

Government Affairs
Grand Rapids Area Chamber of Commerce
March 4, 2011

Chamber Members Present: Mike Ives, Derek Stanley, Mary Ives, Shawn Gillen, Steve Frohrip, Lilah Crowe, Jeff Borling, Jake Goering, Allison Rajala Ahcan, Terry Snyder, Dale Adams, Gary McInerney, Tammy Jensen, Irene Koski, Bill Eckblad, Steve Welliver

Roger Hoyum via phone

Advisory Members Present:

Chamber Staff President: Bud Stone, Renee Thompson

Jake called the meeting to order and asked for a motion to approve the February 18, 2011 meeting minutes.

MINNESOTA CHAMBER CONFERENCE CALL

The committee participated in a legislative conference call with the Minnesota Chamber.

Updates were heard on environmental permitting, education, healthcare, transportation, nuclear moratorium, budget and tax, and the prevailing wage.

The Governor signed the Environmental Permitting bill. The Alternative Teacher Licensing Bill is expected to be signed by the Governor on Monday.

The Budget and Tax forecast was released the beginning of the week.

ACTION: The next MN Chamber conference call will be on Friday, March 18, 2011.

APPROVAL OF MINUTES

Shawn made a motion to approve the January 28, 2011 Government Affairs Committee minutes. Mary seconded the motion. Motion passed.

ACTION: No further action necessary.

PUC UTILITY DEPOSITS

Bud was alerted to the fact that the Public Utilities Commission requires a two month utility deposit for all new business customers. This could be a major concern as IEDC works to develop the ECO Park.

Bud asked Steve Welliver, who is Chair of the PUC Board, to come and talk about this issue with the committee.

Steve explained that there are three options new business accounts can utilize.

1. Pay the two months of estimated utility usage upfront. PUC then puts the deposit into an interest bearing account. The customer will then get the deposit plus earned interest after four years.
2. Purchase Surety bonds.
3. Get a letter of credit.

The purpose of the utility deposit requirement is to protect the rate payer who have to pick up the cost if new businesses accounts do not pay.

Steve explained that MN Power charges a surcharge and that Lake Country Power does not require anything.

Mike Ives explained he had to pay the two month deposit when he opened up the TimberLake Lodge. He feels that the process is unfair. He has excellent credit and that did not matter. He thinks that past credit should be considered.

After committee discussion, the committee decided to have Bud sent a letter to the PUC to relook at their policy.

ACTION: The Bud will draft a letter and forward it to the PUC.

CONFERENCE CALL WITH REPRESENTATIVE MCELFATRICK

Representative McElfatrick called in for a legislative conference call with the committee.

Carolyn is attending a meeting today in Duluth regarding Polymet.

ACTION: No further action necessary.

MEMBER UPDATES

Shawn informed the committee that he will be attending a sales tax meeting and that he is working on getting a supporting author from the House for a bill regarding local option sales tax.

Shawn also spoke about the Delegation's interest in going to Washington to get to know the new legislators.

Mary spoke about the Geographical Restrictions that prevent businesses in our region from bidding on State Contracts.

Bud informed the committee that the Chamber's Board of Directors voted to join the MN Chamber Federation and participate with IEDC regarding Grow Minnesota.

Bud mentioned that Doug Loon from the US Chamber will be the March luncheon presenter.

Derek reminded the committee that the NMN Builders Show starts this afternoon and runs through the weekend.

Lilah discussed a Central School meeting she attended and informed the committee that they have a new business moving in Central School in April.

Dale spoke about the City and that the PUC approved a Master Service Agreement (MSA) to combine services.

Steve informed that committee that Mediacom has added more high definition channels.

Tammy spoke about a hands on exhibit at the MN Discover Center that focuses on How things are Made. Transportation expense reimbursement for schools is available, but not being utilized by many schools.

Gary talked about the continuing work on the Governor's Fishing Opener.

Allision spoke about the Blandin Foundation's involvement with the Invest Early Program and their broadband initiative.

Jeff talked about IEDC continuing to progress with an anchor tenant at the ECO Park and that they have been doing double duty due to the loss of the NE Entrepreneur Fund employee that had a office at IEDC.

Jeff also mentioned that manufacturing businesses are growing internally at a rate of 50-100%.

ACTION: No further action necessary.

NEXT MEETING

The next scheduled meeting is on March 18, 2011 at 7:30 a.m.

There will be a MN Chamber conference call.

Irene made a motion to adjourn. Gary seconded the motion. Motion carried. Meeting adjourned.

Submitted by Renee Thompson, Administrative Assistant and Finance Coordinator.