

**CITY OF ANTIGO
ECONOMIC DEVELOPMENT COMMITTEE
MINUTES OF MEETING HELD
APRIL 4, 2016**

Members Present: Mayor Brandt, Gary Voytovich, Sam Hardin and Alderpersons Balcerzak, T. Bauknecht and Darling

Members Absent: Andrew Hessedal

Others Present: Angie Close, Langlade County Economic Development Corporation; Mark Desotell, Director of Administrative Services; Calvin Krueger and Perry Duffek, Duffek Sand and Gravel, Inc.; and Jaime Horswill, Utility/Clerical Assistant.

This meeting of the Economic Development Committee was called to order on the above date at 6:00 p.m. in the Multi-Purpose Room, City Hall. Mayor Brandt served as Chairperson and Jaime Horswill, Utility/Clerical Assistant, recorded the minutes thereof.

1. Approval of February 1, 2016 Minutes

Darling moved, T. Bauknecht seconded, to accept the minutes of the February 1, 2016 meeting as distributed. Carried 6-0, Absent 1.

APPROVED

2. Request for a Reduction in Monthly Payment on Lease with City of Antigo

Calvin Krueger, President of Duffek Sand and Gravel, Inc. provided a letter to the Langlade County Community Development Corporation requesting a reduction in the monthly payment being made on its' lease with the City of Antigo.

Mr. Krueger's letter advised that the reason being is that Duffek's yearly revenues have dropped from approximately 12.5 million dollars in 2011 and 2012 to approximately 2.5 million dollars in 2014.

Mr. Krueger's letter noted that the drop in yearly revenues has caused Duffek to use its' working capital to keep up with the current payment. By doing this, it is making it difficult for Duffek to sustain enough working capital to keep operations going. The property has currently become far more than what is needed since downsizing. Duffek has been working on trying to sell the complex for the past two years. The property is currently listed, and Duffek is actively working on trying to get it sold. Duffek currently is seasonal and still employs approximately 25-30 local employees.

Mayor Brandt advised that after speaking with the Clerk-Treasurer the City would be able to reduce the monthly payments to \$7,000 a month for a one year period. This could be re-addressed again next year. If this reduction in payment is made, Duffek will save approximately \$3,800 a month or \$46,000 for the year.

Upon inquiry by Alderperson T. Bauknecht, Angie Close, Langlade County Economic Development Corporation, advised that the current amortization schedule runs through September 30, 2016. Mayor Brandt indicated that a balloon payment will then be due and usually the City refinances and goes out for quite some time yet.

Balcerzak moved, T. Bauknecht seconded, to reduce the monthly payments due to the City of Antigo by Duffek Sand and Gravel, Inc. to \$7,000 per month for one year and then re-evaluate after one year if necessary. Carried 6-0, Absent 1.

RESOLUTION TO COUNCIL

3. Any Other Matters Authorized by Law to be Considered

Mayor Brandt advised that there were no bids placed on the Edison Club. The City has been speaking with someone with regard to this, but nothing for sure at this time.

Upon inquiry by Alderperson T. Bauknecht, Mayor Brandt indicated that the City needed to let the public know it was for sale, but the City is now free to negotiate to someone who comes forward.

INFORMATION ONLY

Mayor Brandt advised that there has been some talk about turning the building previously known as Rack's on the south end of town into a Supper Club by someone who graduated from the Entrepreneur's Class.

INFORMATION ONLY

Mayor Brandt noted that there has been some talk about a business re-locating into the downtown utilizing the entrepreneur's grant.

INFORMATION ONLY

Mr. Desotell advised that Hydratight is expecting their ground breaking to be held next week.

INFORMATION ONLY

4. Adjournment

Hardin moved, Darling seconded, to adjourn at 6:10 p.m. Carried 6-0, Absent 1.

Mayor Brandt, Chairperson

Date