

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD MEETING MINUTES**  
**September 23, 2014**

<b>MEMBERS PRESENT:</b>	Dave Copeland Scott Senter Marelyn Shedd	Dani Ramsay John Beckham
<b>STAFF PRESENT:</b>	Kent Sharp Mike Rains	Kim Tarrant Daniel Santee
<b>GUESTS PRESENT:</b>	Jason Smith Kelvin Mullins Chris Bryan Jack Harkins	Abilene Chamber of Commerce Imperial Construction, Inc. Imperial Construction, Inc. Tittle Luther Partnership/PSC

- 1. CALL THE MEETING TO ORDER:** President Dave Copeland called the meeting to order at 1:32 p.m. at Abilene Laboratories, 1325 Pine St., Abilene Texas.
- 2. APPROVAL OF MINUTES FROM THE AUGUST 26, 2014, BOARD MEETING:** Scott Senter moved to approve the minutes from the August 26, 2014 board meeting. John Beckham seconded and the motion carried.
- 3. SALES TAX REPORT FOR SEPTEMBER 2014 AND STATUS OF FUNDS FOR AUGUST 2014:** Mike Rains Assistant Finance Director for the City of Abilene presented the Sales Tax Report for September 2014. The sales tax rebate for September is \$3,383,223.16, which represents July sales. This is 6.01% above last year and 8.66% above the revised FY 14 budget amount. Mr. Rains also presented the August 2014 Statement of Net Position. Currently, Cash and Cash Investments are valued at \$18,892,181. Revenue for August totals \$1,072,215. Expenses for the month included sixteen projects totaling \$1,094,689. The total amount of the six projects approved by the DCOA without signed contracts is \$1,294,750.
- 4. EXECUTIVE SESSION – SESSION 1:** I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, 072, 074 and 087 to consult with our legal counsel, discuss real property transactions, personnel matters, 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 Dave Copeland announced the date is September 23, 2014, and the time is 1:38 p.m. Later, President Copeland announced the date is still September 23, 2014, and the time is 2:00 p.m. No vote or action was taken in Executive Session.

- 5. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING IMPROVEMENTS TO WAREHOUSES A, B, C AND D AT 4009 AND 4109 VINE ST. AND A LEASE WITH FEHR FOODS:** Kent Sharp, CEO of the DCOA, presented improvements needed at 4009/4109 Vine St. warehouse property for occupancy by Fehr Foods and a new five-year lease plan to include additional lease area and repayment of half of the

improvements cost. Currently, Fehr Foods leases Warehouses A, B, and C with 2 dock doors. The remaining Warehouses D and E with 6 dock doors are vacant. In order to accommodate Fehr Foods' pending expansion into cracker production, the company expressed a need for the remaining warehouse space and dock doors. Fehr Foods also requested improvements be made to all the warehouses in order to provide a safe work environment and meet FDA's food storage regulations. The improvements include remodeling the men's restroom in Warehouse A, demolition of walls in Warehouse C, repair of stucco and concrete walls in Warehouse D, and installation of a ventilation system to provide air flow in Warehouse A, B and C. Jacob & Martin designed the ventilation system and bids for all the improvements have been received. The total cost for warehouse improvements is \$135,343.

Fehr Foods agreed to pay one-half of the improvements cost plus half of last year's Warehouse D ventilation system installation, which totals about \$75,000. Fehr Foods will pay their portion of the cost as part of a monthly payment in their new 5-year lease effective immediately. For the new lease, the rental rate for the existing lease area A, B, and C will remain the same (\$1.67/sq ft/yr), the new areas D and E will be \$1.73/sq ft/yr (3.5 % increase), and an additional \$0.085/sq ft/yr will be added to all of the space as repayment of half of the total improvement cost.

Scott Senter moved to approve resolution DCOA-2014.45 authorizing \$135,343 for improvements to the warehouses located at 4009/4109 Vine St. and a new five year lease with Fehr Foods. Marelyn Shedd seconded and the motion carried.

6. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE PURCHASE OF APPROXIMATELY 80 ACRES OF VACANT LAND NEAR FIVE POINTS BUSINESS PARK:** Mr. Sharp explained there is approximately 80 acres of vacant land for sale north of Five Points Business Park. The seller, William J. Fulwiler, Jr. Estate, has agreed to sell the land for \$480,000 (\$6,000/acre). The DCOA will order a Phase 1 environmental study and survey of the land. The total funding requested is \$493,150; \$480,000 for purchase, \$3,750 for Phase 1 environmental study, \$6,900 for the land survey, and \$2,500 for estimated closing costs.

Dani Ramsey moved to approve resolution DCOA-2014.44 authorizing the purchase of approximately 80 acres of vacant land near Five Points Business Park and related costs for the purchase. John Beckham seconded and the motion carried.

7. **DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING AMENDED ASSISTANCE FOR BWJ CONSULTING, INC. (PROJECT BW):** Mr. Sharp explained that on June 10, 2014 the DCOA approved resolution DCOA-2014.33 authorizing assistance for Project BW, including Job Creation Incentives (\$114,000) and Capital Investment Incentives (\$425,000). The company will construct a new 28,400 sq ft facility and purchase new capital equipment totaling about \$3 million for its steel fabrication operation.

In process of working with the engineers at Jacob & Martin, the company was informed the water supply to the site will not provide enough volume to fight a potential fire. The least cost solution involves installing a new water line and 3 fire hydrants on site at about \$80,000.

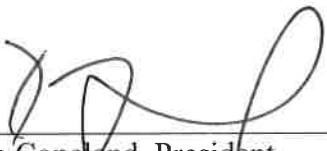
The number of FTEs to be retained by the company dropped from 24 to 21 after a baseline job certification report was submitted for the 12 months ended 5-31-14.

Marelyn Shedd moved to approve resolution DCOA-2014.46 authorizing amended assistance for BWJ Consulting adding \$80,000 for fire protection improvements for total assistance of \$619,000 and reducing the job retention to 21 full-time equivalent employees. Dani Ramsey abstained from voting. Scott Senter seconded and the motion carried.

4. **EXECUTIVE SESSION – SESSION 2:** I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, 072, 074 and 087 to consult with our legal counsel, discuss real property transactions, personnel matters, 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 Dave Copeland announced the date is September 23, 2014, and the time is 2:07 p.m. Later, President Copeland announced the date is still September 23, 2014, and the time is 4:18 p.m. No vote or action was taken in Executive Session.

8. **ADJOURNMENT:** The next meeting is scheduled for Thursday, October 16, 2014, at 1:30 p.m. There being no further business the meeting was adjourned.



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Dave Copeland, President