



COLES Together

The economic development organization for Coles County

Coles Together Operations Committee Meeting November 27, 2023

<u>Members Present:</u>	Doug Abolt, Mike Stanfield, John Inyart, Jack Turner, Bob Shamdin, Rick Hall, and Blake Pierce
<u>Members Absent:</u>	Brandon Combs
<u>Others Present:</u>	Angela Griffin
<u>Call to Order:</u>	Called to order by Doug Abolt at 7:30 a.m.
<u>Approval of Minutes:</u>	A motion to approve the October 2023 board meeting minutes was made by John Inyart and seconded by Mike Stanfield. The motion passed.

Treasurer's Report

The October 2023 financial statements were not finalized prior to the meeting. Griffin discussed a monthly "profit and loss budget vs actual" report prepared in QuickBooks to review the month's revenue and expenses. Kemper CPA Group completed the financial statements and Treasurer's Report subsequent to the meeting and committee members reviewed and approved via email (approvals attached to hard copy).

President's Report

Griffin reported the five active projects previously discussed are in various stages of the site selection process or they are moving through the project development/project evaluation stage. The John Davis Implement project in the Coles Business Park is under construction and completion is anticipated in February.

One of the leads generated at the Midwest Regional Carbon Summit, Elysian Carbon Capture continues to show strong interest in the Coles Energy site. Griffin has been sending information to the company's geologists and engineers with plenty of follow-up questions that indicate serious interest. The company's chief commercial officer is planning to visit the site in 2024. Elysian's majority owner is Buckeye Partners, a 137-year-old global pipeline company involved in the transportation, storage, processing, and marketing of liquid petroleum products but the company is increasingly diversifying carbon capture, utilization, and storage and is focusing on the development, construction, and operation of energy transition projects. They own their own

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assets but also provide energy transition services to customers and their goal is to be a net zero energy emissions business by 2040. Being majority owned by Buckeye, Elysian is helping them meet that goal by providing end-to-end solutions from capture to utilization, to transportation and storage for clients primarily in the industrial and power sectors.

The latest Back to Business grant program was announced and we have started marketing locally in anticipation of a November 30 launch date. We have contacted approximately 20 businesses directly and are marketing the program on the Coles Together Facebook page. Radio and print ads will start after the 30th. Businesses that began operations in 2020 or 2021 are eligible to apply for up to \$30,000 in grants.

Griffin is working with Mattoon High School, the director, and instructors at LIFT to host a second day of tours for students who could not participate on Industry Day in October. Since there will be a smaller group of students, Griffin is able to be more intentional about matching skills being taught in the LIFT pathways with host sites in the community that utilize those skills e.g., manufacturing, architecture, construction, HVAC, and robotics.

We continue to work on the RISE grant. The consultants have nearly completed their portion of the data mining work to support the research and we will add their work to our findings and compile a written report to submit to the State of Illinois. The plan is for the report to align both the skills that are present and the skills gaps identified with training available or developable by the Ohio Aerospace Institute and Parallax. The training and matchmaking activities will then be eligible for funding under phase two of the RISE grant program for which grants can be between \$1 million and \$3 million. The goal is to equip interested regional companies with the ability to find, access, and participate in the federal defense, aviation and aerospace supply chains and help prepare their workforce with specialized skills needed in the industry.

Employment Statistics were released for November. Coles County's rate was 3.6% which compares favorably to statewide average of 4.7% and the county rate one month ago in October which was 4.3%. This means Coles County employment increased by a net 775 jobs over the month in the usual growth sectors of leisure and hospitality, manufacturing, construction, IT, and services. Losses occurred in professional and business services, financial activities, transportation and utilities.

County staff and certain county board members continue to support the ARPA grant request Coles Together made to continue the business grant program. Griffin stated she has been encouraging businesses that inquire to go ahead and apply online so the applications will be ready for funding if and when approval is given. We will then be able to quickly get the funds out the door to qualifying businesses.

At the request of the internal search committee, GovHR USA has submitted a proposal to conduct the search for the President's position. The cost is \$24,500 and the timeline is expected to be up

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to 14 weeks before a chosen candidate is on board. GovHR is an experienced executive recruiter in economic development and will lead the search process from start to finish. They will develop a position announcement and recruitment brochure, perform professional outreach and advertise to build a candidate pool, perform due diligence and background screening on the candidates, recommend a finalist list of candidates, arrange and coordinate travel, and help conduct a two-step interview process. If needed, they will assist with salary and benefit negotiation and drafting an employment contract. After a selection is made, GovHR will also notify all the applicants who were not chosen. A resolution is needed to proceed with hiring the firm.

Approval to Hire GovHR USA:

A motion to authorize the Chair to sign a Resolution to hire GovHR USA was made by Mike Stanfield and seconded by Blake Pierce. The motion passed.

Griffin stated when she developed the current year's budget she added funds to the account for costs related to the Coles Energy Center. Bill Voyles, the tenant farmer called over the summer and said tile work would be needed after harvest. He did not have a number at that time so Griffin used a number similar to what was paid in the past. However, the amount of tiling needed and earthwork required to bring the farm into better condition, improve yields, and stop erosion ended up being substantial. The farmer provided an invoice for the tile required on Coles Together's 146 acres which totaled \$26,894. This amount does not include the earthwork that is still occurring to create terraces and control water runoff. That is expected to be over \$15,000.

In an effort to find a compromise that works for Coles Together as the landowner, and the tenant who farms the entire 400+ acre tract, he has proposed an addendum to the current lease which expires in 2026. Specifically, the proposal is that the tenant will pay all the costs associated with the tile and the earthwork if we amend the contract to give him an additional 10 years to farm. This would extend the term of the lease until 2036 with cash rent prices negotiated every four years, as is currently the practice under our four-year contracts. If we sell the land before the lease terminates in 2034, the costs will be prorated and charged to Coles Together at that time.

Griffin recommended the board accept the proposal. Voyles has been a great tenant, he keeps the office informed about the property-both the ag land and the untillable land around it, and he maintains all of it. Since he is farming the adjacent land, he has a vested interest in proper drainage and condition of the entire site. Additionally, much of the work is consistent with the recommendations Andy Cerven suggested after conducting a drainage survey several years ago. If the property is sold in the future, any pro-rated costs due Voyles could easily be added to the asking price at that time, particularly if selling the land for industrial purposes at industrial prices. Griffin asked Voyles if this type of work will be required again prior to the expiration of the lease extension. He indicated it is very unlikely the work performed this year will be required again during the term of the 10-year term extension, and it will help produce better yields in the

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meantime. Other than erosion control work he performs at the end of every farming season, for which we are never charged, it is unlikely we will have to make this type of investment again for many years. So, if the yields increase, that can support and justify a higher negotiated rent price. Also, Voyles agreed if we could not come to an agreement on cash rent price, he is willing to use the farm manager at First Mid to guide both sides to a fair price.

Approval to Amend Farm Contract: A motion to authorize Griffin to sign an Amendment to the Coles Energy Center Farm Lease adding 10 years to the end date was made by Mike Stanfield and seconded by John Inyart. Blake Pierce abstained due to a perceived conflict of interest. The motion passed.

The meeting was adjourned at 8:37 a.m.

Respectfully submitted by:

Brooke Kieffer, Assistant Secretary