



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

Members Present: Chris Rathjen, Marlee Siewert, Katie Andersen, CJ Janke, Gerald Horner, Jason Rohr, Ritchie Wolf, Dale Marks, Mark Klose, Bill Lytle, Tom Hausmann, Lorrie Pavlicek, and Bob Toso

Members Absent: Ramone Gumke and Kelly Rachel

Staff Present: Connie Ova, Corry Shevlin, Tracey Pringle 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; Dr. Bob Badal, University of Jamestown; Katherine Roth, University of Jamestown; Joe Schreiner, NDSCS (via phone at 12:52 pm); and Karla Hoelscher, Train ND (entered meeting at 12:50 pm).

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 March 6, 2017 agenda; the agenda stands as presented.

President's Report: Chris Rathjen noted the recent announcement of the ND Soybean Processing Plant going into the Spiritwood Energy Park. Chris also commented the JSDC Annual Meeting will be held this year on Wednesday, April 26th at the Quality Inn and Suites; look for save the date emails and invites to be sent out in March and early April.

Minutes: *Marlee Siewert moved to approve the minutes of the February 6, 2017 Board of Directors Meeting as presented, Jason Rohr 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 are in the dropbox.

Ritchie Wolf moved to approve the February financial report as presented, Lorrie Pavlicek seconded, and the motion passed unanimously by voice vote.

- **CED Building 2016 Loss – Reimbursement Request:** Tracey reviewed her memo on the Center for Economic Development Building (CED) 2016 Loss Reimbursement Request. The ownership of the CED building is 18% Chamber, 50% JSDC offices, and 32% leased space. Now that JSDC

has space (32% of the building) it leases to tenants, the net income/loss will be calculated at the end of each year. If there is a net profit, that amount will be paid to city/county on a 90/10 split. If there is a net loss, JSDC will request reimbursement from city/county on a 90/10 split.

In the dropbox was the 2016 CED Building Profit/Loss Statement which showed a total loss of \$25,825.79 with 32% of that loss equaling \$8,264.25. The request presented to the Board is for approval to request reimbursement to the JSDC in the amount of \$7,437.83 (90%) from the city and \$826.42 (10%) from the county for a total of \$8,264.25 for the shortage.

A brief discussion was held among the Board.

Bill Lytle motioned to approve requesting of reimbursement to the JSDC for the Center for Economic Development 2016 Building Loss in the amount of \$8,264.25 with a 90/10 City=\$7,437.83 and County=\$826.42 split, Bob Toso seconded the motion, and the motion passed unanimously. Roll Call: Katie-aye, Mark-aye, CJ-aye, Lorrie-aye, Dale-aye, Gerald-aye, Tom-aye, Ritchie-aye, Marlee-aye, Jason-aye, Bill-aye, Bob-aye, and Chris-aye. Motion passed 13-0 with Ramone Gumke and Kelly Rachel absent.

University of Jamestown Entrepreneurship Center: Corry reviewed his memo in the dropbox on the University of Jamestown Entrepreneurship Center Request. Over the past number of months, the University of Jamestown has been working with a number of community and business leaders to address the need for an entrepreneurship center in Jamestown.

The Jamestown Regional Entrepreneur Center aims to unite the synergies of community, university and industry collaboration by assisting entrepreneurs in developing and launching successful businesses, as well as, creating a culture of entrepreneurship amongst the community. The University of Jamestown Entrepreneurship Center's Application and perspective budget scenarios were included in the dropbox for review.

Corry noted that the University of Jamestown is currently in the process of applying to the USDA for a grant, they have requested a letter of support from the JSDC Board of Directors to illustrate to the grant committee community involvement and support in the project.

The recommendation to the JSDC Board of Directors is to grant the UJ Entrepreneur Center up to \$50,000 a year for 3 years.

Dr. Bob Badal, University of Jamestown President, and Katherine Roth, Interim Entrepreneurship Center Director for the University of Jamestown, were both present to further clarify the request and answer any questions the Board of Directors had. Some of the following points were highlighted in the presentation: Katherine commented that the request of up to \$50,000 per year from the JSDC would assist in helping to pay for a part-time coordinator, for paid interns from various programs, marketing, training, legal and auditing fees. Katherine noted that they are also currently in the process of applying to the USDA for grant funds. The grant would be good for 12 months and then they are able to potentially renew the grant for another 12 months however the scope of work would need to be different. Dr. Bob Badal also clarified that they have been working on this overall process for about a year and a half and have had a number of informal gatherings in Jamestown which have been open to Entrepreneurs and those people interested in the Jamestown area. They have also reached out to a

number of governmental agencies that have to do with Economic Development, as well as Mayor Katie Andersen from the City and Mark Klose from County Commission.

The Board made various inquiries regarding the request and a discussion was held.

Katie Andersen motioned to approve up to \$50,000 a year for the next 3 years to the University of Jamestown Entrepreneur Center with an 80/20 City/County split, Marlee seconded the motion, and the motion passed unanimously. Roll Call: Tom-aye, Ritchie-aye, Marlee-aye, Jason-aye, Bill-aye, Bob-aye, Katie-aye, Mark-aye, CJ-aye, Lorrie-aye, Dale-aye, Gerald-aye, and Chris-aye. Motion passed 13-0 with Kelly Rachel and Ramone Gumke absent.

Magnum LTL Flex PACE Amendment: Corry reviewed his memo in the dropbox on the Magnum LTL Flex PACE Amendment Request. In June of 2016, Magnum LTL was approved for \$125,000 in PACE funding pending Primary Sector Approval and \$30,000 in Flex PACE funding. Unfortunately, Magnum LTL did not secure Primary Sector Certification and were no longer eligible for PACE funding.

The \$30,000 Flex PACE request was made instead of the usual \$43,000 because JSDC staff thought that in conjunction with PACE funding that the amount would be sufficient to service the Interest Buy Down for Magnum LTL.

A sample amortization schedule that BND has provided indicates that the community portion for the Flex PACE Interest Buy Down will be closer to the full community portion of \$43,000.

The recommendation to the Board of Directors is to amend the previous motion Katie Andersen made and Lorrie Pavlicek seconded to reflect that up to the full community portion (\$43,000) be made available to Magnum LTL.

The original motion made at the June 13, 2016 JSDC Board of Directors Meeting is below:

- ❖ Katie Andersen motioned to approve the Flex PACE Interest Buy Down as requested for Magnum, LLC. with an 80/20 City/County split, Lorrie Pavlicek seconded the motion, and the motion passed unanimously. Roll Call: Mark- aye, Lorrie- aye, Gerald -aye, Ramone- aye, Tom- aye, CJ- aye, Ritchie- aye, Toni- aye, Katie- aye, Bob- aye. Motion passed 10-0 with Chris Rathjen, Kelly Rachel, Dale Marks, Bill Lytle and Marlee Siewert absent.

A brief discussion was held among the Board of Directors.

Bill Lytle motioned to reconsider the previous motion made at the June 13, 2016 JSDC Board of Directors Meeting regarding the Magnum LTL Flex PACE request, Katie Andersen seconded the motion, and the motion passed unanimously by voice vote.

Bill Lytle motioned to amend the Flex PACE Interest Buy-Down request for Magnum LTL from the dollar amount of \$30,000 to \$43,000 with an 80/20 City/County split, Lorrie Pavlicek seconded the motion, and the motion passed unanimously. Roll Call: CJ-aye, Lorrie-aye, Dale-aye, Gerald-aye, Tom-aye, Ritchie-aye, Marlee-aye, Jason-aye, Bill-aye, Bob-aye, Katie-aye, Mark-aye, and Chris-aye. Motion passed 13-0 with Ramone Gumke and Kelly Rachel absent.

Airport Lots: Corry reviewed his memo in the dropbox on the Airport Lots agenda item. In September of 2016 the Board of Directors agreed to move forward and explore idea of a joint Powers Agreement between the JSDC and the Jamestown Regional Airport. There was no motion needed for this action.

JSDC Staff has been working with the Jamestown Regional Airport Economic Development Committee to explore this idea. With consultation with the Airport's counsel it was suggested that leasing the land to the JSDC and then the JSDC subleasing to perspective projects would be a better process. It is still very early in the process and no decisions have been made from either entity.

Corry noted the request at this time is for permission from the JSDC Board of Directors to explore the idea of entering into a lease for the Jamestown Regional Airport land.

A brief discussion was held amongst the Board of Directors.

Bob Toso motioned to give the JSDC staff the direction desired to explore a leasing option on the airport lots, - Bob then withdrew his motion as a formal motion is not needed at this time

The Board further discussed the agenda item.

- An overall consensus by the JSDC Board of Directors was given for the JSDC staff to move forward with exploring the idea of entering into a lease for the Jamestown Regional Airport land.

UAS Incentive: Corry reviewed his memo in the dropbox on the UAS Incentive Request agenda item. The New Business Attraction Committee has been working on an incentive to help attract new business and industry to Jamestown. The Unmanned Aerial System (UAS) Incentive Program has been developed to attract companies from this emerging industry.

In conjunction with the possibility of developing green field lots on the airport, the New Business Attraction Committee decided this would be a great tool to help attract businesses within the UAS industry.

Eligibility for the UAS Incentive Program is as follows:

- To be eligible for this grant program the entity must fall within the Unmanned Aerial System (UAS) Industry. Aeronautical or non-aeronautical.
- Must create new employment in Jamestown/Stutsman County within the UAS industry
- An entity may apply for grant funds for the first 10 new employees.
- The entity must not be closing or reducing its operation in one area of the state and relocating the same operation to Jamestown/Stutsman County.
- Mutually Exclusive to New Jobs Training Fund.

At the last JSDC New Business Attraction Committee Meeting, a motion was made by Tom Hausmann and seconded by Curt Janke to move the Unmanned Aerial Systems Incentive Program as presented to the full Board of Directors for approval.

The program details on the Unmanned Aerial System Incentive were in the dropbox for review.

Chris requested clarification that this Incentive Program would be one that can be applied for if an applicant does not qualify for the New Jobs Training Incentive; Corry clarified that is correct. A brief discussion was held.

Jason Rohr motioned to approve the Unmanned Aerial System Incentive Program as presented, Marlee Siewert seconded the motion, and the motion passed unanimously. Roll Call: Mark-aye, CJ-aye, Dale-

aye, Lorrie-aye, Gerald-aye, Tom-aye, Ritchie-aye, Marlee-aye, Jason-aye, Bob-aye, Bill-aye, Katie-aye, and Chris-aye. Motion passed 13-0 with Kelly Rachel and Ramone Gumke absent.

Growing Jamestown Award Recipient: Beth reviewed her memo in the dropbox on the Growing Jamestown Award Recipient. JSDC's Annual Meeting is scheduled to be held this year on April 26th. Each year at this meeting the JSDC presents a local business with the annual Growing Jamestown Award. The JSDC staff would like to nominate Magnum LTL as the recipient of this award.

The following criteria has been used in the past to choose a local business for this award:

- Business has seen overall growth
- Business gives back to the community
- Business has worked with JSDC

The recommendation to the JSDC Board of Directors is to approve the nomination of Magnum LTL as the recipient of the 2016 Growing Jamestown award.

Lorrie Pavlicek motioned to approve Magnum LTL as the recipient of the 2016 Growing Jamestown Award, Gerald Horner seconded the motion, and the motion passed unanimously by voice vote.

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, March 6th prior to the BOD Meeting. Corry gave an update on this earlier under the UAS Incentive and Airport Lots agenda items.

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, February 9th. The committee met and went over TrainND items as requested at the last Board of Directors 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)

- No update was given at this time.

Action Items:

Train ND Additional Information follow-up: At the last Board of Directors meeting it was requested that further information be gathered on the Train ND request in order for the Board to make a well-informed decision. The Train ND request that was presented to the BOD at the February meeting is listed below:

- 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.

Per the Board of Directors request for more information on Train ND's presence and services in the Jamestown/Stutsman area, the Chamber of Commerce sent a survey with a number of questions and the JSDC made direct calls to a number of the businesses in the area. In total, there was 55 businesses surveyed. The results of this survey were in the dropbox for review.

The Board discussed the results of the survey and additional information obtained. Karla Hoelscher with Train ND entered the meeting at 12:50 pm and once again was present to answer any additional inquiries the Board had. Joe Schreiner with Train ND also attended the meeting via phone at 12:52 pm.

(CJ Janke exited the meeting at 12:58 pm)

After further discussion amongst the Board of Directors the overall consensus was that they wanted Train ND to bring additional information. Bill made an inquiry to Train ND as to how are they going to close the gap in the numbers reflected in the survey. Chris commented that she and perhaps the Board would feel more comfortable if there was a better plan of action on what exactly Train ND will be doing when they are here one day a week; based on the low survey numbers how are these dollars going to be utilized. Chris noted that we did a survey but feel we now need to put it back into Train ND's lap to bring us additional information so we feel more comfortable with the funding of this request. Karla will be in contact with Connie on this; once additional information is gathered the request will be further reviewed.

Staff Reports:

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

Business Development: Corry did not have a report in the dropbox but did give an update on the Strategic Planning session that will be held in the near future.

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

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

Ex-Officio Reports:

City of Jamestown: Katie Andersen was present reported on the City.

Jamestown Chamber of Commerce: Becky Thatcher-Keller was present and reported on the Jamestown Chamber of Commerce. Becky also briefly reported for Searle for Jamestown Tourism in his absence.

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

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

Stutsman County: Mark Klose and Dale Marks were present; nothing to report at this time.

Adjourn: The meeting was adjourned at 1:22 p.m.

Tape recorder stopped at 1:22 p.m.

Respectfully submitted by,

Beth Blumhardt, JSDC Administrative Assistant