



**Blue Earth Economic Development Authority
Regular Board Meeting
Thursday, July 14, 2016 at 7:15 am
Official Proceedings**

Minutes:

- I. Secretary/Treasurer Rosenau called the meeting to order at the Blue Earth City Council Chambers
- II. Members Present: Bill Rosenau – Secretary/Treasurer, Brooke Prestegard – Vice Chair, Daryle Pomranke, Rick Scholtes, John Huisman, Kara Drake
Members Absent: Bill Eckles – Chair,
City Staff: Tim Ibisch – City Administrator
FCDC Staff: Tim Clawson – Executive Director, Beth Moss – Assistant Director
Also Present: Wes Brown – Bolton & Menk, Chuck Hunt – Faribault County Register, Norm Hall – KBEW
- III. Approval of Agenda
 - **Motion was made by Huisman, seconded by Drake to approve the agenda as presented. The motion was carried unanimously.**
- IV. Approval of Minutes
 - **Motion was made by Huisman, seconded by Drake to approve the meeting minutes from June 7, 2016 board meeting. The motion was carried unanimously.**
- V. Approval of Bills and Financials
 - Ibisch noted that Kato Roofing, Inc. conducted an inspection of the roof at the Ag Center and that repairs will be needed over the next few years. Jetter Clean, Inc. was hired to clean the sewer system and replace the facilities at the south end with high pressure toilets.
 - **Motion was made by Scholtes, seconded by Huisman to approve the bills and financials for June, 2016 as presented. The motion was carried unanimously.**
- VI. Correspondence, Budget Update and Staff Update.
 - a. Correspondences
 - None
 - b. Existing Loan/Grant Updates
 - Ibisch noted that payments for both Milt's Auto Body and Michele's Sewing were received after the loan status report was provided and therefore are not reflected in the update.
 - c. Chamber of Commerce Update, Cindy Lyon
 - The Chamber Report was included in the agenda packet.
 - d. City Administrator Update
 - The City Administrator's Report was included in the agenda packet. Ibisch noted a couple project updates. The Main Street reconstruction project is ahead of schedule and 6th Street will be reopening with the south block of Main Street closing today. The re-pavement project at the airport has been completed.
 - e. FCDC Update
 - The FCDC Administrative Report was included in the agenda packet



VII. New Business:

- a. Co-Listing Agreement – Golden Spike Business Park
 - Clawson presented the proposed co-listing agreement for the Golden Spike Business Park which outlined the terms of the contract. Clawson noted that maps and a legal description would be included with the final contract agreement. A discussion was had to determine the market price for the available three lots at the Golden Spike Business Park. Clawson noted that upon research of similar adjacent sites in the area the option price was \$27,500 - \$33,000 per acre.
Motion was made by Scholtes, seconded by Huisman to approve the Co-Listing Agreement and setting the market value of \$27,500 per acre for lots 1, 2 and 3 of Block 3 in the Golden Spike Business Park. The motion was carried unanimously with Drake abstaining.
- b. Three Sisters Redevelopment Strategy
 - The Three Sisters property has been tax forfeited and is now owned by Faribault County. The City has first option to take ownership of any tax forfeited property within the corporate limits. Clawson noted that before the City obtains ownership they may want to consider requests for proposals (RFP's) from those parties interested in purchasing and redeveloping the properties. A discussion was had about the redevelopment strategy for the three buildings in which the structural condition of the buildings was discussed.
A motion was made by Scholtes, seconded by Huisman that the Blue Earth EDA hire a structural engineer to conduct a study of the building. After further discussion by the board the motion was rescinded.
Instead Ibisch will obtain estimates for a structural engineer and reach out to the County to see if there is interest in sharing the cost for a structural engineer to be proactive in the redevelopment process.
- c. 2017 Budget Discussion
 - Ibisch and Clawson will be preparing a budget for 2017 to present to the board at the meeting on August 11, 2016.
- d. Commercial Building Exterior Improvement Grant – Rainbow Food Co-op
 - Clawson presented an application for the Rainbow Food Co-op for the replacement of the front door, windows and logos. Estimates from Vets Glass in the amount of \$7,795.00 and Rockers Studio in the amount of \$300.00 were included.
Motion was made by Huisman, seconded by Drake to approve the Commercial Building Exterior Improvement Grant for up to \$4,048.00. The motion was carried unanimously.
- e. Commercial Building Façade Improvement Grant – Willette Bros. II
 - Clawson presented an application for Willette Bros. II for work done in the spring of 2015. The work was completed prior to approval from the BE EDA for repairs needed to the roof flashing due to the city's demolition of the adjacent building. Clawson spoke with the contractor Brent Murphy who confirmed that the completion total was estimated to be around \$1,500.00. Clawson will request written confirmation of the expenses from the contractor. Clawson also noted that at the time of submission the grant program allowed for reimbursement up to \$2,000.
Motion was made by Scholtes, seconded by Drake to approve \$1,500.00 due to the extenuating circumstances to prevent further damage to the building structure. The motion was carried unanimously.

VIII. Old Business:



a. Ag Center Parking Lot Update

- Natural Gas Energy Analysis – Ibisch provided documentation of the natural gas analysis conducted at the Ag Center by CenterPoint Energy. As the current light bulbs burn out they will be replaced with more efficient LED light bulbs which will provide a cost savings in the long run. Drake noted that the doors and windows should be re-caulked as preventative maintenance
- Parking Lot Update - The Ag Center Parking Lot project is set to start July 29. An Ag Center tenant meeting is scheduled for Wednesday, July 20, 2016 from 12 – 1pm to discuss the timeline of the project as well as parking restrictions. Brown presented a change order to revise the pavement markings and stripping to allow rubber based marking paint in lieu of the specified epoxy paint for the Ag Center and Fitness Center parking lots. The change reflects a \$9,385.75 decrease in the overall project cost. **Motion was made by Scholtes, seconded by Drake to approved the change order presented by Brown. The motion was carried unanimously.**

b. Workforce Housing Update

- Clawson noted that the workforce housing taskforce has been assembled and will be meeting within the next couple of weeks.

c. Golden Spike Business Park Update

- Drake inquired about the status of the signage for the Golden Spike Business Park as it has been over a year since this project was approved. Clawson noted that grading needs to be completed prior to the placement of one of the signs. Drake requested that a timeline be provided at the next meeting. Pomranke then inquired about the West Industrial Park signage that he believed Ibisch and Clawson were working on. Clawson noted that MN Dot and the County will need to be included on the conversations for the signs. Clawson will provide more information and a timeline for both the Golden Spike Business Park and West Industrial Park signage projects at the next meeting scheduled for Thursday, August 11, 2016.

IX. Other Business:

- There was discussion pertaining to the status of the wall at Oswald Brewing since the demolition of Andy' Oriental. Ibisch noted that there have been discussions between the City and John Oswald and noted the City is offering its assistance to see that it is repaired. Huisman questioned whether anything was going to be done to the vacant lot adjacent to Oswald's in which Andy's Oriental stood. He suggested putting grass seed down as it is being overtaken by weeds. Ibisch stated that he would speak with Jamie Holland, Blue Earth Public Works Director about planting grass seed.

X. Adjournment

Motion was made by Huisman, seconded by Scholtes to adjourn the meeting. The motion was carried unanimously.

Next regular meeting scheduled for August 11, 2016 at 7:15 am