

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT OPERATIONS BOARD OF DIRECTORS (OB) MEETING
MINUTES
November 14, 2019
EDC Board Room, Willmar**

Present: Art Benson, Rollie Boll, Donna Boonstra, Jesse Gislason, Les Heitke (via teleconference), Kerry Johnson and Kelly TerWisscha

Ex Officio: Roger Imdieke

Staff: Aaron Backman, Executive Director and Connie Schmoll, Business Development Manager

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc. (LAA)

Media: Shelby Lindrud, West Central Tribune

President Kelly TerWisscha called the meeting to order at approximately 11:00 a.m. and declared a quorum was present.

AGENDA—Under Progress Reports, the Highway 23 Coalition was moved up to 1a.

IT WAS MOVED BY Rollie Boll, SECONDED BY Kerry Johnson, to approve the revised Agenda and following Consent Agenda. MOTION CARRIED.

CONSENT AGENDA—

- Approve:**
1. Minutes of October 10, 2019 meeting
 2. Financial reports as of October 31, 2019
 3. Payment of REDstar invoice for \$1,513.75 from the Marketing and Public Relations Committee's budget
- Accept:** Committee/Subcommittee Minutes
1. Broadband and Advanced Technology 10/7/2019
 2. Business Retention and Expansion/Recruitment 10/4/2019
 3. Marketing and Public Relations 9/23/2019

UNFINISHED BUSINESS—There was no unfinished business.

NEW BUSINESS

Blue Cross Blue Shield Health Insurance Renewal Rate. Aaron Backman reported the health insurance premium for EDC staff in 2020 will be \$2,430.68 per month, a 7.2% increase. The monthly premium in 2019 is \$2,267.32. Staff's monthly contribution in 2020 will continue to be \$100.66 per month per person. Connie Schmoll noted their policies are high deductible health savings plans. Backman stated three years ago staff started contributing any increase that is above 8%. The board discussed various coverage options.

IT WAS MOVED BY Art Benson, SECONDED BY Kerry Johnson, to recommend to the Kandiyohi County and City of Willmar Economic Development Commission's Joint Powers Board that it approve the 2020 health insurance premium of \$2,430.68 per month and that the Joint Powers Board look at other health insurance options for future years. MOTION CARRIED.

PROGRESS REPORTS

Willmar/Willmar Industrial Park. Backman reported the City of Willmar received notice on October 16, 2019 that the Innovative Business Development Public Infrastructure grant application submitted by the EDC was approved by the Minnesota Department of Employment and Economic Development (DEED) for an extension of sanitary sewer service from the Willmar Industrial Park to Epitopix. The EDC is working with the city attorney and staff in regard to the project. Backman distributed a map of the Proposed Epitopix Annexation Plan (see attached). The EDC contacted all property owners affected by the annexation and has spoken with them several times as to the process. An orderly annexation agreement is being signed by the property owners. The Willmar Planning Commission will consider the annexation plan on November 20th after which the City Council will receive it. Willmar Township will also adopt a resolution supporting the annexation. Schmoll reported Arvig is providing fiber broadband to Willmar Industrial Park and will be bringing fiber to Epitopix. Backman reported County Road 5 reopened yesterday; Wye construction continues and bridge work will be done through the winter. Project Turnabout obtained a conditional use permit and is planning to build a 16-bed facility at the junction of Gorton Avenue and Seventh Street Northwest. Construction at Ziegler Cat continues with plans to be done next summer and Unique Opportunities is working on the first floor of its building.

Highway 23 Coalition Update. Donna Boonstra reported over 70 people attended the Highway 23 Coalition's general membership meeting on October 18th at Prairie's Edge Casino in Granite Falls. Senate Majority Leader Paul Gazelka was the keynote speaker. Minnesota Department of Transportation (MnDOT) Commissioner Margaret Anderson Kelliher announced at the meeting that MnDOT will fund a safety study for the intersection of Highways 7 and 23 in Clara City. Boonstra presented to the Senate Bonding Committee on what changes could occur if there was a four-lane the entire length of Highway 23. The committee had many good questions. Questions about the Wye project were addressed by Senator Andrew Lang. Boonstra also attended the Minnesota Transportation Alliance meeting in Mankato. Coalition board members met with

representatives of WSB, Bolton & Menk and MnDOT on future funding and transportation studies and the Projects Priority Committee met yesterday. Backman reported the Projects Priority Committee is recommending five projects for 2020. The Legislative Committee met yesterday and is again making plans to go to St. Paul after the Session starts and to Washington, D.C. in May 2020.

Strategic Priority Areas.

Agricultural Innovation. Schmoll reported she and members of the EDC's Industrial Hemp Exploratory Subcommittee attended the AURI Conference: Building an Industrial Hemp Industry in Minnesota on November 6th. Schmoll provided information on the presentations at the conference. The EDC's subcommittee is looking at what is needed to build a facility for hemp fiber processing. Harold Stanislawski of AURI is working closely with the EDC's subcommittee and frequently attends subcommittee meetings via teleconference.

Broadband. Schmoll reported she and Boonstra attended the 2019 Blandin Broadband Conference: Innovation Putting Broadband to Work October 8-10. Schmoll and Boonstra also attended the 2019 High-Speed Broadband: Driving America's Growth Conference in Virginia and met with staff of Minnesota's federal legislators in Washington, D.C. Schmoll presented a handout, High-Speed Broadband for Kandiyohi County/Rural Minnesota (see attached), to legislative staff. Schmoll stated three legislators are working on broadband issues. Staff spoke about blind spots 10/1. Does not need to be contiguous so could do a grant, but may not be feasible. Workshops attended by Boonstra included the YouTube video, Farm Forward, was shown, which features agriculture and technology; a Somalian software developer, who is teaching coding to 14-17 year old girls in an after-school program; a Kansas provider, who may be interested in possibly coming to Minnesota to do a project; and SpaceX is planning to launch 30,000 satellites. Boonstra indicated satellite will not solve technical needs as wireless and satellites fill a temporary need. Schmoll stated the EDC is a member of the Minnesota Rural Broadband Coalition, which will address the issue of providers' right of first refusal for state broadband grants.

Business Support. Backman reported Schmoll gave a presentation to the Kandiyohi County Bankers Association on November 7th on the EDC's strategic priorities and loan programs.

Workforce Development. Backman gave an update on Ridgewater College's fundraising efforts for the CDL simulators. Ridgewater College has raised approximately \$30,000. The EDC's Business Retention and Expansion/Recruitment Committee is discussing the EDC's previous Bring Them Back Home campaign. President TerWisscha reported a task force is researching the former program and what a new program could look like. The task force is bringing in other organizations, such as the Willmar Lakes Area Chamber of Commerce and its neXt program and is looking at an ongoing long-term program that will target multi-generations. Schmoll reported the BRE Committee continues to view and recommend edits to the community video.

Rural Child Care Innovation Program. Schmoll reported core team members continue to meet on a regular basis. Ridgewater College started new childcare classes and Meeker County received a couple of grants for childcare. The Kandiyohi County Area YMCA received a \$50,000 grant for its Early Learning Center in Spicer and plans are to finish construction sooner than planned. Kerry Johnson indicated they are trying to incorporate the opening of the Center with Spicer's WinterFest in January. Schmoll reported the Willmar Child Care Center is still working toward opening its facility.

Opportunity Zone Marketing. Backman reported following the October 16th article in the *West Central Tribune*, the City of Willmar and EDC have been contacted by several property owners in the Opportunity Zone along Highway 12 and several potential investors. Backman stated HG Real Estate Partners of Minneapolis is interested in a project in Willmar. It has invested \$6.5 million in the acquisition of the building where Pet Smart is located. Work on the Opportunity Zone prospectus continues and a design meeting will be held tomorrow.

Business Visits and Meetings. Backman reviewed the business visits and meetings in his report (see attached) highlighting the Greater Minnesota Housing Board held a multi-day planning session in Kandiyohi County; he has interacted with developers of a residential area near the Willmar City Hall; he co-hosted a tour of the MinnWest Technology Campus for a Minneapolis company that manufactures sterilizing equipment and medical tools interested in expanding and he visited Pinnacle X-Ray Solutions, a company that builds metal x-ray cabinets, and is occupying one-third of the Bernicks building. Schmoll highlighted business visits and meetings from her report (see attached), including NDC training she attended with Scott Marquardt of Southwest Initiative Foundation. She and Marquardt will continue looking at the NDC programs from a regional aspect. Schmoll visited the new alterations business, Sewn Edge, in the Kandi Mall; the owner commutes daily from Walnut Grove.

COMMITTEE REPORTS

Agriculture and Renewable Energy Development (Ag). Schmoll reported the Ag Committee will hold its November 21st meeting at Kandi Power Cooperative and see its new electric car.

Broadband and Advanced Technology. Schmoll reported the Broadband Committee is working with three townships for a project. A letter from the EDC is being mailed to the businesses and residents in the three townships relative to a survey that will be mailed as to their current Internet services and satisfaction level.

BRE. Backman reported he continues to work with CLUES.

Finance. Backman reported the meeting was cancelled as there was not a quorum and was rescheduled to next Wednesday. Schmoll received a request from Coffee & More to pay interest only for five months, which she requested this board address since the Finance Committee did not meet this week.

IT WAS MOVED BY Kerry Johnson, SECONDED BY Art Benson, to approve interest-only payments for Coffee & More for five months. MOTION CARRIED.

Marketing and Public Relations. Backman reported the committee reviewed social media statistics and is looking at updating marketing materials.


Leisure Travel. Backman reported three billboards were redone.

NEXT MEETING—The next board meeting is **11:00 a.m., Thursday, December 12, 2019**, at the EDC Office, Willmar.

ADJOURNMENT—


IT WAS MOVED BY Art Benson, SECONDED BY Jesse Gislason, to adjourn the meeting.

The meeting was adjourned at approximately 12:30 p.m.



Art Benson, Secretary

APPROVED: 12/12/2019:



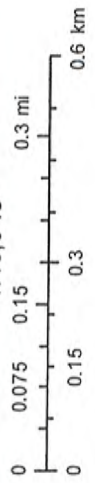
Kelly TerWisscha, President

Proposed Epitopix Annexation Plan



September 25, 2019

1:10,946





High-Speed Broadband for Kandiyohi County/Rural Minnesota

I. New Funding for Broadband in Unserved and Underserved Areas

Funds have recently been allocated for loans and grants to help build broadband, an essential service, in rural America. Such funding is imperative if we are ever to bridge the digital divide in America. Internet service providers may apply for funding through USDA's new ReConnect Program to connect rural areas that currently have insufficient broadband service.

The problem: The funds are not available for those who have access to speeds at 10MBPS/1MBPS or greater. For adequate use of today's technology, a minimum requirement is at least 25MBPS/3MBPS and will be closer to 100MBPS/100MBPS for future use. Most Urban areas advance through network connections of 1000MBPS/1000MBPS (a gigabit) or more.

Solution: Change the eligibility requirement for the ReConnect Program, allowing areas that do not have at least 25MBPS/3MBPS to apply and potentially secure funds.

II. Tech-Transformed Agriculture

Broadband offers ways to create a virtual classroom anywhere in the field. Drones used in agricultural environments show site specific issues such as where pesticides need to be applied. High-speed connections are necessary for upload as well as download of drone collected data. For a closer look at how broadband benefits agriculture please go to You Tube: Farm Forward.

The problem: The rural areas are least likely to have access to high-speed broadband services.

Solution: Prioritize broadband infrastructure funding for rural areas as an essential service for the advancement of agriculture.

III. Healthcare: The Importance of the "Last Mile"

Expectations around healthcare are changing. People want to access their doctor quickly and from anywhere. This is possible with telemedicine if both patients and physicians have access to at least 25MBPS/5MBPS.

The problem: Medicare requires the patient go to a care facility in order for Medicare to pay for the service. This requirement defeats the purpose of telemedicine; being able to stay home to communicate with the doctor.

The solution: Amend Medicare policy language to allow reimbursement for off-site telemedicine healthcare visits.



Joint Operations Board Meeting Aaron Backman Report November 14, 2019

Marketing Effort for Willmar Downtown Opportunity Zone

On October 16th there was a helpful article in the West Central Tribune re Willmar's Opportunity Zone and the EDC's efforts to promote. As a direct result of that article the City of Willmar and the EDC were contacted by several property owners along the Highway 12 Corridor portion of the OZ potentially interested in selling for a redevelopment project; and several potential investors, the most notable being HG Real Estate Partners based in the Twin Cities that has invested millions of dollars into projects in the Twin Cities and into several projects in Willmar.

Work on the Willmar Opportunity Zone Prospectus continues. The Willmar OZ Team held a Zoom Conference Meeting with Golden Shovel on October 17th at the EDC. Activities on draft content continues. There will be a Design Meeting with the OZ Team on November 15th.

Innovative Business Development Public Infrastructure (IBDPI) Grant Award for Epitopix Sewer Line

On Friday, October 25th the EDC received word from the MN Dept. of Employment & Econ. Development that the DEED Commissioner Steve Grove had approved a \$1.3 million IBDPI grant with the City of Willmar for the Epitopix sewer line project. The EDC had prepared and submitted the grant application on behalf of the City. The line runs from the main north-south interceptor near the Willmar Industrial Park, west along the north side of the new Hwy 12, then north on 45th to the Epitopix production facility. Epitopix, which is planning a major expansion of production capacity in Willmar, was pleased with the news.

The EDC is working with the City Attorney and City Staff on several aspects of the project, including reviewing the grant agreement, addressing questions regarding the requisite property interest, the related waterline extension, and the land annexation necessary for the project, and the appropriate zoning. The City and EDC Team held a planning meeting on November 6th and will be having another follow-up meeting on Monday, November 18th.

Highway 23 Coalition Update

On Friday, October 18th, the Highway 23 Coalition held its Fall General Membership Meeting at Prairie's Edge Convention Center in Granite Falls. The event was well attended with 70 members and guests at the business luncheon. It was great having Senate Majority Leader Paul Gazelka as



the main speaker talking about transportation! We also had MnDOT Commissioner Margaret Anderson Kelliher provide remarks, and Chairwoman Donna Boonstra provide an update as well.

One notable thing coming out of the meeting was the announcement by the MnDOT Commissioner that District 8 was going to move ahead with and fund the Intersection Safety Study at Hwy 7 and Hwy 23 in Clara City. That project has been a top priority for Clara City and Chippewa County and is one of the Coalition's top four priorities for 2019. The Coalition is very grateful that MnDOT District 8 has agreed to undertake the study. The purpose of the study would be to consider options, including potential infrastructure changes, to enhance safety at that intersection and reduce the incidents of accidents. This would likely involve making recommendations to MnDOT District 8. It is anticipated that MnDOT District 8 will provide more information on the process and timeline for the study in early 2020. .

The Coalition officers held a Brainstorming Session with representatives of WSB, Bolton & Menk, and the Assistant District 8 Engineer regarding obtaining Critical Freight Corridor Designation for portions of the Hwy 23 Corridor and potential Transportation Studies the Coalition could support. This week the Coalition also held its Legislative Committee meeting and its Priority Projects Committee meeting at the EDC. The latter considered 28 proposed projects to support along the Corridor and are recommending to the Coalition's Board five projects to support for the 2020 Legislative Session. For Kandiyohi County the Coalition is supporting the CSAH 55 Overpass over the BNSF Railroad.

Business Meetings (October 11th – November 14th)

1. Attended SW ATP Meeting at MnDOT D8 in Granite Falls (10/11/19)
2. Participated in Vision 2040 Housing Subcommittee Meeting at HHS (10/14/19)
3. Presentation to City of Raymond re Hwy 23 Coalition membership (10/14/19)
4. Participated in Poultry Research Facility meeting w/Mayor Calvin, Dr. Johnson, Kathy Schwantes, Commissioner Harlan Madsen, etc. at MCROC (10/15/19)
5. Disc. w/developer from Sioux Falls re housing project in Willmar OZ (10/15/19)
6. Presentation to Willmar Chamber re Economic Development/ Current and Future projects in Willmar (10/17/19)
7. Participated in Zoom Conference Meeting w/Willmar OZ Team and Golden Shovel (10/17/19)
8. Participated in Hwy 23 Coalition General Membership Meeting, Coalition Board Mtg. and Priority Projects Committee Mtg. at Prairie's Edge Ctr. in Granite Falls (10/18/19)
9. Development Mtg. w/Dave Ramstad, Director of Planning & Development, & Dept. Staff, Willmar City Hall (10/22/19 & 11/12/19)
10. Participated in conference call with Willmar City Staff re items related to state grant for Epiotopix sewer line project (10/30/19)



11. Presented to Greater MN Housing Board; Tour of 15th Street Flats; Participated in diverse business panel discussion held at Midtown Plaza; Attended reception and Dinner at Little Crow Resort with Board members and other guests (10/31/19)
12. Monthly Mtg. w/Dr. Johnson, President, Ridgewater College (11/1/19)
13. Attended Vision 2040 Steering Committee Monthly Meeting
14. Presented announcement/update of \$1.3 million grant from MN DEED for Epitopix sewer extension to Willmar City Council (11/4/19)
15. Meeting w/local developer re housing project near City Hall in the Willmar Opportunity Zone; Follow-up meeting with Dave Ramstad re same project (11/5/19)
16. Meeting w/Dean Steinwand re commercial/industrial projects in Willmar
17. Meeting w/Willmar City Staff re funding sources for the proposed water line to Epitopix production facility (11/6/19)
18. Meeting and tour of the proposed space in the MinnWest Technology Campus for Minneapolis company considering expanding here; It included representatives from MWTC, Nova-Tech Engineering, and the West Central Angel Fund (11/7/19)
19. Conference Call w/Executive Team of MAPCED to discuss the agenda items for the upcoming MAPCED Quarterly meeting in St. Cloud on December 9th
20. Attended Hwy 23 Coalition Brainstorming Session w/Board officers, MnDOT, WSB, and Bolton & Menk representatives re Rural Freight Corridor Designation and Corridor Transportation Studies at McMillan's in Willmar (11/12/19)
21. Participated in Hwy 23 Coalition Priority Projects Committee Meeting at EDC (11/13/19)

Business Visits

1. Tour of current (old) CABHS Building with Joanna Schrupp and Michael Gallagher on the MinnWest Technology Campus 10/24/19)
2. Attended Willmar Chamber Connection at West Central Industries
3. Tour of Pinnacle X-Ray Solutions (manufacturer) in Bernick's Building (10/25/19)
4. Tour of Midtown Plaza Building—tested new elevator for first time
5. Met w/Sergio Fuentes, Royal Cutz Barbershop and Willmar City Councilmember (10/31/19)



**Joint Operations Board Meeting
Connie Schmoll Report
November 14, 2019**

Child Care

Willmar Child Care Center. The building inspection revealed a need for a few changes. The owner is currently working to update financials and the business plan in order to make application to a local bank for additional funding for the changes, overages in construction costs and some start-up working capital. Expected time for opening is unknown at this time.

The Kandiyohi County Rural Childcare Innovation Project Core Leadership Team met on November 12th. Updates were shared. The one credit interest class at Ridgewater was well attended with 16 participants. In addition to classes at Ridgewater Hutchison campus, which has more students than in the past, a class is now planned for the Willmar campus. There are currently 4 or 5 participants registered which is not enough to hold the class; however, registration is open for one more week to hopefully secure the additional 5 participants. This is a 3-credit class and part of the 9-credit total needed for certification.

A Childcare Professional appreciation event will be held sometime after January 1, 2020. Planning is on the agenda for the December meeting. There is currently a national effort to recognize childcare providers as “professionals”. The event will probably be so named with language including the national effort logo, “The Power of the Profession”! The national effort also is intended to inform about the critical work of the professionals in brain formation during the first 5 years of a child’s life.

Broadband

Engineering study update: Jared Britten of Compass Consultant’s Inc. has completed the survey tool for the businesses and residents in the three targeted townships to assess the actual current speeds and the interest and need for greater speeds. The EDC will send a pre-letter to inform constituents of the upcoming survey and encourage participation.

Donna Boonstra and I attend two very informational and impacting conferences on Broadband, one in Nisswa, Minnesota and one in Alexandria, Virginia. A report of the conferences will be shared at the Board Meeting.

Meetings and Events

1. Blandin Broadband Innovation Conference
2. Rice Health Foundation Chamber Connection
3. Poultry Research and Training Facility meeting
4. Childcare Core Leadership Team



5. Opportunity Zone Marketing/Golden Shovel
6. NDC Training Class Neighborhood Development Center
7. Highway 23 Membership meeting
8. MWTC Business Development
9. City Annexation Planning, City of Willmar
10. Willmar Township Meeting on annexation
11. High Speed Broadband: Driving America's Growth
12. Senator Tina Smith's office staff
13. Senator Amy Klobuchar's office staff
14. Representative Collin Peterson's office staff
15. Agriculture Utilization & Research Institute (AURI)-Building on Industrial Hemp Industry
16. Presentation Bankers Association (EDC programs, priorities, financing options)
17. EDC video review
18. Renville County team discussion on Industrial Hemp

Business Visits

1. Sewn Edge
2. Glow by J.
3. Jiva Massage, Atwater
4. Kandi mall Vendor Marquet
5. Lulu Beans
6. Jess A on facility for business
7. Karen A. Glacial Ridge Winery planning