

**DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
DECEMBER 18, 2007**

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| MEMBERS PRESENT: | Ray Ferguson Stan Lambert Mike Schweikhard | Joe Crawford Dee Moore |
| STAFF PRESENT: | Richard Burdine A.C. Alrey David Wright | Kim Tarrant Pat McGinnis Dan Santee |
| GUESTS PRESENT: | Bill Ehrie Doug Myers Victor Sotelo | Abilene Industrial Foundation Abilene Reporter-News KTAB 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 NOVEMBER 27, 2007 MEETING.** Stan Lambert made a motion to approve the minutes from the November 27, 2007 meeting. Joe Crawford seconded and the motion carried.
- 3. SALES TAX REPORT FOR DECEMBER 2007 AND PRELIMINARY STATUS OF FUNDS REPORT FOR OCTOBER 2007.** David Wright reviewed the Sales Tax Report for December 2007 and the preliminary status of funds report for October 2007. The sales tax rebate for economic development is \$644,726.81, which is 6.67% above last year. For October 2007, total assets were about \$53.2 million, total liabilities were \$2.4 million, and the undesignated fund balance was \$21.4 million. Two major expenditures for October were to Fehr Foods and Receptor Logic.
- 4. FY07 ANNUAL REPORT FROM THE ABILENE INDUSTRIAL FOUNDATION.** Bill Ehrie presented this report. Of the \$140,000 marketing budget for FY07, \$108,270 was spent. Most of the extra budgeted amount would have been spent in marketing the new Spec III building. However, timing issues concerning the Spec III building prevented this. Of the 96 total leads received in FY07, 58 were responded to. Thirteen prospect files were opened, 81 retention visits were made, and 151 consultant visits were made. Wind energy is a big issue right now. These visits continue to reinforce the relationships between the companies, the Abilene Industrial Foundation and the DCOA.
- 5. DISCUSSION AND POSSIBLE APPROVAL OF AN ORAL RESOLUTION AUTHORIZING THE CEO TO NEGOTIATE A CONSTRUCTION CONTRACT FOR THE EXPANSION OF THE BUILDING LOCATED AT 6450 FIVE POINTS PARKWAY, OCCUPIED BY PWP INDUSTRIES.** PWP currently leases the Spec 2 building and has grown more rapidly than expected. The company needs about 125,000 square feet of additional warehouse space. Staff has worked with the Tittle-Luther

Partnership (TLP) and Rose Builders, Inc. (Rose) to determine the most efficient way to build the expansion for PWP. Rose built the original Spec 2 Building and is well-versed in tilt-wall construction and has a reputation of completing projects on time. In Rose's proposal, he is willing to construct the building for cost plus a fee of 4.25% with a substantial completion date in late June 2008 to meet PWP's needs. He will establish a guaranteed maximum price once he has bids from the various subcontractors but the early estimate is \$6,000,000.


Staff recommends approval of an oral resolution authorizing the CEO to negotiate a contract with Rose Builders, Inc. for construction of the Spec 2 Building expansion in which the basis of compensation is the cost of the work plus a fee of 4.25%, with a negotiated guaranteed maximum price not to exceed \$6,000,000.

A motion was made by Stan Lambert to approve an oral resolution as presented. Dee Moore seconded the motion and it carried.

6. **EXECUTIVE SESSION.** I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, .072, and .087 to consult with our legal counsel, discuss real property transactions, and discuss economic development negotiations involving a business prospect, as set forth on the agenda. Any vote or action will be taken in open session.

The time is now 2:03 p.m. on December 18, 2007. No vote or action was taken in Executive Session. The date is December 18, 2007 and the time is 3:03 p.m.

7. **DISCUSSION AND POSSIBLE APPROVAL OF AN ORAL RESOLUTION AUTHORIZING THE CEO TO NEGOTIATE AN EXCHANGE OF REAL ESTATE WITH THE TAYLOR COUNTY EXPO CENTER, THE CITY OF ABILENE AND TAYLOR COUNTY AND REIMBURSEMENT TO TAYLOR COUNTY OF TAX REVENUE LOST FROM ADOPTION OF FREEPORT TAX EXEMPTION IN SUBSTANTIAL CONFORMANCE WITH THE DRAFT MEMORANDUM OF UNDERSTANDING AMONG THE PARTIES.** This item was pulled from the agenda.
8. **ADJOURNMENT.** The next regularly scheduled meeting will be January 22, 2008. There being no further business, the meeting was adjourned.



Mike Schweikhard, Vice President