

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

**MINUTES**

February 8, 2024

Community Room, Heritage Bank, Willmar and Via Zoom Video Conference

Present: Julie Asmus (via Zoom), Corky Berg, Vicki Davis, Steve Gardner, Roger Imdieke and Doug Reese

Staff: Aaron Backman, Executive Director and Kelsey Olson, Marketing & Communications Specialist

Media: Jennifer Kotila, West Central Tribune

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc.

Chair Steve Gardner called the meeting to order at approximately 1:07 p.m. and declared a quorum was present.

**NEW BUSINESS**

**Review Committee recommendation for Business Development Manager.** Aaron Backman reported he interacted with nine individuals interested in the position, six of whom applied and three were interviewed by the Review Committee. The Review Committee was unanimous in extending an offer to Michelle Marotzke, who currently is the Economic Development Professional for Mid-Minnesota Development Commission. Backman provided some background on Marotzke. The Joint Operations Board unanimously recommended hiring Marotzke at an annual salary of \$84,000. Marotzke accepted the position per the offer letter (see attached) conditioned upon this board's approval and can start on March 6<sup>th</sup>. Corky Berg, who was on the Review Committee, noted the three candidates who were interviewed were all very good candidates and one of them they would like to have in the community in another capacity.

IT WAS MOVED BY Julie Asmus, SECONDED BY Doug Reese, to approve the hiring of Michelle Marotzke as the Kandiyohi County and City of Willmar Economic Development Commission's Business Development Manager at an annual salary of \$84,000 and the additional terms noted in the offer letter. All present voted unanimously in favor by roll call vote.

**EXECUTIVE DIRECTOR SEARCH**

**Search Committee.** Chairperson Gardner asked for a couple of volunteers to serve on the Search Committee. Those who volunteered to serve on this committee from the Joint Operations Board are Jesse Gislason, Les Heitke and Mary Warszynski. The Search Committee will review the job

description and work with the executive search firm. Vicki Davis noted Leslie Valiant and Christopher Corbett would like to be involved in the process; it was indicated Kelsey Baker would also like to be involved. It was decided the committee should be called a Review Committee rather than a Search Committee.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Doug Reese, to appoint Steve Gardner, Roger Imdieke and Vicki Davis from the Kandiyohi County and City of Willmar Economic Development Commission's Joint Powers Board and Jesse Gislason, Les Heitke and Mary Warszynski from the Joint Operations Board to serve on the Review Committee for an Executive Director. All present voted unanimously in favor by roll call vote.

It was recommended that the Review Committee be tasked to review the Job Description for the Executive Director position.

**Request for Proposal.** Backman reviewed with the board a proposed Request for Proposal (RFP). The proposed timeline is to issue the RFP by February 12, proposals from prospective search firms be due by March 7 and this board review the search firm recommendations in late March. Backman noted when he was hired, Harlan Madsen, who was chair of the Joint Powers Board, was the contact on behalf of the EDC with the executive search firm. Thus, he recommended Chair Gardner be the liaison. It was noted the proposal deadline on the last page of the RFP needs to be changed to March 7. Above Scope of Services it should be added "works with all communities in the county." The board changed the dates in the RFP to: issue the RFP by February 16, proposals due by March 8 and this board review proposals the week of March 18. The Review Committee will be surveyed to meet at 9:00 a.m. on February 15 or 16. A calendar invite will be sent once a date is decided for this board.

**Review/Select Search Firms.** Backman presented five options for an executive search firm: DDA Human Resources, Inc., GovHRusa-MGT, Public Administration Associates, Baker Tilly and Next Move Group. Valiant informed Backman that she has a different contact for Baker Tilly and will send it to Backman.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Vicki Davis, to approve sending the Request for Proposal to the following search firms: DDA Human Resources, Inc., GovHRusa-MGT, Public Administration Associates, Baker Tilly and Next Move Group. All present voted unanimously in favor by roll call vote.

**EDC Office Location Options.** Backman noted he emailed the board with four options as to an office location and reviewed the information with the board (see attached).

1. Status quo—remain and not expand. If this is selected, the EDC must negotiate a new lease by late summer. Initially the Elks requested 22% increase in the rent, but have since changed it to between 16-22% and possibly including a utility charge. Backman used a calculation of 19% in his email for an increase from \$24,800 to \$30,000+. This option does

need address the need for a larger board room, another office or space to hold Elevate classes.

2. Expansion of the Elks—this would be closer to one-third of the building; increasing from 1,500 to 2,977 sq. ft. and increasing the rent from \$24,800 to about \$49,000 per year. The renovation costs are estimated at \$170,000, which includes the addition of another furnace room. The Elks will want to recover the cost of the remodeling so the term of the lease would need to increase to ten years. Backman has thought of ways to possibly fund the remodeling.
3. Willmar City Hall—a letter was received from Leslie Valiant (see attached) inviting the EDC to possibly co-locate in a new Willmar City Hall along with other organizations. The space would be 2,000 sq. ft. at \$20 per square foot, all inclusive with utilities, maintenance and typical CAM charges. The annual cost would be about \$40,000. The EDC would need to extend its current lease to allow for the city's construction of a building. The EDC would not need separate janitorial service as it currently has and the EDC would be in on the design of its space. The latest technology would also be available.
4. Appletree Square—is about 2,840 sq. ft. (or more) and would potentially permit co-location options. The base rate would be \$17.60 per square foot without renovation costs. Willmar Ten Investors, the owner, may be able to assume a portion of the leasehold costs. Assuming CAM/leasehold improvements at \$10.40 sq. ft., the total cost would be \$28 per sq. ft. increasing rent from \$24,800 to about \$80,000 per year less any sublease revenues. Backman is apprehensive about these costs. He has a couple of entities that may be interested in co-locating, but he would prefer the EDC not be property managers.

Backman informed the board that the Joint Operations Board is recommending to co-locate in a new Willmar City Hall. Important to the EDC and its staff in any new location were: that the office be near an arterial road for access and visibility, security, storage space, larger meeting room and its own restroom. The EDC would need to negotiate with the Elks for a two-year short-term lease. Berg suggested giving the city a month to come back with a proposal. The board indicated it is open to giving the City of Willmar time to review the option; the EDC needs clarity for its decision making process. Valiant expressed to Backman that the EDC could have an entrance separate from the Willmar City Hall. Backman will inform Valiant and ask that a reply be given within 45 days.

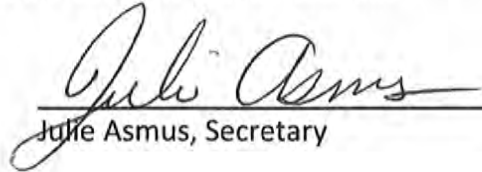
Backman stated he will take his accrued vacation in July and that ideally a new director will be in place by June 30.

**ADJOURNMENT**—There being no further business,

IT WAS MOVED BY Corky Berg, SECONDED BY Julie Asmus, to adjourn the meeting.

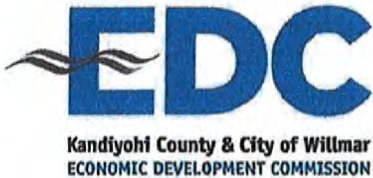
The meeting was adjourned at approximately 2:03 p.m.

**NEXT MEETING**—The next regular meeting is **11:30 a.m., Thursday, April 25, 2024** at the EDC office Heritage Bank Community Room and via Zoom video conference or as needed.

  
Julie Asmus, Secretary

APPROVED: 4/25/2024:

  
Steve Gardner, Chairperson



February 8, 2024

Ms. Michelle Marotzke  
1191 40<sup>th</sup> Avenue NE  
Willmar, MN 56201

**RE: Business Development Manager Position**

Dear Michelle:

On behalf of the EDC's Review Committee, I would like to offer the Business Development Manager position to you with the following terms:

1. You will be an "at will" employee and not under contract with a 90-day probationary period. Your first day of employment will be on or before March 6, 2024.
2. Annual salary will be \$84,000 prorated from the time employment begins paid on the 15<sup>th</sup> and last working days of each month.
3. Single-coverage health insurance prorated from the time employment begins. In 2024, the EDC is paying approximately 89% of the annual premium. You would pay the difference, which would be deducted from each paycheck. The amount of the premium will be provided for information. You may also enroll family members at your cost, which would be deducted from each paycheck.
4. Enrollment, at your option, in a dental plan at your cost deducted from each paycheck.
5. Enrollment, at your option, in a vision plan at no cost.
6. Enrollment in PERA with the EDC contributing the employer's portion at the current rate of 7.5%.
7. Ability to participate in the Minnesota State Retirement System.
8. The following pursuant to the EDC's Employee Handbook:
  - a. General work day from 8:30 a.m. to 5:00 p.m., which includes a one-hour lunch period, Monday through Friday. You may be occasionally asked to work more hours than a normal work day and, thus, may reduce work hours on subsequent days at your discretion.
  - b. Vacation for employees with less than 3 years of full-time employment is earned at the rate of 3.67 hours per pay period (semimonthly) or 88 hours per year. Accumulated vacation shall not exceed 160 hours. Upon separation, unused vacation is paid per the terms of the Employee Handbook.
  - c. Earned Sick and Safe Leave earned at the rate of 4 hours per pay period up to a maximum of 192 hours. Upon separation, unused sick leave is paid per the terms of the Employee Handbook.

Ms. Michelle Marotzke

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d. Up to three working days with pay, per incident, as funeral leave for a death in the immediate family as defined in the Employee Handbook.

e. The following paid holidays:

New Year's Day

Martin Luther King Day

President's Day

Memorial Day

Juneteenth

Independence Day

Labor Day

Veteran's Day

Thanksgiving Day

Day after Thanksgiving Day

Christmas Day

f. Military leave up to a maximum of 120 working hours off with pay according to the terms of the Employee Handbook.

g. Time off with pay to serve on a jury according to the terms of the Employee Handbook.

h. Reimbursement of travel and related expenses.

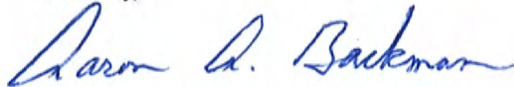
9. Cell phone and data plan.

10. Continuing education (for example, National Development Council training courses) as allowed within the EDC's annual budget.

11. Ability to work remotely when deemed appropriate by the Executive Director.

Final approval of the position and the above terms are subject to approval by the EDC's Joint Operations Board and Joint Powers Board.

Sincerely,



Aaron A. Backman  
Executive Director

This offer and terms are accepted, but signing does not constitute a contract:



Michelle Marotzke

Date: February 4, 2024



**REQUEST FOR PROPOSALS  
EXECUTIVE SEARCH CONSULTING SERVICES  
IN THE HIRING OF AN ECONOMIC DEVELOPMENT DIRECTOR**

INTRODUCTION

The Kandiyohi County and City of Willmar Economic Development Commission (EDC), Willmar, Minnesota is requesting proposals from qualified executive search firms to assist the community with the hiring of an economic development Executive Director. The EDC's Joint Powers Board will review submitted proposals and may schedule presentations as determined necessary by the EDC.

RFP Issued:	February 12, 2024
Proposals Due:	March 7, 2024
Joint Powers Board Review:	Late March

The EDC Joint Powers Board may determine at its discretion to interview responding firms and the choice of responding firms to be interviewed. Upon review of the submitted proposals and completion of any interviews, the EDC may select a consultant and enter into a professional services agreement. The EDC reserves the right not to contract with any or all of the respondents to this Request for Proposals.

Questions concerning this Request for Proposals may be directed to Joint Powers Board Chairperson Steve Gardner by calling him at (320) 979-4267.

GENERAL INFORMATION

The EDC Joint Powers Board is seeking proposals for executive search consulting services to assist in the EDC's hiring of a new Executive Director.

The EDC office is located in Willmar, the county seat of Kandiyohi County. Kandiyohi County and the city of Willmar comprise a steadily growing regional center serving all of west central and southwest Minnesota. Willmar was designated in the March 2023 edition of *Site Selection* magazine as one of the top 2022 micropolitan communities in the United States and one of two highly-ranked cities in Minnesota. "Micropolitan" is generally defined as a community with more than 10,000 but less than 50,000 in population. The criteria for this designation includes having commercial or industrial projects that exceed \$1 million, 20,000 square feet or more in size, and create at least 50 new jobs. Willmar had three such projects, including the FedEx Distribution Center, CNH Industrial's purchase and renovation of an existing facility and Northern Radiator's warehouse expansion. The designation confirms that Willmar is a business-friendly community that is willing to support business by providing the needed approvals and permits to move forward.

Kandiyohi County's 2021 estimated population is 43,767 (Willmar's 2021 estimated population is 21,045). Although its population is mainly Caucasian, the county is increasingly diverse with significant populations of Latino, East African and Asian residents.

A strong local economy reflects Willmar as a growing regional center for industry, healthcare, education, government and retail/wholesale trade. The northern end of Kandiyohi County is well known for its specialty shops and tourism-related businesses. Kandiyohi County offers many opportunities for manufacturing, technology firms, specialty retail shops and tourism. In 2021, there were about 1,400 business establishments employing 22,500 with a variety of industry sectors. Kandiyohi County's unemployment rate was 2.7% in December 2023.

Willmar is located 95 miles west of the Twin Cities area (60 miles southwest of the St. Cloud metropolitan statistical area) and is easily accessed by major highway, rail and airport transportation. Kandiyohi County covers a land area of 796.79 square miles.

The EDC was formed by a Joint Powers Agreement between Kandiyohi County and the City of Willmar in July 2003. The governing body is comprised of a Joint Powers Board of Commissioners consisting of six members with Kandiyohi County and the City of Willmar each appointing three elected representatives to serve for three years. The operations of the EDC is led by a seven-member Joint Operations Board, who are appointed by the Joint Powers Board and include representation from communities throughout the county, education providers, business and consumer groups. Joint Operations Board member terms are for three years and are limited to three full three-year terms.

The EDC's Executive Director is responsible for the daily operations of the EDC, including coordinating and implementing an annual work plan, annual budget and supervision of a Business Development Manager, Marketing and Communications Specialist, Childcare Community Coordinator and contracted administrative help. The EDC's 2024 Budget is \$723,906. The EDC involves a number of community volunteers, who participate in one or more of its committees: Agriculture and Renewable Energy Development; Broadband and Advanced Technology; Business Retention and Expansion/Recruitment; Finance and Marketing and Public Relations. The EDC also participates financially in the Leisure Travel Committee of the Willmar Lakes Area Convention and Visitors Bureau. The EDC's 2024 Strategic Priorities are: 1) Housing; 2) Broadband; 3) Childcare; 4) Workforce; and 5) Business Support.

### SCOPE OF SERVICES

Consultant will be expected to assist the EDC's Joint Powers Board with the hiring process for the Executive Director position by providing the following services:

- Evaluate the EDC's unique needs based on financial condition, existing programs, organization, etc., to determine appropriate areas of expertise required for candidates.
- Evaluate EDC boards' expectations.
- Propose expected project schedule.
- Solicit applications through a variety of industry resources.
- Accept, acknowledge and screen applications.
- Check references and perform necessary background checks.

- Recommend a short list of candidates for personal interviews with the EDC boards and other members of a selection committee.
- Prepare and submit necessary written and verbal reports.
- EDC boards and contracted administrative help will cooperate with consultant to provide requested information and schedule meetings.

### INSTRUCTIONS

Proposals are to include the following information:

- A. Organization:
  1. Name, address and telephone number for the main office of the firm and the primary contact person.
  2. Name, position, experience and qualifications of those individuals designated to work on the project.
- B. Process: Describe the process proposed to be utilized in carrying out the scope of services as outlined in the Request for Proposals.
- C. Fee Schedule: Provide a schedule of hourly rates for services and detailed description of billing structure (i.e. time segments, mileage and expense charges, etc.) and provide a not-to-exceed total project cost for the process proposed.
- D. Additional Information: Include any information considered relevant to the fair consideration of the firm and its proposal.
- E. References: Proposals must include a listing of previous and current Minnesota clients, including a minimum of three (3) references for search services to an economic development agency in Minnesota for an executive director/administrator position within the last five (5) years. References are to include identification of the client community, date of employment, a description of the hiring process including scope of services and firm responsibilities and contact information for an official that participated in the process.

To be considered, nine copies of the proposal must be submitted by 4:30 p.m., February 27, 2024 to:

Steve Gardner, Chairperson  
 Joint Powers Board  
 Kandiyohi County and City of Willmar Economic Development Commission  
 222 20<sup>th</sup> Street SE  
 P.O. Box 1783  
 Willmar, MN 56201

**LATE PROPOSALS WILL NOT BE ACCEPTED**

# EXECUTIVE SEARCH FIRMS

DDA Human Resources, Inc.  
5029 Upton Avenue South  
Minneapolis, MN 55410-2244  
(612) 920-3320  
Elizabeth Blakesly  
[elizabeth@daviddrown.com](mailto:elizabeth@daviddrown.com)

GovHRusa-MGT  
630 Dundee Road, Suite 225  
Northbrook, IL 60062  
(320) 262-0303  
Charlene Stevens  
[cstevens@GovHRusa.com](mailto:cstevens@GovHRusa.com)

Public Administration Associates, LLC  
PO Box 282  
Oshkosh, WI 54903-0282  
(262) 903-9509  
Kevin Brunner  
[Kevin.brunner103@gmail.com](mailto:Kevin.brunner103@gmail.com)

Baker Tilly  
225 South 6<sup>th</sup> Street  
Suite 2300  
Minneapolis MN 55402  
(703) 923-8214  
Anne Lewis  
[Anne.lewis@bakertilly.com](mailto:Anne.lewis@bakertilly.com)

Next Move Group  
6 Cardinal Wy, Suite 900  
St. Louis MO 63102  
(314) 421-9110  
Alex Metzger  
[alex@nextmovegroup.com](mailto:alex@nextmovegroup.com)

## EDC Administrative Support

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**From:** Aaron Backman  
**Sent:** Thursday, February 8, 2024 10:11 AM  
**To:** Corky Berg; Julie Asmus; Mayor Doug Reese (Willmar) ; Roger Imdieke; Steve Gardner; Vicki Davis; Abdulcadir Gaal; Art Benson; Jesse Gislason; Les Heitke; Mary Warszynski; Veronica Garcia  
**Cc:** EDC Administrative Support; Kelsey; tanna.stucky@unitedcapmn.org  
**Subject:** EDC Office Location Options  
**Attachments:** 887.02-Site Comparison-20240129.pdf; Elks Building - Existing & Proposed Layout 2.8.24.pdf; Charles Construction Cost Estimate to Renovate Elks Bldg 1.15.24.pdf; EDC Office Proposal.pdf; Appletree Square Office Layout - 2 Bays w. Classroom 12.23.pdf

To Board Members:

I will be seeking your input at the Board meeting today on the following four office space options for our organization to consider:

- 1) **Status Quo.** The KCED remains at the Elks Club building and does not expand. This option requires that we negotiate with the Elks on a new lease for the same amount of space. Our current lease expires in November 2024 and a new 5-year lease should be in place by late summer. This option requires that we continue to use offsite locations for Elevate classes, for Joint Operations Board meetings and for two of our standing Committees, and that we have two staff in one office, etc. We currently lease 1,500 sq. ft. at \$16 psf. Regardless, the new lease would be at a higher level than our current lease rate. Assuming \$19.00 psf, plus additional costs for separate storage, projected yearly rental costs could **increase from \$24,800 to about \$30,000 or more**. The Elks have also discussed an escalator clause and adding a utility charge to the lease.
- 2) **Expand at the Elks Club.** The KCED remains at the Elks Club and we expand our space. This option allows us to have all our programming in one place, but does not provide space for community partners requiring multiple offices. The projected square footage of the occupied space at the Elks would increase from 1,500 sq. ft. to 2,977 sq. ft. or basically double the amount of rented space. The quote from Charles Construction for renovation of the Elks Club is just under \$170,000. A 10-year amortization of the leasehold costs would run at least an additional \$1,974 per month. Projected yearly rental costs would **increase from \$24,800 currently to over \$49,000 a year**.
- 3) **Co-Locate at a New Willmar City Hall.** The KCED could potentially re-locate to a new Willmar City Hall location. City Administrator Leslie Valiant has provided a proposal to the EDC that would provide 2,000 sq. ft. of space at \$20.00 psf. The proposed lease rate would be all inclusive, inc. utilities, maintenance, janitorial, taxes, etc. This option would enable other partners to co-locate in the building, and to share meeting space. Projected yearly rental costs would **increase from \$24,800 to \$40,000** (or from \$2,000 a month to \$3,333 per month). This option would require negotiating a short-term lease of perhaps two years in length with the Elks Club due to the time required for the City to design and construct/renovate its new City Hall.
- 4) **Co-locate at Appletree Square.** The KCED could potentially re-locate to Appletree Square to a space of about 2,840 sq. ft. (or more). This space could potentially permit co-location, but may require more space. The base lease rate would be \$17.60 psf without renovations costs of \$150,000+ included. Willmar 10, the builder owner could potentially contribute to a portion of the leasehold costs. Assuming a CAM/leasehold improvement charge of \$10.40 psf, the total cost would be \$28 psf. Projected yearly rental costs would **increase from \$24,800 to \$79,520**, less sublease income from other tenants.

Also, I have attached various files: Site Comparison Report from Barbara Marks, Elks Building Existing & Proposed Layout, Charles Construction Estimate for Elks Renovation, Proposal from the City of Willmar, and Appletree Square Layout.

Aaron A. Backman

Executive Director

Kandiyohi County and City of Willmar Economic Development Commission

222 20<sup>th</sup> Street SE | P.O. Box 1783 | Willmar, MN 56201







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PROGRAM OF NEEDS

	APPLETREE SQUARE LOCATION	HERITAGE BANK LOCATION	ELKS LOCATION	IMPORTANCE (1)LOW - (3)HIGH	FAVORED LOCATION	COMMENTS/NOTES
<b>I. SUMMARY COMMENTS</b>						
Appletree Square and Heritage Bank Comparison (previous information)						
22 items of review are noted as equal or not a significant difference from location to location, with adjustments to the Program of Needs, the EDC can make either space work. See preliminary Program of Needs.						
When comparing the original two sites, the Heritage Bank location is slightly favored in area of importance on items ranked >2.5						
	Apple Tree Square edges out HB in 5 categories of review. 4 of the 5 have an EDC rated importance of 2.5 or higher	Heritage Bank edges out ATS in 12 categories of review. 5 of the 12 have an EDC rated importance of 2.5 or higher				
Appletree Square, Heritage Bank and the Elks Comparison						
Heritage Bank location is ranked in 22 two-way ties, Apple Tree Square is ranked in 15 two-way ties and the Elks location is in 9 two-way ties. There was a three-way tie in 5 categories. With adjustments to the Program of Needs, the EDC can make any space work. See preliminary Program of Needs.						
When comparing the three sites, the Heritage Bank location remains slightly favored.						
	Apple Tree Square edges out the others in 5 categories of review. 4 of the 5 have an EDC rated importance of 2.5 or higher	Heritage Bank edges out the others in 5 categories of review. 3 of the 5 have an EDC rated importance of 2.5 or higher	The Elks edges out the others in 2 categories of review. 0 of the 2 have an EDC rated importance of 2.5 or higher			
	Willing to work on interior renovation with the owner	Willing to work on interior renovation with the owner	Willing to work on interior renovation with the owner.			
	Have an established aesthetic for the building and would be hesitant to modify entry points, but willing to work with owner regarding signage - it must match established aesthetic	Have an established aesthetic for the building a would be willing to modify entry points.	Willing to modify entry points to the building (at rear.) Shared entrance can be challenging due to nature of Elks activities.			
<b>II. CIVIC BENEFIT</b>						
Perception	on the highway	a part of downtown	on the highway	2.75	ATS	professional look is important
Partnership Opportunities	near LSS and WACF	near financial institution and legal guidance	CVB or Chamber could co-locate	2.75	HB/ELKS	
Staff Disruption			Disruptive to continue to work through a remodel project	2.375	ATS/HB	the EDC would move with either of these options, it will be a disruption
Public Disruption			same location, no change for public	1.75	ELKS	is there any benefit to "being down the street" if someone comes to the wrong location
<b>III. LOCATION</b>						
Address	1601 E Highway 12	320 1st Street SW	222 20th St SE	2.375		one likes that ATS is just down the street from a current location
						"1st street" and "Hwy 12" are both prominent addresses
Neighborhood	East Highway 12	Downtown	East Highway 12	2.5	ATS/ELKS	Healthcare, banking, professional services, retail
	See- food service, banking, retail, trucking	See - healthcare, banking, professional services, retail	See - food service, hospitality, development lots, storage units, nursery			
Near arterial road	yes	yes	yes	2.54	ATS/HB/ELKS	
Accessibility	off of parking lot	off parking lot or city street	off of parking lot	2.9	HB	number of doors and hallways can be complicated for those with limited mobility
Visibility	space located at building "front"	space located at building "rear"	space located at building "front" and "rear"	2.72	ATS	Modifications to building exterior at HB can make this equal
Expansion opportunities	if another suite is taken over	within suite	withing suite and small opportunity for addition	2	HB/ELKS	this is based on original owner information not supplied program
Deliveries	secondary entrance available	secondary entrance available	secondary entrance available	1.875	ATS/HB/ELKS	
Off street parking available	48,000 sf plus, shared	47,882 sf plus, shared	16,832 sf plus, shared	2.54	ATS/HB	After hours educational parking could be separated from Elks parking
On street parking available	no	yes	yes	2.14	HB/ELKS	
<b>IV. BUILDING ELEMENTS</b>						

	APPLETREE SQUARE LOCATION	HERITAGE BANK LOCATION	ELKS LOCATION	IMPORTANCE (1)LOW - (3)HIGH	FAVORED LOCATION	COMMENTS/NOTES
Square feet available	2,840	3,665	<2,977	2.36	ELKS	GIS-existing east side of building 3,120
Layout of available space						
Education opportunities	yes, but shared with conference	yes, could be it's own space	yes, could be own space	2.5	HB/ELKS	elevate-needs and convenience of enough space
Conference opportunities	yes, but shared with education	yes	yes	2.36	HB/ELKS	
Huddle opportunities	yes	yes	yes	2.36	ATS/HB/ELKS	
Office opportunities	yes	yes	yes	2.625	ATS/HB/ELKS	
Storage opportunities	limited-en suite	yes- en suite	yes	2.45	HB/ELKS	
Building envelope	newer renovation	newer renovation	older construction	2.85	ATS/HB	
	roof redone +/- 8 years ago	roof redone +/- 4 years ago	history of repairs "taking a while"			
Interiors and finishes	willing to remodel	willing to remodel	willing to remodel	2.5	ATS/HB	Both are willing to remodel
Building systems						
Structure	Concrete slab on grade	Concrete slab on grade	Concrete slab on grade	2.62	ATS/HB	
	Steel frame	Steel frame	Pre-engineered steel building		ATS/HB	
	Sloping beams 12' low on north side	"flat" roof unsure of deck height	low slope roof, higher deck height		ATS/HB	
Mechanical	Ducted supply with wild return	Ducted supply with ducted return	inadequate for office/conference use	2.62	HB	part of available space is garage/shop
Electrical	Old lighting	Lighting will be updated to match other areas	upgrades required	2.62	ATS/HB	part of available space is garage/shop
	Lots of outlets	former office	electrical upgrade required for education		ATS/HB	
	former office/T-Mobile	banking related	existing facility - expansion office/garage		ATS/HB	
	100 amp each side	unclear on amps-appears adequate-elec			ATS/HB	
ADA	non-compliant-planning to modify existing	non-compliant-planning new	separate ADA at Elks compliant, others non-compliant	2.62	ATS/HB	These should all be updated if they are not ADA compliant
Wayfinding	enter directly into suite	could enter into suite or hallway	enter into sometimes cluttered lobby	2.5	ATS	
Anonymity	Front and back	Shared entry or individual front and back are a possibility	Shared entry, front and back	1.36	HB	transparency-confidential when we need to be , back parking when we really need it
Safety/security	no existing security system	security system for entire building	people around after normal work hours	3	HB	
Exterior views	parking lot-retail and service business, highway, landscaping at entry	parking lot-healthcare, financial and service businesses, 1st street, landscape at entry	parking lot-dairy queen, development lots, industrial	2.36	ATS	Slightly more visible as an individual entity, this could be modified at HB
Natural Light	south only	south and west	north, east and south	2.54	HB/ELKS	
Restroom en suite	yes	yes	no	2.54	ATS/HB	
Internal expansion	no	yes	yes	2.12	HB	
Separate staff and public entry available	yes	yes	yes	1.87	ATS/HB/ELKS	
V. MARKETING/IMAGE						
Sense of arrival	yes, shared impression	yes, shared impression	no, shared entrance with Elks is not ideal	2.36	ATS/HB	
Appearance	"current"	current but "back" of building	needs updating	2.5	ATS	Modifications to building exterior at HB can make this equal
Modification to exterior likely/possible	likely no change on exterior beyond signage	change at exterior appears possible	change to exterior appears possible	2.125	HB/ELKS	Modifications to building exterior at HB can make this equal

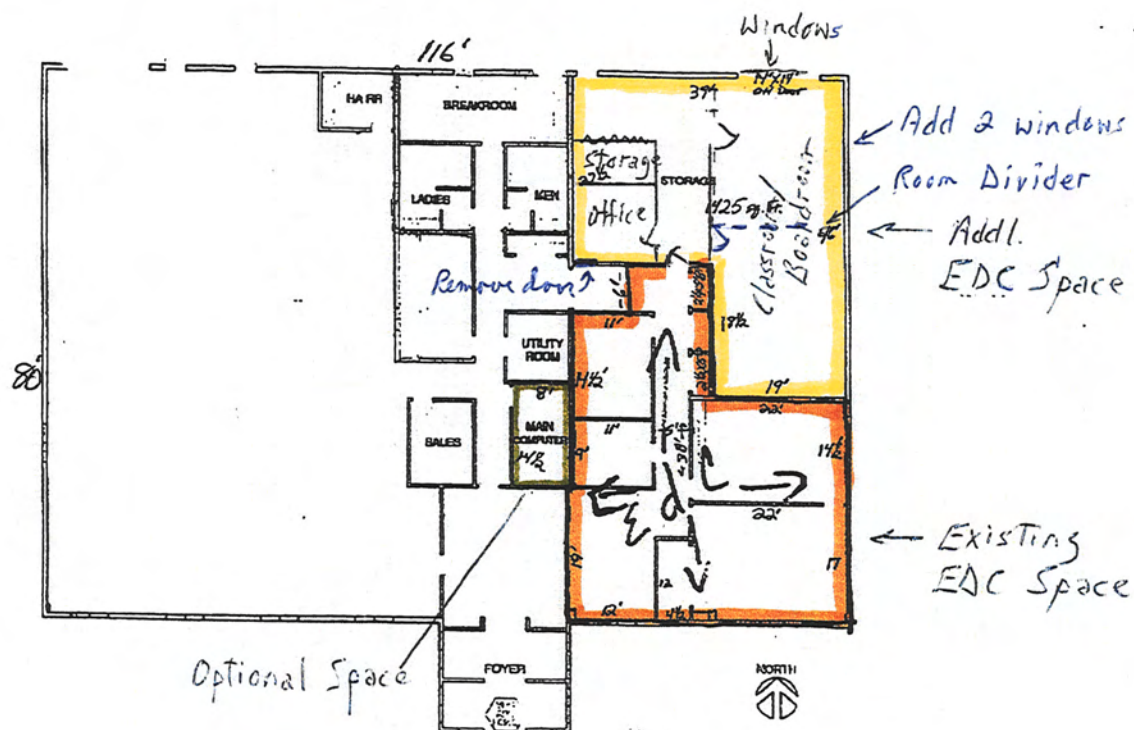
	APPLETREE SQUARE LOCATION	HERITAGE BANK LOCATION	ELKS LOCATION	IMPORTANCE (1)LOW - (3)HIGH	FAVORED LOCATION	COMMENTS/NOTES
Current exterior images	 	 	 			

VI. COST						
Leasing fees				3		
Renovation cost				2.87		

Elks - Total Bldg = 9,280 s.f.

EXHIBIT "A"

PREMISES



Charles Construction LLC  
5205 109th Ave. NE  
Spicer, MN 56288

# CHARLES

## CONSTRUCTION LLC

Uniquely Built for You

(320) 894-6254  
General Contractor

Date	Estimate #
1/15/2024	ELKS.2024

## Estimate

Name / Address
ELKS Highway 12 Willmar MN 56201

Visit our website and see testimonials from our customers. [www.CharlesConstructionLLC.com](http://www.CharlesConstructionLLC.com)

Member of West Central Builders Association

Description	Total:
Build office spaces as per plan. See attached for all that is included. Material allowance: 34598 Labor allowance: 448hrs 24640 Electrical allowance: 14740 Heat/Air allowance: 25500 Plumbing allowance: 3500 Windows/glass/allowance: 5772 Taping allowance: 6624 Painting allowance: 8500 Cabinet allowance: 8772 Flooring allowance: 12987 Garbage: 550 Misc/Gas: 600 Cleaning Services: 900 CC Overhead: 22153	169,836.00
Build 12x19 Mezzanine with stairway Material allowance: 4074 Labor allowance: 96 hrs 5280 Garbage: 40.00 CC Overhead: 1410	10,804.00
Not to include permits if needed.  All addendum/extras will be added to your final bill with a Charles Construction overhead. If cost of materials changes dramatically due to economy, we will notify you with price increase before the project begins.	

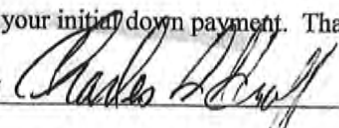
30% down payment with progressive payments and balance at completion. Payments not made within 30 days of completion will be assessed finance charges. Acceptance of proposal - prices, specifications and conditions are satisfactory and are hereby accepted. You are authorizing to do the work as specified. Payment will be made as outlined. All material is guaranteed to be as specified. All work to be completed in a professional manner according to standard practices. Any alteration or deviation from above specifications involving extra cost will be executed orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry all state required insurances. Proposal good for 30 days from estimate date.

320-894-6254	CharlesConstructionLLC@live.com	License No.BC632800
--------------	---------------------------------	---------------------

To accept this contract and get on our schedule, please sign below and mail in this form and your initial down payment. Thank you.

Client Signature and Date \_\_\_\_\_

Charles Groff





Perkins Lake Region Lumber  
175 Access Drive  
PO Box 575  
Spicer MN 56288  
320-796-2105



## QUOTE

2401-228899

PAGE 1 OF 1

SOLD TO
Charles Groff CHARLES CONSTRUCTION 5205 109TH AVE NE Spicer MN 56288-

JOB ADDRESS
Job Quote File For Charles Con 5205 109TH AVE NE Spicer MN 56273-

ACCOUNT	JOB
CHA111	8
CREATED ON	01/11/2024
EXPIRES ON	01/18/2024
BRANCH	2000
CUSTOMER PO#	ELKS REMODEL
STATION	P15
CASHIER	SOMAN
SALESPERSON	
ORDER ENTRY	SOMAN
MODIFIED BY	

Thank You For Your Business!!

Item	Description	D	Quantity	UM	Price	Per	Amount
2416T	2X4X16 TREATED		16	EA	12.3200	EA	197.12
2412S	2X4X12 SPF		258	EA	6.3000	EA	1,625.40
2416S	2X4X16 SPF		38	EA	9.6000	EA	364.80
41212SR	4X12 1/2" SHEETROCK (DELIVERED-NOT STOCKED)		78	EA	27.1500	EA	2,117.70
ML1420	1-3/4"X14"X20' MICROLAM LVL 2.0		2	EA	249.0000	EA	498.00
SO-LUMBER	1-3/4" oak s.c. doors quick frame		6	EA	811.8900	EA	4,871.34
SO-LUMBER	oak pre-fin casing		180	EA	4.4700	EA	804.60
SO-LUMBER	oak pre-fin base		290	EA	3.8900	EA	1,128.10
SO-LUMBER	exterior door allowance		1	EA	1400.0000	EA	1,400.00
SO-LUMBER	accordian door allowance		1	EA	4000.0000	EA	4,000.00
SO-LUMBER	suspended ceiling allowance		1,520	EA	8.0000	EA	12,160.00
J13U15	J/M R13 UF 15" 106.56 SQFT/BAG (11 Batts/Bag)		6	EA	53.2766	EA	319.66
126M	12X100 6 MIL CLEAR POLY		1	RL	76.9900	RL	76.99
5516DF	5000 CT. 5/16 DUOFAST STAPLES		1	EA	8.3900	EA	8.39
SO-LUMBER	overhead door fill in allowance		1	EA	1500.0000	EA	1,500.00
SO-LUMBER	hardware and misc.		1	EA	1000.0000	EA	1,000.00
Due To Current Lumber Market Conditions, We Reserve The Right To Re-Price Material At Time Of Shipment					MN KAN SP 7.875%	Subtotal	32,072.10
						Sales Tax	2,525.68
						Total	34,597.78

Buyer:



Signature

## Hentges Electric, LLC

13554 County Rd 4 NE, SPICER, MN 56288 • 320.979.8143 •  
hentgeselectric@gmail.com

1/15/2024

Chuck Groff  
Charles Construction  
Spicer, MN 56288

Re. Wiring for Elks-EDC

To include:

- 17 2x4 lay-in fixtures
- 25 Duplex receptacles
- 10 Single pole switches
- 2 Three-way switches
- 1 Demo existing electrical
- 1 Gas Furnace
- 1 AC
- 1 90-amp feeder
- 1 Main lug panel
- 1 8 Data drops
- 1 State electrical inspection

Total \$ 14740.00

Thanks for your consideration.

11:32 AM Fri Jan 19

...

63%



January 19, 2024 at 11:31 AM

**Charles Construction**

**RE: Elks remodel**

**Equipment**

**Bryant 926 furnace, 80,000 btu, 96%**

**Bryant 114 AC, 30,000 btu**

**EWC zone control for the two areas**

**Ductwork above the suspended ceiling with ceiling registers**

**Locate the furnace in a centrally located mechanical room to be determined**

**Includes the labor and material**

**Wiring is not included**

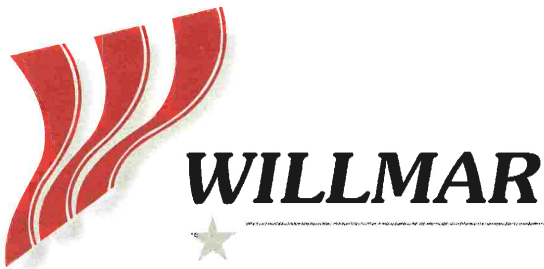
**Price: \$25,500.00**

**Subject to price increases and availability of equipment**

**Regards,**

**Craig Aurand**

**Magnuson Sheet Metal**



## CITY ADMINISTRATOR

City Office Building  
333 SW 6th Street  
Box 755  
Willmar, Minnesota 56201

320-235-4913  
FAX: 320-235-4917  
[www.willmarmn.gov](http://www.willmarmn.gov)

January 29, 2024

Aaron Backman  
Kandiyohi County/City of Willmar Economic Development Commission  
222 20<sup>th</sup> Street SE  
P O Box 1783  
Willmar, MN 56201

RE: EDC Office Space

Dear Mr. Backman,

We are writing to you as a potential partner in the new city hall project. As you may know, the City has been exploring the possibility of building a new city hall that would better serve the needs of the community. We understand that the EDC, Chamber of Commerce, and the Convention Bureau are also looking for more space to carry out their activities. We would like to invite you to join us in this project and consider moving into the new city hall.

The City is exploring two possible locations for the new city hall in the downtown area. One of them is block 50, which has been vacant for several years. The other one is a confidential site that we are not authorized to reveal at this moment. We are conducting feasibility studies and cost-benefit analyses for both options.

This is a great opportunity for you to have a say in how the new city hall will be designed and configured to suit your needs. For example, you could have a separate entrance from both the outside and the inside, similar to the EDC's current main entrance. You could also benefit from the shared use of meeting spaces and building signage. Moreover, the EDC could contract with the City's Informational Systems Department, providing faster response when computer issues occur. The City has a voice over IP phone system which would allow the EDC to keep your current phone number, only paying for external phone service. There could also be savings on internet service.

We estimate that the annual rent for the space at the new city hall at \$20 per square foot with a 3% increase every year for about 2,000 square feet of office space. This is based on the current market value and may change depending on the final design and construction costs. However, we believe that this is a reasonable and competitive price for a prime location in the heart of the city. This rate would include utilities, use of common areas, meeting spaces, landscaping, snow removal, taxes, janitorial services. Internet services and phone services could be negotiated further.

The EDC is a joint initiative of the City and County that aims to facilitate business development and address developer's inquiries by being co-located within the City Offices in the downtown area we both become more efficient.

Sincerely,

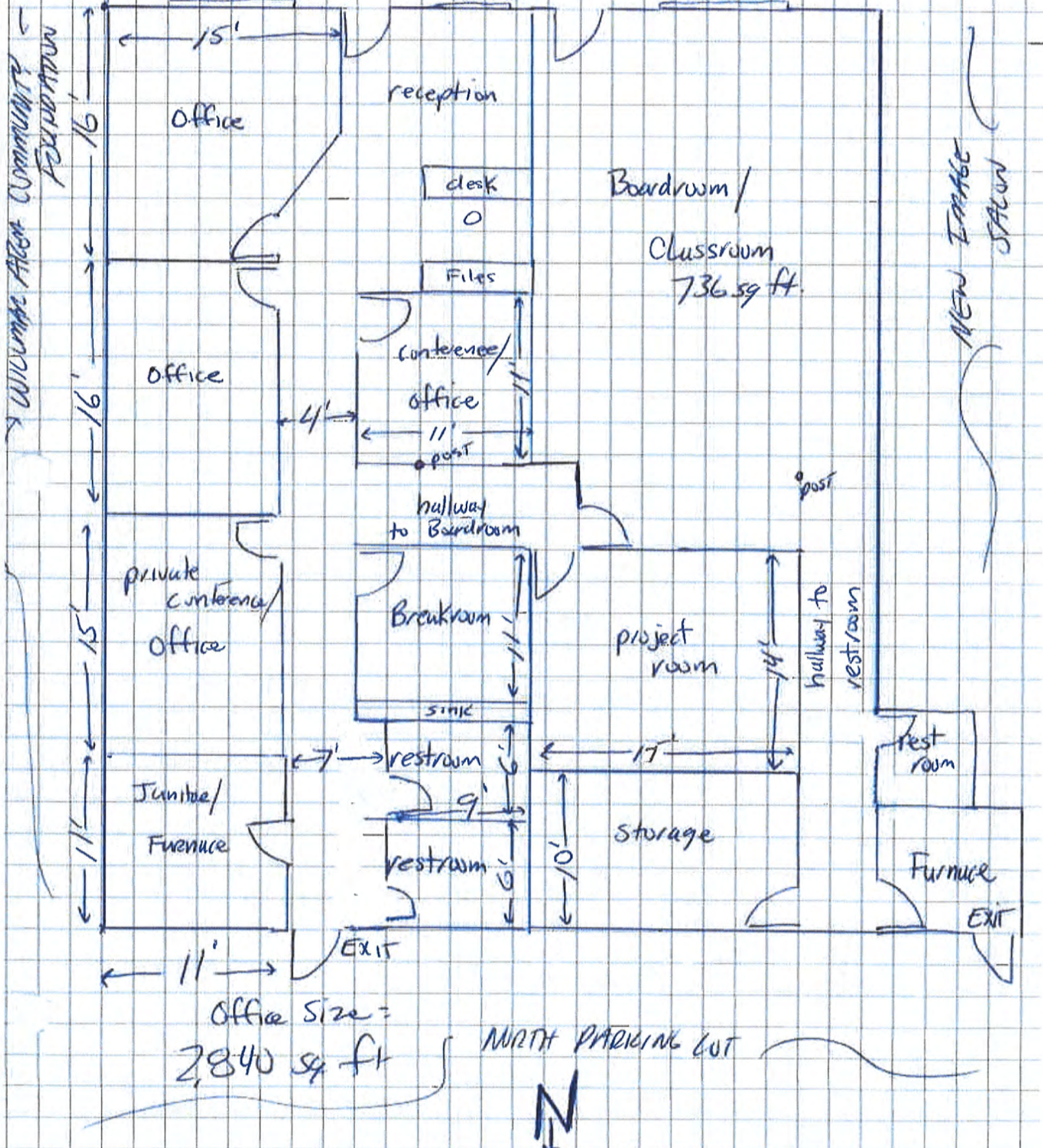
Leslie M. Valiant  
Willmar City Administrator

# Appletree Square

1601 E Highway 12

Highway 12

SOUTH PARKING LOT



Office Size =  
2840 sq ft

NORTH PARKING LOT

