

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD MEETING MINUTES**  
**May 21, 2020**

**MEMBERS PRESENT:** Jack Rich                      Vic Corley                      Sam Vinson  
Floyd Miller                      Shea Hall

**STAFF PRESENT:** Misty Mayo                      Cynthia Nesmith  
Julie Johncox                      Akane Thaxton

**GUESTS PRESENT:** Mark Zachary                      McMahon Surovik Suttle, PC  
Chris Shelton                      McMahon Surovik Suttle, PC  
Amy Whitmer                      Abilene Industrial Foundation  
Kate Alvarez                      Abilene Airport  
Don Green                      Abilene Airport  
Victor Sotelo                      KTAB

1. **CALL THE MEETING TO ORDER:** President Jack Rich called the meeting to order at 9:33 am by videoconference.
2. **INVOCATION:** Floyd Miller offered the invocation.
3. **PUBLIC COMMENT ON AGENDA ITEMS:** President Jack Rich announced an opportunity for the public to comment on any of the agenda items. He further stated that there would be no votes or formal action taken during public comment, that this would allow members of the public to present ideas and information to the DCOA Board and staff pertaining to the items on the agenda, and that if there was anyone wanting to make a public comment, to please state their name and address. No one from the public spoke.
4. **GOVERNANCE SCHEDULE:** President Jack Rich explained that the purpose of the governance schedule, is to: 1) provide a snapshot of what is coming in future meetings, and 2) plan what needs to be addressed monthly. He further stated that the governance schedule is a fluid document; it will be altered as needed. For example, the presentation of the DCOA semi-annual report will be moved on the governance schedule to the June meeting due to the lengthy agenda today.
5. **APPROVAL OF MINUTES FROM THE FEBRUARY 28, 2020, MARCH 27, 2020, APRIL 1, 2020, APRIL 17, 2020 AND APRIL 28, 2020 BOARD MEETINGS:** Sam Vinson moved to approve the minutes from the February 28, 2020, March 27, 2020, April 1, 2020, April 17, 2020 and April 28, 2020 Board meetings. Shea Hall seconded, and the motion carried.
6. **SALES TAX REPORT FOR MAY AND FINANCIAL REPORT FOR APRIL 2020:** Akane Thaxton, Finance Manager with the DCOA, presented the sales tax report for May as reported by the City of Abilene. The sales tax rebate for May is \$4,289,106.69 which represents March sales. Economic development received \$1,072,276.67 which is 2.07% below last year and 4.69% below the projected FY20 budget amount. Of this rebate,

\$68,774.05 is from prior periods, audit payments, future payments last year and 1.49% above the approved FY20 budget amount.

The DCOA's total current assets as of April 30, 2020 were \$38,237,935. The April revenues totaled \$975,387 and total expenditures were \$348,648 with \$23,476 spent on four different projects.

**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 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 May 21, 2020 and the time is 9:43 am. Later, President Rich announced the date is still May 21, 2020 and the time is 10:53 am and that no vote or action was taken in Executive Session.

**8. ORAL PRESENTATION OF SEMI-ANNUAL REPORT FROM THE CITY OF ABILENE AIRPORT BUSINESS DEVELOPMENT MANAGEMENT PROGRAM:** Kate Alvarez, Marketing and Development Manager for the Abilene Regional Airport reported:

- October through February was good, enplanements were up and the advertising campaign was ramped up since the winter months tend to be slow.
- The Abilene Regional Airport was awarded the Small Community Air Service Development Program Grant for \$1 million. Abilene was the only airport in the State of Texas from the many that applied to receive the award. President Jack Rich asked if there was a time limit on the grant and Kate Alvarez said yes, three years but she did not think an extension would be hard to get if one was needed. President Rich asked her if \$1 million was sufficient to attract another airline or would more funds be needed. Kate Alvarez stated they requested an amount that they believed would encourage an airline to come to Abilene for a two year spread for the \$1 million dollars.
- The airport was impacted in March and April due to COVID-19, but numbers are starting to increase in May, showing a 50% load factor from the end of May to the middle of June.
- In the remaining quarters of this year an ad campaign will be started to saturate the market with a goal of getting people back to flying again.
- President Rich asked if the 50% load factor was based on a reduced flight schedule and Kate Alvarez said it was, but starting in May they had 3 flights departing and 3 flights arriving and if booking continues to increase they could be back to 6 flights per day in mid-August.
- She stated that they are also working on the land use plan and will be going to the Maintenance, Overhaul and Repair Show to seek out other opportunities.

Don Green, Director of Transportation Services gave an update on Eagle Aviation Services, Inc. (EASI):

- 55 American Eagle regional jets were parked at the airport at the peak. This is down to 27 as of this morning with 2 more going back by the end of today. EASI is putting

these aircraft back into service so the airline is optimistic that recovery is going to happen over the summer. Mr. Green noted that he hears projections that it could be 2023 before the airline returns to 2019 passenger levels. Flight crews are going back to work, the EASI employees in Abilene have had no layoffs or furloughs and have been working due to the aircraft in Abilene that require maintenance.

**9. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE REALIGNMENT OF STAFF OF THE DCOA:** CEO Misty Mayo gave a presentation to the Board illustrating a shared vision of economic development which aligns with the DCOA's strategic plan. The DCOA's role is to coordinate and lead the economic development efforts for the community, while leveraging relationships with key partners to carry out specific roles to support the DCOA's community economic development efforts. These efforts are based on core pillars: I) Business Attraction; II) Business Retention & Expansion; III) Entrepreneurial; IV) Workforce & Talent Development; and, V) Marketing & Brand Awareness.

The Abilene Industrial Foundation (AIF) is one of the key partners and the realignment is an adjustment of how the DCOA will address carrying out its mission and strategies through the AIF/DCOA contract.

The Board was asked to consider adding four new employees to the team, with the greater part of the fourth employee's salary paid through AIF private funds. Timing for the realignment in this order is: 1) the Board votes today on the realignment with staffing increases; 2) after necessary partner approvals are confirmed, the realignment concept and the budget expansion request will be presented to City Council for approval; and 3) implementation. While new staff hiring and other administrative items will need to be completed, the goal is to finalize the realignment by October 1, 2020.

President Jack Rich stated this is important and if the DCOA wants to take the next step in economic development in Abilene, a case will need to be built before taking it to City Council. Misty stated that she has worked hard with Doug Peters, President of the Abilene Chamber of Commerce and Robert Hanna, City Manager to get to a place of general agreement and it is time to move forward. Misty Mayo stated for clarification that the Abilene Industrial Foundation is a Public/Private Partnership, of which the DCOA is the largest contributing funder. There are many private businesses that contribute to the foundation and the Chamber is hired as the managing partner of the PPP.

Sam Vinson made the motion to approve Resolution DCOA-2020.26 authorizing the CEO to hire additional employees providing the funding is available in the budget. Shea Hall seconded and the motion passed.

**10. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION APPROVING AN AGREEMENT WITH PROJECT ERG-2:** Sam Vinson made the motion to table this item. Shea Hall seconded and the motion passed.

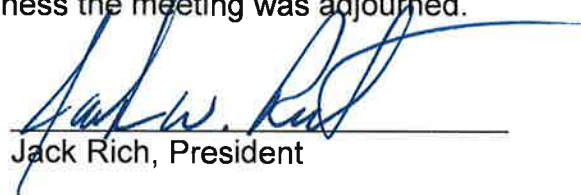
**11. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A STREET EXPENDITURE AGREEMENT FOR USE OF STREET MAINTENANCE FUNDS FOR FY 2021:** Misty Mayo presented Resolution DCOA-2020.25 allocating street

maintenance funds previously approved by the Board. The City requested \$2,000,000 for 2021 to fund reconstruction of three streets that are noted in the Resolution: Pine Street, North 18<sup>th</sup> Street and Southwest Drive.

Sam Vinson made the motion to approve Resolution DCOA-2020.25 authorizing an expenditure not to exceed \$2,000,000 in 2021 for the reconstruction of three streets as requested by the City of Abilene. Floyd Miller seconded and the motion passed.

**12. DISCUSSION OF THE NEXT BOARD MEETING:** Board members considered dates for the next meeting, and President Rich announced the next scheduled regular meeting of the DCOA Board will be on Wednesday, June 17, 2020, at 9:30 am.

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



Jack Rich, President