

VIRGINIA ECONOMIC DEVELOPMENT AUTHORITY
THURSDAY, FEBRUARY 5, 2015 – 8:00 A.M.
Council Chambers (Second Floor), Virginia City Hall

Present: Rob Marwick, John Tourville, Michael Harvey, Jim Tieberg, Carl Baranzelli, Dennis Jorgensen

Absent: Kim Culbert-Blaeser, Julianne Paulsen

Also Present: Wendy Summers, Accounting Clerk; Kris Johnson, City Attorney

Jim Tieberg called the meeting to order.

I. Minutes Approval (September 4, 2014 & November 6, 2014)

Moved by Mike Harvey and supported by Rob Marwick to approve the minutes from the meeting held on September 4, 2014 and November 6, 2014. Motion carried.

II. Finance Reports

Currently there are not sufficient funds in the Check Register to cover the payment request to UMD. The question was raised if this could be paid out of the City's Revolving Loan Fund. Secretary/Treasurer Rob Marwick advised holding off on taking funds from this the City's Loan Fund at this time. The members would like to know how much of a commitment the City of Virginia will make before moving forward with taking funds from the City's Revolving Loan Fund.

Wendy Summers, Accounting Clerk, reviewed the Budget Appropriation Report.

Wendy Summers, Accounting Clerk noted that there are a few loan holders whom are a month behind. It was noted that Azendrops is more than two months behind, with approximately \$250.00 of this being 30 days past due

III. President's Report

James Tieberg introduced the new members of the VEDA Committee. Councillor Jorgensen spoke out stating he was surprised that only \$64,000 was set aside for VEDA in the past and is disappointed when it was removed for the 2015 year. He also expressed how he has enjoyed seeing the new buildings such as Sundelle Eye Clinic and Day Surgery, Union Office, Dental Office, and even the old East Range Clinic come down.

City Administrator John Tourville stated that the old East Range Clinic Site there will be soil boring completed for environmental testing. Pending no further action, the City of Virginia has a Development Agreement with Ken Waschke for a new Auto Dealership. White Drug is also moving forward with a new store that will be on the South East corner of First Street South. The City Administrator also reported that several residential blighted homes have come down in town since the last VEDA meeting.

James Tieberg reported that PolyMet is going well and is expected to have it permits by February 2016. He stated that earlier in the week, PolyMet secured a \$30 Million Dollar loan from their Investor Glencore.

John Tourville stated he spoke with Senator Tomassoni about the Waste Water Treatment Center concerning phosphorus impaired water issues. John stated there is a unfunded mandate for these issues and has spoken to Representative Meta about a super fund for the Quad Cities for the WWTP in the future.

President Tieberg expressed his appreciation for all of City Administrator John Tourville's hard work and his accomplishments with Economic Development within the City of Virginia.

IV. New Business

Chris Ismil and Janelle Greschner from the IRRRB attended the meeting to hear the needs of VEDA. City Administrator questioned Mr. Ismil if the IRRRB would be willing to fund VEDA if the City of Virginia was able to match funds for smaller projects. This be give VEDA some power to do smaller projects. Virginia currently has six shovel ready projects that have a need for gap funding. It was suggested that reallocating the \$100,000 that is in the USDA RBEG Loan fund may be something to consider since it has not been a successful loan program.

Moved by Mike Harvey and supported by Rob Marwick to nominate James Tieberg as the President and Julianne Paulsen as the Vice President of the Virginia Economic Development Authority Board, Term Ending December 31, 2015. Motion carried.

Moved by Mike Harvey and supported by James Tieberg to nominate Rob Marwick as the Secretary/Treasurer of the Virginia Economic Development Authority Board, term ending December 31, 2015. Motion carried.

Moved by Mike Harvey and supported by Rob Marwick to elect John Tourville to sit on the Virginia/Eveleth Economic Development Authority Board to replace Larry Cuffe Jr., term ending on December 31, 2015. Motion carried.

Moved by John Tourville and supported by Mike Harvey to elect Dennis Jorgenson as an Alternate on the Virginia/Eveleth Economic Development Authority Board, term ending on December 31, 2015. Motion carried.

V. Old Business/Updates

1. City Administrator Tourville provided a City update as follows:
 - There is a re-route map posted by the elevator on the 2nd floor of City Hall.
 - The City Administrator will meet with Senator Tomassoni regarding language on the State Right Away for Highways and also Temporary Sewer Shut down. Why would we spend this much money on a temporary shut down?
 - He will meet with MNDOT, IRRRB, and S. E. H so the work on the substation and gas lines can begin. If the south lane of Highway 53 is taken out we should be compensated
 - Contractor for HWY 53 should be announced February 5, 2015
 - Vacation of the HWY 53 is set for May 5, 2017
 - Guertin brothers own the old Carpenters Hall and have expressed interest in using this property as an incubator type setting for startup businesses.
2. James Tieberg provided a Progress Park update as follows:
 - The last update we had was there was talk of a potential sale or lease.
 - Tenant has opted to do a lease at this time vs. purchasing.

VII. Adjournment to next meeting

Meeting adjourned at 9:13 A.M.