

# Winnebago County Industrial Development Board

## Minutes for May 20, 2010 meeting

Human Resources Conference Room, Orrin King Admin. Bldg, 448 Algoma Blvd.,  
Oshkosh

Members Present: Stan Kline (Chairman), Mark Harris, Ken Robl, Dave Albrecht, Tim Hamblin, John Bodnar, Steve Volkert, George Dearborn, Mary Krueger (Secretary/Treasurer), Kathy Lennon (Vice Chair).

Members Excused: Elizabeth Hartman

Others Present: Jerry Bougie (IDB Staff), Rob Kleman, Jim Schiek, Will Deppiese

Meeting called to order at 1:30 pm by Chairman Kline.

1. Approval of Minutes from March 17, 2010 meeting. Motion by Ken Robl, seconded by Mary Krueger to approve the minutes from March 17, 2010. Motion passed 9-0.
2. Election of Officers: Chairman Kline requested Jerry Bougie to request nominations for IDB Chair. Dave Albrecht moved to nominate Stan Kline as IDB Chairman, seconded by John Bodnar. Motion by Mark Harris, seconded by Dave Albrecht to close nominations. Motion passed 9-0. Kathy Lennon arrived to the meeting.

Stan Kline requested nominations for IDB Vice Chair. Ken Robl moved to nominate Kathy Lennon as Vice Chair, seconded by Mary Krueger. Motion by Tim Hamblin, seconded by Dave Albrecht to close nominations. Motion passed 10-0.

Stan Kline requested nominations for IDB Secretary/Treasurer. Motion by Dave Albrecht, second by Kathy Lennon to nominate Mary Krueger as Secretary/Treasurer. Motion passed 10-0.

3. Discussion and action on loan application by Royer, Inc., Town of Black Wolf, from the County's CDBG-ED RLF in the amount of \$120,000.  
The Board reviewed the summary recommendations and findings related to the review conducted by Dan Krumrie, West Pointe Bank, for this loan application. Rob Kleman and

Jim Schiek provided an overview of the application and purpose of the loan. Mr. Schiek summarized the background and evolution of Royer, Inc. and indicated the loan will be for working capital to assist in purchasing and moving equipment to consolidate operations in Winnebago County, Town of Black Wolf, from Cedar Rapids, Iowa. The type of activity Royer will conduct is related to making component parts for equipment that cleans and pulverizes top soil usually for landscaping companies and municipalities. Mr. Schiek indicated that they are on a short timetable to consolidate operations and the wages for the jobs to be created will range from \$12 to \$22 per hour. He indicated they anticipate creating 24 new jobs once the production process begins.

Questions were raised regarding potential collateral for the loan. In Mr. Krumrie's memo it indicated that Royer, Inc's assets may be over-collateralized by their lender which may allow the county to take a first position on some of Royer's assets sufficient to cover the amount of the loan. Will Deppiesse, First Business Bank, indicated the value of the assets changes over time and the numbers provided to West Pointe Bank may not reflect the current situation. He did indicate that any equipment purchased with the loan could possibly be collateralized. Dave Albrecht asked how the collateral issue was handled with the other loans. Jerry Bougie indicated they were approved contingent upon the county receiving a priority position on collateral sufficient to cover the amount of the loan, which is worked out by West Pointe Bank and the applicant during closing. Any significant issues that West Pointe Bank encounters with collateral during closing would then be addressed as necessary by the IDB.

Dave Albrecht moved to approve the Royer, Inc. loan in the amount of \$120,000 from the County's CDBG-ED Revolving Fund subject to the county receiving priority position on collateral sufficient to cover the amount of the loan. Motion seconded by Mark Harris. Motion passed 10-0. Jerry Bougie will inform Dan Krumrie, West Pointe Bank, to begin the closing process for this loan and any important issues arising during closing will be brought back to IDB as necessary.

4. Discussion on letter from Critters Sports, Winneconne.

Stan Kline mentioned that the letter from Critters Sports was distributed to the County Board recently. It discussed concerns about the way the interest rate was charged by the Village of Winneconne and the business as it related to what the County was charging to Winneconne. Steve Volkert briefed the IDB on some of the issues that

occurred with this matter. Discussion pursued. Mark Harris suggested the IDB address this issue at a future meeting, specifically how the interest rates between all parties are being charged. Stan Kline agreed that the IDB include this as an item for a future meeting.

5. Status Report on Revolving Loan Funds.

Jerry Bougie distributed an updated status report showing the existing loans outstanding and the existing balances of the loan funds. Essentially most available funds are currently loaned out which makes it difficult for IDB to assist future economic development projects in Winnebago County. Discussion pursued related to this issue and it was felt that the IDB should address this at a meeting soon. Therefore, the Board agreed to schedule a meeting for Wednesday, May 26, 2010 at 1:00 pm to address the lack of available funds and potential strategies related to it.

Motion by John Bodnar, second by Kathy Lennon to adjourn the meeting. Motion passed unanimously. Meeting adjourned at 2:50 pm.

Submitted by

Jerry L. Bougie, Recording Secretary