

MINUTES OF
BOARD OF HARVEY COUNTY COMMISSIONERS
JOINT CITY/COUNTY MEETING

August 14, 2007

The Board of Harvey County Commissioners and the Newton City Commission met in special session on August 14, 2007 with all three Commissioners present. City Commissioners present were Jim Nickel, Raquel Thiessen, Kim Harris, and Mayor Willis Heck. Mayor Heck and Chairman Westfall called the joint meeting to order at 5:49 p.m.

In addition to the County Commission and the Newton City Commission, the meeting was attended by representatives from the Newton Chamber of Commerce, the Airport Commission, and the Harvey County EDC.

Mickey Fornaro-Dean, Executive Director of the Harvey County Economic Development Council, announced that Park Electrochemical Corporation of Melville, New York has made a decision to locate at the Newton City/County Airport. PEC is a publicly held company that specializes in the high-tech manufacture of advanced composite materials. Ground breaking is scheduled for November 15, 2007 on a 50,000 sq ft building. The building is expected to be occupied on February 28, 2009. The Newton City/County Airport was chosen from a state-wide search in which seven cities were visited by the company. The building will have a value of approximately \$3,000,000 and will house very specialized equipment with a value of \$7,500,000. This will create fifteen jobs in the first six months expanding to 60 by the second year. Although the pay scale for the jobs has not been finalized, the estimate is \$12.00 to \$16.00 per hours.

T.W. Anderson, Airport Director, explained that Park will lease an 8 acre site on the southern end of the airport. There are drawings to double the expansion later.

Bob Myers, Newton City Attorney, presented the development agreement which includes the following provisions:

1. Provide an 8 acre tract with a potential lease option of 50 years on the southern end of the Airport.
2. The Airport will waive all rent on ground for 10 years with future 10 year adjustments.
3. The City will waive all existing assessments on the property for sewer utilities.
4. The City and the County will provide fill dirt for elevations as necessary.
5. The City and County will waive applicable building permit fees and wastewater hook-up fees.
6. Utilities will be provided including high speed internet.
7. The City and County will install an appropriately sized taxi-lane to the facility.
8. Park will receive a discount rate on aviation fuel and landing fees.
9. The City will make a forgivable economic development loan in an amount equal to 15% of the costs of constructing the facility, not to exceed \$500,000.

10. The City will make an economic development grant of \$110,000 to relocate equipment to the facility and to train employees.
11. The County would grant 100% tax abatement for 10 years.

Mr. Myers presented the promissory note, mortgage, and site agreement. Greg Nye, Harvey County Counselor, stated that he had reviewed the agreement and recommended it for approval. City Commissioner Jim Nickel made a motion to accept the agreement as presented. City Commissioner Raquel Thiessen seconded the motion and it was passed unanimously. County Commissioner Ron Krehbiel made a motion to accept the agreement as presented. County Commissioner Marge Roberson seconded the motion and it was passed unanimously.

Mr. Myers presented a Consent for Annexation for the Airport property since the property is currently located in the County. The consent states that after 5 years from September 1, 2007 the City may annex the entire Airport property. County Commissioner Roberson moved to approve and authorize the full Commission to sign the Consent for Annexation. Commissioner Krehbiel seconded the motion and it was passed unanimously.

Mayor Heck and Chairman Westfall thanked Mickey Fornaro-Dean and the EDC for their efforts to bring PEC to this area. Mayor Heck also thanked the City staff for the time and hours spent in this endeavor.

At 6:20 p.m. County Commissioner Roberson moved to adjourn the meeting after the documents are signed. County Commissioner Krehbiel seconded the motion and it was passed unanimously.

BOARD OF HARVEY COUNTY COMMISSIONERS

Chairman

ATTEST:

Member

County Clerk

Member