

MIDLAND DEVELOPMENT CORPORATION

MINUTES

March 04, 2019

The Board of Directors of the Midland Development Corporation convened in regular session at the Midland City Hall basement conference room, 300 North Loraine Street, Midland, Texas, on March 04, 2019.

Board Members present: Chairman Brent Hilliard, Director Wesley Bownds, Director Chase Gardaphe, Director Stephen Lowery, and Director Berry Simpson

Board Members absent: None

Staff Members present: Assistant City Manager Frank Salvato, Assistant City Manager Morris Williams, City Attorney Nicholas Toulet-Crump, Director of Engineering Jose Ortiz and Deputy City Secretary SueAnn Reyes

Council Member(s) present: Sharla Hotchkiss (District 3), J.Ross Lacy (District 4), and Michael Trost (At-Large)

MDC Staff Members present: Interim Administrator Sara Harris, Director of Project Development Gary Law, Director of Business Development Tim Danielson, Administrative Assistant Blair Flanagan, Assistant Engineer Ranjita Chennamsetti, and Assistant Engineer Nikitha Sankepally

1. Call meeting to order.

Chairman Hilliard called the meeting to order at 10:01 a.m.

2. Introduction of new board member Chase Gardaphe.

Chairman Hilliard introduced and welcomed new board member Chase Gardaphe and Deputy City Secretary SueAnn Reyes swore in Mr. Gardaphe as a new board member.

3. Consider a motion approving the minutes of the February 4, 2019, meeting of the Midland Development Corporation.

Director Lowery moved to approve and minutes of February 4, 2019; seconded by Director Simpson. The motion carried by the following vote: AYE: Bownds, Gardaphe, Hilliard, Lowery, Simpson. NAY: None. ABSTAIN: None. ABSENT: None

4. Receive and discuss a presentation from Landon Torres of Texland Collision, winner of the 2018 Midland Entrepreneurial Challenge.

Mr. Landon Torres was not present.

5. Receive and discuss a presentation from Brandon Bradley of Most Wanted Waste Disposal, winner of the 2018 Midland Entrepreneurial Challenge.

Brandon Bradley gave an update on the progress of Most Wanted Waste Disposal noting his company is doing well and that he is looking to expand in September and hire his first employee. Mr. Bradley thanked the MDC and the SBDC for their support.

6. Receive and discuss a presentation from Jarrod Sparks of Tall City Brewery, winner of the 2018 Midland Entrepreneurial Challenge.

Jarrod Sparks gave an update on the progress of Tall City Brewery noting they are in the early construction phase of their tap room, which should open in late spring or early summer. He stated they have received nothing but good feedback from the community and that they were launching their own carbonated water and thinking of canning it. He stated his distribution would soon be expanding to Lubbock, Amarillo and San Angelo. He also stated their merchandise is now for sale online.

7. Receive and discuss a presentation from Director of Engineering Services Jose Ortiz regarding the extension of Fairgrounds Road.

Director of Engineering Jose Ortiz gave an overview of the extension on Fairgrounds Road. He noted that the City of Midland has acquired all of the rights of way needed and, that at this point Phase 2 would be initiated before Phase 1. Lastly, he said that would be back in April with another update for the MDC board.

8. Consider a motion approving a delegation letter to Governor Abbott describing the contributions of the Permian Basin to the Texas economy and the increased infrastructure demands placed upon the Permian Basin; and authorizing the Chairman to execute said delegation letter.

Director Bownds moved to approve a motion approving a delegation letter to Governor Abbott describing the contributions of the Permian Basin to the Texas economy and the increased infrastructure demands placed upon the Permian Basin; and authorizing the Chairman to execute said delegation letter; seconded by Director Simpson. The motion carried by the following vote: AYE: Bownds, Gardaphe, Hilliard, Lowery, Simpson. NAY: None. ABSTAIN: None. ABSENT: None

9. Receive and discuss and consider the February 2019 monthly expenses from the Midland Development Corporation.

Sara Harris noted that the first quarter of rent abatement for AST had been paid, and that sales tax revenues continue to increase.

10. Consider a resolution authorizing the execution of a consultant services agreement with Beyond Engineering and Testing, LLC, in an amount not to exceed \$50,000.00.

Director Lowery moved to approve a resolution authorizing the execution of a consultant services agreement with Beyond Engineering and Testing, LLC, in an amount not to exceed \$50,000.00; seconded by Director Gardaphe. The motion carried by the following vote: AYE: Bownds, Gardaphe, Hilliard, Lowery, Simpson. NAY: None. ABSTAIN: None. ABSENT: None

11. Consider a resolution authorizing the execution of a consultant services agreement with InterFlight Global Corporation in an amount not to exceed \$94,590.00 for services related to the procurement of new tenants for facilities located at the Spaceport Business Park.

Director Bownds moved to approve a resolution authorizing the execution of a consultant services agreement with InterFlight Global Corporation in an amount not to exceed \$94,590.00 for services related to the procurement of new tenants for facilities located at the Spaceport Business Park; seconded by Director Lowery. The motion carried by the following vote: AYE: Bownds, Gardaphe, Hilliard, Lowery, Simpson. NAY: None. ABSTAIN: None. ABSENT: None

12. Consider a resolution authorizing the execution of an Interlocal Agreement with the University of Texas of the Permian Basin in an amount not to exceed \$576,177.00 to advertise or publicize the City of Midland for the purpose of developing new and expanded business enterprises.

Director Bownds moved to approve a resolution authorizing the execution of an Interlocal Agreement with the University of Texas of the Permian Basin in an amount not to exceed \$576,177.00 to advertise or publicize the City of Midland for the purpose of developing new and expanded business enterprises; seconded by Director Gardaphe. The motion carried by the following vote: AYE: Bownds, Gardaphe, Hilliard, Lowery, Simpson. NAY: None. ABSTAIN: None. ABSENT: None

13. Consider a resolution appointing Sara Harris as the Interim Executive Director for the Midland Development Corporation; establishing a definite term; defining the duties of the Interim Executive Director; and declaring an effective date.

Director Simpson moved to approve a resolution appointing Sara Harris as the Interim Executive Director for the Midland Development Corporation; establishing a definite term; defining the duties of the Interim Executive Director; and declaring an effective date; seconded by Director Bownds. The motion carried by the following vote: AYE: Bownds, Gardaphe, Hilliard, Lowery, Simpson. NAY: None. ABSTAIN: None. ABSENT: None

14. Receive and discuss a presentation regarding the Priority Midland initiative.

Gary Law gave an update on the Priority Midland initiative, stating that the launch event was very successful, and that to date there are over 200 volunteers for the working groups. The first steering committee meetings have set the stage of ongoing alignment, and initial work group sessions have been scheduled for March 19, 20 and 21<sup>st</sup>. The launch event generated significant media coverage resulting in six television broadcast segments. He stated that overall, the Priority Midland initiative has received much support from the community.

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

Sara Harris reported the annual reports were now available and would be published in the Midland Reporter Telegram on March 24, 2019. Gary Law gave an update on the Spaceport Business Park and David Mims Business Park, noting that current improvements were progressing as planned.

**The Board excused observers at 11:29 a.m. and recessed into executive session.**

16. Pursuant to Texas Government Code §551.101, the Board of Directors and the Midland City Council will hold 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 551.072, Deliberation Regarding Real Property.

- I. Discuss the sale, exchange, lease or value of real property described as an approximate 374 acre tract of land out of Section 33, Block 40, T-1-S, T&P RR Co. Survey, Midland County, Texas.
- II. Discuss the sale, exchange, lease or value of real property described as an approximate 53.62 acre tract of land out of Section 11, Block 40, T-2-S, T&P RR Co. Survey, Midland County, Texas.
- III. Discuss the purchase, exchange, lease or value of real property described as Lots Five (5), Six (6), Seven (7), and Eight (8), Block Thirty-Five (35), Original Town of Midland, an addition to the City of Midland, Midland County, Texas.
- IV. Discuss the sale, exchange, lease or value of real property described as Lot 6, Block 9, Midland International Airport Industrial Park Addition, Section 5, Midland, Midland County, Texas.

b. 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.

**The Board reconvened into regular session at 1:02 pm.**

All the business at hand having been completed, Chairman Hilliard adjourned the meeting at 1:03 p.m.

Respectfully submitted,

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SueAnn Reyes, Deputy City Secretary

PASSED AND APPROVED the 1<sup>st</sup> day of April 2019.

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Chase Gardaphe, Secretary