

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD MEETING MINUTES**  
**JULY 12, 2011**

**MEMBERS PRESENT:** Paul Cannon Mike Schweikhard  
Marelyn Shedd Dani Ramsay  
Scott Senter

**STAFF PRESENT:** Richard Burdine Kim Tarrant  
Dan Santee Mike Rains  
Don Green Melissa Murphy

**GUESTS PRESENT:** Bill Ehrie, Abilene Industrial Foundation  
Jaime Adame, Abilene Reporter-News

1. **CALL TO ORDER.** Paul Cannon called the meeting to order at approximately 1:30 pm in the conference room of the Abilene Life Sciences Accelerator, 1325 Pine Street, Abilene, Texas.
2. **APPROVAL OF MINUTES FROM THE JUNE 7, 2011 BOARD MEETING.** Scott Senter moved to approve the minutes from the June 7, 2011 board meeting. Mike Schweikhard seconded and the motion carried.
3. **SALES TAX REPORT FOR JULY 2011 AND STATUS OF FUNDS REPORT FOR MAY 2011.** Mike Rains, Assistant Finance Director, reported the sales tax rebate for economic development for July 2011 was \$749,767, which is 13.46% above last year. Total assets as of May 31, 2011, were \$62.8 million while total liabilities were \$365,974. The total fund balance was \$62.5 million, and of that, the undesignated fund balance for economic development was \$10 million. The two largest revenue items were sales tax of \$943,215 and rental income of almost \$90,000. The largest expenditure was \$296,772 for the construction of Eagle Aviation's new hangar.

At this time Richard Burdine introduced Eddie Richards, Economic Development's second Construction Projects Manager.

- 4a. **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 12, 2011, and the time is 1:44 p.m. Mr. Cannon later announced the date is still July 12, 2011, and the time is 2:02 p.m. No vote or action was taken in Executive Session.

5. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING REVISED ASSISTANCE FOR THE TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER SCHOOL OF PHARMACY-ABILENE CAMPUS AND ITS CENTER FOR IMMUNOTHERAPEUTIC RESEARCH.** On May 20, 2011, the Texas Tech University Health Sciences Center (TTUHSC) School of Pharmacy-Abilene graduated its first class of Doctors of Pharmacy, realizing a community vision for health education and

academic research in Abilene. In July 2005 the DCOA approved \$150,000 in job creation incentives for the Center for Immunotherapeutic Research (CITR) located in the School of Pharmacy (SOP). The funds were advanced in June 2007 under a 10-year forgivable Promissory Note at 0% interest. Also in July 2005 the DCOA authorized \$850,000 for infrastructure improvements for the SOP construction, which was funded under a 7-year, 0% interest forgivable loan.

The research space in the SOP is full. For the CITR to grow toward long-term sustainability, additional research and office space is essential, along with more academic researchers and support personnel. Research-related employment is now projected to create 22 jobs, a payroll impact of almost \$1.3 million per year and eligibility for \$413,761 in job creation incentives. Deducting the \$150,000 previously advanced, the net new commitment is \$263,761.

Staff recommends the DCOA Board consider an additional investment in the SOP to more than double the existing research labs and office space, which will accommodate five more academic researchers and 13 or more support personnel. Under state law, the DCOA can assist with infrastructure improvements, which are estimated to cost \$593,800 plus a 10% contingency, totaling \$653,180.

Staff recommends amending the current agreement to fund an additional \$263,761 earnable through job creation over ten years and an additional \$653,180 for infrastructure improvements earnable at approximately \$93,311 per year over the next seven years of SOP-Abilene operations, for total DCOA assistance of \$916,941. Staff also requests authority to provide academic lab space in the Abilene Life Sciences Accelerator at no charge for new research faculty until the SOP expansion project is completed in late 2012.

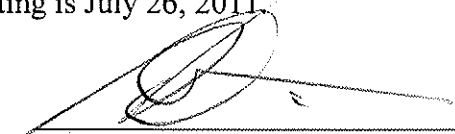
A motion was made by Marelyn Shedd to approve Resolution No. DCOA-2011.19 as presented. Dani Ramsay seconded and the motion carried.

Scott Senter left the meeting after the vote.

**4b. EXECUTIVE SESSION.** I hereby announce we are going *back* 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 12, 2011, and the time is 2:20 p.m. Mr. Cannon later announced the date is still July 12, 2011, and the time is 3:17 p.m. No vote or action was taken in Executive Session.

**6. ADJOURNMENT.** The next board meeting is July 26, 2011.



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Paul Cannon, President