



Coles Together
Board of Directors Meeting
February 26, 2024

Members Present

Doug Abolt, Mike Stanfield, Rick Hall, John Inyart, Blake Pierce, Todd Vilardo, Josh Bullock, Ashley Cobb, Brooke Kieffer, Matt Webb, Jason Tucker, Erica Boone, Jay Gatrell,

Members Absent

Jack Turner, Amy Borntrager, Bob Shamdin, and Brandon Combs

Others Present

Angela Griffin, Chad Burgett

Call to Order

Called to order by Doug Abolt at 7:30 a.m.

Approval of Minutes

A motion to approve the January 2024 minutes was made by Jay Gatrell and seconded by Mike Stanfield. The motion passed.

Treasurer's Report

Griffin gave the financial report and stated the financial statements reflect four months into the fiscal year. Year-to-date revenue from annual contributions for the period shows \$66,600 compared to \$50,700 one year ago, and year-to-date total revenue shows \$142,000 compared to \$106,600 for the same period last year. Net income for the period is \$14,216 compared to \$10,800 for the same period one year ago. Griffin explained on the comparison to budget, the amounts are off due to the budget reflecting an anticipated grant from the county in January and expenses were also anticipated in December and January as a result of the grant award. The grant has not been received yet, though a portion of it was approved. Expenses related to the grant began occurring in February and eventually the income and expense accounts will come in line with the budget. Griffin further explained reclassified items related to grants. Payroll is processed monthly and is run on the 24th of the month since it is direct deposited. Grant expenses related to personnel time continue to be incurred through the end of the month. By the 15th of the following month, grant reports are prepared which reflect personnel expenses for the prior month. Those reports are sent to the grantor and also provided to the accountants who then reclassify the entire monthly payroll expenses related to grants out of the payroll accounts and into the grant expenditure accounts. This explains the "reclassified" amounts listed by month on the treasurer's report.

Board of Directors Meeting Minutes

February 26, 2024

Page 2

Approval of Treasurer's Report: A motion to approve the January 2024 financial statements and treasurer's report was made by Jason Tucker and seconded by John Inyart. The motion passed.

President's Report

Griffin stated she spent a couple of days with Gabor Nagy, the project director and manager for Kingspan who visited the company's new facility in Mattoon this month. Kingspan closed on the former NCI facility and visited the site and the community to begin the process of renovating and moving production to Mattoon. Kingspan manufactures building systems similar to NCI and Lester Building Systems. They are a global operation headquarter in Ireland, with a U.S. headquarters in D.C. and the headquarters of the division expanding in Coles County located in Florida. Nagy has been working with the company to acquire and build out new locations for the past 17 years. They currently have 212 locations around the world. The Mattoon operation will manufacture a specialized product being primarily used by and targeted to data centers particularly the expansion of that industry happening on the east coast. According to the company, they are the top producer of building systems for the data center industry and also the top producer of this particular type of insulated panel system.

The expansion project proposed by Mars Petcare 18-24 months ago is moving forward now that the work modernizing technology at the facility is nearly complete. The modernization means the company is using more technology and less human capital so they have moved employees around the facility to help meet their growth needs which has alleviated pressure from the tight labor market. At the time of initial discussion, the project was anticipated to involve a \$60-\$70 million capital investment and 24 new positions. Revised numbers have not been confirmed. We are presently working with Ameren to get a recommitment to upgrade the substation south of the facility to meet the additional load required for the expansion. The substation upgrade is expected to cost \$2.3 million. Ameren previously provided a written commitment to fund the upgrade but it has expired, personnel has changed at Ameren, and we are working with the team to get the commitment in writing again. The planned upgrades at the substation and new dedicated feeds for the Mars facility will not only support growth at MARS but will also provide capacity for the Mattoon Enterprise Park and the entire area for at least the next 10 years. Presently, there is just enough capacity for Mars to get started with the expansion, which is helpful because lead time on new transformers is still running two years out. The Mars timeline is that construction would be completed in early 2026 which closely aligns with Ameren's timeline. If it turns out Mars is ready for production before Ameren's buildout is complete, Ameren has the ability to back feed the facility so production is not affected, which keeps the site competitive with other Mars locations that could accommodate the expansion.

There is interest in the purchase of two lots in Coles Business Park. Griffin is working with Upchurch on the design of replat options to be considered by Eastern Illinois Area Special

Board of Directors Meeting Minutes

February 26, 2024

Page 3

Education (EIASE). Griffin mentioned as the sale of lots continues in the business park, Coles Together may want to consider investment in speculative development. Obviously, there would need to be thought and study put into what might be the best use of the funds, but continuing to put proceeds from the sale of lots into savings accounts or CDs may not be the best use of the money, especially since the organization has a solid balance sheet. While it might seem risky, there are regular requests for warehouse space in the county and the average request is less than 50,000 SF. Most of the time, we are unable to accommodate a potential tenant. Everyone is either full or hesitant to build additional space without a signed lease. Lessees are reluctant to sign a lease for space that is a minimum 120+ days out. Again, it would require much thought about type of space, whether it is a shell building or built out in any way, but it is worth discussing as the organization and the county move forward, particularly as many supporters are ready to take the county to the next level.

Kurt Jensen, the property manager for Phoenix Investors is working to locate a “high-quality, nationally known agricultural” company in 70,000 SF of space in the former General Electric facility. Jensen has concerns about storage of products that are agriculturally based and we are working to understand the regulations that govern the type of sprinklers that might be required. If it turns out Phoenix would need to install ESFR sprinklers, it is likely the cost would drive the rent to a price the tenant would not pay. We are working with the fire department and the risk management team at Phoenix to evaluate options. If the tenant signs, job creation would start at 14.

Griffin has been in communication with Ameren about the possibility of siting a data center at the Coles Energy site. Ameren is working with a consultant that represents a company looking for sites with sufficient power and water to locate data centers of many sizes. Typical data centers take at least 100 MW of power which Ameren could deliver to the site and getting that kind of power on site would be helpful not just to a data center project but also for other projects that could co-locate there. Data centers also have a large water requirement and there are a couple sources at or near the site, including a city line and a rural water line that could help meet the needs of a small to mid-size center on 25-30 acres.

The county board awarded Coles Together an additional \$125,000 in ARPA funds. This is the award we anticipated in December and we thought we would begin making grants in December and January. We had applications pending from the last round when we ran out of funds and others that applied in the lead up to the county board meeting. They awarded us the grant on Tuesday and the entire amount was awarded and checks delivered or mailed by Friday so the grant will be closed out before a new person comes on board. With the additional \$125,000 grant, we funded an additional seven local businesses, which employ 41 individuals, and the average grant award was \$17,857.

Griffin processed nine new enterprise zone applications last month, some for the Sports Complex and Emerald Acres and others for expansions and developments occurring throughout the county

Board of Directors Meeting Minutes

February 26, 2024

Page 4

with others in the queue. Also, Griffin is working with two local firms on expansion opportunities in the county.

Coles Together is co-hosting a community event with the business development office at DCEO focused on regional women-owned businesses in recognition of Women's History Month in March. There will be presentations by state and local organizations to connect business owners (men and women) with resources and opportunities across the Illinois business support ecosystem. Additionally, Griffin invited the culinary arts students at LIFT to cater the event and female students in many of the pathways at Lift and the Trojan A&M center to speak to the group about their career ambitions in traditional and non-traditional career paths. The event is called "Connecting HER with Illinois Business Resources" and it will be held at Elevate on March 6.

The audit is complete and it was a clean audit but the financial statements cannot be finalized until we get information from the state related to one of the grants. We were given a verbal extension but the written extension along with the budget has not been provided so the auditors requested an extension to file the federal return. We will not have a payment with the federal return but we do have a payment with the state return which is due April 1. As soon as we receive written documentation from the state and the auditors can finalize the statements, the annual financial statements and the 990 will be presented for review.

Gatrell provided an update for the group about activity at Eastern Illinois University. He stated the Illinois Innovation Hub has almost completed upgrading the facility which has been in development for three-four years. He also stated the university engaged a firm to represent their interests at the federal level which has not occurred for at least the past 10 years. They will be doing an 18-month pilot with the firm to gauge results with a priority on ways to expand services and programs.

Respectfully submitted by:

Brooke Kieffer, Assistant Secretary