

Pulaski County Economic Development
Winamac Municipal Utilities Building, Conference Room
Winamac, Indiana 46996

13 November 2012

Executive Session

Executive Committee members present: President Rod Button (Winamac), Vice-President Cheryl Stone, Secretary Andrew Fritz, Past President David Broad; Executive Director Nathan P. Origer (*ex-officio*). Executive Committee members absent: Membership Officer Jamie Bales (Francesville).

President Button called the meeting to order at 6:30 p.m. to discuss Director Origer's year-end review. Director Origer received a rating of 76.4 of 84, or 91 percent. Discussion ensued regarding the director's strengths and weaknesses, how he can improve his service to the organization and the county, and his expectations of the members of the organization. The meeting was adjourned at 6:55 p.m. on a motion from Mr. Broad and a second from Vice-President Stone.

Regular Meeting Minutes

PCED members present: As noted above; Rebecca Anspach, Bill Champion, Dave Zeltwanger. PCED members absent: As noted above; County Commissioner Ken Boswell, County Councilor Alex Haschel, Medaryville Board-of-Trustees Vice-President Derrick Stalbaum, Christy Perdue (Chamber).

Guests: Lawrence Loehmer; Frank Patton, Great Lakes Basin, LLC.

Call to Order

President Button called the meeting to order at 7:01 p.m.

Membership Action

Jim Fleury having resigned as the Town of Monterey's representative, the Town Board appointed Mr. Loehmer as his replacement. On a motion from Mr. Zeltwanger and a second from Mr. Champion, the members unanimously accepted the appointment.

Approval of Minutes

After brief review, a motion to approve the minutes of the 9-October meeting was made by Mr. Broad. Mrs. Anspach seconded, and all approved without further discussion.

Executive Director's Report

Because of the guest presenter, Director Origer provided a limited report.

Infrastructure: The Town of Winamac had received a Safe Routes to School grant of \$249,996 for various improvements in the town, including new sidewalks and curbing, and the extension of the Panhandle Pathway from the fence line near the southern corporate limit to the depot in downtown.

The director reported having met with an attorney who specializes in brownfields and a brownfields consultant.

Other: Director Origer reported briefly on his performance review.

Workforce Development: Pulaski County's unemployment rate was 6.13 percent (411 persons) in September, down from 6.8 percent in August and second-best in the region. The director estimated a real unemployment rate in September of 7.11 percent or 11.13 percent — 468 or 788 out-of-work and underemployed potential workers —, depending on which calculation is employed.

Financial Report: At the end of October, \$41,610.45 remained in PCED's budget. The entire CREDIT Fund had a balance of about \$2.029 million not appropriated. Director Origer noted that, not including any unexpended funds from the 2012 PCED appropriation; subtracting the 2013 CREDIT appropriation; and counting neither 2013 CREDIT revenue nor 2014 CREDIT appropriations (the latter two of which would roughly cancel each other), more than \$1.5 million remains for economic-development projects. The balance of the Donation Fund was \$2,333.56, and the Revolving Loan

Fund (RLF) had a balance of \$35,573.37. All borrowers continue to repay on time, and AdaptaSoft had successfully repaid one of its two loans.

Priority List and Monthly Calendar: Forthcoming events on the director's schedule were reviewed. Over the next two days, he would be attending the Indiana Rural Summit, in Indianapolis. On Thursday evening, Peggy Hosea would be speaking at the library in Winamac at the last Year-of-the-Entrepreneur event, discussing community-development strategies and economic gardening. On 20 November, Director Origer would be facilitating a meeting of representatives from the Friends of the Panhandle Pathway, the North Judson and Monterey branches of the Erie Trail, and trail experts from northwestern Indiana; they would be discussing completion of the Erie Trail, connecting the two trails at Tippecanoe River State Park, and broader connectivity. In early December, the director would be attending the Indiana Visions 2025 Summit and possibly the Indiana Economic Development Association's annual conference, both in Indianapolis.

Mr. Broad expressed concern regarding whether Director Origer's schedule has become too burdensome with meetings; the director assured the Board that his schedule is manageable.

On a motion from Mr. Zeltwanger and a second from Mr. Broad, the Executive Director's Report was approved unanimously without further discussion.

Old Business

Great Lakes Basin, LLC/Future railroad development: Director Origer introduced Frank Patton, managing partner of Great Lakes Basin, LLC, who is developing plans for railroad construction, reconstruction, and expansion in northeastern Illinois and northwestern Indiana, including the resurrection of the old Monon line northward from Medaryville.

Having provided some background biographical information, Mr. Patton proceeded to explain his vision, beginning with the construction of a rail bypass around the Chicago bottleneck; he noted that trains from the west make it through Chicago in about 18 hours on good days, but require days when obstacles arise. Messrs. Loehmer and Zeltwanger later both corroborated this claim. Hoping to construct a double-track rail line as part of the proposed Illiana Expressway, he would then need to continue eastward beyond I-65; he proposes ending this short-line at Hebron, Indiana, where it would then meet his proposed Medaryville-Alida-Hebron (MAH) short-line, which would run from Medaryville, where the CSX line ends, to Alida, LaPorte County, with a branch connecting between Hebron and Lacrosse. In Lacrosse, the proposed MAH would connect with the CKIN, a short-line owned by the Town of North Judson; farther northward, it could connect with several Class-I lines.

Possible developments that he tied to this project included the construction of a transload facility in the Medaryville area, future routing of AMTRAK down this line (which would be of Class-I quality), and longer-term future routing of high-speed rail on this corridor. A new outlet would be provided to area farmers, and BNSF and CN could benefit greatly from its development.

Mr. Patton explained that the Railroad Rehab and Improvement Financing (RRIF) is available to fund the costs of construction, but that he still would need to come up with about \$500,000 for preliminary costs — engineering, legal fees, public relations, and application to the Surface Transportation Board. He proposed a public-private partnership between Great Lakes Basin, LLC, and Pulaski County, whereby CEDIT Fund moneys would be used for preliminary expenses and by which the County, as an equity partner, would earn an annual success dividend, based on rail-use fees, in addition to the economic-development benefits. Further information was presented, and discussion ensued. The Board asked a number of questions of Mr. Patton.

Director Origer asked if the MAH would connect to the existing CSX if a route other than the former right-of-way were used; Mr. Patton said, "It will be connected somehow." Vice-President Stone asked why the old Monon was pulled in the first place, and Mr. Patton explained that the closure of more important lines to which it connected to the north made it a fiscal liability at the time. President Button asked if this project would create jobs in Pulaski County, and Mr. Patton replied in the affirmative, particularly at the aforementioned transload facility. Mr. Zeltwanger asked about the likelihood of the Illiana Expressway's being constructed; Mr. Patton said that the first spade will be in the ground by 2015 at the latest. Mr. Zeltwanger also enquired as to the position of environmentalists on this project; Mr. Patton reported having spoken with many of them, and that they are supportive of projects that replace over-the-road long-haul shipping with more efficient freight rail.

Mr. Zeltwanger then asked if \$500,000 would be enough for the preliminary work; Mr. Patton said so. Mr. Zeltwanger then asked why Pulaski County would be asked to contribute all of \$500,000, rather than splitting it amongst the five counties through which the proposed rail line would run in Indiana; Mr. Patton expressed fear that having this many at the table would complicate matters to the point of killing the project. Mr. Zeltwanger expressed his desire to retain the name 'Monon', rather than 'Medaryville-Alida-Hebron'; he said that he was very much impressed by the plan, but uncomfortable with Pulaski County's being the sole front-end investor. Mr. Champion noted that rebuilding the rail northward would be very beneficial to Fratco and that losing the existing CSX line would be quite harmful; if connecting northward would mean more use of the current line, then all the better. Mrs. Anspach reiterated Mr. Zeltwanger's concern that \$500,000 may not be enough; Mr. Loehmer suggested that a private-sector developer would be less hampered by government regulations, and thus costs, than would a local-government project.

After about an hour, Mr. Patton was thanked for his time and information, and then departed, with the director assuring further communication.

Mr. Loehmer enquired as to the legality of using County money to support Great Lakes Basin's proposal. The director stated that, as far as he understands from past experience, as long as PCED, the Commissioners, and the Council are convinced that it is a worthwhile economic-development investment that will benefit Pulaski County, there should be no problem. Mrs. Anspach asked if Director Origer had discussed the project with elected officials yet; he had not, but intended to start doing so, first on a one-on-one basis; Mr. Champion suggested arranging a dinner at which Mr. Patton could make a presentation to Commissioners and Councilors.

Brownfields Assessment (K-IRPC): A coalition comprising K-IRPC, Jasper County, and the Indiana Finance Authority's Indiana Brownfields Program would be applying for a regional assessment grant. Most listed brownfields in Pulaski County have actually been addressed in some way. Some (potential) brownfields are not eligible for funding because the current owner was responsible for the contamination of the property; the aforementioned attorney and consultant could be helpful in these situations, depending on the general-liability insurance policies held for these properties. The parts of the former Pennsy/Conrail right-of-way owned by the Town of Winamac would be included in the application; the director asked for other suggestions.

Year of the Entrepreneur: Ron Gifford, of the Northwest Indiana Small Business Development Center, spoke in Francesville during the previous week; although the attendance was limited, the crowd was quite receptive and comprised business leaders in the Francesville area. The director reiterated that Peggy Hosea would be speaking later in the week. How entrepreneurial-development programming would continue remained to be determined.

Student-business-plan competition: To date, two business owners in the community and Mr. Gifford had volunteered their time to assist students in the program; more would be needed.

New Business

2012 CDC Accomplishments: Director Origer presented a draft copy of the 2012 Accomplishments report, asking that members review it before the January meeting.

Friends of the Panhandle Pathway pledge drive: Hoping to complete the paving of the trail between the current trailhead and where the Town will begin paving with grant money, Friends of the Panhandle Pathway is conducting a pledge drive. PCED had been asked to contribute, and the director was also asked to pass the information along to individual board members. Director Origer would make a contribution at his discretion; he expressed hope that completing the trail into town could prove to be a new economic driver for downtown Winamac.

Winamac Lumber Yard RLF changes: As of 1 January 2013, Kyle Kruzick will no longer have any ownership in Winamac Lumber Yard, LLC, Phil White assuming total control. After some discussion, and on a motion from Mr. Champion and a second from Mrs. Anspach, the Board unanimously authorized Director Origer to request that the Commissioners remove Mr. Kruzick from responsibility on the revolving loan made to the company, effective 1 January 2013, pending approval of the County Attorney.

2013 Priorities: Presenting a copy of the list of priorities for 2012 that had been reviewed a year prior, the director asked for input regarding what he and PCED should emphasize in the year to

come. Mr. Champion encouraged continued focus on entrepreneurial development. He also enquired as to whether tourism — a new county-tourism brochure, specifically — should not be handled by the Chamber; discussion ensued, and the director said that he would keep that project on the backburner, but that it may need to remain a PCED project. Mrs. Anspach expressed hope that a new County Website may help better to promote tourism. Mr. Champion noted the importance of the Website as a first impression for companies considering locating in the county. Youth Retention was also emphasized, the director expressing continued hope for an internship program and a youth-board program in the future.

PC-CARE engineering-study proposal: Director Origer presented a proposal from Territorial Engineering, out of Koontz Lake, to conduct feasibility studies on up to three locations for a rail-serviced PC-CARE; the cost would be \$13,000 per site, with a total proposal cost of \$39,000, assuming three sites. A representative of Territorial would appear before PCED in January to answer any questions and further to discuss the proposal.

Other Business Deemed to Be Necessary

Community gardens: Mr. Broad submitted a recent newspaper article about community gardens in Logansport, asking that the director include the topic in the January agenda.

Community Reports

- Mr. Champion: Fratco continues to be busy, even through the drought, with a healthy number of deliveries leaving the plant.
- Secretary Fritz: The Fritzes have wrapped up their harvest, as have most area farmers; though below average, yields were not as bad as expected. A few forthcoming land auctions would offer insight as to the direction of land costs.
- President Button: The Town has been expanding electrical supply to T&S Recycle. Decorations have been going up in town for the holidays. The Dells' barbecue operation in the old Burger Dairy is coming along smoothly.
- Mr. Zeltwanger: The Francesville Co-operative Elevator would be auctioning off the remaining inventory from its hardware store, leaving the town without a full-line hardware store, although Francesville Auto Parts has been picking up some of the slack. Mr. Gifford gave a very helpful presentation, and Mr. Zeltwanger's son, currently finishing college, has scheduled a meeting with Mr. Gifford about a business plan; the son hopes to start a business in Pulaski County. Shareholders of Parkview Haven have recommended sale of the retirement community to the Pulaski Health Foundation; a final decision would likely be made within a month. Clients have kept him very busy. Tractor Supply Company would be opening in Rensselaer soon, which concerns some feed sellers whom he knows.
- Mrs. Anspach: Bonnell Grain Handling would soon be offering special confined-space farm-fire training to area firefighters, utilizing a simulator from GSI.
- Mr. Broad: Alliance EMS recently graduated eight State-certified EMT's. Pulaski Memorial has been receiving responses to the Community Health Needs Assessment survey. The medical-office building would be open within a month. He has been scoping sites in town for possible community gardens.
- Mr. Loehmer: Irrigator season has ended, and they have moved on to generators. Demand is high, but because of Super-storm Sandy, supply is backed up. His store has also been selling some drainage tile, typically on a smaller scale. Rural King, he reported, has opened again in Rochester, in the vacated Walmart building.

Adjournment

With no additional business to address, President Button called for a motion to adjourn. Mr. Broad moved to do so, Mr. Champion seconded, and all approved to end the meeting at 9:04 p.m.

Respectfully submitted,
Andrew Fritz, Secretary