

City of Portage
Finance/Administration Committee Meeting
(This meeting will constitute a meeting of the Community Development Block
Grant Committee.)
Monday, July 2, 2012, 6:00 p.m.
Municipal Building, Conference Room One

Members Present: Rick Dodd, Chairperson; Carolyn Hamre and Doug Klapper

Members Excused: Kenneth A. Ebnetter and Marty Havlovic

Others Present: City Treasurer Lohr, Jerry Foelmi from General Engineering Company, Rick Roesser, Craig Kettleson, Bill Tierney and Craig Sauer from Portage Daily Register.

1. Roll Call

The meeting was called to order at 6:00 pm

2. Approval of minutes from June 4, 2012 meeting

Motion by Klapper, seconded by Hamre to approve the minutes from the June 4th, 2012 finance meeting. Motion passed on a 3-0 on a call of roll.

3. Discussion and possible action on the operation both over the short and long term of the incubator facility. (Presentation by Mr. Roesser and Mr. Kettleson)

Rick Roesser presented a revised version of the presentation that was given to the Business Incubator group. Generally, incubator focus on Entrepreneurial Development. Three categories for Economic Development including industrial recruitment, expansion and retention, entrepreneur development. Portages focus on entrance criteria with a wide-variety of industries can be supported. The program, service delivery focus little on the building.

They have 10 incubators in six different counties. Strategies for the company were in low paying or seasonal positions.

Utilize venture accelerator for new businesses focusing in technology firms. Portage has a metro versus rural challenge. Rural lacks the ability to charge a higher rates of lease.

The leasable space was increased in the Portage Incubator. Being purposed and market driven to determine the structure and set up of the facility. Program delivery is based on client need and the focus for working with the company will be specifically developed for the needs of the company. Affordable and flexible lease space to provide less of a tie up of the working capital.

Key factors to a successful incubator is the selection of a great client. Screening should include capabilities and couchability, financial capacity, business concept and potential viability. Realistic expectations include a realistic timeline.

Steps for success, take responsibility for your own success, location based on community support, purpose driven, market driven, value-added programs, secure adequate financing.

Chairman Dodd asked Rick Roesser about potential companies for the incubator. Rick noted that now that Cardinal Glass is out, there will be a focus to finding the right potential clients. Craig mentioned that there are prospects in the pipeline. One of the prospects are in the first stages for a proto-type and another will be given a lease tomorrow. Rick supported the idea that there is a need to work with new companies as well as those that are already ready to move into the incubator.

Rick's expectations will be to review the budget, work with Ady Voltedge, discuss the options with EDA.

Klapper asked if the City was basically to be the financial backing for the incubator project. Rick's mentioned that its goal is to allow it to be self-sustaining.

4. Discussion and possible action on two block grant applications

Laurie Lindell was unable to attend the meeting. No action taken on this item.

5. Discussion on bank reconciliations (2011), general surplus and 2011 audit status

A draft of the audit has been completed. For the future, once the bank recs are done, Chairman Dodd requested a monthly Treasurer's report that would be at least a month behind. The idea would be to utilize the fund balance surplus to fund items that had been in the capital projects. Treasurer noted that the excess fund surplus could be utilized to cover the cost of the operating items. Dodd mentioned that the draft financial statements are out and added to the call with the moody's rating call today.

No action taken on these items.

6. Discussion and possible action on 2012 borrowing

No additional action needed for this item. No action taken on this matter. Expectation is to have the requirements for the other sources that will need to be determined sooner rather than later.

No action taken on this.

7. Discussion on initial 2013 budget

All of the entities that would be requesting funding will need to go out to the other funding requestors by early next week. Dodd noted that the 3% amounts and the budgets have been sent to the departments.

No action taken on this agenda item.

8. Discussion and possible action on cross connection inspection agreement with General Engineering

Jerry Foelmi present to committee on the cross connection inspection agreement with General Engineering. Jerry noted that GE has been working with Kevin to get the City caught up and this would be to help keep up to required service.

Motion by Klapper, seconded by Hamre to approve the cross connection control inspection agreement with General Engineering. Passed 3-0 on a call of roll.

9. Discussion and possible action on Change Order No. 1 for Contract No. 12-003, 2012 Water Main and Sanitary Sewer Construction Project

This is the change order to complete the concrete crushing. Only a portion will be charged for the current year. Dodd noted that this holds two benefits for the City: 1) save some costs for the current year and 2) clean up of the pile for the city. This areas is expected to be cleaned up and not become another dumping pile. The water distribution budget was over and this will help offset some of that overage.

Motion by Klapper, seconded by Hamre to approve change order no. 1 on contract 12-003 for Allen Steel for \$46,750. Motion passed on a 3-0 call of roll.

10. Discussion and possible action claims approval dates

Chairman Dodd explained that the timing of the finance committee meeting is good for the committee. He recommended that there would be a short finance meeting before the first council meeting just before Council to only approve the claims. Committee members agreed that the claims approval will only be done just before the council meeting.

No action taken on this matter.

11. Discussion and possible action on naming additional depositories for the city

Motion by Klapper, seconded by Hamre to recommend to council the approval of BLC Community Bank as a depositor for the City of Portage. Motion passed on 3-0 call of roll.

12. Discussion and possible action agenda item dates

All finance agenda items should be into the office by the last Wednesday of the month at 5pm.

There may be an issue with Municipal Services items/contracts that might have an issue with meeting the deadline.

13. Adjournment

Motion by Klapper, seconded by Hamre to adjourn at 6:57pm. Motion passed 3-0 on a call of roll.

Ruth A. Lohr
City Treasurer