

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT POWERS BOARD OF COMMISSIONERS
SPECIAL MEETING
MINUTES
December 21, 2006
Willmar Design Center Office, Willmar**

Joint Powers

Board Present: Denis Anderson, Ron Christianson, Richard Falk, Les Heitke, Harlan Madsen and Dennis Peterson

Operations Board

Members Present: Ron Erpelding and Larry Knutson

Staff: Steven Renquist, Executive Director

Guests: Don Kleine and Carrie Johnson of Wells Fargo Bank, N.A.

Media: Bev Ahlquist, KDJS/K-95/KRVY Radio and Anne Polta, West Central Tribune

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc. (LAA)

Chairperson Denis Anderson called the meeting to order at approximately 12:16 p.m.

Steve Renquist reported on the following:

- there are changes to the process for the Community Behavioral Health Hospital (CBHH);
- in light of the soil correction costs and community reaction, the State of Minnesota has decided to look at another site and not purchase the Danielson property
- Alan VanBuskirk from the State and Renquist looked at nine to ten sites yesterday; three on Lakeland Avenue, one on Olena Avenue, one on the new 25th Street, and others;
- the State believes almost any site in Willmar will need soil correction;
- the State is seeking two acres;
- additional soil boring and survey costs will be necessary in light of a new site, the State reassured Renquist the costs will be covered under the contract;
- \$20,000 was sent to the architect;
- Wells Fargo's bond counsel has determined the composition of the EDC is adequate to allow the EDC to enter into a financing agreement with them.

[Les Heitke joined the meeting.]

- bond counsel has determined that the project's \$4 million cost would be prorated against the City of Willmar's and Kandiyohi County's tax exempt bonding limits;
- Renquist believes Kandiyohi County is willing to cover the entire project, if the City of Willmar does not have funds available under its tax exempt bonding limits.

Dennis Peterson stated the County Board has not voted to take over the project as they are waiting for Wayne Thompson to obtain answers to questions. Wayne Thompson will be meeting with Renquist and Mick Schmit on the issue. The county is refinancing the Law Enforcement Center, which will not count against its \$4 million levy limits.

Renquist reported the financing will not be completed in 2006. Don Kleine stated the public finance division of Wells Fargo is ready to go once a resolution is adopted by the City of Willmar and Kandiyohi County agreeing on the creation of the EDC; it is believed this was never done. Kleine stated Wells Fargo is willing to work with whichever entity takes over the project.

[Harlan Madsen joined the meeting.]

The County Commissioners do not believe this project will delay or hamper the financing of any other projects the county has planned.

Renquist stated Danielson did not adjust the price on his property once the State determined soil corrections were needed. Renquist reported that Danielson was very accommodating and easy to work with but was set on his property price.

Kleine stated past history leads him to believe the \$4 million would be transferred to the EDC the day the bond papers are signed and the EDC could invest those funds and use them as needed. Kleine believes the funds could be reinvested with Wells Fargo or another entity. Renquist stated the project could be privately developed and financed, but the State prefers it be publicly owned.

ADJOURNMENT—There being no further business,

IT WAS MOVED BY Ron Christianson, SECONDED BY Les Heitke, to adjourn the meeting.

The meeting was adjourned at approximately 12:40 p.m.

APPROVED 1/___/07:

Denis Anderson, Chairperson