

**Southeast Iowa Regional Planning Commission
Executive Board Minutes
211 N. Gear Avenue, West Burlington, IA 52655
February 24, 2011**

Members Present: Brent Schleisman, Hans Trousil, Jim Howell, and Gary Folluo,
Members Absent: Sue Frice
Staff Present: Mike Norris, Debbie Laughlin, Kim Schisel, Jeff Hanan, and Zach James
Guests Present: News Media

Call to order at 12:13 p.m.

Agenda Approval

Motion by Howell to approve the February 24, 2011 agenda, second by Folluo. All Ayes, motion passed.

CONSENT AGENDA APPROVAL

Norris stated that he was unable to provide a Director's Report this month. Howell questioned the amount for Myers Construction being higher than the bid amount on the Construction projects. Norris stated that the grading by the building and adding more sidewalks caused change orders of which EDA will pay $\frac{1}{2}$, and Big River Resources will cover a portion of. Schisel stated that Tyson Food was reimbursed for what they had paid ahead for SEIBUS services when their contract ended. Schisel stated that she would check into the annual fee charges that were charged to each credit card. (Note: After the Board Meeting, Schisel emailed Two Rivers Bank & Trust and they agreed to permanently waive the annual fees on our credit cards, and will reverse the fees charged for 2011.) Motion by Howell to accept the consent agenda, second by Trousil. All Ayes, motion passed.

Old Business

1. Paperless Board Packets: Norris stated that Drake Hardware and Software supplied several options for purchases, and gave their recommendation of 20 netbooks, total cost estimate of \$7,159. After discussion, the consensus of the board was that we do away with the postage cost first, and then do another step later, if it is warranted. Staff was directed to email the Full Board members to see how they would prefer receiving their board meeting packet (i.e. receive a paper copy at the meeting, receive packet items via email, or look on the SEIRPC website where it would be posted.) It was also suggested that during the board meeting, a copy of the packet items could be projected. No action necessary.

New Business

1. RLF Financial Structure – Interest Rates: Norris stated that the RLF pools SEIRPC operate have approximately \$1.5 million to be allocated, and that staff believes that lowering the interest rate floor will allow an additional marketing tool to help people

utilize the funds. Norris further stated that if the RLF funds are not used, they could be sequestered, which means that the funds will not actually be taken away, but will make it more difficult to utilize the funds in the future. Howell stated that it seems the Loan Review Committee is not currently even using the floor of 4%. Folluo made a motion to approve recommending to the Full Board to approve changing the RLF Financial Structure to lower the floor of the RLF Interest Rate at the lesser rate of either 4 percent or at 75% of the prime interest rate as published in the Wall Street Journal, potentially 2.43%, second by Trousil. (3) Ayes: Folluo, Trousil, and Schleisman; (1) Nay: Howell; motion carried.

2. Hotel Babaji: Hanan stated that the RLF balances to Hotel Babaji in the amount of \$69,977.81 from the EDA 1 Pool and \$69,969.95 from the IRP pool (totaling \$139,947.66) were written off. He further stated that this is an unfortunate situation, however, it is the first major loan that has not been paid in the history of our involvement in RLF. Hanan stated that not a lot of money was bid at the sheriff's sale, and that our attorney, Eric Benne, determined in his letter that recovery on our part is essentially hopeless due to the fact that our mortgage on the property takes a second position to the bank and the UCC takes a second position. Norris stated that the IRP Fund must be paid back (\$69,969.95) and that we can get part of the money from the interest from IRP. No action necessary.
3. STP Funds Excess: James stated that the actual amount of STP funding that was distributed to Region 16 for FY2010 is approximately \$800,000 higher than originally projected, to be split at 45% for City projects and 55% for County projects. James highlighted the policy impacts on regional transportation projects following information on how their decision will be applied to specific projects. He further stated that the board had previously voted to offer the excess amount to the 2nd rated projects, if they could utilize the money and complete the project, if not, it goes to the 3rd rated project, etc. and in the event that none of the projects can be completed utilizing the funds, it would be added to the next application year. Howell stated that he is still in favor of taking application for more projects, and not adding the money to the current project list, and even suggested that they hold the overruns for 2 years and then do reapplications. Norris stated that IDOT does not like it when the fund balances are held. No action necessary.
4. RLF Bylaws: Hanan stated that he has discovered inconsistencies between the old (2004) bylaws and the recently updated (2008) bylaws done when the EDA fund was recapitalized, particularly concerning the committee member appointment process and whether to allow the appointment of elected officials. Trousil made a motion to approve recommending that staff be allowed to make necessary changes to the RLF Bylaws in order to make the committee member appointment process consistent, and to allow the appointment of elected officials to the RLF Committees (unless it conflicts with EDA regulations), second by Folluo. All Ayes, motion carried.
5. 2010 Census: Norris stated that the 2010 Census Data has recently been released, showing that the state of Iowa has increased its population by 4.1%, and that the increases are in the urban areas while the rural population continues to lose its residents. Norris further stated that our region lost a combined population of 5,203

persons, or 4.5% of its population in the last ten years. Schleisman stated that the report corresponds with manufacturing disappearing from the region. No action necessary.

MATTERS FROM THE FLOOR:

None.

Motion to adjourn meeting by Trousil.
Second by Howell. All Ayes

Meeting adjourned at 1:05 p.m.

Submitted by Debbie Laughlin

Mike Norris, Executive Director

Jim Howell, Secretary

Date: _____

Date: _____