

MEMBERS PRESENT: Rick Estenson, Jenelle Teppen, Steve Engler, Victor Summa, Rhonda Pownell, Jim Pokorney

MEMBER ABSENT: Vacant Seat

ALSO PRESENT: Steve Rholl, Keith Covey, Randy Jennings, Blake Abdella, Kathryn Summa, Kathy Feldbrugge, Ross Currier, Jon Denison, Jim Gleason, Jerry Anderson, Northfield News, City Administrator Joel Walinski, Economic Development Director Jody Gunderson, Community Development Director Brian O’Connell, Recording Secretary Sandra Bremer

1) **Call to Order**

Chair Estenson called the meeting to order with a quorum present at 7:30 a.m. He noted that Benson had submitted his resignation from the EDA effective 1/27/2010.

Engler expressed appreciation for Benson’s years of service and felt there should be some recognition of this by the EDA.

3) **Approval of Agenda**

*A motion was made by Pownell and seconded by Teppen to approve the agenda of January 28, 2010 as amended to move Item 7b to follow Item 7d. All in favor. Motion carried.*

4) **Approval of Minutes**

*A motion was made by Pownell and seconded by Summa to approve the minutes of January 14, 2010. All in favor. Motion carried.*

5) **President’s Report - None**

6) **Director’s Report**

Gunderson gave an update on the Praver/Gill annexation. The issue of whether the EDA should move forward and include this area in the Master Planning process will be on the February 11, 2010, agenda. It was suggested that Bridgewater Township be informed that the EDA will be considering this action prior to the annexation becoming final. It was suggested that Bridgewater Township be invited to a meeting to inform them.

Gunderson suggested that there be two meetings held in February to allow the EDA time to consider their meeting schedule for the year and when it would become effective.

7) **Subcommittee Reports and Action Items**

a) Elect Officers for 2010

It was noted it would have been beneficial for the EDA to have reviewed their by-laws prior to this so that a

procedure could have been established for the election of officers and to clearly establish the roles of the officers. There was discussion regarding the issue of the by-laws being required to have Council approval or not. Staff suggested that an opinion be requested of the City Attorney regarding this issue. It was also suggested that the City Attorney be asked to update the memos regarding the Open Meeting law for the EDA members.

Nominations were opened for President. Summa nominated Engler. Pownell nominated Teppen. After no further nominations, nominations were ceased. There was discussion among the members regarding the nominees. A vote was then taken among the members for their selection for President. Yes votes for Teppen: Teppen, Pokorney, Pownell, and Estenson. Yes votes for Engler: Summa and Engler.

Nominations were opened for Vice Chair. Summa nominated Engler. After no further nominations, nominations were ceased.

*A motion was made by Summa and seconded by Estenson to accept the nomination for Engler as Vice Chair. All in favor. Motion carried.*

Nominations were opened for Secretary/Treasurer. Pokorney nominated Pownell. After no further nominations, nominations ceased.

*A motion was made by Pokorney and seconded by Teppen to accept the nomination for Pownell for Secretary/Treasurer. Summa voted no. Motion carried.*

c) Discuss professional service agreements with NEC and NDDC

Gunderson presented his recommendation regarding the professional service agreements. He noted he has met with both partners and they are in agreement with terms of the agreement. He has also spoken with the EDA President and believes that the document should be amended providing for one payment following signing of the agreements and a second payment upon favorable quarterly reports in July.

Estenson noted that based on the discussion at the EDA retreat he would recommend that the NEC be paid \$25,000 for the first payment and \$25,000 for the second payment and that the NDDC be paid \$20,000 for the first payment and \$15,000 for the second payment.

*A motion was made by Engler and seconded by Summa to discuss the NEC Professional Service Agreement. All in favor. Motion carried.*

*There were amendments made to the PSA to clarify. Change consultant to contractor wherever referenced in the agreement. On Page 2, B, change client to EDA. On Page 2, Item 4, the last two sentences were questioned and it was felt that the City Attorney should review to be sure it was necessary. On page 4, Item 15, it was suggested that the language be amended to read: "Any person associated with or having an interest, direct or indirect, in the Contractor of this agreement if serving as an appointed official of the EDA or as an elected official of the City of Northfield during the term of this agreement, shall abstain from discussion and voting as such appointed or elected official on any matter pertaining to the contractor or this agreement." It was agreed that the agreement with these amendments would be reviewed by the City Attorney before signing.*

Abdella was asked to confirm the amendments and Exhibit A were agreeable to the NEC and to address how the NEC would show how they achieved the scope of services. Abdella noted that he would address the items listed in Exhibit A in their annual report.

There was discussion regarding adding an item to Exhibit A that would recognize the NEC's participation in the EDA's subcommittee structure. It was agreed that because the EDA has not yet discussed the structure of their subcommittees for 2010 that it would be premature to add this into a contract. It was understood that

the members were in favor of continuing having the partners being active participants in the subcommittees when needed.

*A motion was made by Engler and seconded by Pownell to approve the Professional Service Agreement with the amendments made, have the City Attorney review the agreement, and designate a payment of \$50,000 to be made in two payments of \$25,000 with one after the agreement is signed and the second after the submission of the annual report midyear. Estenson abstained as he is a member of the NEC Board. Motion carried.*

*A motion was made by Engler and seconded by Summa to approve Resolution #2010-002 approving a professional service agreement and payment for the NEC in the amount of \$50,000 to be made in two payments contingent upon proper execution of the professional service agreement. Estenson abstained as he is a member of the NEC Board. Motion carried.*

*A motion was made by Summa and seconded by Engler to approve the NDDC Professional Service Agreement as amended in the same manner as the PSA for the NEC and reviewed by the City Attorney.*

Covey, representing the NDDC, noted the NDDC Board has conceptually approved the agreement giving the Executive Committee the authority to approve the final agreement. He was asked how the NDDC would measure the success of the items in Exhibit A. There was discussion regarding the items 6-8 in Exhibit and it was agreed that these would be deleted and covered in the NDDC's work plan. It was noted that their annual report would address the items in Exhibit A and would address their success.

*A motion was made by Engler and seconded by Summa to amend the Professional Services Agreement for the NDDC to include a \$40,000 payment to be made in two installments, one after signing of the agreement for \$20,000 and a second payment of \$20,000 after submission of their annual report.*

Estenson noted that his recommendation of \$35,000 was made based on the discussion held at the EDA retreat to budget \$91,000 for partner organizations. If the NEC is given \$50,000 and the NDDC is given \$40,000 that would leave only \$1,000 to be given to other organizations such as SMIF. He did not believe this was enough money to cover other organizations. He felt that \$35,000 should be the amount and encourage the NDDC to seek alternative funding sources.

It was noted that the funding for the partner organizations needed to be prioritized and measured by their value to the EDA.

*Pownell called the question on the discussion. Summa voted no. Vote carried. Vote on the motion to amend the Professional Services Agreement to \$40,000 for the NDDC. Yes votes by: Summa and Engler. No votes by: Teppen, Pokorney, Pownell, and Estenson. Motion failed.*

*A motion was made by Engler and seconded by Pokorney to amend the Professional Service Agreement to give the NDDC \$35,000 in two payments of \$20,000 and \$15,000. All in favor. Motion carried.*

*A motion was made by Engler and seconded by Summa to amend the Professional Service Agreement to delete Items 6, 7 and 8 from Exhibit A as they are included in the NDDC's 2010 work plan. Summa asked for a friendly amendment to include another item to Exhibit A to read: "Recognition of the value of the NDDC in the EDA's subcommittee structure." Engler agreed to this friendly amendment.*

It was noted that the EDA had not completed their discussion of the subcommittee structure for 2010 and it was felt that this should not be added to the contract at this time but work it into the subcommittee structure to recognize the value of the partner organizations in that process. The members felt it would be appropriate to include the friendly amendment.

