

Meeting of the Koochiching Economic Development Authority

Wednesday, October 14th, 2015

County Boardroom

Board Members Present: Bob Anderson, Mike Hanson, Harley Droba, Brian McBride,
Members Absent: Allen Rasmussen, Wade Pavleck
Staff Present: Paul Nevanen, Kyra Briggs
Others Attending: Emily Gedde (The Journal), Crystal Clance, Mike Welcome, Ken Anderson, Carol Helland (RRCC)

Meeting called to order at 10:02a.m. by Treasurer McBride in Chairman Rasmussen absence and not having a Vice Chairman elected yet.

- 01 Vice Chair Nomination – McBride nominated Mike Hanson for Vice Chairman to fill the vacant position. **Motion by Anderson, a second by Droba to elect Mike Hanson as Vice Chairman. Motion carried unanimously.** Hanson thanked the board for the opportunity to serve on the KEDA board again and gave a brief history of his past experience with KEDA.
- 02 Approve agenda – **Motion by McBride, a second by Anderson to accept the agenda. Motion carried unanimously.**
- 03 Approve minutes from 9/29/15 – **Motion by Droba, a second by Anderson to approve the 9/29/15 meeting minutes. Motion carried unanimously.**
- 04 Public Comment – None
- 05 Treasurer’s Report – Treasurer McBride presented the financials for September, noting there are a few bills that have not been received yet due to the earliness of the meeting. Nevanen referred to the Budget verses Actual, stating the income is ahead of budget and expenses are under budget. **Motion by McBride, a second by Droba to approve the September KEDA financial reports and bills for October in the amount of \$1,983.41 and to pay Midcontinent and Verizon bills when they arrive. Motion carried unanimously.** McBride then presented the CWT financial reports for September. Nevanen referred to the Accounts Receivable report and explained there is still an outstanding invoice for JLR in the amount of \$17,000 and have brought it to their attention. Short discussion on the process of transferring funds for JLR and how they are tracked separately due to their lease and improvements. Anderson questioned the insurance being higher. Nevanen explained it is due to the Cold Box not being fully insured in the past and was recently brought to the KEDA’s attention. **Motion by McBride, a second by Anderson to approve the September CWT financial reports, bills for October in the amount of \$3,912.47 and to pay bills for City of International Falls Water, Midcontinent, Midwest Refrigeration and MN Power when they arrive. Motion carried unanimously.**
- 06 Carol Helland – Provost Rainy River Community College – Hanson welcomed Carol to the KEDA meeting. Nevanen explained that in discussions with Voyage Forward and the Newmark report, Rainy River Community College (RRCC) was identified as a key economic development asset to the area. Helland explained her history and experience as Provost. Helland spoke about technical programs and how expensive they are, adding they need assistance and want to maintain infrastructure. Helland referred to the Industrial Program investment that was created at GreenTech

Manufacturing recently, noting they received a grant to get the Millwright program up and running. Helland explained the healthcare program has potential for growth, with a new lab investment of \$311,000, adding currently most of the courses are online due to needing a director of nursing in the school for the program. Helland stated when the program started there were roughly 55-60 students, which has dropped significantly down to 6 students this year. Helland mentioned there are 25 open healthcare positions in the County and asked for guidance and advice from the KEDA on how to fulfill those needs. McBride questioned if the director position came down to the funding or not. Helland responded if the money was there to support the position, she is confident in finding someone to fill the position. Mike Welcome questioned if there was a possibility to create a job skill partnership with the current facilities. Helland responded there could indeed be a possibility. Nevanen referred to a new accreditation which has caused the problem as a Master in Nursing is now required. Helland explained in further detail of the requirements and possible ways to work around it. Nevanen stated there is not adequate staff to care for patients in the care facilities and are forced to have open beds. McBride stated sustainability is the key, adding the City and County could possibility help in getting it started, but the college will need to keep it sustainable. Anderson questioned the Millwright program. Helland explained the program is a standalone program which is unique to Mesabi Range College and RRCC. Discussion on external resources of funding, growing the number of students in the programs and the approach of getting there. Short discussion on the 25 open positions in the County, how the number will increase in the next 3-5 years and competitive wages. Nevanen stated there will be an Open House on December 9th, at 5:30pm, for the public to see the \$311,000 investment that was made to the new nursing lab. Short discussion on the steps that need to be taken to get a director to fill the position, where to look for funding and the timeline of the process.

- 07 Personnel Committee Report – Anderson stated the Personnel Committee met and is working on a performance review, which they hope to have completed by the end of November or beginning of December.
- 08 Director’s Report – Nevanen welcomed Mike Hanson back to the KEDA board and explained some of Hanson’s current background with the Northstar Electric Coop. Hanson explained the challenges of trying to hold rates due to the competitiveness, noting the coop services areas from Warroad to Ash Lake. Nevanen stated Coronal provided an update yesterday to the KDA Board, touching on three main areas and explained the three. Short discussion on EIS and MPCA. Nevanen noted there is currently \$1 billion invested around the world in the plasma process, but not in the US. McBride stated environmental agencies here won’t let it happen. Nevanen reported him and Jenny Herman, along with representatives of the local banks and credit unions met with Michael Colclough, Director of Business Finance for the Northland Foundation to learn more about the programs that are offered by the Northland Foundation. Nevanen stated Koochiching County is part of the Northland’s service area and they offer a variety of business finance programs, adding one has been popular in the region, the Quick Turn Business Finance Program, which is a gap program; referring to information in the packets. Nevanen stated as part of an earlier workforce/marketing initiative, a “Your Ticket Home Campaign” database was developed of former residents that indicated a willingness to return to the area given the right opportunities, noting the program was well received but was never able to successfully use the program as originally imagined, and it wasn’t consistent enough. Nevanen stated with the Littlefork All-Class Reunion recently held, and International Falls scheduled to have theirs next summer, he would like to bring back the program and develop a database of former residents who are interested in possibly returning to the area. Nevanen mentioned he would like to try to incorporate the Voyage Forward initiative in it as well, and send out the KEDA e-newsletter, Voyage Forward updates and possibly utilize Facebook. Nevanen reported updates to the KEDA webpage have been made based on the requests from the last meeting, to add agendas and minutes to the webpage. Nevanen referred to the KEDA Organizational Chart in the packets.

- 09 Other (City/County Updates) – Anderson passed out handouts from the latest Economic Response Team Leadership meeting and explained each of the developed priorities to focus on for the next 12 months. Anderson stated it was recommended, and the importance for KEDA to continue to be the regional economic development organization due to the potential loss of monies being received through the statute, also referring to how KEDA is made up of representatives from Koochiching County Board of Commissioners and the Council members of the City of International Falls, as well as public citizens. Anderson stated there is a risk of losing funding if it was to be reorganized. Anderson put stress on the focus of marketing and communications and having a good working relationship between the County and City, as he handed out a list of projects the City and County have recently worked together on. Discussion on the road construction in the area and how great it is. McBride added Hwy 332 is nearing completion. Anderson stated highway 11/71 from the City to the Junction is the next project. McBride mentioned he talked with Commissioner Wayne Skoe on the Peat Project not going anywhere to see if there is a way to get things moving forward. McBride also mentioned the customary allotment from IRRRB, noting questions if funding will be cut next year due to the downfall in mining production.
- 10 Public Comment Period – Mike Welcome thanked the board for putting the Agendas and Minutes on the website and explained the Voyage Forward’s draft Destiny Drivers are nearing completion. Welcome mentioned at the next stewards meeting on October 22nd, edits will be made where needed, adding they have identified 11 Destiny Drivers so far. Short discussion on Randy Lasky’s contract timeframe. Anderson questioned if the KDA has received an update on the cell towers. McBride responded the County Board approved two Verizon towers to be put up right away and now they sit empty, adding the hope is that they will be up and going next spring. Nevanen added Frontier is doing some work up towards the lake, but is unsure of how far they will be going this year. Nevanen mentioned a letter of support for Littlefork to be serviced by Midcontinent from Highway 11 to Littlefork sent from the KEDA board. Discussion on communications and the shortage of services in areas and the need for them in emergency situations. McBride mentioned the Great Northern Transmission line is moving forward and will be a great economic boost to the tax levy.
- 11 The next board meeting was scheduled for Wednesday, November 18th at 8:00 a.m. in the City Council Chambers. **Meeting adjourned at 11:40 a.m.**