

Meeting of the Koochiching Economic Development Authority

Wednesday, September 21st, 2016
County Boardroom

- Board Members Present:** Brian McBride, Bob Anderson, Allen Rasmussen, Harley Droba, Wayne Skoe (Alternate for Wade Pavleck)
- Members Absent:** Wade Pavleck, Mike Hanson,
- Staff Present:** Paul Nevanen, Kyra Briggs
- Others Attending:** Emily Gedde (The Journal), Crystal Clance, Dan McCarthy,

Meeting called to order at 1:00 p.m. by Chairman Rasmussen.

- 01 Approve agenda – **Motion by McBride, a second by Anderson to accept the agenda as presented. Motion carried unanimously.**
- 02 Approve minutes from 8/17/16 – **Motion by McBride, a second by Anderson to approve the 8/17/16 meeting minutes. Motion carried unanimously.**
- 03 Public Comment – None
- 04 Treasurer’s Report – Treasurer McBride presented the bills for September. **Motion by McBride, a second by Anderson to approve the September KEDA bills in the amount of \$20,326.41.** Anderson questioned the bill from Business Xpansion Magazine, if it is covered nationally. Nevanen responded it is a national magazine and explained its focus, noting they did a story on logistics and JLR. McBride explained the financial reports for August. **Motion by McBride, a second by Droba to approve the August financial reports. Motion carried unanimously.** McBride noted there was a transfer from CWT to KEDA in the amount of \$20,000. **Motion by Anderson, a second by Skoe to approve a \$20,000 transfer from CWT to KEDA. Motion carried unanimously.** McBride then presented the CWT monthly bills for September. Anderson questioned if the MN Power bill is higher due to activity from Customs treating containers in the cold box. Nevanen respond yes, as well as the water bill was higher than normal due to them keeping a constant mist on the condenser. McBride noted the JLR payment has not yet been received. Nevanen added it has been brought to their attention of the \$385,170.72 that is currently due, noting there was an initial miscommunication and they are working on it and further explained their billing process and that the billing is done in the UK. **Motion by McBride, a second by Anderson to approve the bills for September in the amount of \$5,069.14. Motion carried unanimously.** McBride presented the CWT financial reports for August. Nevanen noted Wells Fargo changed their Bill Pay and are no longer able to utilize the process, noting the local office has been very helpful and further explained the situation. **Motion by McBride, a second by Droba to approve the August CWT financial reports. Motion carried unanimously.**
- 05 IRRRB Grant Agreement Resolution – Nevanen stated the application process has changed for submitting the IRRRB Grant Agreement and is now processed online and explained the process. Rasmussen read the letter that will be submitted to IRRRB. **Motion by Anderson, a second by Droba to approve a resolution for receive funding from IRRRB. Motion carried unanimously.**
- 06 New Out County Alternate – Nevanen explained Mike Hanson is the Out-County board representative and Debbie Bowman is his alternate, noting he has the understanding that Mrs.

Bowman has moved inside the City limits. Nevanen recommended the Board seek a replacement for her due to the statute of board makeup. Nevanen referenced the 2016 Board Members document and noted the need to fill the remainder of Bowman's term which ends March 2018. McBride stated his belief is that the Chairman can appoint a candidate to fill the remainder of a term and the vacancy will not need to be posted. Nevanen stated he has received interest from Jerry Struss of Northome, to fill the vacant seat. Rasmussen questioned the Board's pleasure on filling the vacant seat, noting Struss' interest and that he was a part of the KEDA board in the past. Anderson questioned the need to declare a vacancy given the change in residency by sending Bowman a letter and then move forward with filling the position. McBride recommended notifying her to inform her, she is no longer eligible to be an out-county alternate, then discuss the process at next month's meeting. **Motion by Anderson, a second by McBride to approve sending a letter to Debbie Bowman explaining she is no longer available to sit on the KEDA Board if living in City limits due to the KEDA board make up and statute. Motion carried unanimously.**

07 Director's Report – Nevanen gave a brief follow up on the Healthcare Initiative since they have hired Donita Ettestad as the nursing instructor and the project is underway, noting the group is planning on convening the program partners to create an Advisory Committee which will help to guide her outreach/liason role with local healthcare providers and schools. Nevanen added they plan to meet next month around October 10th or 11th. Nevanen stated he attended the 10th annual UAS (Unmanned Aerial Systems) Summit last month in Grand Forks, and gave a brief explanation of the events and companies in attendance, noting Grand Forks was one of six communities in the country selected as a UAS test site and have leveraged the local and state resources to develop a growing industry. Nevanen added the FAA reported there are 20,000 drones currently registered for commercial use and they expect the number to grow to 600,000 within a year. Nevanen stated the timing was good for Ricky Roche as he was able to work with the construction group at the Falls Airport Terminal construction site to acquire 220 truckloads of fill for his project in the Business Park, noting he continues to work with Kelly Meyers of the City on the various aspects of his project. Nevanen referenced the Voyage Forward group and his continued participation in a Destiny Driver (Grow & Diversify Businesses in Koochiching County), adding the Marketing Group will be meeting next week in Littlefork and Christa Heibel will give a presentation on marketing and branding. Discussion on the marketing of Voyage Forward. Skoe stated it is tough to market the whole county as one. Nevanen reported the upcoming cold weather test season is completely booked, noting discussions on expanding to a third cold box for JLR in the 2017-2018 season is still being continued. Nevanen added, Hanson mentioned at the last meeting that it may be helpful to put together a small committee to discuss details of the project as there needs to be creative ways for the funding of the project as he explained the projects detail. Rasmussen questioned if the project is advanced enough to start a committee. McBride responded his thoughts are that in can never be to early as 2017-2018 is not that far away. Nevanen suggested the group could sit in on some of the conference calls to get a sense of the project. Anderson questioned if the primary focus will be to explore the construction and funding options. Rasmussen questioned if there were any volunteers to form a committee. Anderson and McBride stated they would be interested. Nevanen stated a DEED grant was received for building the newest cold box and wasn't sure if the KEDA would be eligible again, but would be worth looking into. Short discussion on the cold boxes. Rasmussen stated if it is necessary, he can join the committee also. Nevanen noted he received an inquiry from a solar panel manufacturer that is working with Minnesota Power to site a large solar array within their service area and he has been working with Nathan Heibel to identify several potential sites. Nevanen also noted he received an inquiry through Kern Anderson of the City from a commercial realtor looking for an existing building on behalf of a client. Nevanen touched a little bit on an upcoming trip to Chicago to meet with several warehouse/distribution facilities with an industry representative, and noted the representatives from Walker, Giroux, and Hahne were here recently to conduct the annual audit and hopes to have it available at next month's meeting. Nevanen mentioned DEED has restructured their regional representatives and Kari Howe of Bemidji and the Northwest Region will

be the new representative for Koochiching County, adding he hopes to have her attend a KEDA meeting soon to give an update. Nevanen referenced a list of job postings Kyra Briggs compiles and post on Facebook, noting there were 106 available positions in and around the county, adding there are some very good paying jobs out there needing applicants. Short discussion on solar and the DEED restructure.

- 08 Other (City/County Updates) – McBride stated the County is working with Minnesota Power on the Great Northern Transmission line that will take place over the next three years. McBride credited Briggs on keeping the financials of the KEDA, Koochco and Airport Commission all straight. McBride noted there was a Sewer Project meeting in Cook this morning and the project is expected to go for bids in October or November and the hope it the bids will come in good so they can get the project going. Discussion on the funding of the sewer project. Skoe gave a brief update on the Peat Project, noting it is not moving very fast but will be meeting with the company soon. Anderson reported the City Council approved a building permit for Tim Horton’s to site a restaurant in the city, adding building permit numbers are up currently. Anderson stated Customs is working with a local business on repackaging some train cars, adding it is great to see the local port seeking local companies to help with issues that can be fixed here. Anderson noted Customs is having trouble finding people to fill positions here. Anderson gave a brief update on the Airport Terminal Project. Nevanen noted Jenny Herman will give a quarterly update at the October meeting.
- 09 Public Comment Period – Crystal Clance noted there is a new active push to rehabilitate the AB School, looking at renting the 3rd floor and will help bring in revenue. Discussion on Backus and AB School. Emily Gedde questioned if there were any updates on expanding fiber up to Rainy Lake Houseboats. Short discussion on the fiber going in, the tower at RLHB, Buildrite and Boise’s name change to PCA.
- 10 The next board meeting was scheduled for Wednesday, October 19th at 1:00 p.m. in the City Council Chambers. **Meeting adjourned at 2:06 p.m.**