

**April 30, 2013**

At The End Of The Initial Contract Period, At That Point They Have To Have \$60 Million Invested In The Project. At The End Of The Initial Performance Period, If The Entire Amount Has Not Been Funded Because They Haven't Hired The Amount Of Employees, The Maximum Number To Be Paid For Under The Contract 700, That Is The End Of The Funding Obligation And The Second Period Begins Which Is What I Call The Claw Back Period Which Means They Have To Maintain Those Jobs In Place For Four Years To Be Accounted For Annually At The End Of The Accounting Period, It's All Subject To Audit. At The End Of The Accounting Period Each Year, If For Whatever Reason There Are Fewer Jobs, They Would Be Subject To Refund Again. If They Don't Maintain The 700 Jobs, They Owe Us The Money Back For Four Years. At The End Of That Period Of Time, The Contract Expires. And They Have Fully Earned Whatever Moneys They Have At That Time.

Is It Correct That We're In Partnership With Enterprise Florida So The State Of Florida Also Has An Investment In This Particular Company Coming To The State Of Florida As Well As To Lee County?

It Is True. The Enterprise Florida Has Committed Out Of Several Funds, The Most Notable And Problematic For Them Is The Quick Action Closing Fund Which Is An Up Front Cash Payment In The Amount Of \$7 Million Is What Is Projected. That Is In The Budget, Which Was Printed Last Night By The State Of Florida. It's Going Through The 3-Day Waiting Period And Then Subject To The Governor's Signature On The Budget. The House Of The Senate Agreed On The Language. But They Are Involved In This Too And They Have Been Our Partners From The Very Beginning Of The Negotiation And Attempted Acquisition Of This Company.

Again, None Of Us Know Who Project A Is. I Just Want To Clarify For The Record That You Have Followed All Policies And Procedures Of Background Checks, Examination Of The Company And That We're Not Missing Any Of Our Policies, Procedures That Are Either Written Or Understood By This Board As Far As The First Program Is Presented To Us.

Yes, We Have Followed The Program As Currently Written. And We Have Followed The Intent And Recommendations Of The Program As We Intend To Revise It. On June 5th, We Will Be Bringing To M And P A Revision Of The Process And The

Standards Of The Program. Most Of Which Are The Same, But Some Of Which Are Different. For Your Discussion, Review, Approval, Modification And What Have You. But We Have Attempted To Follow The Best Thinking In Addition To The Policies That Are Already In Place In Pursuit Of This. Specifically, We Have Done The Background Checks. We Do Have The Financial Information. We Have The Proper Application. We Have Done The Proper Credit Checks. And I'm Confident We Have All Those Pieces In Place.

Great. Thank You Very Much. I Have No More Questions. But I'll Wait If Other Board Members Have. I Do Have A Couple Questions For County Attorney.

Thank You, Anymore Questions?

I Don't Have Any Questions Of Him. But Some Comments I'd Like To Share Before We Vote On Them.  
Is Now The Time?

Thank You Mr. Moore. I Appreciate You Filling Us In. Andrea, I Don't Know If This Is A Question For You Or Not Because It Deals With The Contract Itself. I Was Confused On, We Keep Using The Term On Here On Or Before Completion Of The Initial Performance Period. And There's Really No Date. Can You, Again For The Record, Go Over What The Performance Period Is? Because There's Benchmarks That Something's Gonna Trigger What That Time Is. Just For Public Benefit, If You Could Explain What That Is.

Thank You. George Knot For The Record. Commissioner, The Initial Performance Period Is A Defined Term Under The Contract. If You Will Look At Paragraph 2.6 Of The Contract. It Defines The Initial Performance Period As Meaning That Period Of Time Following The Effective Date Which Is The Date On Which All The Parties Sign The Agreement And Ending On December 31st, 2016 Unless Accelerated In Paragraph 16 Of The Agreement. The Purpose For This Is, Well I Consider It To Be A Very Positive Purpose. In Our Negotiations With Project A, It Was Their Belief That They Would Achieve The Initial Milestone Of 350 Jobs Prior To December 31 Of 2016. As The Commission Is Well Aware, Not Only Do They Have A Performance Requirement To Create 350 Jobs, They Also Have A Performance Requirement To Retain The 350 Jobs For Four Years. So If They Ramp Them Up Earlier Than December 31 Of 2016, Naturally They Don't Want To Extend Out The Performance Requirement That They Maintain To Create An Obligation On Themselves To Maintain Them For Longer Than Four Years. So I View The Acceleration Provision As A Very Positive Provision In The Agreement Because It Indicates Belief On The

Part Of Project A That These Jobs Are Gonna Be Created For Lee County Much Sooner Than December 31 Of 2016.

Well, I'm Just Gonna In Paragraph 4.2.1, The First 315 Jobs By September 20th, 2015. I Don't Want People To Be Confused. We're Talking A Total Of 700 Jobs. The Balance Of Those Jobs Could Be Accelerated Prior To The Year 2016.

You Are Correct, Commissioner. They Have Until December 31 Of 2016 In Which To Create All 700 Jobs. The Initial Milestone Is Earlier Than That. But They Could Accelerate The Creation Of Those Jobs Earlier. And If They Do, They Want Their Performance Requirement As Far As The Maintenance Of The Jobs To Start As Of The Date They Create That 700.

I Interpret Acceleration To Be Any Of Those Jobs.

Correct.

So They've Created 300 Jobs By January Of 2014, We Would Be Accelerating That Per Job Payment To Them.

The Acceleration Provision From My Perspective Goes To The Retention Obligation.

Ok.

I Think The Payment Obligations Are Set Forth In The Contract.

Right, Ok. And I Wanted To Ask You, You Have Quarterly Reports That Are Required And You've Laid Out Those Dates And One Of Them Is June 30th. And In There, You Also Have A Separate Report For Jobs For June 30th Which Is An Annual Report. So I Was Curious Because You're Requiring The Same Information, The Quarter Reports -- Are They Gonna Be Doing Two Reports?

The June 30th Annual Report Is The Same Information Would Be Contained In Both Reports.

So That June 30th Quarterly Is Also Their Annual. It Was Confusing The Way It Was Worded In This Particular Agreement. I Just Want To Clarify Again For The Record That -- And \$30 Million On Or Before The Completion Of The Initial Performance Period. So There's Quite A Heavy Capitol Investment. And You're Requiring Them To Verify That. Including Cancelled Checks And Receipts From

That Capitol.

That Is Correct.

I Appreciate The Extra Care That You've Taken In How We're Gonna Receive This Information And That We Have Payroll Record Confirming The Actual Jobs, Not Just A Listing Of Them. So I Want To Thank Andrea And Her Team And Certainly You For Making It A Little Clearer And Defining More What Our Expectations And The Way We're Gonna Get This Information And That It's Consistent. Thank You.

And Commissioner Hall, To Follow Through On That Thought, We've Also Included An Audit Provision.

Yes, I Saw That With The Clerk And The County Attorney's Office. So I Appreciate That. Thank You.

Any Other Questions From The Commissioners For George?

If I May. One Question, Could You Reconfirm Our Ability To Audit Any Information That Comes From Those Companies. In The Past, There's Disclosure Issues.

You Have The Ability To Audit Under This Contract.

Ok, Thank You.

And I Would Add As Another Positive Note From The Cooperative Attitude That Project A Expressed During These Negotiations, That Was Not Even A Subject Of Discussion. They Accepted That On Face Value.

Thank You. That's All My Questions.

I've Just Got Some Comments That I'd Like To Share Before We Vote.

Commissioner Mann?

I Want To Thank Commissioner Hall For Bringing Out On The Record All Of The Critically Important Things That She Just Did That Point Out Why I Need To Share Some Comments Here. Because Those Kind Of Questions That Were So Appropriate Today And Are Always Appropriate Were Not Asked Before On Projects That We Undertook Under This \$25 Million Program. I Want To Say At The Outset

Here That I Intend To Vote For This. And I Have Not Struggled Over Many Votes That I've Had Here Quite As Much As I Have Here. But Frankly, I Need To Clear My Conscience As One Who Has Been On The Commission Since This Program Began. It Was A \$25 Million Commitment Of Lee County Taxpayer's Dollars With All The Right Reasons And The Noble Intentions To Do Good Things For Economic Development. And We Began This Program Right At The Beginning Of The Economic Crash. So Getting Into The Program Is Understandable. And The Financial Commitment Is Understandable. The Way We Ran The Program Is Not Understandable. Of The \$25 Million -- One Of The Reasons I Feel Obligation To Share A Little History Here And An Explanation To Clear My Conscience Is I Was Saturday At The Pioneer Picnic. That's People Who Have Been In Lee County 50 Years Or More. They All Get Together, About 500 Of Them. It's A Wonderful Event. 3, Maybe 4 People Approached Me Laughing. And They Had The Same Message. And It Was This, "Frank, If I Promise Not To Tell You Who I Am, Will You Give Me \$4 Million." Well, It Does Tend To Make You Laugh. And Right Now, The General Impression Of Lee County Citizens Who Have Thought Of That Is Exactly That. And I Got The Same Kind Of A Question From One Person At Church Sunday Morning. Frank, If I Promise Not To Tell You Who I Am, Can I Have \$4 Million Of Your Taxes. That's A Fair Question Based On Our Track Record. Of The \$25 Million, \$5 Million Was Questionable At Best. And That Is The Most Charitable Thing I Can Say About That Project. It Was \$5 Million Of Taxpayer's Money And I Voted For It. It Was \$10 Million And We Passed That And In Yesterday's Paper, Yesterday's News Press -- This Is A Quote From The Head Of The Company, "I Have Been Directed By My Board To Look Elsewhere Based On The Fact That The Legislature Is Gonna Stop Their Annual Subsidy For Ethanol Type Products. It Awaits The Governor's Signature. If He Signs It, There's Every Chance That Their C.E.O. Says They're Gonna Look Elsewhere. So Now We've Committed \$10 Million There And There's No Provision In That Contract If After A Couple Years They Leave For Us To Get The \$10 Million Back. So That's 15 Of The \$25 Million Wholly At Risk Right Now. 60% Of That \$25 Million Is Wholly At Risk. And Now We're Asking Again To Commit Another \$4 Million To A Project That We Five Commissioners Are Not Allowed To Know The Name Of The Company. Does It Surprise Anybody That The Public Would Scratch Their Head And Say, Gosh Frank. I Promise Not To Tell You Who I Am, Can I Have \$4 Million? Because That's The Way It Looks Like We Do Business Around Here. So How Have I Come To The Point Where I Can Support This Today? This Is Really A Close The Barn Door When The Horse Is Gone. 60% Of Our Horses Have Run Away. But Some Of The Things We Desperately Needed To Do On This Program Have In Fact Now Been Accomplished. Mr. Moore, As He Was Putting This Project Together Was Also Working With The Horizon Council. Our Appointed Group Of Business Leaders Who Do A Superb Job Of Leading Us. But They, Themselves,

Have Recognized How Foolish We Looked With This Program Until Now. And They Have Come Forward With A Bunch Of Suggestions Of How We Should Have Been Running This Program All Along After The Horse Was Out Of The Barn. But We Have Adopted Virtually All Of Their Recommendations In This Particular Proposal. And Those Are Some Of The Things That Were Ticked Off Very Effectively And Were Made Public Record By Commissioner Hall A Minute Ago. The Bottom Line Here Is We Don't Extend One Penny Of Your Taxpayer's Dollars In This Project Until The Applicant Has Expanded His Own Money In A Major Way, Tens Of Millions Of Dollars. This Is Vastly Different From Where We Funded, It Looks Like Now, First Dollar On A Brand New Company. This Is A Company With A Huge Track Record. I Don't Know Who They Are. But Every Indication That We Have Been Given Is That They Are Not Only Sound, But They Have To Put Their Money Up First. And That's A Big Different In The Way We've Been Doing Things. And That's Critically Important. It's Also Critically Important To Know That We Are Partnering In This With The State Of Florida. They Have Already Adopted In Both Chambers A Budget That Includes \$7 Million Of Their Money And Then Some Indirect Commitments That Could Go As Much As \$5 Million. That's \$12 Million. That's A Big Statement By The State Of Florida And A Huge Partnership Here. And They're Doing Better Than Twice, Almost Three Times What We're Being Called Upon To Do. So For Those Reasons, The Horse Is Gone. We Can't Do Anything About That Expect Apologize. And I Do. We Didn't Handle That Well At All. While This Recession Lingers, We Still Must Continue To Look For Ways That We Here In Lee County Can Take Steps That Make Sense To Rejuvenate Our Economy. And Our Economy Crashed Like This, And It Is Barely On The Way Up Again. And I Think This Can Be A Huge Step Forward. And It's Being Handled Properly This Time For The First Time. And It's A Good Example As The Way This Program Should Have Been Handled All Along. Mr. Chairman, There's A Lot Of Folks Out There That Are Not Happy About The Way We've Handle This Program. I Felt Obligated To Put These Thoughts On The Record And Tell You What I'm Thinking And Tell You What This Is. I Don't Think I'm Telling You Anything You Haven't Heard Yourself. I Yield And I Intend To Support The Motion.

Commissioner Hall?

I Just Want To Put Some Facts On The Record. This Has Been A Great Program. And We've Had Good Policy In Place. And We Have One Of, I Believe, Five Incentives That Did Not Follow That Policy. But The Other Incentives, All Of Them Were Performance Agreements. And All Of The Policies And Procedures Were Followed. And I Don't Want To Disdain Where We Started To Where We Are Today Because An Error Was Made On One Particular Incentive And It Was A Very Large

Incentive. And We Do Owe An Apology To The Residents Of Lee County, The Taxpayer's Of Lee County. Because This Board Did Not Handle That Particular Incentive Well Because Of The Process We Had Gone Through To That Point. And I Think There's Been A Lot Of Discussion One On One With Staff. But I Don't Want To Throw The Baby Out With The Bath Water And Say That We've Never Followed Any Policies. The Amendment Policy That Is Coming To Us Are Basically The Same Ones We Currently Have. With Just A Few More. And If You Go Back, And I Have Taken Great Pain To Read Every Single Document. I Assure You That For The Most Part, We Have Done -- We've Had A Good Policy. But Can It Be Better, Absolutely. Can It Be More Checks And Balances, Absolutely. Folks Who Are Involved With The One That Wasn't Handled Correctly, They're No Longer Here At Lee County. And I Think That I Appreciate Andrea Taking Steps Immediately To Realize Where The Fault Lied In The County Attorney's Office. We Have To Do Things More Transparently. We Have To Do Things Where The Citizen's Of This Community Understand That Decisions That Are Being Made Here Are Being Made Because We Do Have Good Information. I Also Just Want To Share That The Legislature Does Not Know Who This Company Is Either. They've Committed \$12 Million, The House And The Senate, Without Knowing Who This Company Is. So Nobody Knows. I Don't Even Know If The Governor Actually Knows Or Not Either. I'm Hoping That We Quickly Know Who The Company Is Once We Make This Decision. And I Do Want To Say On A Positive Note, There's So Many Good Things Going On In Lee County That Don't Get Reported. There's So Many -- Our Cup Is Half Full In This Community. We Have A Beautiful Community. Just Drive Around Here Any Given Day Of The Week And Look At The Protection We've Done Here. And Why Would A Company Like This Want To Come Here? Because This Board And These Citizens Have Made This County A Place Where Quality Of Life Is Extremely High. We Have A Very Generous Community Here. Not Only With The Volunteerism They Do, The Donations They Give, We Have A Staple Government Here Who Understands How Important It Is To Have A Solid Budget. We Have Great Staff Here Who Does Their Jobs, For The Most Part, Well With Consideration And Thoughtfulness And Always With The Thought Of The Taxpayer. Because Guess What, Every One Of Us Here Is A Taxpayer. So Again, I Want To Thank The Staff And Commissioner Mann I Share Your Frustration With The Last Incentive We Did. There Is No Doubt It Was Handled Completely Inappropriately. But I Do Agree That We'll Be Taking All The Right Steps To Move Forward In A Positive Manner. And We Are Asking The Right Questions And We Are Making Sure That The Public In This Chamber Understands What The Details Of Them Are. And So I Appreciate For Those Who Are Watching And Want To Get The Information Firsthand, Thank You For Taking The Time To Tune In And Get That Information. Thank You, Mr. Chairman.

Thank You. I Have A Couple Comments. First Of All, I'd Like To Thank The Lee County Staff For All The Hard Work. This Has Been Months For Work. Enterprise Florida, The Governor's Office. My Decision Is Based Upon The Incentive Agreement, Their Financial Background, The Stability Of The Company As Well As The Investment The Company Brings To Lee County. \$70 Million On The Payroll Will Be Paid To Lee County Citizens And Will Be Spent In Our Community. That's A Big Impact Here. And I'm Here Today To Support With. I Also Struggle With The Same Thing The Other Commissioners Have Brought Up. This Is A Learning Process For A Lot Of Us. But I Understand The Process And I Agree With It And I Support The Item. Commissioner Kiker?

I Guess It's Time For My Speech Here. I've Gone On Record Already That I Was Not Necessarily Agreed With The Process That We Followed Or That We Had To Follow. That's A Discussion That Needs To Happen At A Later Date. Having Said That, I Think That As Of November Last Year, When I Had The Honor To Come On This Board, I Accept All The Accountability And Responsibility Of All The Money That's Been Spent On This Program. And Not Only Do We Need To Look Forward, We Need To Look Back And See If There's Anything That We Can Put Together And Make Things Better. But This Whole Thing Is About Economic Development. And I Don't Think That This County Or Any Other County Can Mildly Watch What Goes On. I Think We Have To Take An Active Part And An Aggressive Role In Bringing Economic Development To This County. I Find This Agreement To Be Contractually Favorable To Lee County. I Have Had Experiences When I Was In Corporate Where I Saw Large Corporations Going To Communities. Where They Were Able To Benefit, Which I Believe Is What We're All Hoping For. I've Also Seen The Other Side Of It Where Large Companies Pull Out Of Communities And Saw What Happened. So Therefore, As You Look To This Company, They Have A Huge Responsibility To That Community. They Have A Responsibility To Their Employees In Their Assets. I Think It's Probably Gonna Be Difficult For Them. With That, I Just Hope That As We Go Forward That I'm Now Ready To Roll Up My Sleeves And Go To Work. I Think That We've Got A Lot Of Work To Do In Front Of Us. Hopefully Soon As This Transpires. So I Look Forward To Working With Everybody.

Any Objection? No Objection, Motion Carries 5-0.

Move 4-A Mr. Chairman.

Commissioner Manning Makes The Motion.

Just For The Record, I Wanted To -- Because There Was Some Conversation Back



And Forth About Salary And That The County Does Have A Policy On How We Determine Salary For Interim Managers. I Just Want To Put On The Record That We Did Follow That Policy. And That Is A Policy That We've Been Following On All Interim Positions.

Any Other Discussion? No Discussion, Any Objection? No Objection, Motion Carries 5-0. No Walk On Items, Commissioner Items. Commissioner Manning?

I Have None, Mr. Chairman.

Commissioner Kiker?

None.

Commissioner Mann?

I Think I've Taken All The Time I Need To. Thank You, Mr. Chairman.

Commissioner Hall?

Yeah, I Sent Everyone An E-Mail. Developing Projects For The Governor And We Need To Submit A Staff Person That Will Relay. And I'd Like To Recommend To Be That Point Person.

Second.

Commissioner Manning Makes A Second. Any Other Discussion? No Discussion, Any Objection?

Thank You Very Much. That's All I Have.

I Have An Announcement To Make To Support Our Local Delegation And Reference Some Legislative Issues. One Of Them Would Be The Medicaid Share Costs. If You Can Make A Phone Call To Each One Of Those And Give Us More Details On The Memo.

Mr. Chair?

Commissioner Kiker?

I Have Been Asked To Pass On A Special Invitation To Commissioner Hall And To Commissioner Manning. I Had An Opportunity To Visit The Community Center. I Guess Over 3 Or 4 Years, Very Specifically You Two Kept Voting And Helping Them Along. So They're Looking For Your First Visit Out There. They've Completed, As Well As The Rest Of You. And One More Plug, They're Looking For An Extra \$40,000 For One Of Their Work Programs. So I Did My Job. Thank You Very Much. It's A Beautiful Place. The Community Is Amazing. Thank You.

I Have Another Announcement If I Can Add Real Quick. Saturday I Attended The Local Meeting And I Presented A Proclamation For All Their Efforts, All The Years Of Hard Work Of Trying To Work With Lee County Government To Transparency And Financial Responsibility With The Government. And I Was Happy To Present That To Nine Members Of That Committee Who Have Been Together The Last Four Or Five Years. Committee Appointments, Commissioner Manning?

I Have Two New Appointments And Two Re-Appointments. Lisa Benton To The Parks And Recreations Services Committee. Tyler Edward, And Finally A New Appointment Of Doug Kruger To The Cherry Blueberry Improvement Unit.

Second.

Commissioner Hall Seconds. Any Discussion? No Discussion, Any Objection? No Objections, Motion Carries. Commissioner Kiker, Do You Have Some?

Yes, I Have Three. New Appointees For The Coastal Advisory Council Is Councilman Dan Andre. And Vice Major Joe.

Second.

Commissioner Manning Makes Second. Any Discussion? No Discussion, Any Objection? No Objection, Motion Carries.

One Reappointment.

Second.

Commissioner Manning Makes Second. Any Discussion? No Discussion, Any Objections? No Objections, Commissioner Hall?

I Have An Appointment.

Commissioner Manning Makes Second. Any Other Discussion? Any Objection? No Objection, Motion Carries.

Nothing Today, Thank You.

County Attorney's Items?

No, Thank You.

We Are Adjourned. Thank You.