



SIREPA

**SOUTHEAST IOWA REGIONAL
ECONOMIC & PORT AUTHORITY**

December 7, 2021

**Meeting of the Board of Directors
1:30pm – 2:30pm**

**In-person at: SIREPA Building
2495 280th St, Montrose, IA**

And Via Zoom

Call-In: (312) 626-6799 Meeting ID: 860 6149 4551
<https://us02web.zoom.us/j/86061494551>

Agenda

I. Call to Order, Chair (Boyer):

Roll Call:

- a. Director Denise Boyer, Chair
- b. Director Mike Hickey, Vice-Chair
- c. Director Michael Dunn, Treasurer
- d. Director Jack Smith
- e. Director, Bob Dodds
- f. Director, Bruce Hardy
- g. Ex-Officio, Garry Seyb, Lee County Supervisor
- h. Ex-Officio, Rick Larkin, Lee County Supervisor
- i. Ex-Officio, Matt Larson, State Treasurer's Office

II. Approve Agenda of December 7, 2021 Meeting (Board Action)

III. Approve Minutes of August 27, 2021 Meeting (Board Action)

IV. Approve SEIRPC Invoice (Board Action)

V. Lee County Fiber Project Update (Board Information)

VI. KL Megla Building Update (Board Information)

VII. Matters from the Floor

VIII. Adjourn (Board Action)



SIREPA

SOUTHEAST IOWA REGIONAL
ECONOMIC & PORT AUTHORITY

Minutes of the SIREPA Board of Directors
Friday, August 27, 2021, 2:00 p.m.
Via Zoom or in Person at KL Megla Building
2495 280th St, Montrose, IA

I. **Call to Order** at 2:00 p.m. by Denise Boyer

Roll Call:

Members Present: Director Denise Boyer (Chair); Director Mike Hickey (Vice Chair); Director Michael Dunn (Treasurer); Director Jack Smith; Director Bob Dodds; Director Bruce Hardy; Garry Seyb, Ex-Officio via Zoom; Rick Larkin, Ex-Officio; Matt Larson, Ex-Officio via Zoom

SEIRPC Staff Present: Mike Norris; Zach James via Zoom

Guest(s) Present: Chuck Vandenberg, Pen City Current; Dennis Fraise, Lee County Economic Development Group

II. **Consider Approval of Agenda (Board Action):**

Hardy made a motion to approve the August 27, 2021, meeting agenda, second by Dunn. All ayes, motion carried.

III. **Consider Approval of Meeting Minutes (Board Action):**

Hardy made a motion to approve the July 27, 2021, Meeting Minutes, second by Dunn. All ayes, motion carried.

IV. **Resolution No. 3-2021: A Resolution to Apply for Lee County ARPA Broadcast Funds in the Amount of \$1,950,000 to Partner with Danville Telco Lee County Broadband Proposal to Serve Tier 1 Underserved Areas (Board Action):**

Dunn made a motion to approve Resolution No. 3-2021: A Resolution to Apply for Lee County ARPA Broadcast Funds in the Amount of \$1,950,000 to Partner with Danville Telco Lee County Broadband Proposal to Serve Tier 1 Underserved Areas, second by Hardy. A roll call vote was taken. All ayes, motion carried.

V. LCEDG Lease Agreement (Board Action):

Norris reviewed the lease agreement between Southeast Iowa Regional Economic and Port Authority and Lee County Economic Development Group, Inc. (LCEDG) allowing LCEDG to lease the KL Megla Building through September 2, 2024. The board agrees to give Director Denise Boyer, Chair, authority to sign this lease and grants. Dunn made a motion to approve the lease between Southeast Iowa Regional Economic and Port Authority and Lee County Economic Development Group, Inc. (LCEDG) as presented, and give Director Denise Boyer authority to execute it, second by Hardy. All ayes, motion carried.

VI. Matters from the Floor:

None.

VII. Adjourn (Board Action):

Dunn made a motion to adjourn at 2:37 p.m., second by Hardy. All ayes, motion carried.

Memo



To: SIREPA Board of Directors
From: Mike Norris, Executive Director
Date: December 2, 2021
Re: SEIRPC invoice

Attached is the recent SEIRPC invoice from sssss to sssss. SEIRPC appreciates the relationship with SIREPA and is pleased with recent successes of purchasing the KL Megla building in partnership with LCEDG and the Lee County Broadband Grant in partnership with Lee County and Danville Telco.

Please authorize staff to satisfy the invoice.

Southeast Iowa Regional Planning Commission

211 N Gear Avenue, Suite 100
West Burlington, IA 52655

Invoice

Date	Invoice #
9/24/2021	2022-089

Bill To
SIREPA

Ship To

P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
			9/24/2021			

Quantity	Item Code	Description	Price Each	Amount
	123.00	Administrative work: transportation and non-transportation - Expenses 11/3/2019 - 9/24/2021 Contract #13-416	6,767.75	6,767.75

			Total	\$6,767.75
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Memo



To: SIREPA Board of Directors
From: Mike Norris, Executive Director
Date: December 2, 2021

Re: Lee County Fiber Project Update

BACKGROUND

Fall 2021 brought a very large success to the Lee County doorstep – a \$5.4 million broadband investment. The project will build 57 miles of fiber backbone and last mile fiber infrastructure to 120 individual customers classified as “Tier 1” or underserved customers without 25/3 broadband service.

SIREPA, Danville Telco and Lee County assembled what was described from officials close to the process as “one of, if not the best application” received in the state for State of Iowa Office of Chief Information Officer Notice of Funding Opportunity 6 funds. The comment and funding were received due to the unique partnership structure of two public and one private company.

PROJECT STRUCTURE

Roles and responsibilities of Danville Telco and SIREPA

- Danville Telco:
 - Will arrange for engineering and construction firm (engineer and general contracting through Vantage Point of Mitchell, SD)
 - Will receive and implement Iowa OCIO NOFO 6 grant
 - Will own, operate, and insure all infrastructure besides fiber backbone (will own backbone after year 10 but will lease and insure backbone years 1-10)
 - Responsible for transacting funds to pay for permits, design, and construction

- SIREPA:
 - Responsible to funnel local match for the ARPA – eligible project to Danville Telco from Lee County.
 - Will own fiber backbone upon completion (as evidenced by as-built drawings and certifications) and lease back to Danville for operation over 10 years. Lease payments total (\$1,912,750 / 2) \$956,375.
 - Invest lease payments back into new broadband projects for Lee Co.

SUITE OF AGREEMENTS NEEDED

1. Lee County/SIREPA funding agreement
2. SIREPA/Danville Telco funding agreement
3. SIREPA/Danville Telco lease agreement
4. Danville Telco/State of Iowa grant agreement
5. Danville Telco/Vantage Point services agreement

#1 Lee County/SIREPA funding agreement

This agreement will specify the funding amount, method of delivery, scope of work (Tier 1 broadband project), duration and reporting requirements for the ARPA funds. I recommend the funds are delivered in a lump sum to SIREPA once the initial phase is underway.

STATUS: in conceptual development. Draft agreement by Feb 15, 2022.

#2 SIREPA/Danville Telco Funding Agreement

This agreement should mirror the #1 agreement. It will be for the same purpose and under the same rules and regulations. Also recites future lease and payments for backbone.

The agreement should fund construction phases of the backbone upfront to reduce cash stress on Danville Telco. The phases should reference an estimated cost and detail a cost split between SIREPA and Danville Telco. For example:

- Phase I is engineering and permits estimated at \$1 million. SIREPA / Danville split can be 75/25 respectively, or \$750,000/\$250,000.
- Phase II is construction estimated at \$2 million, utilizing the balance of SIREPA funds, \$1,162,750 with Danville funding the remaining.

STATUS: in conceptual development. Draft agreement by Feb 15, 2022.

#3 SIREPA/Danville Fiber Backbone Lease Agreement

The lease agreement will cover only the 60 miles of fiber backbone. Danville Telco will operate and insure the infrastructure. Lease payments will be equal annual payments over 10 years equal to half of the contributed local match or \$95,600 annually totaling \$956,000. Danville will assume ownership of the infrastructure upon lease expiration.

STATUS: in conceptual development. Draft agreement by Feb 15, 2022.

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December 2, 2021
RE: Lee Co Fiber Project

#4 Danville Telco/State of Iowa OCIO NOFO 6 Grant Agreement (Executed)

#5 Danville Telco/Vantage Point Services Agreement (Executed)

SEIRPC staff will work with the county, Danville Telco and legal counsel to draft and review documents before presenting drafts to the SIREPA board hopefully in mid or late February.

Memo



To: SIREPA Board of Directors
From: Mike Norris, Executive Director
Date: December 2, 2021
Re: KL Megla Building Update

In late August, 2021, SIREPA closed on the former KL Megla building in rural Montrose. The project was completed with help from LCEDG via two agreements (mortgage funding and stop-loss) and financing from Connections Bank.

The operating concept was to have LCEDG occupy the building office space and be onsite contacts to coordinate any routine or unique facility needs. To date this is exactly what has happened. Lawn care, HVAC, general maintenance, and other basic but critical work has been successfully coordinated by LCEDG.

Another opportunity with PV Pallet has yielded an unexpected partnership and supplemental facility revenue. PV Pallet is utilizing an office space in the building and the 10,000sf cold storage building for \$2,000/mo. The additional revenue offsets risk of unforeseen expenses and is deposited in the joint account with LCEDG.

The Career Exploration Center (formerly Joint Education Center) process continues. Recent meetings have yielded more definite direction and agreement than in the past. The basic direction now is high school exploratory courses held at the KL Megla Building starting in Fall 2022 and concurrent enrollment courses structured under the Career Exploration umbrella held at the Keokuk SCC Campus.