



**JSDC Board of Directors Meeting
February 6, 2017
Lower Level Conference Room
Official Minutes**

Members Present: Mark Klose, Bill Lytle, Katie Andersen, Ramone Gumke, CJ Janke, Gerald Horner, Jason Rohr, Ritchie Wolf, Dale Marks, Chris Rathjen, Kelly Rachel, and Marlee Siewert

Members Absent: Tom Hausmann, Lorrie Pavlicek, and Bob Toso

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

Guests Present: Keith Norman, Jamestown Sun: Danica Chaput, ND Job Service; Brenda Moritz, South Central Dakota Regional Council; Becky Thatcher- Keller, Jamestown Chamber of Commerce; Nick Bruns, Nodak Mutual; Corey Bayer, Marvel Homes; Joe Schreiner, NDSCS; Tony Grindberg, NDSCS; Karla Hoelscher, Train ND; Amy Walters, Two Rivers Activity Center; and Christina Dockter, ICS.

Call to order: 11:45 a.m. by Chris Rathjen.

Tape recorder started: 11:45 am

Conflict of Interest: None to declare.

Approval of Agenda: This was a special meeting therefore no additions or changes were made to the February 6, 2017 agenda.

President's Report: Chris Rathjen had everyone in attendance introduce themselves and then gave a brief president report. She informed the Board that on Tuesday, February 7th there will be an announcement in Fargo on a value-added processing plant.

Minutes: *Dale Marks moved to approve the minutes of the January 9, 2017 Board of Directors Meeting as presented, Ritchie Wolf seconded, and the motion passed unanimously by voice vote.*

Account Status Report: Connie presented the January financial report to the Board of Directors in Tracey's absence; the reports are in the dropbox. Connie also informed the Board that Linda Mohn from Schauer & Associates was in the JSDC Office last week going through all the information needed for the JSDC and SEPA audit.

Marlee Siewert moved to approve the January financial report as presented, Jason Rohr seconded, and the motion passed unanimously by voice vote.

Train ND Partnership/Request for Funding: Connie introduced Tony Grindberg, Vice President for Workforce Affairs for NDSCS; Joe Schreiner, TrainND SE Director for Workforce Affairs for NDSCS; and Karla Hoelscher, Training Account Executive for TrainND to the Board. Connie gave a brief history on NDSCS, TrainND and then gave a quick summary of their request.

TrainND is requesting \$45,000/year for the next two years to assist with defraying the costs of an employee to continue and enhance the focus on workforce training in Jamestown and Stutsman County.

Connie noted that JSDC does have room to provide office space for this project which she thinks will enhance the local use of this Training and make more companies aware of the availability and convenience of Train ND. Train ND would also become a regular attendee at the JSDC monthly board meetings and provide monthly reports on local activity and needs of the community. A job description used by JSDC when hiring a full-time workforce training position in prior years was also included in the dropbox. Connie then turned the floor over to Tony and Joe for their presentation.

Tony and Joe presented a power point to the group in which they outlined TrainND's prior success to 2013, past success since 2013, and 2010-2016 years. They then outlined the following proposal:

Proposed:

- Karla and/or Joe work within Jamestown/JSDC area at least one day per week presence (weather permitting, etc.)
- Provide Customized Workforce Training Services as needed and visit with companies to enhance skills of their workforce
- Provide "Open Enrollment" type classes that enrich workforce of companies –where only a few from each company attend
- Classes to be held at Chamber Training Facility (basement)
- Partnership renewed with JSDC on a 2-year plan
- Funding provided by JSDC of \$45,000/year (effective upon agreement date)
- Office space TBD if needed by TrainND- not required

After the presentation, Joe and Tony welcomed questions and inquiries from the BOD. A few board members voiced some concerns they had including if other communities are receiving these services for a lessor price or for nothing, the overall demand/need for this service and the community participation numbers. The board discussed the request.

Bill inquired what time frame are we looking at to give TrainND an answer. Tony replied that ultimately, they would like to have a commitment by April 1st. Bill commented the overall question is, can we make a fair assessment with the information that we have and some of the concerns we have and if we can't how do we get there in a short amount of time. Chris asked how the board would like to move forward with this request. Bill noted he would like to see it taken to a committee to gather more information and then it be brought back to the board for assessment. Katie commented she doesn't have a problem with moving this request forward as she feels having expertise training available is a good thing and it's also good for recruitment to have something like this in place with the understanding that Jamestown is setting the bar/scale for these services. After further discussion amongst the Board of Directors the TrainND request was tabled.

Bill Lytle motioned to table the TrainND request for 30 days and send to a committee for further research before bringing back to the JSDC Board of Directors for final evaluation, Mark Klose seconded the motion, and the motion passed unanimously by voice vote.

- Chris noted the action item will then be for Connie and JSDC staff to send out an email to let the Board of Directors know the best way to go about getting the information requested in order for the Board to make a well-informed decision.

ICS Building Purchase: International Certification Services, Inc. (ICS) and their parent company, *Where Food Comes From*, are interested in the possible purchase of the ICS/FARRMS office building in Medina and are requesting the option to have the ICS/FARRMS office building appraised in order to decide if they should go forward with the purchase. Currently JSDC owns the office building and ICS owns the lot in Medina where the office has resided since the building completion in early 2003. Connie briefly reviewed her memo in the dropbox. Connie highlighted in the memo that she spoke with Dennis Rodin from USDA and he forwarded the following guidance on how to proceed:

1. JSDC should submit on its letterhead a written notice to the Agency discussing the following:
 - JSDC's desire to sell the real property and request disposition instructions from the Agency
 - Include a description of the proposal (who, what, why, when, where), estimated selling expenses, and proposed sales procedure to obtain the highest possible return.

After the Agency receives the request it will issue the disposition instructions.

- Note: Based on our initial understanding of the proposal the following items will be included in the disposition instructions:
 1. An appraisal of the property will be needed to establish the current fair market value. The appraisal will need to be ordered by JSDC and be completed by a certified general appraiser. The Agency requests to review the appraisers' qualifications and concur in the appraiser selection. The completed appraisal is subject to USDA review and acceptance.
 2. There will be an amount due to the Agency. The amount paid to the Agency will be its percentage of participation in the cost of the original project to the fair market value of the property.
 3. A preliminary review of the case file indicates the Agency's percentage of participation is 70% and JSDC 30%. (USDA Grant \$250,000/Total Project Cost \$355,000).

The recommendation to the Board of Director's is to work with USDA to obtain an appraiser that's approved by them and have the appraisal done.

Christina Dockter, Vice President of Operations for ICS, was present to answer any questions the Board of Directors had in regards to the request presented.

A brief discussion was held among the Board of Directors.

Katie Andersen motioned to move forward with the appraisal of the ICS/FARRMS office building as requested by International Certification Services, Inc., Kelly Rachel seconded the motion, and the motion passed unanimously. Roll Call: Kelly-aye, Bill-aye, Katie-aye, Mark-aye, CJ-aye, Dale-aye, Gerald-aye, Ramone-aye, Ritchie-aye, Marlee-aye, Jason-aye, and Chris-aye. Motion passed 12-0 with Bob Toso, Lorrie Pavlicek, and Tom Hausmann absent.

Request for Flex PACE Interest buydown to purchase established JMS business: Corry reviewed his memo in the dropbox on the Request for a Flex PACE Interest buydown to purchase an established Jamestown Business.

Central Business Systems Inc is a North Dakota Incorporated company that is engaged in the sale and servicing of office equipment from the South Dakota border to Devils Lake and Valley City to Steele. Central Business Systems is an established business in the community and is experiencing a change in ownership.

Darnell Denning has been an employee of Central Business Systems since 1986 and the General Manager since 2011. Darnell is purchasing all issued shares of Central Business Systems Inc. and is seeking a Flex PACE Interest Buydown loan to reduce the upfront cost of purchasing the business.

The funding requested of the JSDC consists of \$43,000 for the Flex PACE Program. That money will be matched by the Bank of North Dakota for up to \$100,000 and will create 1 additional FTE's.

The recommendation to the JSDC Board of Directors is to approve funding for the Flex PACE Program on an 80/20 City=\$34,400/ County=\$8,600 split.

Katie Andersen motioned to approve the Flex PACE Interest Buy-down request for Darnell Denning for the purchase of Central Business Systems, Inc. in the amount of \$43,000 with an 80/20 City = \$34,400/County=\$8,600 split, Marlee Siewert seconded the motion, and the motion passed unanimously. Roll Call: Dale-aye, Gerald-aye, Ramone-aye, Ritchie-aye, Marlee-aye, Jason-aye, Kelly-aye, Bill-aye, Katie-aye, Mark-aye, CJ-aye, and Chris-aye. Motion passed 12-0 with Tom Hausmann, Bob Toso, and Lorrie Pavlicek absent.

Project Legal Expense Policy: Connie reviewed Tracey's memo in the dropbox. On January 19, 2017, the Finance Committee created a new policy to address the challenges JSDC experiences in trying to recover legal expenses which are directly related to new projects.

This policy known as the Project Legal Expense Policy would allow JSDC to request up to \$2,500 in Administrative Fees in addition to project funds needed. Any funds not spent for the project, of course, would be refunded to the city and county based on the split of funds.

The Finance Committee is requesting approval of this policy from the Board of Directors.

Ramone Gumke motioned to approve the Project Legal Expense Policy as presented, CJ Janke seconded the motion, and the motion passed unanimously by voice vote.

Connie also reviewed Tracey's memos in the dropbox on the Draft Document Retention & Destruction Policy and the Whistleblower Policy. On January 19, 2017, the Finance Committee reviewed the Draft Document Retention & Destruction Policy. This policy is borrowed from the National Council of Nonprofits. The Committee also reviewed the Whistleblower Policy. Both policies were in the dropbox for review.

The Finance Committee requests approval of both these policies from the Board of Directors.

Dale Marks motioned to approve adoption of the Draft Document Retention & Destruction Policy and the Whistleblower Policy, Jason Rohr seconded the motion, and the motion passed unanimously by voice vote.

Strategic Plan Update: Corry reported on the Strategic Plan Update agenda item. Corry commented that JSDC has been talking about updating their Strategic Plan as many of those goals have already been achieved and completed. By updating the Strategic Plan, it will help to keep us moving forward and

keep things up to date. Corry noted that he contacted KLJ who worked on our last Strategic Plan to see if they could come up with a contract and pricing. The professional services agreement KLJ came up with is in the dropbox for review. The estimated fees for services is \$3,200 with an estimated completion date of services within 90 days of contract execution and delivery to KLJ. Bill inquired if we budgeted for this, Connie replied no it has not been budgeted for it would have to be an incentive request.

A discussion was held among the Board of Directors.

Katie Andersen motioned to approve KLJ updating JSDC's Strategic Plan for a fee of \$3,200 with an 80/20 City=\$2,560/County=\$640 split and an estimated completion date of services within 90 days of contract execution and delivery to KLJ, Kelly Rachel seconded the motion, and the motion passed unanimously. Roll Call: Ritchie-aye, Marlee-aye, Jason-aye, Kelly-aye, Bill-aye, Katie-aye, Mark-aye, CJ-aye, Dale-aye, Gerald-aye, Ramone-aye, and Chris-aye. Motion passed 12-0 with Tom Hausmann, Lorrie Pavlicek and Bob Toso absent.

TRAC Overview: Chris commented at the January meeting there was a request to get an update on the Two Rivers Activity Center (TRAC). Amy Walters, TRAC Facility Manager, attended the meeting and presented a power point on the current progress of the Two Rivers Activity Center. Amy touched on the following items which included TRAC Operation Planning, the Construction Update for TRAC and the Capital Campaign. At the end of the presentation Amy informed the group she does give weekly tours of the facility Friday afternoons at 3:00 pm. Amy then opened the floor to any questions and inquires the group had.

(Jason Rohr exited the meeting at 1:06 pm)

Strategic Committee Reports:

Strategic Business Plan Committees:

Business Attraction Committee-

(Committee members consist of: Tom, Gerald, Ramone, Curt, Corry, Connie, and Rich)

- Corry reported the JSDC Business Attraction Committee met on Monday, February 6th prior to the BOD Meeting. The committee met and started to think about a UAS specific incentive which they will hopefully have something put together at the next Board meeting for review.

Existing Business Outreach Committee-

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

- Corry reported the JSDC Existing Business Outreach Committee met on Thursday, January 12th. The committee is starting preliminary thoughts about the symposium later this year. The committee will meet again on Thursday, February 9th and will go over TrainND items at that meeting.

Organizational Excellence Committee –

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

- The JSDC Organizational Excellence Committee meets on an as needed basis and has not met since the last update.

Finance Committee-

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

- Chris reported the Finance Committee met in January and reviewed the policies which were voted on earlier in the meeting.

Action Items: There were no action items at this time.

Staff Reports:

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

Business Development: Corry's full report was in the dropbox.

Administrative Assistant: Beth's full report was in the dropbox.

Office Manager: Tracey was absent; no report in the dropbox.

Ex-Officio Reports:

City of Jamestown: Katie Andersen and Ramone Gumke were present and reported on the City.

Stutsman County: Mark Klose and Dale Marks were 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 the Jamestown Chamber of Commerce.

South Central Dakota Regional Council: Brenda Moritz was present and reported on South Central Dakota Regional Council.

Adjourn: The meeting was adjourned at 1:19 p.m.

Tape recorder stopped at 1:19 p.m.

Respectfully submitted by,

Beth Blumhardt, JSDC Administrative Assistant