



# ECONOMIC DEVELOPMENT AUTHORITY

CITY OF WELLS, MINNESOTA

## MINUTES

### Regular Session of the Economic Development Authority City of Wells, Minnesota

#### **CALL TO ORDER:**

The Wells Economic Development Authority (WEDA) convened in regular session on April 20, 2010 at 5:00 p.m. in the Wells City Hall conference room. President Brad Heggen called the meeting to order with the following members and employees present: Vice President Kim Sorenson, Commissioner Steve Burns, Commissioner Jim Heckman, and Commissioner Bruce Mandler. Employees present: Community Development Director Austin Bleess.

President Heggen asked if the Board would mind moving to item 4d on the agenda. Hearing no objection the board advanced to item 4d.

#### **OLD BUSINESS:**

President Heggen brought the topic of the incubator building and Linder Enterprises rent to the table. Director Bleess informed the commissioners that he has received written notice that Linder Enterprises will be moving out of the incubator building at the end of their lease. Arnie and Mike Schrader of Schrader Enterprises were present at the meeting and asked if they could enter into a one year lease for the incubator building. Schrader Enterprises informed the commission they have looked at the building with Linder Enterprises and feel it would be a good match. Linder Enterprises expressed to them a willingness to vacate the building sooner than the current lease is up if they are interested.

Secretary/Treasurer Darin Magnuson entered the meeting.

Commissioner Sorenson motioned to offer Linder Enterprises the opportunity to be released from their lease early with the building to be cleaned by Linder Enterprises to the satisfaction of the EDA Board and to provide a one year lease to Schrader Enterprises at the rate of \$750 per month and a deposit of \$1,100 to be held for cleaning.

Commissioner Burns seconded the motion. Discussion held. President Heggen called for a vote with Burns, Heckman, Heggen, Magnuson, Mandler, and Sorenson voting aye.

#### **Motion Carried.**

Mike Schrader informed the Commissioners that they had looked into possible infrastructure solutions in the South Industrial Park. The cost of installing that would have been too high and they are not going to move forward with a potential expansion there right now.

President Heggen asked if the Board would mind allowing Milt Peterson, who was not on the agenda, present next. Hearing no objection the board let Milt Peterson present next.

## **NEW BUSINESS**

Milt Peterson informed the Board that he is thinking about going into the garbage hauling business and he is interested to see if the Board would provide a loan for that type of business. Mr. Peterson explained his potential business model and presented a list of capital expenses he expects to get his business up and running. He said he will have 1 full time employee and 1 part time employee to start with. He hopes next year to have 2.5 – 3 FTE's.

Commissioner Heckman disclosed a relationship between Paragon Bank, of which Commissioner Heckman is the president, and Milt Peterson. Because Mr. Peterson was not on the agenda Commissioner Heckman did not have a formal letter acknowledging this relationship at this time but will have one for the next meeting.

The board asked if there was a franchise agreement that the city had with a garbage removal company. Director Bleess will look into this. The board was agreeable to having a Special Meeting if necessary to discuss a Revolving Loan Fund application from Mr. Peterson. The Board will wait for further contact from Mr. Peterson before further action is taken.

The Board reverted back to approval of the minutes on the agenda.

## **CONSENT ITEMS**

The minutes of the February 12, 2010 special meeting and the March 16, 2010 regular meeting were reviewed. Commissioner Sorenson motioned to approve the February 12, 2010 special minutes as written and the March 16, 2010 regular meeting minutes with the following correction:

*The Wells Economic Development Authority (WEDA) convened in regular session on March 16, 2010 at 5:00 p.m. in the Wells City Hall conference room.*

Commissioner Burns seconded. President Heggen called for a vote with Burns, Heckman, Heggen, Magnuson, Mandler, and Sorenson voting aye. **Motion Carried.**

The Financials were reviewed. Director Bleess explained the board had received a new Estimated Market Value for the North Industrial Park and that the auditors had made adjustments to the interest earnings for 2009 which increased the amount listed under the DEED and HUD accounts. Director Bleess informed the commission of another bill from the Wells Mirror in the amount of \$14.50, in addition to the one already in the packet, related to a public hearing notice for the Singleteary Food Solutions project. Discussion held. Commissioner Magnuson motioned to approve the financial report and pay the bills with a second from Commissioner Heckman. President Heggen called for a vote with Burns, Heckman, Heggen, Magnuson, Mandler, and Sorenson voting aye. **Motion Carried.**

## **OLD BUSINESS:**

President Heggen brought the issue of the Singleteary Food Solutions project to the floor. Director Bleess informed the Commissioners we are now waiting for the closing date to be scheduled. Director Bleess also informed the Commissioners of a request from Steve Singleteary to pay the building permit fee for the work that will be happening at the plant. The consensus of the board was that they will not pay the building permit fees. Discussion held.

President Heggen brought the issue of advertising WEDA programs to the floor. Director Bleess informed the commission that he was looking at potential uses of social media. He also asked if the board would be interested in doing a regional advertisement in regional business magazines. Discussion held. Commissioner Burns motioned to have Director Bleess look into the cost of an ad in regional magazines. Commissioner Magnuson seconded. President Heggen called for a vote with Burns, Heckman, Heggen, Magnuson, Mandler, and Sorenson voting aye. **Motion Carried.**

President Heggen brought the issue of Jon Feist Revolving Loan Fund Application to the table. Director Bleess informed the Commissioners they are not yet ready to move forward at this time, but may be at the May meeting. Discussion held.

President Heggen brought the issue of the Community Development Director's salary to the table. The information in the packet related to the Profit and Loss from 2009 and year-to-date 2010 for the EDA was reviewed. Discussion held. Commissioner Heckman motioned to provide a one-time payment of \$5,000 to the city for the Community Development Director's Salary. Commissioner Magnuson seconded. President Heggen called for a vote with Burns, Heckman, Heggen, Magnuson, Mandler, and Sorenson voting aye. **Motion Carried.**

## **NEW BUSINESS:**

President Heggen brought the issue of an attendance policy to the table. Commissioner Sorenson stated that the board should consider an attendance policy as it was discussed at the December 2009 meeting. Director Bleess shared a sample attendance policy he had found on the League of MN Cities website. The commission asked Director Bleess to draft a policy that states a commissioner "cannot miss 3 consecutive meetings or 4 meetings within a calendar year without a written excuse to be filed in the official minutes". Discussion held.

President Heggen brought the issue of the April 12, 2010 City Council Meeting to the table. Director Bleess informed the commission that City Attorney David Frundt had received a verbal request to investigate comments that may have been made at EDA meetings within the past 3 to 6 months. Director Bleess also informed the board that the City Council voted 4-1 to not move forward with the request unless a formal written complaint was received. Discussion held. Commissioner Heckman motioned to have President Heggen, Vice-President Sorenson, and Commissioner Heckman draft a formal letter to the city council to explain EDA actions with the letter to be signed by President

Heggen on behalf of the entire board. Commissioner Burns seconded the motion. . President Heggen called for a vote with Burns, Heckman, Heggen, Magnuson, Mandler, and Sorenson voting aye. **Motion Carried.**

President Heggen brought the issue of the South Industrial Park to the table. Director Bless informed the commission that he has received a request from Go Minnesota for information on a 5 acre piece of land that has the capability of utilities. Go Minnesota informed Director Bless that the potential buyer of the land is only looking in Wells but they will not give out any other information. The Board directed Director Bless to inform Go Minnesota the Wells EDA would like to partner with Go Minnesota on this project and they are welcome to attend the next Wells EDA meeting, but the Wells EDA will not provide information to them without more knowledge of the project.

President Heggen brought the issue of the Welcome to Wells Signs to the table. Discussion held. It was the consensus of the board these signs are to be maintained by the Chamber of Commerce and the Wells EDA is not interested in doing this project.

President Heggen brought the issue of a Demolition grant request to the table. Discussion held. Commissioner Sorenson motioned to approve the grant for up to \$2,000. Commissioner Heckman seconded the motion. President Heggen called for a vote with Burns, Heckman, Heggen, Magnuson, Mandler, and Sorenson voting aye. **Motion Carried.**

#### **ADJOURNMENT:**

Motion made by Commissioner Sorenson and seconded by Commissioner Burns to adjourn the meeting. Motion carried. Meeting adjourned.

Respectfully Submitted:

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Darin Magnuson  
Secretary/Treasurer

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Austin Bless  
Community Development Director