

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
MAY 13, 2010

MEMBERS PRESENT:	Paul Cannon Dani Ramsay	Mike Schweikhard
MEMBERS ABSENT:	Scott Senter	Marelyn Shedd
STAFF PRESENT:	Richard Burdine Dan Santee Melissa Murphy	Kim Tarrant Don Green
GUESTS PRESENT:	Judy Wilhelm Bill Ehrie Jaime Adame	Small Business Development Center Abilene Industrial Foundation Abilene Reporter-News

1. **CALL TO ORDER.** Paul Cannon called the meeting to order at 1:30 p.m. in the Develop Abilene conference room located at 174 Cypress Street, 3rd floor, Abilene, TX.
2. **APPROVAL OF MINUTES FROM THE APRIL 15, 2010 BOARD MEETING.** Mike Schweikhard moved to approve the minutes from the April 15, 2010 board meeting. Dani Ramsay seconded and the motion carried.
3. **STATUS OF FUNDS REPORT FOR MARCH 2010.** Total DCOA assets as of March 31, 2010 were nearly \$60 million and the total fund balance was \$59.2 million and the undesignated fund balance was \$11.3 million. The DCOA had contracts pending totaling \$188,000.
4. **PRESENTATION OF SEMI-ANNUAL REPORTS FOR 6 MONTHS ENDED MARCH 31, 2010 BY THE ABILENE INDUSTRIAL FOUNDATION, THE TTU SMALL BUSINESS DEVELOPMENT CENTER, AND THE CITY OF ABILENE AIRPORT BUSINESS DEVELOPMENT MANAGEMENT PROGRAM.** Bill Ehrie reviewed the semi-annual report for FY10 from the Abilene Industrial Foundation. The AIF has spent \$68,506.30 of its FY10 marketing budget of \$140,000. From the 50 leads received, the AIF responded to 30 and opened four prospect files. The AIF made 31 retention visits. So far this fiscal year, they have hosted one manufacturers' luncheon, attended two trade shows and attended five conferences. The main available buildings right now are Victor, Spec 3 and Glazer.

Judy Wilhelm reviewed the TTU SBDC's report. For the first half of FY 2010, the SBDC helped a total of 40 businesses open. They helped create 121 jobs with a total capital investment of \$4.3 million, which is down significantly from this time last year. They offered several workshops for the first half of FY10 and were also involved with Abilene Christian University's third annual Springboard Idea Challenge. They have completed

two SBA audits/reviews and were part of the Texas Tech review committee for women CEOs interested in Tech business.

Melissa Murphy and Don Green summarized the report from the Abilene Airport Business Development Management Program (BDMP). They are focused on community outreach through speaking engagements to various civic organizations, highlighting the advantages of flying from Abilene versus driving to another airport. The BDMP continues with its marketing campaign, running ads on local television and radio stations, as well as print ads in various publications. Enplanements were down 14%, due mainly to the national recession and the decrease in wind farm construction. The ABI-VIP Passenger Rewards Program was started in November 2008 and has been more successful than anticipated, resulting in 778 current participants. As a direct result of declining enplanements, rental car revenue is down 12% YTD and parking lot revenue is down 8% YTD. The Small Community Air Service Development Grant, to attract new service to the west from Abilene Regional Airport, was extended last August for one year by the DOT.

- 5. DISCUSSION & POSSIBLE APPROVAL OF THE DCOA'S SEMI-ANNUAL REPORT OF ACTIVITIES ENDING MARCH 31, 2010.** Richard Burdine reviewed this report. Some of the items highlighted include Project RC, Genesis Networks Solutions, Inc., Project School, and the Abilene Life Sciences Accelerator – Phase 2 build out.

Dani Ramsay moved to approve, by oral resolution, said report as presented. Mike Schweikhard seconded and the motion passed by unanimous consent.

- 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.

President Paul Cannon announced the date is May 13, 2010, and the time is 2:04 p.m. Mr. Cannon then announced the date is still May 13, 2010, and the time is 3:08 p.m. No vote or action was taken in Executive Session.

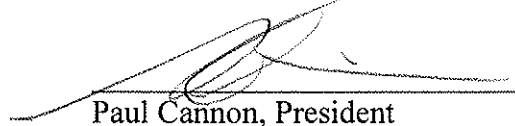
- 7. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR TEXAS METALS & RECYCLING (BMWT LEASING).** Texas Metals and Recycling (Texas Metals) is a local company that has been in business since 1909 and gathers recyclable metals to sell to area mills, and also sells new metals on a retail basis. In August 2008, the DCOA approved assistance for several things, including the purchase of another scrap processing shear. This new scrap processing shear was installed in 2008 but the unit has been operating lately at only 65% of available run time. Scrap iron prices have risen dramatically since the beginning of 2010, creating increased business, which in turn has put tremendous pressure on the existing material handlers to keep the processing shear fed. The owners purchased a material handler at a

cost of \$440,500 to increase the scrap processing shear run time to 94% of available run time, and request the DCOA assist with the purchase. They anticipate creating another position within 3-6 months of purchase.

Staff recommends the DCOA approve total assistance of \$44,050 (10% of cost) to help with the purchase of a material handler.

A motion was made by Dani Ramsay to approve Resolution No. DCOA-2010.16 as presented and seconded by Mike Schweikhard. Motion carried.

8. ADJOURNMENT. The next regularly scheduled meeting is May 25th.



Paul Cannon, President