

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
January 28, 2020

MEMBERS PRESENT:	John Beckham Sam Vinson	Jack Rich Shea Woodard-Hall	Vic Corley
STAFF PRESENT:	Misty Mayo	Cynthia Nesmith	Akane Thaxton
GUESTS PRESENT:	Mark Zachary Chris Shelton Justin Jaworski Julie Johncox Siglinger Gray Bridwell	McMahon Surovik Suttle, PC McMahon Surovik Suttle, PC Abilene Industrial Foundation JP Solutions Abilene Chamber MAC	

- 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. President Beckham also welcomed new board member Shea Woodard-Hall to the meeting. Misty Mayo, CEO of the DCOA also introduced Julie Johncox with JP Solutions to the meeting.
- 2. DISCUSSION CONCERNING EXTENDING TERM OF DIRECTOR SERVING AS DCOA PRESIDENT:** President Beckham mentioned that over the next several months, the DCOA will be reworking its Bylaws with consideration for updating the current minimum limit amount for projects that are required to go before the City Council for approval and numerous items that Mrs. Mayo and Mark Zachary have discussed that can be clarified in the Bylaws. President Beckham also made reference to an amendment that should be considered that would extend the President's term in the event that a board member is serving his or her 1st year as President in his or her 6th year (i.e. his or her last year) as a board member. President Beckham noted that an addition of this nature would not apply to him as he has just completed his 2nd year as President, and reminded the board that according to the Local Government Code, changes to the DCOA's Bylaws must be approved by the City Council.
- 3. OFFICER ELECTIONS: PRESIDENT, VICE PRESIDENT AND SECRETARY/TREASURER:** Sam Vinson moved to elect Jack Rich as the DCOA board President, Vic Corley seconded and the motion carried. Vic Corley moved to elect Sam Vinson as Vice President, John Beckham seconded and the motion carried. John Beckham moved to elect Vic Corley as Secretary/Treasurer, Sam Vinson seconded and the motion carried. Newly elected officers assumed the duties of presiding over the meeting.
- 4. APPROVAL OF MINUTES FROM THE DECEMBER 20, 2019 BOARD MEETING:** Sam Vinson moved to approve the minutes from the December 20, 2019 board meeting. Vic Corley seconded, and the motion carried.
- 5. PRELIMINARY FINANCIAL REPORT FOR NOVEMBER 2019:** Before the financial report was given, President Rich stated that since new officers have been elected, the signature card for the DCOA's one and only checking account with First Financial Bank will need to be updated to remove previous President John Beckham and Chief Operating

Officer Kim Tarrant due to her retirement and add President Jack Rich. It was noted that no specific board action was needed on this item.

Akane Thaxton, Economic Development Specialist with the DCOA, presented the Financial Report for November 2019. The DCOA's total current assets as of November 30, 2019 were \$35,132,048. The November revenues totaled \$1,205,343 and total expenditures were \$629,944 with \$364,517 spent on five different projects.

6. DISCUSSION CONCERNING NEW GOVERNANCE SCHEDULE: Misty Mayo presented a new governance schedule to the board. Mrs. Mayo explained that the schedule is a tool to plan the upcoming year's business, as well as to plan rotating reports from partners that the DCOA funds in order to allow the board an opportunity to engage with the partners, and give the partners an opportunity to report on contractual commitments. President Rich stated this is a "living" document that is a new tool for use by the board and that items can be added or taken off of the governance schedule as needed.

7. EXECUTIVE SESSION: President Rich stated: 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 Rich announced the date is January 28, 2020 and the time is 1:57 p.m. Later, President Rich announced the date is still January 28, 2020 and the time is 2:58 p.m. No vote or action was taken in Executive Session.

8. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE CHARGE-OFF OF \$7,860.86 IN DEBT OWED BY HOLLAND TRAINING & DEVELOPMENT DBA MURF SYSTEMS FROM 2003: Misty Mayo presented resolution DCOA-2020.15 authorizing the charge off of \$7,860.86 in debt owed by Holland Training & Development dba Murf Systems from 2003. Mrs. Mayo stated that due to the age of this indebtedness, she recommends that this item should be charged off.

After discussion, John Beckham moved to approve resolution DCOA-2020.15 authorizing the charge-off of \$7,860.86 in debt owed by Holland Training & Development dba Murf Systems from 2003. Shea Woodard-Hall seconded and the motion passed.

9. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AWARDED A CONTRACT FOR THE RE-ROOFING OF THREE BUILDINGS ON FULWILER RD.: Misty Mayo presented resolution DCOA-2020.10 handed out at the meeting awarding a contract for the re-roofing of three buildings on Fulwiler Rd. Mrs. Mayo noted that this is the first instance that the DCOA has used its new procurement procedure for bidding purposes. A summary of contractor bids and their ratings was prepared by Jacob Martin and handed out at the meeting. The summary included a list of nine contractors which were each rated in several areas. Trumble Construction was noted as the contractor which received the highest rating score.

It was noted that the rating categories may change per project depending on the scope of each project. The ranking system rates the company most qualified based on the key-criteria, which includes factors such as price. Cynthia Nesmith reported to the board that the bid for building C/D had sales tax added since Zoltek was leasing the building. However, further clarification was sought from the DCOA's attorneys and accountants regarding the sales tax, and they advise that it does not appear that sales tax will need to be charged. Accordingly, once the board approves the contract, it is anticipated that a change order may be prepared for Trumble Construction to remove the sales tax. Trumble Construction's base proposal was \$2,644,853.21 and with alternate bid #2 of \$88,780.71 upgrading the insulation from an R22 to an R30, the total bid amount is \$2,733,633.92. After consulting with Jacob Martin, it is recommended that the alternate bid #1 for a new drain system for the roofs not be added because the existing drains are metal pipes which are in good condition that can be cleaned out with a high-pressure wash to remove any carbon fiber debris. Further discussion continued amongst members of the board regarding the advantages of using a local contractor for the job when compared to an out of town company. Board members expressed their favor for local companies and discussed the large financial difference between the bids from Trumble Construction and the bid from the second highest rated bid, which is a local company. Several board members observed that making a selection by a system too heavily weighted for local companies potentially impacts the responsibility of the board and that for this project, the financial impact is significant. The board also commented that additional consideration could be given in the future to the rating system for local companies.

John Beckham moved to approve resolution DCOA-2020.10 awarding a contract for the re-roofing of three buildings on Fulwiler Rd. to Trumble Construction with a base bid of Two Million Six Hundred Forty-Four Thousand Eight Hundred Fifty-Three and 21/100's Dollars (\$2,644,853.21) and Alternate Bid #2 in the amount of Eighty-Eight Thousand Seven Hundred Eighty and 71/100's Dollars (\$88,780.71) making the total bid Two Million Seven Hundred Thirty-Three Thousand Six Hundred Thirty-Three and 92/100's Dollars (\$2,733,633.92). Vic Corley seconded and the motion passed.

10. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING MATCH FUNDING FOR A DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT FOR EXPANSION CONSTRUCTION: Misty Mayo introduced Gray Bridwell with the Abilene Chamber's Military Affairs Committee (MAC). Mr. Bridwell explained that the current security access control center at the front gate of Dyess Air Force Base is a very small, outdated building in need of updating. Mr. Bridwell requested that the DCOA consider a 50% matching grant for the purpose of making a request to the Texas Military Preparedness Team for funds to triple the size of and updating the center. This request will be strengthened by this 50% match grant from the community. Mr. Bridwell further observed that with the B21 coming, anything that will strengthen security at Dyess is a plus and will increase Dyess' ability to score well with future BRAC discussions. Mrs. Mayo recommended the board approve resolution DCOA-2020.13 authorizing the matching funds up to \$500,000 for the expansion.

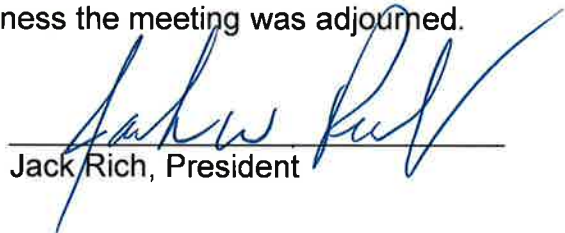
Sam Vinson moved to approve resolution DCOA-2020.13 authorizing match funding for a defense economic adjustment assistance grant for expansion construction. Shea Woodard-Hall seconded and the motion passed.

11. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE DCOA'S CHIEF EXECUTIVE OFFICER TO TAKE CERTAIN ACTIONS: President Jack Rich presented resolution DCOA-2020.14 authorizing the DCOA's CEO to take certain actions. The resolution confirms the board is giving the DCOA's CEO the general powers and authority to transact the general business of the DCOA, aligning with the CEO's position. This is to offer clarification until more specific CEO authority can be addressed in future Bylaw updates.

John Beckham moved to approve resolution DCOA-2020.14 authorizing the DCOA's Chief Executive Officer to take certain actions. Vic Corley seconded and the motion passed.

12. DISCUSSION OF THE NEXT BOARD MEETING DATE: President Rich announced the next scheduled meeting of the DCOA board will be on February 28, 2020, at 10:00 a.m.

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



Jack Rich, President