunity of becoming the location for a proposed research center that has the potential for state and national recognition and as a magnet for growth of Abilene's technology sector.

Staff recommends the DCOA authorize funding in the amount of \$2,725,000 for capital equipment (disbursed over five years) to help jump-start the research program and position Abilene to receive substantial research grants that will firmly establish Abilene as a hub for technology research.

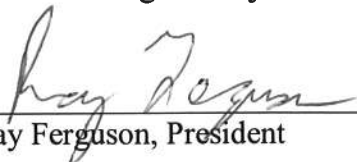
A motion was made by Stan Lambert to approve Resolution No. DCOA-2007.20 as presented. Mike Schweikhard seconded the motion and it passed by unanimous consent.

- 13. DISCUSSION AND POSSIBLE APPROVAL OF AN ORAL RESOLUTION AUTHORIZING THE EXPANDED USE OF FUNDS PREVIOUSLY APPROVED TO PURCHASE A THERMOFORMER FOR EAGLE AVIATION SERVICES, INC. (EASI).** The DCOA had previously approved \$275,000 in grants for recruitment and equipment (to purchase a thermoformer for use in the new Off-Load Shop). Bids for the thermoformer have come in much lower than expected. EASI's manager has informed staff that additional capital equipment is needed.

Staff recommends the DCOA approve an oral resolution authorizing EASI to purchase other capital equipment items with the remaining equipment grant funds after purchase of the thermoformer.

Stan Lambert made an oral resolution authorizing the use of previously approved funds for EASI for other pieces of capital equipment as needed. Mike Schweikhard seconded and the motion carried.

- 14. ADJOURNMENT.** There being no further business, the meeting was adjourned.

  
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Ray Ferguson, President