

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT OPERATIONS BOARD OF DIRECTORS (OB) MEETING
MINUTES**

January 13, 2022

Community Room, Heritage Bank, Willmar and Via Zoom Video Conference

Present: Abdullahi Awale, Art Benson (via Zoom), Rollie Boll, Donna Boonstra, Jesse Gislason, Les Heitke and Kelly TerWisscha

Ex Officio: Julie Asmus (via Zoom) and Justice Walker

Staff: Aaron Backman, Executive Director; Sarah Swedburg, Business Development Manager and Kelsey Olson, Marketing & Communication Specialist

Guest: Connie Schmoll

Media: Shelby Lindrud, West Central Tribune

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

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

AGENDA—The financial reports as of December 31, 2021 were removed from the Consent Agenda.

IT WAS MOVED BY Rollie Boll, SECONDED BY Donna Boonstra, to approve the Agenda and revised Consent Agenda. MOTION CARRIED.

CONSENT AGENDA

- Approve:
1. Minutes of December 9, 2021
 2. Payment of the following:
 - a. \$5,470 to Minnesota Counties Intergovernmental Trust for insurance (property/liability/cyber/duty \$4,982 and workers compensation \$488)
 - b. \$34,000 to the Willmar Lakes Area Convention & Visitors Bureau as budgeted per the Tourism Partnership Agreement
 3. Removal and Addition of Committee Members
 - a. Removal of Bob Meyerson from the Industrial Hemp Exploratory Subcommittee, Glenn Otteson from the Broadband and Advanced Technology Committee and Brittany VanDerBill from the Marketing and Public Relations Committee
 - b. Addition of Chris Radel and Nate Reuss to the Agriculture and Renewable Energy Development Committee

- Accept:
- Committee/Subcommittee Minutes
1. Agriculture and Renewable Energy Development 9/16 and 11/18/2021

2. Broadband and Advanced Technology 12/6/2021
3. Finance 11/9/2021
4. Marketing and Public Relations 11/22/2021

ITEMS REMOVED FROM CONSENT AGENDA

Financial Reports. Aaron Backman reviewed the financial reports as of December 31, 2021 and, in particular, the Balance Sheet noting total assets of \$1,130,228.09. The Profit & Loss Statement shows total income for 2021 was \$1,445,539.10 and total expenses were \$1,426,771.83 leaving a net income of \$18,767.27.

IT WAS MOVED BY Donna Boonstra, SECONDED BY Jesse Gislason, to receive and file the financial reports as of December 31, 2021, subject to audit. MOTION CARRIED.

UNFINISHED BUSINESS—There was no unfinished business.

NEW BUSINESS—

[The agenda was taken out of order.]

Audit Requests for Proposals. Backman noted Westberg Eischens has done the EDC's audit for years 2018-2020. Last year, the cost of the audit was \$8,000 plus a single audit of \$3,000 and additional reporting forms for a total of \$11,350. The last proposals obtained were for three years. Backman noted there may be additional audit requirements again in 2021 due to the Minnesota Pandemic Relief Grants awarded with funds from the state of Minnesota. It was the board's consensus to obtain a proposal from Westberg Eischens to audit the EDC's records for the next three years.

2022 Planning Session. Sarah Swedburg referred the board to the January 13, 2022 memo regarding 2021 Strategic Planning Goals Update (see attached) and highlighted items under each goal area of Broadband, Workforce Development, Housing, Childcare, COVID-19 Recovery and Business Support.

[Connie Schmoll joined the meeting.]

Broadband Planning Agreement for 2022. Connie Schmoll provided an update on the local broadband projects (see attached). She noted her initial agreement with the EDC included working on 3 projects, but she is now working on 10 projects. To date, a National Telecommunications and Information Administration grant was applied for, but no decision has yet been received. The state did not do any Border-to-Border Broadband Grants in 2021, but it is hoped it will open its program in 2022. She is currently meeting with nine townships for a proposed project with Vibrant Broadband. Backman reported as of the end of December 2021 \$14,231 has been paid to Schmoll under her agreement, however, Kandiyohi County reimbursed the EDC \$11,000 in December so the net cost to the EDC has been \$3,231. The new proposed agreement (see attached) with Schmoll is for three months at a cost of \$9,100.

IT WAS MOVED BY Donna Boonstra, SECONDED BY Les Heitke, to approve the Broadband Planning Agreement with Connie Schmoll for 2022. MOTION CARRIED.

[Schmoll was excused from the meeting.]

2022 Planning Session continued. Backman obtained an estimate from Cheryl Glaeser of Achieve TFC to facilitate the planning session at a cost of \$2,800. A Doodle poll was emailed to the board with five potential dates in March and April. As of now, April 7 is the date when most board members can attend.

IT WAS MOVED BY Donna Boonstra, SECONDED BY Jesse Gislason, to engage the services of Cheryl Glaeser and Achieve TFC to facilitate the 2022 planning session at a cost of \$2,800. MOTION CARRIED.

Chamber Connection. Backman announced the EDC will host a Chamber Connection on Friday, February 4, 2022 at the Willmar Conference Center from 7:30-8:30 a.m. and invited board members to attend. Typically 30-40 attend.

Recognition of Rollie Boll. President TerWisscha recognized retiring director Rollie Boll noting he served on the board from 2013 to 2021, as treasurer from 2014 to 2021 and on the Ag Committee from 2013-2021. Boll stated he will continue to serve on the Ag Committee. Boll was presented with a plaque in recognition of his service. Backman stated the Kandiyohi County Board of Commissioners will be recommending renewal of Jesse Gislason to this board and for the appointment of Mary Warszynski to replace Boll. These recommendations will be brought to the Joint Powers Board to consider.

ANNUAL MEETING

Regular Board Meeting Date, Time and Location. President TerWisscha noted the board meetings have been at 11:00 a.m. on the second Thursday of each month. It was the consensus of the board to remain with the same meeting date, time and location. Locations are determined.

Election of 2022 Officers.

IT WAS MOVED BY Les Heitke, SECONDED BY Jesse Gislason, to elect Art Benson as president of the Kandiyohi County and City of Willmar Economic Development Commission's Joint Operations Board. MOTION CARRIED.

IT WAS MOVED BY Donna Boonstra, SECONDED BY Rollie Boll, to elect Jesse Gislason as vice president of the Kandiyohi County and City of Willmar Economic Development Commission's Joint Operations Board. MOTION CARRIED.

IT WAS MOVED BY Jesse Gislason, SECONDED BY Rollie Boll, to elect Donna Boonstra as secretary of the Kandiyohi County and City of Willmar Economic Development Commission's Joint Operations Board. MOTION CARRIED.

IT WAS MOVED BY Donna Boonstra, SECONDED BY Jesse Gislason, to elect Kelly TerWisscha as treasurer of the Kandiyohi County and City of Willmar Economic Development Commission's (EDC) Joint Operations Board and that the president and treasurer be named as signatories on the EDC's bank accounts. MOTION CARRIED.

Assignment of Board Members to Standing Committees. President TerWisscha noted there is a need to have a board representative on the Ag Committee. Abdullahi Awale volunteered to serve on the Ag Committee and President TerWisscha volunteered to serve on the Finance Committee.

REPORTS

Economic Development Activity. Backman reported it has been announced that the logistics facility that is being built is being done by FedEx (see article). Approximately \$61 million in building permits were issued in 2021; in 2020 there was \$40 million in construction. Backman reported the Quonset hut where Block 25 Lofts will be constructed was removed and construction will begin in the spring. Unique Opportunities is working on Phase 3 construction.

Justice Walker reported the Willmar City Council approved Jacen Zwagerman being appointed Willmar's Building Official. He will be addressing some tenant/ landlord issues. The Planning & Development Department is working on updating the comprehensive plan, doing a streetscape plan, site selection for City Hall and the Community Center and selecting an architect next week. The City of Willmar has openings on some of its committees and he is encouraging volunteers to apply. Walker will be making regular appearances on WRAC 8 and will be getting his department's documents translated into Spanish. There are new projects in development.

Elevate Community Business Academy. Swedburg reported there is some information in the 2021 goals update reported earlier. She met with Scott Marquardt of Southwest Initiative Foundation (SWIF) and Rising Tide Capital to obtain quotes to translate the classroom documents. She will be setting an official start date for the next class to begin in March with graduation in June. At the December graduation, SWIF announced it will be purchasing one-year memberships in the Willmar Lakes Area Chamber of Commerce for the graduates. One graduate is being trained as an instructor for the program.

COMMITTEE REPORTS

Industrial Hemp Exploratory Subcommittee. Swedburg reported three subcommittee members recently attended the Northern Hemp Summit in Fargo, North Dakota. The subcommittee will look at having some members attend the NoCo Hemp Expo in Denver in May.

Marketing and Public Relations. Kelsey Olson reported that as of the last week of December she has been working full time. One of her first tasks was publication of the EDC's newsletter in January. She is getting familiar with the different software used by the EDC. She worked on the documents for the Elevate graduation and is working on documents for the virtual job fair and Workforce Solutions Summit the EDC is co-hosting. She personally invited human resource personnel to the Summit, obtained advertisements within a 90-mile radius and did a press release. She has created a

spreadsheet on how townships communicate with their residents. In 2022, she will transition to taking over the EDC's social media postings and will try to promote local businesses. She will also be reviewing the EDC's website and updating the EDC's flyers and Opportunity Zone Prospectus.

WHAT'S UP?


- Art Benson stated he is still doing some work for Sound Image.
- Julie Asmus is looking forward to the City of Willmar's new building inspector starting work and looking forward to receiving site selections for the City Hall and Community Center.
- Les Heitke has heard there is interest at the Willmar Airport in constructing a larger building with a larger apron on the west side and an individual is evidently interested in contributing funds to expand the commercial side of the airport.
- Boll reported corn was at \$6/bushel and soybeans over \$13; he noted the sale of ag land owned by a local church near Atwater that sold for more than \$11,000 per acre.
- Boonstra stated she started a large project last week through her business. The Highway 23 Coalition board will meet this week; she is developing a white paper that can be shown to prospective members. Trees are being cleared for the north gap project and six signs have been installed along the corridor.
- TerWisscha reported the finance and architect departments of TerWisscha Construction have moved into the former bread store location. They have hired new staff, some of whom will work remotely. They have several local projects being worked on, including Simply Shrimp and Mel's Truck Stop. The availability and costs of materials continue to be a struggle.
- Gislason reported equipment is being moved to construct the ice castle for Spicer's WinterFest, which will begin January 29 and will have a lot of activities through the next month. His business, Alley on Ash, just installed a new POS system.

NEXT MEETING—The next meeting is 11:00 a.m., Thursday, February 10, 2022, at the Community Room of Heritage Bank, Willmar and via Zoom video conference.


ADJOURNMENT—There being no other business,

IT WAS MOVED BY Jesse Gislason, SECONDED BY Les Heitke, to adjourn the meeting.

The meeting was adjourned at approximately 12:52 p.m.


Donna Boonstra, Secretary

APPROVED: 1/13/2022


Art Benson, President

TO: EDC Joint Operations Board

FROM: Aaron A. Backman
Executive Director

Sarah Swedburg
Business Development Manager

DATE: January 13, 2022

RE: 2021 Strategic Planning Goals Update

On April 21, 2021, EDC staff, volunteers, and supporters met to review and revise goals and strategies for the work of the EDC throughout 2021. Broadband, workforce, housing, child care, and COVID recovery (related to business support) were highlighted as the most pressing economic development issues or opportunities. These priority areas were then devised into three goal areas: Broadband, Workforce Development and Business Support. This memo serves as an update on our 2021 goals.

Broadband: *Educate, collaborate and lobby to secure future-proof broadband services throughout Kandiyohi County.*

- The broadband committee has worked with residents and businesses to collect testimonials and letters of support for grants. These stories have also been shared with elected officials to educate them on current needs.
- As additional funding opportunities and related regulations are announced, staff and committee leadership continue to supply talking points and updates to elected officials. Because of this work, our County Commissioners strongly advocated for broadband with our State Legislators.
- Staff and committee leadership have been successful in educating township leaders to create residential buy-in for projects with willing providers.
- The Broadband Committee was instrumental in hosting a roundtable with Senator Tina Smith in Willmar to discuss ongoing projects and needs on October 22, 2021.
- Connie Schmoll, Mark Boeschen, and Sarah Swedburg met with Representative Baker and Senator Lang on January 12, 2022 to discuss ongoing projects and needs.
- The EDC continues membership with the Minnesota Rural Broadband Coalition.

- The County has committed 75% of their ARPA dollars to broadband infrastructure, and lobbying continues for our townships to do the same.
- The broadband committee is actively working on broadband projects with Federated Telephone Company, Vibrant (Meeker County Co-op), Arvig, and Charter Communications.
- A grant application to the National Telecommunications and Information Administration (NTIA) for a 7-township project (Norway Lake, Colfax, Arctander, Lake Andrew, Mamre, Dovre and St. John's) was submitted on August 17, 2021. Our current understanding is that NTIA will make award announcements in early 2022.
- The EDC is currently working with Vibrant to submit a USDA ReConnect Grant in February for a project on the east side of the County, including parts of Burbank, Roseville, Irving, Harrison, Genessee, Lake Elizabeth, East Lake Lillian, Fahlan and Kandiyohi Townships.
- Staff continue to monitor the State's Border-to-Border grant, anticipating a formal RFP to be announced for applications in 2022. Strong advocacy work has gone into making sure this program moves forward and local ARPA funds can be used as a match for this grant. The Broadband Committee is currently advocating for this grant to cover up to 75% of the costs of a project, increasing from the current 50% state-match.

Workforce Development: *Help build a skilled workforce that meets the needs of the local economy in order to grow and support business.*

- The EDC Executive Director serves on the Ridgewater College General Advisory Council
- The EDC continues to promote diverse workforce training through CLUES, Ridgewater College Customized Training, Central MN Jobs & Training Services, etc.
- Eight workforce partners, including the EDC, are putting together a Workforce Solutions Summit that is scheduled for January 20th. The event includes a national speaker, a DEED presenter, small group discussions and a networking social. The event is tailored for business owners and HR representatives struggling with hiring or retaining employees.
- The EDC is continuing to explore which workforce development initiatives could be supported with ARPA funds.

Housing:

- The EDC is an active participant in the Vision 2040 Housing Subcommittee that meets monthly to discuss various housing issues in Kandiyohi County.
- The EDC has helped facilitate multiple projects with eight different housing developers during 2021. Currently there are 352 housing units under construction or approved by the City of Willmar with more on the horizon.

- Currently the largest housing project is Unique Opportunities on County Road 5 on the northwest side of town. Samuel Herzog, the developer based in Alexandria, MN, has accelerated the project. In October they picked up the building permits for Phase 3 and Phase 4, which represents 144 rental units and a capital investment of \$16.8 million.
- Preserve on 24th is another housing project under construction in Willmar. The developer, Kuepers Construction, Inc. based in Brainerd, MN, purchased seven acres of land in the Water View Business Park east of PetSmart and began site work in October 2021. This \$7 million investment involves two 36 multi-family buildings that are market rate.
- The first major project in Willmar's Renaissance Zone is Block 25 Lofts, a four-level 58-unit \$10 million multi-family complex for Downtown Willmar. The City approved a TIF District for the project and Lumber One, the Avon, MN based developer, expects a Spring 2022 construction start.
- The EDC assisted Bethesda and the City of New London on Bethesda North Pointe, a new \$19.5 million senior living campus with 70 units, including independent/assisted living and memory care.

Child Care:

- Staff is working with MMDC to reconstitute the 2018-2019 group of child care leaders that worked on the Rural Child Care Innovation Program (RCCIP) with First Children's Finance.
- First Step Family Daycare: The EDC, MMDC, and First Children's Finance worked with owners Paula and Nancy Stredde, to purchase a home in northwest Willmar for their home provider business. This enable the retention of 14 child care slots in the community.
- The Southwest Initiative Foundation (SWIF) continues the process of legal action regarding the Willmar Child Care Center, due to lack of activity. Staff will continue to keep the board updated on the status of this project.
- There are several parties considering child care centers in Willmar. The EDC is hopeful that one or two of these will be established in 2022.

COVID19 Recovery:

- During the first quarter of 2021, in partnership with Kandiyohi County, the EDC established the Minnesota Pandemic Relief (MPR) grant program. This program funded by the State through the county provided \$844,000 in financial assistance to small businesses and nonprofits throughout the County.
- The MPR program assisted 60 restaurants, motels, hotels, fitness centers and other hospitality businesses; and 6 nonprofits hardest hit by the COVID-19 pandemic.
- The financial assistance made a difference on whether some of the smaller businesses survived these challenging times.

- The EDC is now pivoting back to more traditional business assistance – gap financing, low-interest loans and technical assistance.

Business Support: *Supporting existing businesses and new business opportunities by providing awareness of and offering the EDC's services.*

- Staff and the BRE Business Support Subcommittee are actively sending out a survey to all of our MPR, CPR, COBAL, RLF and Microloan recipients, along with our Elevate Graduates to help inform our assistance over the next 12-18 months for local businesses. This survey is anticipated to be the first step in designing more streamlined, easily accessible assistance from the EDC.
- Two cohorts of students, 12 total entrepreneurs, have successfully graduated the Elevate Community Business Academy. We continue to be on track to teach two Elevate classes a year.
- The translation of Elevate curriculum into Somali is being researched and quotes being obtained. It is anticipated that our Fall 2022 Elevate class will be our first cohort of entrepreneurs whose primary language is Somali.
- Our first Spanish-speaking graduate is currently being trained as an instructor. He will be a co-instructor for our Spring 2022 class.
- The EDC was awarded a Small Business Partnership Grant (\$76,000) through the Minnesota Department of Employment and Economic Development (DEED) to assist with Elevate funding and to implement a short series of “Small Business Owners Best Practices” workshops with Mid-Minnesota Development Commission (MMDC).
- The BRE Business Support Subcommittee is targeting February 23, 2022 for a virtual job fair. This event will also include a “community resources” booth for participants.
- One of the Subcommittee’s next projects will be to review and provide suggestions for website updates as it relates to information for entrepreneurs and accessing EDC resources.

Kandiyohi County Broadband Projects in Planning

1. Four-Township Border-to-Border Project includes Arctander, Dovre, Mamre and St. Johns Townships (755)

The provider for this \$9,990,951 fiber-to-the-premise project is Federated Telephone Company, Kevin Beyer, CEO

Our plans are to apply for 48 to 50% of the funding in a state Border-to-Border grant application, for approximately \$4,995,000.

Other funding proposed as follows:

Provider	\$ 2,500,000	25%
County ARPA	\$ 1,314,386	13%
County Funds	\$ 100,000	1%
Township ARPA funds	\$ 200,543	2%
Townships/constituents	\$ 883,000	9%

This project is nearly shovel-ready with all four townships having made plans for tax levy, use of existing funds or a subordinated service district tax levy plan.

A challenge for this project has been to not include all locations within the townships. Two reasons exist. Federal Rural Digital Opportunity Funds (RDOF) awards were tentatively announced for some locations in some of the townships, excluding them from eligibility for state funded projects. In addition, portions of Dovre Township are already served according to state definition, making those locations ineligible for state grant funds.

The current barrier is waiting upon DEED's Request for Proposals (RFP) for the Border-to-Border program to be released. The RFP is typically released in September each year. The funds have been legislated, however, the funding source for the state grants, is federal ARPA funds. A determination is still under consideration that would allow local areas to use federally disbursed ARPA funds as a match for the state grants in the project funding plans.

A grant application for NTIA funds has already been submitted for this project in addition to three other townships located in northwest Kandiyohi County.

2. Three-Township Border-to-Border Project to be submitted in the year following the Four-Township project proposal (1305)

The Three-Township project includes Colfax, Lake Andrew and Norway Lake Townships in NW Kandiyohi County. The total cost is estimated to be around \$19,000,000. The area includes lakes and hills as well as farm sites. The population is greater in the lakes areas and sparse in the farmland

areas. The provider for this fiber-to-the-premise project is Federated Telephone Company, Kevin Beyer, CEO.

Plans include applying for approximately \$5,000,000 in state Border-to-Border grant funds, more if the state allows a greater grant for such remote rural areas. Plans are to also secure County and Township ARPA funds and conduct township-level tax levy for the project. Planning has just begun.

3. Arvig Fiber Broadband Project for the City of Prinsburg (210)

A fiber-to-the-premise project is planned for all businesses and residences in the City of Prinsburg. Arvig is the provider for this project. The total cost is projected to be \$1,000,000

All funding has been allocated and approved for the project as follows:

Provider	\$ 450,000	45%
County ARPA	\$ 330,000	33%
City of Prinsburg ARPA	\$ 45,000	4.5%
City/Tax Levy	\$ 175,000	17.5%

An informational meeting for constituents was conducted on Tuesday., Nov. 2nd, 2021. A subrecipient agreement has been approved and signed by both parties. An agreement between Arvig and the City of Prinsburg has also been completed and signed by both parties. Construction will begin in 2022 and be completed by December 2022.

4. Charter Project 141st Avenue in New London Township (37)

Charter Communication will provide cable broadband infrastructure with near gigabit speeds to 141st Avenue NE in New London Township.. Funding has been approved as follows:

Provider	87%
County & Township ARPA	13%

A subrecipient agreement is currently under review by Kandiyohi County and Charter.

5. Charter Project Riverwood Circle in New London Township (84)

Charter Communication will provide fiber broadband infrastructure to Riverwood Circle in New London Township. Funding has been approved as follows:

Provider	68%
County & Township ARPA	32%

6. Charter Project for a portion of New London and Burbank Townships (32)

Charter Communication will provide cable broadband infrastructure with near gigabit speeds to 199th Avenue in New London and Burbank Townships. Funding has been approved as follows:

Provider	77%
County & Township ARPA	23%

A subrecipient agreement is currently under review by Kandiyohi County and Charter.

7. Charter Project for an area in portions of Dovre and Willmar Township (23)

Charter Communication will provide cable broadband infrastructure with near gigabit speeds to 30th Ave NW which is on the north border of Willmar Township conjoining the south border of Dovre Township. Funding has been approved as follows:

Provider	59%
County & Township ARPA	41%

8. Charter Project for the remaining premises in New London Township (32)

Charter Communication will provide Fiber broadband infrastructure with up to gigabit speeds to the remaining premises in New London Township. The total cost is \$710,238. Funding has been recommended by the EDC Broadband Committee but has not yet been presented to the County board for consideration of ARPA funds.

Provider	63%
County & Township ARPA	37%

9. National Telecommunications and Information Administration (NTIA) Seven-Township Project includes Arctander, Dovre, Mamre, St. Johns, Colfax, Lake Andrew and Norway Lake Townships (2060)

Kandiyohi County has joined efforts with Federated Telephone Cooperative as partner organizations that understand the challenges and are united and steadfast in efforts to bring world-class, future-proof fiber optic networks to the rural areas of Kandiyohi County. The County has applied to the National Telecommunications and Information Administration (NTIA) for funds covering 88% of the cost to deploy fiber to the premise infrastructure to eligible locations in seven rural townships including Arctander, Colfax, Dovre, Lake Andrew, Mamre, Norway Lake and St. Johns. The total project cost is \$32,618,662.

The grant application proposes the following for financing for this project:

NTIA Grant	\$ 28,695,623	88%
Provider	\$ 3,823,039	11%
Kandiyohi County	\$ 100,000	1%

The Kandiyohi County Commissioners have authorized the \$100,000 for the project.

10. Vibrant Project for the East side of Kandiyohi County includes Burbank, Roseville, Irving, Harrison, Genessee, and East Lake Lillian Townships (1698)

Past: This project has received a high-level proposal from Meeker Cooperative Light and Power Association/Vibrant Broadband. Meeker Cooperative is requiring 50% funding from sources other than the provider to deploy fiber/fixed wireless technology that will provide speeds of between 100/10 Mbps and symmetrical gigabit (1,000/1,000). The estimated total cost for the project is \$3,750,000. A full fiber project is an option but would cost substantially more, as high as \$18,000,000 and would require an 80% injection by the county/townships. Kandiyohi County will consider ARPA funds for this project in the future. Current language in ARPA requires the build to provide at least 100/20 Mbps to all locations. Inquiries have been made to Vibrant Broadband about meeting this requirement.

Current: Vibrant Project for the East side of Kandiyohi County includes Burbank, Roseville, Irving, Harrison, Kandiyohi, Genessee, Fahlun, Lake Elizabeth and East Lake Lillian Townships (# of premises unknown at this time)

Vibrant Broadband, a component of Meeker County Power and Light Cooperative, is working with Kandiyohi County to apply for a ReConnect grant for eligible portions of the nine townships listed. For this phase-one buildout, if the ReConnect grant is awarded, no local financial support will be needed in addition. Non-eligible homes and businesses in the townships will not be left out. Vibrant Broadband is considering a phase-two build out of high-speed fiber broadband for the additional structures. Phase-two build out will require local financial support from Kandiyohi County and the Townships. The funds could be APRA funds and/or township level bonding.

Kandiyohi County and City of Willmar Economic Development Commission
AGREEMENT FOR SERVICES for
Broadband Planning in Kandiyohi County
January 1, 2022 – March 31, 2022

THIS AGREEMENT is made and entered into this 13th day of January, 2022 between Kandiyohi County and City of Willmar Economic Development Commission (hereafter EDC), P.O. Box 1783, Willmar, MN 56201 and Constance J. Schmoll (hereafter Contractor), 7001 12th Street NW, Willmar, MN 56201. EDC and Contractor agree to the following terms and conditions:

- A. Duties, Terms and Services: Subject to the terms and conditions of this Agreement, EDC hereby engages Contractor to perform the services set forth herein for the EDC's Broadband and Advanced Technology Committee and for broadband planning and outreach activities in Kandiyohi County (hereafter "the Project"), and Contractor hereby accepts such engagement.

Under this Agreement, Contractor will provide the services as described in the Scope of Work (attached as Exhibit A) which outlines key work pertaining to the Project including, but not limited to, project planning, coordination of efforts, grant writing, marketing, outreach to businesses and nonprofits, technical assistance and reporting documentation with the Project. The Project scope of work may be modified through electronic and/or written agreement by EDC and Contractor.

This Agreement shall commence on January 1, 2022 and be completed on or before March 31, 2022. Services will be provided as agreed upon and generally described in the Scope of Work (attached as Exhibit A).

- B. Written Reports and Materials: The contract will require that all written documentation compiled within the scope of work be provided on or before April 15, 2022. All documents prepared by Contractor in connection with services rendered under this Agreement, are and shall remain the exclusive property of EDC.
- C. Compensation: EDC agrees to pay Contractor a fee of up to \$8,500 (approximately 130 hours) at a rate of \$65/hour for each hour completed toward the Project. In addition, Contractor may request reimbursement of up to \$500 for travel/mileage and \$100 for supplies and materials. The total compensation shall not exceed \$9,100 unless all parties agree to additional compensation, in writing, within the timeframe of this contract. The EDC or Contractor may request additional compensation should the scope of work be expanded and associated costs be agreed upon by all parties.
- D. Billing/Payments: Contractor shall submit an invoice one time per month beginning on January 31, 2022. A final invoice covering remaining costs shall be submitted by Contractor within 15 days of the contract end date of March 31, 2022. Compensation shall be payable by EDC within 15 days of receipt of the Contractor's invoices. Contractor shall bill and EDC shall reimburse the Contractor for all reasonable expenses that are incurred in connection with the performance of duties. All expenses must be submitted with receipts for specific itemized expenses.
- E. Use of Personal Automobile: Contractor will be reimbursed for mileage at the rate established by the Internal Revenue Service (currently .56 cents/mile) when using her own automobile for travel on authorized activity related to contract completion. Transportation expenses between Contractor's home and the EDC shall be considered personal commuting expenses and not reimbursable under this

agreement. Transportation expense for planning meetings from Contractor's home or from the EDC office shall be reimbursed. The maximum reimbursement for mileage must fall within the compensation limit noted in paragraph C. Contractor shall carry, at her own expense, the minimum insurance coverage for property damage and public liability relating to the operation of her personal vehicle.

- F. Liability and Indemnification: Contractor represents that the services to be provided under this Agreement are reasonable in scope and she has the experience and ability to provide the services. Contractor agrees to indemnify and hold harmless EDC against all claims, suits or judgments made or recovered by any and all persons which are the result of acts or omissions of Contractor, Contractor's agents or employees during performance of services under this Agreement.
- G. Confidentiality: Contractor acknowledges that during the engagement she may have access to and become acquainted with information about the Project and EDC. Contractor agrees she will not disclose any information, directly or indirectly, about the Project or EDC, either during the term of this Agreement or at any other time thereafter, except as required in the course of this engagement or with the approval of EDC. All files, records, documents, letters, notes and similar items relating to the Project, whether prepared by Contractor or otherwise coming into her possession, shall remain the exclusive property of EDC.
- H. Termination: Either party may terminate this Agreement by giving 30 days prior written notice to the other. In the event of any such termination, Contractor shall be compensated for professional fees and expenses incurred with respect to services performed through the effective date of termination, but will not be entitled to any additional compensation. In addition, if Contractor is convicted of any crime or offense, fails or refuses to comply with written policies or reasonable directive of EDC, is guilty of serious misconduct in connection with performance, or materially breaches provisions of this Agreement, EDC at any time may terminate the engagement of Contractor immediately and without prior written notice to Contractor.
- I. Independent Contractor: This Agreement shall not render Contractor an employee of EDC. Contractor is and will remain an independent contractor in her relationship to EDC. EDC shall not be responsible for withholding taxes with respect to Contractor's compensation hereunder. Contractor shall have no claim against EDC hereunder or otherwise for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits or employee benefits of any kind.
- J. EDC Non-Discrimination Policy: Contractor shall adhere to EDC's non-discrimination policy. The policy states EDC does not discriminate on the basis of race, color, sex, national origin, sexual orientation, disability, age or religion in its employment, or the provision of programs and services.

KANDIYOHI COUNTY & CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION

By: _____

Aaron Backman
Executive Director

Date: January 13, 2022

Constance J. Schmoll
Independent Contractor

Date: January ____, 2022

Exhibit A
Scope of Work for Contracted
Broadband Planning and Deployment Assistance in Kandiyohi County

The following outline proposes tasks and the proposed estimated timeframe for the contract. This outline should be considered a starting point for discussion about the preferred process and timeframe to best meet the desired outcome of this project. The full scope of work will be determined by several factors, including:

1. Final decisions made by potential broadband service providers and Kandiyohi County/Township leaders who choose to move forward with broadband planning and potential project implementation.
2. Funds allocated for broadband deployment during the 2021 and 2022 State of Minnesota Legislative Session and other possible funding sources.
3. Direction provided by EDC for advancing the current deployment project and beginning or continuing future projects.

JANUARY 2022—March 31, 2022. 130 hours

- Work with Federated Telephone Cooperative to finalize broadband deployment plans, including determining number of residential sites, businesses, anchor institutions and other potential consumers of broadband in the proposed project area and market the project to constituents to determine commitment. The current proposed project areas include the townships of Arctander, Dovre, Mamre and St. Johns for a 2022 Border-to-Border grant and the townships of Colfax, Lake Andrew and Norway Lake for a 2023 Border-to-Border grant application.
- Coordinate work of the EDC Broadband and Advanced Technology Committee to inform and educate township constituents and promote approval to invest in the projects.
- Coordinate planning sessions with representatives of Colfax, Lake Andrew, and Norway Lake Townships in their current pursuit of a broadband deployment project with Federated Telephone Cooperative. Decisions will need to be made about bonding, assessing constituents, creating a subordinated service district, service agreements with the broadband providers and paying for or bonding to secure funds to pay for the project.
- Continue to seek funding from various sources, in addition to county funds and township resources and bonding, to bring the cost down for individuals and businesses in the project area. Additional funds may come from Kandiyohi County from American Rescue Plan Act funds and businesses in the project area or that serve the project area.
- Continue discussion with Charter, Arvig, Hanson Communications and other possible providers about completing high speed broadband deployment for all of rural Kandiyohi County. Broadband deployment is an eligible expense for use of American Rescue Plan Act funds and the timeframe for that use aligns with broadband deployment projects that can be planned during the year 2022 and finished by December 2024.
- Provide continued communication with providers, EDC, the EDC Broadband and Advanced Technology Committee, townships and Kandiyohi County.

ReConnect Grant tasks to be completed.

- Continue discussions with Vibrant Broadband on a fiber broadband deployment project in the rural areas of Kandiyohi County.
- Assist Vibrant Broadband in the preparation of a USDA ReConnect grant application to be submitted by February 22, 2022, to meet the grant application deadline.
- Secure letters of support and stories about impact for the broadband projects to be submitted by Vibrant Broadband on behalf of a fiber broadband deployment project. Letters are needed from constituents, as well as those serving the people in the project area (schools, healthcare, parks, farm services, technology and more).
- Continue securing letters of support, refinement of the competitive grant application, and coordination of planning with providers, EDC, the EDC Broadband and Advanced Technology Committee, townships, Kandiyohi County and other funders.

Other tasks

- Remain in contact with the Minnesota Office of Broadband Development, NTIA and USDA to provide additional information and materials as requested.
- Provide continued communication with providers, EDC, the EDC Broadband and Advanced Technology Committee, Townships and Kandiyohi County.
- Spend time coaching and training the EDC's Business Development Manager in the area of broadband development.

FedEx behind massive logistics facility being constructed in Willmar Industrial Park

The name of the company constructing the large shipping and distribution facility in the Willmar Industrial Park has finally been made public. FedEx will be consolidating all of its Willmar locations into the one building, adding about 100 net jobs.



FedEx is the end user of the 217,000-square-foot logistics facility being constructed in the Willmar Industrial Park on the west side of town. The shipping firm plans to consolidate its operations in Willmar, including its site on Trott Avenue Southwest shown Tuesday, Jan. 10, 2022, into the new location. The new location will have parking available for hundreds of vehicles. Shelby Lindrud / West Central Tribune



By Shelby Lindrud

January 13, 2022 05:54 AM

SHARE



WILLMAR — The end user for the massive logistics facility being constructed in the Willmar Industrial Park has finally been identified publicly.

"It's official; it is FedEx," said Aaron Backman, executive director of the Kandiyohi County and city of Willmar Economic Development Commission.

The project is estimated to be worth more than \$30 million, and includes the construction of a 217,000-square-foot distribution center, located between Willmar and Trott Avenues Southwest along Kandiyohi County Road 5. Based on plans for the project, there will be parking for hundreds of vehicles.

"We continue to experience significant package volume due to e-commerce growth and are optimizing the capacity of our network to meet growing demand for our services," reads a statement from FedEx Ground to the West Central Tribune. "The site was chosen because of its ease of access to major highways, proximity to customers' distribution centers and a strong local community workforce for recruiting employees."



Strack project supervisor Mike Rentz oversees construction progress Wednesday, Jan. 12, 2022, at the new FedEx Distribution Center near the corner of Trott Avenue Southwest and Kandiyohi County Road 5 at the western edge of Willmar.
Mike Moore / West Central Tribune

At the new facility, according to the business statement, in addition to its normal shipping and distribution, FedEx Ground will also be contracting with local service provider businesses for package pickup and delivery.

"It is great news that FedEx has chosen Willmar as a distribution hub for its expanding businesses," said Willmar Mayor Marv Calvin.

The EDC, city of Willmar and site developer RDC National have been working together for several months to bring the project to fruition. It was April 2021 when CBRE, a commercial real estate firm, began looking at sites for the proposed project. The sale of approximately 27 acres in the Willmar Industrial Park Fourth Addition to project developer RDC National was approved by the Willmar City Council in September 2021. RDC purchased the land for \$621,000. The sale was completed Jan. 6, paving the way for building construction at the site to begin. The city had allowed site work to commence prior to land closing.

"We are all celebrating the hard work put in the last 11 months, making this a reality," Backman said.

FedEx has two locations in Willmar — the FedEx Ground facility on Trott Avenue Southwest and FedEx Freight on U.S. Highway 12, near Minnesota Highway 23. Between the two, the company employs around 100 people.

Backman said the company plans to add approximately 100 new jobs and hiring has already begun.

"When we are able to create new jobs, it creates opportunities for our residents," Backman said.



Calvin Skaj of Landwehr Construction of St. Cloud watches Wednesday, Jan. 12, 2022, as excavators replace dirt at a construction site for the new FedEx Distribution Center near the corner of Trott Avenue Southwest and Kandiyohi County Road 5 at the western edge of Willmar.

Mike Moore / West Central Tribune

In addition to the new jobs, the project also will bring additional tax revenue to the city. The land, prior to the sale, was owned by the city of Willmar, which doesn't pay property taxes. The project is also being constructed without the assistance of tax increment financing or tax abatement, so the city will begin to collect all the new tax revenue coming from the project.

"I think the new facility will enhance continued community growth," Backman said, adding this project also shows that Willmar, by virtue of both its geography and the infrastructure it offers, provides businesses a good option when looking to expand.

It is a sentiment Calvin echoes.

"When we established the Willmar Industrial Park, our desire was to secure these types of companies, so we can continue to grow as a regional center," Calvin said.