

Valley City-Barnes County Development Corporation Board Meeting

Monday, January 10, 2022

6:45 a.m., Regional Technology Center, 415 Winter Show Road (Training Lab)

PRESENT: Mary Lee Nielson, Josh Kasowski, Paige Bjornson, Mike Bishop, Dick Gulmon, Mary Simonson, George Gaukler, Pete Paulson, Dean Kinney, Luke Trapp, Wade Bruns, Matt Pedersen, Jennifer Feist and Trinity Nelson

ABSENT: Bill Carlblom, Bobby Koeplin and Paul Diegel

EX-OFFICIO: Chad Petersen, KLJ

President Mary Lee Nielson called the meeting to order at 6:45 a.m.

AGENDA: Add Retention & Expansion Project as Item 8 and remove City Utilities-Policy

MINUTES: Mary Simonson moved to approve the December 13th minutes. Dean Kinney seconded. Motion carried unanimously.

FINANCIAL STATEMENTS: Class 100 (Admin)-Receiving membership. Class 200 (Projects)-Noted Flex PACE payments to Bank of ND of \$28,250. Class 210 (City)-Received \$60,000 this fiscal year. Class 300 (RTC)- Unrestricted funds of \$65,000 as approved by the Board. Cash balance of \$54,000. Class 500 (Roundtable)-Cash balance of \$42,400. Class 800 (Tech II)-Tracking City and County funds received and paid as relocation allowances. Cash balance of \$53,000. Class 500 (NW Industrial Park Building)-Net proceeds are about \$2,000 above what was expected so far; tax liability is pending. Mike Bishop moved to approve the Financial Statements as presented. Josh Kasowski seconded. Motion carried unanimously.

EXECUTIVE SESSION: 6:50 am Mary Simonson moved to go into Executive Session. Matt Pedersen seconded. Motion carried unanimously.

CLOSE EXECUTIVE SESSION: 7:12 am Mary Simonson moved to close the Executive Session. Mike Bishop seconded. Motion carried unanimously.

STOUDT PROPERTIES, LLC: Matt Pederson moved to recognize a conflict of interest for Paige Bjornson. Mike Bishop seconded. Motion carried unanimously. George Gaukler moved to approve Flex PACE loan request of up to \$33,333. Matt Pedersen seconded. Motion carried. Paige Bjornson abstained.

SCDRC MEMBERSHIP: South Central Dakota Regional Council submitted a membership request of \$22,040, the same as the last two years. Funded thru Barnes County economic development funds. SCDRC provides services to smaller communities in Barnes County and eight others. Over the years, we have seen a reasonable ROI. Mike Bishop moved to approve SCDRC membership of \$22,040 and request from the County. Mary Simonson seconded. Motion carried unanimously.

BOWLING CENTER – REVISED REQUEST: Requested \$10,000 as a grant to assist with purchasing equipment integral to the bowling center. Food & Beverage Funds of \$40,000 were approved by the City Commission with a claw back provision that the grant would be paid back at a prorated amount if the center did not stay open for five years. VCBCDC funds would come from Roundtable funds. The center is up and running and customers are having a positive experience. Dick Gulmon moved to approve \$10,000 should they accept the grant from Food & Beverage with the claw back clause. Mary Simonson seconded. Motion carried. Ayes: Mike Bishop, Dick Gulmon, Mary Simonson, Pete Paulson, George Gaukler, Dean Kinney, Mary Lee Nielson, Luke Trapp, Paige Bjornson, Wade Bruns and Matt Pedersen. Naye: Josh Kasowski.

TECH II UPSs: Jeff Brusseau stated the facility may no longer need UPSs as they don't use one at the South Dakota center. Cost estimate to replace batteries is \$30,000. The company transitioned from desktop to laptop computers, which have 2 to 3 hours of runtime should the power go out. Potential to take UPSs out. Would need to review all building systems (security, fire, access, etc.) to ensure they function without UPS backup.

RETENTION AND EXPANSION PROJECT: Mary Simonson moved to approve \$15,000 from City funds to conduct assessment through Eide Baily. Paige Bjornson seconded. The analysis would be broad enough to utilize for current project as well as potential company recruitment and sales tax renewal. Timeline for the study needs to fit timeline for the company; would fit sales tax extension. Should Eide Baily not have the time to complete analysis in time, NDSU also does studies like this. Motion carried unanimously.

DIRECTOR'S REPORT:

1. Close Valley City Development Corporation: VCBCDC has majority ownership of VCDC; does not hurt anything to keep the Corporation open for a while.
2. New Building NW Industrial Park: Checking with the City Attorney to determine if the Corporation is required to formally bid new building construction when public funds are used. Need to be conscientious about private/public partnerships. Will get building committee back together near the end of January to continue discussion.

There being no further business, President Mary Lee Nielson adjourned the meeting.

Respectfully Submitted

Jennifer Feist
Director of Development