

Oakes Enhancement. Inc
Oakes Enhancement, Inc.

Tuesday, January 4, 2005

Time 4:00 PM

Place: Ottertail

Directors Present: Schnell, Skjefte, Stizler, Forward, Brummund, Ptacek, Bohannon, Hoelscher,

Directors Absent: Kraemer, Paige Brummund, Dawson, Zimmer

Guests: John H

Proxy Transfers: Zimmer to Bohannon

- Call to order.
 - President Gary Schnell called the January 4, 2005 meeting of the Oakes Enhancement Board of Directors to order stating he had visited with Sargent County JDA but messages about the meeting were not acknowledged.
- Guests: Not available---Sargent County JDA
- Review minutes of December meeting
 - **MM/S/C:** to accept the minutes of the December meeting as printed.
- Correspondence
 - Thank you was shared from O'Brien.
- Treasurer's Report
 - **MM/S/C:** to approve the Treasurer's report as printed.
 - List the remaining balances on the agenda for those below.
 - Funds out to
 - B & K (2001 & 2002) (pymt 01-05 \$300)
 - Rudy's (January 5, 2004) (\$15,000) Making regular pymts of \$500 per month.
 - Angry Beaver (September 2003)—outstanding balance: \$2,000—pymt of \$1000 made.
 - Oakes Feed (April 2006) \$15,600
 - Oakes Bowling Lanes (June 2014) \$7000
 - Body by JoJo (December 2009) \$10,000
- Gaming Sheets
 - The November sheet was discussed.
 - A new form for the OEI board members should be adopted.
 - Income and expenses – did we make, lose, contribute to the trust.
 - Hoelscher will visit with Eyvonne about the report that would be easier for board members to understand.
 - Ptacek came to explain the report---November at the Beaver was rather bleak---The Beaver is not making money.
 - Texas Hold'em
 - Kraemer was going to visit with the Angry Beaver concerning Texas Hold'em.
 - This is an illegal gaming operation.
 - Should the Beaver be issued an ultimatum be issued – Texas or Blackjack.
 - Gaming at the Beaver – contract renewal in May or June
 - Visit with Steuck – have her at a meeting to access the situation.
 - Steuck came to answer questions.

- Steuck will put together the December reports for the mid-month meeting.
- Reviewed the gaming: Kraemer Report.
 - Should continue.
 - Changes months---hours---days

ON AGENDA FOR THE NEXT MEETING -- GAMING DONATIONS FOR THE POOL

Projects:

- **911 Call Center**
 - Information given to Kraemer.
 - Sheriff Bohannon: Radio systems are being changed – upgrading to digital – smarter (for now) to let the new radio system take place before entering into a call facility where you would have to change equipment again.
 - Let Ellendale pursue this – it could be a long time in coming.
 - Opera House in Ellendale – 911 call center and a holding facility for prisoner transport--- -----Walls are being repaired---A great deal of repair is still needed.
 - Continue to look into this project as there are changes coming down the pike in State Radio and the like
 - Call center at Redfield, SD. County run with the Sheriff's Dept
 - \$11.00 per hour wage
 - Grants were available.
- **WIRING HARNESSSES – TOWN & COUNTRY BUILDING**
 - Fargo Assembly
 - Interested in the facility.
 - Matt Hill has purchased the facility.
 - His use is to be determined.
 - Moving part of his business to this location - storage
- **JLG**
 - Insurance on lots 5 & 6 (additional lots not under JLG)
 - O'Brien will check on the taxes to make sure the rent will cover the expenses.
 - Skjefte will check with Roney once the information is to him---taxes could include water, sewer, curb, and gutter (Specials)
 - Check on the zoning of the lots.
 -
 - Lease Payments from Dennis Roney on farming the land----should be coming to OEI and should cover the expenses on the land.
 - Rail Lines
 - Shipped two rail cars of product out of Vculek line.
 - Looking at doing a spur at the plant
 - Department of Commerce and Transportation would be willing to assist with this. Gross has been contacted about this matter.
- **Body by JoJo:**
 - This facility is doing well.

- Membership currently over 60
- Looking at putting in a keypad so the facility can be 24 hours – insurance is an issue for this.
- **Hospital: Report by Sitzler**
 - Currently at \$820,000 (does not include the land)
 - The DSLRA – grant writing is passing through this group.
 - CHI drags their feet in granting areas.
 - Land at 20 acres – hospital will be half of the property.
 - This land will be annexed to the city.
 - Next step is the door-to-door campaign.
 - Some big players have not yet come forth – Bobcat, JLG.
 - Mr. Bill Ott is well liked in the community – He is the campaign director.
 - PPI is writing grants being funneled through DSLRA.
 - Groundbreaking should be in the spring of 2005.
 - Could the old facility be given to the city, DSLRA, OEI? Remove the south wing and you have an excellent facility.
- **A-1**
 - Asking \$6000 for the remaining land
 - Voightman is still interested.
- **Travel Host**
 - Brummund visited with Klinkhammer.
 - She stated the cleanliness is below standard and business is going elsewhere.
 - The Community must be proactive on this matter as the loss of revenue to Oakes as a whole could be considerable.
- **Wind Energy**
 - Conference in Grand Forks-Kraemer plans to attend.
 - DSLRA will pay for registration.
 - Will OEI pick up mileage and housing.
 - **MM/S/C:** Pay meals, mileage, lodging for this conference.
 - Marketplace January 12 & 13th in Bismarck
 - **MM/S/C: To pay expenses for Kraemer to attend Marketplace.**
 - Brummund will be attending Marketplace and she encourages others to attend.
- **Detention facility**----adult – youth: available funding
 - Schnell found the old file and gave to Kraemer.
 - Juvenile facility at the old hospital
 - Do not want a correctional facility in the center of Oakes.
 - Survey the community and educate the public – need support from law enforcement and the community – assist with primary sector jobs, eating facilities, hotels, and the like.
 - Making inquiries
- **Housing issues**
 - No Report
 - Lewis and Clark program can be done through the banks.

- Housekeeping/Add Ons/Updates/Additional Information
 - Oakes Video-----along with Matt Olien's presentation
 - Meeting Thursday at the Pizza Ranch then following at the bank.
 - Conference room at the bank following a walkthrough of the community.
 - Those attending: Hoelscher, Skjefte, Kraemer, Brummund,
 - Employee Review
 - Ptacek has two turned in.
 - Ptacek and Sitzler get A's.
 - Others will be turning them in

Annual Meeting: Tuesday, February 22, 2005

- Time: 6:30 PM
- Location/food (Need to firm this up to book the site)
 - **MM/S/C:** to use the ambulance garage (the date has been reserved for OEI) catered by the Butcher Block – if they are open to this.
- Guest Presenter: Matt Olien (Has he been officially asked?) Small fee for his time and travel—Schnell will contact Olien.
- Board nominations: Sitzler & Brummund: both will run again.

Items for the agenda – The Secretary should have some guidance on a monthly basis as to what topics to include on the agenda: Results: Continue as in the past.

_____Other: What is happening at the Riverside.

_____Other: Sponsor the Community Health Fair

_____Other: Oakes, ND will expire – renew Oakes, ND with Gov Office

- **MM/S/C: Renew domain name for 5 years at the rate of \$220 with gov office.**

_____Adjournment, _____6:30 PM

Respectfully reported.

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.

Oakes Enhancement. Inc

Date: Tuesday, February 1, 2005

Time: 4:00 PM

Place: Ottertail

Directors Present: Brummund, Hoelscher, Schnell, Skjefte, Bohannon, Forward,

Directors Absent: Sitzler, Dawson, Ptacek, Kraemer, Zimmer

Guests: Steuck @ 5:00 PM

Proxy Transfers: Sitzler to Hoelscher

- Call to order.
 - President Gary Schnell called the February 1, 2005 meeting of the Oakes Enhancement Board of Directors to order at 4:00 PM.
- Review minutes of January meeting
 - **MM(Skjefte)/S/C: to accept the minutes of the January 19, 2005 meeting as printed.**
- Correspondence: None
- Treasurer's Report: Report on hold until statements are current.

List the remaining balances on the agenda for those below.

_____Funds out to

- B & K (2001 & 2002) (pymt 01-05 \$300) (**\$2,713.96**)
- Rudy's (January 5, 2004) (\$15,000) Making regular pymts of \$500 per month (**\$10,000**)
- Angry Beaver (September 2003)—outstanding balance: \$2,000—pymt of \$1000 made.
 - (**\$1,000**)
- Oakes Feed (April 2006) \$15,600 (**\$15,600**)
- Oakes Bowling Lanes (June 2014) \$7000 (**\$7,000**)
- Body by JoJo (December 2009) \$10,000 (**\$9983**)

_____Gaming

Time to decide.

- Texas Hold'em seems to be growing in popularity.
- Should we be lobbying the legislators to change the percentages to favor smaller communities?
- Speak to communities of similar size to see if they are making it.
- The Beaver has been a losing proposition since the beginning —with many chances and changes to bring it around.
- Suggestion to pull out of the Angry Beaver in all aspects and then see if Pull Tabs and Blackjack will work at Rudy's.
- Close to contract time at The Angry Beaver
- Steuck was consulted on many aspects of the process – timing—seasons, days vs weekends –
- The tickets are a problem at the Beaver – people do not use them.
- Different months were examined -- tickets do not go at the Beaver.
- Pull Tabs carry the losses at Rudy's Blackjack.
- The Beaver is more of a risk to OEI.
- Call for a vote next month after visiting with surrounding communities.
- Some of the surrounding communities do not have Blackjack every night.
- It is hard to judge if just weekend is an answer.

- **MM(Skjefte)/S/C: to cease gaming at the end of the contract giving The Angry Beaver and the gaming staff time to adjust to this change. Motion carried unanimously.**
- Kraemer will be asked to talk with Shawn and Eyvonne.

January is not pretty.

- Net at the Angry Beaver for January is \$409
- Net at Rudy's for January is \$6,046.50

New Loan: \$5000 needed to complete January and given to the Charitable Expense Account

Projects:

Dave Novak

- Proposal put before the group.
- Asking for \$10,000
- More work to get done.
- Must get a primary lender first.
- Need for quality electricians who deliver good service.
- More information is needed to act on it.

OAKES VIDEO

- Bank Shot: Bid high
- Proposals from other producers: three coming
- Department of Commerce:
 - What is your purpose for the video?
 - Funds are still available.
 - Need to have a plan in place for its use and measurement of the use.
 - Use should be for people -----business recruitment – decide on its use.
 - Book on North Dakota publication – Oakes could be a chapter in the book for approximately \$5000. Funds are available for this.
 - In the proposals the group would like a CD vs the credit card style
 - Department of Commerce wants to make a stop in Oakes – establishing a new contact to make sure they get hold of someone to set up the time.
-

Quantity of videos to be ordered.

Winter photos can be used and put into action so we can wait to sign a contract.

Put on hold until a plan is established as to the use of the video.

Brummund will continue her work.

911 Call Center

- This project is up in the air as to who should look into this.
- Has Ellendale put in a grant for upgrading the Opera House and for the calling center?
- Holding Center and a Dispatch Center
- The 911 dollars collected on phone bills goes to the county and the funds have been used for GPS equipment.
- A Call to Charlie Russell of Ellendale seems to be in order to see the status of this project--
--Bohannon will make the contact.

JLG

- Rail Lines: Call to Colette stated JLG will be going with the rail service which will be a cost saving for them.
- The plant will need to increase inventory.
- Possibility of funds available through the Department of Transportation
- Perhaps the rail service will assist with funding.
- Dale: Contract with Dennis Roney – all completed – thank you

Body by JoJo: 120 memberships

Hospital: \$950,000 approximate

A-1: No report

Wind Energy: Reports sent by Kraemer to board members.

Housing issues: People wanting land in town and on the edge of town.

- Leo Ell's
- Huebner
- Budd Larson and lots by Town and Country
- Ferguson's
- Lots by Dave Locken's
- What do they want to pay for a lot?

Detention facility----adult – youth: available funding

- Kraemer called with the reply: North Dakota was not sending inmates out of state so there is not a need for a facility.
- Skjefte will make some contacts in Montana.

_____Housekeeping/Add Ons/Updates/Additional Information

- **Oakes Video**-----along with Matt Olien's presentation: see above.
- Senate Bill: Starting school after Labor Day. Brummund has been working on this for the central region.
- **Tourism Conference:** In Bismarck – Registration fee \$99, mileage
 - **MM(Skjefte)/S/C: to fund Brummund for this conference using the above figures. \$99 registration and mileage at \$.31 per mile**
- **Visioning Program:** Brummund has been asked to make a presentation.
 - **MM(Bohannon)/S/C: to fund mileage and lodging for this. Brummund will also ask for scholarships.**
- **Tourism training:** Come out to the communities and put-on workshops.
 - Need a minimum of 10 people – those in the lodging, sales and etc.
 - Let us increase the awareness of customer service and promotion of the area.
 - Host site to provide refreshments and location.
 - Let us move forward—Brummund will set this up.
 - Dawson and Brummund have not yet visited with the Travel Inn.

Employee Review

Renting room for storage at KDDR Plaza: Check into for \$15 per month

- Annual Meeting: Tuesday, February 22, 2005
 - 6:30 PM at the Ambulance Garage
 - Angry Beaver will cater BBQ, chips, meat & Cheese, veggie tray.

- Guest Presenter: Matt Olien
- Board nominations: Sitzler & Brummund

With no further business the meeting adjourned at 6:25 PM

Respectfully reported.

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.

Oakes Enhancement. Inc

Date: Tuesday, February 22, 2005

Time 7:00 AM

Place: Ambulance Facility

Directors Present: Schnell, Stizler, Dawson, Brummund, Ptacek, Bohannon, Hoelscher, Kraemer

Directors Absent: Skjefte, Forward, Zimmer, Paige Brummund

Guests: Brad Ness

Call to order.

President Gary Schnell called the February 22, 2005 meeting of the Oakes Enhancement, Inc. (OEI) Board of Directors to order at 7:00 AM calling on Brad Ness of the Softball Association. See Treasurer's report

- Review minutes of February 1, 2005 meeting
MM(Sitzler)/S/C: to approve the minutes as printed.
- Treasurer's Report
 - Annual meeting report was distributed by Toni Ptacek.
 - Ptacek covered the report and asked for input on the outstanding loans.
 - Detailed VS Lumped together: Listing the names of those owing dollars is in question---list those helped but only a total amount for all outstanding loans.
 - Ptacek will get information for the bills in gaming as to the setting up of Blackjack.
 -
 - Membership \$ received from: Body by JoJo, Angry Beaver Lodge
 - **5% retirement: MM(Stizler)/S/C to approve for Kraemer, Steuck, O'Brien**
 - Ptacek will get the figures together.
 - Quote from Ptacek Financial about quarterly reports for OEI—wait for regular meeting.
 - West Side Softball Complex – possible donation—see above guest.
 - Brad Ness, of the Softball Association, made the presentation.
 - MidWest Plains Cal Ripken 11-year-old tournament will be held in Oakes at the softball complex.
 - Need for additional improvements.
 - Proposal for requesting of funds from OEI - \$6,000 – that amount was also requested from the city.
 - The Softball Association has also contacted other community organizations and individuals.
 - Need for a scoreboard – fencing – sun shelters – (JLG has donated the steel for a sun shelter) –
 - Proposal included estimated values of the improvements and the dollars available to date—Grants have been applied for
 - **MM(Sitzler)/S/C: To donate \$6000 from the Charitable Trust to the Softball Association for improvements at the Complex.**

- _____ Funds out to
 - _____ B & K (2001 & 2002) (pymt 01-05 \$300) (**\$2,413.96**)
 - _____ Rudy's (January 5, 2004) (\$15,000) Making regular pymts of \$500 per month (**\$9,500**)
 - _____ Angry Beaver (September 2003)—outstanding balance: \$2,000—pymt of \$1000 made.
 - (**\$1,000**)
 - _____ Oakes Feed (April 2006) \$15,600 (**\$15,600**)
 - _____ Oakes Bowling Lanes (June 2014) \$7000 (**\$7,000**)
 - _____ Body by JoJo (December 2009) \$10,000 (**\$9913**)
- Gaming
 - Action on decisions from last meeting
 - Wait until the regularly scheduled meeting.

Projects: Discussions at the upcoming OEI Board Meeting

- Dave Novak
- NEW: 911 Call Center
- JLG
 - Rail Lines
- Body by JoJo:
- Hospital
- A-1
- Wind Energy
- Housing issues: Lewis & Clark Housing
- Detention facility----adult – youth: available funding
- Housekeeping/Add Ons/Updates/Additional Information
 - Oakes Video: What type of business are we targeting – What is the strategy for development of the video – business vs residents.
 - Can get some grants.
 - The cost of this project begins at \$12,000.
 - OEI Scholarship -----New question for 2005----- get to the school now!
 - Pros & cons of being a teenager in Oakes.
 - Take on a specific program.
 - What can we expect for \$500?
 - Some members feel the scholarship program is not part of the OEI mission.
 - Youth entrepreneurial grants and loans are available in other communities.
 - Consider Business Challenge sponsorship instead of a scholarship.
 - Discuss at upcoming meeting.
 - Employee Review: No Action
 - Renting room for storage at KDDR Plaza: Not willing to rent for storage.
- Annual Meeting: Tuesday, February 22, 2005
 - 6:30 PM at the Ambulance Garage

- Angry Beaver will cater: Menu—same as in past adding meat & Cheese tray----planning for 50.
- Guest Presenter: Matt Olien
- Board nominations: Sitzler & Brummund
- Plan for the evening –including business plan – Labor study – review of new jobs created/new businesses----Accomplishments of 2004---Strategy for 2005
- Wind Energy -- a sketchy report can be given as the data has not been collected for a long enough period.

Adjournment, 8:00 AM

Respectfully reported,

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.

Oakes Enhancement. Inc

Date: Tuesday, February 28, 2005

Time 4:00 PM

Place: St. John's Lutheran Church---120 South 9th Street---Oakes, ND

Directors Present: Schnell, Skjefte, Dawson, Zimmer, Bohannon, Hoelscher, Kraemer

Directors Absent: F. Brummund, Sitzler, Forward, Ptacek, P Brummund

Guests:

Proxy Transfers: Sitzler to Hoelscher

- Call to order: President Gary Schnell called the Tuesday, February 28, 2005 meeting of the Oakes Enhancement, Inc. Board of Directors to order bringing attention to the gaming reports. Shawn Ulmer of the Angry Beaver is to come to the meeting at 4:30 PM.

- BUSINESS TO COMPLETE TODAY!!

- **Scholarship vs Business Challenge**
 1. Do we have students interested in attending Business Challenge?
 2. **MM(Dawson)/S/C: to continue the Scholarship program for another year with the topic being "Pros and Cons of Living in a Small Community."**

- **Gaming**
 1. MM(Skjefte)/S/C: to cease gaming at the end of the contract giving The Angry Beaver and the gaming staff time to adjust to this change. Motion carried unanimously---From the February 1, 2005 meeting
 2. With no action outside of Blackjack at the Beaver there is nothing to help offset losses and expenses.
 3. The January reports from both establishments were reviewed.
 4. Shawn is knowledgeable in the gaming structure having been the gaming manager at the Legion.
 5. Pull tabs and Jars are not moving at the Beaver.
 6. Are there other sources of funding, other than sales tax, to supplement the gaming at the Beaver?
 7. Bingo and other games were suggested as well changing open hours.
 8. Management items need to be re-evaluated – some areas are slipping.
 9. Texas Hold'em Tournaments---checking with people who are familiar with tournament rules – If two Texas Hold'em tournaments are to be held one should be at the Beaver and one at Rudy's.
 10. Running Blackjack Sept – December---reducing hours – Friday and Saturday nights
 11. Do we need to check the tapes – are the dealers tipping the cards?
 12. With hours – factor in the construction of the new hospital
 13. **MM(Skjefte)/S/C: to rescind the previous motion of February 1, 2005 meeting which would end gaming at the Angry Beaver.**
 14. **MM(Dawson)/S/C– with one dissenting vote.: to adjust the hours at both gaming establishments under the advisement of gaming manager Steuck – hours, days open, and the like---With a review and final decision to be made in December.**
 15. Kraemer will oversee looking into an event to supplement the gaming situation ASAP. March may be the best month.

**16. Raffle at the Golf Course: Kraemer will visit with Ptacek concerning this matter:
MM(Bohannon)/S/C: to approve the use of OEI gaming as a vehicle for the
Golf Course Raffle contingent upon checking with accounts to make sure all
worked well the last time this was done.**

MM(Bohannon)/S/C: to approve the minutes as printed.

- Director compensation
MM(Dawson)/S/C: to approve the director's compensation as presented.
 - **MM(Bohannon)/S/C: to put out on bids the quarterly gaming reports advertising in the Oakes Times for this work Ptacek has been doing without compensation.**
 - Annual meeting recap
 1. How do we get people to attend the meetings?
 2. This is a problem for all organizations.
 - Regional Council Questionnaire
 1. Please answer the questions and return by March 14th to the Regional Council.
 - Lewis & Clark Seminar
 1. March 10th and 11th
 2. We should send representation.
 - Video
 1. Matt Olien mentioned residents (young people) returning to the community.
 2. Can we put something together on our own that would be close to professional quality?
 3. Most thought to have a quality product would involve hiring professionals.
 4. Tabled until the next meeting.
 - **Officers**
 1. **MM(Skjeftje)/S/C: to cast a unanimous ballot for the current officers to remain in place.**
- JLG: Adding to the facility
2. Installation of equipment estimated at \$40,000 - \$50,000.
 3. Capital investment of approximately \$200,000.
 4. It seems JLG is slow to respond to our proposals.
 5. Interest buy-down – PACE loans.
 6. Funds available to help with the cost of installation.
 7. This equipment would open two jobs.
 8. Could we go to Otter Tail for funding?
 9. Kraemer will stay in touch with Gross (who is currently in the hospital)

- Treasurer's Report
 - Done at annual meeting.
 - New memberships: Peggy Nelson, B & K Murphy Plumbing & Heating
 - Funds out to
 - B & K (2001 & 2002) (pymt 01-05 \$300) **02-28-05 received \$250.00.**
 - Rudy's (January 5, 2004) (\$15,000) Making regular pymts of \$500 per month **(\$10,000)**
 - Angry Beaver (September 2003)—outstanding balance: \$2,000—pymt of \$1000 made **\$1,000.**
 - Oakes Feed (April 2006) \$15,600 **(\$15,600)**
 - Oakes Bowling Lanes (June 2014) \$7000 **(\$7,000)**
 - Body by JoJo (December 2009) \$10,000 **(\$9983)**
- Projects:
 - Dave Novak
 - Regional Council approved his loans as did the local lending institutions.
 - NEW: 911 Call Center
 - No Action
 - JLG
 - See above discussion.
- Hospital:
 - Thank you, letter, received for donation at annual meeting.
 - Funds now up to \$989,000
 - Extended goal to \$1.3 million
 - OEI has \$50,000 remaining on their pledge.
 - A-1
 - No Action
 - Wind Energy
 - No action
 - Housing issues: People wanting land in town and on the edge of town.
 - No Action
 - Detention facility----adult – youth: available funding
 - Valley City is looking into this matter and appears to be proceeding forward.
 -

➤ Adjournment: 6:00 PM

Respectfully reported,

Audrey O'Brien, Secretary

Oakes Enhancement, Inc.

Oakes Enhancement Inc.

Date: Friday, March 18, 2005

Time: Noon

Place: Otter Tail

Directors Present: Schnell, Skjefte, Sitzler, Brummund, Dawson, Bohannon, Hoelscher, Zimmer, Kraemer

Directors Absent: Ptacek, Forward.

Guests: Loretta Swiontek – Embroidery Creations

A special session of the Oakes Enhancement, Inc. Board of Directors was called to order on Friday, March 18, 2005 by President, Gary Schnell. The meeting was held at Otter Tail Power.

BUSINESS TO ADDRESS

Embroidery Creations

- Having to move
- Business Plan Available
- Request for Funding
- Oakes TV & Appliance became available last evening for renting.
- Renting negates the need for funding.

GAMING

- Losses at the Beaver were heavy last evening (03-17-05)
- Kraemer observed Blackjack at Rudy's -03-17-05
- Should we check out gaming operations in other communities?
- Should Blackjack continue at either place?
- These seem to be the same old questions – the decision to close gaming at the Beaver was reversed and therefore you must take your blows as they come.
- Will you continue to carry on until the spring as voted on?
- Can you keep vacillating on the decision?
- Who are you aiming to please and what interests are you trying to protect?

Development Director Report

- Kraemer went through the items on his report and it was most informative.
 - Wind Tower: NOTE: suggests building a fence around the wind towers to keep the cattle away from the towers and supports.
 - Note on Novak Electric: This business is up and running – received funds from SCDRC.
 - Display board was built by Kraemer for use at various meetings and presentations. It will be available from the OEI/Chamber office
 - Bill 2227 – Essential Bond – contact your congressmen – this is not being supported by those in the larger communities.
 - Renewable Energy Conference----much has changed in the past two years.
 - Dairy opportunity: Meeting March 23 – Ranch House in Fullerton
 - Meeting set for Dickey County – Jodi Bruns
 - Commercial vegetables

- Brian Vculek is the driving force behind this.
- Kraemer is working with the group.
- A-1 Property: Document particulars dropped off at Steph McLean's.
 - Voightman cannot be nailed down.
 - Paul Roney would like the property -
 - Whoever comes first with the \$\$\$ will get the property?
- Oakes Hospital: A package has been sent to the governor's office.
 - Loan from Dakota Valley was denied due to the elevated level of arsenic in the water – this is for running a water line.
 - NOTE: The above note was clarified later by Zimmer stating the loan continues the table but could be jeopardized by the arsenic levels in the Oakes Water.
- Day at the Capital: Time well spent – Bernie Vculek went along and
 - Does it behoove the group to assist with the Vculek expenses incurred because of this meeting? **MM(Skjefte)/S/C: to pay part of the Vculek expenses for Day at The Capital**
- **MM(Dawson)/S/C: to accept the report and compensate as presented. Billing DSLRA for their time and for some supplies for the Display Board**
- **MM(Dawson)/S/C: to pay the bills from the EAPC because of wind tower monitoring.**

JLG

- Schnell contacted by JLG.
- Points to bring before the group.
 - Machine being installed.
 - What is OEI planning on doing?
 - PACE buy-down—but JLG is not borrowing.
 - \$50,000 to renovate the building to hold the machine.
 - This is creating 1 to 2 jobs.
 - What is JLG looking for?
 - Asking Otter Tail for the \$1000 per job???
 - MM(Skjefte) – to give JLG \$4500 contingent upon \$2000 from Otter tail.
 - This died for lack of a second.

LITERARY EXPRESSIONS

- Requesting honorarium funds bringing a ND to Oakes
 - **MM(Bohannon)/S/C (one dissenting vote): to give \$350 to bring culture to the community from the Charitable Trust.**
 - May 4th 7 PM: Grace Lutheran
 - Roxanne Henke is the author----
 - Honorarium and fees.
- Reese Hawkins: Tourism 2005 GNDA Award
 - Louis L`amour author
 - Looking to have his during Irrigation Days.
- Film producer in Valley City next week====promote vintage land for films.
- Irrigation Days will be a Lewis and Clark Theme
 - 18 attended the Lewis and Clark Hospitality workshops

500 students at the school were also exposed to the program.

There being no further business the meeting adjourned at 1:00 PM

Respectfully Reported,

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.

Oakes Enhancement. Inc

Date: Tuesday, April 5, 2005

Time 4:00 PM

Place: Otter Tail Community Room

Directors Present: Schnell, Skjefte, Stizler, Dawson, Zimmer, Kraemer

Directors Absent: Bohannon, Ptacek, F. Brummund, Forward, Holscher, P Brummund

Guests: Jodi Bruns, Diane Wieck, Thomas Serie, Dave Novak

Proxy Transfers:

- Call to order.
 - President Gary Schnell called the April 5, 2005 meeting of the Oakes Enhancement, Inc. (OEI) Board of Directors to order at 4:00 PM. The meeting was held at the Otter Tail Community Room
 - Guests were welcomed.
- BUSINESS TO COMPLETE TODAY!!
 - **Scholarship due date: April 15, 2005**
 1. Have not heard of any activity in this area.
 2. Paige Brummund was to present to the class.
 - **Gaming**
 1. An official notice calling for bids appeared in the Oakes Times netting one response.
 2. Bid received from Ptacek Financial Services for bookkeeping gaming services:
 3. **MM(Sitzler)/S/C: to accept the bid from Ptacek Financial Services.** This bid is based on services as needed for the number of employees the OEI gaming operation has in any quarter.
 4. The gaming reports for February were reviewed.
- **SB2227:**
 1. Guests from F & L
 2. The bill has passed the House and Senate and awaits the Governor's signature.
 3. Doug Sitzler made the invitation to our guests to pass along information concerning Moderate Income Housing.
 4. Doug would like to see this legislation implemented throughout the DSLRA.
 5. Jodi Bruns: Need for housing to meet the needs of the community as regards to proper housing for the population
 6. Slab housing to meet the needs of the elderly.
 7. Diane Weick and Tom Serie were brought in to explain their program of F & L.
 8. Essential Function Bond
 1. F & L: Low-income housing was the reason for the start of this business venture.
 2. It allows an entity of city government (HRA) to own Market Rate housing. No restrictions on income
 1. Buildings financed by federal tax-free revenue bonds.
 2. No real estate taxes on the building – the owner can elect to charge some figure to pay this fee.
 - If the project fails, the city must come up with the dollars – debt service agreement of 25%
 - The above scenario has never happened.
 - This legislation also covers city buildings, childcare and other structures needed by a community.

- Equation that makes this possible is the Revenue Bonds (interest free) Payment in lieu of taxes.
- Main point: get the right cliental into the right housing.
- Length of ownership: Want to sunset as soon as possible—they eventually turn into private ownership.
- Members of the HRA are appointed by the Mayor – 5 members appointed for staggering terms – to make sure seasoned members remain on the committee when new ones come on board.
- Suggest wood floor with crawl space.
- Serie and Weick recommend touring the facilities they have built.
- OEI should take the lead in this venture for the area.
- Housing is economic development as it keeps the people here as well as their bank accounts.
- The City Council could appoint the OEI board as the Housing Authority.
- Forward has some land he would like developed.
- The old hospital area

- **Lewis & Clark Seminar**
 1. This program was a success in the community.
 2. Fran Brummund is to be commended for making the arrangements.
 3. To follow the Lewis and Clark trail there are stops all along the way.
 4. People need to be informed about activities in the area.

- **Dave Novak:**
 1. Dave recently started his own business “Novak Electric.”
 2. He is requesting funding to assist with equipment purchase.
 3. Kraemer has worked with Novak on his business plan.
 4. This plan was brought to the Regional Council and approved for \$9000 – which included funding from OEI for \$5000.
 5. The updated business plan was in the hands of Fran Brummund who was taken ill.
 6. Regional Council participation is contingent upon OEI participation.
 7. Lead lender would be First State Bank
 8. If the business goes well – he plans on hiring a full-time employee.
 9. Billable hours are a concern – February (usually a slow month) but was good this year.
 10. Equipment need is a trencher – needed in about a month when the ground is not frozen.
 11. **MM(Skjefte)/S/C: to grant a loan of \$5000—First year 2% interest keeping the interest payment current > During the second year the interest raises to 4% with payment on the principle beginning - maturity is five years.**

- **Video:** Brummund was unavailable—May need a special meeting
 1. Kat Production
 2. Video Arts
 3. Envision
 4. Bank Shot

- **Strategic Plan**

The plan should be reviewed.

➤ **Seminar: Hiring and Keeping Good Employees**

1. Holscher is working to facilitate a seminar in the fall.

➤ **Bank of ND: Kustom Machine \$4428.36 Pay this bill.**

➤ **Treasurer's Report**

○ **MM(Sitzler)/S/C: to approve the report as printed.**

○ Funds out to

- B & K (2001 & 2002) (pymt 01-05 \$300) **02-28-05 received \$150.00.**
- Rudy's (January 5, 2004) (\$15,000) Making regular pymts of \$500 per month **(\$10,000)**
- Angry Beaver (September 2003)—outstanding balance: \$2,000—pymt of \$1000 made **\$1,000.**
- Oakes Feed (April 2006) \$15,600 **(\$15,600)**
- Oakes Bowling Lanes (June 2014) \$7000 **(\$7,000)**
- Body by JoJo (December 2009) \$10,000 **(\$9863)**

➤ **Projects:**

○ **NEW: 911 Call Center**

Kraemer has been doing some checking into this.
This is not a money producing operation.
May create jobs but cost the taxpayers.

○ **JLG**

▪ **Rail Lines**

- DOT (transportation) and DOC (commerce) willing to work with JLG for rail spurs.
 - Keeping the lines of communication open
- **Gross is in communication with Schnell.**
- Is OEI going to be able to come up with some \$
 - \$4500 is a figure that was discussed.
 - Should OEI be funding for equipment installation?
 - Kraemer called the Bank of ND – PACE loan 5 % write down and 5-year payback----\$100,000-----Their figure was \$6600.
 - **MM(Skjeftje)/S/C: to grant JLG \$5000 – The current project is a Machine center that is being added to the plant possibly creating two new jobs.**
 - Kraemer will also talk to Otter Tail—which could be \$2000.

○ **Body by JoJo:**

- They have expanded their facility to the entire building – Embroidery Creations has re-located.

○ **Hospital:**

- Fundraising needs have exceeded the first goal and are now into the stretch goal.
- Bill Ott appreciation -- This should take place when he returns in June.
- Grant request for \$175,000 has gone to the governor – infrastructure needs.
- Dakota Valley has sent in a grant as well \$350,000.
- Have not heard back from Bobcat and a few other big players.
- Wind Energy
 - Tower is still turning.
- Many are wanting to move Dairy Herds.
 - Would like one quarter of land.
 - Dawson is keeping on top of this issue.
 - Need zoning -- done by the county commissioner.
 - Any farmer interested in selling a quarter of land for dairy.
 - Gary_____ : With Dairy Association

- Housekeeping/Add Ons/Updates/Additional Information
 - Employee Review: continues hold.

NEXT MEETING: April 20, 2005 -- Noon @ Otter Tail---This meeting will be to view the community videos Brummund has collected. We need to act on this project.

USDA will be in Oakes on Thursday for 1 hour. They will be stopping at Oakes Outdoor Power Sales, Ambulance garage: two projects the USDA has been involved in.

- Adjournment, 6:00 PM

Respectfully reported,

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.

Oakes Enhancement. Inc

Date: Tuesday, May 4, 2005

Time 4:00 PM

Place: Otter Tail Community Room

Directors Present: Schnell, Skjefte, Stizler, Forward, Brummund, Ptacek, Zimmer, Bohannon, Kraemer

Directors Absent: Paige Brummund, Dawson

Guests: Darwin Gebhardt, Dallas Hagen

Proxy Transfers:

- Call to order: President Gary Schnell called the May 3, 2005 meeting of the Oakes Enhancement Board of Directors to order at 4:00 PM. The meeting was held at Otter Tail Power.
- **MM/S/C: to accept the Secretaries reports as printed.**
 - The Softball Association sent a thank you note for OEI's contribution to the complex.
- **Guests**
 - Darwin Gebhardt and Dallas Hagen, representing the Linebackers Club presented a proposal to improve the youth practice fields adjacent to Cummings Field. (Behind the scoreboard)
 - Current practice field is unreliable due to its use by the city as a holding pond for rain – etc.
 - Improvements: level the field with dirt, install irrigation, plant grass
 - Estimated cost with donated labor: \$6500.
 - Approaching other organizations: School, Lions, Linebackers,
 - Community access field – since this is park board business the community should be allowed to use it for other purposes maintaining the integrity of the upgrades.
 - Purchasing supplies locally
 - Price does not include fencing – which is needed to keep vehicles off the field.
 - Horseshoe pits have been removed – with permission of the Park Board.
 - A fire hydrant is also being removed as well as the sand from the softball fields.
 - They have the OK from the Park Board and OK for water use from the city.
 - **MM/S/C: to donate \$5000 to the Linebackers from the Charitable Trust**

BUSINESS TO COMPLETE TODAY!!

- **Scholarship due date: April 15, 2005**
 1. Whitney Andrus
 2. Ptacek will present the award.
- **Gaming: See Treasurer's report**
- **SB2227: updates – regional meeting**
 1. Wednesday, May 18th -- 7:30 PM at the Ambulance Training Room

2. **MM/S/C: OEI to sponsor the meeting with snacks –coffee – lemonade – cookies – veggie tray.**
3. DSLRA instructed to invite appropriate people from their communities.
4. City to appoint a housing authority.

➤ **Video**

1. The editing of the Matt Olien video turned out very well.
2. It is on the web site.

➤ **Strategic Plan: On Hold**

➤ **CHI – CBO Proposal**

1. The proposal was submitted.
2. No report from Burris

➤ **ESPN Segment**

1. **50 states = 50 games**
2. **Baseball tournament – July**

➤ **Irrigation Days**

- Brummund presented a request for additional electrical boxes in the downtown area for use at community events.
- NOTE: should secure the rights to Main Street Square
- Waiting on the results from the City Council as they have been asked for funding for this project.
- **MM/S/C: to donate \$700 from the Charitable Trust fund for electrical work in the designated areas of downtown Oakes.**

➤ **Treasurer's Report**

- **MM/S/C: to accept the treasurer's report as presented.**
- Profit and Loss – Balance Sheet – Transaction detail reports were covered.
- Treasurer, Toni Ptacek, reviewed the first quarter gaming for 2005.
 - Net income for use in the trust account \$25,243
 - Expenses for gaming are very high.
 - Gaming is showing a loss of \$34,384 – of which \$25,256 is loss at the Beaver.
 - Ptacek will draft a document scenario eliminating Blackjack.
- **Bills:** Starion Insurance
 - New billing for the year \$1303.
 - Clarification on the recent payment of \$401—the billing was delayed for 10 months on the wind tower.
- Funds out to
 - B & K (2001 & 2002) (pymt 01-05 \$300) **02-28-05 received \$150.00 (\$2013.96)**
 - Rudy's (January 5, 2004) (\$15,000) Making regular pymts of \$500 per month **(\$9,000)**
 - Angry Beaver (September 2003)—outstanding balance: \$2,000—pymt of \$1000 made **\$1,000---**
Should we not pay the gaming rent—wait until fall.
 - Oakes Feed (April 2006) \$15,600 **(\$15,600)**
 - Oakes Bowling Lanes (June 2014) \$7000 **(\$7,000)**
 - Body by JoJo (December 2009) \$10,000 **(\$9813)**
 - Novak Electric (April 2005) **(\$5000)**

Projects:

- A-1 property----Roney vs. Voightman – No action \$5000 is the price.

- 911 Call Center
 - Visit with Jerry Kelsch – the County is not really addressing this issue.
 - JLG
 - Rail Lines
 - Meeting with Don Frye
 - Need to have JLG make the commitment before beginning the funding applications.
 - Funds will dry up if things do not move soon.
 - As to the equipment installation – Don Frye could not commit Otter Tail to any funding - but asked OEI to submit the paperwork.
 - Hospital:
 - See above proposal.
 - Wind Energy: Kraemer speaking at the Chamber meeting.
 - Kraemer monitors this project.
 - Fence needs to be installed.
 - Detention facility----adult – youth: available funding
- Housekeeping/Add Ons/Updates/Additional Information
- Employee Review
 - Ptacek brought the 4 employee reviews that she received.
 - They have been tabulated.
 - What direction do you want to take with the garnered information?
 - **MM/S/C: to have Ptacek tabulate the evaluations and email all board members and employees.**

MM/S/C: To pay the Development directors expenses as presented.

New management at both lodging businesses.

There being no further business the meeting adjourned at 5:45 PM

Respectfully reported,

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.

Oakes Enhancement. Inc

Date: Tuesday, June 7, 2005

Time 4:00 PM

Place: Otter Tail Community Room

Directors Present: Kraemer, Hoelscher, Brummund, Bohannon, Forward, Schnell, Sitzler,
Skjefte arrived at 4:45 PM

Directors Absent: Ptacek, Dawson, Zimmer

Guests: McPhails

Proxy Transfers:

- Call to order: President Gary Schnell called the June 7, 2005 meeting of the Oakes Enhancement Board of Directors to order at 4:00 PM. The meeting was held at Otter Tail Power.
- **MM/S/C: to accept the Secretaries reports as printed.**

Current Business Items

- Essential Function Bond Financing
 - Looking at land
 - Land owned by Jeff Forward was a possible site for the housing.
 - Could OEI be used as the housing authority?
 - We need to move this forward.
 - Residential is the plan for the above-mentioned land.
 - Thought---could DSLRA---do the developing with OEI contributing to the infrastructure.
 - Point to note: Essential Function Bonds can be used for building and land not infrastructure.
 - Could we piggyback on with the development of the hospital and move the project forward. ---water and sewer will be close by
 - Rehabilitating older structures is also fundable with this program.
 - **We must be pro-active – it will have to come from this group.**
 - What is the first step – Presentation to the council?
 - Assign a housing authority.
 - Plans can be made but nothing can be done before August 1st.
 - Need to be ready to tie into the hospital project!!!!
 - Need people to investigate how this project can be done – once approved.
 - Build housing so people will live in Oakes – You need housing of all kinds to meet the needs of people – all ages, and family situations.
 - USDA is releasing dollars ---could these be used.
- Bill Ott Recognition
 - Bill is in town for the month.
 - **MM/S/C to allow Kathy Sitzler to arrange a gathering for Bill Ott.**
Suggestion: Potluck picnic in the Park---inclement weather situation – ambulance garage –
 - **MM/S/C: to have OEI supply the brats and burgers, beverage, paper products and a plaque to present with a budget not to exceed \$250.** Could

we team up with an organization to share costs: possible contacts: The Oakes Area Chamber of Commerce – the Oakes Lions –

- Date selected June 21 with a backup of June 28th. – Park or ambulance garage.

- CBO for CHI----any news

- Meeting today with engineering firms
- Breaking ground this fall for the hospital may not happen.
- Announcing the additional \$1million is the reason for the wait.
- Also working with a new engineering firm – delay start of building.
- No word on the CBO

- Letter and advertising for Cal Ripken Tournament

- ESPN was recently in Oakes – Schnell and Ness took them through the community to find a location to locate their staging. Westside Complex is the site chosen with the armory as the inclement location.
- Purchase advertising in the program
- The City of Oakes committed to \$250 for a welcome page.
- **MM/S/C (one dissenting vote): for OEI to sponsor a full-page ad @ \$250 – full color.**

- Marketplace

- Oakes has been asked to be a location for program presentation.
- June 14th beginning at 9 AM
- Otter Tail Community Room
- There will be visiting dignitaries.
- We will need a head count – 20 - 25.
- Brainstorming session for the next Marketplace for Entrepreneurs.
- Need to push for content.
- Head count – Sitzler, Brummund, Forward? Skjefte

➤ Treasurer's Report

- **MM/S/C: to accept as printed.**

- **MM/S/C: to accept the director's expenses as presented.**

- Funds out to

- B & K (2001 & 2002) (pymt 01-05 \$300) **02-28-05 received \$150.00 (\$2313.96)**
- Rudy's (January 5, 2004) (\$15,000) **\$9000**
- Angry Beaver (September 2003)—outstanding balance: \$2,000—pymt of \$1000 made **\$1,000.**
- Oakes Feed (April 2006) \$15,600 (**\$15,600**)
- Oakes Bowling Lanes (June 2014) \$7000 (**\$7,000**)
- Body by JoJo (December 2009) \$10,000 (**\$9780**)
- Novak Electric (April 2005) **\$5000**

Kraemer will visit with the Angry Beaver concerning the remaining \$1000. Also need to visit with B & K.

➤ Projects:

- 911 Call Center (on hold)

- JLG

- Looking at a different Rail Line

- Hauled frames to Minneapolis and loaded frames there.
- Corporate hold up
- Hospital:
 - See Above CHI-CBO
- Wind Energy:
 - A fence was erected around the wind tower – 54” high.
 - High security and low maintenance.
 - Total cost approximately \$1500 – the materials can resell once the project (testing) is completed. –
 - Sargent County is interested in this project and partnering with OEI – this will help defray costs of the towers.
 - We should be getting some additional funds to help with the project costs.
 - The final cost of the project could be \$5000.

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- Detention facility----adult – youth: available funding
- RFP:
 - Looking at buildings already constructed before
- There are businesses interested in applying for funds.
 - not ready to present.
 - Kraemer is working with them on business proposals and financial statements---- business plans.

➤ Gaming

- Texas Hold'em was discussed.
- Hold off until fall and could perhaps do two tournaments before the end of the year.
- The Oakes Golf Club would like to use OEI to sponsor Texas Hold'em at the golf course with Oakes Golf Club taking all the profits.
- Should OEI be involved with gaming at all especially if it is a losing situation?
- Does gaming take too much time from OEI and the vision for the group. Do we need to start focusing on pursuing new/expanded businesses?
- Keeping gaming to donate to a revolving loan pool for the region which could be used for economic development in the area.
- Playing for the pool – These signs should be taken down – profit is not in the picture at the moment.

➤ Housekeeping/Add Ons/Updates/Additional Information

- Employee Review

➤ Kustom Machine

- This plant is taking off.
- More business coming in from local plants and outside contracts as well.
- Plant to expand using the site directly across the street from the current location.

➤ Video

- \$1000 per day
- For the value of the dollar: you are outdated the minute the CD is burned.
- Would it be better to get someone with cameras to have a panoramic view that would load directly to the web site?
- This avenue could be more cost effective and current.
- Brummund will email tomorrow about this new avenue.
- Medical, Main Street, Educational, Agricultural, Industrial are areas to keep current on the site.
- Do we have them come down and shoot this weekend or put this on hold?
- Brummund will make the necessary calls – and would like to host them this weekend -- Irrigation Days.
- The flexibility of putting it directly to the web page was the most pleasing to those present.
- Talk to ESPN to get some snippets from their stay in Oakes.

There being no further business the meeting adjourned at 6:00 PM.

Respectfully reported,

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.

Oakes Enhancement. Inc

Date: Wednesday, July 20, 2005

Time Noon

Place: Otter Tail Community Room

Directors Present: Hoelscher, Bohannon, Schnell, Sitzler, Dawson

Directors Absent: Ptacek, Zimmer, Kraemer, Brummund, Forward, Skjette

Guests:

Proxy Transfers: Brummund to Hoelscher----Zimmer to Bohannon

- Call to order: President Gary Schnell called the July 20, 2005 meeting of the Oakes Enhancement Board of Directors to order at Noon. The meeting was held at Otter Tail Power.
- **MM/S/C: to accept the Secretaries reports as printed.**
 - Correspondence
 - Thank you from Whitney Andrus (scholarship)---Oakes Area C of C (Electricity)
 - Thank you read from Bill Ott.
 - Dickey County Fair request for funds for a permanent picnic shelter – **MM/S/C (dissenting vote) to donate \$500 from the Charitable Trust Account to the permanent Picnic Shelter being built on the fair grounds.**
 - Plat directory: Schnell and Bohannon have directories OEI can use.
- BUSINESS
 - Essential Function Bond Financing
 - addressing the City Council—Special City Council meeting planned for Monday, July 25th -- 7 PM
 - Sitzler is inviting all the key people to the meeting.
 - Sitzler and Kraemer could be at the DSLRA meeting that evening.
 - Mayor appoints the housing authority – OEI should be well represented at the meeting and accept housing authority positions-- the housing authority consists of 5 members.
 - Bill Ott Recognition Recap
 - Otts were very appreciative of the recognition.
 - Kathy Sitzler did a good job with the food.
 - Event was very well attended.
 - CORRECTIONS FACILITY
 - LaMoure is moving ahead of this.
 - Rugby is getting a facility.
 - Barnes County is looking at putting up a new corrections facility to service this area – this would also take private pay and out of state.
 - Dire need for a juvenile facility – many hoops to jump through for this - Bohannon will try to get additional information.
 - Need community support for any type of facility.
- Treasurer's Report
 - **MM/S/C to approve the treasurer's report as printed.**
 - Chamber Membership-----\$30—**MM/S/C to approve payment.**
 - Bank Shot--- \$2535.20—
 - Need clarification on some points of the bill.

- **MM/S/C to pay the bill save for the \$320 that needs clarification.** Plus does OEI need to pay sales tax.
- Director's Wages & Expenses: Not available
- Funds out to
 - B & K (2001 & 2002) (pymt 01-05 \$300) **06-05 received \$300.00 (\$2127.86)**
 - Rudy's (January 5, 2004) (\$15,000) **\$8500**
 - Angry Beaver (September 2003)—outstanding balance: \$2,000—pymt of \$1000 made **\$1,000.**
 - Oakes Feed (April 2006) \$15,600 (**\$15,600**)
 - Oakes Bowling Lanes (June 2014) \$7000 (**\$7,000**)
 - Body by JoJo (December 2009) \$10,000 (**\$9730**) (no payment this month---things are slow -- opening in Enderlin)
 - Novak Electric (April 2005) **\$4950** (received \$125 in the mail on July 20, 2005)

➤ Projects

- Jessica Anderson Sundby
 - Business Plan presented to the group.
 - Old Oakes Times Building – Geffre will do the necessary remodeling.
 - Up and running by October
 - Husband will be working with Dockter Drug.
 - Asking for \$10,000 to start up.
 - First Community Credit Union is the lead lender.

MM/S/C: to lend \$10,000 using the same terms as recently used.

Ten Thousand Dollars and no cents (\$10,000.00), with interest at 2% (two percent) for 2(two) years and then up to Bank of North Dakota Market Rate for three additional years. Total loan period of 60 (sixty) months.

- Interest @ 2% (two percent) paid monthly for the first year with no payment on the principle during the first year of the loan.
- During the second year of the loan, monthly payments on the principle in addition to 2% (two percent) interest will be made.
- Beginning in the third-year payments will be made on the remaining principle along with interest computed at the Bank of North Dakota Market Rate

Borrower agrees to be a member of Oakes Enhancement, Inc. and supply financial statements upon request to Oakes Enhancement, Inc. at PO Box 365, Oakes, ND 58474, until the loan has been paid in full.

- JLG
 - Rail Lines
 - Still interested in a rail line but are slow to act.
 - OEI will not act until things are certain as to what they want.
- Hospital:
 - Groundbreaking will not take place in the fall as previously planned.
 -
- Wind Energy:
 - Towers are moving through town.
 - Our tower needs some work.
 -
- Detention facility----adult – youth: discussed earlier.
 - Need for a juvenile facility.
 -
- Video---Bank Shot:
 - Discussed in the treasurer's report.
 -
- New Business:

- Arlie Hansen – Soybean Extractor
 - Moving a plant to Oakes
 - Dawson will pursue – see what is being expected and what the wants are.
 - What size plant is this?
 - Need a proposal.
- Schafer Seed
 - Company wants to produce more product and the current facility cannot handle this.
 - Expanding to Norway Spur
 - Is Schafer Seed experiencing some changes – need for workers – Parent company making changes to medical plans, retirement, etc.

➤ Gaming

- Recent payment to the trust
- Donations to the trust in the past year and a half totaled \$44,000+ and you have invested \$27665 for a gain of \$17,000.
- Tabled until the end of the year- as per the previous decision but keep abreast of the situation.
- We should be in contact with our politicians to work with the regulations on the gaming accounts.

➤ Housekeeping/Add Ons/Updates/Additional Information

- Employee Review
- Increase in State rates – tabled for the next meeting.

➤ There being no further business the meeting adjourned at 1:15 PM.

Respectfully reported,

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.

Oakes Enhancement. Inc

Date: August 2, 2005

Time: 4:00 PM

Place: Otter Tail Power

Directors Present: Schnell, Skjefte, Stizler, Dawson, Forward, Zimmer

Directors Absent: Ptacek, Bohannon, Kraemer, Brummund, Hoelscher

Proxy Transfers: Bohannon to Hoelscher (both unavailable)

➤ Call to order.

President Gary Schnell called the August 2, 2005 meeting of the Oakes Enhancement, Inc. (OEI) Board of Directors to order at 4 PM. The meeting was held at Otter Tail.

➤ Secretary Report and Correspondence

- **MSP: to accept the minutes of the July meetings as printed.**
- From ND Chamber ---They are asking for questions business leaders would like to ask Legislative leaders regarding the state's current and future needs. Secretary will email the correspondence to board members for their input.

➤ BUSINESS

- Correctional Facility
 - Bohannon is looking into a juvenile facility – she has more information to gather.
 - LaMoure is working on a correctional facility and OEI should show our support and encourage them to continue in this process.
- Essential Function Bond Financing
 - Recommendation of Need
 - From the City Council Meeting
 - First reading accepted and one reading is all that is necessary.
 - Mayor thought asking for volunteers for the housing authority will gather people who have a keen interest in this project.
 - Forms should be filled out by the volunteers.
 - OEI should have a strong presence on the authority making sure all the hoops are passed through properly.
 - For the authority to show need would require a statement showing current housing of this type is full and with a waiting list –thus proving need.
 - What can OEI do to move this forward?
 - Find a location (Forward property) starting with the west side on 14th Street and working west.
 - Pre-bought lots
 - Start with infrastructure.
 - \$350,00 for sewer, water, streets – (approximately)---over 40 lots is about \$9000 per lot.
 - Visit with those communities who have units already done and how they went about it.
 - Tom Surry (F & L) and Steve Dahlstrom (Britton)
 - Doug will set up this meeting-late August.
 - From DSLRA
 - Rutland is looking into the bond process.
 - Gwinner has an authority established.
 - Gwinner was giving away lots.
 - Talk to them to see how they could do this (Don Larson)

- Milnor is putting out bids.
 - Lisbon has been looking into the bonding.
 - Britton is moving forward with many different options including Governors houses.
- State of the City
 - State of the City is sad – we need to encourage the 4 members who are trying to move things forward.
 - Cal Ripken – Green Ordinance – look into this.
 - Questions with out-of-town vendors
 - The tournament was a highly successful weekend.

➤ Treasurer's Report

- **MSP To accept the Treasurer's report as printed.**
- **MSP to pay the bill from Action Digital for vinyl signs used during the Cal Ripken Tournament.**
- Funds out to
 - B & K (2001 & 2002) (pymt 01-05 \$300) **06-05 received \$300.00 (\$2127.86)**
 - Rudy's (January 5, 2004) (\$15,000) **\$8500**
 - Angry Beaver (September 2003)—outstanding balance: \$2,000—pymt of \$1000 made **\$1,000.**
 - Oakes Feed (April 2006 – April 2008) \$15,600 **(\$15,600)**
 - Oakes Bowling Lanes (June 2006 – June 2012) \$7000 **(\$7,000)**
 - Body by JoJo (December 2004-December 2009) \$10,000 **(\$9730)**
 - Novak Electric (April 2005-May 2010) **\$4825**

➤ Projects

- Soybean Extractor
 - Arly Hanson – visited with Gary Schnell.
 - Houghton Gap, SD, -----Cold Squeeze
 - Outfit in Colorado – looking for plant location with railroad access.
 - Need to move forward with this project.
 - Small building and not much storage
 - Kraemer will schedule a meeting with the key people.
 - Volga, SD operation – more sophisticated
- Shafer Seed Product Expansion
 - Looking at Norway Spur as the expansion site
 - Will approach OEI for some support – PACE buydown on equipment – etc.....
 - present equipment is out of date.
 - Kraemer should visit with them.
- Jessica Anderson Sundby
 - Schnell / Sundby: Contracts ready to sign and OEI will release funds upon her request.
 - Using the Old Oakes Times building – needs a great deal of work – Geffre plans to remodel.
- JLG: Updates
 - Happy with the rail shipments they have had.
 - Waiting for a solid commitment from JLG before OEI moves forward with requesting state funds and the like.
- Hospital: Updates
 - No News
- Energy: Updates
 - County Commissioners ruling on the amount of land surrounding the towers to protect the landowners.

- This may eliminate any towers in Dickey County.
 - We need clarification on this matter.
 - Skjefte will look into this.
 - Video---Bank Shot:
 - Waiting for clarification on part of the billing
 - New Business: are they ready to present?
 - MacPhails proceeding without assistance from OEI.
 - RFP: Request for Proposal
 - No report
 - Harris Machining:
 - Looking to expand
 - Working with Kustom Machine
 - May approach OEI for funding
 - Looking to put up another building.
 -
- Gaming
- Reports included in agenda.
- Housekeeping/Add Ons/Updates/Additional Information
- Increase in State rates—tabled until Hoelscher.
 - **MSP to adopt the new state rates for reimbursement.**
- With no further business the meeting adjourned at 5:40 PM

Respectfully Reported,

Audrey O'Brien, Secretary –
Oakes Enhancement Inc.

Oakes Enhancement. Inc

Date: August 17, 2005

Time: 4:00 PM

Place: Otter Tail Power

Directors Present: Schnell, Skjefte, Dawson, Bohannon, Hoelscher, Kraemer, Forward

Directors Absent: Brummund, Sitzler, Ptacek, Zimmer

Guests: David Paul

Proxy Transfers: Sitzler to Hoelscher

AGENDA

Call to Order.

- Secretary's report
 - **MSP: to accept the minutes of the August 2, 2005 meeting as printed.**
- Treasurer's report
 - Greater North Dakota C of C dues: \$200 **MSP: to pay.**
 - **MSP: to accept the mid-month report as printed.**
 - Directors Compensation: **MSP to pay**
- Guests:
 - Jay Harris
 - Will not be attending the meeting.
 - A business plan is not yet ready---Not ready to present.
 - Planning to expand
 - Kraemer has suggested a PACE loan.
 - Need to hire more people.
 - It is better to get the loan first and then add employees to stay within the bounds of the loan structure.
 - Eager to move forward with the expansion and adding up to 10 employees.
 - Harris Machine has visited with SCDRC and seeking a lead lender.
 - They are earnestly seeking more business contracts.
 - David Paul
 - Master Electrician but would have to upgrade the license to contractors---lives in Casselton.
 - Currently employed by Moorhead
 - Plans to start an electrician business in Oakes working out of his garage.
 - Business plan calls for \$37,700 -- he has \$2700 of his own.
 - Working with Credit Union but they have not reached a decision -- working with Bismarck for loan security.
 - Truck -- wages -- insurance -- tools -- license
 - Startup costs of \$35,000
 - Billing out hours @ \$48.00 per hour—40 hours per week

- \$25,000 from lead lender and \$10,000 from OEI
- Loan period of 5 years
- Breakeven point 72%
- D. Paul arrived
 - Working with Starion
 - Total amount to borrow close to \$40,000.
 - Asking for a total loan from FCCU and as a backup has asked the credit union in Ellendale as well.
 - Paul has visited with Gary White – White's equipment, inventory, trucks, and the like are not worth a great deal – you would be buying White's experience – the building and the land which is not something that is needed at the present time.
 - It appears he has done his homework.
 - Quality of work and a timely fashion
 - Mostly commercial work and some residential – no work with Irrigation Systems
 - Paul has many resource people to call on if questions should arrive.
 - Not totally familiar with the bidding process
 - Is familiar with accounting but may hire the accounting work out.
 - A lead lender is a must – working with the Bank of North Dakota we are looking at an 80% guarantee.
 - Trying to get a feel for how his house in Casselton will sell and the market in Oakes.

****Arly Hanson**

- Karemer was not able to get in contact with him.
- Goes through a heat process.

****Shafer Seed**

- Working on expansion
- Looking for rail service
- Perhaps the Industrial Park – JLG had not mentioned if they are considering a spur.

****Juvenile Facility**

- Bohannon has been visiting with many different people.
- Results are opposite – some say there is a need other not.
- Looking for a private entity---the state aspect is not in the picture.
- LaMoure will not be moving forward on a correctional facility.
- Valley City is going forward with an 80+ bed facility and the Dickey County Commissioners said they would stand behind their facility.

****Essential Fund Bonding**

- Has a housing Board been established?? Most seem to think not.
- Zimmer, Skjefte, Forward, Hoelscher, Sitzler, Schnell, Kraemer will be going to the meeting in Britton to tour facilities and get a feel for their set up.
- Sitzler and Dawson have volunteered to serve on the Housing Authority.
- Encouraging Paul Renken

- The EPA moved the deadline for the water treatment plant from January 2006 to November 2005

****Sundby**

- She has been in contact with the secretary.
- Sundby's are waiting for results with discussions between Dana Sundby and Dockter Drug

****Wind Tower**

- Concerns about establishing wind farms have been dispelled.

****Bank Shot**

- OEI should view the footage.
- Schnell too it home for the evening

Other Business

GAMING

- Video monitor at the Angry Beaver is not working.
- Schnell and Kraemer have tried to rectify but need to find someone familiar with the set up.
- Last month was a better gaming month.

With no further business the meeting adjourned at 5:30 PM

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.
PO Box 365
Oakes, ND 58474

Oakes Enhancement. Inc

Date: October 5, 2005

Time: 4:00 PM

Place: Starion

Directors Present: Schnell, Skjefte, Dawson, Brummund, Zimmer, Bohannon, Hoelscher, Kraemer

Directors Absent: Sitzler, Ptacek, Forward

Guests: Art Conklin,

Proxy Transfers: Sitzler to Hoelscher,

- Call to order.
 - President Gary Schnell called the October 5, 2005 meeting of the Oakes Enhancement, Inc. Board of Directors to order at 4:00 PM. The meeting was held at Starion Financial with 8 board members in attendance.
- Guest: Art Conklin
 - Proposal for a Community Channel
 - The school is very interested in having this as a project.
 - Conklin has been in consultation with Dickey Rural.
 - Dickey Rural would sell the necessary equipment for \$2000 and Conklin is looking to Oakes Enhancement, Inc. for a commitment to purchase the equipment thereby showing support for the project.
 - The City of Oakes would need to sign authority for this service over to the school.
 - This project will be brought before the school board on Tuesday, October 11, 2005 and if they are in agreement – the school will pursue this project – and do the annual upkeep.
 - **MSP: Oakes Enhancement, Inc. will commit to purchase the necessary equipment from Dickey Rural at a cost of \$2000 pending acceptance of the project by the Oakes School Board.**

Statement by Bohannon:

- The Oakes Times is under new management as of October 17, 2005. Ownership will be in Rolla.
- Aberdeen American News: Sunday, October 9th edition is running a full-page story on the water situation in the city of Oakes.
- Secretary Report
 - **MSP: to accept the minutes of the September 6, 2005 and September 13, 2005 meetings as printed.**
- BUSINESS
 - Correctional Facility
 - LaMoure seems to still be pursuing a facility.
 - Essential Function Bond Financing
 - Appointment of the housing authority
 - Sitzler (5), Zimmer (4), Dawson (1), Haring (2), Schnell (3) () indicate years of service on authority.
 - Pursuing the land on the North side of the new hospital location
- Treasurer's Report
 - Financial Sheets

- **MSP to accept the treasurer's report as printed.**

Funds out to

- B & K (2001 & 2002)) **08-05 received \$500.00 (\$1,651.18)**
- Rudy's (January 5, 2004) (\$15,000) **\$7500**
- Angry Beaver (September 2003)—outstanding balance: **\$1,000**
- Oakes Feed (April 2006 – April 2008) \$15,600 **(\$15,600)**
- Oakes Bowling Lanes (June 2006 – June 2012) \$7000 **(\$7,000)**
- Body by JoJo (December 2004-December 2009) \$10,000 **(\$9,680)**
- Novak Electric (April 2005-May 2010) **\$4700**
- Irrigation City Electric (October 2005 – November 2010) **\$5000**

➤ Projects

- Soybean Extractor
 - No report
- Shafer Seed Product Expansion
 - Kraemer has been in consultation with Harry Tyre.
 - The plant will be closing on a deal soon and working with a lead lender.
 - Shafer Seed has been asked to present to the OEI Board.
 - Expansion to bring more business operations into Oakes adding jobs—looking at acquiring Norway Spur.
 - Will these be primary sector jobs and how many jobs will be created?
 - Schafer will be requesting fund – most likely in the form of a PACE loan – interest buydown – costing OEI approximately \$3000 - \$4000 dollars per year.
 - Want to close the deal by November 1, 2005.
 - Ask for funds from JDA—The group thought JDA funds would be a good fit for this project.
- JLG: Updates
 - New machine added – does OEI want to assist as they did in the past? – \$5000--May of 2005
 - Continue to add jobs – currently at 130-140 jobs.
 - **MSP: to grant \$5000 for the installation of the equipment.**
- Hospital: Updates
 - Infrastructure -- equipment on site
 - Started with the water and sewer on October 3, 2005.
 - Meeting scheduled with hospital/city officials to work out the pricing of the installation of the infrastructure.
 - OEI needs to know how the Hospital Foundation is currently doing with pledges – giving – are there pledges above and beyond the initial figures given to the hospital for their budget.
- Wind Energy: Updates
 - Monthly reports coming to Kraemer.
 - Preliminary reports – too early to tell.
 - Kraemer Continues to pursue setting up a meeting with Sargent County.
 - More plants are being established in the state.
 - Kulm continues with some zoning issues – county rulings supersede townships.
- Community Channel: Hoelscher
 - Please see above with Mr. Conklin

- Video---Bank Shot
 - Brummund reported she is looking through the information videos provided.
- Harris Machine
 - Unavailable for the meeting today
 - Proceed with the building on their own but would like assistance with the purchase of equipment.
- David Paul: Irrigation City Electric
 - Check given: \$5000.
 - Paul is Working with SCDRC
-
- Gaming
 - Reports included in agenda.
 - Equipment maintenance needs to attend to
- Housekeeping/Add Ons/Updates/Additional Information
 - Rural Health Dialogue: October 6, 2005 -- is anyone attending?
- Leadership meeting at Grace Lutheran on October 13, 2005
 - Jodi Bruns with the extension service
 - A brochure was made available.
- North Dakota Humanities Council
 - Hosting "Between the Fences" – a traveling exhibit
 - Irrigation Days 2008
 - information given to the Oakes Area Chamber of Commerce
- Small Business Development Center
 - Requesting \$2000 from OEI to set up a Small Business Center in Oakes
 - It was the feeling of those gathered this expense belongs to the county – Has the county already paid this.

There being no further business the meeting adjourned at 5:30 PM

Respectfully reported.

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.

Oakes Enhancement. Inc

Date: October 14, 2005

Time: Noon

Place: Starion

Directors Present: Skjefte, Brummund, Zimmer, Bohannon, Hoelscher, Forward, Sitzler,

Directors Absent: Ptacek, Kraemer, Dawson, Schnell, Kraemer,

Guests: Eric Hoberg, Jay & Nick Harris, Pat Pennington

Proxy Transfers:

Agenda

Call to order.

Acting President, Doug Sitzler, called the October 14, 2005 meeting of the Oakes Enhancement, Inc. Board of Directors to order welcoming guests and inviting them to make their presentation.

➤ Harris Machine

- Guests: Eric Hoberg, Pat Pennington, Jay Harris, Nick Harris
- 10,000 sq foot addition - Place to expand.
- PACE Buydown
- \$250,000 addition
- 5% interest buydown - \$56,000 --75% State and 25% Local - OEI Portion = \$14,000 over 10 years—
- adding 3 employees right away
- added 7 dayshift jobs this year.
- Could go nights – add employees – if they expand
- One large client at present – could add more with the expansion.
- Marketing – working to obtain additional contacts.
- Current employees – 9
- No financials provided – must rely on SCDRC and Bank of ND
- SCDRC is currently not participating – will come in when equipment is added.
- Would start dirt work right away – if approved
- Extend to the west side of the current structure – connect the buildings.
- Harris Machine is a sound company – well managed – making \$\$ -
- Paying at hourly rate with a variety of skills
- The loan would be to Doug Harris – as he owns the land.
- ****Are we stretching the rules for not seeing the financials.
- **MSP: to move forward with the Harris Expansion project buydown contingent upon approval and participation of the Lead Lender and the Bank of North Dakota**

****Revise the policy to having financials approved by the lead lender – SCDRC and Bank of ND

➤ Oakes Community Hospital

- Meeting 10-13-05—Report by Monty Zimmer

- In the beginning talks of hospital expansion in front of the corporate board of Catholic Health Initiatives the Mayor of Oakes informed them not to worry about the infrastructure – it will be taken care of
- The city will now take care of all costs - the city will have to come up with a plan to pay these costs.
- Low interest loans through USDA
- What can OEI do to help with these costs??
- Total bill \$180,000 – to the hospital the city will now need to cover in addition to other infrastructure costs around the site of the hospital.

➤ Housing Authority

- Agreement with the Forwards to buy a portion of land.
- Need to change the street names before work is done and papers signed.
- Want to begin as soon as possible.
- McLean is drawing up the legal papers.
- Forge ahead before rates change on the bonds.

Dollar Store

- Building to rent
- Geffre's
- Hill's building – moving to his new location after the first of the year.
- Mention both facilities 701-349-2830
- Keep Main Street full

Oakes Water Bill Assistance Foundation

- See sheet.
- Donate \$600 monthly to the Foundation.
 - City to ask for off-set dollars.
 - People could also donate to the Foundation.
- Donate \$100 monthly to Oakes Parks & Recreation
- Using Tax dollars to contribute back to the community – as regards to the gaming
- To be addressed at the next OEI meeting

There being no further business the meeting adjourned at 1:00 PM

Respectfully Reported,

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.

Oakes Enhancement, Inc.

Date: Tuesday, October 25, 2005

Time: 4:30 PM

Place: Otter Tail Power

Directors Present: Kraemer, Sitzler, Hoelscher, Bohannon, Zimmer, Dawson,

Directors Absent: Schnell, Ptacek, Skjefte, Forward, Brummund

Guests: Brenda Tyre, Arlin Hansen, Roger Rozell

A special meeting of Oakes Enhancement, Inc. took place on Tuesday, October 25, 2005, 4:30 PM at the Otter Tail Community Room. Two projects were to be discussed: Shafer Seed Expansion utilizing the Norway Spur facility and a soy-bean extractor plant. Vice President Terry Dawson called the meeting to order.

Brenda Tyre represented Shafer Seed and made the following points in her proposal.

- Changes are happening throughout the company as the parent company was bought by an investment group.
 - 20 – 25 people consistently employed by Shafer Seed.
 - New warehouse and packaging plant
 - Transportation is a problem in all industries – need facility with rail access.
 - 10,000 square foot building would be added.
 - New capital equipment will be provided by Wagner's LLC.
 - Looking to add – salesperson- not be locally based – one warehouse person– one clerical person..... etc.
 - Tyre went through the handouts and called for questions.
 - The existing plant will continue to operate – with long range plan to move the entire operation to the Spur site.
 - Partnering with the JDA
 - OEI Portion of the write down would be 30% Approximately \$60,000 over a 10-year period –
 - all paid up front would be \$52,000 (Approximately
 - Starion Financial will perhaps be the lead lender and bring in the Bank of North Dakota.
 - **MSP: to participate fully in this project, once the lead lender's approval is in place, and ask for assistance from JDA.**
-
- We must keep in mind the sunset clause on the sales tax issue. If there is assistance from JDA – plan to pay it all upfront.

Arlin Hansen – Roger Rozell– Soybean Extraction

- Natural Press – only two plants in the United States – SD and Illinois
- Do not confuse with Bio-diesel—any animal fat or vegetable oil made into another usable product.

- Agra bio diesel – virgin grains made into another usable product: Dakota AG Additive
- Bio diesel is meant for warmer temperatures.
- Agri bio diesel – can be used in cooler temperatures -- if added to #2 it should increase the usability.
- The process used by Hansen uses no chemicals.
- Proposal---Have plants where there is a demand – so people can come to you – and not travel long distances-----down the road rail transportation would be looked at.
- Looking at a plant for 1.5 million bushels of beans per year with the 1.5 million gallons produced – with minimal \$\$\$ can expand the plant.
- 120X 60 building would do 3 million bushels – 3 million gallons.
- Hours of operation: Start Monday and shut down on Friday evening. -- 24 hours for five days straight ===== can you lock in the electrical rates?
- What can OEI do to get a plant started in Oakes----- plant, \$\$\$, land, building, ideally close to rail service?
- Equipment would be the big-ticket item – building would be minimal.
- These plants take a great deal of electricity – so they need to be able to negotiate with the electrical companies.
- 5 acres – 120 X 60 building - Industrial Park is a thought – close to rail would be beneficial.
- Need to see a business plan – cost of production – cost of equipment – building, sales, amortization.
- OEI needs a level of confidence to proceed.
- Dakota Ag Additive: Business plan is approximately 80% done.
- The colonies are a big user of this process.
- Form an LLC – there are many requirements to get this status.
- Time frame – move quickly.
- Develop to 15 employees – three shifts – which would be 9 people – plus clerical and management.
- There is enough business in the area to support three shifts.
- Main labor - \$10 - \$13
- No pollutants – no water use – everything is bio-degradable.
- Need a large generator – work with the power companies to maintain even flow use for the power companies – which may mean a shutdown of the plant at certain times – for a few hours at a time.

Meeting adjourned at 6:30 PM-----

Respectfully Reported ---- Audrey O'Brien, Secretary, Oakes Enhancement, Inc.

Oakes Enhancement. Inc

Date: November 1, 2005

Time: 4:00 PM

Place: Otter Tail Power

Directors Present: Schnell, Skjefte, Stizler, Dawson, Zimmer, Hoelscher, Kraemer, Bohannon arrived at 5:15

Directors Absent: Brummund, Forward, Ptacek

Guests:

Proxy Transfers: Brummund to Hoelscher

Call to Order.

President Gary Schnell called the November 1, 2005 meeting of Oakes Enhancement, Inc. Board of Directors to order at 4:00 PM. The meeting was held in the Otter Tail Community Room with 8(eight) members present.

Secretary's Report

MSP: to accept the secretary's reports as printed. Meeting dates: October 5, 14, 25, 2005

Treasurer's Report

Statements have not been received.

Funds out to

- B & K (2001 & 2002)) **10-05--\$250 (1,424.70))**
- Rudy's (January 5, 2004) (\$15,000) **\$7500**
- Angry Beaver (September 2003)—10-05 \$1000: **\$0 - Interest?**
- Oakes Feed (April 2006 – April 2008) \$15,600 **(\$15,600)**
- Oakes Bowling Lanes (June 2006 – June 2012) \$7000 **(\$7,000)**
- Body by JoJo (December 2004-December 2009) \$10,000 **(\$9,580)**
- Novak Electric (April 2005-May 2010) **\$4600**
- Irrigation City Electric: (November 2005 – October 2010) **\$5000**

Projects

Shafer Seed

- NOTE: MSP: to participate fully in this project, once the lead lender's approval is in place, and ask for assistance from JDA. Motion from meeting in October. —Letter sent to Tyre with this action taken. Needed for the headquarters.
- Schnell will be talking to the Dickey County JDA -- Kraemer will also attend this meeting. Meeting being arranged by Schnell & Tyre.
- If JDA comes on board – pay the buy-down all up front.

Harris Machine

- Should JDA be contacted about this project as well?
- The consensus was to contact JDA.
- Cost to OEI – approximately \$14,000

Soybean

- Arly Hanson: Do they have a lead lender?
- Hanson/ Dawson Communication – Dawson requested the necessary paperwork be turned over to Kraemer.

- Hanson plan: Arly Hanson will put in \$2 million (is this equipment?) and OEI find the remaining \$3 million---He (Hanson) should be able to find financing if the cash flow figures are there to support the debt.
- Will the LLC work?
- Farmland is willing to assist with this project as they use the product.
- Part of the Hanson business plan includes government dollars that will end in 2008.
- Shelf life is an issue with this product – are there solutions.
- More information is needed.
- Kraemer will call Roger Rozell and visit with him.
- Need a marketing strategy.
- Tabled until more information is available through Kraemer.

JLG

- Is the check to be issued for the \$5000? Release funds upon request
- If a spur was put in – are there 5 acres in the park for the Soybean Plant?

Wind Energy

- Rent due to the Howard Best's --- for use of the land --- \$100.
- Kraemer will get together with the Sargent County Commissioners and JDA and Florida Power and Light. Scheduling has been a problem.
- Tour the Edgeley plant

Video

- No report

Updates

- Housing Authority
 - Purchase agreement ready with F & L and Forwards
 - Bids are let.
 - Units are at an angle with the street.
 - Plan to start as soon as possible – heaters are in the budget so work can be done throughout the winter.
 - Starting with Two 4plex units -- two-bedroom, single attached garage
 - Will be publicized once all the necessary paperwork is in place.
 - 4.5 acres were purchased.
- Corrections Facility
 - No report
 -
- Community Channel
 - Under the jurisdiction of the school
 - Equipment is being ordered.
- Hospital
 - Help is needed with the infrastructure structure costs and the miss communication when CHI was in the planning stages of development.
 - Hospital will not spend any money on infrastructure as they were told it was going to be taken care of
 - City responsible for entire bill

- **MSP: to donate \$50,000 of taxpayer dollars to assist with the infrastructure project---funds from the Cash Management Account**
 - **Zimmer abstained from voting.**
- Oakes Water Bill Assistance Foundation
 - Set up a foundation to assist with offsetting the costs of the water treatment to families where the billing would be a hardship.
 - Thought: Donate \$500 per month from the Charitable Trust account as long as OEI is supported by sales tax dollars and involved with gaming
 - How is this to be administered -- city set criteria - USDA has set poverty levels –
 - Make the offer and if the city does not want to become involved – OEI at least made the offer.
 - **MSP: In order to help citizens in need of assistance in paying water bill costs involved with the construction of the Oakes Water Treatment Plant, OEI is willing to support setting up the Oakes Water Bill Assistance Foundation, donating up to \$500 per month from the Charitable Trust Fund as long as OEI:**
 - **continues to be supported by sales tax dollars,**
 - **involved with gaming and**
 - **the city is willing to administer the program for the Foundation.**
 - **Zimmer abstained from voting.**
 - The foundation would be set up by OEI under the direction of Kraemer –the bylaws it would state how board members are to be selected.
- North Dakota Humanities
 - Between the Fences
 - No report
- Leadership Meeting at Grace Lutheran
 - Attended by Sitzler, Brummund, O'Brien
- David Paul Electric
 - selling home in Kindred and purchasing in Oakes
- Gaming
 - **MSP (one dissenting vote): To donate \$100 per month in support of the swimming pool from the Charitable Trust Account as long as OEI continues to be supported by sales tax dollars and involved with gaming.**
 - This comes from the fact that Blackjack proceeds were to be donated to the pool.
 - The September gaming reports were reviewed.
 - Bohannon will talk to the legislators about the 51% allowed for expenses - Gulleeson, Heitkamp, Brandenburg

Other

With no further business the meeting adjourned at 5:40 PM

Respectfully Reported,

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.

Oakes Enhancement. Inc

Date: December 6, 2005

Time: 4:00 PM

Place: Otter Tail Power

Directors Present: Hoelscher, Kraemer, Forward, Sitzler, Skjefte,

Directors Absent: Schnell, Dawson, Brummund, Ptacek, Zimmer, Bohannon,

Guests:

Proxy Transfers: Zimmer, Bohannon & Brummund to Hoelscher
Dawson to Forward.

Call to Order.

Immediate Past President, Doug Sitzler called the December 6, 2005 meeting of the Oakes Enhancement Board of Directors to order at 4 PM. The meeting was held at Otter Tail power with 5 directors present.

Business items:

- ****Industrial Park Land:** conversation with Dennis Roney
 - Dennis is thinking that OEI should purchase the land he has been farming.
 - Kraemer will speak to him about a fair price.
- ****Member:** Marilyn Lauber
 - She should be encouraged to join OEI.
- ****Participation in the Community Labor Study – Cost involved**
 - This is a useful tool, but does it need to be done every year?
 - Is 2003 data still reasonably accurate?
 - **MSP: to participate in the 2006 survey with 2005 data compiled and request assistance funding from DSLRA and JDA.**
 - Participation in this survey will more accurately track the impact of the new hospital – provides a valuable tool in marketing the community to prospective businesses.
- ****Membership in Central Dakota Tourism**
 - **MSP to pay the dues at \$125 from the expense account.**
- ****Park Board support for land purchase**
 - Land was purchased and the price remained at \$20,000.
 - The Park Board would still like some funds from OEI to assist with this purchase in order to ease their burden.
 - **MSP: (Via email for two votes—Bohannon & Sitzler) to donate \$5000 from the Charitable Trust Account to assist the Park Board in this land purchase.**
- ****Gaming Audit Report by PFS**
 - Ptacek Financial randomly audited a game and found only minor recording errors.
 - All tax forms were accurately filled out.
- ****Hosting REAP Annual Meeting**
 - We do not have the necessary lodging and meeting rooms available to host this meeting.
- ****Scholarship Check payment to NDSU**
 - Check signed and will be mailed to NDSU—Paige Brummund Scholarship

Secretary's Report

MSP: to accept the minutes of the November 1, 2005 meeting as printed.

Treasurer's Report

MSP: To accept the treasurer's report as printed.

Funds out to

- B & K (2001 & 2002)) **10-05--\$250 (1,424.70))**
- Rudy's (January 5, 2004) (\$15,000) **\$7000**
- *****Angry Beaver paid in full plus \$505 in interest*****
- Oakes Feed (April 2006 – April 2008) \$15,600 **(\$15,600)**
- Oakes Bowling Lanes (June 2006 – June 2012) \$7000 **(\$7,000)**
- Body by JoJo (December 2004-December 2009) \$10,000 **(\$9,580)**
- Novak Electric (April 2005-May 2010) **\$4600**
- Irrigation City Electric (Nov. 2005 – Oct. 2010) **\$4900**

Projects

- Shafer Seed
 - JDA has agreed to assist with the interest buy-down up to \$25,000.
 - Harry Tyre of Shafer seed was on hand to make the presentation to JDA.
- Harris Machine
 - JDA would like to visit with Harris Machine directly
 - How is the land to be held and taxed?
 - Representatives from Harris Machine were unavailable to attend the JDA meeting.
- Soybean
 - Kraemer has been visiting with power sources concerning rates and steady supply – continuous load.
 - Otter Tail Power and Dakota Valley
 - Updated business plan is needed.
 - Set up an LLC with 25 investors.
 - Looking to apply in the second quarter.
 - Grant opportunities have been pointed out to them.
- JLG
 - The new equipment is in with the \$5000 OEI grant to assist with the installation has been requested by Gross.
 - Need to keep visiting with JLG about the railroad spur.
- Wind Energy
 - Karemer will make a presentation to the Lions Club in January
 - We have been accumulating data for a year.
 - Synopsis of that data will be requested from UND.
- Video
 - No report
- Irrigation City Electric
 - Business is starting to come in and Mr. Paul has hired an assistant.

Updates

- Housing Authority
 - Advertising will soon begin, and interest calls have started.
 - Begin building with 2 --- 4 plexes.
 - Fence is moved but ground is frozen, so work is at a standstill.
- Corrections Facility
 - No report
- Community Channel

- Funds for the equipment have not been requested.
- Hospital
 - New contractors seem to be working out well.
- Oakes Water Bill Assistance Foundation
 - Was not reported to the city as the mayor vetoed the water plant proposal.
 - City Council will be meeting following OEI – December 6, 2005
- North Dakota Humanities
 - Between the Fences
 - No report
- Gaming
 - Order the tickets.
 - Blackjack is the gaming in question.
 - Cost \$1000 to earn \$1000 but the spending of the funds is limited.
 - At the next meeting, a report from Ptacek – analyzing the gaming profitability –
 - Need to see the reports from November and December.

Other

- Seminar in Jamestown on procurement - Kraemer is unable to attend – Date is December 7th.
- Parties interested in the A-1 Land –
 - need zoning changes ---
 - Price: \$6000 and all legal costs

With no further business the meeting adjourned at 5:45 PM

Respectfully Reported,

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.

Oakes Enhancement. Inc

Date: December 27, 2005

Time: Noon

Place: Starion

Directors: Schnell, Skjefte, Stizler, Dawson, Forward, Brummund, Ptacek, Zimmer, Bohannon, Hoelscher, Kraemer,

Guests:

Proxy Transfers:

Items of business

- Gaming
- Annual meeting: Location, AV equipment, Guest speakers, \$\$ Presentations
- Business Challenge
- \$5000 donation to the Park Board – do you want that done before the end of the year? or at the annual meeting?
- Updates:
 - Shafer Seed
 - Wind Energy
 - Harris Machine
- Other

Oakes Enhancement. Inc

Date: December 27, 2005

Time: Noon

Place: Starion

Directors Present: Schnell, Skjefte, Stizler, Dawson, Forward, Brummund, Ptacek, Bohannon, Hoelscher, Kraemer,

Directors Absent: Zimmer

Guests:

Proxy Transfers:

Correspondence covered by Kraemer.

Labor Survey

Department of Commerce

Bank of North Dakota

- Gaming: Report from Ptacek—Future of Gaming
 - Handouts – Before and After Blackjack (BJ)
 - Pull tabs at Rudy's yields profits for gaming.
 - BJ at Beaver does better than their pull tabs
 - Bohannon has been in communication with the legislators to lower the percent of donation to the trust fund – base things on population and fairness factor – big gaming vs small community gaming this will be a bill put to the new legislative session -- Setting a different percent of contribution – 51% vs 41% - Ptacek will try to figure a break-even situation using annual figures.
 - How do the businesses owners feel about having BJ – they feel if one has BJ then both should have it
 - OEI needs to make the public aware of the good that OEI gaming does for the community – publish in the media- Ptacek will gather the necessary information.
 - Sales tax comes up for vote in 2007 –
 - There does not seem to be any rhyme or reason to the gaming profit/loss – predictions cannot be pinpointed.
 - Benefits of gaming: employment, entertainment,
 - At the end of the year – publish where the gaming funds have been used – emphasize where the gaming funds were used and how they enhance the community.
 - **MSP: To operate gaming for another year under the current methods/games with periodic reviews and a special meeting annually to review of the status of gaming.**
 -
 - **Standing Motion: MSP: to transfer the necessary funds to assist with the gaming program – the motion is good for one year (12/05 – 12/06)**
 - Oakes Water Bill Assistance Program
 - Kraemer to begin work on obtaining a 501-C-3 for this program.
- Annual meeting:
 - Location: Ambulance Garage
 - Date: Friday, February 10th - 5:30 – 7:30 PM

- Lunch: Sweets 'N Stories---- cater subs, soup,
- AV equipment available at the ambulance garage
- Present footage from ESPN put together by Weispfenning.
- Guest speakers: Jerome Swanson--DSLRA
- \$\$ Presentations: Park Board – Hospital
- Election: Schnell & Dawson up for re-election
 - Hoelscher is the nominating committee.
 - Ptacek & Brummund
- Business Challenge
 - Seeking funding
 - No Action
- Seeking new memberships
 - Sending letter
 - Personal visits
 - Media
 - Annual meeting advertising
- \$5000 donation to the Park Board –
 - Wait for the new year.
- Updates:
 - Shafer Seed
 - Papers have been signed.
 - Buydown complete for the first phase.
 - Wind Energy
 - Ice Storm damaged the tower.
 - Kraemer has dealt with most of the damage.
 - November 28th – December 9th (no data collected as it was all frozen)
 - The tower will have to be laid down and repaired.
 - The insurance adjuster has been contacted.
 - Lost the 60-meter reading – but continue at 45-meter readings.
 - Energy Summit attended by Kraemer.
 - He is in contact with Florida power and light.
 - Harris Machine
 - No report
 - Irrigation City Electric
 - two weeks behind
 - has hired someone.
 - Soybean
 - No other news
 - finalizing how they want to set up the cooperation up, bank letter of credit, (needed additional information to make the November deadline)
 - Kraemer has been in contact with Otter Tail and Dakota Valley
 -
- Directors wages
 - **MSP: to pay the Directors wages & expenses for August through December of 2005**
- Dollar Store
 - Kraemer made contact via email stating the funding possibilities, what is needed as for a business plan and the like.
 - Kraemer offered his assistance and has not heard back.
- KeyStone Pipeline: Brummund

Other

- Looking for sites

- Oakes is a sight for Beyond the Fences in 2007
- ESPN: Owing the Fullerton Carroll House – donate \$500.
- **MSP: to donate \$500 to the Carroll House from the Charitable Trust Account**
-
- Fran to present on Tourism at Marketplace.
- Ball Tournament in the summer – and advancing tournament 11-year olds.
- Starion was thanked for providing lunch.

There being no further business the meeting adjourned at 1:35 PM

Respectfully Reported

Audrey O'Brien, Secretary
Oakes Enhancement, Inc.

