

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
JANUARY 27, 2021

MEMBERS PRESENT: Jack Rich Vic Corley Sam Vinson
Floyd Miller
Shea Hall: It was reported that she was experiencing technology issues in reference to logging in using the videoconference link; therefore, she used the videoconference dial in number to join the meeting and as a result it was announced that her votes would not be counted during the meeting.

STAFF PRESENT: Misty Mayo Brock New Amy Whitmer
Julie Johncox Allysun Gutierrez Akane Thaxton

Ashley Whitmer

GUESTS PRESENT: Mark Zachary McMahon Surovik Suttle, PC
Samuel Garcia

1. **CALL THE MEETING TO ORDER:** Chair Jack Rich called the meeting to order at 12:01 pm by videoconference.

2. **INVOCATION:** Floyd Miller offered the invocation.

3. **PUBLIC COMMENT ON AGENDA ITEMS:** Chair 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 who would like to make a public comment, to please state their name and address. No members of the public requested to make public comment. Thus, Chair Jack Rich moved on to Agenda Item 4.

4. **GOVERNANCE SCHEDULE:** CEO Misty Mayo stated that the updated 2021 governance schedule is in the packet. The governance schedule is a tool that guides the Board on what to include each month during the Board Meeting.

5. **OFFICER ELECTIONS: PRESIDENT, CHAIR, VICE CHAIR, SECRETARY, AND TREASURER (AND OTHERS AS DETERMINED):** Sam Vinson moved to elect Jack Rich as the DCOA Board Chair. Vic Corley seconded, and the motion passed. Jack Rich moved to elect Sam Vinson as the DCOA Board Vice Chair. Floyd Miller seconded, and the motion passed. Jack Rich moved to elect Vic Corley as the DCOA Board Secretary and Treasurer. Floyd Miller seconded, and the motion passed. Vic Corley moved to elect Misty Mayo as the DCOA Board President. Floyd Miller seconded, and the motion passed.

Chair Jack Rich noted that the Board has discussed the value of having continuity this year as the DCOA continues to transition.

6. **APPROVAL OF MINUTES FROM THE DECEMBER 10, 2020, DECEMBER 15, 2020, AND DECEMBER 30, 2020 BOARD MEETINGS:** Vic Corley moved to approve the minutes from the December 10, 2020, December 15, 2020, and December 30, 2020 Board meetings. Floyd Miller seconded, and the motion passed.

7. SALES TAX REPORT FOR JANUARY 2021 AND FINANCIAL REPORT FOR DECEMBER 2020: Akane Thaxton, DCOA Finance Manager, presented the Sales Tax Report for January 2021 as reported by the City of Abilene. The sales tax rebate for January is \$3,594,644.18, which represents November 2020 sales. Economic Development received \$898,661.04 of the sales tax rebate. For the period of October 2020 through January 2021, sales tax is 0.94% above last year and 0.94% above the approved FY 2021 budget amount. Finance Manager Akane Thaxton explained the City of Abilene predicted a sales tax revenue reduction of 4.0% due to the Internet Tax Freedom Act Enactment in July 2020. However as of now, they have not seen a reduction of sales tax revenue due to other sectors overperforming their projected FY 2021 budgeted amount.

Finance Manager Akane Thaxton presented the Financial Report for December 2020. The DCOA's total assets as of December 31, 2020, were \$95,151,752. The December revenues totaled \$1,116,152 and total expenditures were \$391,427. CEO Misty Mayo reminded the Board that the DCOA staff is continuing the process of taking over the DCOA's financials. The DCOA began managing its own finances in October 2020. CEO Misty Mayo asked the Board to review and continue providing feedback on the monthly Financial Reports.

8. EXECUTIVE SESSION: Chair Jack 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, and that any vote or action will be taken in open session.

Chair Jack Rich announced the date is January 27, 2021 and the time is 12:28 pm. Later, Chair Jack Rich announced the date is still January 27, 2021 and the time is 1:54 pm, and that no vote or action was taken in Executive Session.

9. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION APPROVING AN AGREEMENT WITH PROJECT LITTLE GIANT: Chair Jack Rich tabled Agenda Item 9.

10. DISCUSSION AND POSSIBLE APPROVAL OF CONSENT TO LIEN ON PROPERTY LOCATED AT 1221 FULWILER ROAD, ABILENE, TEXAS THAT IS SUBORDINATE TO DCOA'S LIEN: Chair Jack Rich noted that the Board consulted with the DCOA's Attorney in Executive Session in reference to legal matters relating to this item. CEO Misty Mayo presented the consent to lien on property located at 1221 Fulwiler Road, Abilene, TX for an oral motion. She further explained that while there was not a Resolution for Agenda Item 10, there was information for the Board and public in the general session packet.

Sam Vinson made a motion for the DCOA to consent to a lien on property located at 1221 Fulwiler Road, Abilene, Texas that is subordinate to the DCOA's lien and to give CEO Misty Mayo the authority to negotiate and approve the consent. Floyd Miller seconded, and the motion passed.

11. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A STREET EXPENDITURE AGREEMENT FOR USE OF STREET EXPENDITURE FUNDS FOR FY 2022: Chair Jack Rich recused himself from the discussion and vote of Agenda

Item 11. CEO Misty Mayo presented Resolution DCOA 2021.10 authorizing street expenditures for FY 2022 for the reconstruction of a portion of East North 10th Street from Almond Street to TX-322 Loop as requested by the City of Abilene. CEO Misty Mayo explained the DCOA committed \$8.5 million over 5 years toward street expenditures. The City of Abilene presented a request to the DCOA for the \$2,000,000 allocated for FY 2022 to be used for the infrastructure upgrades on a portion of East North 10th. Vice Chair Sam Vinson noted that the Board consulted with the DCOA's Attorney in Executive Session in reference to legal matters relating to this item.

Vic Corley made a motion to approve Resolution DCOA-2021.10 authorizing street expenditures for FY 2022 for the reconstruction of a portion of East North 10th Street from Almond Street to TX-322 Loop as requested by the City of Abilene. Floyd Miller seconded, and the motion passed.

12. BOARD MEMBER EDUCATION – TYPE A & TYPE B ECONOMIC DEVELOPMENT ORGANIZATIONS: CEO Misty Mayo explained the advantages of Type A Economic Development Organizations and the differences between Type A and Type B organizations. The DCOA was the first Type A sales tax funded organization in the State of Texas 31 years ago.

The advantages of Type A Economic Development Organizations include: a) ensures long-term prosperity of the community, b) secures future growth and success of communities, c) stimulates the flow of investment back into the community through the creation of primary jobs, d) empowers communities to play an active role in the retention of existing companies, e) enables communities to support companies' investments in the community, and f) increases and generates tax revenues for the city, enabling the city to increase the quality of life in the community. The Texas Economic Development Council's Legislative Agenda announced that one fourth of Texas' job growth since 1990 and over 20% of net new jobs in Texas are contributed by sales tax for economic development.

CEO Misty Mayo explained that Type A organizations are critical for long-term job growth and community prosperity, while Type B organizations are more focused on community infrastructure and development that do not require the creation of primary jobs or capital investment from companies in the community.

13. DISCUSSION OF THE NEXT BOARD MEETING DATE: Board members considered dates for the next meeting, and President Jack Rich announced that the next scheduled regular meeting of the DCOA Board will be on Wednesday, February 24, 2021 at 9:00 am.

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



Jack Rich, Chair



Vic Corley, Secretary & Treasurer