

City of Moorhead
Economic Development Authority
Meeting Minutes
October 26, 2009 at 11:30 AM
1st Floor, South Board Room, Moorhead City Hall

Pursuant to due call and notice thereof, a regular meeting of the Economic Development Authority was held in the 1st Floor, South Board Room, Moorhead City Hall, on October 26, 2009, at 11:30 AM.

Roll call of the members was made as follows:

3rd Ward Council Member:	Lauri Winterfeldt	Present
4th Ward Council Member:	Mark Hintermeyer	Present
Board Member:	James Welch	Present
Board Member:	James Taylor	Present
Board Member:	Gane Skatvold	Present
Board Member:	Jon Riewer	Absent
Board Member:	Kay Parries	Present
Board Member:	Kelli Poehls	Present
Board Member:	Mark Wallert	Present
Board Member:	Robert Remark	Present
Board Member:	Werner Golling	Present

Others Present:

Harlyn Ault, Finance Director	
Pete Doll, Manager of Development Services	Brian Neugebauer, City Attorney
Scott Hutchins, Director of Community Services	Michael Redlinger, City Manager
Lynn Kovash, Supt. of Moorhead Public Schools	Wanda Wagner, Asst. Finance Director

1. Call meeting to Order/Roll Call

Minutes: Meeting was called to order at 11:36 a.m.

2. Agenda Amendments

Minutes: Hutchins stated that Brian Neugebauer would not be present until 12:30 p.m. and therefore Item #6 would be delayed to that time.

3. [Approve Minutes from September 28, 2009](#)

Motion to Approve made by Mark Wallert and seconded by Kay Parries

Motion to Approve Minutes from September 28, 2009

Motion Passed: For: 10; Against: 0; Abstain: 0; Absent: 1

4. Citizens Addressing the Board

Minutes: None.

5. [Moorhead Schools 2009 Operating Levy Referendum - Superintendent of Schools, Lynn Kovash and Assistant Superintendent, Wayne Kazmierczak](#)

A Moorhead Public Schools Website: <https://www.moorhead.k12.mn.us/>

Minutes: Superintendent of Schools, Lynn Kovash, presented to the board the school district's position for the need for an operating levy referendum to be considered at upcoming city vote. Kovash stated that in June 2009 the community was surveyed to assess public perception of the school district and a possible referendum. She stated the results of the survey indicated

the majority felt they received good value for their investment and their children received a quality education. She stated that it appeared as though the community understood the financial crisis that school districts face, not only in Moorhead, but all over the state.

Kovash explained that the district was heavily reliant on state resources for funding. She stated that the funding received from the state is based on the number of student enrollments and if enrollment declines, state funding was reduced. She stated that a referendum was the only means to increase revenue in recent years. She stated that there were many financial considerations leading to the decision for a referendum, such as: \$4.5 million dollar budget cuts in the spring of 2009; per pupil allowance remaining the same or raising only slightly since 2002; a shift in aid payments due to unallotment necessitating the district borrowing \$5 million for the 2009-10 school year; and the possibility of reduction in state funding for school in 2010-12. She stated the funding would be used to preserve and improve class sizes; maintain and implement programs of choice (i.e. music, arts, world language, STEM); and enhance the use of technology.

Board members briefly discussed several items and thanked Kovash for her time and presentation. (Note-Wayne Kamierczak, Assistant Superintendent, was out of town and not able to attend.)

6. [Authorize Sale of \\$2,945,000 Moorhead Economic Development Authority General Obligation Tax Increment Refunding Bonds, Series 2009A - Neugebauer / Ault](#)

Minutes: Neugebauer stated that they had received bids for the sale of bonds. He stated that the market was down slightly and there were other variables that reduced the amount the bonds would net but it was still a favorable return and he recommended approval of the sale of bonds.

Motion to Approve made by Kelli Poehls and seconded by Mark Wallert

Motion to Approve Authorization of Sale of \$2,945,000 Moorhead Economic Development Authority General Obligation Tax Increment Refunding Bonds, Series 2009A

Motion Passed: For: 10; Against: 0; Abstain: 0; Absent: 1

7. [MSUM Wetlab Project Grant Update - Dan Kirk, Vice President of Administration and Facilities, MSUM](#)

Minutes: Hutchins opened with a brief summary of the project status and introduced Dan Kirk, MSUM. Kirk stated that he had discussed the project with DEED staff who stated that there would be a formal announcement coming soon, but unofficially the project has been approved. Kirk stated that based on that conversation, MSUM had contacted an architect / engineering firm. He stated the timeline was to have the architect/engineering firm in place and ready to start in late November or early December and to begin construction in spring. He stated that the project should be completed by the fall of 2010. He opened the floor to questions.

Hintermeyer asked how they would publicize the project. Kirk stated they would work together with the city to do a press release once the announcement was official.

Hutchins handed out a summary of the EDA Tax Levy Fund balance. He stated that because of delay in authorization and implementation, there was a cash balance in the EDA fund at the end of the year and that although the offer by Greater Moorhead Economic Development for a loan to help fund the wetlab project was more than generous, it may not be necessary.

Winterfeldt asked Harlyn Ault, Finance Director, what to expect if the December LGA payment were unallotted. Ault stated that it had never unallotted deep enough into the disparity reduction credit/EDA.

Board members asked when it was anticipated that payment would be made to MSUM for their portion of the financing. Hutchins stated that the contract / agreement specified the schedule for project payments. He stated that he thought the first payment was to be made to the university ten days after the contract date.

Wallert added that DEED had asked for a show of support from the business community

before approval of the grant. He stated that letters were sent to DEED by Michael Chambers (Aldevron), Don Bert (Clinical Supplies Management), and Brian Walters (Greater Fargo Moorhead Economic Development Corporation) and he felt that this support helped to receive grant funding.

8. Receive 2010 Legislative Program / Services - Hutchins

Minutes: Redlinger stated that the policy considerations, found on page 50 of the packet, were the legislative objectives that were approved by the city council. He stated that legislative service agreements were approved with Fredrikson & Baron and Flaherty & Hood at the same level that they were funded in 2009.

Wallert asked about state funding for bioscience initiatives. Hutchins stated that the pressure will continue to provide state funding for such business development activities. He added that it is very likely, given recent experience in the Twin Cities, that the governor and legislature will support funds for this purpose. It remains to be seen if the legislation would remain at the conclusion of the session and be signed by the governor.

Board members discussed funding regarding flood issues (local mitigation & region wide diversion project) and park improvements (soccer fields).

9. Information / Update

Minutes: Board members asked to have an update from Chuck Chadwick to hear what and how he is doing with the Moorhead business community. Hintermeyer mentioned that Chadwick's contact information listed a Fargo address and asked if it would be more appropriate to have a Moorhead address. Hutchins stated he would follow up.

Hintermeyer asked that board members talk to their council members about the diversion. He stated that a Minnesota diversion would run between the airport and the industrial park. He stated that once built, it would be a "forever thing" and wondered how a diversion would affect industry and expansion in Moorhead. Hintermeyer stated that ND really wants the diversion on their side. Board members discussed this topic.

A [3rd Quarter Housing Report](#)

B [MPS Rate Incentive Application and Annual Reporting Form](#)

C [News Articles](#)

10. Adjourn

Minutes: Meeting was adjourned at 12:45 a.m.

APPROVED BY:

ATTEST:

Jim Welch
Chair

Gane' Skatvold
Secretary

The proceedings of this meeting are digitally recorded and are available for public review.

Respectfully submitted by:
Amy Thorpe, Community Services Program Assistant