

HARDEE COUNTY
ECONOMIC DEVELOPMENT AUTHORITY (EDA)
(INDEPENDENT BOARD)
COUNTY COMMISSION CHAMBERS
412 WEST ORANGE STREET, ROOM 102
WAUCHULA, FLORIDA 33873
AUGUST 25, 2009 8:30 A.M.

MINUTES

Members:

David Royal, Vice-Chairman, P
Bill Beattie, P
Paul Samuels, P
Vanessa Hernandez, P
Roger Hood, P

Bridget Merrill, P
Perry Knight, P
Bill Lambert, Chairman, P
Bobby Smith, P

County Attorney Ken Evers, P
Office Manager Sandy Meeks, P

County Manager Lexton H. Albritton, Jr., P

Chairman Lambert called the meeting to order at 8:30 a.m.

MOTION by Royal, second by Hernandez to approve the agenda. **Motion carried unanimously.**

MOTION by Royal, second by Smith to approve the June 23, 2009, regular meeting minutes. **Motion carried unanimously.**

- I. Acknowledge receipt of the Clerk's Financial Report for periods ending 06/30/09 and 07/31/09.

MOTION by Smith, second by Hood to acknowledge receipt of the Clerk's Financial Report for periods ending 06/30/09 and 07/31/09. **Motion carried unanimously.**

- II. Acknowledge receipt of the Project Status Reports from the City of Wauchula and the Hardee County Board of County Commissioners.

MOTION by Knight, second by Smith to acknowledge receipt of the Project Status Reports from the City of Wauchula and the Hardee County Board of County Commissioners. **Motion carried unanimously.**

- III. Discuss Letter received from the City of Wauchula requesting to modify their Grant Award Agreement for the Harvest Aviation Maintenance Hangar.

County Manager Albritton explained how clarification was needed on the latest Reimbursement Request Package received from the City of Wauchula. Rick Giroux, City Manager, City of Wauchula, briefly explained the size of the building was reduced to 9,600 sq. ft. so they would not have to have the fire suppression system that was needed for buildings more than 10,000 sq. ft. He further explained how the smaller building would still accommodate the project as outlined. He also explained how infrastructure was needed to complete the scope of the project and how he was advised the agreement did not contain enough detail and that he needed to submit a letter of modification outlining and stating what they were doing in more detail. He thanked the Board and asked for any questions. Merrill advised she thought they had come before the Board and talked about the size of the building. County Manager Albritton advised they "upsized" during that

discussion, but he was not aware of any discussion on the reduction in size. Chairman Lambert explained how the County Manager was responsible for making sure the applicant follows the contract and since the Board does not meet that frequently they may need to delegate more latitude to the County Manager, so they can avoid these type of situations in the future. Knight asked where they were at with the project now. Mr. Giroux advised they were essentially done. He also applauded the County Manager for his diligence in making sure the projects were completed according to the rules and regulations and how he apologized for any confusion the City of Wauchula may have caused. Hernandez asked if they were still going to fund the project at 100% since the requirements of the contract were not met. Chairman Lambert advised there was no request in amending the grant award amount. After further discussion, **MOTION by Hood, second by Knight** to amend the contract and include all related infrastructure in the contract. **Motion carried unanimously.** Chairman Lambert asked if anyone had any suggestions on how to keep this from happening in the future. Merrill asked what kind of leeway they had in the contract for the Contract Administrator to modify the contract. County Attorney advised none. Mr. Giroux advised most projects run into situations where modifications are needed. Chairman Lambert asked how much authority they could delegate to the Contract Administrator. Merrill advised with all of their contracts they administered if it stayed within the scope of the dollars awarded and the intent, whoever was managing the contract was given the authority to make those administrative changes. County Manager Albritton advised modifications needed to be done before requests for reimbursements. Merrill advised she totally agreed. After further discussion, **MOTION by Merrill, second by Hernandez** to direct County Attorney to insert in the contract a paragraph that allows for an obligation on behalf of the grant recipient to notify of material changes prior to the work being done. **Motion carried unanimously.** **MOTION by Royal, second by Merrill** to direct County Attorney to proffer language for the Board to approve that allows for administrative flexibility to making change orders to the contract. **Motion carried unanimously.** Hernandez asked if they would still allow the County Manager to make those type of decisions on County Projects. Merrill advised that would be at his discretion too. Hernandez asked how the Board would be notified of changes. Chairman Lambert advised they could have a procedure where the County Manager notified the Board of changes and if a Board Member wished to call a special meeting they could or if no one objected the County Manager had the authority to approve. Merrill advised how that would be cumbersome and how they needed to receive notification of the change orders and if they had a problem with them they could bring it up at the next meeting and the project would not be slowed down. County Manager Albritton stated they would need to be more specific when drafting the contracts.

- IV. Acknowledge receipt of Ranking Sheets from Town of Zolfo Springs, Hardee County BOCC, City of Bowling Green, and the City of Wauchula.

Chairman Lambert advised they needed a standardization of voting procedures and asked for the County Manager to send a letter explaining such. County Manager Albritton explained how the rankings were done differently which made it very difficult to summarize and how there were several ties. Chairman Lambert advised for the minutes to reflect the acknowledgment of receipt of the ranking sheets.

- V. Presentation by Bill Lambert, Director of Economic Development.

Bill Lambert, Director of Economic Development, advised Vice Chairman Royal would chair the meeting while he was presenting his presentation. Mr. Lambert opened his

presentation by providing some philosophical comments. He advised he had some great concerns about stewardship of the EDA money and how politics were still involved and how after five years, they had not created one job. He went on to explain how it was hard to coordinate economic development utilizing the EDA Grant money. He also advised the set up of the Board was also a problem. He also explained how this session the bill would be open for review which made them suspect and how everyone needed to recognize that. County Manager Albritton explained they received notice from the Bureau of Mine Reclamation (BMR) under the Department of Environmental Protections (DEP) and he had a meeting set up with BMR to see what they were seeking when they opened the bill. Chairman Lambert stated when he looked at the municipal applications he felt they were more for maintenance then they were true infrastructure applications and how he was not stating these applications were not legitimate it was just in absence of job creation he felt they were ending up funding something that was verbally expressed to him as not an intended use of the dollars. He also wanted to let everyone know they were going to pull the Airport Project request and also how Robert Jones' project was not dead, he just wasn't ready to apply for the grant. He went on to explain the issues with the Last Mile Broadband Project and how important it was to Hardee County. He also touched on some other companies that were interested in coming to Hardee County. He then explained that they had been negotiating with a company (pharmaceutical research and nutraceutical production facility) proposing a minimum of 125 jobs. He further explained this was the reason for his grant request. The applicant was not in the mix yet because the deal was not done. He explained they still had some work to do and that he was verbally notified they had a deal, but that the IDA would still like to fund the spec building with or without this company. Hernandez asked him about the return of the \$526,290 from cycle one. Mr. Lambert advised the total amount requested was \$1,776,290 and the IDA would also put in \$200,000. Merrill asked if the total cost of the project on Section II of application should be \$2,000,000. Mr. Lambert explained he did not have a design yet and would need some latitude. Knight touched on how he thought it was a very good idea. Merrill advised spec buildings were encouraged but explained they were usually used to get companies to come and look. She touched on how the application really needed more information. Chairman Lambert advised he did not have enough information to be more specific in the application. Hernandez asked if the application could at least have a square footage range. Chairman Lambert advised if it was just a spec building it could, but since it may be build to suit it was difficult to do. Merrill asked if it did not go to build to suit could the IDA come back with the parameters of the spec building. Chairman Lambert advised they could do that. County Attorney Evers asked for clarification on the return of the \$526,290 from cycle one. He asked was it being turned back in unconditionally or under the condition that this project was awarded. Chairman Lambert advised he was not using the return of the money as leverage for the current request. Samuels thought the spec building was a good idea. Hernandez advised her only concern was without having more detail they were opening the door for more applications being submitted with less detail.

VI. Presentation by Yvonne Kimball, City of Bowling Green.

Ms. Kimball, City Manager, City of Bowling Green, presented a power point presentation to the Board. Ms. Kimball explained that the City of Bowling Green had developed a Business Corridor Development Plan and how they were planning on enhancing Main Street and wanted to develop Hardee Street as well. She advised the one element that was missing was water. She touched on the Three Phase Plan they had developed and concluded that their request was for \$250,000 to install new water lines for their business corridor and they would appreciate any assistance they could get. Knight touched on the Phase I project and how it was completed. Merrill advised Ms. Kimball of the Rural

Infrastructure Fund and how the program worked. Ms. Kimball thanked Merrill for the information and advised she would check into it. Hernandez asked if new lines were being installed for Phase II and III. Ms. Kimball advised that on Hardee Street the lines would be brand new and that on Main Street they had lines now, but the lines were in very bad condition and felt they needed to be totally replaced. Hernandez asked where the funding for the remainder of the project would come from. Knight advised they would either use Rural Water, City Funds, or other grant funds. Merrill asked what specifically the \$250,000 was for on the water project. Ms. Kimball explained it was for Phase I and would also enable them to become shovel ready for Phase II and III. Merrill advised that it could not happen for Phase I. They then discussed the Phases and also the RACEC designation.

VII. Presentation by Rick Giroux, City of Wauchula.

Rick Giroux, City of Wauchula, City Manager, explained their project was for supplemental funding needed to complete the rehab maintenance electric substation expansion project. He further explained how the EDA had funded them \$700,000 for the project last cycle and they still need \$463,760. He explained the project would be completed in March 2010. He then touched on some of the companies wanting to locate to the City. He further advised they did not anticipate spending the entire \$463,760 and would return the remainder back to the EDA. Samuels asked what amount the City was applying. Mr. Giroux advised that depended on what the final bids came in at. Merrill asked about the rate structure. Mr. Giroux advised there were no electric utility rate increases in the current budget. Chairman Lambert advised the City could raise their rates to cover the cost. Mr. Giroux advised he would not suggest that to his Commission with the state the economy was in right now.

VIII. Presentation by Linda Roberson, Town of Zolfo Springs.

Ms. Linda Roberson, Town Manager/Finance Director, Town of Zolfo Springs, presented a power point presentation to the Board explaining her project request. She provided some history on the project and touched on the current wastewater treatment plant status. She explained that the Department of Environmental Protection was requiring the existing wet-weather storage capacity be expanded. She further explained they would like to use the EDA money for leverage and points. Knight asked if she had looked into pipelining the water. Ms. Roberson advised she had, but the cost would be so high. Knight explained he would like to see the three municipalities pull resources to better enhance and contribute to the cost. Ms. Roberson advised she has spoken to the Southwest Florida Water Management District (SWFWMD) and they advised her if the municipalities were to pull together there were some 75/25 grants available. Knight stated he would like to see the EDA funds along with SWFWMD funds relieve the Town's problem. Chairman Lambert touched on the territorial issues and how everyone needed to meet and work on a regional utility plan.

Chairman Lambert advised this was the conclusion of the presentations and asked what the pleasure of the Board was. **MOTION by Royal, second by Smith** to move forward and fund the spec building at the IDA Park and then reopen the funding cycle to allow the current applicants time to make necessary changes to their applications and also allow for new applicants. He touched on his concern of the Bill being opened up by the Legislature. Hernandez asked if the motion was to approve funding the spec building and with all the discussion on the other applications to request they come back for a second funding cycle

with any of the suggestions/changes that were discussed during the meeting. Chairman Lambert advised it was and they would move as quickly as they could and he also advised they may have some monies coming back to the Board. Hernandez advised she agreed that the Board needed some tangible results to show from the money they had spent so far and how jobs needed to be created. She also advised she had some serious concerns on the infrastructure needs if it was not directly related to growth and development of business and job creation. Merrill advised with a spec building not to expect jobs on the ground by the time the legislature met this year. Chairman Lambert advised they would at least have a work in progress. **MOTION passed** 8-1 with Merrill voting nay.

IX. Next meeting date on Tuesday, September 22, 2009

Meeting adjourned at 11:25 a.m.

William R. Lambert, Jr., Chairman