

Leon County Research and Development Authority
Board of Governors Meeting
Collins Building
2051 East Paul Dirac Drive
Tallahassee, FL 32310

April 7, 2022
11:00am to 1:00pm

Minutes

Members in Attendance In-Person: Kevin Graham, Tom Allen, Keith Bowers, Ray Bye, Kristin Dozier, Eric Holmes, Shawnta Friday-Stroud, Anne Longman, Kimberly Moore, Dave Ramsay.

Members in Attendance by Electronic Means: John Dailey.

Members Not in Attendance: None.

Guests: Mary Jo Spector, FSU Facilities Planning; Melissa VanSickle, Nelson Mullins Broad & Cassel; Stephanie Shoulet, NAI Talcor; Ron Miller, Bill Lickson, Peggy Bielby, LCRDA Staff.

1. Call to Order

Kevin Graham called the meeting to order at 11:07am.

2. Introduction of Guests

All present introduced themselves.

3. Approval of Participation by Electronic Means

In accordance with the Bylaws, there being a quorum of members present in person, the members of the Board present in person are required to approve participation by those participating via Electronic Means acknowledging that the COVID-19 pandemic constitutes extraordinary circumstances.

Kristin Dozier offered a motion to allow participation by electronic means. Shawnta Friday-Stroud seconded the motion which passed unanimously with John Dailey not voting.

4. Modifications to the Agenda

Ron Miller offered three modifications to the Agenda, to be considered following Agenda Item 11:

- a. Northwest Regional Data Center Johnson Building Lease
- b. FAMU Department of Biological Systems Engineering Proposed Office Use Authorization
- c. Proposed Land Use Authorization

Anne Longman offered a motion to approve the modifications. Shawnta Friday-Stroud seconded the motion which passed unanimously.

5. Public Comment

None.

6. Approval of Draft Meeting Minutes, February 3, 2022

Tom Allen offered a motion to approve the meeting minutes. Eric Holmes seconded the motion which passed unanimously.

7. Consent Agenda

a. Investment Report

- i. January 2022
- ii. February 2022

b. NFIL Oversight Committee Reports

- i. February 23, 2022
- ii. March 30, 2022

c. Audit Committee Report, March 9, 2022

d. Executive Committee Report, March 24, 2022

e. Audited Financial Statements for Fiscal Year 2020-21

The Executive Committee requests ratification of its approval of the Audit Committee's recommendation to approve of the Fiscal Year 2020-21 Audited Financial Statements. Auditors Thomas Howell Ferguson issued an unmodified opinion with the report, and noted no irregularities, errors, or recommendations in its report on internal controls, report on compliance with local government investment policies, management letter or the attached Auditor's Communication with Those Charged with Governance.

f. Thomas Howell Ferguson Professional Auditing Services Agreement Extension

The Executive Committee requests ratification of its approval of the Audit Committee's recommendation to approve the attached Second Amendment to the Professional Auditing Services Agreement with Thomas Howell Ferguson to extend the agreement for two years at a cost of \$19,800 for the 2022 fiscal year and \$20,400 for the 2023 fiscal year. The fee history with the firm is also attached.

g. NAI Talcro Property Management and Accounting Services Agreement Extension

The Executive Committee requests ratification of its approval of the attached Second Amendment to the Property Management and Accounting Services Agreement to extend the term of the contract for one-year with a 4% increase in the management fee from \$7,354.37 to \$7,648.56 per month. The original three-year agreement provided 2.5% per year increases, and the prior year extension was awarded with no fee increase. The current agreement is due to expire on September 30, 2022 and provides that the term may be extended for additional one-year terms by mutual agreement of the parties.

END OF CONSENT AGENDA

Shawnta Friday-Stroud offered a motion to approve the consent agenda items. Tom Allen seconded the motion which passed unanimously.

8. Treasurer's Report

a. Treasurer's Summary, Balance Sheets, Income Statements, Budget Comparisons

b. Monthly Financial Reports:

- i. January 2022
- ii. February 2022

Treasurer David Ramsay presented his report to the Board and supporting financial reports.

Kimberly Moore offered a motion to accept the Treasurer's Report. Kristin Dozier seconded the motion which passed unanimously.

9. North Florida Innovation Labs ("NFIL") Project Update

Staff reviewed the status of the project to construct the NFIL including the current project cost and funding analysis.

Ron Miller reviewed the total building cost, total project cost, and additional funding secured. After value engineering and eliminating certain deductive alternatives, and additional funding from EDA, FSU Research Foundation, and LCRDA, and the \$4 million line of credit from FSURF, the total funding for the project is \$23,751,696.

10. Florida State University Research Foundation ("FSURF") Loan for North Florida Innovation Labs

The Board of Governors previously approved a \$3,000,000 line of credit from FSURF as specified in its Commitment Letter dated January 24, 2022 and authorized either the Executive Committee or the NFIL Oversight Committee to approve the final loan documents at the discretion of the Board Chair and the Executive Director. In response to higher-than-expected NFIL building construction bids, staff requested and has received approval from FSURF's Board for an increase in the loan amount to \$4,000,000. The loan is required to be approved by the Board of Governors and pursuant to Section 159.703(6), Florida Statutes, the President of each Affiliated Institution of Higher Education or that President's designee shall be present and vote on any action taken by the Board involving the issuance of bonds, or the transfer, development, lease, or encumbrance of any lands owned by the Trustees of the Internal Improvement Trust Fund and leased to the Authority. The loan is also subject to the approval of the Leon County Board of County Commissioners ("LCBCC").

Staff requests the Board's approval of the loan for \$4,000,000 from FSURF along with the associated agreements subject to final approval by the LCBCC.

After Ron Miller and Melissa VanSickle reviewed the loan documents and terms, Kristin Dozier offered a motion to approve the loan and associated agreements as presented subject to final approval by LCBCC. Kimberly Moore seconded the motion which passed unanimously.

11. ITB 22-01 North Florida Innovation Labs Construction Contract Award to Culpepper Construction Company, Inc. ("Culpepper")

a. Authorization to Competitively Negotiate

Two bids were received in response to ITB 22-01 as authorized by the NFIL Oversight Committee. One bid was rejected by the Committee as non-responsive. The lowest responsive and responsible bidder's price was higher than the contract budget. Based on staff and counsel recommendations, the Committee directed staff to conduct a competitive negotiation with the low bidder to value engineer a price within the project budget.

The NFIL Oversight Committee requests ratification of its authorization to competitively negotiate with the only responsive and responsible bidder, Culpepper Construction Company, Inc.

Tom Allen offered a motion to ratify the Committee's authorization to competitively negotiate with Culpepper. Dave Ramsay seconded the motion which passed unanimously.

b. Contract Award

As authorized by the Committee, staff, and Architects Lewis+Whitlock conducted competitive negotiations including value engineering. This resulted in a bid price within the project budget as adjusted for the additional borrowing.

The NFIL Oversight Committee requests approval of its recommendation to award the NFIL construction contract in the amount of \$21,453,878 (as may be adjusted by the Executive Director authorized to approve pending value engineering changes) to Culpepper subject to final approval of all financing, approvals required by the Economic Development Administration, and successful execution of the final construction contract substantially in the form previously approved by the NFIL Oversight Committee in the bid Project Manual.

Kristin Dozier offered a motion to approve awarding the NFIL construction contract to Culpepper as stated in the Committee's recommendation. Ray Bye seconded the motion which passed unanimously.

c. Notice of Intent to Contract

The NFIL Oversight Committee requests ratification of its approval to issue a non-binding notice of intent to contract with Culpepper Construction Company, Inc. for the construction of the North Florida Innovation Labs subject to final approval of all financing, approvals required by the Economic Development Administration, and successful execution of the final construction contract substantially in the form previously approved by the NFIL Oversight Committee in the Bid Project Manual.

Anne Longman offered a motion to ratify the approval of the Notice of Intent to Contract. Kimberly Moore seconded the motion which passed unanimously.

12. Modifications to the Agenda

a. Northwest Regional Data Center ("NWRDC") Johnson Building Lease

NWRDC has received an appropriation to take over the operation of the State of Florida Data Center subject to approval by the Governor. They expect to relocate 50-75 current employees and fill an additional 30 vacancies. They expect to begin the relocation before July 1, 2022. They also expect to terminate their lease for 4,000 square feet in the Morgan Building and relocate those employees to the Johnson Building.

Staff requests approval to negotiate and execute a lease with the Northwest Regional Data Center for the remaining 11,079 square feet of office space in the Johnson Building. Tentative terms subject to negotiation include a lease term from on or about June 1, 2022 through April 30, 2025 at \$16.60 per square foot with two one year renewal options at an increase of 5% each year. The new lease rate may be blended with their current Morgan Building rate of \$15.39 per square foot with a termination option added to the Morgan Building lease. The new lease will be in a form substantially like the current lease for the Morgan Building previously approved by the board.

Anne Longman offered a motion to approve staff's authorization to negotiate and execute a lease with NWRDC as described in the request. Tom Allen seconded the motion which passed unanimously.

b. FAMU Department of Biological Systems Engineering (“DBSE”) Proposed Office Use Authorization

DBSE is exploring options to lease approximately 4,500 square feet in the Morgan Building to locate its department staff offices, 2-3 labs, and space for about 12 graduate students. Other than grad students working in labs, no classes will be conducted on site. FAMU will incur the expense of converting two offices into labs with appropriate utilities, fume hood exhaust, etc.

Staff requests authorization for the proposed use of the space, and consent to allow DBSE to remodel the space and make required modifications, at DBSE’s expense, to accommodate the labs with said consent subject to submission of modification plans acceptable to the Executive Director, and FAMU’s execution of a lease with the Authority within a reasonable period of time as determined at the sole discretion of the Executive Director.

Tom Allen offered a motion to authorize the proposed use and to consent to allowing DBSE to modify to the space as described in the request. Anne Longman seconded the motion which passed unanimously.

c. Proposed Land Use Authorization

Staff seeks preliminary authorization for a proposed land use within Innovation Park. The use would include an approximately 50,000 sf laboratory facility, with up to 100 employees, providing third-party product testing and certification services for materials used in the building industry. The preliminary authorization will allow staff to submit a proposal with other partners to attempt to attract this facility to Innovation Park.

After discussion, Dave Ramsay offered a motion to preliminarily authorize the proposed potential land use. Shawnta Friday-Stroud seconded the motion which passed unanimously.

13. Chair’s Report

None.

14. Staff Reports

a. Executive Director

Ron Miller reported the Leon County LCRDA Nominating Committee met and nominated Brian Bautista to fill the vacant Board seat. The LCBCC will also consider a resolution regarding LCRDA membership and appointment which authorizes each member of the LCRDA Nominating Committee to appoint a designee.

b. Director of North Florida Innovation Labs

Bill Lickson reported on funding sources, community engagement, marketing, memberships, and programs.

15. New Business

None.

16. Adjourn

The meeting was adjourned at 12:52pm.