



**HIBBING ECONOMIC DEVELOPMENT
AUTHORITY**

**Special Meeting
Thursday, August 20, 2026
8:00 AM**

President Steve Jurenes
Vice President Celia Cameron
Councilor John Schweiberger
Councilor Jennifer Hoffman Saccoman
Mayor Pete Hyduke
Member Mike Egan
Member Jim Skalski

City Administrator Greg Pruszinske
Finance Director/Treasurer Sheena Mulner
City Clerk/Deputy City Administrator Candie
Seppala
City Attorney Andy Borland

Members may participate through remote technology

I. CALL TO ORDER:

II. APPROVAL OF THE AGENDA:

III. DISCUSSION ITEMS:

1. Authorization to subordinate inventory and/or accounts receivable from the UCC
Filing for AMGS

IV. ADJOURNMENT:

Greg Pruszinske

From: Jennifer Wainionpaa <jwainionpaa@parkstatebank.com>
Sent: Monday, August 17, 2026 9:06 AM
To: Pete Hyduke; Candie Seppala; Greg Pruszinske
Cc: Jennifer Wainionpaa
Subject: AMGS UCC subordination

Good morning!

I am working on a line of credit for AMGS using an SBA loan program specifically for manufacturers. Approval is contingent on the SBA having a first collateral position in Accounts Receivable and Inventory.

Would you be willing to subordinate Inventory from your current UCC filing #1400412200022 to the filing we will do for the new line of credit? You will still retain your current position in the equipment collateral.

If this is ok, please let me know who should sign. I can have the subordination agreement drafted.

Let me know if you have any questions.

Thank you!

Jenn

Jennifer Wainionpaa
VP Business Banking Officer



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M: 218-290-1153
www.parkstatebank.com | Member FDIC

SUBORDINATION AGREEMENT
By Business Entity

FOR VALUABLE CONSIDERATION, the undersigned hereby subordinates the lien on inventory, specifically "All...inventory purchased as part of this transaction and any...inventory purchased in the future until such time as the loan has been satisfied in full" which is evidenced by UCC filing as filing number 1400412200022 in the Minnesota Secretary of State's Office to a subsequent lien of the US Small Business Administration through a loan with Park State Bank, as evidenced by a Security Agreement dated _____ and subsequent UCC filing number _____ with the Minnesota Secretary of State's Office.

Hibbing Economic Development Authority

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

State of MINNESOTA
County of ST. LOUIS

This instrument was acknowledged before me this ____ day of _____, _____, by _____ and _____, the _____ and _____ of Hibbing Economic Development Authority.

NOTARY PUBLIC

Drafted by:
Park State Bank
2015 3rd Ave E
Hibbing, MN 55746



To The HEDA Board Members:

Aug 18, 2026

We wanted to take the time to thank the board for considering taking a subordination position for us on Inventory to utilize a guaranteed SBA line of credit with Park State Bank that requires this of our lenders. With AMGS's expanded capacity with the new building and additional automation it is critical to AMGS to find a large enough line of credit to allow us to grow at the rate that we now have the potential for.

While in the old 7th Ave E building our maximum potential revenue was \$180,000 per month and now since we have been producing in the facility we are easily doubling our revenue to \$360,000 since the beginning of the year. Our goal for next year is to average \$560,000 per month, which will create additional full time positions

Thank you again for your time and patience while we built AMGS here in Hibbing.

Thanks,

Jason Wobbema
President
218-994-9124