

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
JUNE 11, 2013

MEMBERS PRESENT: Paul Cannon Scott Senter
Dani Ramsay Marelyn Shedd
Dave Copeland

STAFF PRESENT: Richard Burdine Susan Cardonita
Mindy Patterson Daniel Santee

GUESTS PRESENT: Gary Robinett, Abilene Industrial Foundation
Judy Wilhelm, Small Business Development Center
John Mangalanzo, Abilene Reporter-News

1. **CALL THE MEETING TO ORDER.** President Paul Cannon called the meeting to order in the conference room of the Abilene Laboratories, 1325 Pine Street, Abilene, Texas.
2. **APPROVAL OF MINUTES FROM THE MAY 15, 2013, BOARD MEETING.** Dani Ramsay moved to approve the minutes from the May 15, 2013 board meeting. Scott Senter seconded and the motion carried.
3. **STATUS OF FUNDS FOR APRIL 2013.** Director of Finance Mindy Patterson reviewed this report. Total Revenues were \$813,655 with nearly \$800,000 of that being from sales tax. Major expenses included \$140,000 as earned principal reduction for Energy Maintenance Services; \$63,192 in Vine St. construction costs; \$37,837 in reimbursement for the fifth Fast Track Welder Training class through March 2013; and \$91,061 as the third payment for Pactiv's compressor relocation.
4. **APPOINTMENT BY PRESIDENT CANNON OF FY13 STANDING COMMITTEES: PROJECT EVALUATION AND BUDGET & FINANCE.** Each year the DCOA President appoints standing committee members to serve for one-year terms. The standing 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. President Paul Cannon appointed Dani Ramsay, Dave Copeland, Ron Butler, John Stearns, Ray Ferguson, and Tucker Bridwell to these committees for 2013.
5. **PRESENTATION OF SEMI-ANNUAL REPORT FOR 6 MONTHS ENDED MARCH 31, 2013 BY: TEXAS TECH UNIVERSITY SMALL BUSINESS DEVELOPMENT CENTER.** Judy Wilhelm reviewed the Small Business Development Center's (SBDC) Mid-Year FY13 Report. For the first half of FY 2013, the SBDC billed the DCOA for 1,165 hours which is below last year's billed hours of 1,362 for the same reporting period. The DCOA cost per job for the mid-year is averaging \$997 but should come down by the end of the fiscal year. A large part of the SBDC's business assistance has been with Quick Books seminars and does not bill these hours to the DCOA because they are not job retention or creation related.

The SBDC has undergone several reviews in the first half of the 2013 fiscal year. The U.S. SBA's review resulted in an 8% decrease in funding for FY2014. Of particular concern from the U.S. SBA in Washington, DC is the duplication of services across various agencies. However, the SBDC was not found in violation of the duplication concern.

Dyess Contracting is currently at a maintenance stage; however, the SBDC did arrange a meeting between the Texas Tech Health Sciences and Dyess Contracting regarding possible future contracting opportunities with pharmacy and nursing students doing clinicals on base. The SBDC continues to support the ACU Springboard Ideas Challenge both financially and through business assistance to individuals entering the competition.

The SBDC has noticed an increase in clients interested in locating downtown and has joined the Abilene Downtown Association to become more familiar with the direction of the association.

The SBDC is now fully staffed as of June 10, 2013. They receive approximately 20% of their funding from the SBA and they endeavor not to use all the funding the DCOA has approved for their contract.

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 11, 2013, and the time is 1:57 p.m. Later, President Cannon announced the date is still June 11, 2013, and the time is 2:19 p.m. No vote or action was taken in Executive Session.

7. **DISCUSSION AND POSSIBLE APPROVAL OF AN AMENDED RESOLUTION WHICH AUTHORIZES ASSISTANCE FOR PROJECT RN.** On April 30, 2013 the DCOA approved revised direct assistance of \$585,000 for Phase 1 job creation and capital investment incentives plus land purchase of 3-5 acres in the Five Points Business Park. Also approved at that time were Phase 2 land purchase of up to 25 acres and an Infrastructure Reserve Fund of \$5 million.

Project RN is now interested in owning 13 acres of land for its Phase 1 development with the option for 22 more acres should Phase 2 development occur, for a total of 35 acres.

Staff recommends the DCOA amend the incentive package approved for Project RN whereby the DCOA shall sell and finance 13 acres of land valued at \$195,000 (\$15,000/acre) for Phase 1 and 22 more acres valued at \$330,000 for Phase 2 if necessary.

Scott Senter made a motion to approve Resolution No. DCOA-2013.19 Revised 2 as presented; motion carried.

8. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A CONTRACT WITH ENPROTEC/HIBBS & TODD TO PROVIDE SURVEYING AND OTHER WORK FOR LOCATION OF A RAILROAD SPUR, PROVIDE REPLAT SERVICES, AND DEVELOP A DRAWING OF THE FIVE POINTS BUSINESS PARK DEPICTING LOTS AND TRACTS OWNED BY THE DCOA.

Development in the Five Points Business Park has increased significantly over the last few years with construction of two new facilities and the recent sale of 10 acres to Atmos Energy. Efforts to market the Park are somewhat hampered by the lack of an accurate drawing of all the platted lots in the Park showing sizes, existing easements, flood plains and floodways.

The DCOA has just approved revised amended assistance to Project RN, an oil and gas services provider looking to purchase 13 acres of land in the Park, south of Five Points Parkway. This will require replatting that section of land into separate lots.

Staff requests the DCOA authorize a contract with Enprotec/Hibbs & Todd and funding of \$35,000 to develop a drawing of all existing subdivision lots in the Park (\$8,000 est.), do a preliminary railroad spur route (\$3,000 est.), design survey for railroad spur (\$6,000 est.), replat Five Points Business Park (\$6,000 est.) and do a master park drawing (\$7,000) plus \$5,000 contingency.

Dani Ramsay moved to approve Resolution No. DCOA-2013.21 as presented. Dave Copeland seconded and the motion carried.

9. ADJOURNMENT. The next regularly scheduled meeting is June 25th at 4109 Vine St. There being no further business the meeting was adjourned.



Paul Cannon, President