BAYFIELD COUNTY
Industrial Development Agency

Daniel Anderson       Marty Milanowski
Brett T. Rondeau     John Carlson
Cole Rabska          Scott Kluver
Rick Geisen

January 3, 2020

Dear Committee Members:

This letter is written to inform you of the Bayfield County Industrial Development Agency Meeting scheduled for Thursday, January 9 at 330pm, at the Emergency Operations Center (EOC), Bayfield County Annex Building, Washburn, WI. Please note the agenda for the meeting is as follows:

AGENDA

1. Call to Order.

2. Election of Officers

3. Discussion and Possible Action Regarding Minutes of the April 24, 2019 Industrial Development Agency meeting.

4. Industrial Development Agency Purpose / Bylaws

5. Bayfield Business Park Update / Promissory Note Update

6. Next Meeting Date and Topics of Discussion

7. Adjournment

Should you have any questions in the meantime, please contact my office.

Sincerely,
Mark Abeles-Allison
Bayfield County Administrator

MAA/kak

Any person planning to attend a Bayfield County meeting that has a disability requiring special accommodations should contact 373-6100, 24-hours before the scheduled meeting, so appropriate arrangements can be made.

Enc.

cc: Mr. Scott Fibert, Bayfield County Clerk  The Daily Press, via email
    Bayfield County Board of Supervisors
Minutes of the
Bayfield County Industrial Development Agency Meeting
3:00pm, April 24, 2019
Emergency Operations Center, Bayfield County Annex, Washburn, WI

Members Present: Brett Rondeau, Cole Rabska, Scott Kluver, Dan Anderson, Marty Milanowski, Rick Geisen (phone)

Others Present: Mark Abeles-Allison, Bayfield County Administrator

Meeting called to order at 3:00pm by Rondeau.

Minutes of the 12-7, 2017 minutes: Motion Kluver, Anderson to approve minutes of the May 27, 2015 Industrial Development Agency meeting. Motion Carried (6-0, 1 absent)

Industrial Development Agency Purpose: A brief review of the state statute related to Industrial Development Agencies took place. The primary purpose is to improve the industrial climate of the county.

Updated and Promissory Note Update: It was noted that the promissory note expired in June of 2017. Geisen made the motion to approve the amendatory promissory noted with the following notes
   1. Update to include accurate current balance.
   2. Update the Loan Participation Agreement between I& and the IDA.
   3. Approve the same 10-year term as approved by I&. Anderson reported that the outstanding balance on the loan related to World Class Manufacturing is $179,000.
      Discussion took place regarding the history of the financing arrangements for this endeavor and the roles that the Bayfield County Industrial Development Agency, Town of Bayfield, and Impact Seven have.
      Motion seconded by Kluver. Motion carried (6-0).

Industrial Development Agency Topics of Discussion: The members were asked for input on potential investments/direction the agency can take to be more active.

Meeting adjourned at 3:50pm.
BAYFIELD COUNTY INDUSTRIAL DEVELOPMENT AGENCY, INC.

BYLAWS

I. Name.

The name of the corporation shall be Bayfield County Industrial Development Agency, Inc.

II. Purpose.

The corporation is a public instrumentality created under Section 59.57(2) of the Wisconsin Statutes and organized in accordance with the requirements of Chapter 181 of the Wisconsin Statutes and shall be subject to said Chapter 181 to the extent that said chapter is not inconsistent with said subsection 59.57(2). Its purpose is to promote industrial development in Bayfield County, Wisconsin, by engaging in the activities and exercising the powers described in said subsection.

III. Members.

The corporation shall have two classes of members, namely, county members and public members. There shall be four county members, consisting of the Bayfield County Board Chairman, the Bayfield County Board Executive Committee Chairman, the Bayfield County Treasurer, and the Bayfield County Corporation Counsel, and three public members designated by the Bayfield County Board of Supervisors who shall hold office at the pleasure of the Board. The members shall not have voting rights as members but shall constitute the Board of Directors, as provided in Article IV, and shall have voting rights on the Board of Directors as such directors. Member vacancies shall be filled by the Bayfield County Board of Supervisors.

IV. Directors.

The business and affairs of the corporation shall be managed by its Board of Directors. There shall be two classes of directors constituting the Board of Directors, namely, county directors and public directors. The county directors shall consist of the four county members, and the public directors shall consist of the three public members.
V. Meetings.

A. Initial Meeting. The members/directors shall hold an initial meeting to elect officers and conduct business. The incorporators shall provide the initial members/directors with reasonable notice of the time and place of the initial meeting.

B. Annual Meeting. The members/directors shall hold an annual meeting in May of each year to elect officers and conduct other business.

C. Additional Meetings. The members/directors may hold such additional meetings as they may agree upon. Additionally, a meeting may be called by the president, or by three members/directors.

D. Place of Meetings. All meetings shall be held within Bayfield County, Wisconsin.

E. Voting. Voting shall be by members/directors present at a meeting, including members/directors participating by speaker telephone or other electronic means. Proxy voting shall not be permitted.

F. Procedure. Meetings shall be conducted pursuant to Roberts Rule of Order unless some other procedure is approved by two-thirds vote of members/directors present and voting.

G. Notice. The secretary, or in the secretary’s absence, the president or the president’s designee, or the directors calling a meeting, shall provide the members/directors with reasonable advance notice of the time, place, and subject matter of each meeting following the initial meeting. All meetings shall be noticed and conducted in compliance with the Wisconsin Open Meetings Law and any other applicable statutory requirements.

VI. Officers.

A. In General. The officers of the corporation shall consist of a president, vice-president, secretary, and treasurer.

B. Election and Terms. The officers shall be initially elected at the initial meeting of the members/directors and thereafter shall be elected at each annual meeting. Each officer shall serve until his or her successor is elected, provided that any officer may be removed by a vote of two-thirds of all of the members/directors at any time.
C. **Duties.**

1. **President.** The president shall generally manage the day-to-day operations of the corporation subject to the direction of the Board of Directors. The president shall preside at all meetings of the members/directors.

2. **Vice-President.** The vice-president shall exercise the duties of the president in the absence or incapacity of the president.

3. **Secretary.** The secretary shall maintain all records of the corporation and shall take and prepare minutes of all meetings of the members/directors.

4. **Treasurer.** The treasurer shall have custody of the funds of the corporation and shall maintain all financial records of the corporation. The treasurer shall report to the president and the members/directors on the financial status of the corporation.

D. The president and vice-president shall be members/directors of the corporation. The secretary and treasurer may be, but are not required to be, members/directors of the corporation.

E. Officer vacancies shall be filled by the Board upon the occurrence of the vacancy.


VII. **Committees.**

The Board of Directors may establish any standing or special committees as it deems appropriate, provided that such committees may not exercise the powers of the Board.


VIII. **Miscellaneous.**

A. The fiscal year of the corporation shall end on December 31.

B. In addition to any other powers provided herein or by law, the Board of Directors may authorize one or more officers of the corporation to execute and deliver instruments, open bank accounts, and execute checks and drafts in the name of the corporation.
VIX. Amendment.

These bylaws may be amended by a majority of the members/directors of the corporation at a meeting duly called for such purpose, provided that any amendment shall have first been approved in writing by the Bayfield County Board of Supervisors.
AMENDMENT OF PROMISSORY NOTE

WHEREAS, Bayfield County ("Lender") borrowed to Bayfield County Industrial Development Agency, Inc. ("Borrower") and executed a Promissory Note ("Note") dated November 19, 2009 in the amount of $240,019.64.

WHEREAS, the Note was due to be paid on or before June 16, 2017.

WHEREAS, the Borrower has paid interest and principal on the Note and the balance remains $164,076.27.

WHEREAS, the Lender and Borrower wish to amend the terms of the Note.

NOW THEREFORE, the terms of the Note are amended as follows:

1. The principal balance shall remain to be $164,076.27 and shall continue to accrue interest at a rate of 5% per annum.
2. The Note shall be paid in full on or by June 16, 2027.
3. All other terms of the Note not specifically amended herein shall remain unchanged.

Dated this ______ day of May 2019.

BAYFIELD COUNTY INDUSTRIAL DEVELOPMENT AGENCY, INC.

[Signature]

BY: ______________________, its President

BAYFIELD COUNTY

[Signature]

BY: Dennis Pocernich, its Board Chair
LOAN MODIFICATION AGREEMENT

This Loan Modification Agreement is entered into as of the 7th day of May 2019, by and between the Town of Bayfield (the "Borrower") and Impact Seven, Inc. (the "Payee").

1. DESCRIPTION OF EXISTING INDEBTEDNESS: Among other indebtedness which may be owing by Borrower to Payee, Borrower is indebted to Payee pursuant to, among other documents, a Mortgage Note dated April 1, 2009. The Mortgage Note provided for, among other things, a loan in the original principal amount of One million one hundred ninety nine thousand nine hundred and forty five dollars. ($1,199,945.00).

Hereinafter, all indebtedness owing by Borrower to Payee shall be referred to as the "Indebtedness."

2. DESCRIPTION OF CHANGE IN TERMS.

    Modification(s) to Existing Loan Documents:
    a. payment due date shall be amended as follows:
        The first and final payment shall be due on June 16, 2027.

3. CONSISTENT CHANGES. The Existing Loan Documents are hereby amended wherever necessary to reflect the changes described above.

4. NO DEFENSES OF BORROWER. Borrower agrees that, as of the date hereof, it has no defenses against the obligations to pay any amounts under the Indebtedness.

5. CONTINUING VALIDITY. Borrower understands and agrees that in modifying the existing Indebtedness, Payee is relying upon Borrower's representations, warranties, and agreements, as set forth in the Existing Loan Documents. Except as expressly modified pursuant to this Loan Modification Agreement, the terms of the Existing Loan Documents remain unchanged and in full force and effect. Payee's agreement to modifications to the existing Indebtedness pursuant to this Loan Modification Agreement in no way shall obligate Payee to make any future modifications to the Indebtedness. Nothing in this Loan Modification Agreement shall constitute a satisfaction of the Indebtedness. It is the intention of Payee and Borrower to retain as liable parties all makers and endorsers of Existing Loan Documents, unless the party is expressly released by Payee in writing. No maker, endorser, or guarantor will be released by virtue of this Loan Modification Agreement. The terms of this paragraph apply not only to this Loan Modification Agreement, but also to all subsequent loan modification agreements.

This Loan Modification Agreement is executed as of the date first written above.

BORROWER:

Town of Bayfield

[Signature]

Thomas J. Gordon, Chairperson

PAYEE:

Impact Seven, Inc.

By:

[Signature]

Robert Meyer, Credit Manager

Attest:

[Signature]

Date: 7th May 2019

1 of 1
LEASE EXTENSION AGREEMENT

This Lease Extension Agreement is entered into by and between the Town of Bayfield (the Landlord), Impact Seven Inc., (the Managing Agent), and World Class Manufacturing Group, Inc., DBA World Class Precision Products, LLC, (the Tenant) with respect to a certain “Lease” entered into between said parties on June 16, 2007, as subsequently amended by a “First Amendment to Lease Agreement” executed by the Landlord and the Tenant on November 25, 2008 and executed by the Managing Agent on December 2, 2008, and as subsequently modified through two “Lease Modification Agreements” dated March 28, 2012 and October 16, 2012, respectively.

NOW, THEREFORE, the Parties hereby agree as follows:

1.) The original “Lease” as modified and amended shall expire on June 16, 2017, and the Parties agree that the term of said Lease shall be extended for an additional six (6) month period, and said Lease Extension shall automatically renew for additional six (6) month periods until such time as any Party to this Lease Extension Agreement provides a written termination notice to the other Parties of at least sixty (60) days prior to the expiration date of said additional six (6) month extension period.

2.) All Parties further agree that the Landlord and the Managing Agent upon the execution of this Agreement shall be allowed to immediately advertise the leased premises for sale or lease to a third party, without prior consent of the Tenant, but subject to the terms and conditions of this Lease Extension Agreement.

3.) All other terms and conditions of the original Lease and its subsequent amendments thereto, not modified by this agreement, are hereby ratified and approved and shall remain in full force and effect.

Dated this 19th day of April, 2017

Town of Bayfield: LANDLORD

BY: [Signature] Town Chairman

World Class Manufacturing Group Inc.,
DBA World Class Precision Products, LLC: TENANT

[Signature] Robert Peltonen, President

IMPACT SEVEN, INC.: MANAGING AGENT

BY: [Signature] Chad Gerber, CEO
Memorandum of Understanding
By and Between
Impact Seven, Inc. (I 7), and Bayfield County Industrial Development Agency, Inc. (BCIDA)

Effective November 16, 2009, I 7 and BCIDA entered into a loan participation agreement for financing a project owned by The Town of Bayfield to construct a commercial building on Township property. The participation agreement totaled $1,152,278.64. The participation called for I 7 to hold $912,259 (79.17%) and BCIDA holding $240,019.64 (20.83%). The original participation had a maturity date of June 16, 2017.

Payments on the participation were to come from lease payments made by World Class Precision Manufacturing. As payments have been and are received 20.83% is remitted to BCIDA. If no payments are received nothing can be divided between the participants.

The original lease with World Class has matured and is being extended by agreement between I 7, the Town of Bayfield and World Class. The agreement calls for 6-month extensions until any party provides a 60-day notice of termination. A copy of that extension agreement is attached to this MOU.

It is intended and agreed upon that this MOU shall extend the original maturity date of the participation agreement for a period of 10 years resulting in a new maturity date of Jun 16, 2027. No other terms, conditions of the original participation shall be modified. All parties shall remain bound by the original participation agreement dated November 16, 2009 subject to this modification.

The undersigned do hereby agree to the terms of this MOU.

__________________________ Date:
Robert Mayer, Credit Manager
For: Impact Seven, Inc.

__________________________ Date
Brett Rondeau, President
For: Bayfield County Industrial Development Agency Inc.
Memorandum of Understanding
By and Between
Impact Seven, Inc. (I 7), and Bayfield County Industrial Development Agency, Inc. (BCIDA)

Effective November 16, 2009, I 7 and BCIDA entered into a loan participation agreement for financing a project owned by The Town of Bayfield to construct a commercial building on Township property. The participation agreement totaled $1,152,278.64. The participation called for I 7 to hold $912,259 (79.17%) and BCIDA holding $240,019.64 (20.83%). The original participation had a maturity date of June 16, 2017.

Payments on the participation were to come from lease payments made by World Class Precision Manufacturing. As payments have been and are received 20.83% is remitted to BCIDA. If no payments are received nothing can be divided between the participants.

The original lease with World Class has matured and is being extended by agreement between I 7, the Town of Bayfield and World Class. The agreement calls for 6-month extensions until any party provides a 60-day notice of termination. A copy of that extension agreement is attached to this MOU.

It is intended and agreed upon that this MOU shall extend the original maturity date of the participation agreement for a period of 10 years resulting in a new maturity date of Jun 16, 2027. No other terms, conditions of the original participation shall be modified. All parties shall remain bound by the original participation agreement dated November 16, 2009 subject to this modification.

The undersigned do hereby agree to the terms of this MOU.

Robert Mayer, Credit Manager
For: Impact Seven, Inc.

Date: 5-7-19

__________________________________________________________________________

Brett Rondeau, President
For: Bayfield County Industrial Development Agency Inc.