

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
MAY 22, 2012

MEMBERS PRESENT: Paul Cannon Mike Schweikhard
Scott Senter Dani Ramsay

MEMBER ABSENT: Marelyn Shedd

STAFF PRESENT: Richard Burdine Kim Tarrant
Mindy Patterson Stanley Smith
Don Green Melissa Murphy

GUESTS PRESENT: Bill Ehrie, Abilene Industrial Foundation
Bear Gunderson, The CFP Group, Inc.
Joani Flud, The CFP Group, Inc.
Judy Wilhelm, SBDC

1. **CALL TO ORDER.** President Paul Cannon called the meeting to order at about 1:30 p.m. in the conference room of the Abilene Life Sciences Accelerator, 1325 Pine Street, Abilene, Texas.
2. **APPROVAL OF MINUTES FROM THE MAY 2, 2012, BOARD MEETING.** Scott Senter moved to approve the minutes from the May 2, 2012 board meeting. Mike Schweikhard seconded and the motion carried.
3. **SALES TAX REPORT FOR MAY 2012.** Mindy Patterson reviewed this information. The sales tax rebate for May (which represents March sales) was \$977,461 for economic development and is up 3% above last May. Cumulatively, sales tax is up almost 20% above last year for the period of October through May. Of the top twenty Texas cities, Abilene had the eleventh highest increase. The average state increase was about 4.35%.
4. **PRESENTATION OF SEMI-ANNUAL REPORTS FOR 6 MONTHS ENDED MARCH 31, 2012 BY: ABILENE INDUSTRIAL FOUNDATION, CITY OF ABILENE AIRPORT BUSINESS DEVELOPMENT MANAGEMENT PROGRAM, AND TTU SMALL BUSINESS DEVELOPMENT CENTER.** President Bill Ehrie reviewed the semi-annual report for FY12 from the Abilene Industrial Foundation (AIF). So far, the AIF has spent \$43,348 of its FY12 marketing budget of \$140,000. From the 16 leads received, the AIF responded to ten and opened two prospect files, plus there were six prospect visits to Abilene. The AIF made 50 retention visits. So far this fiscal year, they have hosted one manufacturers' luncheon, attended three trade shows, attended three conferences, and have made five presentations throughout the community.

There were questions and discussion about the nation's economy and what kind of feedback the AIF has received from the different companies when they made their retention visit. Mr. Ehrie conveyed that most plant managers have a positive outlook on the national and state economy, and that he had not heard a single negative comment.

Mr. Ehrie continued with a brief update on Dyess AFB, noting there will be a total of 23 new C130-J aircraft by the end of August, a total of 28 in 2013 and a total of 30 aircraft in 2014. Construction of the new simulator building is on schedule. Dyess AFB has received money from different federal sources through the Combat Support Group. The 900 military personnel currently deployed with the B1Bs will be returning to Dyess very soon.

Melissa Murphy summarized the report from the Abilene Airport Business Development Management Program (BDMP) for the first half of FY12. The BDMP continues with its marketing campaign by advertising in different media types, including the Abilene Reporter-News' web page, and are plugged into social media such as Facebook and Twitter. Last year they added outdoor billboards to the marketing plan and currently have one sign on I-20 near Cisco and one sign in Brownwood.

YTD enplanements are up 4% for FY12. The ABI-VIP Passenger Rewards Program was started January 1, 2009 and continues to be quite successful, resulting in 1,080 current passengers. Rental car revenue is up 10% YTD while parking lot revenue is up 8% YTD.

The Abilene Airport continues to make efforts to connect with the community and increase awareness by sponsoring various events throughout the year. These include being an exhibit sponsor for The Grace Museum, a program sponsor for the Abilene Philharmonic Association and a "Boo at the Zoo" sponsor at the Abilene Zoo. The Abilene Airport has a partnership with ACU by having a sign at the Moody Coliseum entrance, plus a partnership with the Abilene Ruff Riders.

Judy Wilhelm reviewed the Small Business Development Center's (SBDC) Mid Year FY12 Report. For the first half of FY 2012, the SBDC helped a total of 39 businesses open and create 108 jobs. Total capital formation was \$4.5 million, with \$2.1 million being from one individual. The SBDC assisted with Abilene Christian University's fourth annual Springboard Ideas Challenge and neighborhood initiatives with the City of Abilene. The SBDC is also involved with the West Texas Innovation Network (WTIN), helping the WTIN with mentoring sessions.

The SBDC provided several workshops at the request of Support Services at Dyess AFB and continues to provide contracting workshops, building relationships between contractors and Dyess contracting.

New on the horizon for the SBDC is HB 3606, the JOBS Bill (Jumpstart Our Business Startups). The JOBS Bill allows anyone from anywhere to help fund a start up business on the internet within guidelines currently being developed by the SEC. The SBDC is also in the process of developing a more online presence in the form of information and possible webinars.

5. **DISCUSSION AND POSSIBLE APPROVAL OF THE DCOA'S SEMI-ANNUAL REPORT OF ACTIVITIES ENDING MARCH 31, 2012.** Richard Burdine began by reviewing the financial assistance chart. Among the items highlighted were Smith Pipe, Coca Cola, Fehr Foods and Bandag. Mr. Burdine noted that all the companies on the chart are local. While job creation numbers are not as high as one would hope, the projected total of \$20 million in capital investment by these companies should not be overlooked. With the future of the state and national economies uncertain, many companies are looking to retain existing jobs and expand their businesses with capital improvement projects instead of creating new jobs.

Mr. Burdine reviewed the situation with the U.S.P.S. Abilene Mail Processing Center. Earlier this year it was announced that the Abilene center would close this year. However, the USPS recently announced an extension of the closure to 2014, so negotiations are still a possibility.

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

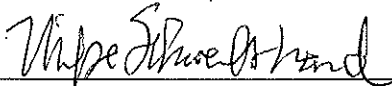
6. **APPOINTMENT OF 2012 PROJECT EVALUATION AND BUDGET & FINANCE STANDING COMMITTEES OF THE DCOA.** Each year, the DCOA President appoints members to serve a one-year term on standing committees. These committees include the Project Evaluation Committee, which reviews performance reports on the DCOA's 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 2012: Marelyn Shedd, Scott Senter, Ron Butler, John Stearns, Ray Ferguson, and Tucker Bridwell. Mike Schweikhard and Dani Ramsay will serve as backup to Marelyn Shedd and Scott Senter as board members.

7. **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 22, 2012, and the time is 2:15 p.m. President, Paul Cannon later announced the date is still May 22, 2012, and the time is 3:20 p.m. No vote or action was taken in Executive Session.

8. **DISCUSSION AND POSSIBLE APPROVAL OF A CONTRACT AND FUNDING TO REPLACE THE FIRE SUPPRESSION SYSTEM IN WAREHOUSES C AND D AND THE OFFICES AT 4109 VINE ST.** Dani Ramsay made a motion to approve Resolution No. DCOA-2012.20, authorizing a contract with The CFP Group, Inc. to install a new dry-pipe fire suppression system in Warehouses C and D and the offices at 4109 Vine St. Also authorized is funding of \$256,775.46 plus a 5% contingency, for total approved funding of \$269,615.46. The motion was seconded by Scott Senter and passed.
9. **ADJOURNMENT.** The next regularly scheduled meeting is June 12, 2012. There being no further business, the meeting was adjourned.



Mike Schweikhard, Vice President