

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
March 13, 2018

MEMBERS PRESENT: John Beckham Jack Rich Seaton Higginbotham
Vic Corley

MEMBERS ABSENT: Greg Blair

STAFF PRESENT: Kent Sharp Kim Tarrant

GUESTS PRESENT: Mark Zachary McMahon Law Firm
Mike Rains City of Abilene Finance
Justin Jaworski Abilene Industrial Foundation
Bruce Kreidler City Council
Diane Terrell Eide Bailly, LLC
Tim Chipp Abilene Reporter News
Don Green Abilene Airport

1. **CALL THE MEETING TO ORDER:** 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 FEBRUARY 20, 2018, BOARD MEETING:** Jack Rich moved to approve the minutes from the February 20, 2018, board meeting. Seaton Higginbotham seconded and the motion carried.

3. **SALES TAX REPORT FOR MARCH 2018 AND PRELIMINARY FINANCIAL REPORT FOR JANUARY 2018:** Mike Rains with the City's Finance department presented the sales tax report for March 2018. The sales tax rebate for March is \$3,647,485.22, which represents January sales. Economic Development received \$911,871.30, which is 20.43% above last year and 20.43% above the projected FY18 budget amount. Of this rebate, \$123,654.29 is from prior periods, audit payments, future payments and unidentified payments. For the period of October through March, sales tax is 12.54% above last year and 12.54% above the approved FY18 budget amount. The DCOA's total current assets as of January 31, 2018, were \$28,559,138. The January revenues totaled \$1,106,333 and total expenditures were \$684,552 with \$495,636 being spent on five different projects.

4. **PRESENTATION OF THE FY17 FINANCIAL AUDIT PERFORMED BY EIDE BAILLY, LLC:** Diane Terrell with Eide Bailly, LLC presented the DCOA's FY 17 audit report, which was conducted as part of the City of Abilene's annual audit. At the end of fiscal year 2017 on September 30, 2017, the DCOA had a total net position of \$85,138,839. This was a \$4 million or 5% 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 John Beckham announced the date is March 13, 2018 and the time is 1:45 p.m. Later, President Beckham announced the date is still March 13, 2018 and the time is 3:05 p.m. No vote or action was taken in Executive Session.

6. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT LADY BUG: Kent Sharp, CEO of the DCOA presented a request from Project Lady Bug (the Company) for assistance up to \$2,332,700.00 to construct a hydroponics greenhouse facility up to 200,000 square feet in the Access Business Park located at the corner of FM18 and HWY 36. The incentive includes financial assistance up to \$1,700,000 at 10% of the Company's anticipated capital expenditures and 21.09 acres of land valued at \$30,000/acre, or \$632,700. The Company will create at least 18 new jobs in year 1 with a plan to create up to 34 total jobs by the end of year 3.

Seaton Higginbotham made the motion to approve resolution DCOA-2018.14 authorizing assistance to Project Lady Bug in an amount up to Two Million Three Hundred Thirty-Two Thousand Seven Hundred and no/100's Dollars (\$2,332,700.00). Jack Rick seconded and the motion passed.

7. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT CO2: This item was not discussed.

8. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT RUBBER TREE: This item was not discussed.

9. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE CEO TO ENTER INTO A PURCHASE CONTRACT AND LEASE FOR PROPERTIES IN WEST ABILENE AND AUTHORITY TO EXPEND UP TO \$15,000.00.: This item was not discussed.

10. DISCUSSION OF AIR SERVICE DEVELOPMENT FEDERAL GRANT MATCH: This item was not discussed.

11. DISCUSSION OF NEXT MONTHLY BOARD MEETING: President Beckham announced the next scheduled meeting of the DCOA Board would be Monday, April 23, 2018 at 1:30 p.m.

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



John Beckham, President