

**MEETING OF THE
DULUTH ECONOMIC DEVELOPMENT AUTHORITY
Wednesday, March 17, 2010 - 6:00 p.m.
City Council Chambers, 3rd Floor City Hall**

MINUTES

Call To Order: The March 17, 2010, meeting of DEDA was called to order by President Heino at 6:00 p.m.

Present: Jeff Anderson, Todd Fedora, John Heino, Don Monaco, Christine Townsend

Absent Excused: Nancy Aronson Norr, Tony Cuneo

Others Present: Bob Asleson, Joan Christensen, Terri Fitzgibbons, Brian W. Hanson, Rand Lally (former NWA Maintenance Facility), Steve LaFlamme (Oneida Realty), Mark McShane, Peter Passi (Duluth News Tribune), Kevin Scharnberg, Heidi Timm-Bijold

APPROVAL OF MINUTES: February 17, 2010. Accept as written.
Vote: Unanimous (5-0)

RESOLUTIONS FOR APPROVAL

NEW BUSINESS

1. RESOLUTION 10D-09: RESOLUTION OF SUPPORT FOR THE CITY'S APPLICATION TO GOOGLE FOR CONSIDERATION TO BECOME A NEW TEST MARKET FOR ULTRA HIGH SPEED BROADBAND CONNECTIVITY

Staff: Hanson stated this initiative would bring ultra high speed broadband internet connections to homes in Duluth. The effort is primarily volunteer-driven. Approving this resolution would illustrate DEDA's support. Hanson also intends to support the effort financially on behalf of DEDA in the amount of \$2,500.

Discussion: Fedora asked if Google will have its own ISP regarding franchise agreements. Hanson stated as long as the service isn't in direct competition at a lower charge than the franchise fee, it would not violate the agreement.

Vote on Resolution 10D-09: Passed Unanimously (5-0)

2. RESOLUTION 10D-10: RESOLUTION APPROVING 2010 PARKING LOT MANAGEMENT AGREEMENT WITH ONEIDA REALTY COMPANY FOR OPERATION OF DEDA-OWNED AND DEDA-CONTROLLED LOTS IN CANAL PARK AND DOWNTOWN

Staff: McShane stated staff has been very pleased with Oneida's service in the past. Other companies were considered; however, these lots are unique and Oneida offers reasonable rates.

Discussion: Anderson asked if the only change is the dollar amount from last year to this year, and McShane confirmed this. Monaco asked how other City owned lots are managed. McShane stated the City owns several lots and ramps, many of which are managed internally. Monaco asked for the historical perspective regarding ownership of lots by both DEDA and the City. McShane stated the need for public parking is related to economic development which is why DEDA is at times involved; however DEDA staff questions the need for DEDA's involvement in certain situations. Monaco advised a joint study to examine this. Hanson agreed comprehensive review of this would be of value.

Vote on Resolution 10D-10: Passed Unanimously (5-0)

3. RESOLUTION 10D-11: RESOLUTION AUTHORIZING AGREEMENT WITH RAND LALLY FOR PROFESSIONAL MAINTENANCE SERVICES RELATED TO THE NWA MRO BUILDING IN THE AMOUNT OF \$31,800 PER YEAR

Staff: McShane stated Lally has been involved with the building since it was managed by both Northwest Airlines and Cirrus. He has skills and knowledge of the facility which are an asset due to the unique features of the building. McShane feels it is the most attractive and cost-effective option.

Discussion: Monaco asked how much time is required to provide the maintenance services, and Lally stated maintenance takes approximately 25 hours per week. Heino asked who monitors preventative maintenance, and McShane stated a standard operating procedure is requested of Lally as part of this agreement. Heino questioned how we independently ensure reasonable costs if we do not have the expertise. McShane stated costs can be examined since the facility was built. Asleson stated ordinary routine maintenance and small maintenance expenses are included in the agreement; any expensive or unusual form of maintenance must be approved by the Executive Director. Fedora asked if a request for proposals was undertaken for this agreement; and McShane stated there was not. Fedora asked if the equipment is simply equipment or could be considered a fixture. McShane stated equipment not integral to the facility was sold.

Monaco requested an update on the negotiations between the City and Cirrus to determine what, if anything, we can do to market the facility to reduce future expenditures. Hanson stated negotiations with Cirrus are ongoing and he anticipates an agreement for the April DEDA meeting. Hanson stated there have been some interested parties in the facility.

Vote on Resolution 10D-11: Passed Unanimously (5-0)

ADJOURNMENT: President Heino adjourned the March 17, 2010, meeting of the DEDA at 6:27 p.m.

Respectfully submitted,



Brian W. Hanson
Executive Director

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