

MIDLAND DEVELOPMENT CORPORATION

MINUTES

October 01, 2018

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 October 01, 2018.

Board Members present: Chairman Brent Hilliard, Director Gary Douglas, Director Keith Stretcher, and Director Stephen Lowery

Board Members absent: Director Wesley Bownds

Staff Members present: Assistant City Manager Frank Salvato, Finance Director Pam Simecka, Assistant City Attorney Nicholas Toulet-Crump, and Deputy City Secretary Misty Cryer

Staff Members absent: Engineering Director Jose Ortiz

Council Member(s) present: Sharla Hotchkiss (District 3) and J. Ross Lacy (District 4)
John B. Love III (District 2)

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 Nikitha Sankepally, and Assistant Engineer Ranjita Chennamsetti

1. Call meeting to order.

Chairman Hilliard called the meeting to order at 10:00 a.m.

2. Consider a motion approving the minutes of the September 10, 2018, meeting of the Midland Development Corporation.

Director Stretcher moved to approve the minutes of September 10, 2018; seconded by Director Lowery. The motion carried by the following vote: AYE: Hilliard, Douglas, Lowery and Stretcher. NAY: None. ABSTAIN: None. ABSENT: Bownds.

3. Receive and discuss and consider the September 2018 monthly expenses from the Midland Development Corporation.

Sara Harris explained that the numbers presented are preliminary numbers due to the end of the fiscal year and these numbers will be adjusted because of some commitments that were paid out at the very end of the year and she could not reflect them quickly enough before she drew these up. Sara will present adjusted financial statements for September next month as well. Pam Simecka and Sara are in the process of working on the reimbursement for MDC Engineering team expenses from the City of Midland that was approved by the Amended Economic Development Agreement between the City and MDC.

4. Consider a resolution authorizing the Chairman to negotiate and execute all agreements and documents necessary to provide for the extension of electrical service to a particular lift station located on an approximate 53.62 acre tract of land out of Section 11, Block 40, Township 2 South, T&P RR Co. Survey, Midland County, Texas; and authorizing payment therefor in an amount not to exceed \$35,000.00.

Director of Project Development Gary Law mentioned the construction plans provided by N.C. Sturgeon identified a power source that turned out to be a private source, not a public source. Oncor provided an estimate to extend existing service to the lift station; \$29,254.71. Mr. Law mentioned a contingency factor is included in the \$35,000. The critical component right now is getting the service before the Weir facilities ask for their certificate of occupancy this December. Everyone is aware and on track and coordinating with the City on getting an address for the lift station. Oncor is about 6-8 weeks behind.

Chairman Brent Hilliard asked if there will be a reimbursement by counterparts. Mr. Law mentioned that there may be some responsibility that will be spread out by N.C. Sturgeon and Parkhill regarding an oversight in this project.

Director Stretcher moved to approve Resolution ED-387 authorizing the Chairman to negotiate and execute all agreements and documents necessary to provide for the extension of electrical service to a particular lift station located on an approximate 53.62 acre tract of land out of Section 11, Block 40, Township 2 South, T&P RR Co. Survey, Midland County, Texas; and authorizing payment therefor in an amount not to exceed \$35,000.00; seconded by Director Lowery. The motion carried by the following vote: AYE: Hilliard, Douglas, Lowery and Stretcher. NAY: None. ABSTAIN: None. ABSENT: Bownds.

5. Receive and discuss the monthly economic development activity report from the Midland Development Corporation staff as well as any reports on marketing and advertising activities.

Mr. Law introduced Ranjita Sai Chennamsetti, a new member of the MDC engineering team. Mr. Law gave an update on the Spaceport landscaping project. Preliminary construction landscaping plans have been received. Necessary City permits are being processed.

Sara Harris mentioned the Texas Workforce Commission numbers for August show a slight downward adjustment and believes the adjustment is due to seasonality of the labor force. Unemployment rate remains steady at 2.2%. Regarding marketing, Ms. Harris mentioned a direct mail piece was sent out to a select list of housing developers, about 100, detailing the need for housing in Midland. No feedback as of yet.

Mr. Danielson mentioned he attended an International Manufacture Technology Show in Chicago.

The Board excused observers at 10:20 a.m. and recessed into executive session.

6. Pursuant to Texas Government Code §551.101, the Board of Directors 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

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.

J. Ross Lacy left the meeting at 11:22 a.m.

The Board reconvened into regular session at 11:56 a.m.

7. Consider a resolution ratifying and approving the Chairman of the Midland Development Corporation's execution of letters of engagement with Zuckert Scoutt & Rasenberger, L.L.P., and Ground Based Space Matters, LLC, respectively, for the purpose of providing the Midland Development Corporation with legal services

regarding the Spaceport Business Park located at the Midland International Air & Space Port; and authorizing payment therefor.

Director Stretcher moved to approve Resolution ED-388 ratifying and approving the Chairman of the Midland Development Corporation's execution of letters of engagement with Zuckert Scoutt & Rasenberger, L.L.P., and Ground Based Space Matters, LLC, respectively, for the purpose of providing the Midland Development Corporation with legal services regarding the Spaceport Business Park located at the Midland International Air & Space Port; and authorizing payment therefor; seconded by Director Douglas. The motion carried by the following vote: AYE: Hilliard, Douglas, Lowery and Stretcher. NAY: None. ABSTAIN: None. ABSENT: Bownds

8. Consider a resolution authorizing the issuance of a request for proposals for landscaping services at the Spaceport Business Park at Midland

Director Lowery moved to approve Resolution ED-389 authorizing the issuance of a request for proposals for landscaping services at the Spaceport Business Park at Midland; seconded by Director Douglas. The motion carried by the following vote: AYE: Hilliard, Douglas, Lowery and Stretcher. NAY: None. ABSTAIN: None. ABSENT: Bownds.

All the business at hand having been completed, Chairman Hilliard adjourned the meeting at 12:00 p.m.

Respectfully submitted,

Misty Cryer, Deputy City Secretary

PASSED AND APPROVED the 5th day of November 2018.

Wesley Bownds, Secretary