

**DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
OCTOBER 30, 2012**

MEMBERS PRESENT: Paul Cannon Mike Schweikhard
Marelyn Shedd Dani Ramsay

MEMBER ABSENT: Scott Senter

STAFF PRESENT: Richard Burdine Kim Tarrant
Dan Santee Mindy Patterson

GUESTS PRESENT: Al Sammann, TMAC/TTU
Harley Hall, Eagle Aviation Services
John Mangalonzo, Abilene Reporter-News
Larry Lowe, citizen

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 OCTOBER 9, 2012, BOARD MEETING.** Marelyn Shedd moved to approve the minutes from the October 9, 2012 board meeting. Dani Ramsay seconded and the motion carried.
3. **SALES TAX REPORT FOR OCTOBER 2012.** City of Abilene Finance Director Mindy Patterson reported the sales tax rebate for October for economic development was \$855,868 which represents August sales. This is 3.88% below last year; however it is 5.06% above the projected FY13 budgeted amount.
4. **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 October 30, 2012, and the time is 1:38 p.m. President Paul Cannon later announced the date is still October 30, 2012, and the time is 2:28 p.m. No vote or action was taken in Executive Session.

5. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING FY13 FUNDING FOR THE TEXAS MANUFACTURING ASSISTANCE CENTER (TMAC).** Al Sammann, with the Texas Manufacturing Assistance Center (TMAC) presented information on TMAC's request for additional funding. The program is hosted by seven partner institutions, including Texas Tech University (TTU). TMAC West Texas is located in Lubbock and is affiliated with TTU, covering 90,000 square miles. It is also associated with the Small Business Development Center (SBDC) system. TMAC places emphasis on small to mid-sized

manufacturers delivering training, providing technical assistance and implementing best business practices that improve efficiency, quality and productivity.

The DCOA first assisted TMAC with funding in June 2004 and has continued to support TMAC with additional funding several times since then. A third “jump start” day was added in 2011 to TMAC’s initial 2-day training program, and the annual rate was increased from \$7,500/company to \$11,000/company for the new longer program. The DCOA had previously approved a contract and funding of \$88,000 for TMAC for FY12; however, only three manufacturers were assisted leaving an unfunded balance of \$55,000, which has since been released from encumbrance.

Innovation Engineering is a new program that will help companies develop new products faster and cheaper, sift through internal product ideas more efficiently, and speed technology transfer through the National Innovation Marketplace System (NIMS). Another new initiative is the Family Business Advisor Program, which will help family-owned and operated businesses transition successfully from one generation to the next.

TMAC requests and staff recommends the DCOA approve a renewal contract and funding for FY13 in the amount of \$110,000 payable at up to \$11,000/company for the 3-day “jump start” program. TMAC also requests the option to return to the DCOA for additional funding on a case-by-case basis for companies that qualify for the new Innovation Engineering and/or Family Business Advisor Programs.

Dani Ramsay moved to approve Resolution No. DCOA-2013.02 as presented. Mike Schweikhard seconded and the motion carried.

6. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING CONTRACTS AND FUNDING FOR RENOVATION OF THE VACANT OFFICES AND WAREHOUSE SPACE AT 4109 VINE, PLUS A CONTRACT AND FUNDING FOR REPAIRS TO THE FACILITY AT 4125 VINE OCCUPIED BY RYDER TRUCKS.** The DCOA-owned building at 4109 Vine consists of three large connecting warehouses and adjoining offices. Since December 2011, the DCOA has made several much-needed improvements and repairs to this property which include warehouse lighting upgrades, parking lot rebuild, design services for fire suppression & renovation, demo & asbestos abatement, and fire suppression rebuild. Total funding approved was \$645,061 and the total amount spent was \$655,801, with a total of \$10,740 in unexpected costs necessary to prepare the facility for renovation.

The lease agreement with Ryder Trucks at 4125 Vine requires repairs to the roof, replacement of broken skylights, repairs to the truck wash bay overhead door and replacement of corroded metal on exterior walls of the wash bay. Bids were solicited for the repairs and Thomas Hicks Construction is the only responsible bidder at a total cost of \$9,030.

Staff requests the DCOA approve contracts and funding under Resolution DCOA-2013.03 as follows: \$10,740 for additional work done in preparation for renovations, and \$9,030 plus


\$1,000 contingency (total of \$10,030) for a contract with Thomas Hicks Construction and funding for repairs to the Ryder Truck building at 4125 Vine St.

Several businesses have expressed an interest in renting office space in the main building. On Oct. 17, 2012 staff received written bids for renovation work required to bring the building up to code, including plumbing, electrical, mechanical, flooring, general trade work, some demolition, concrete, and wall covering and paint. Bids did not include roof repairs or millwork. Bids for the various components of the project were solicited separately with the intention that staff would act as the general contractor to save money on the overall project.

During the meeting, Richard Burdine presented and reviewed the bids. Staff recommends the DCOA authorize contracts and total funding of \$331,733.60 under Resolution DCOA-2013.04 as follows: 1) \$85,441.00 to Thomas Hicks Construction for some demolition work, concrete work, and some general trades work; 2) \$114,483.60 to Harris Acoustics for some demolition work, most of the general trades work, and all of the wall covering and paint work; 3) \$20,995.00 to Long Electric for electrical work; 4) \$67,000.00 to Batjer & Associates for mechanical and plumbing work; 5) \$13,814.00 to Callaway's Carpets for flooring work; and 6) \$30,000.00 contingency for unknowns.

Mike Schweikhard made a motion to approve Resolution No. DCOA-2013.03 and Resolution No. DCOA-2013.04 as presented. Marelyn Shedd seconded and the motion carried.

7. ADJOURNMENT.



Mike Schweikhard, Vice President