



CHEDA Special Board Meeting Minutes
Thursday, October 5, 2017, 7:00 a.m. + Valley Technology Park

Members: Kurt Heldstab, Craig Morgan, Steve Erickson, Paul Eickhof, Leon Kremeier, Tom Vedbraaten

Ex-Officio Member: Dale Stainbrook and Angel Weasner

Crookston Mayor and Council: Wayne Melbye & Jake Fee

CHEDA Staff: Craig Hoiseth, Tiffany Jones, Theresa Tahran

Others Present: Adam Wagner, Shannon Stassen, Kristie Thorfinnson and Mike Christopherson

1) **Call Meeting to Order** – *President Heldstab called meeting to order 7:00 a.m.*

2) **Tour Vertical Malt** – Hoiseth introduced Adam Wagner, President of Vertical Malt who then provided a brief introduction and explained the operations of Vertical Malt. They grow their own barley on their farm so the malt they produce is 100% local and certifiable. By growing their own barley they are able to be more competitive and provide a distinct marketing advantage. He showed the board their PILOT Program equipment which they used when they first moved into VTP which produced 200 lb. of malt every week. The malting process takes roughly 5-7 days and start at about 44% moisture and roast to get down to 4-5% while trying to preserve the enzymes of the barley. Eickhof asked how customers find out about Vertical Malt. Wagner explained they do have a website but most people find out by going out shaking hands and also word of mouth in the industry. A couple of the breweries he works with are Bemidji Brewery and Rhombus House. Vertical Malt does plan to do some more expansion and marketing within the next year. They have been working with CHEDA on options and are looking at other properties to expand their business into the community. Eventually, they plan on 6 drums (perhaps even larger ones) of which these first 2 would stay at VTP in operation while they get a new building ready so they don't have interruptions in their product availability. In addition to CHEDA, the University of Minnesota Extension office in Crookston, AURI and NDSU have all been working with Vertical Malt through their expanding business model.

3) **Main Agenda**

a) **Revolving Loan Request – Vertical Malt**

Motion made by member Morgan to approve \$100,000 CHEDA revolving loan to Vertical Malt, seconded by member Vedbraaten. Motion carried unanimously.

There being no further business to come before the board, President Heldstab adjourned the meeting at 7:30 a.m.

These minutes were officially approved on October 17, 2017

Attest: *Kurt Heldstab* and *Craig Hoiseth*
Board President Executive Director