

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
March 22, 2017

MEMBERS PRESENT: Dave Copeland John Beckham Jack Rich
Jack Rentz

MEMBER ABSENT: Greg Blair

STAFF PRESENT: Kent Sharp Kim Tarrant Mike Rains

GUESTS PRESENT: Mark Zachary - McMahon Law Firm
Justin Jaworski – Abilene Industrial Foundation
Shea Hopkins - Abilene Industrial Foundation
Diane Terrell - Davis, Kinard & Co., P.C.
Bruce Kreitler - City Council

1. CALL THE MEETING TO ORDER: President Dave Copeland called the meeting to order at 1:30 p.m. at 174 Cypress St., 3rd floor conference room, Abilene Texas. President Copeland then welcomed Jack Rentz as the newly appointed DCOA board member.

2. APPROVAL OF MINUTES FROM THE FEBRUARY 20, 2017 BOARD MEETING: John Beckham moved to approve the minutes from the February 20, 2017 board meeting. Jack Rich seconded and the motion carried.

3. SALES TAX REPORT FOR MARCH 2017 AND FINANCIAL REPORT FOR JANUARY 2017: Mike Rains, Director of Finance, presented the sales tax report for March 2017. The sales tax rebate is \$3,028,602.21, which represents January sales. Economic Development received \$757,150.55, which is 3.88% above last year and 3.88% above the projected FY 17 budget amount. For the period October through March, sales tax is .03% above last year and .03% above the projected FY 17 budget amount. The DCOA's total current assets as of January 31, 2017 were \$24,344,685. The January 2017 revenues totaled \$1,050,604 and total expenditures \$2,107,813 with \$1,907,892 being spent on six different projects.

4. PRESENTATION OF THE FY16 AUDIT PERFORMED BY DAVIS KINARD & CO., P.C.: Diane Terrell with Davis Kinard & Co., P.C. presented the DCOA's FY 16 audit report, which was conducted as part of the City of Abilene's annual audit. At the end of fiscal year 2016 on September 30, 2016, the DCOA had a total net position of \$81,892,424. This was a \$3.7 million or 4.7% increase from the beginning of the fiscal year.

5. 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 March 22, 2017 and the time is 1:42 p.m. Later, President Copeland announced the date is still March 22, 2017 and the time is 2:45 p.m. No vote or action was taken in Executive Session.

6. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE ASSIGNMENT OF AN AGREEMENT FOR FINANCIAL ASSISTANCE AND RELATED DOCUMENTS WITH COCA-COLA REFRESHMENTS USA, INC. TO A WHOLLY-OWNED SUBSIDIARY COMPANY: Kent Sharp, CEO of the DCOA, gave a summary of the Agreement for Financial Assistance (Agreement) and Promissory Note (Note) approved in July 2015 with Coca-Cola Refreshments USA, Inc. All capital investment receipts have been submitted and the final amount note disbursement will be just over \$3 Million. Coca-Cola Refreshments USA, Inc. (CCR) recently completed a tax re-structure and created a limited liability company named Coca-Cola Southwest Beverages LLC (CCSWB). The re-structure will transfer all bottling and distribution operations in Texas formerly conducted by CCR to the new CCSWB. CCSWB will legally own and operate the Abilene facility. Staff recommends all rights and obligations under the existing Agreement and Note be assigned over to the new limited liability company CCSWB.

Jack Rick moved to approve resolution DCOA-2017.07 authorizing the assignment of the existing Agreement for Financial Assistance and Promissory Note with Coca-Cola Refreshments USA, Inc. to Coca-Cola Southwest Beverages LLC. John Beckham seconded and the motion carried.

7. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ADDITIONAL FUNDING TO SUPPORT THE COMMUNITIES IN SCHOOLS NEW WORKFORCE DEVELOPMENT COACH POSITION: Kent Sharp presented a request to approve additional funding for the Workforce Development Coach (Coach), which will be employed by Communities in Schools of the Big Country (CIS). The board originally approved resolution DCOA-2017.04 authorizing \$74,100 to cover salary, benefits and administrative support for the Coach during an 18-month period beginning April 1st. Mr. Terry Johnson, Executive Director of CIS, stated a current counselor employed by CIS is most qualified for the new Coach position; however, her current salary is the same amount as the new Coach position. He requests the DCOA provide an additional \$6,750 to increase the Coach salary and allow a one-time merit-based bonus payment of \$1,500. The performance criteria will include the number of students enrolled in the industrial training program and the number that complete the program.

John Beckham moved to approve resolution DCOA-2017.08 authorizing additional funding of \$6,750 to cover the higher salary of the Workforce Development Coach plus a one-time performance bonus. Jack Rich seconded and the motion passed.

8. DISCUSSION OF NEXT MONTHLY BOARD MEETING: President Dave Copeland informed Jack Rentz, new DCOA board member, the DCOA was trying to go for one meeting a month, on the fourth Wednesday. Mr. Rentz said he would be out on the 26th of April and Mr. Sharp suggested the third Wednesday, which would be April 19th.

All of the board members present would be available. President Copeland announced the next scheduled board meeting would be April 19, 2017 at 1:30 p.m.

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



Dave Copeland, President