

Wabasso EDA  
Regular Meeting  
Wednesday, March 2, 2022  
5:00 pm

The meeting was called to order at 5pm at the Wabasso Public School Activity Center with Board Member Pat Eichten, Karl Guetter, Steve Burns and Chuck Robasse (via phone conference) in attendance. Also present were EDA Director Larry Thompson, Pat Dingels, Matt Novak, Louis Guetter and Anne Guetter.

The agenda was accepted as submitted.

The minutes of the February 2, 2022, meeting was approved on a motion by Robasse, second by Burns. Eichten – Yes; Guetter – Yes; Robasse – Yes; Burns – Yes.

The minutes of the February 14, 2022, meeting was approved on a motion by Burns, second by Robasse. Eichten – Yes; Guetter – Yes; Robasse – Yes; Burns – Yes.

**Duplex.** Mr. Thompson presented the following bid for the duplex: Redwood Building Center (RBC) - \$669,955.25. It was noted that the bid was much higher than anticipated and based on the proforma presented by Mr. Thompson, it would require either a substantial cash infusion or annual subsidy to cash flow the project. The EDA discussed several factors that may have increased the price including market conditions and uncertainty, surety bonds, few bidders, materials, size and bidding requirements. Matt Novak noted that the EDA had three options: accept the bids, reject the bid, table the bid and reevaluate. The EDA discussed possibly meeting with RBC to better understand the high price of the surety and to see if the price could possibly be reduced by reducing the square footage or through value engineering. The EDA also discussed possibly using a non profit to eliminate some of the bidding and surety requirements. Mr. Thompson noted that during the bidding process it was discovered that electricity, telephone and cable tv had not been installed in the Eastvail 3<sup>rd</sup>/4<sup>th</sup> Additions. He was in contact with the utilities and it was quoted \$15,000 to install the south row of lots and \$7,000 to install the north row of lots. He needed to do more research. A lengthy discussion followed regarding the amount of the bid, only receiving one bid, and how much subsidy it would take to bring the lease rates down to what the market would bear. It was agreed that the EDA would not use its fund to write down the rates based on the amount of the bid. Mr. Eichten expressed frustration regarding the income limitations imposed by the bond requirements. Mr. Novak indicated the EDA should reject the bid if it wished to discuss the bid with RBC. Motion by Guetter, second by Burns to reject the bid of RBC. Eichten – Yes; Guetter – Yes; Robasse – Yes; Burns – Yes.

The EDA directed Mr. Thompson to meet with RBC to discuss where potential cost savings could be realized and how to attract additional bidders; contact Bolton and Menk and Redwood Electric regarding installation of electricity, notify the fiscal consultant that the project was on hold, and to research alternate bonding tools.

Strategic Plan – Business Interviews. Ms. Dingels and Mr. Guetter reported that they had concluded the business interviews and presented the results. It was noted that Day Care, additional community events and more presence on social media were the highest priorities. It was the consensus that this item be placed on the next meeting for prioritization.

Strategic Plan – Highway 68 corridor design. Mr. Thompson had received an engineer's estimate of \$12,000 to prepare a design and facilities plan for the Highway 68 corridor business expansion. It was the consensus that the area south east of #68 and #76 be eliminated due to topography issues (sanitary sewer extension) and the areas outside of the city limits be included as an alternate to the estimate.

EDA Lot Purchase. Mr. Eichten reported that a person was interested in purchasing an EDA lot, but due to the construction market wished to have the 12 month construction requirement extended. It was the consensus of the EDA that it did not wish to change its current policy but would consider it if there were extenuating circumstances.

Eichten – Yes; Guetter – Yes; Robasse – Yes; Burns – Yes.

**Treasurer's Report** – Motion by Burns, second by Guetter to approve the Treasurer's Report as submitted.

Eichten – Yes; Guetter – Yes; Robasse – Yes; Burns – Yes.

**Bills** - Motion by Olson, second by Burns to approve the bills totaling \$2,325.00 (Dewey Street).

Eichten – Yes; Guetter – Yes; Robasse – Yes; Burns – Yes.

Meeting was adjourned at 7:00 p.m.

Larry Thompson  
EDA Director