

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
JUNE 7, 2021

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

**Shea Hall and Floyd Miller joined the meeting by videoconference. Prior to the end of the meeting, Floyd Miller left the meeting as indicated below.*

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

GUESTS PRESENT: Mark Zachary McMahon Surovik Suttle, PC
Chris Shelton McMahon Surovik Suttle, PC
Ange Irakoze DCOA Intern
Marissa Ransted Abilene Industrial Foundation
Helen Usera Abilene Industrial Foundation
Gray Bridwell Military Affairs Committee
Victor Barber Abilene Marshal's Department
Samuel Garcia
Andrew Harmon
Jim Orr

1. CALL THE MEETING TO ORDER: Chair Jack Rich called the meeting to order at 12:00 pm and introduced all Board Members present both in-person and virtually. CEO Misty Mayo announced that the Board Room door would be closed due to the echo, but that there is a sign posted on the door announcing the public meeting and that anyone may enter the Board Room.

2. INVOCATION: Vice Chair Sam Vinson 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.

Samuel Garcia spoke during public comment regarding comments, concerns and/or questions about a) the posting of the DCOA's approved minutes on its website; b) the DCOA's meeting location; c) the posting of the DCOA's agendas; d) the DCOA's project with Great Lakes Cheese; and e) the Public Information Request regarding the Agreement with Great Lakes Cheese. Mr. Garcia also made reference to the meeting room's door being closed. Chair Jack Rich thanked Mr. Garcia for his public comment and asked if CEO Misty Mayo would like to respond to Mr. Garcia's comments.

CEO Misty Mayo explained that there is a sign on the outside of the Board Room door inviting the public to join the meeting and stated the DCOA follows the advice of the DCOA's attorneys on the posting requirements for minutes and agendas. In addition, Chair Jack Rich stated that the DCOA's meetings will be dictated by demand, circumstance, and availability of the Board of Directors. He further explained the DCOA's meetings will look different than other organizations' meetings because the DCOA does not have a set meeting time each month. CEO Misty Mayo also explained that the new website that the DCOA is in the process of developing will continue to include public notice postings. Secretary &

Treasurer Vic Corley acknowledged the DCOA's meeting location and requested a larger meeting room, where possible, to accommodate the public and the Board for future Board meetings.

CEO Misty Mayo asked the DCOA's Attorney, Chris Shelton, to address the Public Information Request regarding the Agreement with Great Lakes Cheese. Chris Shelton explained the City of Abilene received the Public Information Request and sent out a third-party notice that allowed both Great Lakes Cheese and the DCOA the opportunity to review the request and respond if there were any objections.

Chair Jack Rich called for any additional members of the public who would like to make a public comment. No additional members of the public requested to make public comment. Thus, Chair Jack Rich moved on to Agenda Item 4.

4. APPROVAL OF MINUTES FROM THE APRIL 27, 2021 BOARD MEETING: Sam Vinson moved to approve the minutes from the April 27, 2021 board meeting. Vic Corley seconded, and the motion passed.

5. GOVERNANCE SCHEDULE: CEO Misty Mayo stated that the 2021 governance schedule is in the packet. The governance schedule is a tool that ensures the DCOA is operating on schedule and can be amended as needed.

6. DCOA FINANCIAL REPORT FOR APRIL 2021: Akane Thaxton, DCOA Finance Manager, presented the Financial Report for April 2021. As of April 30, 2021, the DCOA's total operating revenue was \$831,344, and cash at the end of the period was \$33,305,312. The DCOA's total assets were \$92,526,929, and the DCOA's total liabilities were \$267,740.

7. PRESENTATION OF THE FISCAL YEAR 2020 FINANCIAL AUDIT COMMISSIONED BY THE CITY OF ABILENE AND CONDUCTED BY BKD CPAS & ADVISORS: Akane Thaxton, DCOA Finance Manager, presented the fiscal year 2020 Annual Financial Audit commissioned by the City of Abilene. CEO Misty Mayo explained that with the new Financial Policy adopted by the Board, the fiscal year 2021 Financial Audit will be commissioned by the DCOA.

8. ANNOUNCEMENT OF THE TEXAS INDUSTRY PARTNERSHIP GRANT BY ABILENE INDUSTRIAL FOUNDATION (AIF), MARISSA RANSTED, AIF DIRECTOR OF TALENT DEVELOPMENT: CEO Misty Mayo introduced Ange Irakoze, the DCOA's intern through the "Home to Texas" Program, one example how DevelopAbilene builds up the talent pipeline and workforce. CEO Misty Mayo then introduced Marissa Ransted, Director of Talent Development for the Abilene Industrial Foundation (AIF). Marissa Ransted announced that DevelopAbilene applied and received a Texas Industry Partnership (TIP) Grant from the Texas Workforce Commission. The grant, in partnership with the matching grant provided by the DCOA, will be used to commission an updated Workforce Study conducted by Site Selection Group. CEO Misty Mayo explained the study will be the first step in understanding the current and future workforce needs in Abilene.

9. PRESENTATION OF DCOA REPORT OF ACTIVITY: CEO Misty Mayo presented the DCOA's Report of Activities for October 1, 2020 – May 31, 2021.

Business Attraction: The DCOA recruited Great Lakes Cheese to Abilene. The project has a total capital investment of \$184.5 million and will create 500 jobs in Abilene. In addition, the DCOA has implemented Salesforce software that allows the DCOA to track activity and produce reports. The DCOA ran a

SalesForce report to show the breakdown of the 39 active projects in the pipeline by industry and lead source.

Marketing & Brand Awareness: The DCOA worked with Site Selection Magazine to produce an Abilene advertorial published in the May 2021 Site Selection Magazine and 2021-2022 Texas Economic Development Guide. There will be an additional advertorial in the July 2021 Site Selection Magazine highlighting Abilene as a food industry hub. In addition, the DCOA hired an outside consultant to provide support for marketing, including launching initiatives to create a new DevelopAbilene website and run both local and national advertising campaigns. The DCOA's Business Development team is also beginning to travel again, allowing the DCOA to build interest in Abilene and add additional projects to the pipeline.

Facilities Maintenance & Upgrade Projects: The DCOA is in the process of utilizing the \$1.83 million grant awarded by the Economic Development Administration (EDA) for the Fulwiler Road and Marigold Street extension project. In addition, the DCOA finished \$1.24 million in facilities and business park upgrades and improvements and has completed 75% of the \$1.1 million expansion project for Abilene Regional Airport's Hangar 2 for Eagle Aviation Services, Inc.

Additional Projects: The DCOA has completed many administrative projects including updating the DCOA's Bylaws and Certificate of Formation, implementing a new Investment Policy, and entering into a new interlocal agreement with the City of Abilene. Outside of administrative projects, the DCOA approved the 2022 City of Abilene Street Expenditures, completed the Zoltek lease termination and facility upgrades, and made improvements to Access Business Park and Five Points Business Park.

Texas Economic Development Council's Awards: The DCOA received two awards from the Texas Economic Development Council (TEDC): 1) The Community Economic Development Award for community commitment and leverage; and 2) the Economic Excellence Recognition for outstanding performance within the areas of management, production, focus, and accomplishments.

10. 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 June 7, 2021, and the time is 1:08 pm. Later, Chair Jack Rich announced the date is still June 7, 2021, and the time is 2:38 pm, and that no vote or action was taken in Executive Session.

11. REPORT FROM THE PRESIDENT AND CEO: Chair Jack Rich tabled Item 11 to the end of the agenda. When this item was discussed at the end of the agenda, CEO Misty Mayo explained that the five-year strategic plan created by TIP Strategies in 2016 is coming to the end of the five-years. In preparation, the DCOA hired Greg Last, CEO of EDP Best Practices, LLC to assist in the creation of the Strategic Prioritization Plan. The Plan will be a continuation of specific strategies from the 2016 Strategic Plan and include additional strategies that need to be prioritized by the DCOA and its partners in economic development.

12. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION APPROVING PROJECT DOUBLE T: CEO Misty Mayo presented Resolution DCOA-2021.06, authorizing an incentive for

Project Double T. The name of the company will not be released to the public until the project is presented and approved by City Council. Project Double T is a business expansion project for a hospital system that desires to purchase a new facility in Abilene, Texas to locate its call center, additional warehousing, and back office operations. The project is projected to create 74 jobs, retain 317 jobs, and have a total capital investment of \$15,400,000. The incentive package will be up to \$1,540,000 funded at 10% of the Company's actual capital investment for the purchase and renovation of a new facility, earned over five years. CEO Misty Mayo explained that the ten-year investment ratio for the project is for every \$1.00 the DCOA invests in the company, the company will invest \$28.66 in the project in Abilene. CEO Misty Mayo clarified that because of the company's non-profit status, the ten-year modeling only considers the job creation and wages.

Sam Vinson made a motion to approve Resolution DCOA-2021.06, authorizing an incentive for Project Double T. Shea Hall seconded, and the motion passed.

13. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION APPROVING PROJECT FUTURE HOPE: CEO Misty Mayo presented Resolution DCOA-2021.19, authorizing an incentive for Project Future Hope. The name of the company will not be released to the public until the project is presented and approved by City Council. Project Future Hope is a business expansion project for a company which performs scientific research and development related to sustainable energy. The project is projected to create 37 jobs, retain 28 jobs, and have a total capital investment of \$29,300,000. The incentive package will be up to \$2,930,000 funded at 10% of the Company's actual capital investment for the purchase and renovation of a new facility. CEO Misty Mayo explained that the ten-year investment ratio for the project is for every \$1.00 the DCOA invests in the company, the company will invest \$23.14 in the project in Abilene. CEO Misty Mayo clarified that because of the company's non-profit status, the ten-year modeling only considers the job creation and wages.

Chair Jack Rich recused himself from the vote and asked Vice Chair Sam Vinson to handle the motion and vote. Shea Hall made a motion to approve Resolution DCOA-2021.19, authorizing an incentive for Project Future Hope. Vic Corley seconded, and the motion passed.

14. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION APPROVING PROJECT TIGER: CEO Misty Mayo presented Resolution DCOA-2021.20, authorizing an incentive for Project Tiger. The name of the company will not be released to the public until the project is presented and approved by City Council. Project Tiger is a business expansion project for a manufacturer with facilities across the United States. The project is projected to create 139 jobs, retain 119 jobs, and have a total capital investment of \$31,600,000. The incentive package will be up to \$3,160,130 funded at 10% of the Company's actual capital investment for the construction of a facility. CEO Misty Mayo explained that the ten-year investment ratio for the project is for every \$1.00 the DCOA invests in the company, the company will invest \$45.02 in the project in Abilene.

Floyd Miller made a motion to approve Resolution DCOA-2021.20, authorizing an incentive for Project Tiger. Sam Vinson seconded, and the motion passed.

15. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION APPROVING PROJECT GOLDEN: CEO Misty Mayo presented Resolution DCOA-2021.21, authorizing an incentive, including a contract for the lease of real property, for Project Golden. CEO Misty Mayo explained that the DCOA has signed a Non-Disclosure Agreement, and that the name of the company will not be released to the public until the company finalizes and enters into an agreement with the DCOA. Project Golden is a

business attraction project for a company which plans to expand its distribution and logistics operation into Abilene, Texas. The company will lease 71,000 square feet of the distribution and/or warehouse space located at 1121 Fulwiler Road, Abilene, Texas, 79603 for an annual base rent of \$337,250.

The projected total capital investment for the project is \$3,000,000 for the renovation of the facility. The incentive package will be up to \$337,250 and the lease of the facility to the company for an initial term of five years along with an option for the company to exercise up to four renewal terms at five years each, with an annual base rent of \$337,250 for the initial term and at a market rate to be determined by the parties for any renewal periods exercised by the company. CEO Misty Mayo explained that the five-year investment ratio for the project is for every \$1.00 the DCOA invests in the company, the company will invest \$42.72 in the project in Abilene.

Chair Jack Rich announced that Floyd Miller has left the meeting, and that there is still a quorum. Shea Hall made a motion to approve Resolution DCOA-2021.21, authorizing an incentive, including a contract for the lease of real property, for Project Golden. Sam Vinson seconded, and the motion passed.

16. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING MATCH FUNDING FOR A DEFENSE COMMUNITIES INFRASTRUCTURE PROGRAM GRANT FOR DYESS AIR FORCE BASE: CEO Misty Mayo presented Resolution DCOA-2021.22, authorizing funding for the upgrade of a substation at Dyess Air Force Base. CEO Misty Mayo introduced Gray Bridwell, Vice President of the Military Affairs Committee (MAC). MAC is applying for the Defense Communities Infrastructure Program grant (DCIP) to receive additional funding to upgrade the substation at a cost of \$1,200,000. In order to strengthen the competitiveness of the application, community support is required and a 30% match is being requested from the DCOA. The match funding will be up to \$360,000 to cover the 30% community contribution for the DCIP grant so the substation can be upgraded at Dyess Air Force Base. The funding will be contingent upon the remainder of the match funding being provided by the DCIP grant and only to be used to upgrade the substation.

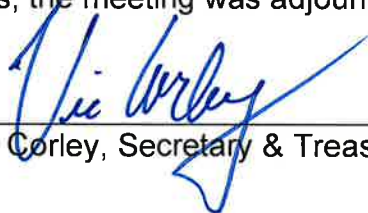
Sam Vinson made a motion to approve Resolution DCOA-2021.22, authorizing funding for the upgrade of substation at Dyess Air Force Base. Vic Corley seconded, and the motion passed.

17. DISCUSSION OF THE NEXT BOARD MEETING DATE: Board members considered dates for the next meeting, and Chair Jack Rich announced that the next scheduled meeting of the DCOA Board is tentatively scheduled for July 14, 2021, at 9:30 am.

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



Jack Rich, Chair



Vic Corley, Secretary & Treasurer