

**DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
June 15, 2017**

MEMBERS PRESENT: John Beckham Jack Rich Greg Blair
Jack Rentz

MEMBER ABSENT: Dave Copeland

STAFF PRESENT: Kent Sharp Kim Tarrant

GUESTS PRESENT: Mark Zachary - McMahon Law Firm
Justin Jaworski – Abilene Industrial Foundation
Shea Hopkins - Abilene Industrial Foundation
Audrey Schroyer - Abilene Industrial Foundation
Bruce Kreitler - City Council
Kate Alvarez - Airport
Doug Peters - Abilene Chamber of Commerce

1. CALL THE MEETING TO ORDER: Vice President John Beckham called the meeting to order at 1:30 p.m. at 174 Cypress St., 3rd floor conference room, Abilene Texas.

2. APPROVAL OF MINUTES FROM THE MAY 16, 2017, BOARD MEETING: Jack Rich moved to approve the minutes from the May 16, 2017, board meeting. Greg Blair seconded and the motion carried.

3. SALES TAX REPORT FOR JUNE 2017 AND FINANCIAL REPORT FOR APRIL 2017: Kent Sharp, CEO of the DCOA, presented the sales tax report for June 2017. The sales tax rebate is \$3,070,943.27, which represents April sales. Economic Development received \$767,735.82, which is 1.76% above last year and 1.76% above the projected FY 17 budget amount. For the period October through June, sales tax is .53% above last year and .53% above the projected FY 17 budget amount. The DCOA's total current assets as of April 30, 2017 were \$21,233,951. The April 2017 revenues totaled \$866,662 and total expenditures \$342,023 with \$157,617 being spent on three 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.

Vice President John Beckham announced the date is June 15, 2017 and the time is 1:38 p.m. Later, Vice President John Beckham announced the date is still June 15, 2017 and the time is 2:30 p.m. No vote or action was taken in Executive Session.

5. DISCUSSION AND POSSIBLE APPROVAL OF A REVISED BUDGET FOR FY 2017 AND NEW BUDGET FOR FY 2018: Kent Sharp asked the board if there were any other questions on the budget since the last meeting. Mr. Sharp did comment on the few revisions made. The amount originally budgeted on Blue Cross Blue Shield (BCBS) was

Marketing was raised from \$70,000 to \$100,000 in order to aggressively market any available land owned by the DCOA. The Entrepreneurship Challenge Grant was increased to \$330,000, \$250,000 is set for prize money and the additional \$80,000 would be for administrative costs incurred by the partners involved in the program, Abilene Industrial Foundation (AIF), Small Business Development Center (SBDC) and Abilene Christian University (ACU).

Mark Zachary, attorney for the DCOA spoke briefly about the laws governing conflict of interest in regards to DCOA board members versus the City Council. He also explained how this might affect future items voted on where there is a conflict of interest. Greg Blair disclosed he is on the Military Affairs Committee (MAC) and the AIF board, and Jack Rentz disclosed he is on the Chamber of Commerce board and the AIF board. Jack Rich disclosed he works for ACU with no administrative authority or interest in the entrepreneurship program.

Jack Rich made the motion to approve the revised budget for FY 2017 and the new budget for FY 2018. Greg Blair seconded and the motion passed.

6. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE PURCHASE OF CITY-OWNED SURPLUS PARCELS OF LAND ON HWY 36 AT LOOP 322 AND 1417 N. ARNOLD BLVD: Kent Sharp requested approval to purchase two parcels of vacant surplus land owned by the City of Abilene; 1) 33.968 acres located at NE Loop 322 and Hwy 36, and 2) 3.164 acres located in the Five Points Business Park at the intersection of Arnold Blvd and Marigold St. Both parcels are surrounded by land currently owned by the DCOA. Bids were taken by the City and the DCOA staff submitted bid amounts of \$10,000/acre, totaling \$339,680 for the 33.968 acres and \$31,640 for the 3.164 acres. The DCOA was awarded the bids on June 22 by the City Council, which included reimbursement to City for advertising costs. With closing costs and a Phase I ESA on the 33.968-acre parcel, the total amount requested is \$386,960.

Greg Blair moved to approve resolution DCOA-2017.10 authorizing funding in the amount \$386,960 for purchase from City of Abilene of two parcels of vacant land plus any costs incurred with the land purchase. Jack Rich seconded and the motion passed.

7. DISCUSSION AND POSSIBLE APPROVAL OF AN AMENDMENT TO THE FY 2017 CONTRACT WITH THE TEXAS TECH UNIVERSITY SMALL BUSINESS DEVELOPMENT CENTER: Kent Sharp requested an amendment to the annual FY 17 contract with the Small Business Development Center (SBDC). The current contract allows up to \$200,000 as partial reimbursement for business counseling to new and existing small business owners in Abilene and its ETJ. During review of the proposed FY 18 budget, Mr. Sharp noted the \$250,000 allocated to initiate an Entrepreneurship Challenge Grant Program, which will be designed to provide funding to fledgling businesses or start-ups that meet program criteria. The SBDC in partnership with the DCOA, the Abilene Industrial Foundation, and ACU'S Griggs Center for Entrepreneurship and Philanthropy will operate the new program. The current contract as written does not allow the DCOA to reimburse the SBDC staff for time spent on program development. The amendment to the FY 17 contract will allow Judy Wilhelm, Director of the SBDC to

allocate \$15,000 of the \$200,000 to pay administrative costs for this staff person through September 30, 2017.

Greg Blair moved to approve resolution DCOA-2017.11 amending the FY 17 annual contract with the SBDC to allocate \$15,000 for reimbursement of staff costs to develop the new Entrepreneurship Challenge Grant Program through September 30, 2017. Jack Rentz seconded and the motion passed.

8. DISCUSSION OF NEXT MONTHLY BOARD MEETING: Vice President John Beckham announced the next scheduled board meeting will be Thursday, July 13, 2017 at 2:00 p.m.

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



Dave Copeland, President