

Winnebago County Industrial Development Board
Minutes of August 4, 2009 meeting
Human Resources Conference Room, 448 Algoma Blvd, Oshkosh

Board Members Present: Stan Kline (Chairman), Kathy Lennon (Vice Chair), Mark Harris, Ken Robl, Dave Albrecht, Steve Volkert, Elizabeth Hartman, Mary Krueger, John Bodnar

Board Members Excused: Tim Hamblin, George Dearborn

Others Present: Jerry Bougie (IDB Coordinator), Pat O'Brien, John Rabe, Chuck Orenstein, John Fassbender, Greg Shallbetter

Meeting called to order at 2:00 pm by Chairman Kline.

1. Approval of Minutes from July 9, 2009 meeting. Motion by D. Albrecht, second by K. Robl to approve the meeting minutes from July 9, 2009. Motion passed unanimously.

2. Review and Potential Decision on Village of Winneconne Loan application for \$795,000. This item was moved up on the agenda by Chairman Kline. The Board reviewed the loan application request from the Village of Winneconne for \$795,000 to assist Shallbetter Properties, LLC, DBA Switchgear Power Systems with the purchase of an existing underutilized facility in the Village industrial park. Steve Volkert said the purchase will allow the company to relocate its operations from Oshkosh to Winneconne and to expand production and employment in the County. The owners reported that their existing facility in Oshkosh is too small with no room to expand. This purchase will allow the company to stay in the County and satisfy its need to expand and preserve and add jobs. In turn, a company from out of the area is looking at purchasing their existing facility in Oshkosh, therefore this will ultimately be a win-win for the County as a whole. J. Bougie indicated that the application meets the criteria of the IDB loan program and the Village has formally pledged their taxing authority as collateral for the loan. Discussion pursued. The Board felt this proposal was a good fit for the community and county as a whole. K. Robl moved to approve the loan application to the Village of Winneconne in the amount of \$795,000 from the IDB's Revolving Loan Fund. Motion seconded by K. Lennon. Motion passed 8-0. J. Bougie will get this on the County Board agenda for their August 18 meeting.

3. Review and potential decision on City of Menasha Loan extension issued in August 2005 for Advanced Tooling Specialists.

This item was moved down on the agenda by Chairman Kline. J. Bougie reported that the City of Menasha has just contacted him requesting the IDB table this item until such time the City gathers sufficient financial information from the business. Board discussed the existing

terms of the loan, which is a balloon payback of the principal of \$1.3 million in August 2010 at an annual flat interest rate of 3.25%. J. Bougie reported that this loan was the last one issued under the ½ of prime method. Further discussion pursued on how much IDB has had to transfer to Solid Waste to make them whole regarding the interest rate difference. C. Orenstein indicated that the IDB has been losing money as a result of the transfer to Solid Waste and will report back at the next IDB meeting on the exact amount. The Board discussed options so that IDB doesn't lose any additional funds to Solid Waste if the loan to Menasha were extended. Options suggested included applying either the current 3.25% rate or the average rate plus 1% whichever is greater, require payback of some of the principal and repackage the remainder for an extension, repackage the entire loan so that it is more advantageous to the IDB. Pat O'Brien, Chairman of Solid Waste, said they would need to consider whether it was in Solid Waste's interest to extend the loan, as they will eventually require these funds for landfill closure purposes. The Board also questioned what kind of payback arrangement Menasha has with the business. These issues will be considered when Menasha formally petitions IDB and Solid Waste for an extension.

4. Review of proposed 2010 IDB Budget

J. Bougie distributed a copy of the proposed budget and reported that about 95% of expenses result from Operating Grants for the Per capita funding program for local communities and Advertising for the marketing and promotion program and grants for local communities and organizations. The Board proceeded to discuss some of the items in the budget.

D. Albrecht moved, K. Lennon seconded to adjourn the meeting. Motion passed unanimously. Meeting adjourned at 2:56 p.m.

Submitted by,

Jerry L. Bougie
IDB Coordinator