

Sargent County Job Development Authority

Minutes

Date of Meeting: Wednesday October 24th, 2018 **Time:** 5:30 pm

Location of Meeting: Conference Room Sargent County Courthouse

PRESENT: Board members - Paige Cary; Terry Dusek; Bill Anderson; Sandra Hanson; Carol Peterson; Bryce Carlson; Jessica Peterson; Ron Narum Guests/Others- none

NOT PRESENT: Board Members – Robert Ptacek; Mark Bopp; Mark Gainor; Mike Walstead; Al Colemer Guests/Others – Nathan Berseth

Meeting Called to Order: Chr Terry Dusek called the meeting to order at 5:36

Minutes of Last Meeting Presented: Copies of the draft minutes of the meeting held on June 25th 2018 were presented by Sandra Hanson. Upon completion of review of the minutes Bill/Paige moved to approve minutes as presented. Motion Carried Unanimously.

Treasurer's Report: Sandra Hanson provided the treasurer's report as written on the agenda for today's meeting. Balance Reported as of September 30th, 2018 \$190,015.26

Expenditures since last meeting:	July:	Ottertail Power	\$12.87	spec house
		Bank of ND	\$3,414.23	Ell Property Interest
		Cary Paige	\$75.00	Conference fee
		Cary Paige	\$74.70	Hotel Stay
		Carol Peterson	\$75.00	Conference Fee
	August:	American Modern		
		Insurance	\$1,053.00	spec house
		Ottertail Power	\$11.76	spec house
		Shawn Reilly	\$2,500.00	appliance allowance spec house
		Sandra Hanson	\$24.70	spec house postage
	September:	CrossRoads Elect	\$2,800.00	Heating-spec house
		Riverside Bldg	\$218.75	exterior steps spec house
		Dakota Plains	\$209.50	second heat spec house
		Ottertail Power	\$16.73	electricity spec house
		Score Bros. Constr	\$1,350.00	secndry heat spec house
	October:	no bills to date		

Ron/Carol moved to approve the Treasurer's report as listed on the agenda. Motion carried unanimously.

Loan Reports:

Lariat Bar – Last payment made on 10-15-18 for August/September Currently making payments every other month for two months at a time.

Bixby Auto- last payment made on 10-4-18 for October

Ell Properties – annual payment to BND for interest made in July for one year interest

FCDC – Last payment made on 10-14-18 for October payment

CDP Lodge – First payment due 12 months after payment in full of first and second mortgages

Rutland General – last payment made 10-15-2018 for October payment

Four Seasons Health- Last payment made on 9-28-18 for October payment

Forman Housing Auth. – Last payment made on 10-9-18 for October payment

Sam & Brandi French DBA Purple Cow – pd off \$20,000.00 loan in full on 7-19-18

Waswick Chiropractic – Last payment made on 9-14-18 for August final payment **PD IN FULL**

Discussion: SC JDA has two projects that have been completed The Purple Cow and Waswick Chiropractic.

Discussion to explain the CDP Lodge loan setup to our newer board members and the Ell property Loan setup.

OLD BUSINESS

Southside Auto- loan payment schedule- The group discussed a method of payment plan for the Southside Loan. The Loan is setup up for an annual interest buydown payment as billed by BND and paid by SC JDA.

This payment will Fluxuate each year because the interest due is based on the principal due. Bryce/Carol moved to begin the loan payment schedule with Southside in 5 years from the initiation of the loan date with a 1% over the prime interest rate at the time of the approval of the loan. The schedule will be monthly payments to the SC JDA or a 10 yr Loan Schedule. The Schedule will have some payment adjustments as reviewed and updated by the JDA and Planteens throughout the 10 year term of the Loan. Discussion held regarding this project. Motion Carried unanimously. Bill suggested Sandy discuss these terms with planteens to make sure that the terms are workable for them and that they are aware of the terms/conditions of the loan.

Mission Timberworks project-will be taken off the agenda. The project did not go through.

Four Seasons Addition-LADC has not heard anything from Nathan Schlecht for awhile now. The application went in to LADC. LADC requested further information and are currently waiting for that. Sandy has been in contact with LADC and Nathan Schlecht regarding this application. Nathan stated that the dollars the FCDC has requested from us will be needed at the end of the project.

Weber Ag-nothing on that. No contact has been made from Mark Weber nor Nathan Berseth.

Ell Properties-Discussion regarding the current status of the stores in Sargent county. Terry Dusek brought us up to date on his conversations with the Milnor Manager. Carol and Paige shared their conversations with staff and Rick regarding the current situation and as well as some promotional ideas. Sandy spoke with him on the phone on Friday and he stated he planned on being in Milnor on Tuesday October 30 for main street initiative. We will meet with him at 3:30 pm after the milnor main street event. Some examples of concerns are the hours being cut, the shelves looking empty, lack of good supply, the coolers in Milnor not working, his lack of attendance in the stores portrays a lack of interest in the stores.

Spec House- Sale is completed. Terry updated the committee on the sale. There was a sale price of \$239,000.00. AS part of closing Terry on behalf of the JDA accepted some closing agreements as follows: A \$2,500.00 appliance payment; boiler and propane work completed \$\$3,009.50; steps-\$218.75 and Score Construction for gutters & Downs-\$1,350.00. As well as the final electric bill to Ottertail-\$16.73

Weber Ag- CCA is continuing dialog with Mark Weber and the Lead Lending agency. Currently the project is not far enough along to involve the JDA.

NEW BUSINESS

Reimbursement for conference/other attendance-mileage: discussion regarding how the reimbursement was distributed to Carol and Paige and also to what the current motion reads “up to \$200.00 for registration costs to attend an event that pertains to what the goal of our SC JDA is working towards. Anything over the \$200.00 requires prior JDA approval.” Discussion on per diem to be included or not was also held. Sandy will contact other JDA organizations to see what their policies are. Tabled

Active Project portfolios: Bill Anderson suggested that each JDA committee member be assigned to carry a portfolio of each of our active projects. The purpose would be to stay in touch with the project contact as followup to how things are going and giving the borrower an opportunity to reach out to someone from the JDA if needed. Bill/Ron to have Chr. Terry assign two members of the JDA to each project that is considered an active project with the JDA. Motion Carried unanimously. Chairman assigned as follows:

Lariat Bar- Bryce/Bill; Bixby Auto- Carol/Terry; Ell Properties- Carol/Paige; FCDC Assisted Living- Mark B/Mike; CDP Lodge-Ron/Bill; Rutland General- Bryce; Four Seasons-Paige/Mark B; Forman Housing-Paige
The following members were not assigned to any projects: Sandy H; Mark Gainor; Al Colemer; Jessica Peterson; Robert Ptacek

JDA Activity-discussion held with the group regarding quarterly meetings with Sandy commenting to have preset quarterly meetings that can be advertised as such; moving the meetings around the county; application process; and monitoring Projects. Bill/Ron moved to set the meetings schedule each year in December for the upcoming year. Motion Carried unanimously.

Contract with Crossroads Community Advisors' LLC (AKA CCA)- The contract for this consulting Group is a June 1st 2017 to June 1st 2018 contract (AKA 12month). The current contract is due with a charge of \$1,800.00 per month for a total of \$21,600.00. Bryce/Ron to authorize Sandy to make payment on the Invoice submitted by CCA for the 2017-2018 contract. Discussion regarding regular updates on projects that are being worked on with CCA or active projects requiring additional attention. No further Discussion Chr. Terry called for the vote. Motion Carried unanimously. Bill/Paige to renew the contract with CCA for one year beginning June 1st 2018 through June 1st, 2019 at the present \$1,800.00 per month with the Sargent County JDA with the

following conditions: (1) that a monthly report be provided to the SC JDA showing the consultants activities on behalf of the JDA during the month; and (2) that CCA cooperate with the SC JDA in developing a Standard Operating Procedure for handling loan applications and other administrative matters that is open, transparent, and easily understood. Motion carried unanimously.

Mileage for Terry- Terry traveled to Wahpeton for the closing of the Spec House in Milnor. Bryce/Paige to pay Terry mileage. Motion Carried. Terry abstained from voting.

Round Table- Paige reported that Forman City is hosting a main street initiative on Tuesday October 30th at 10:30 am with the public forum. A tour of the city will be conducted prior to that and lunch at the Hole in One Bar & Grill following the forum. The bike/walking path is currently under construction and concrete should begin pouring the end of this week or next week. A DayCare provider located in Jamestown has had dialog with Paige and is interested in looking at options of a daycare in Forman. The City and Paige are working with her on that currently. Paige has a few ideas for campaigns for Forman that will add some interest to the activities of the city. A new website is being developed and getting ready to roll.

Rutland City-Ron stated nothing to report at this time.

Milnor City-Carol & Terry discussed the Natural gas meeting and the requirements for the city to get hooked up.

Gwinner City-Jessica reported that they too are working with the company for the businesses and residents to be able to hook up to natural gas. Cattails has new ownership. The Springs has a new manager in the Club house now and a new course manager beginning the first of the year.

Cities of Cayuga; Havana; Cogswell and villages of Delamere, Geneseo, Stirum, and Brampton no reports
Terry commented that there is a new program through the BND that they will work with student loans with a residence living and working in North Dakota for combining loans.

Carol reported that there was a meeting in Oakes that she could not attend regarding apprenticeship programs through NDSCS. She does plan on meeting with Lisa Wixo on Tuesday November 6th if anyone is interested in attending with her. Please let Carol know.

With no further business Jessica/Bryce to call the meeting adjourned at 7:00 pm.

Recording minutes

Sandra Hanson

Next Scheduled SC JDA meeting will be held on Wednesday December 5th at 5:30 pm in Gwinner. Location in Gwinner TBD

RE-SCHEDULED MEETING WITH THE SARGENT COUNTY COMMISSION TO BE HELD ON
TUESDAY DECEMBER 4TH 2018 AT THE SARGENT COUNTY COMMISSION ROOM IN FORMAN
AT 11:00 AM

Comments by Sandy regarding information found after meeting:

Southside Auto- Sandy found a motion made and passed in minutes dated May 11th, 2017 the following motion was made regarding the interest buydown of the Planteen proposed loan: "MikeW./Randy P. moved to participate in the BND flex pace program as the gap financing of up to \$46,000.00 for the loan to include monthly payments with a 15 year payback at 1% over prime as of today pending completion of the loan approval by the BND and FSBND. Motion Carried Unanimously."

This motion is missing when the loan repayments should begin. Then I found on the May 30th, 2018 minutes the following:

"Mark B/Bryce to set up the repayment schedule to begin on the 16th year (one year after the final payment on the loan with the BND has been completed) or one year after the final payment on the BND loan has been made if completed prior to the loan term 15 year at one percent (1%) over prime rate of four percent (4%) as of today. With a 15 year monthly payment schedule to the JDA. If the payments are not completed within that 15 year period a meeting of Planteens and the JDA will be set up to determine a new payment schedule with interest to be decided at that time. Motion carried unanimously."

And because I wasn't doing my job I did not remove the item from the agenda and carried the same request for a payment plan for southside through to the October 24th 2018 meeting with the following motion made:

"Bryce/Carol moved to begin the loan payment schedule with Southside in 5 years from the initiation of the loan date with a 1% over the prime interest rate at the time of the approval of the loan. The schedule will be monthly payments to the SC JDA or a 10 yr Loan Schedule. The Schedule will have some payment adjustments as reviewed and updated by the JDA and Planteens throughout the 10 year term of the Loan. Discussion held regarding this project. Motion Carried unanimously."

So because of my neglect, it will be on the next meeting's agenda as well to clean all this up. So sorry about this. (it appears I am sloppier with my work now with nothing to do then I was with too much to do.) ☺

In Discussion with the City of Forman Auditor following the October 24th meeting:

Committee Members: The City of Forman appointed Luke Anderson the representative for The category of Committee members required for each City with a population of 500 or more. After a request by Al Colemer for Removal of the Committee because the JDA meetings conflicted with his employment. AL thanked the committee for his time on the JDA board.