

Forest Bridgewater Joint Powers Development District

Rice County, Minnesota
Wednesday October 20, 2021
6:00 PM
Meeting minutes

1. Call the meeting to order

Glen Castore called the meeting to order at 6:00 pm.

Forest Township members present: William Malecha, Charlie Peters, Ashley Anderson

Bridgewater Township members present: Glen Castore, Andy Ebling

2. Approve September 15, 2021, meeting minutes

Charlie made a motion to approve the minutes as written. Andy seconded the motion. All voted in favor and the motion carried.

Ashley will email out the board packet in advance to board members and Jerry Anderson for review.

3. Approve the insurance quote from MATIT

The board reviewed the insurance coverage offered by MATIT.

Andy made a motion to approve resolution 2021 -1 to purchase liability insurance from MATIT for the Forest Bridgewater Joint Powers Development District. Bill seconded the motion. All voted in favor and the motion carried.

4. Approve Anderson consulting contract

The board reviewed the consulting contract with Jerry Anderson. Jerry has been working on I35 development with Rice County and members of Bridgewater and Forest town boards. Jerry's primary function is the connection with the developers. Jerry's compensation is 3% of the initial assessment of any project that comes to fruition. After it is signed, Charlie and Glen will sit down with Jerry and develop a work plan, which will go to the Joint Powers board for approval. Jerry will be working for the Joint Powers board and the board has the final decision.

Bill Malecha made a move to approve the consulting contract for Jerry Anderson. Charlie seconded the motion. All voted in favor and the motion carried.

5. Report on bonding

There is a serious development candidate looking at property around I35 and County Road 1. It would take about 22 months to put in wastewater at an approximate cost of 3 million dollars. A water tower project would be about 4 million. The potential candidate would like to be operational by January 2024. If the board is considering meeting this schedule, the project will need to launch next Spring.

The Joint Powers board could use various sources of funding for the project as township funds will not be adequate. This project is also not in the County's 2022 budget. Bonds could be issued by the Joint Powers board. The Minnesota Department of Employment and Economic Development has grants for this type of project. In addition, Steele Waseca is also a possibility for funding.

6. Engage Northland Securities as underwriter for bond issues

If the board plans to move forward with exploring bonding, the Joint Powers board would work with an underwriter. Glen is suggesting working with Northland Securities. They are compensated when the bond is issued. The Board would also need bond counsel; bond counsel would certify that there are no conflicts of interest. It is a requirement in the State of MN to have bond counsel. The bond counsel is paid out of the bond proceed. The individual recommended is Gina Furinini. The next meeting is November 4 at 10:00 am at Peter Tiede's office. The purpose of that meeting is to lay out a bonding strategy, which likely includes selling the bond to a bank. Frandsen Bank is interested in purchasing the bond. Glen brought an engagement letter for Northland Securities to the board tonight.

Andy made a motion to approve the engagement with Northland Securities. Bill seconded the motion. Further discussion was had on the details of bond revenue. It was also clarified that if repayment to the bond was not possible due to unforeseen circumstances, the debt would not fall on Forest or Bridgewater Township residents. The risk is on the purchaser of the bond. *All voted in favor and the motion carried.*

7. Engage Reese Winter & Associates as JP accountant

Northland strongly recommended that the Joint Powers board use a recognized accounting firm. It will cost about \$250 for Reese Winter & Associates to set up the account.

Charlie made a motion to engage Reese Winter & Associates as the Joint Powers accountant. Andy seconded the motion. All voted in favor and the motion carried.

8. Report on meeting with Stantec

Members of the board had a meeting with Stantec. Peter Miller and Vincent Vander Top were the engineers that did a lot of work on previous incomplete development along I35 in the development district. They have also done work with Rice County. The Joint Powers board and Rice County have a contract with Stantec, not to exceed \$40,000, for a conceptual study on a wastewater and water supply in the green area of the development district. Vincent discussed

various options for wastewater. Finding water will not be the issue but finding a place for the wastewater will drive the infrastructure schedule. Identifying the area of the subordinate service district is the next step. The four lake neighborhoods were removed from the district for the current phase of the project but remain a long term goal of the Joint Powers board. It is important that the system is designed to serve commercial industry.

The Joint Powers board recognizes they can control development by controlling wastewater. The wastewater system being pursued will not service a rural residential development. The Joint Powers also recognizes it has no control over the zoning in the district.

9. Report on meeting with Rice County

The Joint Powers Board has been meeting with Sara Folsted, Jeff Docken, and Kathy Feldbrugge and Dennis Luebbe. They are taking the lead to set up meetings with Steele Waseca and DEED to explore funding opportunities.

10. Web page discussion

There is a Joint Powers webpage hosted on the Forest Township webpage. Ashley will add names of board members with contact information, previous meeting minutes, and the updated map of the district. During the next meeting the board will work on the mission statement.

11. Other

Mayor Pownell has requested a presentation to the Northfield City Council regarding the work of the Forest Bridgewater Joint Powers Development District. The group also discussed presenting to the Dundas and Faribault City Council in November or December.

The board stated that it is the goal to designing a certain type of wastewater system which would not support high water usage, which removes certain type of industries. The group discussed Planned Unit Developments. The wastewater system will not support that type of development.

The companies that Jerry is working with meet the current zoning of the land desired.

Sam Sunderlin will record the meetings and share with citizens who are unable to make the meetings.

The next meeting will be held on Wednesday, November 17 at 6:00 PM at the Forest Town Hall.

12. ADJOURN

Bill made a motion to adjourn the meeting at 7:05 pm. Andy seconded the motion. All in favor and the motion carried.

Respectfully submitted by Ashley Anderson, Clerk, Forest Bridgewater Joint Powers Development District.