

HARDEE COUNTY
ECONOMIC DEVELOPMENT AUTHORITY (EDA)
(INDEPENDENT BOARD)
COUNTY COMMISSION CHAMBERS
412 WEST ORANGE STREET, ROOM 102
WAUCHULA, FLORIDA 33873
September 22, 2015 8:30 a.m.

MINUTES

Members:

David Royal, Chairman, P
Linda Roberson, P
Kenny Miller, P
Stanley Pelham, Excused

Donna Doubleday, Excused
Terry Atchley, P
Sue Birge, Vice-Chairman, P
Steven Southwell, P

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

County Manager Lexton H. Albritton, Jr., P

David Royal led the invocation followed by the pledge to the flag.

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

MOTION by Atchley, second by Birge to approve the agenda. Motion carried unanimously.

MOTION by Birge, second by Miller to approve the minutes for the regular meeting on August 25, 2015, at 8:30 a.m. Motion carried unanimously.

AFFIDAVIT OF PUBLICATION –The Herald Advocate 09/03/15 & The Florida Administrative Weekly 09/03/15.

- I. Request approval and authorization for Chairman to sign Resolution 2015-01 approving the Budget for FY 2015/2016.

Chairman Royal explained the only change was an increase in the amount charged by Clerk. **MOTION by Atchley, second by Miller to approve and authorization for Chairman to sign Resolution 2015-01 approving the Budget for FY 2015/2016. Motion carried unanimously.**

- II. Discuss holding retainage on Economic Development Council.
- III. Discuss Contingency Fund.

Chairman Royal explained he was going to put Item II & III together because he wanted the County Attorney to say a few words. County Attorney Evers advised he knew there was board action previously not to hold retainage out on governmental entities. He further explained he could not remember if it was a rule change or not. Ms. Meeks, Office Manager explained there was board action

to not hold retainage out on governmental entities, but the Economic Development Council was a 501c3 and not considered a governmental entity. She further explained it was just a motion from the board and no rule change was made.

County Attorney Evers then explained the second issue was the quick closing fund that Atchley had brought up at their last meeting. He then explained the quick closing fund would be funds set aside for a project that came up that just could not wait until the next funding cycle. He went on to explain the reason they had a difficult time recommending this was because of the whole approval process that was in Senate Bill 3110. He also stated they just did not feel comfortable having that until there was a statutory change.

County Attorney Evers then explained that was one issue, but he thought what Atchley was recommending was some type of contingency fund for already approved projects which was different. He then explained they could discuss that and then direct Staff to bring back some kind of recommendation at the next meeting. Atchley explained he did not want to circumvent any procedures but did not want them to cause a project to run into problems because of rising costs and not being able to be completed. Birge asked what amount he was wanting in the contingency fund. Atchley explained he did not have an amount. Royal asked County Manager if they put a percentage of their revenue received into a contingency fund could it be rolled over into next budget year if they did not spend it. County Manager Albritton explained it could be done, but they would have to develop rules on how they would access and use those funds. He also reminded the Board on the 15% limit that was on engineering costs of a project. Miller stated he liked the idea of including the contingency in the application. Southwell stated he agreed. Atchley stated he did not have a problem with the amount being built into the contract. Chairman asked if they wanted to direct Staff to come back at the next meeting with a recommendation.

Mr. Conerly, City Manager, City of Bowling Green spoke about his grant and how this discussion was so relative to his project and how they should also consider projects that had already been approved, but not yet completed because they could run into the same problem. Southwell advised he felt they should move forward with this. Miller asked would they have to amend the applications again. County Attorney Evers advised it might be possible to do it without having to amend them again, but he was not certain. Royal asked would they have to put this in application or just the contract. County Attorney Evers advised they could outline it in the contract, but he needed to go back and review everything before he advised them on how to handle.

They then discussed their concerns over the applicants wanting to spend all the money including the contingency. Atchley stated there were some controls with it being reimbursement dollars. They also discussed how they felt most applicants were already building a contingency in their request. Miller touched on how he felt it needed to be in application and just because money was there,

they did not have the right to spend it all. Birge stated it would be case sensitive. Chairman Royal stated he liked the idea of them having to state on application how much they were putting into contingency. Roberson stated her concern on how they could be adding more to the contingency than needed. Southwell explained they would have to evaluate the project. Atchley asked Mrs. Meeks how many grants had needed more money before they were completed. She stated most applicants turned in a few dollars. County Manager Albritton reminded the board of the Harvest Air Project through the City of Wauchula and how it had to come back before the board and needed an amendment. Atchley advised how it looked like they had dealt with the issue in one way or another, so just wanted to bring up the discussion and try to make the process easier. County Manager Albritton stressed to the Board how they needed to maintain control over the contingency. Chairman Royal asked the Board if they wanted to put this on hold for now and how he liked having the applicant come back and ask for more money and how he felt that put everyone on the same playing field. County Manager Albritton advised he would prefer them to direct staff to look into it further with the procedures and see what they could come up with. **MOTION by Atchley, second by Birge to direct Staff to look at any options and bring back to the Board at their next meeting for further discussion. Motion carried unanimously.**

Atchley stated he did not understand why they would only be holding retainage out on the EDC. Chairman Royal explained they do hold retainage if there not a government entity. Atchley stated he understood, but with the EDC with it only being operating costs did not feel they needed to hold retainage out. Mr. Lambert, Director, Economic Development Office explained the EDC was a component unit of the Industrial Development Authority (IDA). He further explained keeping the retainage did not hinder them from operating, but whatever they decided would be fine. Chairman Royal asked for the County Attorney's thoughts. County Attorney explained he did not recall how they had decided this in the past and needed to look at it. Mrs. Meeks read from the guidelines on how the retention requirement could be waived by the Authority. Miller stated they needed to just take up the issue when they wrote the grant award agreement.

- IV. Request approval and authorization for Chairman to sign Modification No. 1 to the City of Bowling Green's Grant extending it for another two year period.

Jerry Conerly, City Manager, City of Bowling Green explained to the Board about the grant that the City had received in 2013. He explained the grant was for \$626,163.58 for construction of a commerce park in Bowling Green and touched on how the initial draw for the grant was not to exceed \$200,000.00 and was to be used for basic infrastructure, connections, and entryway. He further explained shortly after they received the grant, they were approached by a company that was interested in the entire parcel, so the project was put on hold to see what this company was going to do. After almost a year, the company

decided they did not want to locate there. He then went on to explain, he got back with the engineers on the project and as they began looking at the project there were some concerns on the bidding process and then the expiration of the grant was coming soon, so they decided to just wait and ask for a two year extension, so that would give them more time to advertise and hopefully find a good company for the park. Chairman Royal asked if they had any other tenants they had been talking to. Mr. Conerly advised no. Atchley touched on how this goes back to their discussion before on not really knowing if the \$200,000 would be enough money now, but it was one of their approved projects. Southwell explained his concerns were similar to Atchley's and touched on the extension being a bandaid and how they might need to apply again at the next cycle, so they can update the costs of the project. Southwell asked Mr. Conerly was it still going to be a problem to work under the confines of the grant agreement without the timing issues. Mr. Conerly explained how the County Manager had mentioned earlier that if you did not have enough money for the project you scale it back. He went on to explain the project as it was designed could be scaled back. He also stated he would hate to have a company want to come and then they have to go back through the application cycle. He stated that he would like to have an extension which would allow them to actively seek a tenant and see how it worked out from that stand point. Miller asked had they spent the \$200,000.00 yet. Mr. Conerly advised they had not spent it yet. Birge asked if they could just extend for a one year period and not a two year period. Miller asked what their history was on extending grant award agreements. County Manager Albritton explained grants had been extended before. Chairman Royal advised why didn't they just do a one year for now and then if they had a tenant and started moving forward on the project and needed another year, they would entertain that at that time. Mr. Conerly stated that would work for them.

MOTION by Birge, second by Roberson to approve and authorization for Chairman to sign Modification No. 1 to the City of Bowling Green's Grant extending it for a one year period. Southwell asked if they received extension could they apply at the next cycle. County Manager Albritton explained they could. **Motion carried unanimously.**

- V. Acknowledge receipt of Reimbursement Request for the Incubator Cycle 11 in the amounts of \$6,009.45, \$54,946.08, \$14,418.29, \$39,052.70, and \$12,558.00 and the Water/Sewer Corridor in the amount of \$16,065.55.

MOTION by Atchley, second by Southwell to acknowledge receipt of Reimbursement Request for the Incubator Cycle 11 in the amounts of \$6,009.45, \$54,946.08, \$14,418.29, \$39,052.70, and \$12,558.00 and the Water/Sewer Corridor in the amount of \$16,065.55. **Motion carried unanimously.**

- VI. Acknowledge receipt of Clerk's Financial Report for period ending 08/31/15.

MOTION by Birge, second by Roberson to acknowledge receipt of Clerk's Financial Report for period ending 08/31/15. **Motion carried unanimously.**

VII. Public Comment.

County Manager Albritton stated they had approved their timeline with all the meeting dates.

Mr. Lambert, Economic Development Director touched on the discussion on the quick closing fund. He explained he thought they wanted to set some money aside to use in case a project came up that they needed get moving quickly instead of having to wait for another grant cycle. He further explained that the bill stated that they should qualify the applicant to make sure they have the money to carry the project forward until reimbursement occurs, so if your setting aside extra money for an applicant that meant you did not qualify them right. He also stated the Industrial Development Authority wanted to work in concert with them. He went on to explain they could transfer some monies to the EDA if a project was to occur between cycles. He then touched on the Mobo Building and how they had been working with the company Phillips and Florida Grows for months on a project involving the growth of lettuce.

Meeting adjourned at 9:30 a.m.

A handwritten signature in black ink, appearing to read 'D. Royal', with a large, stylized flourish at the end.

David Royal, Chairman