

Minutes of the Regular Meeting Wednesday, April 1 • 2015

PINE ISLAND ECONOMIC DEVELOPMENT AUTHORITY
106 2nd St SW • Pine Island, MN • 5:00 p.m.



1. **Call to Order:** Troy Kuball called the meeting to order at 5:05 pm

Members Present: Troy Kuball, Joel Knox, Mike Kaye, Rod Steele

Others Present: Karen Doll

2. **Approval of Minutes:**

** **Motion** to approve the regular meeting minutes of March 4, 2015, made by Steele; second Knox.
Passed 4-0-0

3. **Financial Report:**

** **Motion** to accept the March 31, 2015 Financial Report made by Steele; second Kaye.
Passed 4-0-0

4. **Revolving Loan Report:**

- The loan report for March 31, 2015 is not available at this time.

** **Motion** to table the March 31, 2015 Loan Report made by Steele; second Knox. Passed 5-0-0

Attendance Report: Board member Jason Andrist joined the meeting at 5:12 pm

5. **Envirolastech Document Review:**

- Envirolastech's loan documents were enclosed in the Board's meeting packet for review. Doll recommended two revisions in the Loan Agreement.

** **Motion** to accept the documents for a micro-loan to Envirolastech with suggested revisions made by Knox; second Steele. Passed 5-0-0

6. **Micro Loan Applicaton:**

- Kaats Gymnastic's, Inc. has submitted an application to the EDA for a Micro Loan in the amount of \$9,300 to be used as working capital. A financial analysis of the company's history, cash flows, and pro forma projections were completed by the Rochester SBDC office. The business is profitable, but is in need of working capital to ease the current cash flow situation. The EDA Loan Committee reviewed the company's financial position and recommends approval of a \$9,300, 5- year loan contingent upon conditions described in the Credit Memorandum.

** **Motion** to approve Resolution 15-002 recommending a loan for \$9,300 to Council made by Andrist, second Kaye. Passed 5-0-0.

7. **Director's Report:**

- March EDA Activity - Doll reviewed highlights and provided updates concerning recent Pine Island business activity and answered Board Member questions about specific projects.
- A Council Report dated 3-11-15 was enclosed in the Board's packet.

8. Old Business Updates:

- **Personnel Committee** - The position will be posted and a search for Doll's replacement will begin next week. Applications will be accepted through May 15, 2015. The Board instructed Doll to include the Position Description and Profile in the Council's packet with the monthly EDA Report.
- **Hotel Market Study** - The results of the preliminary study showed it would be difficult for a hotel to generate necessary revenues due to the current high number of rooms available in Rochester. The surplus rooms in Rochester are driving down average daily room rates for comparable hotels that we would hope to construct in Pine Island. There was discussion concerning ways to increase demand for rooms in Pine Island, including large tournaments for which competitors travel longer distances and tend to require overnight stays.
- **Oronoco/Pine Island Joint Wastewater Task Force** - The Pine Island representatives are Rod Steele, Joel Knox, and Rick Keane. The group met for the first time in March to discuss the role of the task force, meeting goals and structure, the search for a U of M student researcher, existing facilities, needs, and timelines for each community.
- **DMC Collaborative Community Meeting:** The Regional Transit Hub project which sought funds for a pilot project in Pine Island did not receive a financial award.
- **Zip Rail Project** – A meeting between City officials and Zip Rail representatives was held to discuss plans for the project. They are currently studying design issues around the construction of an elevated track from south of Pine Island to Hampton. It would be built within MnDOT right of way wherever possible. More information and maps of the proposed Zip Rail will be available soon.

8. New Business

9. **Meeting Adjourned** – 7:13 p.m. Motion made by Steele, seconded by Andrist.

Respectfully submitted: Karen Doll, EDA Executive Director