

MIDLAND DEVELOPMENT CORPORATION
MINUTES
May 29, 2014

The Board of Directors of the Midland Development Corporation convened in regular session at Midland City Hall basement conference room, Midland, Texas, on May 29, 2014.

Board Members present: Chairman Robert Rendall, Secretary Cary Love, and Director Tracy Bacon.

Board Members absent: Director Gary Douglas and Director Brent Hilliard.

Staff Members present: City Manager Courtney Sharp, Assistant City Manager Robert Patrick, City Attorney Keith Stretcher, First Assistant City Attorney John Ohnemiller, Deputy City Secretary Adriana Moreno, and Deputy City Secretary Karla Mata.

Council Members: W. Jeffery Sparks (District 1)

MDC Staff Members present: Executive Director Pam Welch, Economic Development Specialist Zach Gilbert, and Marketing Coordinator Regan Latham.

1. Chairman Rendall called the meeting to order at 9:00 a.m.
2. Consider a motion approving the minutes of the April 25, 2014 regular meeting of the Midland Development Corporation.

Director Bacon moved to approve the minutes of the April 25, 2014 regular meeting of the Midland Development Corporation; seconded by Director Love. The motion carried by the following vote: AYE: Rendall, Love, and Bacon. NAY: None. ABSTAIN: None. ABSENT: Douglas and Hilliard.

3. Receive and discuss a presentation by Russell Meyers concerning Midland Memorial Hospital's physician recruitment.

Russell Meyers representing Midland Memorial Hospital presented a proposal for physician recruitment that called for a total of up to two million dollars in which would spread over 5 years.

The Board excused observers at 9:35 a.m. and recessed to executive session.

4. Pursuant to Texas Government Code §551.101, the Board of Directors held an Executive Session which is closed to the public to discuss the following matters as permitted under the following Texas Government Code Sections:
 - a. Section 551.087 Deliberation Regarding Economic Development Negotiations

- i. Discuss business prospects that the Midland Development Corporation seeks to have, locate, stay, or expand in or near the City of Midland, Texas and discuss possible incentives, and discuss contract compliance on the part of businesses.
- b. Section 551.072 Deliberation Regarding Real Property
 - i. Discuss the sale, exchange, lease or value of real property described as an approximate 78.25 acre tract of land out of Section 11, Block 40, T-2-S, T&P RR Co. Survey, Midland County, Texas.
 - ii. Discuss the sale, exchange, lease or value of real property described as Lot 6, Block 9, and Lots 9 and 10, Block 10, Midland International Airport Industrial Park Addition, Section 5, Midland, Midland County, Texas.
 - iii. Discuss the sale, lease, exchange or value of Lots 1-8 and 13-23, Block 53, Original Town Addition, Midland, Midland County, Texas.

The Board reconvened into regular session at 10:21 a.m.

5. Consider a resolution authorizing the execution of a Reimbursable Physician Recruitment Agreement with the Midland County Hospital District d/b/a Midland Memorial Hospital for the recruitment of physicians to the City of Midland to advertise or publicize the City of Midland for the purpose of developing new or expanded business enterprises.

Director Love suggested a motion to amend removing the word “bonus” and replacing it with “relocation.”

Director Love moved to amend and adopt Resolution No. ED-0227 removing the word bonus and replacing it with relocation. The resolution as amended authorizing the execution of a Reimbursable Physician Recruitment Agreement with the Midland County Hospital District d/b/a Midland Memorial Hospital for the recruitment of physicians to the City of Midland to advertise or publicize the City of Midland for the purpose of developing new or expanded business enterprises; seconded by Director Bacon. The motion carried by the following vote: AYE: Rendall, Love, and Bacon. NAY: None. ABSTAIN: None. ABSENT: Douglas and Hilliard.

6. Consider a resolution authorizing the negotiation and execution of a design-build contract with Lone Western Star Development, LLC regarding the construction of Orbital Outfitters, Ltd.’s facility; and appropriating \$2,200,000.00 therefor.

Director Love moved to adopt Resolution No. ED-0228, a resolution authorizing the negotiation and execution of a design-build contract with Lone Western Star Development, LLC regarding the construction of Orbital Outfitters, Ltd.’s facility; and appropriating \$2,200,000.00 therefor; seconded by Director Bacon. The motion carried by the following vote: AYE: Rendall, Love, and Bacon. NAY: None.

ABSTAIN: None. ABSENT: Douglas and Hilliard.

7. Consider a resolution authorizing the execution of an Economic Development Agreement between the Midland Development Corporation and the City of Midland for improvements for the Avalon Road extension; and authorizing payment therefor in an amount not to exceed \$550,000 therefor.

Director Love moved to adopt Resolution No. ED-0229, a resolution authorizing the execution of an Economic Development Agreement between the Midland Development Corporation and the City of Midland for improvements for the Avalon Road extension; and authorizing payment therefor in an amount not to exceed \$550,000 therefor; seconded by Director Bacon. The motion carried by the following vote: AYE: Rendall, Love, and Bacon. NAY: None. ABSTAIN: None. ABSENT: Douglas and Hilliard.

8. Consider a resolution authorizing the execution of a change order to the construction agreement with Carleton Construction, Ltd. regarding the Wall Street Lofts Project; and appropriating \$200,000.00 therefor.

Director Bacon moved to adopt Resolution No. ED-0230, a resolution authorizing the execution of a change order to the construction agreement with Carleton Construction, Ltd. regarding the Wall Street Lofts Project; and appropriating \$200,000.00 therefor; seconded by Director Love. The motion carried by the following vote: AYE: Rendall, Love, and Bacon. NAY: None. ABSTAIN: None. ABSENT: Douglas and Hilliard.

9. Receive and discuss and consider the April monthly expenses from the Midland Development Corporation.

Executive Director Pam Welch gave an overview of the April monthly expenses from the Midland Development Corporation Income Statement.

10. Receive and discuss the monthly economic development activity report from the MDC staff as well as any reports on marketing and advertising activities.

Economic Development Specialist Zach Gilbert and Marketing Coordinator Regan Latham reported on the monthly economic development activity and on marketing and advertising activities.

All of the business at hand having been completed, Chairman Rendall adjourned the meeting at 10:59 a.m.

Respectfully submitted,

Karla Mata, Deputy City Secretary

PASSED AND APPROVED the 20th day of June, 2014.

Cary Love, Secretary