

**Valley City-Barnes County Development Corporation Board Meeting**  
**Monday, February 11, 2019**  
**6:45 a.m., Regional Technology Center, 415 Winter Show Road (Training Lab)**

**PRESENT:** JoAnn Hooper, Bill Carlblom, Wade Bruns, Mary Simonson, Dean Kinney, John Froelich, Mike Bishop, Paige Bjornson, Matt Pedersen, Josh Kasowski, Dave Carlsrud, Bobby Koepplin, Jennifer Feist and Alicia Hoffarth

**ABSENT:** Luke Trapp, George Gaukler and Mary Lee Nielson

**EX-OFFICIO:** Chad Petersen, KLJ and Dr. Alan LaFave, VCSU

President JoAnn Hooper called the meeting to order at 6:45 a.m.

**AGENDA:** No changes

**STATEMENT:** John Froelich stated that our participation with the Rural Development Finance Corporation for the Corporation's projects and Flex PACE program were well represented at the REC convention.

**MINUTES:** Mary Simonson moved to approve the January 14<sup>th</sup> minutes. Dave Carlsrud seconded. Motion carried unanimously.

**FINANCIAL STATEMENTS:** Bank accounts have been labelled by funds. Our cash decreased \$100,000 because a total of \$75,000 was paid in property taxes and special assessments for 2018 and about \$25,000 Flex PACE. Expect 2018 sales tax to be similar to 2017. Cash balances tie to funds in the banks and revenues over/under expenses are for the current fiscal year. Just Kidding Daycare relocation will not change Flex PACE, which is related to number of new full-time slots created and not the location. Bobby Koepplin moved to approve the financial statements as presented. Mary Simonson seconded. Motion carried unanimously.

**JOINT LAW ENFORCEMENT AND CORRECTIONAL CENTER:** Klein McCarthy Architects participated in a drive-by review of five preliminary sites. Bill Carlblom indicated the east end of the I-94 RD Corridor was the preferred site. Klein McCarthy is preparing a matrix on the sites to include infrastructure and costs. Funds for soft costs have not been approved. Rural Development Loan could participate in the project. Larry Robinson is looking at potential State grant funds. The Board would like to see the matrix, information on wages/benefits and number of jobs created before a decision is made on the project's location. Correctional Center is related to job creation, positive pay and quality benefits (\$18 per hour for 13 to 15 employees and 85% of healthcare premium paid). Expect Jamestown to add correctional space if we do not build. A joint agreement would likely be established between the City and County. Bobby Koepplin he would like to have information about the long-term operations, timeline, master plan, etc. State wants the location pinned down; a specific deadline after December 31, 2018 was not provided. John Froelich questioned if we require operational information for projects, which we do not unless the Corporation has ownership. Matt Pedersen indicated he would support the east lot; he would like to see projects that can pull people off the interstate and into town. I-94 RDC funding from County is \$70,000 approved annually, which was derived from infrastructure cost for the National Guard's site, prorated at 50%; this includes financing costs. Land purchase was \$4,465,000 which was paid from City sales tax dedicated to economic development and a sales tax revenue bond. Infrastructure was financed by a TIF bond after grants. John Froelich indicated at \$70,000/year for 15 years, the total would be over \$1 Million. Total project cost was about \$9 Million. Proposed land prices are \$125,000/acre for acres along the frontage road and \$75,000/acre for the back acreage.

**SOUTH CENTRAL DAKOTA REGIONAL COUNCIL MEMBERSHIP:** Request is \$22,040 (an 11% increase from last year) for April 1, 2019 to March 31, 2020 payable after April 1, 2019. Received two audited financial reports covering the last three years. Actual loss of \$115,000 is likely being funded through reserves. Serious financial concerns and capacity to assist with only two staff so it is difficult to determine if the organization is doing what it should be doing. State and Federal cuts have been detrimental; SBDC is also struggling. Funds they handle are IRP, RLF, CDBG/CDLF and EDA. Long term obligation on lease. Administration would need to be handled if

Regional Council goes away including servicing loans. Would like to know more information about the impact to Barnes County including the types of projects, etc. Shawn Olauson is the current Barnes County representative. Local representatives have not been getting a complete picture either. If membership is withheld, they would be in a position to need to come forward with information. Ask them to present at one of our Board meetings. Dave Carlsrud moved to table until the next meeting. Mike Bishop seconded. Motion carried unanimously.

**BARNES COUNTY REQUESTS FOR FUNDS:** These are annual requests. Paige Bjornson moved to approve the request to the County for \$50,000 for the Wellness Center. Josh Kasowski seconded. Motion carried unanimously. Mary Simonson moved to request \$70,000 from the County for I-94 Regional Development Corridor. Matt Pedersen seconded. Motion carried unanimously.

NOTE: Bill Carlblom left at 7:40 am and absent and not voting on subsequent motions.

**DIRECTOR'S REPORT:** Workforce Development: Welding Class: eight participants completed the second welding class and we are connecting them with employers. Dennis Reinke is not able to teach another course at this time due to educational commitments so we are currently searching for a second instructor. Suggestions-Valley Plains Equipment has a master welder who may be interested. Keith Hovland has a welder helping them. Is there anyone who lives in Barnes County or Valley City but works at Bobcat? Soft Skills: had been working with VCSU Business Department but Jeff Moser did not have enough time to take on curriculum development and training. Looking for instructor(s) and assistance with curriculum. Blue Cross Blue Shield: hiring nine people and excited about training opportunities. EKG: Meeting with Hilde van Gjissel and Nick Gault today. Received training information from Preventice. Discussions are on-going regarding hiring a Recruiter/Human Resources Director for Valley City. Sarah Hansen is connecting with applicants. Trinity is referring individuals and they are interviewing them. Eagle Creek: six people are in the current class. April class is pending. Currently 50 people are employed with average annual wage of \$67,000. Overall, 60-75% of primary sector employees live in Barnes County. Reviewed Tech II operating costs, which are increasing, partially due to increased property taxes. Continue to review lease rate, which is at the higher end. Equipment needs service contracts, which adds up. Visioning Meeting: Scheduled for March 22<sup>nd</sup> from 11:30 am to 1:00 pm at the AmericInn. Legislative Reception: March 25<sup>th</sup> in Bismarck from 5:00 to 7:30 pm. Annual Financial Report: Nearly complete; may have a special board meeting. Salesforce: Opening at VCSU. One applicant had Salesforce credentials but does not meet other position requirements. Other candidates do not have Salesforce but could get certified.

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

Respectfully Submitted

Jennifer Feist  
Director of Development