

Meeting Minutes

New Prague Economic Development Authority

Wednesday, April 11, 2012

1. Call Meeting to Order

The meeting was called to order at 7:30 a.m. by Chairman Bruce Wolf with the following members present: Pete Sletten, Dirk Berger, Nick Slavik, Kristin Guerrette and Andrea Burkhardsmeyer.

Nick Slavik arrived at 7:42 a.m.

City Staff Present: City Administrator Johnson and Planning Director Ondich.

Guest Present: Mark Steele, owner of Steele & Associates, LLC

2. Minutes/Financials

- a) It was moved by Berger, seconded by Nickolay to approve the March 14, 2012 and March 26, 2012 minutes. Motion carried (6-0).
- b) It was moved by Nickolay, seconded by Sletten to approve three claims for payment totaling \$1,058.71. Motion carried (6-0).
- c) The financial reports for March, 2012 which included the Income Statement and Balance Sheet were accepted as submitted.

3. Vice Chairman Sletten opened the Public Hearing on the proposed Purchase and Development Agreement from Steele & Associates, LLC for Lot 1, Block 2 New Prague Business Park 10th Addition, according to the plat thereof, Scott County, Minnesota at 7:34 a.m. Chairman Bruce Wolf excused himself from the room due to a potential conflict of interest with the project applicant.

City Administrator Johnson introduced Mark Steele, owner of Steele & Associates, LLC and owner of Technipac, a flexible packaging company, with manufacturing operations in St. Peter and Le Sueur. Mr. Steele provided an overview of his company, his packaging operations, number of employees, and purpose for purchasing the property from the EDA.

Mr. Steele indicated he wanted to use the facility as an R&D Facility and bring in machines to develop new packaging concepts. He proposed removing the front part of the building used by Genex and re-siding/painting the remainder of the building. He does packaging for Nestles, General Mills, Proctor & Gamble, etc. He wants to use this building in New Prague because it is close to his hometown (New Prague) and to develop it as a show room, machine shop, etc for his new product/packaging processes.

Board Member Slavik arrived at 7:42 a.m.

Mr. Steele showed the Board various drinkable pouch examples that his company produces.

City Administrator Johnson provided a brief summary and overview of the proposed Purchase Agreement and stated that the EDA's recommendation would go to the New Prague City Council on April 16, 2012 for their review and approval. There were no members of the public present to comment on the proposed property sale by the EDA.

Following discussion, motion by Nickolay and seconded by Slavik to close the Public Hearing. All voted in favor. Motion carried. 6-0.

Motion by Berger, seconded by Slavik to approve the Resolution Approving the Purchase and Development Agreement by and between the New Prague EDA and Steele & Associates Authorizing Execution of Agreement and Recommending Sale of Real Estate to the City Council. All voted in favor. Motion carried 6-0.

Chairman Wolf returned to the meeting for the balance of the meeting.

4. City Administrator Johnson and Planning Director Ondich provided the Board with an extensive overview and cost analysis of developing a proposed future industrial park for the City. The Staff reviewed the procedural processes that would have to be undertaken and the estimated costs to acquire, annex, and develop a piece of property into future industrial park lots. There was extensive discussion on the information between the Board and Staff. City Administrator Johnson also reviewed with the Board various possible revenue sources that could be considered by the City for development of the industrial park.

The Board asked the Staff to undertake additional analysis on property values, taxes paid and the types of businesses that were created in the first Industrial Park in order to have additional supporting information for the Council.

The Board also asked the Staff to try and schedule a work session with the City Council to review this same information and determine a future course of direction on this initiative. No additional action was taken by the Board.

5. City Administrator Johnson inquired if the Board was interested in leasing the former Genex building on the east side of 5th Street. They indicated they were and suggested he put together information as to rental details and report back to the Board.

6. The Board reviewed the April, 2012 business updates from the Planning Department.

7. City Administrator Johnson provided an overview and update on the Chart Project.

There being no additional business, it was the consensus of the Board to adjourn at 9:35 a.m.

Respectfully Submitted,

Michael J. Johnson
City Administrator/EDA Executive Director