



MINUTES

Hardee County Economic Development Council Hardee County Industrial Development Authority

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

8/14/2018 8:30 AM

BOARD MEMBERS

Gene Davis, Chairman | Tommy Watkins, Vice-Chairman | Courtney Green | Lory Durrance | Calli Ward | Vanessa Hernandez | |

1. Call to Order

Attendee Name	Title	Status	Arrived
Gene Davis	Chairman	Present	
Tommy Watkins	Vice-Chairman	Present	
Courtney Green	Board Member	Absent	
Lory Durrance	Board Member	Present	
Calli Ward	Board Member	Present	
Vanessa Hernandez	Board Member	Present	

Visiting: Myles Albritton, Michael Noel, Bruce Stayer, Jamie Harrison, Henry Kuhlman, Rhonda Cole, Virginia Brown, Charlie Cox, Grady Johnson, Sharon Moye, Drew Varner, Arnold Lanier, Eddie Davis and Skip Darbin.

County Commissioners: Mike Thompson and Sue Birge

County Manager: Lex Albritton

County Attorney: Ken Evers

Press: Michael Kelly

Staff: Bill Lambert, Sarah Pelham and Kristi Schierling

2. Approval of Agenda

Item 2.1. Motion to approve the agenda with the addition

Director Lambert would like to change 4.1 to 4.1A experimental crop update and add 4.1B.

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

3. Approval of Minutes

Item 3.1. July 2018 EDC/IDA Minutes

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

4. Agenda Items

Item 4.1. Experimental Crop Update

Myles Albritton was here to give an update to the board relating to our experimental ag crop. We grafted 386 olive trees and of those about 85% held. The Arbequina and Koroneiki varieties seem to be the best so far. We are also assisting SFSC with their olive test plot. Pongammia Pinnata seems to be very adaptable here and grow very fast. Some were hurt by the cold while others were not. The IDA has purchased a small press and we will press olives ourselves.

Item 4.2. Impact of Ona Mine Agreement on Financial Statement- Presentation by Hardee County Education Foundation

The BOCC approved the Ona Mine agreement. Today we will be discussing the education portion of the agreement. Calli Ward is currently the President of the Hardee County Education Foundation. She has been on the board 5 or 6 years. The HCEF board will be the ones that manage the education endowment of the Ona Mine Agreement. It is to be maintained at \$8 million dollars. The scholarships that will be awarded will only be from the interest that the money has earned. Greg Harrelson will be assisting the foundation. The scholarship funds will be forgiven at 20% each year that the graduate lives in Hardee County. In order to expedite the funding of the endowment, Director Lambert mentioned that the CF money that is held by the EDA could be used. It will be at \$7 million dollars. The IDA could add in the remaining \$1 million dollars.

Item 4.3. DRAFT Budget EDC Fiscal Year 2018-2019

Sarah Pelham told the board that there was no change from last month's meeting to the EDC budget.

Item 4.4. DRAFT IDA Budget Fiscal Year 2018-2019 General Fund & South Ft Meade Mine

There were no significant changes to the budget. Charlie Cox did add in the expenses for Florida Hospital for the first 3 months of the new budget year. Winn Dixie columns were still left blank. The income for Techriver will change before we adopt the budget next month. Sarah told the board that there will need to be some repairs to the AC units at the old hospital. We have quotes for these. Director Lambert said that there are 3 parties interested in the old hospital. One is a 501c3 non profit. They will provide about 80 jobs. There is also a private sector company that has been looking at it for about 2 months. They are continuing to mull over pulling the trigger on the building. Bill told them we would be open to any proposals they send. There job creation would be about 125 jobs and it would go on the tax roll. The 501c3 would not go on the tax roll. Resthaven is also another option if we could not find a good job creation company to occupy it.

There were no changes to the Special Revenue side of the budget.

Item 4.5. DRAFT IDA budget Fiscal Year 2018-2019 Ona Mine

This budget was updated to show the income increase of \$2 million and the stripping margin column was added.

Item 4.6. Techriver- Leases

Two companies are interested in trying to employ former Caresync employees. The first is H3C, LLC out of Lincoln, Nebraska. We would like to give them a 90 day start up period. They have already hired local people who will be traveling to Nebraska for training on their system. In the event that the school board is still interested in the building, we would pay for both companies moving costs.

They would start with 10 employees and they will have rent and utility abatement for the first 3 months. Calli voiced that she would like the insurance requirement be increased to \$2 million from the current \$1 million.

-Lory Durrance made a motion and was seconded by Vanessa Hernandez to authorize the Chair to sign the lease with H3C with the insurance to be increased to \$2 million from the current \$1 million.

MDQ is the other company that is interested in moving into Techriver. They are based in California with offices in multiple states. They will start off with 5 employees. There have been no issues or concerns from either companies with the co-locating in Techriver. With both of them in there, the building will not be fully occupied. They will also be provided with rent and utility abatement for the first 3 months.

-Vanessa Hernandez made a motion and was seconded by Lory Durrance to authorize the Chair to sign the lease with MDQ with the insurance be increased to \$2 million from the current \$1 million.

Ken Evers said that there is still a lease in place with Caresync until November. Director Lambert said we would waive the remainder of the owed lease payments in exchange for the cubicles, furniture and equipment that was left in the building. This would be valued at close to \$100,000. Bill has been in touch with the assignee of Caresync related to this issue. Ken has reached out to their lawyer. We have not yet sent Caresync a termination letter. We wanted to discuss this with the board first.

-Calli made a motion and was seconded by Vanessa Hernandez to negotiate a termination of the lease with Caresync in exchange for a bill of sale on the remaining furniture and equipment that was left behind. Discussion was had on how we would handle the exchange of furniture for the remaining rental payments and how to get the release of it from the assignee.

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

5. Project Updates

Item 5.1. Disposal of Property- Winn Dixie and Old Hospital

Florida Hospital was discussed during the budget discussion. Director Lambert would like to put the old Winn Dixie property on the market. There has been some retail interest in it and also interest from site selectors. We currently have about \$1.5 million in the building now. The appraisal we have has it valued at \$2.7 million to \$3.5 million depending on the use. We should let the local realtors know that it is on the market and see what offers we get. We should also be open to offers that have due diligence periods in them as well.

-Lory Durrance made a motion and was seconded by Tommy Watkins to price the building at \$2.75 million.

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

Item 5.2. Hardee Fresh

Bill met with Hardee Fresh last week. They have hired local staff and plan to be open at the end of the year.

Item 5.3. PFM

Skip Durbin came to the meeting to give an update on PFM. They have product on the shelf. The contract that they had with the JCSC has been cancelled for their 10 units. There is a new Commander and PFM was told that they would be invited back to meet with the new Commander. Ken Evers brought up the amount that is due to the IP Attorney we hired. The cost of this vetting was very expensive. For the 3 months of work that was done, it was around \$94,000. He gives a very detailed opinion to the IP that belongs to PFM. This firm also handled the loan closing documents.

-Tommy Watkins made a motion and was seconded by Calli Ward to pay the legal invoices out of the general fund and class it to PFM.

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

Item 5.4. EZ Products

Dave Brown asked that he come to the September meeting to give a full presentation. Bill Lambert has talked to him often and Dave Brown is okay with locating to a different building.

Item 5.5. Durango Systems

Director Lambert talked to Brian Stufflebean yesterday. He may have his financing in place next month. We must have a \$500,000 deposit and he will have \$10 million in financing.

6. Financial Report

Item 6.1. July 2018 EDC/IDA Financials

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

7. Announcements/Other Business/Public Comments

8. Adjournment