

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
JUNE 7, 2011

MEMBERS PRESENT: Paul Cannon Mike Schweikhard
Dani Ramsay

STAFF PRESENT: Richard Burdine Kim Tarrant
Stan Smith Mindy Patterson

GUESTS PRESENT: Lori Herrick, Davis Kinard & Co.
B.J. Pritchard, Enprotec/Hibbs & Todd
Jack Harkins, Tittle Luther Partnership
Bill Ehrie, Abilene Industrial Foundation
Jaime Adame, Abilene Reporter-News

1. **CALL TO ORDER.** Paul Cannon called the meeting to order at approximately 4:00 pm in the conference room of the Abilene Life Sciences Accelerator, 1325 Pine Street, Abilene, Texas.
2. **APPROVAL OF MINUTES FROM THE MAY 10, 2011 BOARD MEETING.** Mike Schweikhard moved to approve the minutes from the May 10, 2011 board meeting. Dani Ramsay seconded and the motion carried.
3. **STATUS OF FUNDS REPORT FOR APRIL 2011.** Mindy Patterson reviewed the DCOA financial statements as of April 30, 2011. Total assets were almost \$62.3 million while total liabilities were \$365,974. The total fund balance was \$61.9 million, and of that the undesignated fund balance for economic development was \$9 million. Aside from sales tax, most of April's revenue came from interest on loans and building/space rental income. For expenditures, there were several principal reductions for job creation including Robinson Fans and PWP, plus the third quarter payment to ETI for management of the Abilene Life Sciences Accelerator.
4. **PRESENTATION OF THE FY10 AUDIT PERFORMED BY DAVIS KINARD & CO., P.C.** Lori Herrick with Davis Kinard presented the supplemental information for the DCOA as part of the annual financial audit for the City of Abilene for FY 2010. Total assets were about \$61.4 million with 23% in cash and investments. Total notes receivable were \$15.3 million. Capital assets net of depreciation were \$28.8 million, net assets restricted for contractual obligations were \$16.5 million, and unrestricted net assets were \$14.4 million.
5. **APPOINTMENT OF THE 2011 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 2011: Mike Schweikhard, Dani Ramsay, Dave Copeland, John Stearns, Ray Ferguson, and

Tucker Bridwell, Scott Senter and Marelyn Shedd will serve as backup to Mike Schweikhard and Dani Ramsay as board members.

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 June 7, 2011, and the time is 4:14 p.m. Mr. Cannon later announced the date is still June 7, 2011, and the time is 5:59 p.m. No vote or action was taken in Executive Session.

7. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING CONTRACTS AND FUNDING FOR FIRE PUMPS & PUMP HOUSE, AND TWO 100,000-GALLON GROUND STORAGE TANKS FOR INSTALLATION AT THE ABILENE REGIONAL AIRPORT.** During pre-construction reviews for Hangar 4, it was determined that several fire safety issues must be addressed in order to proceed with construction. In April of this year, the DCOA approved contracts and funding for engineering services for several things including the water line extension, 2 ground storage tanks, fire loop, additional hydrants and fire pump station. The fire pumps & pump house and the ground storage tanks are two project elements that will be subcontracted to vendors and will eliminate the general contractor's mark up. They are self-contained, located away from the other construction activity.

Staff asked the consulting engineers to solicit price quotes for the fire pumps & pump house and the ground storage tanks from contractors with whom they are familiar and who have a good reputation of high quality work performed on schedule.

Based on recommendations from Enprotec/Hibbs & Todd, staff recommends the board approve the welded-epoxy coated ground storage water tanks as part of the bid from Tank & Vessel Builders of Baird, Texas. Staff also recommends the board authorize contracts and funding for the manufacture and installation of the fire pumps & pump house, and (2) 100,000-gallon ground storage tanks as follows: \$214,885 to Murphy Technical, Inc. of Roanoke, TX; \$230,000 to Tank & Vessel Builders of Baird, TX; \$30,000 in change orders to Hicks Construction for site grading & foundation; and an 8% contingency amount of \$38,000, for total funding of \$512,885.

Dani Ramsay moved to approve Resolution No. DCOA-2011.18 as presented above. Mike Schweikhard seconded and the motion carried.

8. **ADJOURNMENT.** The next board meeting is June 28, 2011.



Paul Cannon, President