

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
October 22, 2019

MEMBERS PRESENT: John Beckham Jack Rich Vic Corley
Sam Vinson

STAFF PRESENT: Misty Mayo Kim Tarrant

GUESTS PRESENT: Mark Zachary McMahon Surovik Suttle, PC
Chris Shelton McMahon Surovik Suttle, PC
Justin Jaworski Abilene Industrial Foundation
Michael Rice City of Abilene
Don Green City of Abilene, Airport
Kate Alvarez City of Abilene, Airport
Doug Peters Abilene Chamber of Commerce
Judy Wilhelm Small Business Development Ctr.
Becky Green Small Business Development Ctr.
Josh Black Abilene Preservation League

1. CALL THE MEETING TO ORDER: President John Beckham called the meeting to order at 1:32 p.m. at 174 Cypress St., 3rd floor conference room, Abilene, Texas.

2. APPROVAL OF MINUTES FROM THE SEPTEMBER 10, 2019 BOARD MEETING: Jack Rich moved to approve the minutes from the September 10, 2019, board meeting. Vic Corley seconded, and the motion carried.

3. SALES TAX REPORT FOR OCTOBER 2019 AND FINANCIAL REPORT FOR AUGUST 2019: Kim Tarrant, Chief Operating Officer of the DCOA, presented the sales tax report for October 2019. The sales tax rebate for October is \$3,884,663.45 which represents August sales. Economic Development received \$971,165.86 which is 3.80% above last year and 1.03% above the projected FY20 budget amount. Of this rebate, \$171,530.78 is from prior periods, audit payments, future payments and unidentified payments. This is the first rebate for our 2019-2020 fiscal year.

The DCOA's total current assets as of August 31, 2019 were \$33,183,391. The August revenues totaled \$1,318,651 and total expenditures were \$1,679,776 with \$1,371,050 being spent on 12 different projects.

4. PRESENTATION OF ANNUAL REPORTS FOR FISCAL YEAR ENDED SEPTEMBER 20, 2019 BY: AMERICA'S SMALL BUSINESS CENTER, ABILENE INDUSTRIAL FOUNDATION, ABILENE CHAMBER OF COMMERCE MILITARY AFFAIRS COMMITTEE AND CITY OF ABILENE AIRPORT BUSINESS DEVELOPMENT MANAGER: Misty Mayo, CEO of the DCOA explained to the board that this year's annual reports have been prepared to be more succinct than prior reports and driven by numbers and data. Mrs. Mayo introduced Judy Wilhelm with the America's Small Business Development Center to present their annual report.

America's Small Business Development Center (SBDC): Judy Wilhelm presented the annual report for FY19, which included the following: The America's SBDC received full Accreditation from the National Association this year, which is a requirement for federal funding from the U.S. Small Business Administration. This was the second year to assist with the BE in Abilene program and the SBDC developed a student intern program. The SBDC was co-sponsor of the Small Business Week celebration presented by the Abilene Chamber of Commerce with approximately 400 attendees. Three new counties were added to the SBDC's service area – Palo Pinto, Parker and Wise. The report shows the names of the businesses that have been helped, how many clients have been counseled, new business jobs created, and the number of workshops hosted.

Abilene Industrial Foundation (AIF): Justin Jaworski presented the AIF's FY19 annual report, which included the following: The AIF is responsible for marketing the Economic Development program, new business recruitment and business retention. The AIF has taken the lead role for the *NEXT*University program and is a partner in the Be in Abilene program with the SBDC and the ACU Griggs Center. One of the biggest challenges facing Abilene is locating workers to fill jobs for companies we are trying to recruit. Several of the potential leads wanted assurance of an available workforce before discussing a relocation to Abilene. Included with the AIF's report is a report for *NEXT*University.

Abilene Chamber of Commerce Military Affairs Committee (MAC): Doug Peters presented the MAC's FY19 annual report, which included the following: Local support for Dyess Airmen will continue to be crucial and building relationships with senior military and elected officials is also a key focus. The economic impact of Dyess AFB increased \$74.5 million over the previous year resulting in approximately \$1.4 million dollars a day to the Abilene economy. Two squadrons of B-21's are designated to be stationed at Dyess AFB and work continues in securing a weapons storage area which will make Dyess an even more desirable location for the B-21. Advocacy in Washington consists of research and development dollars to keep the B-1 viable until the B-21 arrives. Texas Senate Bill 1200 passed allowing Texas to recognize equivalent licensing from other states in support of Air Force spousal employment. In FY20 staff will be working on a Medal of Honor for Edwin Dyess and ramping up support for the Home Away from Home program in hopes of making a difference in the suicide rates of airmen.

City of Abilene Airport Business Development (ABI):

Kate Alvarez, Marketing and Development Manager for the Abilene Regional Airport presented their FY19 annual report, which included the following: This past year was devoted to mainly three core missions: 1) A marketing push covering 79 zip codes that resulted in enplanements increasing by 5%; 2) In air service development, a continuous effort was made for successful conferences and headquarter meetings resulting in a good lead for a second airline. In addition, a Small Community Air Service Development Program grant application was submitted to the USDOT and award selection announcements will be made by early 2020; and 3) A focus on ramping-up and moving forward with the airport's land use planning on approximately 200 acres identified for various economic opportunities. The Advisory Aerospace study is looking at specific aeronautical industries that might be willing to locate on or near the airport.

5. EXECUTIVE SESSION I: 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 October 22, 2019 and the time is 2:05 p.m. Later, President Beckham announced the date is still October 22, 2019 and the time is 4:02 p.m. No vote or action was taken in Executive Session.

6. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION FINALIZING ALLOCATION OF PROCEEDS RECOVERED FROM THE TMLIRP REGARDING THE JUNE 12, 2014 HAILSTORM: Misty Mayo, CEO of the DCOA presented resolution DCOA-2020.02 approving the final allocation of \$4,378,095 from the City of Abilene as part of the TMLIRP claim settlement from the June 2014 hailstorm for damage to DCOA-owned property. The payment reflects the DCOA's actual costs for completing the roofing projects at 4009, 4109 and 4125 Vine St. and the Blue Cross Blue Shield facility at 4002 Loop 322.

Jack Rich moved to approve resolution DCOA-2020.02 recognizing the final allocation of \$4,378,095.00 from the City of Abilene in reference to property damage that the DCOA realized as a result of the June 12, 2014 hailstorm. Vic Corley seconded and the motion passed.

7. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A STREET EXPENDITURE AGREEMENT FOR USE OF STREET MAINTENANCE FUNDS DURING FY 2020: Misty Mayo presented resolution DCOA-2020.01 authorizing an expenditure not to exceed \$2,000,000 in 2020 for the reconstruction of portions Turner Dr., John Knox Dr., Village Dr., Cedar Run Rd., Rolling Green Dr. and Curry Lane.

Jack Rich moved to approve resolution DCOA-2020.01 authorizing funds not to exceed \$2,000,000.00 in 2020 for the reconstruction of portions of the above-named streets. Sam Vinson seconded and the motion passed.

8. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A TEMPORARY CONSTRUCTION EASEMENT TO UNION PACIFIC RAILROAD COMPANY FOR REPAIRS TO TRACKS RUNNING ADJACENT TO THE ACCESS BUSINESS PARK: Kim Tarrant, COO for the DCOA presented resolution DCOA-2020.03 authorizing a temporary construction easement to Union Pacific Railroad Company (UPRC) in the DCOA's Access Business Park. The UPRC rail line runs along the northern boundary of the Access Business Park, and UPRC is contracting to build a parallel track or siding to the current track. UPRC is willing to pay \$4,600 for temporary access across a portion of the Access Business Park for their construction crews.

Vic Corley moved to approve resolution DCOA-2020.03 authorizing a temporary construction easement in the Access Business Park to Union Pacific Railroad Company for its new rail siding project in exchange for consideration of \$4,600.00. Jack Rich seconded and the motion passed.

9. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING FINANCIAL ASSISTANCE FOR PROJECT PEANUT: Misty Mayo presented resolution DCOA-2020.05 handed out in the board meeting for discussion and approval of an incentive package for Project Peanut. Project Peanut is a \$5 million project that includes building a new 35,000 sq ft approximate facility in the Access Business Park for manufacturing and distribution warehousing. The proposed incentive is 15% of the company's capital investment with estimated DCOA funding up to \$750,000 plus provide five (5) acres of land valued at \$30,000/acre (or \$150,000) for a total incentive package up to \$900,000. In exchange the company will retain at least 23 full-time positions and create 92 new positions for total employment of 115 at the end of a five-year period. The incentive package will require City Council's approval.

After further discussion by the board, Jack Rich moved to approve resolution DCOA-2020.05 authorizing an incentive package for Project Peanut including up to \$900,000. Vic Corley seconded and the motion passed.

10. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE OPENING AND ADMINISTRATION OF A DCOA BANK ACCOUNT: John Beckham presented resolution DCOA-2020.04 authorizing the opening of a DCOA bank account with First Financial Bank Abilene for day-to-day operations. The balance in the account will be maintained in an amount of not more than \$25,000 and any checks written over \$1,500 will require two signatures. The signors would include the DCOA's CEO, COO, President and Treasurer. Discussion ensued regarding the possibility of increasing the minimum amount per check that would require two signatures.

Sam Vinson moved to approve resolution DCOA-2020.04 authorizing the opening of a DCOA bank account amended to require that any expenditure over \$5,000 (rather than \$1,500) require two signatures. Jack Rich seconded and the motion passed.

11. DISCUSSION OF NEXT MONTHLY BOARD MEETING: President Beckham announced the next scheduled meeting of the DCOA Board will be on November 22, 2019, at 10:00 a.m.

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



John Beckham, President