



**JSDC Board of Directors Meeting
March 12, 2018
Lower Level Conference Room
Official Minutes**

Members Present: Ramone Gumke, Lorrie Pavlicek, Kelly Rachel, Jason Rohr, Dale Marks, CJ Janke, Bob Toso, Gerald Horner, Chris Rathjen, Bill Lytle, and Katie Andersen (via phone).

Members Absent: Mark Klose, Ritchie Wolf, Marlee Siewert, and Tom Hausmann.

Staff Present: Connie Ova, Corry Shevlin, Tracey Pringle, and Beth Blumhardt.

Guests Present: Steve Aldinger, Interstate Engineering; Keith Norman, Jamestown Sun; Danica Chaput, ND Job Service; Becky Thatcher-Keller, Jamestown Chamber of Commerce; Katherine Roth, UJ Entrepreneurship Center; Stacy Bowerman, South Central Dakota Regional Council; Searle Swedlund, Jamestown Tourism; Pam Phillips, City Council; and Donavon Dallman, Dallman Striping.

Call to order: 11:46 a.m. by Chris Rathjen.

Tape recorder started: 11:46 am

Conflict of Interest: None

Approval of Agenda: Chris informed the Board that Thyssen Krupp New Jobs Training Funds Request is being added to the agenda under "Other". The March 12, 2018 JSDC Board of Director Meeting Agenda was approved as revised.

President's Report: Chris Rathjen reminded the Board of the upcoming JSDC Annual Meeting on April 25, 2018.

Minutes: *Bob Toso moved to approve the minutes of the February 5, 2018 Board of Directors Meeting as presented, Lorrie Pavlicek seconded, and the motion passed unanimously by voice vote.*

Account Status Report: Tracey presented the February financial report to the Board of Directors; the reports were in the dropbox for review.

Bill Lytle moved to approve the February financial report as presented, Dale Marks seconded, and the motion passed unanimously by voice vote.

R & B Motorsports Flex PACE Request: Corry reported on the R & B Motorsports Flex PACE Interest Buydown Request agenda item. Hwy 13 One Stop, Inc. (R & B Motorsports) plans on purchasing a larger location, bringing on a Vendor that is currently not located in Stutsman County and adding additional employees. They

are a local retailer for Arctic Cat and Dixon products along with our used automobile inventory, they also have a body shop and repair facility.

Hwy 13 One Stop, Inc. is requesting up to \$86,000 in Flex PACE Interest Buydown funds. Those funds will be matched by the Bank of ND by up to \$200,000.

At the Business Attraction Committee meeting, Mark Klose made a recommendation to the JSDC Board of Directors to fully fund the Hwy 13 One Stop, Inc. request for \$86,000 at an 80/20 City=\$68,800/County=\$17,200 split. Ramone Gumke seconded that motion. Corry noted the application and rubric are in the dropbox for review.

Ramone Gumke motioned to approve Hwy 13 One Stop, Inc. (R & B Motorsports) for up to \$86,000 in Flex PACE Interest Buydown funds at an 80/20 City=\$68,800/County=\$17,200 split, Dale Marks seconded the motion, and the motion passed unanimously. Roll Call: Kelly-aye, Bill-aye, Bob-aye, Katie-aye, CJ-aye, Lorrie-aye, Dale-aye, Gerald-aye, Ramone-aye, Jason-aye, and Chris-aye. Motion passed 11-0 with Marlee Siewert, Tom Hausmann, Mark Klose and Ritchie Wolf absent.

Dallman Striping: Corry reported on the Dallman Striping Flex PACE Interest Buydown Request agenda item. Dallman Services Company is pursuing expanding their services by acquiring additional equipment. Dallman Services Company is a highway and street marking company and will add 4 employees with the acquisition of new equipment.

Dallman Services Company is requesting up to \$86,000 in Flex PACE Interest Buydown funds. Those funds will be matched by the Bank of ND by up to \$200,000.

At the Business Attraction Committee meeting, Ramone Gumke made a recommendation to the JSDC Board of Directors to fully fund the Dallman Services Company request for \$86,000 at an 80/20 City=\$68,800/County=\$17,200 split. CJ Janke seconded that motion. Corry noted the application and rubric are in the dropbox for review.

Donavon Dallman, Dallman Striping, was in attendance and gave a brief history of his company and was there to answer any questions the Board of Directors had.

A brief discussion was held among the Board of Directors.

Bill Lytle motioned to approve Dallman Services Company for up to \$86,000 in Flex PACE Interest Buydown funds at an 80/20 City=\$68,800/County=\$17,200 split, Jason Rohr seconded the motion, and the motion passed unanimously. Roll Call: CJ Janke-aye, Lorrie-aye, Dale-aye, Gerald-aye, Ramone-aye, Jason-aye, Kelly-aye, Bill-aye, Bob-aye, Katie-aye, and Chris-aye. Motion passed 11-0 with Ritchie Wolf, Tom Hausmann, Marlee Siewert, and Mark Klose absent.

SBDC Budget: Connie reviewed her memo in the dropbox for the SBDC Budget agenda item. Included with her memo in the dropbox were the SBDC Budget for 80% FTE to be located at the JSDC, the job description for SBDC 80% employee, information regarding SBDC services per county over the past 5 years, and the draft minutes from the Organizational Excellence Committee Meeting on 2/20/2018.

Connie noted she is requesting approval of the SBDC budget and to advertise for an employee for the position. Connie emphasized that the employee will need significant training at the state office and mentoring from other SBDC offices across the state prior to assuming the position.

Connie informed the Board she is also requesting the request for a cash match of \$25,118 go to the Organizational Excellence Committee that has been tasked with recommendations for this SBDC hosting project.

A discussion was held amongst the Board. Kelly and Bill expressed that they both felt a budget should be figured out before advertising for an employee to fill the position. Connie commented that she wants to make sure the SBDC numbers we are getting are correct as well. After further discussion, the overall consensus amongst the Board of Directors was that further research needs to be done in order to have all the information and facts necessary to make a well-informed decision.

Lorrie Pavlicek moved that the Board does not act today until a proposal that incorporates all the appropriate data and information is put together and presented to the Board of Directors, Bob Toso seconded the motion, and the motion passed unanimously by voice vote.

This agenda item will go back to the Organizational Excellence Committee to further discuss and seek out answers. Upon completion of that they will then decide if the Organizational Excellence Committee or someone else will put together a proposal which will then be presented to the Board of Directors at a future Board meeting. Chris informed Stacy Bowerman from South Central Dakota Regional Council that someone would be reaching out to him to get more information.

- ❖ **Action Item:** The SBDC Budget item will go back to the Organizational Excellence Committee to further discuss and seek out answers. Once the necessary data and information has been collected the Organizational Excellence Committee will then decide who will be putting a proposal together whether it be the Organizational Excellence Committee, JSDC staff, or someone else otherwise assigned. When the proposal is ready it will then be presented at to the Board of Directors at a future Board Meeting.

Airport Business Park: Corry reviewed his memo in the dropbox on the Airport Business Park agenda item. Jamestown Regional Airport Authority (JRAA) has ownership of approximately 87 acres along Hwy 20 North, in the City of Jamestown North Dakota, which is prime for development into industrial and aeronautical use lots. We have previously discussed development of these lots as a next step for the Jamestown/Stutsman Development Corporation (JSDC). For the term of development, the JRAA will lease the land to the JSDC at the agriculture land lease rate. The JSDC would be able to sublease the land for agriculture purposes.

The estimate of the old design came in at \$2,847,502.71

Working through the design stage, we have had to make changes to that design. Most notably; we had to change the location of the south approach. With the changes that have been made there has been an increase in the development cost.

The request is for up to \$3,500,000 which includes all utilities and Bitumen road. These lots will be shovel ready after development is complete. The JSDC will recoup the investment made into the land through the lease structure. The approximate lease amount will be \$0.92 per square foot for the repayment of the development cost plus \$0.02 for JRAA. Long term commercial or industrial land leases will be made directly with JRAA for 5 years with a 5-year renewal option or for the length of financing.

The request would be at an 80/20 City=\$2,800,000/County=\$700,000 split.

Steve Aldinger from Interstate Engineering was in attendance and presented this request to the JSDC Board of Directors. Steve also included a handout to those in attendance which displayed and detailed cost estimates. A brief Q & A session and discussion was held.

Bill Lytle motioned to increase project costs from \$2,847,502.71 up to \$3,500,000 at an 80/20 City=\$2,800,000/County=\$700,000 split, Bob Toso seconded the motion, and the motion passed unanimously. Roll Call: Bob-aye, Katie-aye, CJ-aye, Lorrie-aye, Dale-aye, Gerald-aye, Ramone-aye, Jason-aye, Kelly-aye, Bill-aye, and Chris-aye. Motion passed 11-0 with Ritchie Wolf, Marlee Siewert, Tom Hausmann, and Mark Klose absent.

Ramone Gumke motioned for approval of the plans and for opening of bids on April 17th, Jason Rohr seconded the motion, and the motion passed unanimously. Roll Call: Kelly-aye, Bill-aye, Bob-aye, Katie-aye, CJ-aye, Lorrie-aye, Dale-aye, Gerald-aye, Ramone-aye, Jason-aye, and Chris-aye. Motion passed 11-0 with Mark Klose, Tom Hausmann, Ritchie Wolf and Marlee Siewert absent.

Strategic Committee Reports:

Strategic Business Plan Committees:

Business Attraction Committee-

(Committee members consist of: Tom, Gerald, Mark, Ramone, Katie, Bob, Curt, Bill, Corry, and Connie)

- Corry reported the Business Attraction Committee met on Monday, March 5th. The committee reviewed the two Flex PACE requests presented today and discussed the Airport Park which was also discussed at today's meeting. The next Business Attraction Committee Meeting is scheduled for Monday, April 2nd.

Existing Business Outreach Committee-

(Committee members consist of: Lorrie, Chris, Ritchie, Jason, Marlee, Dale, Corry, and Connie)

- Corry reported the Existing Business Committee met on Tuesday, March 6th. The committee discussed working with AE2S. Corry noted the survey for Workforce Development is now live on the website and encouraged everyone to visit the website and take that survey. Corry also noted they are coordinating with Golden Shovel to make sure everyone is on the same page as far as content. The committee also discussed Storefront Improvement which was requested to be brought back to the committee for review at the February Board of Directors Meeting. The next Existing Business Outreach Committee Meeting is scheduled for Tuesday, April 3rd.

Organizational Excellence Committee –

(Committee members consist of: Bob, Katie, Bill, Lorrie, Kelly, Connie, Tracey, and Beth)

- The Organizational Excellence Committee met on Tuesday, February 20th. The committee further discussed hosting SBDC as requested at the February Board of Directors Meeting. The committee also discussed possible sale of the Economic Center of Development Building and employee classification. The next scheduled meeting is on Tuesday, March 20th.

Finance Committee-

(Committee members consist of: Chris, Katie, Bill, Kelly, Tracey, and Connie)

- Chris reported that the Finance Committee will be meeting on Monday, March 26th to review the first audit report from Brady Martz.

Action Items:

- The SBDC Budget item will go back to the Organizational Excellence Committee to further discuss and seek out answers. Once the necessary data and information has been collected the Organizational Excellence Committee will then decide who will be putting a proposal together whether it be the Org Excellence Committee, JSDC staff, or someone else otherwise assigned. When the proposal is ready it will then be presented at to the Board of Directors at a future Board Meeting.

Other: (Thyssen Krupp New Jobs Training Funds Request): At the beginning of the meeting Thyssen Krupp New Jobs Training Funds was added to the agenda under “Other”. Connie reviewed her memo in the dropbox for the Thyssen Krupp New Jobs Training Funds agenda item. Included with her memo in the dropbox was a proposal for a \$25,000 loan to be repaid with New Jobs Training Funds by Thyssen Krupp and a completed New Jobs Training Application approved at ND Job Service.

A recommendation was made to the Board of Directors for approval of a \$25,000 loan to Thyssen Krupp, a third-party supplier to UTC, located in the I-94 Business Park. This is for hiring 8 FTE for the warehouse.

The request would be at an 80/20 City =\$20,000/County =\$5000 split.

Bill Lytle motioned to approve the New Jobs Training Funds request to Thyssen Krupp in the amount of \$25,000 with an 80/20 City=\$20,000/County=\$5,000 split, CJ Janke seconded the motion, and the motion passed unanimously. Roll Call: Gerald-aye, Ramone-aye, Jason-aye, Dale-aye, Lorrie-aye, CJ-aye, Bob-aye, Bill-aye, Kelly-aye, Katie-aye, and Chris-aye. Motion passed 11-0 with Marlee Siewert, Mark Klose, Tom Hausmann, and Ritchie Wolf absent.

Staff Reports:

CEO: Connie reviewed her report; her full report was in the dropbox.

Business Development: Corry gave a brief report; his full report was in the dropbox.

Administrative Assistant: Beth gave a few updates; her full report was in the dropbox.

Office Manager: Tracey’s full report was in the dropbox.

Ex-Officio Reports:

City of Jamestown: Ramone Gumke was present and reported on the City.

Stutsman County: Dale Marks was present and reported on the County.

ND Job Service: Danica Chaput was present and reported on ND Job Service.

Jamestown Chamber of Commerce: Becky Thatcher-Keller was present and reported on Jamestown Chamber of Commerce.

Jamestown Tourism: Searle Swedlund was present and reported on Jamestown Tourism.

South Central Dakota Regional Council: Stacy Bowerman was present and reported on South Central Dakota Regional Council.

Jamestown Regional Entrepreneurship Center: Katherine Roth was present and reported on Jamestown Regional Entrepreneurship Center.

Adjourn: The meeting was adjourned at 1:07 p.m. by Chris Rathjen.

Tape Recorder stopped: 1:07 p.m.

Respectfully submitted by,

Beth Blumhardt, JSDC Administrative Assistant