

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)  
JOINT POWERS BOARD OF COMMISSIONERS MEETING

MINUTES

April 24, 2014  
EDC Office, Willmar, MN

Present: Steve Ahmann, Denis Anderson, Jim Butterfield, Ron Christianson, Harlan Madsen and Dean Shuck  
Staff: Steven Renquist, Executive Director;  
Media: Anne Polta, West Central Tribune  
Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc. (LAA)

Chairperson Denis Anderson called the meeting to order at approximately 11:30 a.m.

MINUTES—

IT WAS MOVED BY Dean Shuck, SECONDED BY Steve Ahmann, to approve the minutes of the January 23, 2014 annual meeting of the Kandiyohi County and City of Willmar Economic Development Commission Joint Powers Board of Commissioners as e-mailed. All present voted in favor by roll call.

TREASURER'S REPORT— Steve Renquist presented the financial reports for periods ending January 31, February 28 and March 31, 2014.

[Ron Christianson joined the meeting.]

IT WAS MOVED BY Steve Ahmann, SECONDED BY Jim Butterfield, to accept the Kandiyohi County and City of Willmar Economic Development Commission financial reports for periods ending January 31, February 28 and March 31, 2014, subject to audit. All present voted in favor by roll call.

REPORTS

Economic development activities. Renquist distributed and highlighted areas of his current development projects report (see attached). Renquist informed the board that \$2,000 approved by the EDC Joint Operations Board (EDCOB) for the city of Spicer Economic Development Authority was reallocated for a University of Minnesota Business Retention & Expansion study in participation with the city of New London. The city of New London Economic Development Authority made a similar request for \$2,000, which was also approved by the EDCOB. Spaulding reported on a meeting hosted by the EDC between community representatives, the EDC's Technology Subcommittee and representatives from the following providers: CenturyLink, Frontier, MVTV Wireless, TDS and Minnesota Telecom Alliance. Charter and Arvig (formerly RedRed) were unable to attend due to the weather. The next step is to survey all Kandiyohi County residents as to whether or not they have broadband services, who is their provider and their current broadband speed. Kandiyohi County has agreed to mail the postcard survey. Once the postcards are returned, the group will reconvene to enter the responses on a map to locate coverage holes. Spaulding is checking with the state's new Office of Broadband Development as to potential funds and programs that may be available. Plans are to also bring cellular providers into the discussion at some point.

## UNFINISHED BUSINESS

[Connie Schmoll joined the meeting.]

Business Development Specialist position. Renquist introduced Connie Schmoll, the EDC's new Business Development Specialist. Schmoll provided information on her work to date.

[Schmoll was excused from the meeting.]

Renquist reported \$50,000 was budgeted for this position and Schmoll was hired at an annual salary of \$47,500.

IT WAS MOVED BY Steve Ahmann, SECONDED BY Dean Shuck, to approve the hiring of Connie Schmoll as the Kandiyohi County and City of Willmar Economic Development Commission's Business Development Specialist at an annual salary of \$47,500. All present voted in favor by roll call.

Joint Operations Board members.

IT WAS MOVED BY Dean Shuck, SECONDED BY Steve Ahmann, to accept the resignation of Robert Enos from the Kandiyohi County and City of Willmar Economic Development Commission Joint Operations Board. All present voted in favor by roll call.

Chairperson Anderson stated three appointments are needed for the EDCOB. The city of Willmar has recommended the appointment of Linda Kacher. Harlan Madsen indicated some individuals he has spoken with have declined an appointment due to recent controversies on the EDCOB. The board recommended holding a special meeting on May 21 or 22 to appoint new board members. Staff was asked to determine which meeting date and a time. Chairperson Anderson will speak with the Willmar Mayor as to another recommendation. The board discussed the type of individuals who should be appointed and the need to move forward. It was mentioned to possibly interview potential board candidates and receive their biographies prior to appointments.

IT WAS MOVED BY Ron Christianson, SECONDED BY Steve Ahmann, to appoint Linda Kacher to the Kandiyohi County and City of Willmar Economic Development Commission Joint Operations Board. Roll call vote was taken. Ayes: Denis Anderson, Ron Christianson and Steve Ahmann. Nays: Dean Shuck, Harlan Madsen and Jim Butterfield. MOTION FAILED.

There was no other unfinished business.

## NEW BUSINESS

Substitution of Board Members. The board reviewed an April 7, 2014 email from attorney Mike Burgett (see attached) as to alternate elective representatives attending and acting at board meetings in place of an appointed board member. Per Mr. Burgett, an amendment to the Joint Powers Agreement and/or the EDC's Bylaws is required.

IT WAS MOVED BY Jim Butterfield, SECONDED BY Steve Ahmann, to amend the Kandiyohi County and City of Willmar Economic Development Commission's Bylaws to allow the Willmar City Council and Kandiyohi County Board of Commissioners to appoint alternate members to the Kandiyohi County and City of Willmar Economic Development Commission Joint Powers Board. All present voted in favor by roll call.

**Office lease.** Spaulding reported requests for proposals for office space were sent to Willmar property owners and realtors. Spaulding, Roland Boll and Gary Gilman will review the proposals, tour the proposed sites and possibly make three recommendations to the EDCOB for consideration. Spaulding requested that office locations be on this board's special meeting agenda in May.

**Burlington Northern Santa Fe Railway TIGER II grant application.** Renquist reported the EDCOB signed a non-binding Memorandum of Understanding (see attached) for the TIGER II grant application and recommends the EDC allocate \$75,000 for the grant application. Madsen stated \$459,670 was allocated by Kandiyohi County for the grant application and he recommends reappropriating the EDC's \$75,000 for business retention, broadband or a common county logo. The city of Willmar allocated 27 acres of land for the project. Renquist spoke in favor of contributing funds to the application. Board members voiced support of some funding to show consolidated support for the project.

IT WAS MOVED BY Jim Butterfield, SECONDED BY Steve Ahmann, to approve \$35,000 toward the Burlington Northern Santa Fe Railway Transportation Investment Generating Economic Recovery grant program. Roll call vote was taken: Ayes: Steve Ahmann, Denis Anderson, Jim Butterfield, Ron Christianson and Harlan Madsen. Nay: Dean Shuck.

**2014 budget.** Renquist reported the EDCOB recommended this board allocate funds for a new line item for Accountant Fees.

IT WAS MOVED BY Dean Shuck, SECONDED BY Harlan Madsen, to approve amending the 2014 budget to add \$1874.50 to Legal Fees and \$5,000 for a new line item of Accountant Fees.

IT WAS MOVED BY Harlan Madsen, SECONDED BY Dean Shuck, to amend the motion to amend the 2014 budget to add \$3,500 to Legal Fees and \$1,000 to Accountant Fees from reserves. All present voted in favor of the amended motion by roll call.

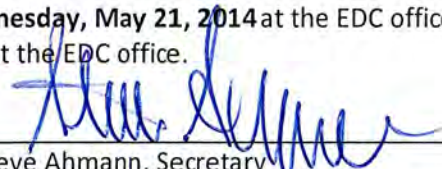
**City of Sunburg funding request.** Renquist presented a request by the City of Sunburg to assist with funding for two entrance signs, which they would like installed by May 17, 2014.

IT WAS MOVED BY Ron Christianson, SECONDED BY Jim Butterfield, to approve \$1,000 to the City of Sunburg for two entrance signs. All present voted in favor by roll call.

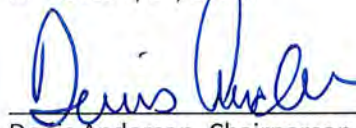
**Other.** Ahmann requested staff provide quarterly reports showing loans approved and how many jobs were created by the loans in an effort to obtain measurable data. Spaulding stated the Minnesota Association of Professional County Economic Developers (MAPCED) is developing a metric for reporting on what is happening in the state with the assistance of the University of Minnesota. How to gauge success in economic development is difficult. Spaulding stated business retention calls need to be done in order to input data into the EDC's Synchronist program.

**ADJOURNMENT**—There being no further business, the meeting was adjourned at 2:48 p.m.

**NEXT MEETING**—A special meeting will be held at **12 noon, Wednesday, May 21, 2014** at the EDC office and the next regular board meeting is **11:30 a.m., Thursday, July 24, 2014**, at the EDC office.

  
Steve Ahmann, Secretary

APPROVED 7/24/2014:

  
Denis Anderson, Chairperson

**Current Kandiyohi County and City of Willmar  
Economic Development Commission  
Development Projects  
Report to Joint Powers Board  
April 24, 2014**

Atwater – Business retention (1.1); hardware/greenhouse (1.1)

Raymond –business acquisition (1.1.10,1.5.1); community marketing plan (1.5.1); save-the-school effort (1.1.6)

New London – Grocery store (1.1); downtown business acquisition (1.1); marketing highway potential (1.1); motel (1.1); Support BRE program

Pennock – develop city owned housing lots (1.1); develop downtown property(1.1)

Kandiyohi – develop near RR property (1.1.); two business loans (1.1)

Lake Lillian – grocery store (1.1); natural gas pipeline (1.1); agricultural bio-mass pelleting center (1.1)

Priam – reconstituted animal feed – corn bio-mass and distillers grain (1.1)

Spicer – Highway 23 corridor marketing plan (1.1), downtown development (1.1); Support BRE program, Replace JOTS

MinnWest Technology Campus (1.1)

- Assisting in marketing this facility, results 30 companies 410 employees
- Manufacturing Showcase – future direction
- Animal Science Conference
- U of M Technology Showcase
- U of M Office for Technology Commercialization – recruiting
- Business center

## Mid-Central Research and Outreach Center (1.1)

- U of M Regional Extension office
- U of M Avian Research Laboratory
- IREE
- AURI
- Renewable energy center

Turkey Research and Development Facility – joint venture, build w/ lease-back if necessary (1.1)

Bio-science Center (1.1, 3)

Dairy Research, Training and Consumer Education facility (1.1)

Mastitis – MWTC Potential (1.1)

Stem Cell – MWTC Potential (1.1)

Human vaccine (1.1)

Department of Defense (1.1)

Epitopix (1.1)

Renewable Energy (1.1) – What will happen to natural gas prices?

NH<sub>3</sub> (anhydrous ammonia)

Methane

Wind – 2 wind farms

Bio-Gas

Bio-Mass

Ethanol – new energy source

Solar – solar farm near Atwater

Energy Commercialization Center (1.1)

Insurance Company Data Center (1)

Ag Bio – Epitopix, effort to attract Syntiron (3)

Jennie-O – two possible projects (1.1)

Venture capital (1.2)

Meadow Star, second plant (1.1, 1.2)

Cheese (1.1, 1.2)

Bio-Science corridor (1.1)

Renewable resource zone (1.1)

Beef finishing (1.1)

Kandiyohi County Landfill – waste to energy (1.1)

Buhler manufacture (1.1)

Area Infrastructure (1.1, 2.1)

Industrial park development

Airport – development of marketing plan

Rail Served Industrial Park

Railroad By-Pass

Passenger Rail

Highway 23 Task Force

Highway 12 Task Force

Veterans Home (1.1,3.2) – new concept

National retailers and hospitality – acquisition and site selection (1.1)

County based business, hospitality and service sector attraction (1.1)

Promote technology utilization – Blandin Web site grants have been successful (1.1)

Office center – (1.1)

- downtown
- Wal-Mart area business park

Centre Point Mall – assist w/ tenant relocation (1.1)

Airport marketing ((2.1)

- Life Link III
- Metro Cargo Overflow
- Tour regional facilities – marketing plan

Community Owned Grocery (1.1)

Barn Shed project – food distribution center and other retail (1.1)

## EDC Administrative Support

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**From:** Mike Burgett <dmichaelb@anburlaw.com>  
**Sent:** Monday, April 07, 2014 2:15 PM  
**To:** EDC Administrative Support  
**Cc:** Steve Renquist; Dawn Fostervold  
**Subject:** RE: EDC Bylaw amendments

Hi Nancy,

Yes, that is certainly allowable under the terms of the governing documents. My best preference would be that both the Joint Powers Agreement and the existing Amended Bylaws be amended to reflect this change. If that is too much procedural cartwheeling, I could live with just the Joint Powers Board amending the Amended Bylaws. In the current climate, however, it might be prudent to have the City and County each approve amendments to the Joint Powers Agreement, followed by amendment of the Amended Bylaws. I'll leave it to Steve's discretion.

In the Joint Powers Agreement, I would add it to existing paragraph 3. It currently reads:

The Economic Development Commission shall consist of six members. Each member shall be appointed to serve for three years or until a successor is appointed and qualified. Each governing body shall appoint three elected representatives to serve on the Commission.

I would recommend adding to the end of paragraph 3 the following language:

In the event that a duly appointed member will be absent from a regular or special meeting of the Board of Commissioners of the Economic Development Commission, that appointed member is authorized to appoint an alternative elected representative from that appointed member's governing body to attend the regular or special meeting in the place of the appointed member, and said alternative elected representative shall serve in the full capacity as the appointed member who is absent.

In the Amended Bylaws, I would add a new Section 4a, as follows:

Section 4a. Substitution of Members. In the event that a duly appointed member will be absent from a regular or special meeting of the Board of Commissioners, that appointed member is authorized to appoint an alternative elected representative from that appointed member's governing body to attend the regular or special meeting in the place of the appointed member, and said alternative elected representative shall serve in the full capacity as the appointed member who is absent.

Feel free to give me feedback on the proposed language, as well as the procedural approach that the EDC would like to take. As always, please let me know if you have any questions.

Thanks!

Mike

D. Michael Burgett  
ANDERSON & BURGETT, PLLC  
416 6th Street SW  
Willmar, Minnesota 56201  
(320) 235-3171  
(320) 235-5378 (fax)



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From: EDC Administrative Support [edc@Kandiyohi.com]  
Sent: Tuesday, April 01, 2014 3:00 PM  
To: Mike Burgett  
Subject: EDC Bylaw amendments

Mike, in anticipation of the Joint Powers Board meeting on April 24, did you have an opinion as to whether substitute board members could be allowed per my email below and, if so, what language to put in the Bylaws?

Nancy  
Administrative Support  
Kandiyohi County and City of Willmar Economic Development Commission  
333 Litchfield Avenue SW, Suite 100  
P.O. Box 1783 • Willmar, MN 56201  
320-235-7370 • toll free 866-665-4556 • Fax 320-231-2320 edc@kandiyohi.com<mailto:edc@kandiyohi.com> •  
www.kandiyohi.com

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[cid:image002.png@01CF4DBB.24D05590]<[@KandiWillmarEDC](https://twitter.com/#!/KandiWillmarEDC)>  
[cid:image003.jpg@01CF4DBB.24D05590]<<http://www.facebook.com/pages/Kandiyohi-County-City-of-Willmar-EDC/110831099024055>>

From: EDC Administrative Support  
Sent: Monday, February 10, 2014 2:51 PM  
To: Mike Burgett  
Cc: Steve Renquist; Denis Anderson  
Subject: EDC Bylaw amendments

Mike, attached is the most recent amended Bylaws for the EDC. I have also attached a draft of the January 23 Joint Powers Board meeting minutes, which contains a motion the board made as to allowing substitute board members (on first page), subject to review and approval by legal counsel (you) ☺. Please review and, if approved, please provide the language we should insert in the Bylaws and where it should be inserted. Thanks. The Joint Powers Board will adopt (or not) any amendments at its next meeting in April.

Nancy  
Administrative Support  
Kandiyohi County and City of Willmar Economic Development Commission  
333 Litchfield Avenue SW, Suite 100  
P.O. Box 1783 • Willmar, MN 56201  
320-235-7370 • toll free 866-665-4556 • Fax 320-231-2320 edc@kandiyohi.com<mailto:edc@kandiyohi.com> •  
www.kandiyohi.com

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## MEMORANDUM OF UNDERSTANDING

### **WILLMAR, MINNESOTA – WYE AND INDUSTRIAL SPUR**

This Memorandum of Understanding ("**Memorandum**") is entered into this 1st day of April, 2014 by and between BNSF Railway Company, a Delaware corporation ("**BNSF**"), the City of Willmar, Minnesota, ("**City**"), Kandiyohi County, Minnesota, ("**County**"), Kandiyohi County, the Kandiyohi County and the City of Willmar Economic Development Commission ("**EDC**"), and the State of Minnesota by and through its Department of Transportation ("**State**"). BNSF, City, County, EDC and State are collectively referred to as the "**Parties**".

This Memorandum identifies the general terms of a proposed agreement under which the Parties would be willing to pursue a definitive agreement regarding: (i) the creation of a Wye Connection track ("**Wye Track**") (ii) a rail spur extension into the City of Willmar Industrial Park ("**Rail Spur**"), and (iii) establishment of a public-private arrangement for shared funding of said Wye Track construction (matters (i), (ii) and (iii) collectively, ("**Proposed Project**").

It is expressly understood by the Parties that unless expressly provided herein: (i) this Memorandum is not intended to represent a binding agreement between the Parties and (ii) the Parties have no obligation to incur costs relating to the Proposed Project, to perform planning, engineering or construction herein proposed, or to agree to any other portion of the Proposed Project. Within the context of that understanding, all statements applying present, transitive verbs (e.g. "will", "shall", etc.) should be construed as proposed terms to be included in a Definitive Agreement, which would incorporate the concept expressed in such statement.

By its execution hereof, each of the Parties represents that it has been duly authorized to sign this Memorandum. BNSF, City, County, EDC and State agree to discuss and negotiate in good faith using commercially reasonable efforts to further express the details, allocation of costs and other obligations relating to the Proposed Project as may be included in a Definitive Agreement. The proposed terms and conditions of this Memorandum are as follows:

#### **Article I. Background and Proposed Project Outline**

1. The Proposed Project consists of the construction of the Wye Track connection running north-south between the BNSF Railway Morris and Marshall subdivisions through the Project Area, as further illustrated in Exhibit "A" attached hereto. The Wye Track would enable through trains to bypass the existing yard, thus reducing the amount of in-town train traffic and at-grade crossing blockages in the central part of Willmar. In addition to the community and environmental benefits, the Wye Track would increase BNSF's operational flexibility and improve its environmental footprint. The Proposed Project would also result in expanded rail service opportunities to businesses and other users in the Park and greater Project Area.

2. As further detailed in this Memorandum, the Proposed Project would be funded by a public-private partnership of BNSF, City, County, EDC and State. The Proposed Project is of regional and national significance and, as such, could be a candidate for state and/or federal funding, including but not limited to funding under the Transportation Investment Generating Economic Recovery ("**TIGER**") grant program administered by U.S. Department of Transportation ("**USDOT**").

## **Article II. Public-Private Partnership: City, County, EDC, BNSF and State**

1. The Parties acknowledge and agree that the Proposed Project is made viable only through a public-private partnership arrangement whereby BNSF, City, County, EDC and State would co-fund the Proposed Project, in addition to potential funding contributions from possible third party sources, including without limitation USDOT. It is also agreed that for purposes of the TIGER grant application, the State will be the lead applicant to the USDOT and the other Parties will be co-applicants for the Proposed Project.

2. Preliminary Engineering. BNSF would organize and fund preliminary engineering and environmental work ("**Preliminary Engineering**") at an estimated cost of \$300,000. The Preliminary Engineering would be conducted for the purpose of achieving the following goals:

- (i) To determine a final configuration of permanent physical structures comprising the proposed Wye Track, including the location of new track, the alteration of existing track, and the orientation of supporting structures;
- (ii) To develop a scope of work for the Proposed Project and cost estimates to a reasonably confident degree; and
- (iii) To identify and assess the Proposed Project from the standpoint of environmental risks and impact, right-of-way acquisition needs, and overall public and private benefits to the community.

BNSF reserves exclusive control of Preliminary Engineering and reserves the right to terminate in the event that findings produced in the course thereof reveal matters which, in BNSF's sole discretion, would materially impede BNSF's financial, legal or operational ability to continue pursuing the Proposed Project.

3. Supplemental Development Expenses. After reviewing the Preliminary Engineering, if the Parties determine that there is a mutual desire to continue developing the Proposed Project and pursue the Definitive Agreement, then it is anticipated that the Parties will assume shared financial responsibility in excess of the BNSF Development Expenses, which may consist of actual funds or in-kind services provided by City, County, EDC, or third party partner(s).

4. TIGER Application. BNSF, City, County, EDC and State acknowledge that the Proposed Project and the Parties' ability to enter into a Definitive Agreement would be materially advanced by a commitment of TIGER funds from USDOT. The parties agree to coordinate efforts to timely submit application for TIGER funds as soon as reasonably possible after USDOT issues a 2014 notice of availability therefor. The Parties will cooperate and assist each other in good faith to procure any materials prerequisite to the TIGER application, as determined by USDOT. BNSF and City further agree to coordinate efforts to timely submit application for funding from other sources including State or other public agencies as soon as reasonably possible after notice of availability is issued by the applicable granting entity.

5. Permits and Other Government Approvals. BNSF, City, County, EDC and State, agree to cooperate in good faith in order to obtain any governmental permit, license or other approval reasonably necessary for the performance of obligations relating to the Proposed Project.



6. Timeline Goals. The Parties agree to advance discussions in contemplation of the following benchmark achievement dates:

- Memorandum executed April 1, 2014,
- Preliminary Engineering completion April 28, 2014, and
- Public funding applications (including TIGER) April 28, 2014.

7. Future Funding. It is anticipated that through the Public-Private Partnership, each party will contribute through financial means, in-kind services or products or other means. The Parties intend that the amounts of such future support for the Proposed Project will be addressed in the Definitive Agreement.

#### **Article IV. BNSF Alternative Loop Track**

1. Notwithstanding the foregoing, the Parties acknowledge that the Proposed Project is contingent on the ability of the Parties to provide and/or obtain outside funding and on uncertain social, governmental and economic circumstances and projections affecting business and operations, among other considerations.

2. Without limitation to BNSF's commitment to pursue the Proposed Project in cooperation with City and State as stated in this Memorandum, BNSF reserves the right to plan and conduct preliminary development of a loop track or other alternative track configurations intended to address BNSF's local and regional operational capacity needs. While the Parties agree to further explore the possibility of moving forward with the Proposed Project and entering into a Definitive Agreement regarding same, the Parties expressly acknowledge and agree that BNSF has the right, in its sole discretion, to pursue any final capacity-expanding project, whether the Proposed Project or an alternative, that best comports with BNSF's regional economic and business goals. City, County, EDC and State expressly acknowledge and agree that BNSF has no obligation to pursue further discussions with City and State regarding the Proposed Project if at any time during the BNSF Early Development BNSF determines, in its sole discretion, that the Proposed Project will not adequately meet BNSF's needs, that findings in BNSF Early Development in regards to costs, mitigation, operational flexibility, or other unforeseen conditions that will adversely impact BNSF.

#### **Article V. Miscellaneous Provisions**

1. Term. The term of this Memorandum ("**Term**") will begin on the date first written above or when all appropriate signatures of the Parties have been obtained, whichever is later. This Memorandum will remain in effect until the earliest of the following to occur:

- (i) the Parties agree in writing to terminate this Memorandum;
- (ii) the Parties fully execute the Definitive Agreement; or
- (iii) Dec 31, 2014, unless mutually extended in writing by the Parties.

Upon expiration of the Term, the provisions of this Memorandum will become void and of no further force or effect.

2. Ancillary Costs Assumed by Individual Party. Separate from and in addition to the BNSF Development Expenses, any costs incurred by BNSF prior to the executed Definitive Agreement will be borne exclusively by BNSF. In addition any costs incurred by the other Parties prior to the executed Definitive Agreement will be borne exclusively by the Parties. Neither party will reimburse the other for such costs incurred.



3. Continuing Commitment to Negotiations. Subject to the provisions herein, the Parties agree to discuss and negotiate in good faith using commercially reasonable efforts to reach agreement with respect to the Proposed Project and a Definitive Agreement, including the application for and securing of TIGER funds or other publicly available funds and the allocation of responsibility for any future expenses.

4. Government Data. The parties acknowledge that this Memorandum, as well as any data created, collected, stored, or received under the terms of this Memorandum, are "Government Data" within the meaning of the Minnesota Government Data Practices Act (Minnesota Statutes chapter 13), and that they must comply with the provisions of the Act as it relates to such data.

#### **Article VI. Non-Binding**

The Parties understand and expressly acknowledge that this Memorandum outlines only certain general terms that might be included in a Definitive Agreement concerning the Proposed Arrangement, and that essential elements of a Definitive Agreement still remain to be negotiated and agreed upon by the Parties. It is the express mutual intention of the parties that, except as expressly stated to the contrary, this Memorandum shall not give rise to any legally binding contractual obligations between the Parties. Rather, this Memorandum only expresses the intention of the parties to conduct negotiations relative to the Proposed Project which may or may not result in the formation and consummation of a formal, binding Definitive Agreement. It is the express mutual intention of the Parties that, notwithstanding anything to the contrary contained herein, the execution of a formal, written Definitive Agreement by duly authorized representatives of the Parties is a condition precedent to the creation of a binding contractual relationship between the Parties and that no party hereto will be under any legal obligation of any kind whatsoever with respect to the Proposed Project by virtue of this or any other written or oral expression by it or by any of its representatives. Any party may, upon written notice, amend, or discontinue its role outlined in this Memorandum. Because of the mutual desire to proceed, each party fully intends to make a good faith effort to achieve the goals described above including working together to find mutually beneficial solutions when problems arise.

*[Signature page follows]*



This Memorandum is made effective and entered into by and between the Parties as of the date first set forth above.

**BNSF:**

BNSF Railway Company, a Delaware corporation

By: Dean H. Wise

Name: Dean H. Wise

Title: VP Network Strategy

**EDC:**

Kandiyohi County and City of Willmar Economic Development Commission, a political subdivision of the State of Minnesota

By: Beverly Dougherty

Name: Beverly Dougherty

Title: President

**CITY:**

City of Willmar, Minnesota, a Minnesota municipal corporation

By: Frank Vanish

Name: Frank Vanish

Title: Mayor

**STATE:**

Minnesota Department of Transportation

By: Tim Henkel

Name: TIM HENKEL

Title: Assistant Commissioner

Date: 4/23/2014

**COUNTY:**

Kandiyohi County, Minnesota,

By: Jim Butterfield

Name: Jim Butterfield

Title: Chair

MnDOT Contract Management  
(as to form)

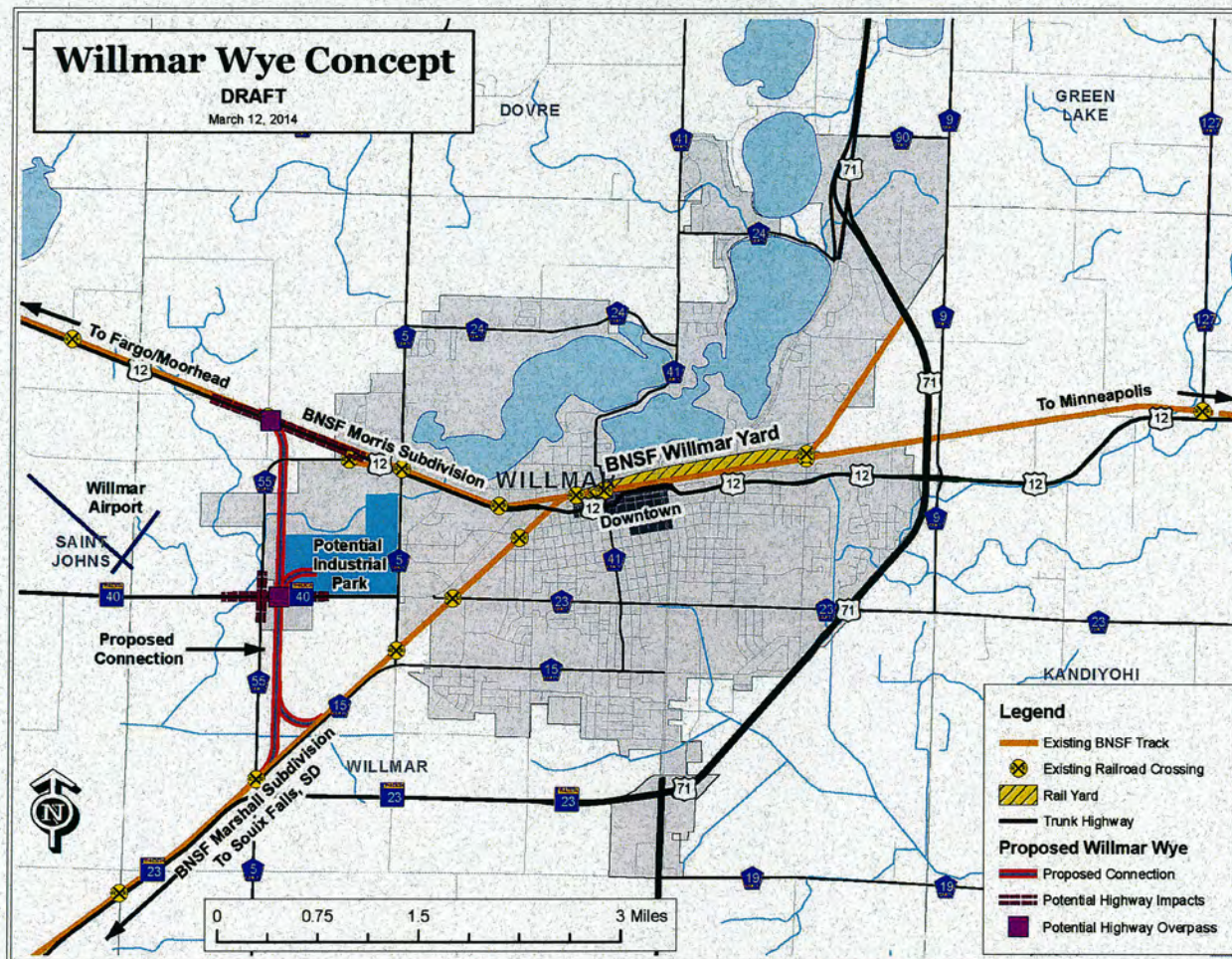
By: [Signature]

Date: 4-24-2014



## EXHIBIT "A"

### Illustration of Proposed Project and Wye Track





Kandiyohi County  
& City of Willmar  
**Economic Development Commission**

Name of applicant

City of Sunburg, MN

Name of contact person

Nancy Feldman

Telephone

320-366-3518

Cell phone

None

E-mail

nancy\_jim@tds.net

Describe your organization, its mission and goals:

The small, quaint city of Sunburg is located in the most northwestern part of Kandiyohi County where Highway 9 intersects with County Road 7, formerly Highway 104. Sunburg, MN has a population of 100 according to the 2010 census. The City of Sunburg, and the Sunburg Commercial Club, are working together to promote our community, the businesses located in Sunburg, and our unique heritage. Our mission is to maintain and strengthen our economic stability which is a challenge as a small community. Our goal, in order to promote and strengthen our community, is to have new signs erected on the north and south sides of Sunburg which will encourage passers-by to stop and use our businesses. Currently, there is no signage in place at either highway entrance into Sunburg. Strong storms and high winds last summer destroyed the only sign located on the north end of Sunburg. Together, the City of Sunburg and the Sunburg Commercial Club want to erect two new signs leading into Sunburg.

Is your organization a

☐ nonprofit corporation ☒ governmental entity

Amount requested:

\$1,000.00

Will the funds be matched?

☒ Yes ☐ No

If yes, how will they be matched?

Some funds have already been committed and received for this project. Funds on hand include: \$250 from the New London Legion, \$50 from the Sons of Norway, and \$250 from the Sunburg Trolls Car Club. The remaining balance for new signage will be mutually shared by the City of Sunburg and the Sunburg Commercial Club. Any funds received from the Kandiyohi County & City of Willmar Economic Development Commission will reduce the remaining balance owed by the two entities. There is coordination and collaboration on this project between the two entities with strong support of the project from the Sunburg community.

For what purpose will the requested funds be used? Provide a copy of your budget.

The funds requested from the EDC would be solely used for two signs including installation. According to a quote from Gary Laughlin of Quick Signs in Willmar, the total cost of the project - two signs including installation - is just under \$3,200 (\$3,162). Necessary permits from MN Department of Transportation and Kandiyohi County are being obtained. A copy of the quote is included with this application, as well as a colored copy of the sign approved by the City of Sunburg and the Sunburg Commercial Club, that will be placed on both the north and south sides of Sunburg.



If your request is for an event and is "seed money," can the event be profitable and self-supporting in future years?  
Please explain:

Not applicable!

Does the request fit within the EDC's mission (To be a catalyst for economic growth of the greater Kandiyohi County area) and goals? Please explain:

This funding request by the City of Sunburg fits within the EDC's mission of serving as a catalyst for economic growth of the greater Kandiyohi area. Sunburg, a small community in Kandiyohi County, constantly struggles to maintain its economic stability since it competes with larger businesses in larger towns. Signage along Highway 9 just north of Sunburg, and at the south entrance to Sunburg, will increase awareness of Sunburg with the goal of promoting and increasing business for the community. Without signage, passers-by will certainly not even notice Sunburg as they travel by on Highway 9.

If funded, your federal tax ID number must be provided.

Return this application to: Kandiyohi County and City of Willmar Economic Development Commission  
333 Litchfield Avenue SW, Suite 100 100 | P.O. Box 1783 | Willmar, MN 56201  
[edc@kandiyohi.com](mailto:edc@kandiyohi.com)

Adopted by EDC Joint Operations Board 3/8/2012  
Ratified by the EDC Joint Powers Board 4/26/2012



919 First Street S • Willmar, MN 56201  
 Phone 320-235-8055 • Phone 320-235-7411  
 PrintMastersofWillmar.com • QuickSignsofWillmar.com



## Estimate

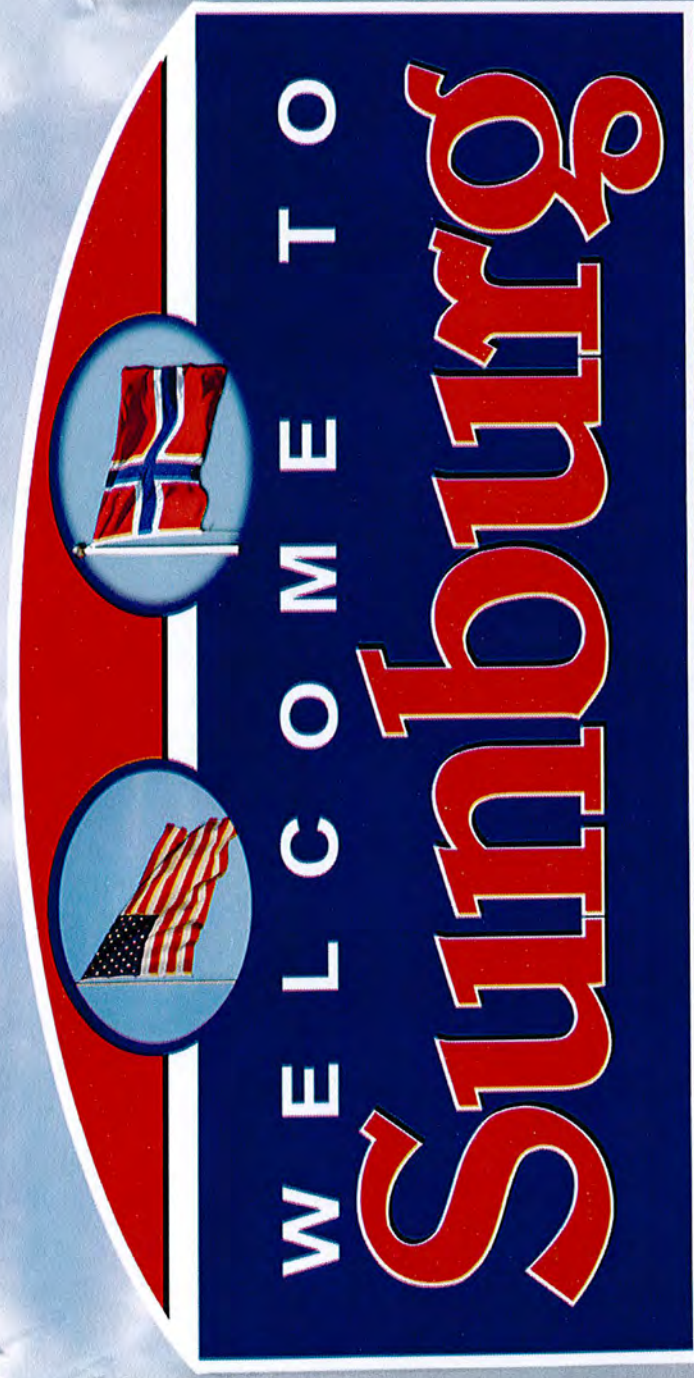
DATE	ESTIMATE NO.
4/22/2014	883

NAME / ADDRESS
City of Sunburg P. O. Box 84 Sunburg, MN 56289

DESCRIPTION	QTY	TOTAL
Welcome To Sunburg Sign - 4' x 8' main sign with curved top and 1 1/2' x 8' message sign mounted below. One sign will be printed vinyl front and back and the other will be printed vinyl one side and cut vinyl text on the back side. Both have 1/2" Alumalite substrate mounted between two vinyl covered 5" x 5" posts cemented in the ground. Price includes installation of one sign on the north end of town and other one on the south end. Does not include permit fees or taxes if applicable.	2	3,162.00

Phone #	Fax #	E-mail	Web Site
320-235-8055...	320-235-7149	gary@printmastersofwillmar....	PrintMastersofWillmar.co...





**Syttende Mai**  
**Annual Celebration**



To: The Kandiyohi County and City of Willmar EDC Joint Powers Board of Commissioners

From: Connie Schmoll, Business Development Specialist

RE: City of Sunburg application for \$1,000

As Business Development Specialist and the EDC staff person charged with reaching out to the cities outside of Willmar, I am pleased to recommend approval of the attached application. Ms. Pat Berg visited my office on April 17, concerning the project. She stated how important this project for the City of Sunburg. She said there has been talk of new signage for more than 14 years by some members of the community. Last year, the existing sign was destroyed in a storm. Timing is important as they would like to have the signs up for their city celebration, Syttende Mai, which takes place in May. Timing is the reason this request is coming before this committee rather than another committee of the EDC.

The application fits the criteria for the funds we have to offer as the project affects the entire Sunburg community. In addition, the project enhances the community as a place to do live, work, and do business and draws people in to support the businesses that exist.

Thank you for your consideration,

A handwritten signature in cursive script, appearing to read "Connie Schmoll".

Connie Schmoll  
Business Development Specialist