

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
AGRICULTURE AND RENEWABLE ENERGY DEVELOPMENT (AG) COMMITTEE**

MINUTES

April 20, 2017

Christensen PLLP, Willmar

- Present: Rollie Boll, Jon Folkedahl, Jean Geselius, Kevin Halvorson, Dustin Kotrba, Kim Larson, Dan Lippert, Keith Poier and Bruce Reuss
- Excused: Arvind Auluck Wilson, Ian Graue, Bruce Reuss and Dan Tepfer
- Absent: John Duevel
- Guest: Carolyn Lange, West Central Tribune
- Staff: Aaron Backman, Executive Director and Connie Schmoll, Business Development Specialist
- Secretarial: Diane Beck, Legal & Administrative Assistants, Inc.

Vice Chairperson Larry Konsterlie called the meeting to order at 7:40 a.m.

AGENDA— Kim Larson added an agenda item under Other to share information regarding a new industrial farming industry, industrial hemp.

IT WAS MOVED BY Rollie Boll, SECONDED BY Keith Poier, to approve the agenda with noted addition. MOTION CARRIED.

MINUTES—

IT WAS MOVED BY Kim Larson SECONDED BY Kevin Halvorson, to approve the March 16, 2017 minutes. MOTION CARRIED.

REPORTS

West Central Angel Fund I. Connie Schmoll shared the West Central Angel Fund I held its first organizational meeting on April 6. They are now a LLC. Four different business prospect summaries were discussed at the organizational meeting. The group will begin to process applications soon.

Ag Producers' Survey Subcommittee. Konsterlie thanked everyone for their time in working on the Ag Producers BRE Survey. Jim Molenaar will continue to add strategies as needed. Schmoll mentioned several West Central Tribune articles were written about the survey. The Ag BRE Survey Subcommittee met this week to review the materials from the April 5, 2017 workshop. Next steps include developing strategies. Aaron Backman thanked the sponsors for their financial contributions, volunteers and

especially Schmoll. Backman provided information on the status of farming and dairy operations in the United States and Minnesota and reported farming operations remain dominant. He also shared the following highlights from the Ag Producers BRE Survey evaluations:

Rated higher:

- Agriculture is key to Kandiyohi County
- Purchasing locally is high, which has an effect on the economy
- Agriculture, producers are stewards of land and water

Rated lower:

- Decline of small farms and increase in large farms

Findings:

- Strategies.
 - Property taxes for farms
 - Land availability
 - Want more input on state policies and regulations
 - Value-added production, tax abatement, etc.
 - What can be done to help market corn, livestock and soybeans
 - Newly emerging farm products, i.e., hemp
 - Education and agriculture promotion.

Committee comments regarding the workshop:

- Larson: Backman did an excellent job of presenting
 - Keith Poier complimented the committee for their hard work; there was a good response with 51 surveys completed which provided a base. He encouraged committee members to participate in a future survey.
 - Konsterlie was a part of the 2005 ag survey and enjoyed being part of the process.
 - Rollie Boll: It is important to follow up on the strategies and keep reviewing them over the years.
 - Dan Lippert asked if the survey be shared will with anyone else in the County. Schmoll responded the survey will be sent to sponsors and is posted online. As strategies are developed, they will be added to the report and shared.
 - Distributed draft strategies (see attached)
1. Focus on value-added production for corn, soybeans and livestock, especially sheep and lambs and newly-emerging farm products such as industrial hemp.
 - Jon Folkedahl commented on employment and inquired if anyone is actively working on the value-added issue? Backman shared one possibility is a market opportunity for a slaughter facility for goat and lamb; however, a feasibility study would be required.
 2. Conservation summit or other venue to bring farmers together with legislators to discuss land, water, regulations and control:
 - Konsterlie suggested including legislators and general public and feels this strategy should be worked on now.
 - Larson suggested Schmoll present the report to the Kandiyohi County Board as it is important to share the information.

3. Ag advocacy and education
 - a. “Speak for Yourself” training by Natasha Mortenson
 - b. Promote articles in larger publications with non-farm readers, i.e., *The Land* article on legislative approval of 2000 head livestock herds.
 - o Konsterlie commented sometimes it is difficult to get their message out. Avenues to share the message is through the media and to publish monthly interviews with farmers to address various issues.
 - o Schmoll suggested a short-term goal would be to invite Natasha Mortenson to a future Ag Committee meeting to give her presentation.
4. Further share the data and findings of the Ag BRE Program
 - a. Create a summary document and present it along with the report to the Kandiyohi County Board of Commissioners, legislators, EDC Board members, Open Mic, etc.
5. Sponsor, promote, plan workshops on Farm Succession Planning and/or Commodities Marketing.
 - a. Jim Molenaar is working with Ridgewater College
6. Use above strategies to address concerns about:
 - a. Taxes paid by ag producers
 - b. Land availability
 - c. Process to develop good policies and regulations
 - Lippert commented the need to figure out a way to solve the problem, i.e., taxes highlight farming operations concerns. It needs to be well-received. Dustin Kotrba will research the property tax issue in other states versus Minnesota and report back at the June 15, 2017 Ag Committee meeting.

Schmoll shared that the Ag BRE Planning Survey Subcommittee has concluded its work and passed the development of strategies on to the Ag Committee. She stated if committee members have additional strategies to email or give her a call. She commented the strategies are a work in progress and strategies will be added/clarified in the future. The committee concurred to accept the strategies. Schmoll will give the strategies to Jim Molenaar to write action steps. Schmoll will schedule a meeting with Natasha Mortenson and invite EDC Joint Operations Board and committee members. A meeting will be also with Ridgewater College to provide succession planning.

Marketing Subcommittee. Schmoll distributed a draft agriculture flyer entitled “Diverse Agriculture and Renewable Energy Opportunity” prepared by the Ag Marketing Subcommittee. The next objective is to finalize the flyer and distribute it to the public. Committee members suggested adding RELCO, Kandiyohi County and possibly include graphics of a turkey rather than a pig and graphics of corn, sugar beets or soybeans rather than wheat. Schmoll stated the Ag Marketing Subcommittee members include: Dustin Kotrba, Jean Geselius, Dan Tepfer and Schmoll and encouraged other Ag Committee members to volunteer to serve on the subcommittee.

UNFINISHED BUSINESS

2017 Goals and EDC Strategic Planning Session. Schmoll shared the EDC Board’s Strategic Planning Session was held on March 23, 2017 with Linda Mathiasen serving as facilitator. High end goals were identified and will be further addressed to include specific strategies and develop an action plan.

Broadband Meet & Greet Sessions update. Schmoll reported the county’s broadband project will move forward if 50% of possible customers (1600) subscribe with CTC and reported the Kandiyohi County Board has postponed the sale of bonds. Three meet and greet sessions were conducted with an additional two meet and greet sessions scheduled for April 25 and 25 at the Lake Andrew Town Hall. Schmoll encouraged committee members to get the word out and invite potential customers.

Other. Larson distributed information on a new farming industry, industrial. Currently the United States purchases the product from other countries as there are no processing plants in the United States. Schmoll shared a short video that Larson provided and suggested this topic be researched as well as to attend available conferences. Larson commented he has information on how to write a response to agriculture issues, etc. and will email to committee members for discussion at the June 15, 2017 Ag Committee meeting.

NEW BUSINESS

West Central Bait visit date. Schmoll has not had a chance to schedule the site visit. Jon Folkedahl volunteered to set up a visit date and will invite other committee members to work with him.

Agriculture/renewable energy community events/projects. Schmoll shared she recently attended a cheese makers’ industry conference in Wisconsin which included discussions on GMO, millennium narratives and preferences and focus on snacks high in protein. Filter milk is an issue; however, there are laws that prohibit filtered milk. RELCO had a presence at the conference. Boll reported the number of exhibitors at the West Central Ag Show was down this year; however, the committee voted to hold a show next year and is looking for ways to revitalize the event. The EDC Marketing and Public Relations Committee will be involved.

ADJOURNMENT—

IT WAS MOVED BY Dustin Kotrba SECONDED BY Kevin Halvorson to adjourn the meeting at 9:15 a.m. MOTION CARRIED.

NEXT MEETING—The next regular meeting is **7:30 a.m., Thursday, June 15, 2017**, at Christianson PLLP, 302 Fifth Street SW, Willmar.

2017 Kandiyohi County Ag Producers Program
Draft Strategies from the Planning Committee
April 18, 2017

1. Focus on value-added production for corn, soybeans, livestock especially sheep and lambs and newly emerging farm product such as industrial hemp.
2. Conservation summit or other venue to bring farmers together with legislators to discuss land, water, regulations and controls.
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 - a. "Speak for Yourself" training by Natasha Mortenson
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4. Further share the data and finding of the Ag BRE Program
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6. Use above strategies to address concerns about:
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Ag made the difference: Ag is our foundation and bedrock.
AARON BACKMAN
 Executive director, Economic Development Commission

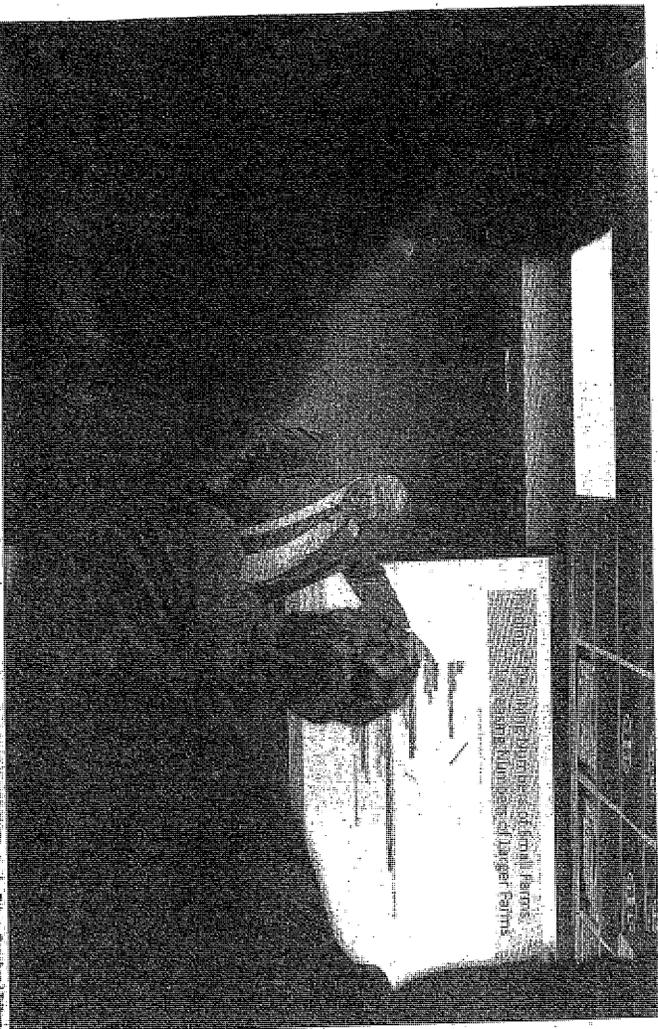


Photo by Brian Sanchez/7th Avenue Studios. The Economic Development Commission is currently conducting an in-depth survey of Kandiyohi County farmers. The survey is being presented at two public forums at the Kandiyohi County Health and Human Services Building in Willmar.

Surprising optimism

Survey shows power of ag on Kandiyohi County economy

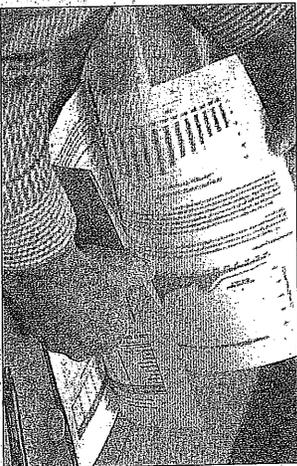
By Carolyn Lange
 clange@wctvb.com

Willmar

The surprising optimism of farmers in spite of bleak revenues and the powerful punch agriculture has on the local economy were two key points revealed by an in-depth survey of Kandiyohi County ag producers.

A report on the survey, which was commissioned by the Ag and Renewable Energy Committee of the Kandiyohi County and City of Willmar Economic Development Commission, was presented last week at two public forums.

The report will help the committee develop a plan and a vision "to help farmers "retain the strength they have" for their own businesses and enhance their role as economic drivers in the community," said Connie Schmol, business development specialist and coordinator for the EDC's Business, Retention and Expansion program.



The survey of 51 Kandiyohi County farmers – at least one from each township – took place this winter during one-on-one, on-the-farm interviews with volunteers.

The 45 questions in the survey asked farmers about the current and future size and operation of their farms, where they buy their ag supplies, the role of farm income

Photo by Brian Sanchez/7th Avenue Studios

played in their financial plan, what they see as threats or opportunities in the ag industry and what they need to succeed in the future.

Information gleaned from the survey is not just important to farmers, but to Kandiyohi County's financial health.

SURVEY: Page A2

Willmar got their start in artificial bone company

Partner in artificial bone company praises innovative spirit he picked up, technical education he received.

By Shelby Lindrud
 slindrud@wctvb.com

WILLMAR – After earning his mechanical engineering degree from North Dakota State University, Joel Hedlof, a Willmar native who graduated from Willmar Senior High School in 2010, discovered something about himself. He didn't just want to work for someone else as an engineer.

"I wanted to be the guy dreaming up the stuff, designing it," Hedlof said.

His education, both at Willmar and NDSU in Fargo, prepared him for that. Hedlof, along with fellow NDSU grads and business partners Andrew Dalman and Ben Ferguson, created Advanced Bone Technology, which specializes in the manufacture of a patent-pending artificial bone product.



"Our secret sauce is the material," Hedlof said. The engineered material is cut using 3D printing, and the end product can be used as a substitute for real bone in classroom, medical and device development and testing situations. It can be used to teach dental students how to drill into teeth, or an orthopedic surgeon can have an exact replica of a patient's bone created, to see how a surgery might work in that individual.

"You can replicate any bone," Hedlof said. Hedlof's journey to Advanced Bone Technology started at Willmar High School. While there he took part in Project Lead The Way, the school's technology curriculum. Hedlof also participated in Mike Kroecker's Tech Challenge courses which gave Hedlof and his classmates the opportunity to engineer and design new ways of doing things.

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