



ECONOMIC DEVELOPMENT AUTHORITY

CITY OF WELLS, MINNESOTA

Wells Economic Development Authority Mission Statement:
"To encourage, attract, promote and develop economically sound industry,
business and commerce within the City of Wells."

MINUTES

Regular Meeting – 5:30 pm

Tuesday, February 15, 2011

Conference Room, Wells City Hall

125 S. Broadway Wells, MN 56097

Call to Order / Roll Call

Chair Heggen called the meeting to order at 5:30pm.

Members Present: Brad Heggen, Kim Sorenson, Bruce Mandler, Jim Heckman, Jim Durfee and Steve Burns.

Members Absent: Darin Magnuson.

Staff Present: Christopher Elvebak, Community Development Director.

Reading/Approval of Meeting Agenda

Rep. Burns moved to approve the agenda. Rep. Durfee seconded and the motion passed.

Reading/Approval of Meeting Minutes

Rep. Burns moved to approve the minutes of the December 21, 2010 Ad-Hoc Committee, the December 21, 2010 EDA Regular Session, and the February 1, 2011 EDA Special Session. Com. Sorenson seconded the motion and after brief discussion the motion to accept all minutes passed.

Public Forum

Chair Heggen opened the public forum. Linsey Warmka, Faribault County Development Commission, addressed the Board. She delivered the annual report from the F.C.D.C. She updated the Commissioners on progress-to-date with the Gunther grant, a manufacturers and workforce survey, and business assistance programs such as business plan development, needs assessments, and financial analysis.

Wells Economic Development Authority (WEDA) Membership:

President, Brad Heggen; Vice President, Kim Sorenson; Secretary/Treasurer, Darin Magnuson; Commissioners Jim Heckman and Bruce Mandler; Council Representatives Steve Burns and Jim Durfee.

Vice President Sorenson asked Ms. Warmka about timely communications and described a recent event with only very short notice given. Ms. Warmka responded that she is always working on improving communication, such as updating her email contact information, and in that particular instance short notice was all that anyone received. Moving into the future she will strive to make sure that various groups in places like Wells or Blue Earth all receive the same communications at the same, earliest possible time.

Ms. Warmka asked the Commissioners if they had any ideas related to the survey she was working on regarding workforce development. The initial findings indicated prevailing sentiment amongst Faribault County manufacturers that the workforce was “weak.”

Com. Heckman said that several years ago the county used to run a “machining” scholarship where time spent in the county post graduating would reduce the tuition payback amount. He suggested that Ms. Warmka look into the history of that program.

Com. Heckman asked how Wells companies could be placed on the FCDC website for publicity purposes. Ms. Warmka responded that it’s as simple as emailing or otherwise contacting her. She usually requests an aerial photograph in addition to the land and/or building characteristics.

Linsey Warmka thanked the board for their time and exited the meeting. Seeing no one else present to address the board the Chair closed the public forum.

Financial Reports

The Commissioners reviewed the presented bills. Director Elvebak asked if the furnace repair bill from Ron’s Plumbing & Heating was potentially duplicating work done a few months prior. After discussion the consensus of the board was that the previous bill was for a different furnace and that the bill was in order.

The Commissioners reviewed an additional bill from Ron’s Plumbing & Heating for roto-rooter use at the incubator building for a likely collapsed wastewater line. During discussion it was decided that Ron’s Plumbing & Heating be asked to provide an estimate for line repair. Kevin O’Rourke and the Building Official could be consulted as well.

The board reviewed an estimate from Bolton & Menk, Inc. to conduct survey work and platting for the south industrial park. Discussion focused on the “chicken and the egg” theory of the platting process due to the lack of any infrastructure. Com. Mandler raised a concern of checking the Staloch

agreement to make sure that these activities won't conflict with their farming activities. Dir. Elvebak said he would check with DEED for potential infrastructure funding programs.

Rep. Burns moved to approve the bills and the \$3,000 estimate from Bolton & Menk, Inc. for surveying and platting. Com. Mandler seconded and the motion passed.

Next, the Commissioners reviewed the monthly financial statements. It was noted that two items (industrial park "amount owed" entries) were yet to be fully vetted for updating on the summary sheet but that they would be included in the next meeting report.

Rep. Burns moved to approve the financial statements as presented. Vice President Sorenson seconded the motion and it passed unanimously.

Old Business

Wildcats RLF:

The Commissioners reviewed financial documentation regarding the Wildcats Revolving Loan. Director Elvebak informed the board that the previous two months payments had been dropped off at his office by Ben Musser shortly after the packet had been distributed. However, as of 4:00 pm February 15, 2011 if a payment had not been deposited for February then Wildcats is late on their payments again.

The board discussed why Wildcats was not on the auto-pay system as required. During discussion it was also noticed that the Promissory Note in the packet only listed the Wildcats for thirty thousand dollars, not the \$50,496.54 that is reflected on the revised amortization schedule. Commissioner Heckman offered to meet with Director Elvebak, review all the files, and report back to the membership at their next meeting.

Small Cities Development Program:

Dir. Elvebak informed the membership that the final application had been turned in to DEED. He also said that if anyone wished to review the final application he had a copy in his office available for review.

Staloch Rent Agreement:

As the bulk of this item was previously discussed, the board quickly reviewed the need to update the payment schedule and send notice to the family trust about the surveying & platting.

New Business

Incubator building – scope & line repair:

As the bulk of this item was previously discussed, the board quickly reviewed the item and decided by consensus to move on the item when the weather permitted.

Terms of office:

Dir. Elvebak informed the board that the EDA terms of office are not compliant with state statute regulating board members. Terms of office are to be six years, with one member of the board up for appointment by the Mayor each year. Council Representatives can be appointed annually, by term of office, or for six years depending on the direction the City Council decides to take.

Dir. Elvebak informed the board that the City Attorney was looking into the matter and would report back soon. Staff is working off of the assumption that the best course of action would be to reappoint all existing members to the appropriate terms of office. If any of the membership had any ideas on how to reappoint or whom to reappoint to which term they are encouraged to speak to Dir. Elvebak or the City Administrator.

Commissioner Heckman asked to bring the Vets Building lots to the table. He said he was not able to attend the last meeting and in reviewing the minutes noticed that the issue of purchasing some lots near the Vets Building had been moved to the City Council upon advice of the city attorney. Commissioner Heckman suggested that the EDA should be the ones to discuss the matter as they are the collective group charged with and experienced with economic development matters. He added that he didn't want to see the opportunity pass by because it dropped out of discussion.

Director Elvebak said he was also not present at the last meeting but reading from the minutes it appeared that the item was sent to City Council to avoid the appearance of any potential conflict of interest. Chair Heggen suggested that the EDA meet and he and Commissioner Heckman could excuse themselves from the meeting before that item on the agenda came up for discussion.

Rep. Burns moved to have the EDA review the matter at their next meeting and send their recommendation to the City Council at their March 28, 2011 meeting. Vice President Sorenson seconded and the motion passed with Chair Heggen and Commissioner Heckman abstaining.

Adjournment

Vice President Sorenson moved to adjourn. Rep. Durfee seconded and the motion passed at 6:56 pm.

Respectfully Submitted:

Christopher Elvebak
Community Development Director

Attest:

Darin Magnuson
Secretary/Treasurer