



MINUTES

Hardee County Economic Development Council Hardee County Industrial Development Authority

Commission Chambers 412 W. Orange, Room 102, Wauchula, FL 33873 Regular Meeting

11/14/2017 8:30 AM

BOARD MEMBERS

Gene Davis, Chairman | Tommy Watkins, Vice-Chairman | Monica Reas | Courtney Green | Dorothy Conerly | Lory Durrance | Calli Ward | Vanessa Hernandez | Bill Lambert

1. Call to Order

Attendee Name	Title	Status	Arrived
Gene Davis	Chairman	Present	
Tommy Watkins	Vice-Chairman	Present	
Monica Reas	Board Member	Absent	
Courtney Green	Board Member	Present	
Dorothy Conerly	Board Member	Absent	
Lory Durrance	Board Member	Present	
Calli Ward	Board Member	Present	
Vanessa Hernandez	Board Member	Present	
Bill Lambert	Economic Development Director	Present	
Sarah W Pelham	Economic Development Corrdinator	Present	
Kristi Schierling	Economic Development Office Manager	Present	

Visiting: Henry Kuhlman, Bruce Stayer, Liz Steele, Lindsay Lynch, Kyndall Carson, Charlie Cox and Keith Rupp.

County Commissioners: Mike Thompson

Press: Michael Kelly

2. Approval of Agenda

Item 2.1. Motion to approve the agenda as presented

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Vanessa Hernandez, Board Member
SECONDER:	Lory Durrance, Board Member
AYES:	Davis, Watkins, Green, Durrance, Ward, Hernandez
ABSENT:	Reas, Conerly

3. Approval of Minutes

Item 3.1. October 2017 EDC/IDA minutes

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Tommy Watkins, Vice-Chairman
SECONDER:	Vanessa Hernandez, Board Member
AYES:	Davis, Watkins, Green, Durrance, Ward, Hernandez
ABSENT:	Reas, Conerly

4. Agenda Items

Item 4.1. Olive Grant update

Lindsay Lynch with South Florida State College came today to update everyone on the grant. Kyndall Carson is the ag specialist with SFSC. We have been awarded through the USDA a \$150,000 grant. We will have 2 plots. One on the ridge at SFSC and the other is the IDA plot. This grant will give us an opportunity to advance our research that we are trying to do. Right now the money will be going to the college as they are the subcontractor and the contract is with them. We do need to hire a caretaker since Dillard has left. New cultivars that have not been grown in Florida will be grown through this project.

Item 4.2. Department of Economic Opportunity Grants

DEO is responsible for the \$85 M appropriated this session. It has been set up as the Florida Job Growth Grant Fund. \$25M is for infrastructure and the remaining is for infrastructure and workforce training. The applications do not have a deadline. The applications get submitted to DEO, reviewed and decided by them which ones reach the Governor. It is on a first come first serve basis. We would like to submit for our water sewer for the Commerce Park expansion project. The project budget is for \$3.2 million. This is a preliminary budget. We plan on doing a match. We are working on getting actual numbers. It could be between \$1M and \$1.2M that we would request. Our matching amount is already in our budget. These dollars can not benefit a single entity but a public purpose as a whole.

The motion needs to authorize staff to submit to DEO and allow Sarah Pelham to sign the application. Proof has to be submitted showing that the authorization has been given for Sarah to sign. Tommy Watkins would like to wait until we see the map before voting. Sarah would like to submit in the next couple of weeks.

Tommy Watkins made a motion to table and was seconded by Vanessa Hernandez.

The map was brought up and Director Lambert showed where the water/sewer would be. A gravity lift station will pump into the commerce park system by the creek to another lift station then to the sewer plant. Once this is complete, it would be the county's water and sewer and we would turn the road over to the county as well.

Vanessa Hernandez made a motion and was seconded by Courtney Green to allow staff to prepare, sign and submit the grant application subject to BOCC approval. If time permits, staff can take this to the BOCC to present.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Vanessa Hernandez, Board Member
SECONDER:	Courtney Green, Board Member
AYES:	Davis, Watkins, Green, Durrance, Ward, Hernandez
ABSENT:	Reas, Conerly

Item 4.3. Steel Equine Sub Grant Agreement

Liz came today and thanked the board. It has been such a long process. Her equine facility was established in 2008. It has since grown into a full veterinary hospital. They have outgrown what they have and have a demand for a larger facility. They will have a bunkhouse, water treadmill and other specialized equipment. The Ida is managing the grant on behalf of the EDA. There are no operational costs in this grant. She does not have any job creation requirements. Liz filled out the economic development grant application. She will have 4 jobs but there is no timeline for these to be created. It is a deliverable in the agreement. The IDA will take a second behind her bank. The EDA approved this yesterday pending IDA approval. The term of the agreement is 5 years.

Motion to approve the subgrant agreement between the IDA and Steel Equine.
This agreement will be incorporated into the EDA grant award agreement.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Tommy Watkins, Vice-Chairman
SECONDER:	Vanessa Hernandez, Board Member
AYES:	Davis, Watkins, Green, Durrance, Ward, Hernandez
ABSENT:	Reas, Conerly

Item 4.4. Mauldin & Jenkins Engagement Letter- Audit FYE 2017

This is our engagement letter for the 2017 audit year. We normally have these each year and bring them to the board for approval. Their rate this year is \$22,600 and is substantially lower than what we were paying with CLA. We were paying around \$40,000 and wanted to increase significantly if we were to engage them again.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Courtney Green, Board Member
SECONDER:	Lory Durrance, Board Member
AYES:	Davis, Watkins, Green, Durrance, Ward, Hernandez
ABSENT:	Reas, Conerly

Item 4.5. CliftonLarsonAllen letter- discussion

We received a letter a couple of weeks ago from CLA requesting us to pay the outstanding invoice along with 3 other options related to the Caresync examination report. One was to issue a report without receiving the letters of representation. This would require CLA to disclaim an opinion due to a scope limitation. The second was to wait until the lawsuit ends, sign the letters of representation and issue an unmodified report and the third option is to disengage CLA. The representation letter that was sent to be signed conveyed things that we would not sign. This was then broken out into two letters and not all of the items that we asked to be removed, were not. CLA does not recommend choosing the first or second option. They believe option 3 makes the most sense as there is additional cost to finish the engagement with no benefit to the IDA. Attorney Evers recommends taking up discussion regarding the paying of the outstanding invoice for \$8100 and not disengaging them. The lawsuit is currently on appeal. No attorney would recommend altering the relationship between the parties while a lawsuit is pending. Ken has discussed this matter with Burt Harris, who is representing the IDA in the lawsuit, and agrees with this position. Vanessa Hernandez and Director Lambert gave some background information on

how we came to this point. Caresync has made it clear that they will not be signing the letter until the lawsuit is cleared up.

Attorney Evers read aloud from the CLA letter and thought it was important to note, "At this point, almost three years after the draft was presented to the Board, I don't see any benefit to the IDA in CLA issuing a final report for the following reasons: Examination engagements are performed under statements for attestation engagements which are promulgated by the American Institute of Certified Public Accountants. There has been a new SSAE pronouncement issued since the end of the Continuum Labs, Inc Project fieldwork. This new standard was effective May 1, 2017 and will require the performance of certain additional procedures before we can issue our report. The draft report has already been presented to the IDA Board. Even though there are additional procedures required, I would not anticipate any significant changes to the draft report. Therefore, the IDA would incur additional costs with no corresponding benefit. As stated above, the lawsuit does not have any foreseeable end. The longer this goes on, the less relevant a final report is. I would say at this point it is very stale."

Calli Ward made a motion and Tommy Watkins seconded the motion to pay the \$8100.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Calli Ward, Board Member
SECONDER:	Tommy Watkins, Vice-Chairman
AYES:	Davis, Watkins, Green, Durrance, Ward, Hernandez
ABSENT:	Reas, Conerly

5. Project Updates/Chair Updates

Item 5.1. Staff Presentation

Bill Lambert and Sarah Pelham presented the Board with a Power Point update. This report is very similar to the Mosaic report that is done each year. This reviewed our activities over the year. Kristi Schierling reviewed the financial slides for the board. A copy of the presentation is on file.

6. Financial Report

Item 6.1. October 2017 EDC/IDA Financials

Sarah Pelham reviewed the financials for the previous month. There were some items that were out of the ordinary. Due to Hurricane Irma there were some repairs made as well as annual insurance premiums were paid.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Gene Davis, Chairman
SECONDER:	Tommy Watkins, Vice-Chairman
AYES:	Davis, Watkins, Green, Durrance, Ward, Hernandez
ABSENT:	Reas, Conerly

Item 6.2. General Fund Budget Amendments FYE 2017

Charlie Cox went over the budget amendments for the general fund for FYE 2017. There were 4 amendments. They were: Appropriation of additional grant award carry forward available in FYE 2017 on the Incubator capital FYE 2016 EDA Grant, write down of inventory to fair value, sales tax expenditures were not included on the originally adopted budget and the landscaping and grounds expenditure was estimated too low on the originally adopted budget.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Tommy Watkins, Vice-Chairman
SECONDER:	Vanessa Hernandez, Board Member
AYES:	Davis, Watkins, Green, Durrance, Ward, Hernandez
ABSENT:	Reas, Conerly

Item 6.3. Special Revenue Fund Budget Amendments FYE 2017

Charlie Cox reviewed the special revenue budget amendments for the previous fiscal year. There were a total of 4 and they were: appropriate grant expenditures incurred for the Winn Dixie property purchase incurred in FYE 2017, appropriate additional capital outlay incurred for the MOBO building in FYE 2017, appropriate additional project Olive grant expenditures due to Hurricane Irma and reclass grant expenditures, capital outlay and transfer to EDC for salaries to actual and reclass portion of Innovation Place capital outlay budget to grant expenditures.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Vanessa Hernandez, Board Member
SECONDER:	Calli Ward, Board Member
AYES:	Davis, Watkins, Green, Durrance, Ward, Hernandez
ABSENT:	Reas, Conerly

Item 6.4. Special Revenue Fund Budget Amendments FYE 2018

Charlie Cox reviewed the special revenue budget amendments for the current fiscal year. There were 2 and they were: decrease capital outlay for grant expenditures incurred for the Winn Dixie property purchase incurred in FYE 2017 and decrease capital outlay for amounts incurred for the MOBO building in FYE 2017.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Vanessa Hernandez, Board Member
SECONDER:	Courtney Green, Board Member
AYES:	Davis, Watkins, Green, Durrance, Ward, Hernandez
ABSENT:	Reas, Conerly

7. Announcements/Other Business/Public Comments

8. Adjournment