

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT POWERS BOARD OF COMMISSIONERS SPECIAL MEETING

MINUTES

June 27, 2014

EDC Office, Willmar, MN

Present: Steve Ahmann, Denis Anderson, Jim Butterfield, Ron Christianson, Harlan Madsen and Dean Shuck

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

Media: Anne Polta, West Central Tribune

Guest: Bob Enos

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

Chairperson Denis Anderson called the meeting to order at approximately 12:00 p.m.

Office location. Steve Renquist informed the board the EDC Joint Operations Board (EDCOB) assigned a task force consisting of Jean Spaulding, Gary Gilman and Rollie Boll to prepare an RFP (Request for Proposal), review responses to the RFP and narrow sites to a few for consideration.

Anderson noted the EDCOB made a recommendation to move the EDC office to the Windstream building (on 20th Street SE off Highway 12).

Spaulding stated the RFP was sent to all realtors and any property owner who contacted the EDC. The RFP contained seven requirements with no minimum square footage given, but outlining the number of offices and space needed to accommodate staff and office needs. Fifteen responses were received, which the task force narrowed to seven for consideration—six sites were toured by board members who were available and the seventh is the current location at Centre Place. At its June meeting, the EDCOB voted to recommend the EDC office be moved to the Windstream building with the current location as alternate. The lease rate at the Windstream building will be \$1,800, all inclusive. The lease rate at the current location would be \$2,045 plus parking of \$30 per month, garbage service of approximately \$21 per month and prorated snow removal of approximately \$51.50 per month.

Renquist informed the board that Gary Gilman of the EDCOB disclosed he is a member of the Elks, which has a purchase agreement pending on the Windstream building. As Gilman did not have any financial gain in a decision, he voted on the matter.

Spaulding stated EDC staff will be purging files, but additional storage may be needed to accommodate permanent records that must be kept. There is a large garage in the Windstream building that may possibly be used, as well as storage units north of the building. Spaulding

informed the board that all negotiations relative to the Windstream building have been with the Elks and its representative Joe Gimse. Renquist stated an agreement has been reached between the current building owner and the local Elks lodge, which is awaiting approval from the national Elks organization.

Steve Ahmann distributed a Workspace Utilization and Allocation Benchmark by the Office of Real Property Management Performance Measurement Division (see attached) and to which he referred for calculating how much workspace is needed for the EDC. Ahmann spoke in favor of moving the EDC office to the East Gate location off east Highway 12 owned by George Dubie. Dubie recently offered this space at a cost of \$800 per month, all inclusive. Ahmann stated the space meets the sizes given by federal guidelines, would be a cost savings, has a large conference room for tenant use, a break room, storage space and an additional 1,000 square feet upstairs, if needed. Board members voiced their concern with the RFP deadline having passed, the process to which other property owners had to adhere, the hard work done by the task force and the recommendations by the EDCOB before the East Gate property was presented. Spaulding noted two other properties were also received after the RFP deadline and were not considered or included by the task force.

Spaulding stated a similar RFP process was used when the EDC relocated to its current location. At that time, approximately 12 locations were reviewed with the final decision being between the current location and the MinnWest Technology Campus (MWTC). This time, the response submitted by MWTC was not among the final locations considered.

Anderson voiced his concern over the fact that the Elks do not yet own the Windstream building. Renquist noted the local Elks club is fairly certain the national organization will grant its permission for the purchase to proceed. Renquist stated that even though the RFP deadline had passed, EDC staff toured the East Gate location twice and determined the space was not adequate for the EDC.

The EDC's five-year lease at Centre Place expired in 2013. A one year extension was entered into and will end on November 30, 2014. Gary Geiger included a six-month notice period in the extension. Renquist informed the board that four EDCOB members voted in favor of moving to the Windstream building and one voted to stay at Centre Place. When asked, Spaulding informed a property owner that if one location was asked to lower its rent, the others would be notified and given the same opportunity. Some owners commented to Spaulding that if they needed to be more competitive, they could. Jim Butterfield stated one job he had was to handle RFPs for a company and there was always a closing date. The company might reject all bids received and rebid the job, but they never asked bidders to go back and lower their bids. Harlan Madsen stated more criteria than just dollars and cents should be considered—the EDC office should be highly representative of quality, acknowledging and reflecting competitiveness, presenting a positive image, giving a good first impression, having a good work flow with flexibility and adequate storage. Butterfield stated the EDCOB looked at all of the criteria and determined the Windstream building met the criteria, but he also has reservations because the Elks do not yet own the building. Spaulding stated the Elks anticipate closing on the property in September. Getting the space ready for move in has been discussed with Gimse and there will be minimal build out involved. Spaulding

distributed an "Issues and Timeframes for an EDC Move of Office" (see attached). Anderson noted the current location is for sale and if the building is sold, there could be concerns with being able to remain. Spaulding stated the Windstream location has three hallway closets of approximately 31" by 5'9" in size that can be used for storage. Currently the EDC office has eight 3' wide shelving units for storage. The cost for additional storage space at the Windstream building is not known at this time. Madsen stated if the EDC stays at its current location, maintenance must be done to the outside grounds.

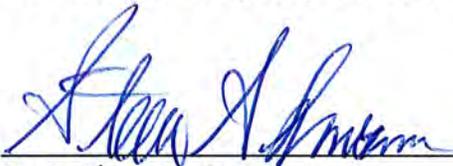
IT WAS MOVED BY Steve Ahmann to move the Kandiyohi County and City of Willmar Economic Development Commission office to the East Gate building. The motion died for lack of a second.

IT WAS MOVED BY Dean Shuck, SECONDED BY Ron Christianson, to accept the recommendation of the Joint Operations Board to move the Kandiyohi County and City of Willmar Economic Development Commission office to the Windstream building. Roll call vote was taken with Ayes by Jim Butterfield, Dean Shuck, Harlan Madsen and Ron Christianson and Nays by Steve Ahmann and Denis Anderson.
MOTION CARRIED.

Ahmann asked that the Bylaw changes be on the board's next agenda, as well as a strategic annual plan. Ahmann stated Willmar's building permit fees recently increase by 12% and could impact economic development.

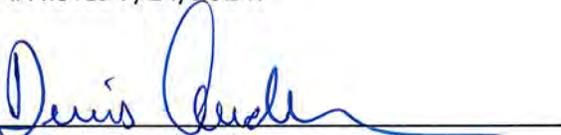
ADJOURNMENT—There being no further business, the meeting was adjourned at 12:58 p.m.

NEXT MEETING—The next regular board meeting is **11:30 a.m., Thursday, July 24, 2014**, at the EDC office.



Steve Ahmann, Secretary

APPROVED 7/24/2014:



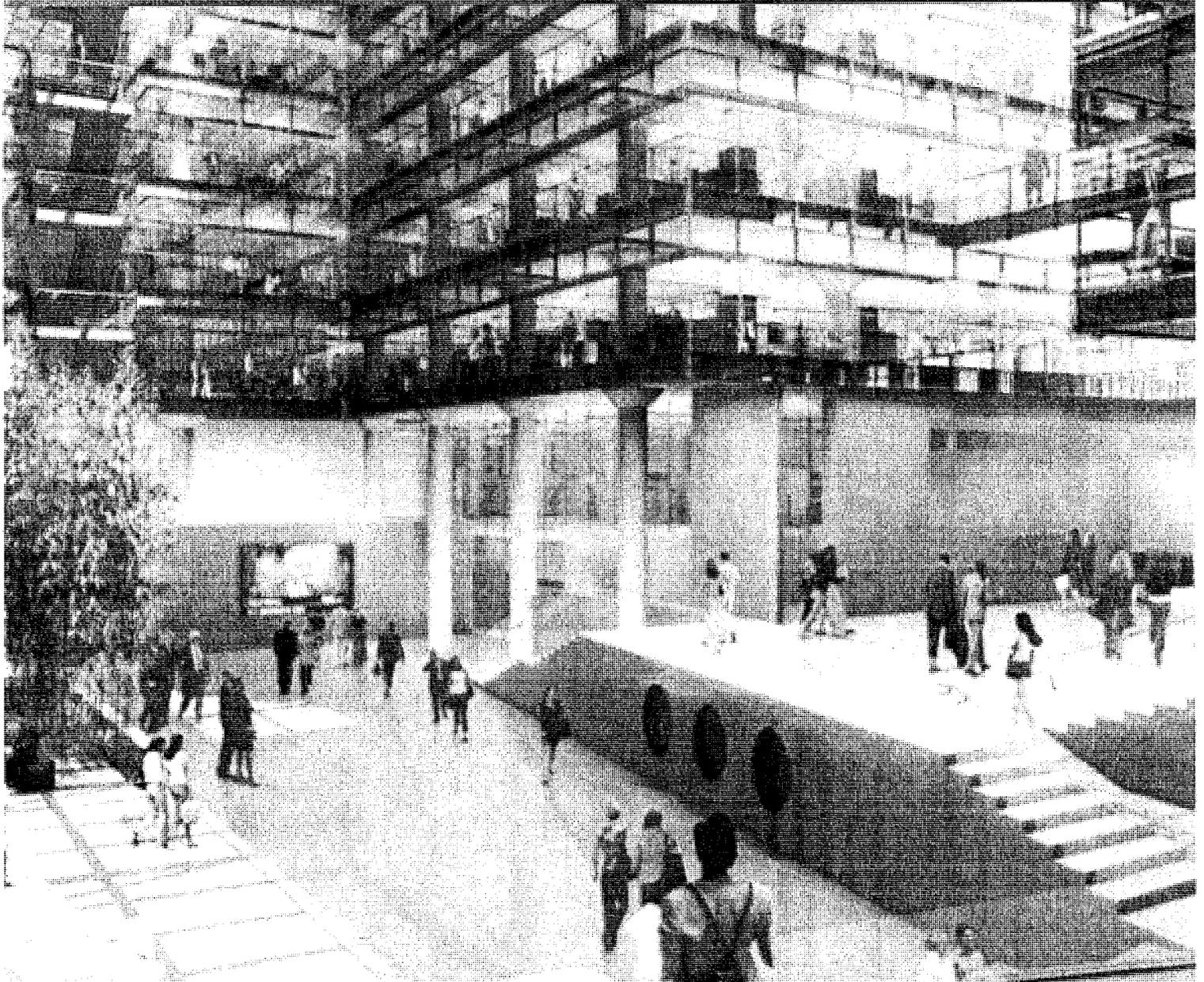
Denis Anderson, Chairperson



GSA Office of Governmentwide Policy

Office of Real Property Management
Performance Measurement Division

Workspace Utilization and Allocation Benchmark



Workplace Allocation Results

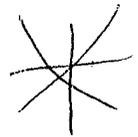
In the 2000s, facility managers in both the Federal government and private sector typically thought they needed 200 to 400 square feet per person to build an effective office workspace. Based on GSA research, today's prevailing standard workspace average is a little more than 190 USF square feet per person, and the space allocation could hit a mere 60 square feet in the next 5 years.

As a continuous stream of GSA survey results and extensive research findings shows us, organizations have been gradually dialing back on office workspace allocation and grandness for years. As trends in today's workplace environment, such as telework and desk sharing offer organizations flexibility and optimal workspace usage. However the general slowdown in economic activity has accelerated the trend as sobered facility managers are forced to let go of their old workspace and try new ways to use less space, increase operation efficiency, and reduce overall workspace costs.

Our findings indicate that there are numerous other contributing factors at play in the push to make the allocation of the workspace smaller and more communal. Many responders are emphasizing teamwork, and the new mobile workforces that are accustomed to working anywhere but at a desk are turning up their noses at the hierarchical formality of the traditional workplace. In addition, familiar technologies such as laptop computers, smart phones and videoconferencing are finally beginning to affect the office workplace. Much like GSA's Central Office, the new workplace is designed to squeeze together workstations while setting aside a few rooms where associates can conduct meetings and rooms to have private telephone conversations. Ideally, GSA's design creates a workplace that is more open, collaborative, and efficient while utilizing fewer square feet per person.

Figure 2. Typical Workspace Allocation

POSITION	USF	CONFIGURATION
Executive	300	Private Office
Director	250	Private Office
Manager	200	Cubicle
Supervisor	120	Cubicle
Technical	80	Cubicle
Support Staff	80	Cubicle
Clerical	64	Cubicle



Calculating how much workspace an organization needs is not an exact science. The estimates provided in Figure 2 are prevailing standard workspace averages for an atypical allocation per staff position which we received from our research partners. These estimates can be individually adjusted upward to provide a more spacious workspace or can be adjusted downward to provide a more efficient use of office workspace.

The participating responders reported that workspace allocation is still somewhat dependent upon an associate's position in the organization. However, most responders reported that their prevailing standard average workspace is between 175 and 200 square feet per person. The greatest amount of workspace at the executive levels (300 USF per person) and the least amount of workspace at the support staff levels (64 USF per person).

Issues and Timeframes for an EDC Move of Office:

June:

- Decision Making
- Quote for moving company
- Quote for office furniture

July – October:

- Review relationship with SCORE volunteers to determine if space allows for continued partnership
- Review stored documents and miscellaneous materials – discarding what we don't need or won't have room for (currently have approximately 24 ft of storage units to be condensed to 17 ft of storage space).
- Review Marketing Materials for Change of Address
- Order Letterhead and new printed materials for anything with a street address

September: Order new/move existing Building signage

- Move existing formed plastic sign from current location to Windstream building - \$950.00*
- New formed plastic sign and installation on Windstream building - \$2180.00
- New vinyl lettering on front door glass - \$75.00
- Remove letter tracks and install vinyl graphics on bottom section of road sign - \$450.00 (Sign estimates do not include permits or taxes if applicable)

October – November:

- Paint Offices to coordinate with décor/image branding of office
- Clean carpets
- Schedule data and phone system connections

Week of November 17:

- Box offices for Movers
- Empty file cabinets and desks to be dismantled and moved