

**Valley City-Barnes County Development Corporation Board Meeting**

**Monday, October 8, 2018**

**6:45 a.m., Regional Technology Center, 415 Winter Show Road (Large Conference Room)**

**PRESENT:** JoAnn Hooper, Paige Bjornson, Wade Bruns, George Gaukler, Luke Trapp, Mary Simonson, Matt Pedersen, Mary Lee Nielson, Jennifer Feist and Alicia Hoffarth

**ABSENT:** Bobby Koepplin, Bill Carlblom, Josh Kasowski, Dean Kinney and Mike Metcalf

**EX-OFFICIO:** Chad Petersen, KLJ; Jeff Bopp, SVACTC; Margaret Dahlberg, VCSU; and Dave Carlsrud, City of VC  
President JoAnn Hooper called the meeting to order at 6:45 a.m.

**AGENDA:** No changes.

**CHANGES TO THE BYLAWS:** George Gaukler moved to approve changes to the Bylaws to increase the number of directors from 13 to 15 with the two additional positions designated for two City Commissioners to be voting members. Mary Simonson seconded. Motion carried unanimously.

**MINUTES:** Paige Bjornson moved to approve the September 10<sup>th</sup> Regular Board meeting minutes and the September 26<sup>th</sup> Special Board Meeting minutes. Luke Trapp seconded. Motion carried unanimously.

**FINANCIAL STATEMENTS:** Membership-Accts Rec-\$1,675, if received would make budget. Retention & Recruiting Coordinator-\$41,000 remaining. Flex PACE Fees-May want to set aside another \$5,000 bad debt expense, will transfer \$9,834 to administrative. Adjusted revenues-remove extraordinary income. Flex PACE fees helped significantly to offset extraordinary expenses of \$15,500 in the administrative budget. RTC-Includes \$16,000 for UPS which resulted in a negative cash balance of \$8,000. Tech II-\$112,000 ending balance. NW Industrial Park Building-Ending balance of \$17,000 with \$4,000 of receivables for JSRB. Mary Lee Nielson moved to approve the financial statements as presented. Wade Bruns seconded. Motion carried unanimously.

**EXECUTIVE SESSION:** 7:00 a.m. Paige Bjornson moved to go into Executive Session. Mary Simonson seconded.

**CLOSE EXECUTIVE SESSION:** 7:20 a.m. Matt Pedersen moved to close the Executive Session. Mary Simonson seconded. Motion carried unanimously.

**I94 REGIONAL DEVELOPMENT CORRIDOR:** Bill Carlblom indicated there is interest in the I94 Corridor as one of the sites for a new jail. There are 20 acres on the east end of the Corridor with 12 acres on the north side of the frontage road and 8 acres on the south side. They may be looking for 8 acres. County pays \$70,000 per year for infrastructure, which is transferred to the City for bond payments; there are 12 years left. Previously set a price of \$125,000/acre and \$75,000/acre for back acres. Other potential sites include: south of County Shop, Burchill property by Sheriff's Office, ND DOT land (middle interchange), or current jail location which could connect to the courthouse. There are challenges with each location. Need to have a plan by the end of the year. Expect additional discussion at future Board meetings. Does the jail meet our salary requirements? What are the wage levels and number of employees needed?

**RUSH RENTALS:** Paige Bjornson moved to approve up to \$25,000 to access Flex PACE with 50% coming from the Rural Development Finance Corporation. Luke Trapp seconded. Motion carried unanimously. Rural Development Finance Corporation would have about \$100,000 left.

**WORKFORCE:** George Gaukler moved to amend the prior motion from the \$15,000 approved for equipment purchases at the SVACTC to \$20,000 (out of \$50,000). Mary Simonson seconded. Motion carried unanimously.

**WELDING TRAINING:** Classes will start on October 29<sup>th</sup>. Dennis Reinke, current SVACT instructor, will instruct the class. Advertising has begun. The class will be 40 hours over 4 weeks. Participants can potentially earn a \$600 stipend if they meet the requirements. Cost of class would be \$400 for those who do not. Welders are here and

ready to be set up. Creating a flyer for students and parents about other openings. This information will be forwarded to area schools, Head Start, and Barnes County Social Services.

**DIRECTOR'S REPORT:** Preventice-Reviewing marketing plan from October-December 31<sup>st</sup>. October 22<sup>nd</sup> and 23<sup>rd</sup>, Brad Kruger will be in town; will discuss EKG class through VCSU provide. Connecting with Hilde van Gijssel and Preventice EKG trainer. Eagle Creek-Looking for 2 full-time employees for data entry positions lasting from 2 to 6 months. VCSU-Business Division, professional sales and marketing class. Skills similar to Salesforce-teach toward content, not a specific product. Need to determine exactly what, who, how much money, etc. November Meeting-Veteran's Day, push back one week to November 19, 2018.

**2018-2019 BUDGET:** Class 200: Projected Flex PACE and Multi-Family Rehab revenue and expenses. City and County list of what is currently on the table. County-to balance budget, left South Central Regional Council at \$19,908, base budget of 2.24 mills (same as last year). RTC: Previous motion to approve \$135,000 request to City. Do we want to add funding for carpet for the large conference room and training lab? Cost should be \$25,000 or less based on Rosebud bids for new carpeting. Better to submit one request instead of going back at a later date. Not able to tie general areas to a project. Secure estimates. Mary Lee Nielson moved to increase the request to the City to \$150,000 to include carpet for large conference room. Luke Trapp seconded. Motion carried unanimously. Roundtable: See list of obligations. \$13,000 available for new requests. Marketing: Balance of \$10,000. Small Projects: \$12,000 from City, over half is used to pay property taxes. Cost of \$5,400 to move cubes was taken from this budget. Class 800: Projected profit of \$16,000. Class 900: 194 RDC, transfer \$6,500 from unrestricted funds to pay property taxes. VCDC Class 500: Profit of \$7,000 including cost of \$4,700 for lighting upgrade. Do not charge administrative fee; may be able to pay back a portion of the accrued interest. Mary Simonson moved to approve the following VCBCDC Class budgets as presented: 200, 210, 220, 300, 500, 600, 700, 800, 900, and the VCDC budget for Class 500. Matt Pedersen seconded. Motion carried unanimously.

**PERFORMANCE EVALUATION:** Alicia Hoffarth, Resource Development Specialist-Outstanding work this past year, collaborated with others to secure over \$2.5 M in grants, which are nationally competitive. Other key areas of position are 1) financial reporting and accounting which are complex 2) community and economic development and 3) mentoring. Alicia has excelled in all areas and the achievement in grants should be recognized. Reviewed budget and request to award a \$1,000 bonus plus a 3% increase effective October 1, 2018. Current salary is \$49,595 with new salary of \$51,095. Comments-consider moving this position to 40 hours per week. Should do a story on accomplishments. Trinity Potts, Recruiting & Retention Coordinator-Has grown in her position with key accomplishments being 1) helping to establish the Workforce Center 2) working one-on-one with businesses and individuals; connected with 23+ businesses 3) establishing the Young Professionals Network and 4) all administrative work. Need to discuss long-term funding sources for the position. Taking on Job Service responsibilities is a new need. Reviewed budget. We have \$41,000 left of the previously approved unrestricted funds and have a 2018-2019 budget of \$48,000. Requested approval of the \$7,000 we are short. Discussed sales tax as a potential funding source for long term funding. Requested a 3% increase effective October 1, 2018. Current salary is \$41,000 with new salary of \$42,230. Paige Bjornson moved to approve salary adjustments of 3% for Alicia Hoffarth, RDS, and 3% for Trinity Potts, R&R Coordinator plus a \$1,000 bonus for Alicia Hoffarth and to approve the budgets, Class 400 and R&R Coordinator budget (part of class 100), as presented. Mary Lee Nielson seconded. Motion carried unanimously. Administrative Budget-Reviewed membership amounts. Last increase was 5% in October 2016. Still have some receivables without an increase. Membership projection of \$59,000. Important the private sector matches the public sector (\$32,000 City approved; \$27,000 County pending). Some members could be increased by more than 5% but others not at all. Moving away from a percentage increase because things change each year. George Gaukler moved to allow a maximum increase of \$50 for top end contributors and authorize Jennifer Feist to exercise her judgement thereafter. Wade Bruns seconded. Motion carried unanimously. Forward ideas for membership to Jennifer.

Jennifer Feist, Director of Development-Key accomplishments include Preventice locating in VC and follow through with James B: (experience and persistence), Flex PACE and detailed tracking and reporting (it is

important to help inform and guide the Board so they can make decisions) and establishing the Workforce Center. Goals submitted are acceptable. To be helpful, the Board can offer suggestions about Public Relations events etc. Examples, SCC Open house and Presidential Candidates luncheons/receptions, which she attended. Could utilize a student intern to help Development Corporation staff who would be guided by Alicia and Trinity. An intern would take time to train which takes the Director of Development's time. Current salary is \$91,000 with a 3% increase included on budget. Discussed adjusting the base by \$1,000. George Gaukler moved to increase the base of \$91,000 by \$1,000 with a 3% increase in the new base of \$92,000, total new salary of \$94,760. Mary Simonson seconded. Motion carried unanimously. Paige Bjornson moved to approve the administrative budget (class 100). Matt Pedersen seconded. Motion carried unanimously.

There being no further business, President JoAnn Hooper adjourned the meeting.

Respectfully Submitted

Jennifer Feist  
Director of Development