

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
October 13, 2015

MEMBERS PRESENT: Dave Copeland Dani Ramsay John Beckham
Marelyn Shedd

STAFF PRESENT: Kent Sharp Kim Tarrant Stanley Smith
Don Hardin Akane Thaxton

GUESTS PRESENT: Justin Jaworski – Abilene Industrial Foundation
Brooke Crum – Abilene Reporter News
Bruce Kreitler – Abilene City Council

1. CALL THE MEETING TO ORDER: President Dave Copeland called the meeting to order at 1:31 p.m. at 174 Cypress St., Suite 301, Abilene Texas.

2. APPROVAL OF MINUTES FROM THE SEPTEMBER 21, 2015 AND OCTOBER 8, 2015 BOARD MEETINGS: Marelyn Shedd moved to approve the minutes from the September 21, 2015 and October 8, 2015 board meetings. John Beckham seconded and the motion carried.

3. OCTOBER 2015 SALES TAX REPORT AND STATEMENT OF NET POSITION FOR AUGUST 2015: Kent Sharp, CEO of the DCOA presented the sales tax report for October 2015, which is \$3,274,726.40 and represents August sales. This is 5.75% below last year and 6.69% below the projected FY16 budget amount. Economic Development received \$818,681.60. The DCOA's total current assets as of August 31, 2015 are \$21,593,540. The August 2015 revenues totaled \$1,123,182 and total expenditures were \$943,579 with \$761,954 being spent on ten different projects.

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 October 13, 2015, and the time is 1:43 p.m. Later, President Copeland announced the date is still October 13, 2015, and the time is 2:50 p.m. No vote or action was taken in Executive Session.

5. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING AMENDED ASSISTANCE FOR BROADWIND TOWERS: Kent Sharp presented to the board a request from Broadwind Towers to re-allocate \$200,000 originally approved in 2014 for a rail spur extension. Broadwind Towers has decided the rail spur would not benefit their operations and would instead like to use the funds for fencing and base material. A new security fence was recently installed by the company around the entire perimeter of the property, with the DCOA board having agreed to reimburse actual costs for 850' separating the Spec 3 lot from Broadwind's tower storage yard, estimated at \$20,000. The actual cost is \$32,546, a difference of \$12,546.

The \$200,000 will now be reimbursed to the company to cover the remainder of the fencing cost (\$130,754) and a portion (\$69,246) of the company's obligation to pay 25% of the base material

cost for the 10.9 acre lot sold to Broadwind Towers last year by the DCOA. If the company doesn't contract to install the base material before March 1, 2017, the \$69,246 assistance expires.

John Beckham moved to approve resolution DCOA-2016.01 authorizing the re-allocation of previously approved funds in the amount of \$200,000 for Broadwind Towers and acknowledging an additional \$12,546 to cover the DCOA's fencing obligation. Marelyn Shedd seconded and the motion carried.

6. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A CONTRACT WITH LYDICK HOOKS FOR ROOF REPAIRS AT THE BLUE CROSS BLUE SHIELD BUILDING ON LOOP 322: Kent Sharp presented to the board a contract proposal from Lydick Hooks Roofing to repair the roof on the DCOA-owned Blue Cross Blue Shield building located on Loop 322, which was damaged by the 2014 hail storm. Bids were taken from three contractors and Lydick Hooks was low bidder at \$908,000. Staff also requests a 5% contingency of \$45,400, making the total project cost \$953,400. Once the replacement cost value has been settled and the insurance claim received, the actual fiscal impact will be much less.

Marelyn Shedd moved to approve resolution DCOA-2016.02 authorizing a contract with Lydick Hooks Roofing in the amount of \$908,000 as the base proposal and an additional \$45,400 as contingency to repair the roof on the Blue Cross Blue Shield building on Loop 322. Dani Ramsay seconded and the motion carried.

7. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING FINANCIAL ASSISTANCE FOR ABIMAR FOODS FOR ITS PRODUCTION EXPANSION: Kent Sharp presented a request from Abimar Foods, Inc. for the DCOA to assist with their re-tooling and expansion plans for both the South 1st and North 1st locations by approving a 10% match of the \$15 million the company is investing in the project. The funds will help modify two existing lines at the North 1st location and completely add a new line at the South 1st facility for cookie production. The expansions will add an additional 50 jobs to the current 410 employees at both plants. Staff recommends approval of up to \$1,500,000 for the company's most recent expansion project.

Dani Ramsay moved to approve Resolution No. DCOA-2016.03 authorizing financial assistance to Abimar Foods up to \$1,500,000, which will go before the City Council for presentation and final approval. John Beckham seconded and the motion carried.

8. ADJOURNMENT: There being no further business the meeting was adjourned.



Dave Copeland, President