

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD MEETING MINUTES (REVISED)**  
**JULY 13, 2010**

<b>MEMBERS PRESENT:</b>	Paul Cannon Dani Ramsay	Marelyn Shedd Scott Senter
<b>STAFF PRESENT:</b>	Richard Burdine Stan Smith	Kim Tarrant
<b>GUESTS PRESENT:</b>	Jaime Adame Bill Ehrie Gary Robinett	Abilene Reporter-News Abilene Industrial Foundation “ “ “

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 JUNE 8, 2010 BOARD MEETING.** Paul Cannon suggested amending the minutes from the June 8, 2010 board meeting with a few changes to Item 5. Scott Senter moved to amend the minutes from the June 8, 2010 board meeting as recommended by Mr. Cannon and to approve the minutes as amended. Marelyn Shedd seconded on both counts and the motion carried.
3. **SALES TAX REPORT FOR JULY 2010 AND STATUS OF FUNDS REPORT FOR MAY 2010.** The sales tax rebate for July for economic development was \$660,806 which represents May sales. This is up 10.5% from last year. Total assets as of May 31, 2010 were \$60.8 million, total liabilities were \$1.15 million and the DCOA undesignated fund balance was nearly \$13.2 million.
4. **APPOINTMENT OF 2010 PROJECT EVALUATION AND BUDGET & FINANCE STANDING COMMITTEES OF THE DCOA.** Each year, the DCOA President appoints members to serve a one-year term on standing committees. These committees include the Project Evaluation Committee, which reviews performance reports on the DCOA's contract agencies, and the Budget & Finance Committee, which recommends a budget for the DCOA. These two committees typically meet once each year during the budget process, usually in July or August.

DCOA President Paul Cannon appointed the following to serve on these two committees for 2010: Scott Senter, Marelyn Shedd, Dave Copeland, John Stearns, Ray Ferguson, and Tucker Bridwell. Mike Schweikhard and Dani Ramsay will serve as backup to Scott Senter and Marelyn Shedd as board members.
5. **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 July 13, 2010, and the time is 1:47 p.m. Mr. Cannon then announced the date is still July 13, 2010, and the time is 2:29 p.m. No vote or action was taken in Executive Session.

**6. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING AN ADDENDUM TO THE AGREEMENT FOR FINANCIAL ASSISTANCE WITH ENERGY MAINTENANCE SERVICE FOR EXPANSION INTO GEARBOX REPAIR.**

Energy Maintenance Service, LLC (EMS) is a full service provider of high quality, cost effective products and services to the North American wind industry with an emphasis on construction, operations & maintenance, and component repairs including control systems and gearboxes. EMS is based in South Dakota and is a division of Broadwind Energy, Inc.


EMS currently occupies space in the former Lockheed facility for its blade repair operation. Prior assistance from the DCOA includes a capital investment incentive of \$570,000 payable over 5 years at 10% of the Company's actual capital investment in the facility. To date, EMS has drawn \$71,376 for capital investment.

Broadwind recently announced an expansion of the Abilene EMS operation to now include gearbox refurbishment and repair. This expansion will require an additional capital investment of \$7 million from Broadwind/EMS, bringing total projected investment in the Abilene operation to \$12.7 million. There will be an additional 9 positions (each paying at least \$30,000), bringing total projected Abilene employment to 98.

Staff proposes an addendum to the existing assistance package adding \$902,500 in exchange for 9 additional new jobs in the gearbox repair operation defined as follows: up to \$202,500 job creation incentive for the creation of 9 new FTEs in Abilene in the gearbox repair operation, payable over five years; and a capital investment loan of up to \$700,000 at 0% interest forgiven annually over five years. Advances will be made at 10% of actual cost of capital equipment and leasehold improvements made to the facility by Broadwind/EMS upon receipt by the DCOA of eligible invoices. Collateral shall consist of a lien on all equipment and other capital items for the Abilene operation and located in Abilene. Also included as temporary collateral is capital equipment owned by EMS (or Broadwind Energy) located in South Dakota with a value of at least \$1 million to collateralize \$500,000 of the outstanding loan balance.

A motion was made by Dani Ramsay to approve Resolution No. DCOA-2010.19 authorizing said addendum as presented. Scott Senter seconded and the motion passed.

**7. ADJOURNMENT.** The next regularly scheduled meeting is July 27<sup>th</sup>.

  
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Paul Cannon, President