

Hardee County Economic Development Council/Industrial Development Authority
Regular Meeting Minutes
October 15, 2013
Tech River

Vanessa Hernandez- Chair-P
Russ Melendy- Vice Chair-P
Dottie Conerly-P
Jim See -P
Doug Jensen-P

Rick Justice-A
John O'Neal-P
Michael Prescott-P
Gene Davis-P

Donald Samuels-P
Horst Witschonke-P
Lory Durrance-P
Diana Youmans-P

The meeting was called to order at 9:00am.

Visiting: Benny Albritton, Travis Bond, Robert Cole, Michael Flowers, Doug Knight, Kenny Lambert, Marie Lambert, David Noel, Henry Kuhlman, Trey Flemmer, Terry Atchley, Patrick Shanley, Veronica Hurst, Danny Weeks, Donna Doubleday, Randy Dey, Dustin Jurman, Steven Southwell and Denise Hamilton.

County Attorney: Ken Evers

County Commissioners: Mike Thompson, Grady Johnson Sue Birge and Colon Lambert

Press: Michael Kelly and Jim Kelly

Staff: Bill Lambert, Sarah Pelham, Kristi Schierling, Krystin Chapman and Casey Dickson (Chamber of Commerce Executive Director)

Agenda: Mr. Henry Kuhlman had requested to be added to the agenda to discuss the removal of the trespass order against him. Horst Witschonke made a motion and it was seconded by Donald Samuels to amend the agenda to add the trespass item. Vote was 10-2. Motion was not passed by the majority.

Minutes: Gene Davis made a motion and was seconded by Russ Melendy to approve the minutes as printed. Motion passed unanimously.

Election of Officers

Attorney Evers opened the floor for nominations.

Mike Prescott made a motion and it was seconded by Doug Jensen for Vanessa Hernandez to be Chair. Motion passed unanimously.

John O'Neal made a motion and it was seconded by Dottie Conerly for Mike Prescott to be the Vice Chair. Mike Prescott declined the nomination.

Horst Witschonke made a motion and was seconded by John O'Neal to nominate Horst Witschonke as Vice Chair.

Mike Prescott made a motion and was seconded by Lory Durrance to nominate Doug Jensen as Vice Chair.

Doug Jensen made a motion and was seconded by Gene Davis to nominate Russ Melendy as Vice Chair. A ballot vote was done to determine between the three nominees, who the Vice Chair would be.

The results were:

Horst Witschonke 1 vote

Doug Jensen – 3 votes

Russ Melendy -8 votes

Russ Melendy is the new Vice Chair.

Approval of meeting dates with new meeting time

Director Lambert spoke to the Board about changing our advertising of the meeting dates from the Calendar Year to our Fiscal Year. The new advertisement would be for the months of October-September. Director Lambert also felt that it would be best for us to move our meeting time from 9am to 8:30am since our meetings are going into the lunch hour. The meetings would still be held at the Board of County Commissioners office.

Doug Jensen made a motion and was seconded by Gene Davis to authorize the new advertisement with the new time. Horst Witschonke voted no. Motion passed.

Hardee Lakes Update

Danny Weeks was here before the Board to give an update on the Hardee Lakes project. The campsites are available and are waiting on the permit to get the water there. Electric is being worked on. The breaking of the bathroom foundation is being done today. Mr. Weeks also let the Board know that they are looking at hiring another staff person to work out there. Roughly \$120K is left of the grant money.

Prayer Resolution-Authorization for Chair to sign

The prayer resolution that the BOCC uses has been amended to have it reflect the IDA.

Jim See made a motion and was seconded by Gene Davis to approve the resolution and authorize Chair to sign. Motion passed unanimously.

PfMan update

Veronica Hurst, COO, of PFMan was here today to give an update to the Board. The Genset operations are going well. Dyno Room equipment and the CNC machines will be arriving next month. Veronica Hurst has been talking with members of the film industry about changing their gensets to become greener. PFMan has also been talking with other companies and the possibility of locating to Hardee County.

RFQ for Agent Services

Director Lambert has asked the Board for permission to do a RFQ for Agent Services. The EDO office has determined that it would be best to hire a company to manage all of our insurance portfolios.

Doug Jensen made a motion and Diana Youmans seconded to allow staff to advertise for RFQ for Agent Services and come back to the Board with the proposals. Horst Witschonke voted no. Motion passed.

Florikan

Director Lambert included in the agenda packet a final set of negotiated points that we will put into the contract related to the construction and lease of the Florikan building. If the Board is fine with this criteria, Director Lambert will move forward with the contract and have the Chair sign it.

Donald Samuels made a motion and was seconded by Russ Melendy to go ahead with the contract relative to the points presented and will be brought back before the Board for approval. Horst Witschonke voted no. Motion passed.

Marketing

Krystin Chapman announced to the Board that she had chosen Marketing Alliance to do our website and logo. The contract has been included in the agenda packet and the total amount of the contract is \$19,950.

Mike Prescott made a motion and was seconded by Diana Youmans to approve the contract. Motion passed unanimously.

Sarah Pelham went before the Board seeking approval to increase the marketing line item of the budget by \$7000.00 by transferring money from the General Fund. This would give Krystin Chapman a full budget amount to use for the Fiscal Year.

Board members thought it would be best to leave the budget as is and have Krystin Chapman or Sarah Pelham come back when the funds would be needed.

Doug Jensen made a motion and was seconded by Donald Samuels to not approve the transfer of funds for the marketing line item. Motion passed unanimously.

Hardee Broadband project

Before any discussion took place, Lory Durrance and Jim See abstained. The Bill of Sale was attached in the agenda. There was a minor change related to the signature section. Both the IDA attorney (Ken Evers) and Rapid Systems attorney (Steven Southwell) felt that Rapid Systems did not need to sign the Bill of Sale. In Attorney Evers opinion, the UCC filings are not valid on equipment owned by the IDA. That is not part of the Bill of Sale.

Doug Jensen made a motion and was seconded by John O'Neal to authorize the Chair to sign the Bill of Sale with the Rapid Systems signature area removed. Motion passed unanimously.

EDA grant approvals-Authorization for Chair to sign

The EDA award agreements for the EDC funding and the Incubator had been prepared and ready for the IDA Chair to sign. Board members asked if the contract had been reviewed by Attorney Evers. It had not been. Attorney Evers stated that the EDA uses a standard template for all grant awards with just the amounts and recipient changing depending on the project.

Attorney Evers reviewed the contracts during the break and let the Board know that he is comfortable with both contracts.

Doug Jensen made a motion and was seconded by Donald Samuels giving authorization to the Chair to sign both EDA grant award agreements. Motion passed unanimously.

Review and Authorization of purchase contract for the Incubator/Accelerator property

An offer of \$510K has been made on the building. The bank has accepted our offer and has sent a purchase contract for Board review and authorization. An appraisal will be done on the building and we will purchase the building at the lowest price. That will either be the appraised value or the offer of \$510K. A deposit of \$25K will be required. We will have 60 days for due diligence and we will be able to have our deposit refunded if it is done so within those 60 days. Everything will be subject to IDA Board approval.

John O'Neal made a motion and was seconded by Dottie Conerly to authorize Director Lambert to enter into the contract and fund the deposit. Motion passed unanimously.

Continuum Labs

Casey Dickson went over the Year End Review. The grant expired 9/30/2013. At the end of the review, there are three recommendations for the Board regarding funding. The Board may also come up with their own solution or combine some of the recommendations. Travis Bond did a brief update. There are now 15 employees located at Tech River. Five of them were hired last month. Mr. Bond has also been working with two specialty hospitals and a national payer. An audit will be done and it may take between 90-120 days to complete.

Of the original \$7.25 million that was awarded, \$990,881.14 is left.

Gene Davis made a motion and was seconded by Doug Jensen to extend the contract by 3 months, approving the current draw request, funding the remaining balance of the \$7.25 million over the ensuing next 2 months, conduct an audit of the full \$7.25 million. Donald Samuels and Horst Witschonke voted no. Motion passed.

Financial Report

Sarah Pelham went to the Board for permission to open a new bank account for the Incubator. All transactions having to do with the Incubator will be done through this new account.

Doug Jensen made a motion and was seconded by Dottie Conerly to authorize staff to open a new account for the Incubator. Motion passed unanimously.

Sarah Pelham also asked the Board for authorization to transfer money from the General Fund to the new Incubator account. The amount being requested to transfer is \$ 88,300. This will be for the deposit on the building and Peace River Paddles draw request, if it is approved.

Dottie Conerly made a motion and was seconded by Jim See to authorize the transfer of \$88,300 from the General Fund to the Incubator account. Motion passed unanimously.

Sarah Pelham reviewed the draw request from Peace River Paddle Sports (Trey Flemmer) with the Board. He is submitting for \$63,300. This amount is for his initial startup. Sarah Pelham is seeking approval for the draw request template as well that will be used by Peace River Paddle Sports and Cantu Apiaries when they submit their draw requests.

Donald Samuels made a motion and was seconded by Horst Witschonke to approve the draw request from Peace River Paddle Sports and also approved the draw request template to be used for the draw requests. Motion passed unanimously.

Sarah Pelham reviewed the EDC and IDA financials from the previous month.

Donald Samuels made a motion and was seconded by Horst Witschonke to approve both sets of financials.

Lory Durrance made a motion and was seconded by Gene Davis to adjourn the meeting. Motion passed unanimously.

Meeting was adjourned at 1:39pm.