

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

MINUTES

April 19, 2018

Christianson PLLP, Willmar

Present: Rollie Boll, Kevin Halvorson, Dustin Kotrba, Keith Poier and Dan Tepfer

Excused: Ian Graue, Jon Folkedahl, Kim Larson and Bruce Reuss

Absent: Dan Lippert and Larry Konsterlie

Guest: Jamey Cline, Christianson PLLP

Staff: Connie Schmoll, Business Development Specialist

Secretarial: Diane Beck, Legal & Administrative Assistants, Inc. (LAA)

Chairperson Dan Tepfer called the meeting to order at approximately 7:32 a.m.

AGENDA—The agenda was approved as emailed.

MINUTES—As there was not a quorum in attendance, the March 15, 2018 minutes were Received, but not approved.

Ag Financing Options Grants and Opportunities. Jamey Cline, Business Development Director for Christianson PLLP, provided a brief bio. Cline announced Simply Shrimp recently received a \$35,000 feasibility study grant. Cline's presentation focused on government/policy, grant application process, potential sources of grants, example of USDA and Christianson's roles. (see attached)

- Policy Risk.
 - 2018 farm bill
 - Agriculture and nutrition act of 2018
 - Funding through 2023
- Discussed what will happen if the bill is enacted.
- Grant application process. It is a process and a collaborative effort
 - When approaching a grant opportunity:
 - Be informed. Work with the legislative side, work with businesses trying to build a business, work with a subcontractor.
 - Grant approach

- Sources of funding:
 - USDA, State, DOE, DOD, EPA
 - REAP Grant Details and Requirements
 - VAPG (Value Added Producer Grant). Work with qualified consultant to ensure the application is viable
 - RBDG (Rural Business Development Grant). Small projects: \$10,000-\$20,000
 - BCAP (Biomass Crop Assistance Program). Will pay 50% of costs. Could be a valuable program for hemp farming
 - BRDI (Biomass Research and Development Initiative). For large businesses
 - Leveraging Grants
 - Development Projects. Types of new projects
- Discussion held on hemp farming. During the recent AURI Conference, speakers from Canada shared oil, biomass, clothing, building materials made from hemp. Canada has grown hemp since 1998 and uses the seeds to produce products. Approximately 140 acres of hemp were planted in 2016 compared to 75,000 acres Canada in 2016.
 - Shared challenges. Encouraged farmers to begin the grant process early as it can take up to 3-6 months.

REPORTS

Ag Marketing and Event Planning Subcommittee. Schmoll shared the draft *Talent & Technology A Two-Part Workshop for the Progressive Farm Manager* flyers—one for registrants and one for sponsors ([see](#) attached). The workshop is scheduled from 7:30-11:30 a.m. on August 13, 2018 at the new Little Crow Resort. REDstar will finalize the flyers in the near future. Committee members discussed sponsors. To date, Christianson PLLP is a sponsor. Dustin Kotrba met with the Corn and Soybean Growers and will reach out to them again for possible sponsorship. Other sponsors will be sought. The Ag Marketing Subcommittee will meet Friday, April 20, to finalize the flyers and continue planning for the workshop.

NEW BUSINESS

Clean Energy Resource Teams (CERTs) Conference Report. The conference was held on March 28th and 29th in St. Cloud. Chair Tepfer attended the first day of the conference and shared highlights of the morning session. He also provided an overview of the afternoon breakout sessions. Overall, Chair Tepfer stated it was an interesting day and attendees were from many areas. Ian Graue will provide a report on the second day of the conference at the June 21st Committee meeting.

AG/RENEWABLE ENERGY COMMUNITY EVENTS/PROJECTS. Schmoll provided highlights of recent meetings/conferences:

- Keith Poier and Kim Larson attended AURI New Uses Forum on April 12th at the Crowne Plaza in Plymouth

- Region 9 Rural Broadband Summit in North Mankato
- Ag Bio Conference in Worthington
 - Focus was on workforce
- Broadband Day at the Capitol
- 2018 International Cheese Technology in Wisconsin

Chair Tepfer reported he has received a lot of interest in renewable energy projects.

ADJOURNMENT—There being no other business, the meeting was adjourned at approximately 8:40 a.m.

NEXT MEETING—The next regular committee meeting is **7:30 a.m., June 21, 2018** at Christianson PLLP, 302 Fifth Street SW, Willmar.

TALENT & TECHNOLOGY

A TWO-PART WORKSHOP
FOR THE

PROGRESSIVE FARM MANAGER

GROW SMARTER. GROW STRONGER.

AUGUST 13
7:30-11:30AM

Little Crow Resort
15980 Hwy 23 NE
Spicer, MN 56288



FEATURING 2 DYNAMIC SESSIONS FOR
THE PROGRESSIVE FARM MANAGER
ON TALENT AND TECHNOLOGY



GOLF SPECIAL FOLLOWING THE WORKSHOP

18 holes and a cart **\$42**

9 holes and a cart **\$22**

Call (320) 354-2296 to schedule a tee time.

REGISTER

FOR ONE COURSE OR ALL!

\$30 (SAME PRICE FOR ALL SESSIONS)

Includes morning refreshments

For more information or to
reserve your seat, visit
kandiyohi.com/events
or call (320) 235-7370

**7:30 TO 9:30 A.M.-MIKE HENKE, MIKE HENKE INC. AND
KRISTIE HAEFNER, CHRISTIANSON, PLLP**

**ATTRACTING, RETAINING AND MANAGING YOUR AG LABOR WORKFORCE
PLUS THE LATEST CHANGES TO THE EMPLOYMENT REGULATORY
ENVIRONMENT**

**9:45 TO 10:30 A.M.-LYLE MANGEN, GLOBAL PRODUCT SPECIALIST,
CNH INDUSTRIAL AND ITS BRANDS**

USING THE NEWEST TECHNOLOGIES TO IMPROVE YOUR PRODUCTION

**10:45 TO 11:30 A.M.-MIKE MASTHEY, INSTRUCTOR, RIDGEWATER COLLEGE
USING DATA IN PRECISION AGRICULTURE**

See reverse for more details.

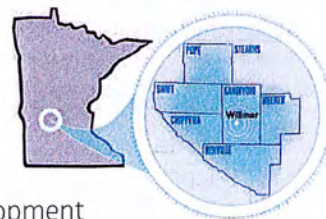
THANK YOU TO OUR EVENT SPONSORS



Contact us:
kandiyohi.com
free 866.665.4556



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A project of: Kandiyohi County and City of Willmar Economic Development
Commission's Agriculture and Renewable Energy **Development** Committee

ABOUT THE WORKSHOPS

> TALENT

7:30 TO 9:30 A.M.

MIKE HENKE OF MIKE HENKE INC. AND KRISTIE HAEFNER OF CHRISTIANSON PLLP

ATTRACTING, RETAINING AND MANAGING YOUR AG LABOR WORKFORCE, PLUS THE LATEST CHANGES TO THE EMPLOYMENT REGULATORY ENVIRONMENT.

MIKE HENKE, OWNER OF MIKE HENKE, INC.

Mike Henke's passion for building strong teams led to the creation of Mike Henke Inc. He works with organizations throughout the country in the areas of leadership training and recruiting & retention of employees. Mike has created over 50 unique training programs, previously managed an employment agency in Nebraska that partnered with many organizations in the Agricultural industry and he works with many of those organizations today!



KRISTIE HAEFNER, FIRM ADMINISTRATOR AND LEAD HR CONSULTANT, CHRISTIANSON PLLP

Kristie Haefner is a results driven leader with 10 years of experience in Human Resources. She's motivated to continuously refine her skills to strengthen her leadership and business acumen. Kristie serves as an advocate for employees while keeping a focus on the overall mission and goals of the organization. Some of her specialties include: attracting and retaining talent, staff development, performance management, employee relations and HR analytics. Her goal is to help businesses owners achieve their goals by assisting them with HR related tasks so they can focus on their passion...the reason they went into business in the first place!



Kristie graduated from Winona State University with a Bachelor's Degree in Human Resources Management. She is a member of the Society of Human Resources Management, Chair Elect for the United Way of West Central Minnesota Board of Directors and volunteers in many capacities throughout the community.

> TECHNOLOGY

9:45 TO 10:30 A.M.

LYLE MANGEN, GLOBAL PRODUCT SPECIALIST, CNH INDUSTRIAL AND ITS BRANDS

LEARN ABOUT PAST, CURRENT AND FUTURE TECHNOLOGIES IN SITE-SPECIFIC FARMING. THIS INCLUDES THE ROLE OF AGRONOMIC CONSULTANTS, GPS TECHNOLOGY, MACHINE GUIDANCE, SPRAYER AND PLANTER TECHNOLOGY, AMONG OTHERS, USING THE NEWEST TECHNOLOGIES TO IMPROVE YOUR PRODUCTION.



Lyle Mangen is a 28-year employee of CNH Industrial and its equipment brands. He is currently working in a commercial role which includes defining self-propelled sprayer and dry fertilizer applicator product lines around the globe. He graduated from South Dakota State University in 1986 with a degree in Ag and Bio-Systems Engineering, followed by an MBA from Cardinal Stritch University in Milwaukee, WI. He currently serves as a member of the SDSU Ag and Bio-Systems Advisory Board and has served in various committee, standards development and section officer roles for the American Society of Ag and Bio-Systems Engineers.



10:45 TO 11:30 A.M.

MIKE MASTEY, FARM BUSINESS MANAGEMENT INSTRUCTOR, RIDGEWATER COLLEGE

LEARN HOW THE PRODUCER CAN USE PRODUCTION AND FINANCIAL DATA TO MAKE BETTER INVESTMENT DECISIONS ON TECHNOLOGY FOR THE FARM OPERATION. MIKE WILL ALSO COVER THE USE OF UAS (DRONE) SYSTEMS AS A MANAGEMENT TOOL.

Mike grew up on a Central Minnesota crop and livestock farm. After teaching high school agriculture for 7 years, Mike transitioned to farm business management education at Ridgewater College in 2000. Since then, he has been helping farm families in Central Minnesota with farm business management education, farm financial planning, transition planning and farm business analysis with livestock, conventional and specialty crop operations. The past three years Mike has been using UAS (drone) technology with farmers to use imagery data in helping make management decisions on the farm.



SPONSORSHIP OPPORTUNITY! GET YOUR BUSINESS IN FRONT OF FARM MANAGERS.

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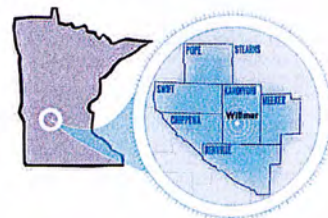
SEE SPONSORSHIP LEVELS ON BACK SIDE

A project of: Kandiyohi County and City of Willmar Economic Development
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SPONSORSHIP LEVELS

Platinum: \$1,000

- Business logo will be displayed on all promotional materials and on social media
- Business can have a vendor table at the event
- Business will receive a premier shout out at the event
- Business logo will be linked from the event promotion

on Kandiyohi.com website

- Business can supply one promotional item and a promotional flyer to distribute to attendees
- Business will receive four complimentary tickets to the event
- Email copy/graphics to invite your own customer base to the training

Gold: \$500

- Business logo will be displayed on all promotional materials and on social media
- Business name will be highlighted at the event
- Business can supply one promotional item and a promotional flyer to distribute to attendees
- Business logo will be linked from the event promotion on Kandiyohi.com website
- Business will receive two complimentary tickets to the event
- Email copy/graphics to invite your own customer base to the training

SPONSORSHIP FORM

We'd like to be a sponsor for the EDC's Talent and Technology Workshop on August 13.

Checks can be made payable to the EDC and sent to P.O. Box 1783, Willmar, MN 56201.

☐ \$1,000 Platinum

☐ \$500 Gold

Company/Organization's Name _____

Address _____

Contact _____ Email _____

Phone _____

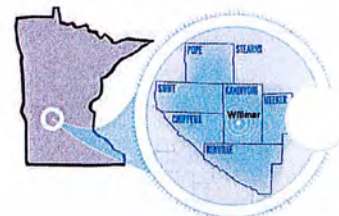
Please provide us with a high resolution jpg image (300 dpi) of your logo by May 30th. You can email the logo to connie@kandiyohi.com

COMPLETED FORMS, PAYMENT AND LOGO MUST BE RECEIVED BY MAY 30, 2018 TO BE INCLUDED ON THE PROMOTIONAL MATERIALS.

Contact us:
kandiyohi.com
toll-free 866.665.4556



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CHRISTIANSON

CPAs & Consultants

Grants and Opportunities April, 2018

Creating clients for life

Overview

- Government / Policy Risk
- Grant Application Process
- Potential Sources of Grants
- Example of USDA
- Christianson's Role





Trump's Budget Cuts and Gains



2018 Farm Bill

- Agriculture and Nutrition Act of 2018
- Funding through 2023

What Will Happen?

Pork Budgets Will Be Cut:

- President wants to cut budget
- Budget conservatives
- Growing debt
- Growing will for reform

A Side of Bacon for Everyone:

- President has been unable to move legislation
- Special Interests
- Jobs, Jobs, Jobs!
- Election year



Grant Application Process

- Process
- Collaborative effort
- Marathon, not a sprint

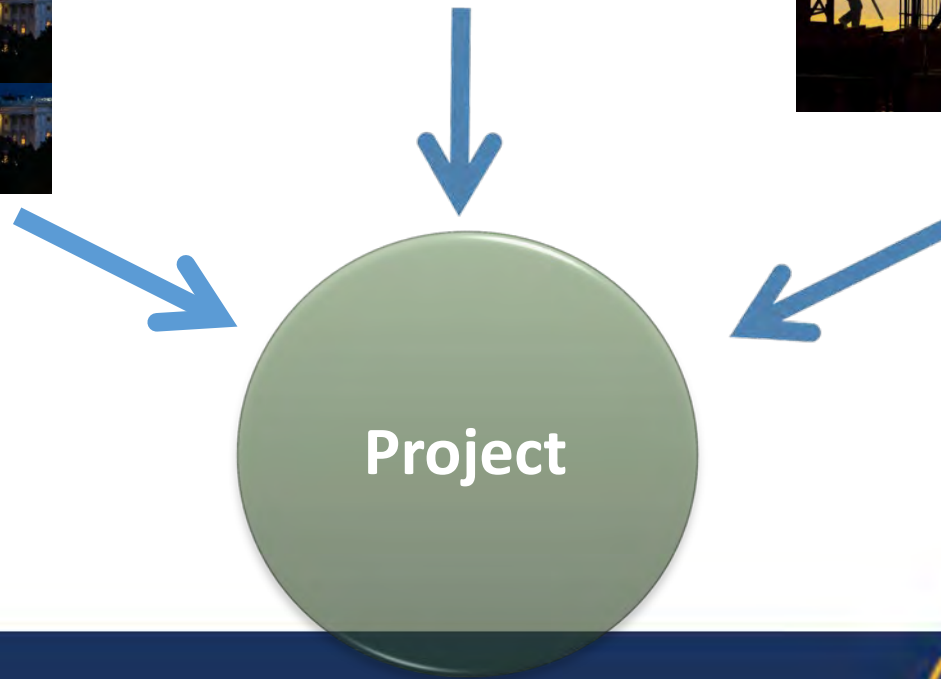


When Approaching a Grant Opportunity

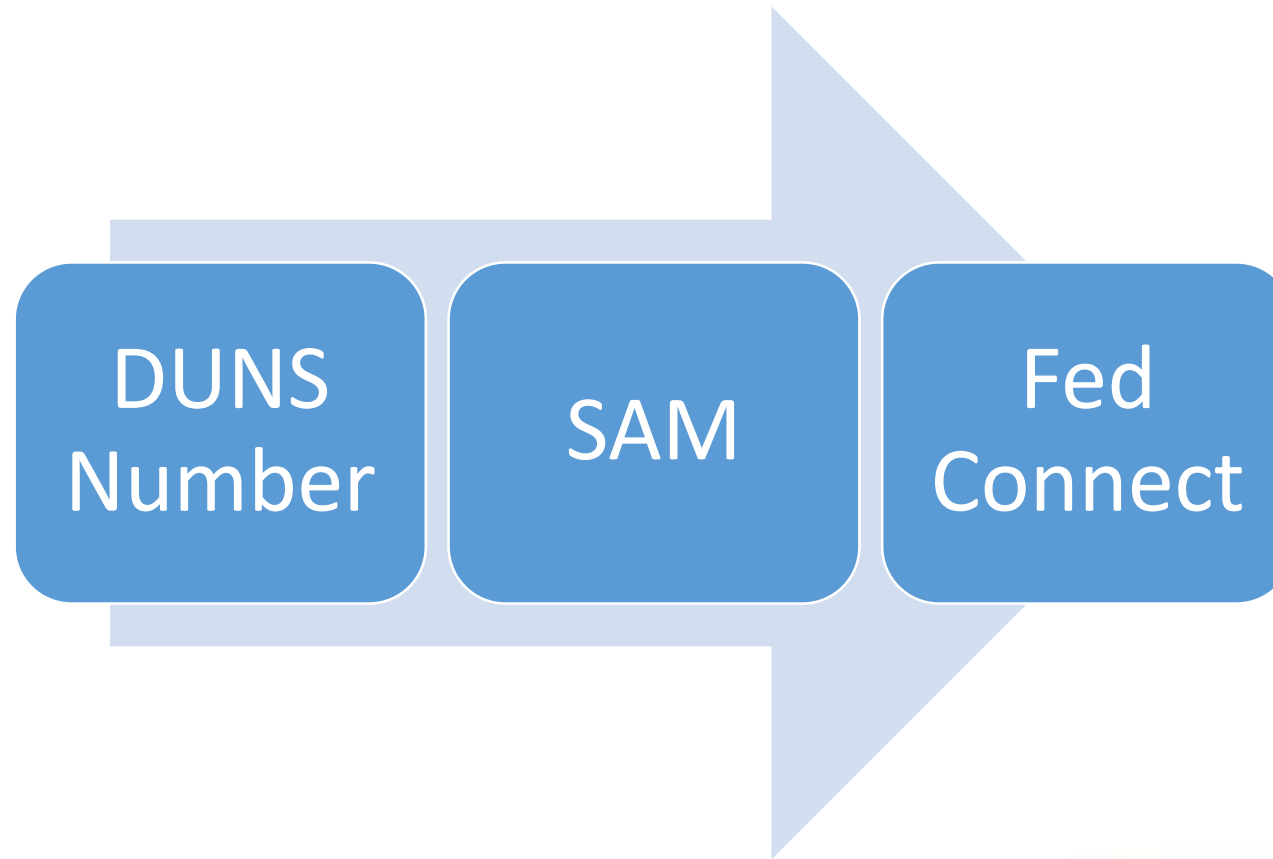
- Be Informed
- Verify Eligibility
- Identify Service Providers
- Form Partnerships



When Approaching a Grant Opportunity

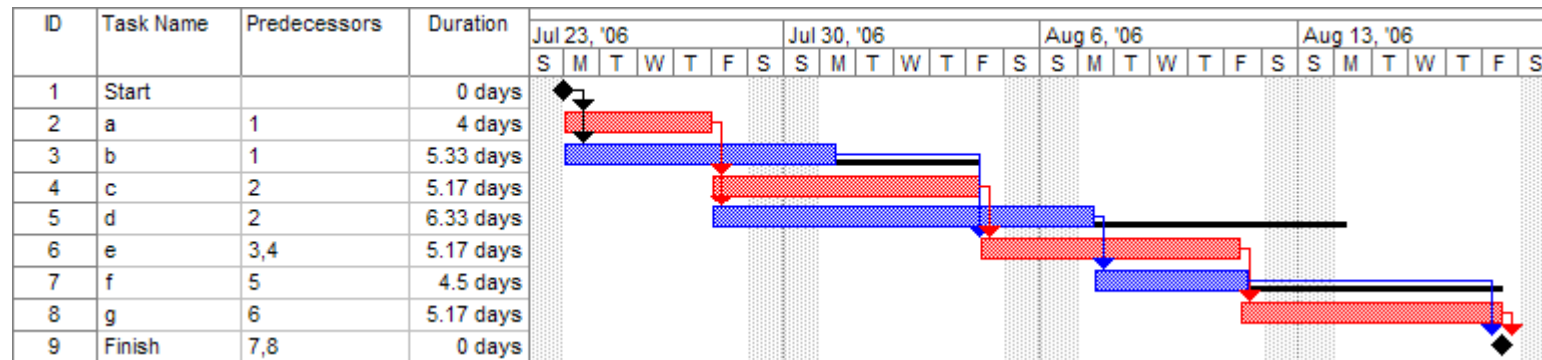


Pre-Application Registrations

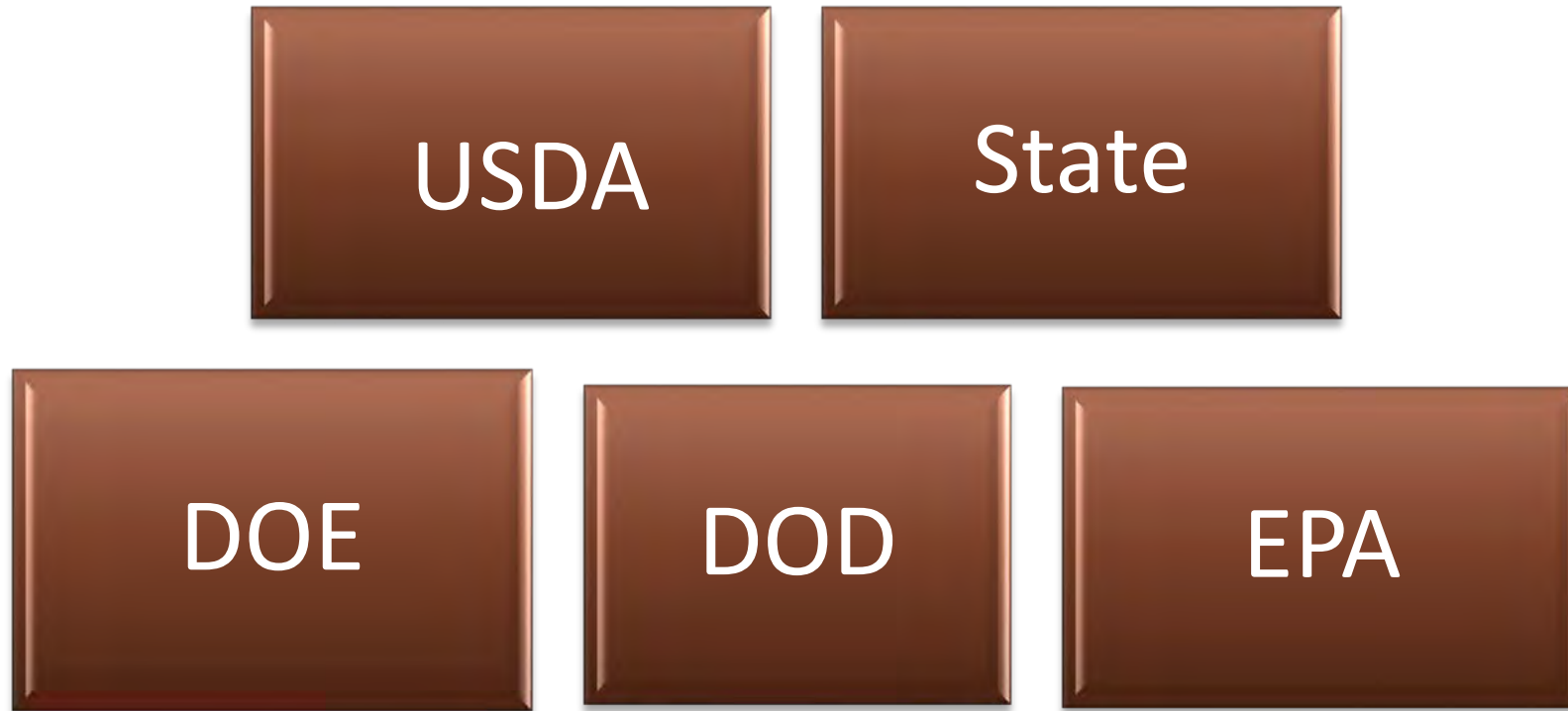


Grants: Approach

- Gantt chart
- Punchlist of needed items
- Deadlines for team members responsible
- Monitor progress weekly



Sources of Funding



USDA-REAP Grants

REAP (Rural Energy for America) Program

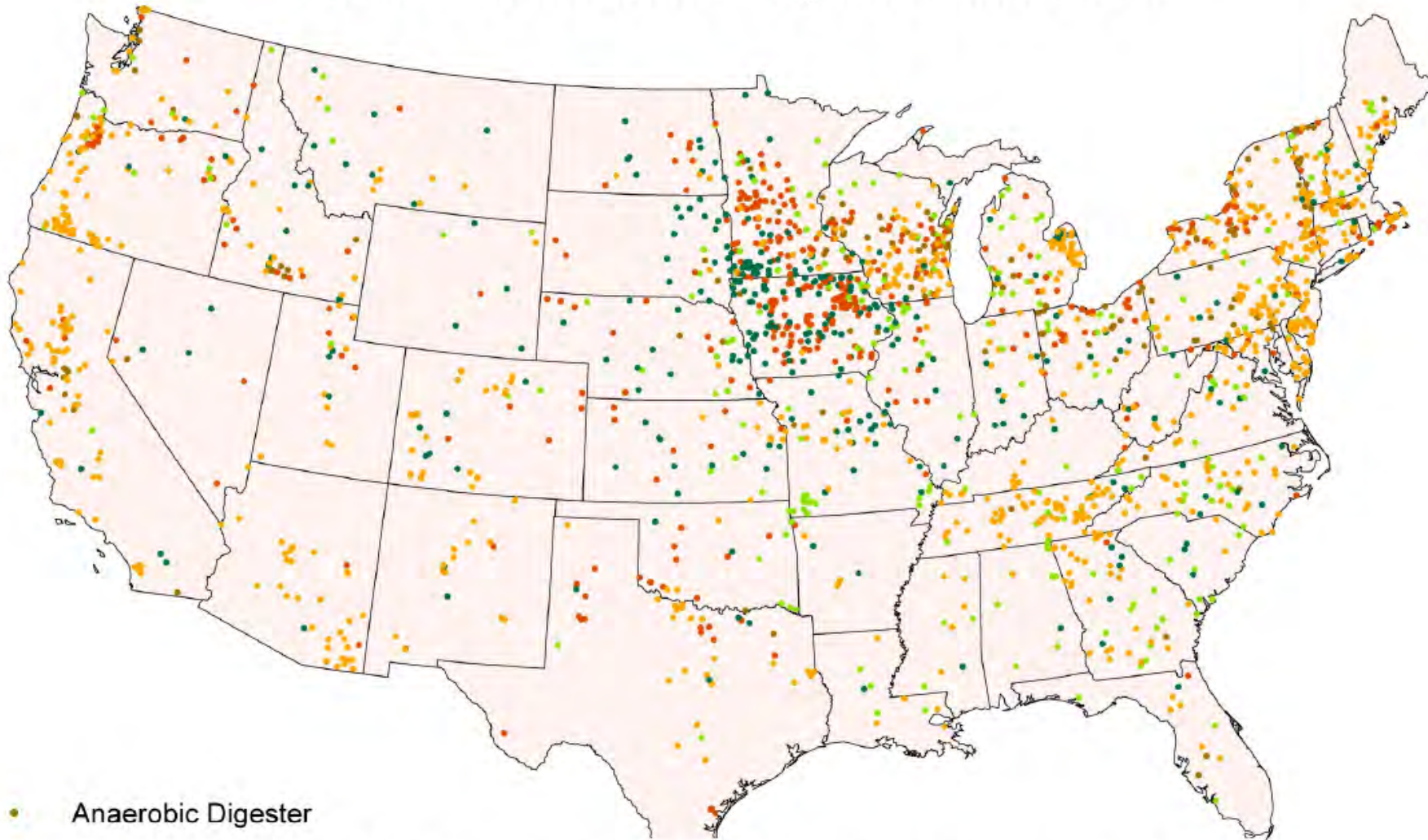
- Funding:
 - \$50 million annually
- Eligibility:
 - Rural Small Businesses and Ag Producers
- Grants for:
 - Renewable Energy Systems (RES)
 - Energy Efficiency Improvements (EEI)
- Timeline: 10 – 12 weeks*

USDA-REAP Loan Guarantees

REAP (Rural Energy for America) Program

- Funding:
 - Over \$100 million annually
- Eligibility:
 - Rural Small Businesses and Ag Producers
- Loan guarantees up to 75% of total eligible project costs
- Efficiencies on some paperwork with the grant program
- Fees are less than the B&I program
- Timeline: May depend on the Bank

REAP Renewable Projects 2003-2011



- Anaerobic Digester
- Biomass
- Solar
- Wind
- Other

REAP serves all ag sectors, every state

Locations are approximate. Some dots represent multiple project awards.
Prepared by Environmental Law & Policy Center based on USDA data.

FarmEnergy.org
Clean Energy & Rural Economic Development


ENVIRONMENTAL LAW & POLICY CENTER
40

NSON
s & Consultants

REAP Grant Details

- Limits:
 - \$500,000 for RES or 25% of total project costs
 - \$250,000 for EEI or 25% of total project costs
- Deadlines:
 - Ongoing – October 31 and April 30
- Important Considerations:
 - Commercial technology ONLY
 - Can score your own project initially



REAP Requirements

- RES:
 - Feasibility Study (Projects > \$200,000)
- EEI:
 - Energy Assessment (Projects < \$200,000)
 - Energy Audit (Projects > \$200,000)
- Loan Guarantee: Feasibility and Business Plan
- More info: <http://www.rd.usda.gov/programs-services/rural-energy-america-program-renewable-energy-systems-energy-efficiency>

VAPG

Value Added Producer Grant

- Funding: ~ \$30 Million (2017)
- Definition:
 - Change in physical state
 - Physical segregation
 - Produced in a manner that enhances the value of the end-product
 - Locally produced and marketed food products
 - Farm- or ranch-based renewable energy



VAPG

- Due: Electronic version by July 7th or hard copy by July 2.
- Eligibility:
 - Ag Producers or majority farmer-owned businesses
 - Must produce or own more than 50% of the commodity
- Grants for:
 - Planning – up to \$75,000
 - Working Capital – up to \$250,000
- <http://www.rd.usda.gov/programs-services/value-added-producer-grants>

RBDG

Rural Business Development Grant

- RBOG + RBEG
- Eligibility:
 - Small and emerging businesses, non profits
 - Application must demonstrate a need for the Project
- No match required, job creation and economic need important
- Grants for:
 - RBOG (10%): Business planning, creation of new businesses, training, technical assistance.
 - RBEG: Acquire land and easements, construction, business planning, technical assistance, pollution control and abatement
- <http://www.rd.usda.gov/programs-services/rural-business-development-grants>

BCAP

Biomass Crop Assistance Program

- Funding: \$25 Million annually
- Eligibility:
 - Ag Producers or majority farmer-owned businesses
- Payments for:
 - 50% of the establishment costs for a new, perennial energy crop
 - Annual maintenance payments – up to crop maturity (harvest)
 - Retrieval payments (matching payments) for harvesting and transporting to the plant
 - <http://www.fsa.usda.gov/programs-and-services/energy-programs/BCAP/index>

BRDI

Biomass Research and Development Initiative

- Research, development, and demonstration expenditures
- \$500,000 min to \$2 Million max, up to 3 yr projects
- USDA and DOE recommend forming partnerships
- At least 20% match required
- Focus areas:
 - Feedstocks development
 - Biofuels and biobased products development
 - Biofuels development analysis
- <http://nifa.usda.gov/funding-opportunity/biomass-research-and-development-initiative-brdi>

Leveraging Grants

- State programs and grants
- Tax credits/incentives





Development Projects



Hemp

- Canada – 140,000 acres in 2017. Up from 75,000 acres in 2016!
- How much do we need?
- 80 cents /lb now. 30 cents in future?
 - Impact on Revenue / Acre. Competitiveness?
 - Have to have more value than just seed.
- Need partners
 - Decorticator, processors, etc

Challenges

- Don't wait!
- Requirements differ from State-to-State
- Requirements change in the middle of grant cycles
- State personnel are unfamiliar with agriculture and biofuels
- Size of grants in the renewable fuels industry - Large projects
- Grants in certain areas are oversubscribed
- Pro-rated awards

Christianson – Turnkey Solution

- REAP Grant Processing Center
 - Organization
 - Clear Communication
 - Expedite Process



REAP Grant Punchlist

General Information/Part 1

Project Information/Part 2

Organization Information/Part 3

Permits & Environmental Information/Part 4

Equipment Feasibility/Part 5

Project Feasibility/Part 6

Plant Performance/Part 7





THANKS!

Jamey Cline
Business Development Director



Creating clients for life