

**Valley City-Barnes County Development Corporation Board Meeting**

**Monday, November 14, 2016**

**6:45 a.m., Regional Technology Center, 415 Winter Show Road (Large Conference Room)**

**PRESENT:** Tony Kobbervig, JoAnn Hooper, Dean Kinney, Bill Carlblom, Mike Metcalf, Leighton Smith, Bobby Koeplin, Mary Simonson, Paige Bjornson, Wade Bruns, Jennifer Feist and Alicia Hoffarth

**ABSENT:** George Gaukler, Luke Trapp and Josh Kasowski

**EX-OFFICIO:** Matt Pedersen, City Commission; Chad Petersen, KLJ; Tisa Mason, VCSU; Keith Andersen, ICTC and Jeff Bopp, SVATC

President Tony Kobbervig called the meeting to order at 6:45 a.m.

**AGENDA:** No Changes

**MINUTES:** Mary Simonson moved to approve the October 10<sup>th</sup> minutes as submitted. Paige Bjornson seconded. Motion carried unanimously.

**FINANCIAL STATEMENTS:** Summary Financial Statement shows \$737,290 Flex PACE obligations. VCDC has \$217.44 cash. Questioned how we track funds transferred between two corporations or between two projects; track through year-end financial statements based on board approvals. We have a loan agreement between VCDC and VCBCDC for City and County economic development funds used for the NW Industrial Park building addition and rent incentive. Do we increase the loan amounts in the initial agreement? This agreement does not cover VCBCDC unrestricted funds transferred/loaned to VCDC so no; those loans and any subsequent changes are tracked through our year-end financial statements. Bobby Koeplin moved to approve the financial statements as presented. Mary Simonson seconded. Motion carried unanimously.

**BUDGETS:** See memo with notes. Would like actual for the most recent year ended to compare to next year's budget so budget increases and/or deficits can be referred to and compared with the new budget for discussion/decisions. RTC- we will advance the remaining \$25,000 previously approved from City sales tax fund. About \$68,000 outstanding principal for the RTC, will be paid in 5 years. I-94 RDC has \$7,500 net expenses. VCDC/NW Industrial Park Building - \$42,000 revenues under expenses including \$21,200 administrative fee. Wade Bruns moved to utilize unrestricted funds to cover I-94 RDC and VCDC deficits as shown in the budgets as a loan (excluding \$21,200 administrative funds). JoAnn Hooper seconded. Motion carried unanimously. Bobby Koeplin moved to approve the VCBCDC budgets as submitted. JoAnn Hooper seconded. Motion carried. Ayes-Tony Kobbervig, Dean Kinney, JoAnn Hooper, Bill Carlblom, Mike Metcalf, Leighton Smith, Mary Simonson, Paige Bjornson and Wade Bruns. Naye-Bobby Koeplin. Motion carried.

**EXECUTIVE SESSION:** 6:55 a.m. Mary Simonson moved to go into Executive Session. Bobby Koeplin seconded. Motion carried unanimously.

**CLOSE EXECUTIVE SESSION:** 7:25 a.m. Mary Simonson moved to close the Executive Session. Mike Metcalf seconded. Motion carried unanimously.

**DANCO INC:** Paige Bjornson moved to approve a Flex PACE loan up to \$13,000 for DANCO Inc. upon approval from the Bank of North Dakota. Mary Simonson seconded. Motion carried unanimously.

**VALLEY LUMBER:** Mary Simonson moved to approve a Flex PACE loan up to \$33,333 for Valley Lumber. Mike Metcalf seconded. Motion carried unanimously.

**FLEX PACE/FEES/LEGAL:** Currently we charge 4% of the local loan amount as our fee. Flex PACE Opinions of Counsel were completed at no cost by Fitzner Nelson Law. A legal opinion will cost \$100 now. Pass cost on to customer or take it out of the 4%. Request pricing from other attorneys who are members of the DC (send out RFP). Bobby Koeplin moved to charge projects the Flex PACE Opinion of Counsel fee of \$100 or they can secure their own and send an RFP to local attorneys for legal services. Wade Bruns seconded. Motion carried unanimously.

**VCBCDC & VCDC:** Presented an amended/restated Agreement for the \$190,000 of City/County economic funds received for the NW Industrial Park building. Should it include the \$48,000 received from the City 30+ years ago? A separate agreement for the \$48,000, which would be repaid to City General fund, was executed. Will draft a loan agreement for unrestricted funds. Bobby Koeplin moved to approve the Agreement presented governing the \$190,000 City/County Economic Development funds and to develop a loan agreement between VCDC and VCBCDC to address loans from unrestricted funds. JoAnn Hooper seconded. Motion carried unanimously.

**JOB SERVICE/PROFESSIONAL EMPLOYMENT & RETENTION SERVICES:** An outline of position responsibilities and funding level was provided. Prioritize list. Meeting with Job Service November 4<sup>th</sup>. Job Service would develop a template of a potential contract regarding how we could tap into their system, receive training, etc. They are interested in a partnership and could use Valley City as a PILOT Program. Will take some negotiation. Looking at Department of Commerce for potential funding. Generally, the position could be 1/3 Recruitment, 1/3 Retention, and 1/3 Creating Talent. Board subcommittee to develop the idea further is Bobby Koeplin, Tisa Mason, Mary Simonson, Tony Kobbervig and Jeff Bopp. Note: George Gaukler indicated interest at a later date and is also part of the group.

**DIRECTOR'S REPORT:** EDND Conference-received positive feedback. Held at AmericInn; would be good if the conference room was larger. Private sector presentations were well received. Public sector-not so much. Great food. DC Property Sale-Warranty Deed and Abstract are complete; \$250,000 received, which are unrestricted. DOT Land-not sold; bids were lower than the appraised amount. Glacial Ridge Wind-County Commission approved variances; PSC approval is pending but expected soon.

There being no further business, President Tony Kobbervig adjourned the meeting.

Respectfully Submitted

Jennifer Feist  
Director of Development