

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT OPERATIONS BOARD OF DIRECTORS (OB) MEETING
MINUTES
May 12, 2011
EDC Office, Willmar**

Present: Betty Bollig, Robert Carlson, Beverly Dougherty, Ron Erpelding, Rick Nordin and Milan Schmiesing

Excused: Duane Hultgren

Staff: Steven Renquist, Executive Director and Jean Spaulding, Assistant Director

Ex Officio: Jim Butterfield and Bruce Peterson

Media: Anne Polta, West Central Tribune

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc. (LAA)

President Ron Erpelding called the meeting to order at 11:00 a.m.

IT WAS MOVED BY Bev Dougherty, SECONDED BY Milan Schmiesing, to approve the agenda as presented. MOTION CARRIED.

IT WAS MOVED BY Betty Bollig, SECONDED BY Milan Schmiesing, to approve the following Consent Agenda:

CONSENT AGENDA—

Approve: 1. Minutes of April 14, 2011 meeting
2. Financial reports as of April 30, 2011

Accept: Committee Minutes
1. Agriculture & Renewable Energy Development (Ag) 4/21/2011
2. Business, Retention & Expansion/Recruitment (BRE/R) 4/6/2011
3. Finance 4/12/2011
4. Marketing and Public Relations 2/28/2011
5. Leisure Travel 4/4/2011

MOTION CARRIED.

PROGRESS REPORTS

Willmar. Bruce Peterson reported the city of Willmar approved a business subsidy agreement for Willmar Fabrication's new location; United FCS's construction is moving along and they hope to move in this summer; the city received preliminary plans for a specialty medical clinic on 19th Avenue; approved plans for phase 1 of The Crossings, a retail development at the former Big Bear site; received very preliminary plans for a strip center retail development by Walmart; all documents have been signed for the Mid-Central Research and Outreach Center (MCROC) and they are awaiting approval to begin construction; the city has engaged a local architecture firm to conduct a reuse study of the former airport terminal; the business that had a Purchase

Agreement on the former terminal building cancelled the agreement and asked for the return of their escrow money, however, they have asked for a right of first refusal, if the property is released.

EDC/MinnWest Technology Campus (MWTC). Steve Renquist reported MWTC is preparing the locations for MCROC and Tenex Health; gave an update on the anhydrous ammonia project and the community owned grocery; and he made a presentation to the Willmar Airport Commission on marketing the Willmar airport. Jean Spaulding distributed an Animal Science Venture Forum save the date card for September 21-22, 2011 (see copy attached) and invited the board to attend. Individuals who will be moving forward with the Kandiyohi County Angel Network (KCAN) met yesterday. Creation of the Minnesota Angel Network may help with the organization of KCAN. Board members interested in KCAN should contact Spaulding to be put on a mailing list. Tenex Health is working on its build-out plans for manufacturing parts for its medical device. Renquist recognized Spaulding on her work in seeking investors for Tenex Health.

Willmar Area Multicultural Market (WAMM). Spaulding reported WAMM is struggling with the current landlord. A grant application has been submitted to purchase and rehabilitate its current location. The kitchen may not be included, if WAMM has to relocate. Spaulding provided information on the Minnesota Extension Service being included in MCROC.

Willmar Design Center (WDC). Bev Dougherty reported the Becker Market begins June 2; a passport for kids will be included each week at the market; nine new businesses started in downtown Willmar in the last six months; 20 artists are involved in the coffee cup art contest; decorated bikes will be displayed around town in recognition of national bike month and the best decorated bike will be selected June 9; and the community-owned grocery is working on a preliminary store design and its membership campaign.

UNFINISHED BUSINESS—There was no unfinished business.

NEW BUSINESS

Board planning session. President Erpelding informed the board the joint boards' planning session will be June 30 from 9 a.m. until noon at a location to be determined.

2011 budget updates. Renquist presented and reviewed with the board a proposed revised budget for 2011 (see copy attached). Following discussion,

IT WAS MOVED BY Milan Schmiesing, SECONDED BY Robert Carlson, to increase the transfer of reserves from \$30,111 to \$45,589 for the Kandiyohi County and City of Willmar Economic Development Commission's 2011 budget. MOTION CARRIED.

IT WAS MOVED BY Milan Schmiesing, SECONDED BY Betty Bollig, to adopt a revised 2011 budget of \$500,589 for the Kandiyohi County and City of Willmar Economic Development Commission. MOTION CARRIED.

Agribusiness & Renewable Energy Specialist contract. President Erpelding informed the board that upon the advice of legal counsel, Cathy Keuseman is an at will employee and no contract is needed.

Other. Peterson expressed his support of the Willmar City Council's selection for the new city administrator, Charlene Stevens, and asked for the community's support of her, if she accepts the position. Peterson was impressed with the consensus reached by the city council. Spaulding reported the EDC is planning a manufacturer's event in October with Ridgewater College, Willmar Lakes Area Chamber of Commerce and the county's manufacturing sector.

COMMITTEE REPORTS—

Ag. Milan Schmiesing reported a tentative meeting is set for tomorrow for the Regulatory Subcommittee.

BRE/R. Dougherty reported the committee is in support of hiring a full-time manager for the Willmar Airport. Peterson stated the new committee members bring a new focus to the committee that has been a good addition.

Finance. Spaulding reported she completed the final week of her finance training through the National Development Council. Upon successful completion, she will be a certified economic development finance professional. The board commended Spaulding on completing the course.

Leisure Travel. Betty Bollig reported New London and Spicer appear to be very active for the upcoming summer.

NEXT MEETING—The next regular board meeting is **11:00 a.m., Thursday, June 9, 2011**, at the EDC Board Room.

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 11:47 a.m.

Betty Bollig, Secretary

APPROVED 6/9/2011:

Ron Erpelding, President

SAVE THE DATE



Animal Science VENTURE FORUM

September 21 - 22, 2011
MINNWEST TECHNOLOGY CAMPUS

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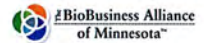
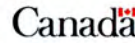
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MinnWest will act as the catalyst to bring industry stakeholders together to draw attention to the Animal Science Industry. The conference will feature intriguing speakers and panels on the latest industry trends, encourage networking, facilitate deal flow and explore new opportunities.

WEDNESDAY, SEPTEMBER 21 | 6:00 PM:

Welcome Cocktail Reception at the Holiday Inn, Willmar, MN

THURSDAY, SEPTEMBER 22 | 8:00 AM - 4:30 PM:

Conference General Session & Presenting Company Showcase at the MinnWest Technology Campus, Willmar, MN

REGISTER ONLINE OR GET MORE INFO:

www.mnwesttechnology.com

WHO SHOULD ATTEND:

- Animal science company representatives
- Investors - venture capitalists, angels and strategic investors
- Others that are important to the success – service providers, university representatives and economic development leaders.

PRESENTING COMPANY SHOWCASE

We are currently accepting applications for animal science companies seeking funding. Twelve chosen companies, vetted by investors, will present throughout the day. Please visit our website for the application and more information.

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KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION
2011 Budget

Date Printed: 5/11/2011

Adopted and approved by
Joint Powers Board 10/28/2010

27 = EDC Fund; 716 = EDC; 000=category; 0000=committee; 0000=type of expense	2011 Budget	2011 Budget Revisions
Levy	\$ 455,000	\$ 455,000
Other Revenues:		
Reserve Fund	\$ 30,111	\$ 33,000
Southwest Initiative Foundation \$18,000 payment made 1/6/2011 from reserves		
Transfer to Ag Committee's budget from reserves \$15,000		
Loan Application Fees		
State Reimbursements (Explore MN Tourism)		
Ag Conference Sponsors		
Conference Registrations		
Ag Conference		
Finance Seminar		
Refunds and Reimbursements		
Reimbursements (consulting)		
Insurance Reimbursements (dividends)		
Tourism MOT grant		
Tourism Visitor's Guide		
Total Revenues	\$ 485,111	\$ 488,000
Director's Salary	\$ 78,257	\$ 78,257
Assistant Director's Salary	\$ 60,083	\$ 60,083
Director's Auto Allowance	\$ 6,300	\$ 6,300
Director's payroll taxes (FICA = 6.20%; Medicare = 1.45%)	\$ 5,987	\$ 5,987
Assistant Director's payroll taxes (FICA = 6.20%; Medicare = 1.45%)	\$ 4,596	\$ 4,596
Director's pension (PERA) 2011 employer rate is 7.25%	\$ 5,674	\$ 5,674
Assistant Director's pension (PERA) 2011 employer rate is 7.25%	\$ 4,356	\$ 4,356
Director's hospital insurance	\$ 6,900	\$ 6,957
Assistant Director's hospital insurance	\$ 6,900	\$ 6,957
Workers' compensation insurance	\$ 1,200	\$ 1,200
Total Employee Compensation	\$ 180,253	\$ 180,367
Meals not attributed to a committee or task force	\$ 3,000	\$ 3,000
Director & Assistant Director's travel, conference, school	\$ 7,600	\$ 7,600
Seminars and Promotions	\$ 3,000	\$ 3,000
Director's insurance		
MCIT liability and bond	\$ 5,600	\$ 5,600
Directors & Assistant Director's memberships and dues (and subscriptions)	\$ 4,000	\$ 4,000
Legal	\$ 3,000	\$ 3,000
Accounting	\$ 3,800	\$ 3,800
Audit per bid	\$ 6,000	\$ 6,250
Consulting/Lobbyist (using reserves)		
Depreciation		
Total Administrative Expenses	\$ 36,000	\$ 36,250
Cleaning person	\$ 2,500	\$ 2,500
Supplies and copies	\$ 4,500	\$ 4,500

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Office equipment and miscellaneous	\$ 5,000	\$ 5,000
Postage	\$ 2,000	\$ 2,000
Materials/Maintenance of structures		
Cleaning supplies	\$ 300	\$ 300
General supplies	\$ 2,500	\$ 2,500
Telephone/Fax/Internet service	\$ 5,000	\$ 5,000
Printing & Publishing	\$ 1,000	\$ 1,000
Utilities		
Maintenance of equipment (copier lease)	\$ 3,000	\$ 3,000
Cleaning and waste removal (windows, snow)	\$ 1,000	\$ 1,000
Rent (office space per lease)	\$ 24,000	\$ 24,114
Rent (water cooler, post office box, parking)	\$ 800	\$ 800
Professional services:		
Clerical services	\$ 56,000	\$ 56,000
Planning session facilitator	\$ 3,000	\$ 3,000
Web hosting	\$ 750	\$ 750
Furniture and equipment	\$ 5,000	\$ 5,000
Total Office Expenses	\$ 116,350	\$ 116,464
Business Retention and Expansion/Recruitment (includes Technology Advisory Committee)	\$ 11,000	\$ 11,000
Office supplies		
Postage		
Meals		
Printing and Publishing		
Travel, conference, school		
Seminars		
Professional services		
Technology Advisory Committee (\$3,000 on reserve per BRE 7.1.09 minutes)		
Advertising		
Subtotal:	\$ 11,000	\$ 11,000
Finance	\$ 2,000	\$ 2,000
Marketing		
Postage		
Meals		
Seminars		
Professional services (LAA, legal)		
Other Charges (filing fees)		
Subtotal:	\$ 2,000	\$ 2,000
Marketing & Public Relations	\$ 33,000	\$ 33,000
Meals		
Printing and Publishing		
Professional services (LAA)		
Professional services (RedStar Creative)		
Media		
Special projects		
James J. Hill membership		
Other		
Website maintenance		
Subtotal:	\$ 33,000	\$ 33,000

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Tourism	\$ 34,000	\$ 34,000
CVB Tourism Partnership Agreement		\$ 34,000
Subtotal:	\$ 34,000	\$ 34,000
Agriculture and Renewable Energy Development	\$ 50,000	\$ 65,000
Full-time Ag Specialist prorated from 5/1/2011		\$ 30,000
Payroll taxes (FICA = 6.20%; Medicare = 1.45%)		\$ 2,295
Pension (PERA) 2011 employer rate is 7.25%		\$ 2,175
Hospital insurance		\$ 4,638
Workers' compensation insurance		
Seminars		
Incurred costs (mileage, expenses, other)		\$ 5,000
Ag Conference		
Program administration (LAA, office, grant seeking)		\$ 20,892
Mid-Central Research and Outreach Center		
Planning facilitator		
Subtotal:	\$ 50,000	\$ 65,000
Total Committee Expense	\$ 130,000	\$ 145,000
Countywide Business Development	\$ 5,000	\$ 5,000
Seminars		
Total Countywide Business Development	\$ 5,000	\$ 5,000
Other Expenses:		
EDC Joint Powers Board (includes LAA time)	\$ 1,000	\$ 1,000
EDCOB (includes LAA time)	\$ 2,000	\$ 2,000
SCORE (cell phone)	\$ 1,000	\$ 1,000
Other operating expenses	\$ 3,508	\$ 3,508
Total Other Expenses	\$ 7,508	\$ 7,508
Community contributions related to economic development	\$ 10,000	\$ 10,000
Community Marketing Coalition		\$ 5,000
Undesignated Funds		
Contribution to Reserve Fund		
TOTAL PROGRAM EXPENSES	\$ 485,111	\$ 500,589
		\$ 488,000
		\$ 12,589