THEDA Commission
Agenda
March 8th, 2022 @ 5:30 p.m.

THEDA Commission will meet on Tuesday, March 8th, 2022 @ 5:30pm.

Members of the Two Harbors Economic Development Commission may potentially attend such meeting in-person or by Zoom Video Conference.

The public is invited and encouraged to attend the hearing to provide input and/or ask questions.

Members of the public may participate in the meeting in-person or electronically from a remote location by joining the zoom meeting at:

Jennifer Sterbenz is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

https://us02web.zoom.us/j/85295368945?pwd=cDRRTmhRdHRTWUdBWVRiSS9iUGVTUT09

Meeting ID: 852 9536 8945
Passcode: 546751

One tap mobile
+16465588656,,85295368945# US (New York)
+13017158592,,85295368945# US (Washington DC)

Dial by your location
+1 646 558 8656 US (New York)
+1 301 715 8592 US (Washington DC)
+1 312 626 6799 US (Chicago)
+1 669 900 9128 US (San Jose)
+1 253 215 8782 US (Tacoma)
+1 346 248 7799 US (Houston)
Meeting ID: 852 9536 8945

Find your local number: https://us02web.zoom.us/u/kbr7OWuKrF
1. Call to Order

2. Approval of Agenda

3. Approval of January 11, 2022 Minutes

4. Commission Business
   a. Welcome Councilor Woodruff
   b. RAMS Invoice – 2022 Dues
   c. Bylaws Discussion

5. Staff and Commission Member Reports
   a. Staff Reports
      a. Housing Study
      b. Economic Development Strategic Plan
      c. Resignation of Liz Redden
      d. Commission is short (4) members. Need to have (7) members.
   b. Commission Member Reports

6. Adjourn

Next meeting is tentatively scheduled for

Tuesday, April 12, 2022
Two Harbors Economic Development Commission (THEDA)
Meeting Minutes

January 11, 2022

Present: Chris Swanson, Matt Barrett (Zoom), Jackie Rennwald, Liz Redden, Lee Senst (Zoom)
Absent: Miranda Pietila – Interim City Administrator/Finance Director
Other: Jenn Sterbenz – City Planner

Next meeting: February 8, 2022

I. Call to Order

Councilor Rennwald called the regular meeting to order at 5:32 p.m.

II. Approval of Agenda – Motion by Redden to approve the agenda. Supported by Swanson. Motion approved by all members present and voting.

III. Public Comment – Mr. O and Mr. John Lee attended via Zoom and spoke about a potential underwater hotel project they are working on. A helipad and barge are also planned to be part of the design. They stated the project will be the 8th wonder of the world on Lake Superior. Rennwald asked if they were aware of environmental permits which can be difficult to obtain; Mr O has a team of attorneys that will be investigating all of the details. Timeline for project will be determined as they are finishing the concept.

IV. New Business

A. By-Laws – Commission started to review the by-laws. They are outdated and need to be updated. Sterbenz to connect with City Attorney Costley before next meeting to discuss some revisions. Commission will continue to review at the next meeting.

V. Reports & Communications

a. Interim City Administrator/Finance Director Pietila – Pietila was absent

b. Other Reports – Sterbenz reported that the housing study is going well; almost complete. We received 7 proposals for the Economic Development Strategic Plan. Sterbenz, Pietila, and Nordean reviewed these last week and are meeting this week to get documentation ready to present to the Commission/Council.

VI. Adjournment – Motion to adjourn by Swanson to adjourn. Supported by Redden. Motion approved by all members present and voting.

Meeting adjourned at 7:05 pm.

Recorded and submitted by Jennifer A Sterbenz, Community Development Planner
Range Association of Municipalities and Schools  
5525 Emerald Avenue  
Mt. Iron, MN  55768  

Bill To:  
City of Two Harbors EDA  
522 First Avenue  
Two Harbors MN  55616

Invoice #: 2022 034  
Invoice Date: 1/1/2022  
Due Date: 1/31/2022  
Project:  
P.O. Number:  

<table>
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<tr>
<th>Date</th>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>1/1/2022</td>
<td>2022 RAMS Membership Dues</td>
<td>700.00</td>
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Thank you for your continued support of RAMS!

Total $700.00  
Payments/Credits $0.00  
Balance Due $700.00

Phone #  
218 748 7651
BYLAWS OF THE  
TWO HARBORS ECONOMIC DEVELOPMENT AUTHORITY  

ARTICLE I.  
THE AUTHORITY  

Section 1.1 Name of the Authority. The name of the Authority shall be the Two Harbors Economic Development Authority (hereinafter the "THEDA"), and its governing body shall be called the Board of Commissioners (hereinafter the "Board").  
Section 1.2 Office. The principal of the THEDA shall be at the Two Harbors City Hall, 522 1st Avenue, Two Harbors, Minnesota 55616.  
Section 1.3 Seal. The THEDA shall not have an official seal.  
Section 1.4 Number of Commissioners. The number of Commissioners shall be as set forth in the Two Harbors Resolution No. 2010- whereby THEDA was created (the "Enabling Resolution") and as the Enabling Resolution may be amended. Resolution number needs to be added (I believe this is 6-116-10) That’s based off another document I saw; I could be incorrect.  
Section 1.5 Appointment, Terms and Vacancies. The appointment, terms and vacancies in office shall be governed by the Enabling Resolution. There was a question about this. I’m assuming this is established in the enabling resolution (6-116-10). When the Mayor appointed the new commission on May 11, 2020, resolution # 5-156-20, the staggered terms were drawn out of a hat. The Commission wasn’t sure what the enabling resolution said the terms were. Someone though they were 6-year terms, but when the City did this in May 2020, the terms were 3-year staggered terms I think.  
Section 1.6 Compensation. The compensation of Commissioners is set forth in the Enabling Resolution. All money paid for compensation or reimbursement must be paid out of THEDA’s budget. Theda doesn’t get compensation as per resolution # 4-78-11; however they are requesting compensation of $25 per meeting – same as the Planning Commission.  
Section 1.7 Removal. The provisions of Minnesota Statutes Section 469.095, subd. 5, shall govern the removal of a Commissioner for cause. Is this up to date?  

ARTICLE II.  
ORGANIZATION  

Section 2.1 Officers. The officers of the THEDA shall consist of a President, a Vice President, a Secretary, a Treasurer and an Assistant Treasurer. The President, the Vice President and the Treasurer shall be members of the Board and shall be elected annually, and no Commissioner may serve as President and Vice President at the same time. The offices of Secretary and Assistant Treasurer need not be held by a Commissioner. Is the Commission required to have all of these officers? The City Finance Direction serves as the Treasurer. If all of those positions aren’t required the Commission would like to simplify this. President, Vice President, and Secretary (which if applicable, this position would be filled by staff/Executive Director).  
Section 2.2 President. The President shall preside at all meetings of the Board and shall have the usual duties and powers of President. The President shall have and perform such other duties and powers as may be given to the President by the Board from time to time by resolution.
Section 2.3 Vice President. The Vice President shall preside at any meeting of the Board in the absence of the President and may exercise all powers and perform all responsibilities of the President if the President cannot exercise or perform the same due to absence or other inability. The Vice President shall have and perform such other duties and powers as shall be given to the Vice President by the Board from time to time by resolution (3) days prior to such special meeting. Language update. Outdated.

Section 3.4 Quorum. A quorum of the seven (7) member Board shall consist of four (4) Commissioners at least one of whom must be a City Councilor, Add (or Mayor), Commissioner. In the absence of a quorum, no official action may be taken by, on behalf of, or in the name of the Board of the THEDA. The Commission would like to change the membership to 5 members. And then add the (or Mayor) language.

I do not recommend this change. I would like to see the Commission stay at 7 board members with one Council liaison. THEDA is a critical volunteer driven Commission that works to recruit, retain, expand, and diversify business within the City of Two Harbors. The Commission should be comprised of a diverse group of people with the necessary skills and knowledge to support these tasks. The larger the group the better.

Section 3.5 Adoption of Resolutions. Resolutions of the Board shall be deemed adopted if approved by not less than a simple majority of all Commissioners present. Resolutions may but need not be read aloud prior to vote taken thereon and may be need not be executed after passage. I have a note to ask you about this one. I don’t know why. I forgot.

Section 3.6 Rules of Order. The meetings of the Board shall be governed by the most recent edition of Robert's Rules of Order.

Section 3.7 Notice of Meetings. No notice of the annual meetings or regular meetings is required to be given to Commissioners. Can this be removed?

Section 3.8 Place of Meetings. All meetings of the Board shall be at the Two Harbors City Hall, 522 1st Avenue, Two Harbors, Minnesota 55616, unless another place is designated by the majority vote of the Board.

Section 3.9 Waiver of Notice of Meetings. Notice of the time, place and purpose of any meeting of the Commissioners may be waived by any Commissioner. Such waiver may be given before or after the meeting, and may be given in writing, orally or by attendance at the meeting. Can this be removed?

Section 3.10 Meetings: Open. All meetings of THEDA shall be open to the public unless involving matters for which meetings may be closed to the public under the Minnesota Open Meeting Laws. THEDA shall keep minutes of its meetings and records of its hearings and other official actions in accordance with applicable law.
ARTICLE IV.
MISCELLANEOUS

Section 4.1 Fiscal Year. The fiscal year if the THEDA shall be the same as the City's fiscal year.

Section 4.2 Treasurer's Bond. The Treasurer shall give bond to the State conditioned for the faithful discharge of his/her official duties. The bond must be approved as to form and surety by THEDA and filed with the Secretary and must be for twice the amount of money likely to be on hand at any one time as determined at least annually by THEDA, provided, however, that said bond must not exceed $300,000.00. Since the Finance Director is the Treasurer and is bonded, can this be removed?

Section 4.3 Public Money. THEDA money is public money.

Section 4.4 Checks. A THEDA check must be signed by the Treasurer and one other officer named by THEDA in a bank authorization resolution related to the applicable THEDA checking account. The check must state the name of the payee and the nature of the claim for which the check is issued.

Section 4.5 Financial Statement. THEDA's detailed financial statement must show all receipts and disbursements, their nature, the money on hand, the purposes to which the money on hand is to be applied, THEDA 's credits and assets, and its outstanding liabilities in a form required for the City of Two Harbors' financial statements.

Section 4.6 Report to City. THEDA shall annually, at a time and in a form fixed by the Two Harbors City Council ("City Council"), make a written report to the City Council giving a detailed account of its activities and of its receipts and expenditures during the preceding calendar year, together with such additional matters and recommendations it deems advisable for the economic development of the City of Two Harbors. Add language “prepared by the Director of Finance for the City of Two Harbors”

Section 4.7 Budget to City. THEDA shall annually, at a time fixed by resolution for the City Council, send its budget to the City Council. The budget must include a detailed written estimate of the amount of money that THEDA expects to need from the City in order for THEDA to conduct THEDA business during the next fiscal year. The needed amount is what is needed in excess of any expected receipts from other sources.

Section 4.8 Employees. THEDA may not hire any employees without the prior approval by the City Council. Can this be removed?

I do not recommend this change. Since THEDA money is public money, I believe the Council should approve any potential hiring of employees.
Section 4.9 Professional Services. THEDA may contract for the services of consultants, agents, public accountants and others as needed to perform its duties and to exercise its powers. The City Attorney shall be the legal advisor to the THEDA.

Section 4.10 Supplies, Purchasing, Facilities and Services. THEDA may purchase the supplies and materials it needs to carry out its powers and duties. THEDA shall use the facilities of the City's purchasing department/purchasing agent in connection with construction work and to purchase equipment, supplies and materials. THEDA shall utilize any offices, structures and space, stenographic, clerical, engineering and other assistance furnished by the City to THEDA.

Section 4.11 Execution of Contracts. All contracts, notes, and other written agreements or instruments to which THEDA is a party or signatory or by which THEDA may be bound shall be executed by the President and another officer of THEDA as the Board may by resolution determine. Does this reflect current code?

Section 4.12 Amendment of Bylaws. These Bylaws may be amended by the Board by majority vote of all the Commissioners, provided that any such proposed amendment shall first have been delivered to each Commissioner at least five days prior to the meeting at which such amendment is considered and provided further that the proposed amendment shall have been approved by the City Council of the City.

Section 4.13 Conflict of Interest. Except as authorized in Section 471.88 of the Minnesota Statutes, a Commissioner, officer or employee of THEDA must not acquire any financial interest, direct or indirect, in any project or in property included, or planned to be included, in any project, nor shall the person have any financial interest, director indirect, in any contract or proposed contract, for materials or service to be furnished or used in connection with any project. The provisions of Minnesota Statutes Section 469.098 are also applicable to any Commissioner of THEDA. Conflicting with other City policies and is the statute accurate and up to date?

Section 4.14 Report on Enabling Resolution. Without limiting the right of THEDA to request the City Council at any time. each year, within sixty (60) days of the anniversary date of the first adoption the Enabling Resolution, THEDA shall submit to the City Council a report stating whether and how the Enabling Resolution should be modified. Within thirty (30) days of receipt of the recommendation, the City Council shall review the Enabling Resolution, consider the recommendations of THEDA, and make any modifications it considers appropriate. Modifications must be made in accordance with the procedures required by Minnesota Statutes Section 469.093.

Section 4.15 Depository(ies). Every two (2) years THEDA shall name a national or state bank within the state as depositories. THEDA may deposit all its money in one bank account. Before acting as a depository, a named bank shall give THEDA a bond approved as to form and surety by THEDA. The bond must be conditioned for the safekeeping and prompt repayment of deposits. The amount of the bond must be at least equal to the maximum sums expected to be deposited at any one time. Is this language current/still accurate? This is probably a Miranda question.

Section 4.16 Audits. The financial statements of THEDA must be prepared, audited, filed and published or posted in the manner required for the financial statements of the City of Two
Harbors. The financial statements must permit comparison and reconciliation with the City of Two Harbors' accounts and financial reports. The report must be filed with the state auditor by June 30 of each year. The state auditor shall review the report and may accept it or, in the public interest, audit the books of THEDA. Is this language current/still accurate? This is probably a Miranda question.

Section 4.17 Indemnification of Commissioners and Officers. Any person (including any present or future Commissioner or officer, or the heirs or legal representatives of any such director of officer) made, or threatened to be made, a party to any action, suit or proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that he/she, his/her testator/testatrix or intestate, is or was a Commissioner or officer of THEDA, shall be indemnified by THEDA, and THEDA may advance his/her related expenses, in the manner and to the full extent as provided and as otherwise permitted by applicable law. Is this language current/still accurate? This is probably a Miranda question.

THE FOREGOING BYLAWS WERE APPROVED
BY THE COMMISSIONERffTHE. TWOHARBORS
ECONOMIC DEVELOP
MEETING ON/

______________________________
City Administrator Acting as the City Clerk