REGULAR MEETING
ECONOMIC DEVELOPMENT AUTHORITY
November 14, 2014
12:00 Noon

PRESENT: Mark Hanson, Steve Syverson, Vern Peterson and Jerry Haberman
Clara Johnson, Advisor, Brad Hanson, Advisor
ABSENT: Brian Harder, Dean Janzen, Wendy Meyer, City Administrator, Marva Ott, Staff
STAFF PRESENT: Rob Anderson
GUESTS: Todd Tetzloff, Dilly and Barbara Rodney

1. Call to Order: Mark called the meeting to order.

2. Consent Agenda: Rob reviewed additional bills received for Lori Puente SCDP. Motion made and seconded by Vern and Steve to approve the consent agenda with additional bills as presented. Carried.

3. Mt. Power Hydraulics Expansion Project.
   a. Construction Update/Change Order from Knickrehm Electric. Rob reported that a walk through was done on October 29th to put together a punch list for contractors to finish up construction. Loren Mifek has started to move in to the new building and first lease payment was made. During the walk through there were several electrical issues that were brought to our attention. These issues are the result of Brunton Architects not including them in the plans and specifications.
   b. Budget Update. Rob reviewed the budget. The EDA has more than adequate funds to pay for the change order requested total of $2,709. Todd Tetzloff with Wilcon Construction explained each of the change order requests. After further discussion, motion made and seconded by Jerry and Vern to sign the Change Oder so work is not held up but require Brunton Architects pay for the changes requested by Knickrehm Electric. Carried. Todd Tetzloff will write a letter to Brunton Architects for Rob's signature.

4. SCDP Commercial Rehab Request from Dilly & Barbara Rodney, Parkside Depot Building. Barbara explained their plans to turn the main floor of the building into a Caribbean style restaurant serving Jamaican and some BBQ food like they serve at Pow Wow. They have met with the health department to determine what improvements are needed in order to get their restaurant license. They must replace the range hood, flooring, wall coverings and some other minor improvements. They have other restaurant equipment already and things like tables and chairs. Discussion followed regarding need for a business plan and cash flow projections. Barbara informed the board that she is working with SCORE to help develop a business plan. They already have done a cash flow and have a mentor that will be helping them with running the restaurant. Rob informed the board that at this time we have about $18,500 available in the SCDP fund. The EDA can transfer money from any one of the MN DEED funds to the SCDP fund if

necessary. Rob informed the Rodney's that a mortgage is done to secure the loan portion of the program. They will need to get approval from building owner Ron Patrick to allow a mortgage to be placed on the property. Barbara stated that she will contact Ron immediately for the approval. After further discussion, motion made and seconded by Jerry and Vern to authorize up to $21,775 in SCDP funds. Dilly will provide in-kind labor for their 1/3 contribution. Carried.

5. Our Hometown Cafe - Update. Rob informed board members that the new roof is being installed today and we are about done with other improvements approved for SCDP. We will enter into a repayment agreement when the project is done. Several board members commented on the fact that the new roof looks very good and it is imperative that we continue to invest in downtown buildings or we can become like what other towns are experiencing with empty, dilapidated buildings in their downtowns.

6. General Discussion:
    a. Industrial Park Planning. No changes have occurred since the last meeting with property owners in the 2 areas of interest. Tabled until further notice.
    b. Update on Pop'd Kerns Building, Water Damage Repairs. Rob reported that all repairs have now been completed and the building is water tight according to the architect and project manager. Rob noted that the floor covering in the manufacturing area had to be replaced due to poor workmanship/product. This item was under warranty and the new flooring looks to be solid. No further work is required at this time. In the spring the EDA will need to complete landscaping and perhaps some additional work on the parking lot.
    c. Next Regular Board Meeting is December 12th.
    d. Other business. Rob informed board members that we have 2 board members with expiring terms coming up at the end of the year - Jerry Haberman and Vern Peterson. Both Jerry and Vern said that they would be willing to serve another term. Rob noted that December's meeting will be Dean Janzen's last meeting as an EDA board member. Rob will have Maynar'ds make a cake to recognize Dean's many years of service to the EDA. The 2 vacant city council positions will be filled after the first of the year. The 2 board members from the council are appointed by the mayor with approval from the city council. No other business came before the board.

7. Adjourn. The meeting was adjourned by President Hanson at 12:58 p.m.