

MINUTES

Hardee County Economic Development Council Hardee County Industrial Development Authority

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

9/13/2018 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	Absent	

Visiting: Dave Brown, Dustin Jurman, Johnnie Velez, Bruce Stayer, Charlie Cox, Virginia Brown and Rhona Cole.

County Manager: Lex Albritton

County Commissioners: Mike Thompson

Staff: Bill Lambert, Sarah Pelham and Kristi Schierling

2. Approval of Agenda

Item 2.1. Motion to approve agenda as presented

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

3. Approval of Minutes

Item 3.1. August 2018 Minutes

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

4. Agenda Items

Item 4.1. EZ Products, Inc Presentation

Dave Brown came before the board today with a presentation and a request. He is expanding his product line and will need employees with certain skill sets. Dave is looking to receive funds to begin a training program. Some of the skills learned can be used at any electronic manufacturing company. Lory Durrance announced that he would be refraining from any discussion due to a potential conflict. Dave Brown is asking for instructor and student costs. The instructor costs come to \$27,780 and the student costs are \$41,670 for a total request of \$69,450. Member Tommy Watkins thinks that this may open a pandora's box for any company to come to us for training dollars and he would like to wait for further discussion on this topic until we have a full board present. Member Calli Ward believes it is worth a shot.

Boardroom had to be used to hold court so this meeting has to be continued to 9/20/18.

Item 4.2. Rapid Systems Presentation

Item 4.3. Purchase of 1436 Old Bradenton Rd discussion

Item 4.4. MDQ lease

Item 4.5. Draft EDC Budget FYE 2019

Item 4.6. Draft IDA GF and South Ft. Meade Mine Budget FYE 2019

Item 4.7. Draft Ona Mine Budget FYE 2019

Item 4.8. Budget Resolution for FY 2018-2019

Item 4.9. Mauldin & Jenkins- FYE 2018 Annual Audit Engagement Letter

5. Updates

Item 5.1. Winn Dixie "Option" update

Item 5.2. Hospital "Option" update

Item 5.3. Tchrivier Update

Item 5.4. Lease purchase of portable offices to Hardee Fresh

6. Financial Report

Item 6.1. General Fund Budget Amendments FYE 2018

- Item 6.2. August 2018 EDC/IDA Financials
- 7. Announcements/Other Business/Public Comments
- 8. Adjournment



MINUTES

Hardee County Economic Development Council Hardee County Industrial Development Authority

Hardee County School Boardroom Florida Avenue, Wauchula, FL 33873 Regular Meeting

9/20/2018 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	Present	
Lory Durrance	Board Member	Present	
Calli Ward	Board Member	Present	
Vanessa Hernandez	Board Member	Present	

Visiting: Charlie Cox, Dave Brown, Michael Noel, Rhonda Cole, Virginia Brown, Bruce Stayer, Dustin Jurman, Johnnie Velez and Sharon Moye.

County Commissioners: Mike Thompson and Sue Birge

Press: Michael Kelly

Staff: Bill Lambert, Sarah Pelham and Kristi Schierling

Continuation of 9/13/18 meeting.

2. Approval of Agenda

3. Approval of Minutes

4. Agenda Items

Item 4.1. EZ Products, Inc Presentation

Dave Brown was back before the board again today for the discussion of his training costs. Lory Durrance announced that he would not participate in any discussion due to his relationship with Dave Brown and EZ Products and will abstain if a vote comes up. The IDA has offered to pay a portion of the student costs of training. Member Tommy Watkins proffered to pay the total cost of training and pay the instructor costs or do a

50/50 cost share. The funding would not go to the student directly. It would go to the employer and deliverables would be put in place. Member Calli Ward brought up the issue of employee retention. Dave let the board know that he currently has 7 full time employees and 4 part time employees. This training program will result in providing 5 full time positions. Discussion was had regarding this being a forgivable loan or a reimbursement based loan. The trainees will start out making \$12/hr and once they have completed the training course and passed, they will be moved to \$15/hr.

Calli Ward made a motion and was seconded by Vanessa Hernandez to direct staff to develop an agreement as a pilot program for the full amount of the training costs to be reimbursable upon receipt of invoices. This will be a loan and would be forgivable at the rate of 20% each year for the next 5 years as long as 5FTE's are maintained and also allow Chair to sign agreement.

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

Item 4.2. Rapid Systems Presentation

Dustin Jurman was before the board today with a presentation and a request. Dustin gave an overview of the Hardee Broadband project. The goal was to increase access to broadband to Hardee County. This originally included 15 monopoles and supported 300 megabits of internet bandwidth into the network. The network was then upgraded to gigabit and upgraded to 10 gigabit capacity. Google Cache was added to enhance applications and google properties. Routing and aggregation platforms have been updated several times for enhanced architecture. Internet Exchange added for Verisign, HE, Netflix and additional connectivity. Dustin went on to explain the network infrastructure which includes the first mile, middle mile and last mile. First mile upgrades would consist of upgraded core routers and upgraded core switches. This would enhance the performance of routing updates, enhance redundancy and have larger memory space for IPv4 and IPv6 routing tables. This costs is \$180,000. Upgrades to the middle mile would cost \$260,000 which includes 8 sites. This would allow multi gigabit capacity and allow 10x the throughput/performance of the original microwave radios as well as better sensitivity. Rapid Systems has been testing 2 industry leading backhaul radios now. Upgrades to the last miles would allow for massive, advancements in technology which allow for better penetration of trees and capacity improvements up to gigabit unobstructed and 50-100 Mbs obstructed. This is for 8 sites and the cost is \$280,000.

Dustin then went through the project challenges. He says that there is still a FRBA lien on the network which does not give them free and clear title. Dustin said that the IDA agreed to split the shared costs when FRBA disconnected from the network. The total costs from this was \$705,156.25 and the IDA's share would have been \$352,578.13. We gave them a check in August 2013 for \$127,878. To settle the shared costs, Rapid Systems is requesting \$224,700.13.

Attorney Ken Evers passed out a draft tolling agreement which is a litigation avoidance document. It suspends the running of the statute of limitations. Ken recommends the Chair signing the agreement. Ken Evers did say that the 3rd Whereas statement on the 2nd page can be deleted in its entirety.

Rapid Systems has said that they are unable to use the network as collateral for any funding due to the UCC's that have been placed on the equipment.

Discussion was brought back to the shared costs and the upgrades of the equipment. The upgrades to the systems are \$720,000. It is possible that we could do this as a reimbursement and look at it as upgrades to an infrastructure improvement. The board has decided to think about this more and will come back with something at a later date.

Item 4.3. Motion

Vanessa Hernandez made a motion and was seconded by Courtney Green to authorize the Chair to sign the tolling agreement with the amendment of removing the 3rd whereas on the 2nd page.

RESULT:	APPROVED [4 TO 0]
MOVER:	Vanessa Hernandez, Board Member
SECONDER:	Courtney Green, Board Member
AYES:	Davis, Watkins, Green, Hernandez
ABSTAIN:	Durrance
AWAY:	Ward

Item 4.4. Motion

Vanessa Hernandez made a motion and was seconded by Tommy Watkins to move forward with the settling of the shared costs and to forgive the \$127,878 loans and to have it removed from our books.

RESULT:	APPROVED [4 TO 0]
MOVER:	Vanessa Hernandez, Board Member
SECONDER:	Tommy Watkins, Vice-Chairman
AYES:	Davis, Watkins, Green, Hernandez
ABSTAIN:	Durrance
AWAY:	Ward

5. Updates
6. Financial Report
7. Announcements/Other Business/Public Comments
8. Adjournment

MINUTES

Hardee County Economic Development Council Hardee County Industrial Development Authority

Hardee County School Boardroom Florida Avenue, Wauchula, FL 33873 Regular Meeting

9/20/2018 11:00 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	Present	
Lory Durrance	Board Member	Present	
Calli Ward	Board Member	Present	
Vanessa Hernandez	Board Member	Present	

2. Approval of Agenda

3. Approval of Minutes

4. Agenda Items

Item 4.1. Purchase of 1436 Old Bradenton Rd discussion

It was noticed at the last meeting that the second parcel with this property was not included in the appraisal. It is now included and the appraisal has the new value at \$85,000. The property owners are asking \$105,000. Once the Commerce Park expands, this property will be worth much more. We did offer \$70,000 but it was turned down. Our well that we use is actually on this property. Member Calli Ward has asked that a phase 1 be completed.

Vanessa Hernandez made a motion and was seconded by Lory Durrance to purchase the property at the price of \$105,000 with the Chair to have authorization to sign the contract.

RESULT:	APPROVED [5 TO 0]
MOVER:	Vanessa Hernandez, Board Member
SECONDER:	Lory Durrance, Board Member
AYES:	Davis, Watkins, Green, Durrance, Hernandez
AWAY:	Ward

Item 4.2. MDQ lease

This company is currently located in the old hospital. This lease is very similar to the H3C lease that was recently approved. Rent will be waived until December 1, 2018. The lease is for 6 months with an extension option. MDQ will be paying 5% of the utilities. They are also interested in training dollars CNA's and LPN's.

Lory Durrance made a motion and was seconded by Vanessa Hernandez to approve the lease.

Vanessa Hernandez and Tommy Watkins are not crazy about MDQ being in the old hospital and would like for them to not be there. He brought up them moving in to the smaller building behind the hospital but it would not work out logistically.

There is also another company Bill is working with that wants the hospital. Bill has asked them to proffer their option agreement and it should be coming soon. They could create as many as 125 jobs.

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

Item 4.3. Draft EDC Budget FYE 2019

Sarah Pelham said that there were no changes to this draft budget since last month.

Vanessa Hernandez made a motion and was seconded by Tommy Watkins to approve the EDC budget for fiscal year 2018-2019.

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

Item 4.4. Draft IDA GF and South Ft. Meade Mine Budget FYE 2019

Sarah Pelham said that there were no changes to the General Fund and Special Revenue fund since the last meeting.

Vanessa Hernandez made a motion and was seconded by Calli Ward to approve the budget as presented for the fiscal year 2018-2019.

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

Item 4.5. Draft Ona Mine Budget FYE 2019

Charlie Cox let the board know that the funds have been separated into their appropriate appropriations. The funds were split 50/50 for the Infrastructure and Economic Development funds.

Vanessa Hernandez made a motion and was seconded by Tommy Watkins to approve the Ona Mine budget for fiscal year 2018-2019.

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

Item 4.6. Budget Resolution for FY 2018-2019

We have to adopt our budgets by resolution each year. Resolution 18-01 was presented for approval.

Vanessa Hernandez made a motion and was seconded by Calli Ward to approve Resolution 18-01 and allow Chair to sign.

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

Item 4.7. Mauldin & Jenkins- FYE 2018 Annual Audit Engagement Letter

Mauldin & Jenkins has sent the engagement letter for the 2017-2018 audit. The cost of the audit is \$23,000. It is up \$400 from last year.

Vanessa Hernandez made a motion and was seconded by Tommy Watkins to approve the engagement letter and allow the Chair to sign.

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

5. Project Updates

Item 5.1. Winn Dixie "Option" update

We have received a letter of intent from Harvey Investment, Inc for this building with a purchase price of \$1,450,000. Additional information was sent stating that if they were provided an opportunity to flip the contract, before they close, then they would be willing to share 20% of the upside profits with the IDA. Director Lambert had asked for 50% and they came back with 20%. Member Vanessa Hernandez does not want to take his offer now. It is too low in her opinion. Director Lambert said we could counter his number since we may not

be able to get our asking price of \$2,700,000. Harvey Investment, Inc would like an exclusive right to evaluate the building. Member Vanessa Hernandez would like for them to consider making another offer to bring to our next meeting. Tommy Watkins agrees. It is a consensus of the board to reject this offer and let him submit another offer.

Item 5.2. Hospital "Option" update

This was discussed during the MDQ lease item.

Item 5.3. Techriver Update

Director Lambert is still talking to the School Board and they are still thinking about the Techriver building. They would like to have it.

Item 5.4. Lease purchase of portable offices to Hardee Fresh

The portable offices were not included in the sale. Hardee Fresh is looking wanting to purchase them. The cost of the offices is \$100,145. We would give them a lease purchase them at 5% of our cost of the offices over the next ten years.

Lory Durrance made a motion and was seconded by Calli Ward to allow a contract be drawn up and the chair to sign.

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

6. Financial Report

Item 6.1. General Fund Budget Amendments FYE 2018

There was one budget amendment to the General Fund. An increase of \$94,000 was made to the professional fees for legal that were incurred in FYE 2018 in connection with valuation of intellectual property and preparation of line of credit documents.

Vanessa Hernandez made a motion and was seconded by Courtney Green to approve the budget amendments.

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

Item 6.2. August 2018 EDC/IDA Financials

Vanessa Hernandez made a motion and was seconded by Courtney Green to approve the August 2018 financials as presented.

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

7. Announcements/Other Business/Public Comments

8. Adjournment