

Martin County Economic Development Authority (MCEDA)
June 7, 2010
Board Meeting Room

Vice President Grupe called the meeting to order at 5:17 p.m. Board members present were: Pierce, Clark, and Boler. Absent: Sukalski, Pribyl and Schmidtke. Other present were: Scott Higgins, County Coordinator and Bryan Stading, RCEF Director. Mark Gaalswyk, EASI-Easy Automation Systems Inc and EES –Easy Energy Systems, Jayden Grupe, EES and Rod Halverson, KSUM/KFMC

Motion by Pierce, seconded by Clark to approve the agenda. Carried unanimously

Motion by Boler, seconded by Clark to approve the minutes of the May 3, 2010 regular meeting. Carried unanimously

Stading reviewed the client report for May pertaining to business consultation services RCEF has provided to individuals looking to expand their business or start up new businesses.

Gaalswyk gave a presentation on proposed project to build ethanol-producing units to use cellulosic materials. Gaalswyk stated that his target market in non-corn produced ethanol and is focusing on waste to energy with these units (i.e. waste beer, pop, milk). Gaalswyk stated the project would create a number of jobs. Gaalswyk stated he is requesting \$150,000 from the EDA in working capital for interim funding until private investor placement is available.

Sukalski arrived at the meeting at 5:21pm.

Discussion ensued regarding the proposed project.

Schmidtke arrived at the meeting at 5:29pm

Gaalswyk stated that with the dip in the national economy has held back the project.

Clark inquired of what type of customer is being targeted for these units.

Gaalswyk stated that we are looking and working to go all over the world. However, we are currently focusing on the domestic market.

Pierce inquired if the project is being marketed as a waste to energy production units, how the ethanol is taken care of.

Gaalswyk stated that we are working with various groups that would purchase the ethanol.

Sukalski asked the type of feedstock that would be used in the ethanol-producing units.

Gaalswyk responded that it could be any item that breaks down into sugars that will produce ethanol.

Clark asked would your IP work with all these (cellulosic) products.

Gaalswyk stated that we would work with those who have such products and build partnerships with them to make sure it works for them.

Clark asked if there were others doing the same thing. Gaalswyk stated that there are others doing similar things, but our units are unique to the others.

After much discussion, Sukalski asked what the next step would be for Mr. Gaalswyk's request. Higgins stated that the EDA does not have any type of funds in place to provide business loans and that the EDA should also consider establishing some sort of revolving loan fund and other types of business subsidies. Higgins noted the sample revolving loan fund policies and criteria that were included in the board's packets. Higgins stated that the EDA could begin to develop a policy. Higgins further stated that in order to provide financial assistance to existing business or start ups, the County would need to have a business subsidy policy in place, which would establish the criteria for providing such financial assistance to businesses.

Discussion ensued on establishing a business revolving loan fund and to develop a business subsidy policy and requesting the County Board to consider allocating funds to be used for a county EDA revolving loan fund.

Motion by Clark, seconded by Boler, Be It Resolved that the Martin County Economic Development Authority (MCEDA) has determined that there is a need for the establishment of a revolving loan fund; and a need to establish a County Business Subsidy policy, in order to provide the criteria for providing financial assistance to business start ups and existing businesses; and hereby approves that a business subsidy policy be developed for consideration and approval by the County Board, along with the request that the County Board provide an allocation of funds to be designated into a revolving loan fund; and to establish a sub- committee to include Jerry Clark, Lawrence Sukalski, Chris Pierce to draft a Business Subsidy Policy to be presented to the County Board for consideration and approval. Carried unanimously.

Boler stated that time is of the essence and that the EDA should consider Mr. Gaalswyk request as quickly as possible-it's an economic development for the county.

Grupe stated that if the County Board does give its approval for the establishment of a business subsidy policy, the EDA Board should call a special meeting to give further consideration to Mr. Gaalswyk's request.

Higgins presented and reviewed the budget packet for CY2011 and stated that budget requests are due June 25, 2010 to the Coordinators Office. It was suggested that the EDA officers meet to complete the required budget documents.

By consensus of the Board, it was approved the EDA officers would meet and prepare the preliminary budget request for full board consideration during their next regularly scheduled meeting.

Higgins presented and reviewed the DEED grant reimbursement form for July 2009-February 2010 stating that they have been submitted for reimbursement in the amount of \$9,454.66, which it is expected that the grant will reimburse 50% of these expenses in the amount of \$4,727.34.

Motion by Grupe, seconded by Schmidtke, Be It Resolved that the Martin County Economic Development Authority (MCEDA) hereby approve and receive and file the DEED grant reimbursement reports for the period of July 2009- February 2010 in the amount of \$9,454.66, in which the DEED grant is expected to reimburse 50% of the total expenses in the amount of \$4,727.34. Carried unanimously.

Higgins presented and reviewed the bills to be paid for May 2010 in the amount of \$13,140.05.

Motion by Schmidtke, seconded by Grupe to approve the payment of bills for May 2010 in the amount of \$13,140.05. Carried unanimously.

Higgins reviewed the EDA financial reports year to date.

By consensus, it was determined to hold the next meeting on Monday, June 28, 2010 at 5pm.

Sukalski stated that the Fairmont Chamber of Commerce would be presenting a seminar on how to sell and move your business.

Motion by Schmidtke, seconded by Boler to approve and authorize per diems and expenses for board members to attend the seminar presented by the Fairmont Area Chamber of Commerce on How to sell and Move Your Business in Blue Earth, MN. Carried unanimously.

Sukalski further stated that there would be Fairmont Chamber legislative meeting to be held on June 9, 2010 at the Ranch restaurant in Fairmont and encouraged other board members to attend the meeting.

Higgins presented a copy of a letter that was sent out to all municipalities within the county requesting listing of assets inventory for economic development purposes and businesses within the municipalities. Once the information is received from the various municipalities, it will be compiled and used as a resource for business inquiries.

With no further business to wit,

Motion by Clark, seconded by Pierce to adjourn the meeting. Carried unanimously.

Meeting adjourned at 6:06p.m.

Lawrence Sukalski, President, MCEDA

Attest: Chris Pierce, Secretary/Treasurer