

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
AGRICULTURE AND RENEWABLE ENERGY DEVELOPMENT (Ag) COMMITTEE
January 19, 2023
EDC Board Room and via Zoom Video Conference

Present: Rollie Boll, Kevin Halvorson, Kim Larson, Chris Radel, Nate Reuss and Dan Tepfer

Excused: Abdulcadir Gaal, Larry Konsterlie, Dustin Kotrba, Dan Lippert and Keith Poier

Staff: Sarah Swedburg, Business Development Manager

Media: Shelby Lindrud, West Central Tribune (via Zoom)

Secretarial: Diane Beck, Legal & Administrative Assistants, Inc.

Chairperson Kevin Halvorson called the meeting to order at approximately 7:33 a.m. and announced a quorum was not present. The agenda was taken out of order.

[Dan Tepfer joined the meeting.]

UNFINISHED BUSINESS—

Industrial Hemp Prospect. Sarah Swedburg shared information from a meeting held in December between some Ag Committee members and a company from the Netherlands that may be interested in building an industrial hemp facility in the Kandiyohi/Renville County area. It currently has a facility in Indiana. Information was shared with the company on what each county has to offer and the benefits. The EDC and AURI (Agricultural Utilization Research Institute) are in the process of compiling an RFP for an industrial hemp feasibility study for the company. The company is looking to contract approximately 100 acres of hemp this growing season. Swedburg stated the company may need smaller acreage for specialty testing, but prefers larger acreage for crops. Chris Radel inquired if pesticides are used as he knows someone at Ridgewater College who may be interested in providing a test site; Swedburg shared the use of pesticides has not been discussed.

[Kim Larson joined the meeting.]

Nate Reuss questioned if there is a connection between the Lower Sioux Indian Community and Prairie PROducers in Olivia in regard to hemp. Swedburg believes there is a contract between the two entities. Shelby Lindrud commented an article was printed in yesterday's *West Central Tribune* on the Lower Sioux's use of hemp as building material. The Lower Sioux currently stores its processing equipment in Olivia and allows Prairie PROducers to use the equipment. The Lower Sioux is building an industrial hemp facility on the reservation and will move its processing equipment to its facility. The processing will be completely tribal-run from seed to final product. Swedburg feels the housing industry is huge. Assistance is needed in finding acreage for the Netherlands company. Swedburg has spoken with Nate Hultgren and David Nelson, who are interested in meeting with the company. She would like to share contacts with the company and

asked the committee to send her other names. She is also interested in getting Ridgewater College involved regarding test site plots.

AGENDA—Radel asked to add renewable energy under New Business.

IT WAS MOVED BY Chris Radel, SECONDED BY Rollie Boll, to approve the Agenda with the addition of renewable energy under New Business. MOTION CARRIED.

MINUTES

IT WAS MOVED BY Chris Radel, SECONDED BY Rollie Boll, to approve the Minutes of the December 15, 2022 meeting as emailed. MOTION CARRIED.

UNFINISHED BUSINESS CONTINUED

Soybean Crushing Facility Feasibility Study. Swedburg would like to discuss next steps and commented conversations are needed with the poultry industry and industry representatives. Kim Larson volunteered to be part of the conversations on behalf of this committee; he feels it is important to select the correct representatives and suggested Mike Youngerberg and/or Harold Stanislawski be involved to explain new technologies, etc. Larson and Nate Reuss volunteered to meet with representatives from the poultry industry. Swedburg will work on finding poultry company representative(s) and determine a meeting date.

NEW BUSINESS

Election of Officers.

IT WAS MOVED BY Chris Radel, SECONDED BY Nate Reuss, to re-elect Kevin Halvorson as chair and Dustin Kotrba as vice chair of the Kandiyohi County and City of Willmar Economic Development Commission's Agriculture and Renewable Energy Development Committee for 2023. MOTION CARRIED UNANIMOUSLY.

Budget Review. Swedburg reported approximately \$12,195 was spent on behalf of the committee in 2022, noting its budget was \$11,450. Radel inquired if the \$1,500 approved for the New London Food Coop was taken from the 2022 budget or will it be from the 2023 budget. Swedburg will follow up on this, as well as if a check was cut for David and Sarah Nelson. Swedburg reviewed the committee's approved budget for 2023, which includes increases for Ag Projects, Meals/Meeting Refreshments and General Administrative Services. The committee's 2023 budget increased to a total of \$12,650. Swedburg noted if additional dollars are needed for a specific project, the budget could be adjusted accordingly.

Larson inquired as to the budgets of the EDC's other committees. Swedburg shared the Business, Retention and Expansion/Recruitment (BRE) Committee's 2023 budget is larger (\$463,760) due to anticipated expenses of \$450,000 related to a childcare grant and \$2,760 for the Highway 23 Coalition, leaving \$11,000 for the committee's general budget; Broadband and Advanced Technology Committee is \$6,550; Finance Committee is \$2,700; and Marketing and Public Relations is \$29,630. Larson inquired about the Tourism Committee. Swedburg shared the EDC provides \$34,000 to the Willmar Lakes Area Convention and Visitors Bureau for its Leisure Travel Committee to go toward marketing the county. Most EDC project expenses are attributed to a committee, except for the Elevate Community Business Academy, which has a budget of \$45,790 and receives income from grant dollars. Tepfer is encouraged by the shift in numbers and that there are more incentives and opportunities for committee members to learn about projects rather than do projects. He feels it is the committee's role to connect people with projects.

Renewable Energy. Radel commented a colleague has done a lot of work regarding legislation of the renewable energy sustainability bill that was passed. He suggested inviting this colleague to a future committee meeting to discuss the implications of the Bill and how the changes will affect Kandiyohi County. Swedburg shared there will be a significant amount of funding coming in and inquired if the committee is interested in learning more about what the funding is for and who can take advantage of the funds. Radel volunteered to research the legislation and make a presentation at the March meeting.

Status of 2022-2023 Goals. Swedburg commented it will be six months since the committee's goals were established and March would be a good time to reflect on the accomplishments and make adjustments, if necessary.

Swedburg presented a draft of the revised Ag flyer (see attached) and thanked Dan Lippert for reviewing it. She noted the changes that were made and asked the committee to send her any comments on it. Additional changes will be made to the back page, including the "Fast Facts" area. She feels more important agriculture-related work should be included. The data recited is from the 2017 USDA Census; Swedburg inquired if there is a better source for data. Tepfer suggested using the 2017 USDA Census as it is consistent and easier to explain.

Reuss mentioned the issue of food security; he would like to reach out to Luke Greiner of the Minnesota Department of Employment and Economic Development (DEED) to research how many calories of edible human food is generated in Kandiyohi County. He could use the information for his work with Christianson PLLP. The committee concurred with this suggestion; Reuss will reach out to Greiner.

At the suggestion of committee members, Swedburg will have Bushmills added to the ag-related businesses on the front of the Ag flyer as well as a photo of MinnWest Technology Campus. Swedburg inquired if industrial hemp and halal meat should be added to the flyer. A brief discussion was held.

Swedburg shared the Partners In Ag Innovation committee will meet next week to discuss content. They have received approximately half of the funding needed for the conference. The draft agenda may be available in February.

REPORTS

Industrial Hemp Exploratory Subcommittee. Swedburg gave a brief overview of the meeting. Harold Stanislawski and Riley Gordon of AURI discussed next steps for the proposed industrial hemp plant prospect. Tepfer inquired as to the size of the industrial hemp plant prospect. Swedburg shared the total cost, including equipment, is estimated between \$40-\$50 million; the facility will be 300,000 sq. ft. They are looking for approximately 40 acres between Atwater and Pennock; access to power is essential, but not rail. The Sunburg area may also be a proposed location.

[Kevin Halvorson was excused from the meeting.]

Ongoing Ag-related EDC work. Swedburg reported 11 students graduated from the Elevate Community Business Academy with 90 people attending. Samantha Nelson of Ultimate Ag Farm Legacy was one of the graduates. The spring semester will be taught in Spanish and English.

Childcare. Swedburg gave an update on the \$450,000 childcare grant that will be distributed to various childcare programs. She shared the EDC recently received an additional \$30,000 childcare grant.

Broadband. Swedburg shared the committee is awaiting the final contract from the state to be signed by Federated Telephone Cooperative for the broadband project to cover four townships (Dovre, Mamre, Arctander and St. Johns). The committee was recently notified by Federated that is plans to build the mainline in 2023. Open house meetings will be held in the near future. Swedburg announced the state opened another Border-to-Border Broadband Development Grant process with applications due March 2, 2023. The EDC and Federated will submit an application for the following townships: Lake Andrew/Colfax, Lake Elizabeth/East Lake Lillian and Harrison.

A brief discussion was held on the Virtual Career Fair on January 18th with 34 businesses participating. Approximately 30 job seekers attended, which was lower than the previous job fair. Another virtual career fair may be held in the future.

AG AND RENEWABLE ENERGY OPPORTUNITIES

USDA Agricultural Outlook Forum February 23-24, 2023, Arlington, VA (hybrid). Opportunity to attend in-person or online. Radel has registered.

University of Vermont, Annual Industrial Hemp Summit on February 23, 2023. Swedburg shared some Industrial Hemp Exploratory Subcommittee members may attend.

AURI New Uses Forum April 11, 2023, Minneapolis (hybrid). Opportunity to attend in-person or online.

Swedburg announced Amy Klobuchar's office will be coming to Willmar on January 31, 2023, to tour the area and discuss the Farm Bill. The meeting will be held from 4:00-5:00 p.m. at the Kandiyohi County Board Room. She will send out additional information when available and encouraged members to attend if available. She would like to hear information on the Industrial Hemp Association priorities regarding state legislation in the Farm Bill.

Tepfer mentioned necessary megawatt power sources needed for the proposed industrial hemp facility. Kandiyohi Power has the needed power available. Discussion was also held if natural gas will be needed; Swedburg will check into the natural gas issue.

Larson shared he attended a follow-up planning commission meeting regarding a conditional use permit passed in his township. At that meeting he heard a company will be constructing a large solar farm near Raymond in Holland Township.

Tepfer mentioned Kandiyohi Power, through Great River Energy, participated in a high-level focus group meeting led by the University of Minnesota Humphrey Institute to talk about expanding, incentivizing and encouraging distributor generation. The discussion was not focused on centralized power production, but on individuals installing power productions. Discussion included how the group saw opportunities and what it was going to take to encourage additional distributor generation and how it would fit into the power supply. Most of the discussion was on energy storage, i.e., batteries. He feels it is important for this committee to continue working on renewable energy, i.e., energy storage.

ADJOURNMENT— With no additional business, the meeting was adjourned at approximately 8:57 a.m.

NEXT MEETING—The next meeting is **7:30 a.m., Thursday, February 16, 2023** at the EDC Board Room and via Zoom video conference.