

A special Beulah JDA Board Meeting was held Monday, May 7<sup>th</sup>, 2018, Noon, Beulah City Hall.

Present: Nathan Richter, Gloria Olheiser, Mary Lou Horning, John Phillips, Darrell Bjerke, Dave Ripplinger, Clyde Schulz, Scott Solem

Absent: Michael Wood

Also in Attendance: Kate Johnson, Beulah Beacon, Mark Nies, Bonnie Nies, Kurtis Kruger and Cindy Kruger.

Gloria Olheiser asked Chairman Bjerke if she could bring something else up that was not related to the bakery and Chairman Bjerke reminded her this was a special meeting and there was only the bakery project report on the agenda and nothing else could be brought up at the meeting. He further indicated to her once the meeting is adjourned she could then address the board.

Chairman Bjerke called the meeting to order and reminded the board what the agenda item was. The report was handed to board members and after a brief review Richter immediately started addressing Phillips demanding dates of when the additional work items were completed and who authorized them. Phillips responded why you didn't ask for that information when you requested the report and not expect me to remember all those details. Also he commented several of those items in the add on work could not be addressed immediately by the large amount of material left in the building and certain floor coverings in the original building. Richter just continued asking and demanding answers as to when it became apparent there would be extra work and cost and why had he not taken it to the board at that time. Phillips responded the building had to be brought to code and that additional work was necessary to make the building safe, sound and sanitary. Phillips further commented in the June 17<sup>th</sup> meeting minutes when the board took action to move forward with the project. Richter again countered saying he didn't think the action indicated the dollar amount was left open.

Phillips then explained the precedent in building projects prior to Richter becoming a board member. Identifying both the main street lease building now being occupied by the Country Kettle and the Greystone Hotel which is now a business incubator and how the renovations were done on those buildings. Chairman Bjerke then referenced a decision that had to be made quickly referencing the sewer line and the experience we are now having in the main street lease building. Richter just countered stating his issue is it was never approved by the board to move forward with the project. Bjerke again stated it is the board's decision but during the June 2017<sup>th</sup> meeting the board indicated they wanted the building up and useable. Each thing that comes up needs to be one to make sure JDA has a structurally, functional building that can be leased or sold. Richter then addressed a Beacon Story from his file that referenced \$230,000 and Phillips responded there was a reduction by eliminating the proposed addition which Richter then again took the floor saying they had never seen the proposal for \$249,000 or who the contractor was. Olheiser responded in support of Richter stating also they had never seen that information. Richter continued lecturing the board that JDA funds

aren't one person's money but money accumulated by the whole community. This is the citizens of Beulah's money and I have put it upon myself and other saying you have a responsibility to our community to be forthright, open and honest to spend this money in good faith to the best of our ability to help job development.

Phillips asked if the board had not seen the contractor's proposals which again Richter stated he had not. Bjerke then asked Richter what the minutes of the June 17<sup>th</sup> meeting said but again Richter did not agree with any of the action that had been taken. Board member Schulz then stated the board had approved \$250,000 as a loan for project expenses at the January meeting. Olheiser then responded the minutes of that meeting have not yet been approved but Schulz countered that motion is not being contested.

With the meeting seemingly out of control and Richter not agreeing with anything stated by Chairman Bjerke, Schulz and comments from Solem he continued taking paperwork he had prepared and collected in advance and making further acquisitions on how this project had not been handled properly with further accusations on the lack of transparency citing paperwork he had acquired from Greg Lange. Horning then commented she had a statement from Western Steel Builders that indicated an invoice and payment for a dollar amount not showing on the report referencing payments made to Western Steel Builders. Phillips commented there was a project at the airport and being secretary treasurer recalled a payment in that amount being made to Western Steel Builders for a building being constructed. They may have posted it to the wrong account and he would confirm and get back to the board. Bjerke brought the meeting back to its original topic, the project costs of the bakery building retrofit project. Richter continued with a few more points on the bakery of things not yet completed by engaging Mark and Bonnie Nies. Richter then made a motion that he was uncomfortable with Phillips actions and made a motion for a vote of no confidence. Bjerke responded he couldn't make that motion because it being a special meeting and they could only approve or reject the bakery project report. Richter immediately responded to the Chairman he would appeal that decision. Bjerke immediately responded he could not do that and he had explained the only action that could be taken. Richter then countered in frustration when the Chairman wouldn't accept his motion he didn't trust any report from John Phillips.

Chairman Bjerke then asked for a vote on the report presented on the building retrofit project. Motion by Schulz to table the report as there was a question on the invoice Horning had addressed and the contentious dialogue that had just occurred. Seconded by Solem. Solem then clarified there was no action that needed to be taken as it was a report.

Bonnie and Mark Nies then commented there was some landscape work that still needed to be completed to improve the drainage, the propane tank needed to be relocated and there were lights on the front of the building that needed to be installed.

Meeting adjourned