

**DEVELOPMENT CORPORATION OF ABILENE, INC.  
BOARD MEETING MINUTES  
MAY 2, 2012**

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

**MEMBER ABSENT:** Dani Ramsay

**STAFF PRESENT:** Richard Burdine Kim Tarrant  
Mindy Patterson Dan Santee

**GUESTS PRESENT:** Bill Ehrie, Abilene Industrial Foundation  
Glorie Furrow, Abilene Christian University  
Gina Benitez, KRBC TV

1. **CALL TO ORDER.** President Paul Cannon called the meeting to order in the conference room of the Abilene Life Sciences Accelerator, 1325 Pine Street, Abilene, Texas.
2. **APPROVAL OF MINUTES FROM THE APRIL 10, 2012 AND APRIL 16, 2012, BOARD MEETINGS.** Scott Senter moved to approve the minutes from both the April 10, 2012 and April 16, 2012 board meetings. Mike Schweikhard seconded and the motion carried.
3. **SALES TAX FOR APRIL 2012 AND STATUS OF FUNDS REPORT FOR MARCH 2012.** Mindy Patterson reviewed this information. The sales tax rebate for April (which represents February sales) was \$769,064 for economic development and is up nearly 20% above last April. Cumulatively, sales tax is up nearly 23% above last year for the period of October through April. Of the top twenty Texas cities, Abilene had the fourth highest increase and Midland had the highest, with a nearly 34% increase. The average state increase was about 15%.

March revenues reflected an \$8,844.00 incentive payment from AEP for lighting retrofit at 4109 Vine St. Highlighted expenses included \$18,843 for welder job training classes to TSTC; \$137,421 for EASI construction expense for improving fire safety at the hangars; \$70,000 capital investment funding for Pepsi Beverage Co.; and \$158,850 was for Vine St. parking lot repairs and improvements.

4. **EXECUTIVE SESSION, SESSION 1.** 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 2, 2012, and the time is 1:39 p.m. Mr. Cannon left Executive Session during discussion. A short break was taken until 2:06 pm. Session 2 resumed at 2:08 pm. Vice President, Mike Schweikhard later announced the date is still May 2, 2012, and the time is 2:20 p.m. No vote or action was taken in Executive Session. Paul Cannon recused himself from discussing and voting on the next agenda item. He turned the meeting over to Vice President Schweikhard, and then left the public meeting.

5. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR RENTECH BOILER SYSTEMS.** Rentech Boiler Systems, Inc. (Rentech) is a local company established in June 1996 by Jack and Becky Rentz. They design and manufacture their products in a state-of-the-art plant on E. Hwy 80 and have three more offices across the country. They have provided boilers to customers all over the world.

The DCOA has assisted Rentech several times since 1998 with purchases of real estate and equipment, and expansion projects. Their job creation commitment has increased from 50 in 1998 to current employment of 290 workers.

Rentech needs to expand and recently purchased the property immediately to the west of its plant. When Peerless Manufacturing (Peerless) recently announced its plans to close the Abilene plant also on E. Hwy 80, Jack Rentz saw an opportunity to expand his company virtually overnight and keep most of Peerless' 30 employees working. Contingent on DCOA assistance, he will buy the entire Peerless property for \$925,000, which includes the original 7.8 acres and building plus another 17.39 acres to the east. He will also purchase additional equipment and make minor improvements totaling about \$75,000, for a total investment of \$1 million. He plans to retain approximately 25 of the existing Peerless employees and create 10 new jobs for a total of 35 in job creation.

Staff recommends the DCOA approve a total assistance package for Rentech of \$500,000 as follows: up to \$350,000 in job creation incentive for 35 FTEs over the existing 290 jobs, earned at \$10,000/each over 5 years; and up to \$150,000 at 15% of total capital investment of \$1 million earned over 5 years at \$30,000/year.

Scott Senter made a motion to approve Resolution No. DCOA-2012.19 as presented. The motion was seconded by Marelyn Shedd; motion passed.

6. **ADJOURNMENT.** The next regularly scheduled meeting is May 22, 2012. There being no further business, the meeting was adjourned.

  
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Paul Cannon, President