

***Pulaski County Economic Development***

Francesville-Salem Township Fire Station

Francesville, Indiana

9 October 2012

**Guest Presentation**

PCED members present: Past President David Broad, Secretary Andrew Fritz, Membership Officer Jamie Bales (Francesville); Medaryville Board-of-Trustees Vice-President Derrick Stalbaum; Becky Anspach, Bill Champion, Dave Zeltwanger; Executive Director Nathan P. Origer (ex-officio).

Guests: Ron Schlatter, Schlatters, Inc.

Mr. Schlatter appeared before the Board, at 6:35 p.m., to discuss his family business, which is in the water-management field — drainage-tile installation and related technology. He began by thanking the Board and director for what they do for the county, noting that, as a teacher, his wife is particularly concerned with keeping the local economy vibrant so as to ensure a healthy enrollment.

The company began as Schlatter's Machine Shop, started by his father in downtown Francesville in 1952 as a general welding and repair shop; the founder was "a real innovator" who made speciality machines for the Francesville Drain Tile Corporation (Fratco), and for then-local VonTobel Lumber Company, which at the time had been working with Owens-Corning blowing fiberglass tanks in Valparaiso. The company turned from general machining to the water-management field beginning when Richard Overmyer, of Fratco, approached Pete Schlatter, telling him that Fratco needed outlet guards and tiles probes; Schlatter's started to produce these, and it proved to be quite successful (and the company still makes these products). The water-management-accessory division became an important part of the family business, and their name became well-known in the drainage industry. In 1973, a representative of a Dutch company approached Pete about being a machine dealer for the company; Pete decline, but suggested that Ron would be interested; Ron flew to Holland and became a dealer for Barth Holland.

Next, Schlatter's became a dealer for the Ohio-based Buckeye Company for Indiana, Illinois, and Wisconsin. About this time, Pete Schlatter built a two-wheeled "Foo Mobile", inspired by the comic Smokey Stover; the company ended up making and selling a couple dozen of the models. Lasers soon became an important part of the business. Downturns in the late 1970s and 1980s hurt, but side work, including processing steel, kept the company going. Then, in the early 1990s, Ron began a professional relationship with John Wolfe, an Ontarian manufacturer, selling the self-contained drainage plows that Wolfe produced, machinery more cost-effective than open-trench machines. This has become a primary focus of Schlatter's, Inc., along with the GPS technology that they have handled since the earliest days of GPS. In adding these components to the business, they company let the accessories business slide; this side will likely be a focus of future growth.

Mr. Schlatter has three children working in the family business; he says, "The future is very bright[, but it won't always be like this," he hopes his children recognize. In addition to selling and servicing machinery and the GPS business, they have three projects under development that will help to diversify, to strengthen, and to grow Schlatter's, Inc.

**Regular Meeting Minutes**

PCED members present: As noted above. PCED members absent: President Rod Button, Vice-President Cheryl Stone; County Commissioner Ken Boswell, County Councilor Alex Haschel, Christy Perdue (Chamber). Guests: Mr. Schlatter.

**Call to Order**

In the absence of the president and vice-president, and with Sec'y Fritz's deferring to experience, Mr. Broad called the meeting to order at 7:10 p.m.

**Approval of Minutes**

After brief review, a motion to approve the minutes of the 7 August meeting was made by Mr. Bales. Mr. Champion seconded, and all approved without further discussion.

## Executive Director's Report

*Strategic Relationships:* Amongst other meetings and events, the director attended the K-IRPC executive-commission 2013-budget meeting; other than a sizable decrease to transportation (Arrowhead Country Public Transit in Jasper, Newton, Pulaski, and Starke Counties), grant funding for the agency would not be changing much. After the meeting, the director and K-IRPC Executive Director Edwin Buswell exchanged messages regarding the use of some of the agency's non-appropriated funds to re-introduce the community-development-planner (previously held by Director Origer) better to serve member-Counties on economic-development and land-use planning efforts, and to help to fund regional projects including in the Comprehensive Economic Development Strategy, potentially a business incubator or region-wide internship program.

*Infrastructure:* The Advisory Plan Commission (APC), as requested, rezoned the former Anvil and Saw property, after which T&S Recycle received its loan from the Revolving Loan Fund, purchased and moved to the property, and began to operate there. In the wake of this decision, the APC has offered a grace period for landowners who disagree with the zoning of their properties to appeal, an appeal the fee for which would be waived if the property were to be rezoned as requested.

*Business Retention/Expansion and Entrepreneurial Development:* The director had visited a number of local businesses in the last two months: Schlatter's, T&S Recycle, K&B Manufacturing, Lemman Custom Cabinets, Apple Blossom Honey Farm (ABHF), and Fratco. In his meetings with ABHF and T&S, he was able to set up a partnership between the two companies; he had not yet done so, but was planning to visit a second cabinet maker in Francesville, MSD Cabinetry.

Director Origer brought Ron Gifford, of the Northwest Indiana Small Business Development Center, who previously had spoken at the library as part of the Year of the Entrepreneur, to the Winamac Kiwanis to speak to them about the services that he can provide.

*Marketing:* The director attended the monthly Rural-and-Rustic meeting; the group is being inducted into the Society of Innovators of Northwest Indiana.

*Professional Development:* Director Origer reported having attended the Indiana Economic Development Association's fall conference. County Commissioner Tracey Shorter attended the second day of the conference, which included sessions for elected officials. Gubernatorial candidate John Gregg and lieutenant-gubernatorial candidate Sue Ellspermann addressed attendees.

*Other:* The director had met with teachers at both high schools in the county regarding a business-plan competition for students, and appeared in classes at both schools as part of Junior Achievement.

*Workforce Development:* Director Origer met with Greg Podell, President of GalFab, and Jan Bailey of Ivy Tech Corporate College, to discuss training possibilities at the factory.

Pulaski County's unemployment rate was 6.8 percent in July and August (468 and 454 unemployed people, respectively), second-best in the region. The director estimated a real unemployment rate in August of 7.83 percent or 12.04 percent — between 532 and 857 out-of-work and underemployed potential workers —, depending on which calculation is employed.

*Financial Report:* At the end of May, \$45,411.77 remained in PCED's budget. The entire CEDIT Fund had a balance of about \$1.972 million not appropriated. Mr. Zeltwanger expressed concern that this could be seen as low-hanging fruit by the County. Discussion ensued, including regarding the use of CEDIT money to pay down the jail lease and how much money the oversized jail brings in from out-of-county prisoners. The director showed how much money had been appropriated for all uses from the CEDIT Fund for 2013, offered a liberal forecast for additional appropriations and 2013 CEDIT revenues, and offered a very-rough end-of-2013-balance prediction of \$1.6 to \$1.7 million. He expressed hope that adequate funds would be available in the next two years for proposed economic-development projects.

The balance of the Donation Fund was \$2,333.56, and the Revolving Loan Fund (RLF) had a balance of just shy of \$28,000, T&S Recycle having received its loan. All borrowers continue to repay on time. Director Origer reported that his understanding was that the County had hired an attorney, out of Merrillville, who specializes in bankruptcy to pursue reclamation of some of the RLF money lost in the Chesapeake default.

*Priority List and Monthly Calendar:* Forthcoming events on the director's schedule were reviewed. The director would be joining his counterparts from Newton and Starke Counties to meet with representatives of the Northwest Indiana Forum and Ivy Tech - Northwest (IT-N) to discuss the

relationship between IT-N and the four rural counties in the region, specifically how underserved the four counties, which often rely on other Ivy Tech regions, are by their official Ivy Tech region.

On 17 October, he would be meeting with the president of the Valparaiso-based Regional Development Company (RDC); RDC is an SBA-504 lender, which allows them to partner with small businesses and local banks (Francesville-based Alliance Bank participates in the program.) to provide low-cost financing for business development. Former Executive Director Dan Dolezal had served on the RDC's loan committee. Later in October and in November, the director would be returning to local classrooms for more Junior-Achievement sessions.

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

### Old Business

*Brownfields Assessment (K-IRPC):* Whether K-IRPC would be applying remained to be seen, but the director again asked for submissions. No new sites were presented.

*2012: Year of the Entrepreneur:* Director Origer intended to bring Peggy Hosea, from the Purdue Center for Regional Development, and Ron Gifford back to Pulaski County, this time bringing Ms. Hosea to Winamac and Mr. Gifford to Francesville.

*OSHA 30 training:* Dates for training had been set: 9-11 and 17 and 18 January; the Braun Corporation agreed to allow the use of a conference room for the classes. About ten of the twenty seats already had been reserved; Director Origer had already disseminated information to local employers once and would be doing so again shortly.

*Student-business-plan competition:* Having met with teachers at West Central and Winamac, the director concluded that because of scheduling issues, the program could first be piloted only at Winamac. The business class that will be involved in the program already has a business-plan component on which teacher Brandon Burgess can expand; Director Origer would be reaching out to local professionals to solicit volunteer time reviewing plans with students and judging finished plans. Ron Gifford, seeing value in the project, volunteered to invest time into it, too. The director expressed hope that after a successful first run, a second pilot year could occur at both schools; assuming continued success, the program could be opened to any interested student, and not just be incorporated into particular classes, in the 2014-2015 school year.

*ITC (MidWest Indiana)/Northwest Indiana Forum:* Noting that the County Council had appropriated sufficient funds for 2013 dues for both regional groups, and acknowledging the previously discussed benefits of both, Director Origer encouraged embracing northwestern Indiana while retaining relationships toward the southwest. On a motion from Mr. Champion and a second from Mr. Zeltwanger, the Board voted unanimously in favor of the director's recommendation without further discussion.

*Election-2012 debate:* The director presented to the Board two surveys, one for local-office candidates and one for state-level candidates, for the forthcoming election. After brief review and discussion, Trustee Stalbaum moved to approve the survey and for Director Origer to distribute it to candidates; Mr. Champion seconded the motion, and it was approved unanimously. The director would contact local media to have them publish results and would distribute them electronically, too.

### New Business

*Executive Director's Review:* An executive session to discuss Director Origer's performance was set for 6:30 p.m. on Tuesday, 13 November, prior to the regular monthly meeting. The director would distribute the review sheet to the members of the executive committee well in advance.

*2013 meeting schedule:* The director asked that members decide between calendars presented, or offer an alternative; on a motion from Mr. Champion and a second from Mr. Zeltwanger, the board voted unanimously in favor of the second schedule presented by Director Origer. The agreed-upon calendar cuts one regular meeting from the year and replaces it with an executive-committee budget meeting and pre-sets some meetings as short-agenda sessions.

*Indiana Economic Forum:* The director would be attending the annual meeting of the Indiana Economic Forum, at the Indiana Municipal Power Agency's offices in Carmel; the focus of the session would be "A State of Innovation". Sec'y Fritz expressed interest in attending and would report back to the director shortly.

*Chamber Tourism appropriation, second payment:* The director presented a budget from the Chamber of Commerce spelling out how the first \$2,000 installment has been spent and what other plans the Chamber has for the funds. Discussion ensued, with Director Origer expressing some of his hopes for the Chamber's direction. On a motion from Mr. Zeltwanger and a second from Trustee Stalbaum, the Board voted unanimously to disburse the entirety of the remaining \$2,000.

*Quarterly newsletter 1-3:* Director Origer presented the draft of the third edition and asked for input on completing what he had not yet. Discussion ensued, Mr. Broad noted that Ron Schlatter had just mentioned his company's sixtieth anniversary, Mrs. Anspach explained a firefighter-training program that Bonnell Grain may be offering to local departments, and the director asked members to e-mail any suggestions to him before the middle of the month.

*Public Access Seminar report:* The director briefly updated the Board on what he and Ken Boswell had learned at this seminar, which covered topics including Indiana's Open Door Law and public-records access.

### Community Reports

- Trustee Stalbaum: Medaryville would be ordering new banners to hang from light poles for the holidays. A new part-time utility-clerk position may be created. With recent ordinances being enforced, town is looking cleaned up, with yards maintained and junk.
- Mr. Zeltwanger: The Illinois-based business looking to relocate remains interested in Francesville, but has yet to find the right property. DK and Sons is swamped. Tate & Lyle has leased the Co-operative Elevator; longer-term plans for the location remain to be made.
- Mrs. Anspach: Only 12 of 159 connections still need to be made to the Star City sewer system. Bonnell Grain Handling is keeping busy, but until harvest yields are known, it's hard to forecast too far ahead.
- Mr. Broad: Dillman Auto and Tire Service will be moving from downtown to the former Ag Market on US-35 South. Tippy's seems to be doing well, and now a barbecue place is slowly opening in the old Burger Dairy. The new gym in the North Plaza offers twenty-four access, and this, paired with the corporate discount, has proved to be appealing to some hospital employees. John Schmicker's building on US-35 south of downtown is nearly finished; though no definite plans exist, rumor suggests that it may house an antique store.
- Mr. Champion: Fratco is keeping busy; a new extruder just arrived, with a die en route. A new line is operation in Illinois, as is one Iowa. The company may be expanding to a fourth plant. Currently, Fratco employs 104 people, with about a dozen more to be hired in Francesville in the near future. Discussion arose here regarding the Pulaski County Job Bank on Pulaski Online. Lieutenant Governor Becky Skillman recently visited Fratco on Director Origer's suggestion.
- Secretary Fritz: Arrangements between the Pulaski Health Foundation and Parkview Heaven are coming along. He volunteered time to plant trees at Greenspace Winamac's pocket park. Corn prices skyrocketed on the previous Friday after the United States Dep't of Agriculture significantly decreased its forecast. Chinese soybean buyers recently visited.
- Mr. Bales: The Francesville Fall Festival was successful. Alliance Bank has developed a mobile-banking application for smartphones. He's visiting local farmers to check on yields and has seen "some decent surprises".
- Director Origer: In Kokomo, a private-public partnership is investing \$5.5 million to rebuild 12 miles of rail track, suggesting that such endeavors could be possible in Pulaski County, too. He has continued to work with the Illinois-based company interested in rail expansion in northwestern Indiana. Everyone should try the pumpkin-pie flurry at the Patio Drive-In.

### Adjournment

With no additional business, Mr. Broad asked that the Board adjourn. Mr. Champion moved to do so, Mr. Zeltwanger seconded, and all approved to end the meeting at 8:07 p.m.

Respectfully submitted,  
Andrew Fritz, Secretary