KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC) JOINT POWERS BOARD OF COMMISSIONERS MEETING

MINUTES

April 25, 2024

EDC Board Room, Willmar and Via Zoom Video Conference

Present:	Julie Asmus (via Zoom), George "Corky" Berg (via Zoom), Vicki Davis, Steve Gardner, Roger Imdieke and Doug Reese
Staff:	Aaron Backman, Executive Director and Michelle Marotzke, Business Development Manager
Guest:	Tanna Stucky, Child Care Community Coordinator (via Zoom)
Media:	Jennifer Kotila, West Central Tribune
Secretarial:	Nancy Birkeland, Legal & Administrative Assistants, Inc.

Chair Steve Gardner called the meeting to order at approximately 11:30 a.m. and declared a quorum was present.

Agenda-

IT WAS MOVED BY Doug Reese, SECONDED BY Julie Asmus, to approve the Agenda and following Consent Agenda:

CONSENT AGENDA

- Approve: 1. Minutes of January 25, 2024 annual meeting
 - 2. Minutes of the following special meetings:
 - a. January 11, 2024
 - b. January 25, 2024
 - c. February 8, 2024
 - d. April 10, 2024
 - 3. Financial reports as of January 31, February 29 and March 31, 2024, subject to audit

Ratify: 1. Actions of the Joint Operations Board:

- a. Extending the Revolving Loan Fund loan to New Minnesota Realty and reamortizing the remaining balance over ten months beginning March 2024.
- c. A \$45,000 loan to 6th Street Logistics LLC through the Kandiyohi County and City of Willmar Economic Development Commission's Revolving Loan Fund program at 6.5% interest with a 10-year amortization and 7-year balloon; with a first security position on a 2011 International truck.
- d. Writing off the remaining balance of the Kandiyohi County and City of Willmar Economic Development Commission's Revolving Loan Fund Ioan to Coffee & More in the approximate principal balance of \$4,965.79.
- Funding of up to \$2,000 to the City of Pennock to be paid from the Countywide Business Development/Engineering and Other Professional Services/Countywide line of the budget, upon receipt of a paid invoice.

- f. Funding of up to \$2,000 to the city of New London toward professional services with Southwest Minnesota Housing Partnership for a proposed housing project to be paid from the Countywide Business Development/Engineering and Other Professional Services/Countywide line of the budget, upon receipt of a paid invoice.
- g. Funding of up to \$2,000 to the city of Regal for its baseball lighting project to be paid from the Countywide Business Development/Engineering and Other Professional Services/Countywide line of the budget, upon receipt of a paid invoice.
- h. Cash in the Certificate of Deposit in Account No. 2349295 at Citizens Alliance Bank in the approximate amount of \$115,935.57 and reinvesting \$40,000 in a three-month Certificate of Deposit with Concorde Bank at approximately 5.10% interest and \$40,000 in a six-month Certificate of Deposit with United Prairie Bank at approximately 5.12% interest.

Receive: Joint Operations Board/Committee/Subcommittee Minutes

- 1. Joint Operations Board 1/11, 2/8 and 3/14/2024
- Agriculture and Renewable Energy Development 2/15 and 3/21/2024
 a. Industrial Hemp Exploratory Subcommittee 12/11/2023
- 3. Broadband and Advanced Technology 1/8, 2/5 and 3/4/2024
- 4. Business Retention and Expansion/Recruitment 12/13/2023
- 5. Finance 12/12 and 12/14/2023
- 6. Marketing and Public Relations 1/22 and 2/26/2024

All present voted unanimously in favor by roll call.

Aaron Backman clarified the Certificate of Deposit (CD) at Citizens Alliance Bank was cashed in and two short-term CDs were opened with the remaining funds deposited into the savings account at Heritage Bank to cover anticipated expenses related to the Executive Director search and office relocation.

UNFINISHED BUSINESS

Office Relocation Update. Backman informed the board he met with the contractor about the potential layout of the new office at AppleTree Square (see attached), which includes a mini incubator for Elevate alumni business startups to use for a short time. The outside doors will have a keypad and staff will be given codes for entry. Backman indicated new six or eight foot tables on wheels will be purchased for the board room similar to what is in the Community Room at Heritage Bank. Construction may be complete within three months.

Executive Director Search. Backman informed the board the Review Committee approved the position profile prepared by DDA Human Resources and the job was posted on April 19 on at least 12 websites. Liza Donabauer informed Backman she has received more responses than usual for her executive searches. One person has applied to date. The position is open until May 19 and this board will review and select finalists at a closed special meeting on June 10, 2024 at 11 a.m. to 2 p.m. at the EDC office. Interviews of the finalists will be done on July 8, 2024 at the Willmar Conference Center.

NEW BUSINESS

2023 Audit Preparation. Backman informed the board of the audit process noting an engagement letter needs to be signed and a board member appointed to complete the fraud questionnaire. The budget for the audit is \$13,600.

IT WAS MOVED BY Vicki Davis, SECONDED BY Julie Asmus, to approve entering into an engagement letter with Westberg Eischens to conduct the 2023 audit of the Kandiyohi County and City of Willmar Economic Development Commission's financials. All present voted unanimously in favor by roll call.

IT WAS MOVED BY Vicki Davis, SECONDED BY Steve Gardner, to appoint Julie Asmus to complete the fraud questionnaire for the 2023 audit of the Kandiyohi County and City of Willmar Economic Development Commission's financials. All present voted unanimously in favor by roll call.

2025 Budget Process. Backman was informed the county will be sending budget instructions the second week of May, which includes what the levy amount will be. Staff has started looking at the budget needs for committees. Total assets in 2023 were approximately \$1.3 million and \$1 million in 2022. Backman noted the Revolving Loan Fund receivables almost doubled in the past year. He has discussed with Michelle Marotzke about recapitalization for the loan programs and possibly creating a new fund using grant funds. The EDC's budget is generally presented to the boards in July as the county has a July deadline for its budget. Backman noted he, as Executive Director, generally presents the budgets to the Willmar City Council and the Kandiyohi County Commissioners in September. Marotzke noted she is willing to step in relative to presentation of the budget if the new Executive Director has not yet started. Backman provided copies of the audit reports for the past three years to Marotzke and saved copies for the new Executive Director.

Website Update. Backman reviewed Kelsey Olson's written report (<u>see</u> attached). All content for the website has been completed. A digital launch of the new logo was made public.

REPORTS AND COMMITTEE HIGHLIGHTS

Economic Development Activity. Backman reported on April 2nd he and Minnesota Department of Transportation (MnDOT) staff from District 8 gave a presentation on the Willmar Wye to the Governor's Council on Freight Rail at MnDOT in St. Paul. Backman reviewed the presentation that was given; his presentation was on the economic impact of the Wye. He gave a similar presentation to the Area Transportation Partnership and has been invited to give the presentation in June to an industry group, including Jennie-O Turkey Store, UPS and ADM. Marotzke attended a site selector meeting in Louisville, Kentucky, March 18-20, 2024 and during that conference met with Brian Miller of MB Rail. Miller has contacts with companies that would like to build and lease space to others for cold storage of food product. Marotzke has communicated with two businesses that are interested in cold storage; this information has been provided to Leslie Valiant and the Willmar Planning staff. Willmar Wood Products is possibly interested in purchasing the former Herbergers location in Uptown Mall. It has 14 employees, but lacks the space to add to its current location. The Willmar Planning Commission gave its unanimous support. Willmar Wood Products is now owned by TerWisscha Construction. Marotzke noted one of her goals when the she took her position was to establish connections with all communities in the county. In this regard, she toured Prinsburg and Kandiyohi to see what projects they have and what are their plans. Kandiyohi has five parks and is working on a watermain project. Both communities have tennis courts and Prinsburg added pickleball courts. During her visits she tries to connect the communities with other resources. She will visit Sunburg soon and intends to visit each community over time. Marotzke connected Kelsey Olson with Regal to market its new ball field. Chair Gardner noted the local communities have challenges, but there are also many opportunities. It was noted younger families have been moving into the smaller communities. See attached report by Marotzke.

Elevate Community Business Academy. Marotzke reported graduation will be held May 17 with 16 graduates in the English class and 5 in the Spanish class. Class will be held this evening and then there will be three more classes before graduation. The board will receive an invitation link to RSVP for the graduation, which will be held at the Auditorium at MinnWest Technology Campus. The students are doing well. Sarah Swedburg continues to work under an agreement with the EDC through the end of May. Marotzke will meet with Swedburg next week about finalizing this year's session and starting plans for the next year. Marotzke will be attending a partner meeting for the Elevate program in October in New Jersey.

[Backman was excused from the meeting.]

Childcare. Marotzke reported First Children's Finance has worked in the strategic supply plan that follows the Rural Child Care Innovation Program (RCCIP). Two meetings have been held. Tanna Stucky reported the third meeting will be held on May 20 (see her report attached). First Children's Finance does a lot of data collection and its latest update shows 1,046 slots are needed for birth to age 5. The methodology used by First Children's Finance is unknown. Stucky just received a draft of the state rules for family childcare and childcare centers that is 86 pages in length. Providers face several challenges with the new state mandates, one of which is that any bare soil must be tested for lead. Providers are contacting their legislators and Marotzke will also make them aware of the issues for providers. Corky Berg noted it is the most highlyregulated field under healthcare. Marketing is needed to make the field attractive for new providers to begin. Stucky reported she just wrote a plan for United Community Action Partnership (UCAP) to expand its Headstart program for other ages. The EDC is supporting local childcare issues through its agreement with UCAP for 40% of Stucky's time. Doug Reese suggested communicating with the Kandiyohi County Area Family YMCA as to its expansion in community recreation. Marotzke noted Jenny Holweger, the YMCA Executive Director, participates in the RCCIP. Prinsburg has a building it would like to use for childcare. Stucky noted she reaches out to individuals who are seeking childcare. Chair Gardner encouraged the board to think of creative solutions to the childcare problem. Stucky invited the board to the May 20th meeting with First Children's Finance. As Marotzke stated that as she meets with communities, she asks about childcare issues.

[Stucky was excused from the meeting.]

Highway 23 Coalition. Marotzke and Backman attended the Coalition's annual meeting where Kandiyohi County was well represented.

Agriculture and Renewable Energy Development. Marotzke attended the New Uses Forum in March. In June, she and two committee members will attend the Midwest Farm Energy Conference in Morris.

Broadband and Advanced Technology. Marotzke reported local broadband projects are moving forward. She is communicating with the townships as to reports that are due to the state next week. The federal Affordable Connectivity Program will be ending in April, which could affect providers. The Office of Broadband Development created a Digital Opportunity Plan that was approved by the U.S. Department of Commerce. The committee would like to create a local Digital Opportunity Plan. Twenty-six percent of the total awarded under the most recent state grant was to Federated Telephone Cooperative (FTC) (approximately \$8.2 million) and \$100,000 to Meeker Cooperative Light and Power Association/Vibrant Broadband for Kandiyohi County. Round 10 of the state grant is open and will close in early May; it is expected to be very competitive. Three townships will be submitted for Kandiyohi County. FTC recently installed fiber for Connie Schmoll's residence. Round 2 of the Line Extension Program had 23 connections awarded in Kandiyohi County. FTC was awarded \$58,200 for five locations and Vibrant Broadband was awarded \$202,424 for 33 locations, approximately 20 of which are in Kandiyohi County. **Business Retention and Expansion/Recruitment.** Marotzke will meet with Backman about re-engaging this committee. There are job fairs coming up. This morning Marotzke attended the 7th Annual Job Fair and Career Expo held at the Willmar High School and attended by other area schools. Tomorrow, Ridgewater College will hold its Ignite your Future on the Hutchinson Campus; Willmar will hold it tomorrow and Marotzke will attend to greet students.

Marketing and Public Relations. See Olson's written report.

Finance. No meeting.

Other. Chair Gardner announced the Kandiyohi County Housing and Redevelopment Authority (HRA) and the County Board approved a four-plex in Atwater on HRA property and will submit a grant proposal. HRA funds will be used. Marotzke and Backman were informed of a community where HRA and Habitat for Humanity are collaborating to develop a housing subdivision. Friday, the Association of Minnesota Counties board meeting received information on the tax forfeiture issue, which will be onerous for local government. A \$109 million settlement was negotiated and is in legislation to settle claims and hold counties harmless. There are questions about the process.

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 1:13 p.m.

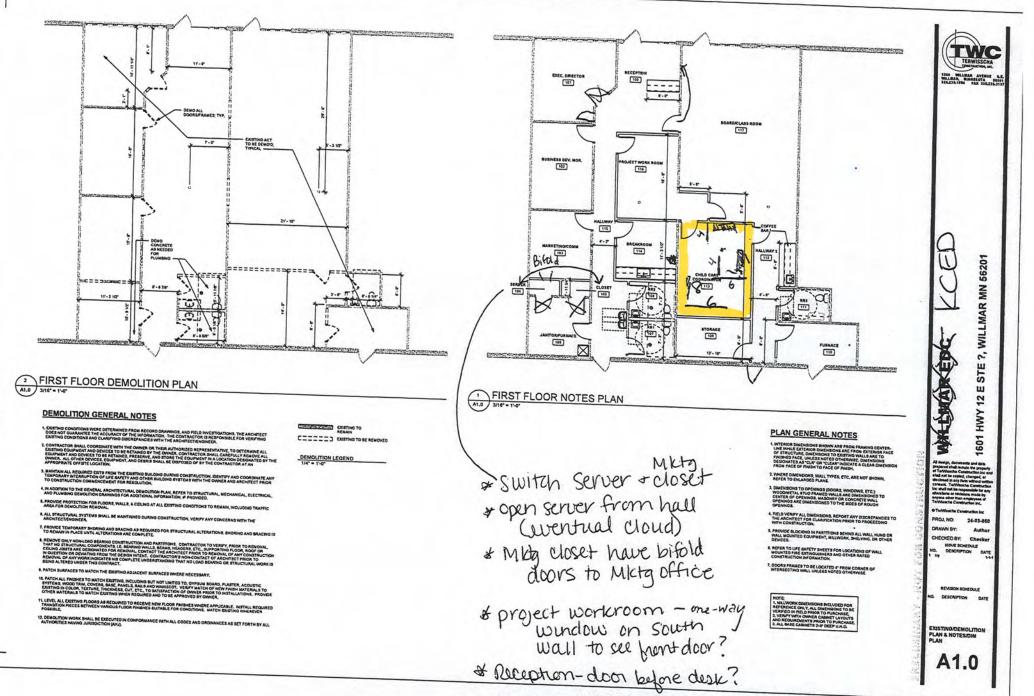
NEXT MEETINGS-

- 1. Selection of Executive Director finalists, June 10, 2024 from 11 a.m. to 2 p.m. at the EDC Office
- 2. Interview finalists for Executive Director on July 8, 2024 at the Willmar Conference Center
- Next regular board meeting is 11:30 a.m., Thursday, July 25, 2024 at the EDC Board Room and via ZOOM video conference

Julie Asmus, Secretary

APPROVED: 7/25/2024:

Steve Gardner, Chairperson



* door at end of hall on classroom side? .



Joint Powers Board Update

4.25.2024

Marketing Projects

- The website is undergoing review of the mock-up landing page. Some edits have already been applied but overall and an easy to navigate, short and clear landing page has been accomplished.
- All website content pages have been completed, with the exception of several pages that RVTS is writing.
- The spring newsletter was published with a theme of "Local Lumber and Construction" and included a "Splash Pad Story and Community Construction" from Atwater where the community raised all funds and installed a splash pad completely independently. Interviews for the newsletter also came from Former Spicer Mayor, Denny Baker, City of Spicer of City Administrator, Jen Beckler, and City of New London Administrator/Clerk/Treasurer, Trudie Guptil, Shawn Oman of Perkins Lumber and Richard Rooney and Jeff Monson from Monson Lumber.
- New swag options have been reviewed and quotes collected to be shared with the MPR Committee.
- Community Success Stories are being collected for the website. We are still in need of a story of an individual/s who are from here and decided to make Kandiyohi County their permanent place of residence. This person would preferably be a business owner or active in their community.
- Meetings with our core community partners have been conducted to create unified statements that describe their partnership with KCED.
- The International Festival poster was created by KCED along with other marketing materials. This saved them a portion of their budget that could be applied elsewhere.
- Digital launch of the KCED name and logo!

Trainings:

• EDAM, Emerging Professionals: Building Your Toolbox: Leveraging Strategic Marketing Ideas in Economic Development Outreach:

- Connecting via email and phone to every city and township to collect profiles for each community for the website.
- Talking to Atwater residents and sharing their story
- Attended the Kandiyohi (City) Community Club to learn about their upcoming Kandi is Dandi festival.
- Attended the New London Chamber meeting and will support the organization of Water Days as the Chamber has taken this planning over.

Other Projects:

- Continued support of PWELC in the creation of their preschool.
- Executive Pulse continues to be organized for full potential use.
- Daily marketing supports and responses are met upon request, including check-ins and conversations with Michelle to understand her needs and educate her on marketing at KCED.
- Part of the planning of the upcoming "Jobs and Career Fair" at the Willmar High School. We are again supporting accesses for students throughout greater Kandiyohi to this event by coordinating transportation funding provided again by SWIF.
- Support International Festival Planning and Event Execution



TO: Joint Powers Board

FROM: Michelle Marotzke, Business Development Manager

DATE: April 25, 2024 Board Meeting

Economic Development Activity

- A Letter of Intent has been developed and shared with the City of Willmar for a local transportation business.
- I continue to connect with potential businesses who may consider locating to Kandiyohi County.

Elevate

- There are 15 students in the English class with 14 businesses represented and five students/businesses in the Spanish class.
- There are four classes left and graduation is scheduled for May 17th at MinnWest Technology Campus. More information about registration to come.

Child Care

- We received updated information from First Children's Finance, their latest data shows that there are 1,046 Birth to 5 spots needed in Kandiyohi County. When you add in the school age group, there are more than 1,400 slots needed.
- The DEED grant for the Atwater and Prairie Woods Environmental Learning Center projects was submitted on time. No timeframe for announcements.
- We are starting to plan a Child Care Provider Appreciation Event to be held in the summer.

Ag and Renewable Energy

- I attended the AURI New Uses Forum in Mankato on Tuesday, 4/9. There were several speakers from organizations that could be a fit for Willmar's Industrial Park and I have been following up with them.
- I plan to attend the Midwest Farm Energy Conference in Morris on June 26th and 27th with two members of the Ag and Renewable Energy Committee.

Broadband

- Minnesota's Digital Opportunity Plan was approved by NTIA (Department of Commerce) in late March. According to their press release, "the program aims to ensure that all people and communities have the skills, technology, and capacity needed to reap the full benefits of our digital economy."
- The Broadband Committee is discussing creating a county-specific plan and waiting for more information from the Office of Broadband Development as it continues to develop programs.
- The West project is turning on new customers and feedback has been terrific. Connie Schmoll will be highlighted as a new Federated Telephone Cooperative customer. You may recall that she was an integral part of broadband projects to Kandiyohi County.

Finance

• We are providing technical assistance to some potential loan applicants but the April meeting was cancelled as the projects are not ready for consideration. I hope to have at least one project ready for consideration at the May meeting.



Child Care Community Coordinator Report

Joint Powers Meeting April 25, 2024

<u>Mentor/Mentee Program</u>: The Mentor/Mentee group met on April 9th at Robbins Island. They enjoyed Chipotle for dinner. After the meal we played Child Care Bingo. We spoke to them about the technology grant that is available through First Children's Finance. Sue Thomes talked about the changes that will be coming to Parent Aware and a little about the new Provider Hub. The next meeting has not been set at this time. I am hoping to have a bonfire later this summer for them at a county park.

<u>Wilmar Area Community Foundation Grant:</u> We are waiting to hear if we got awarded. If we do get awarded this grant. Some of the funds will be used for the Mentor/Mentee program. As well as supporting the EAP for Child Care Providers and supporting the Family Child Care County licensor.

Rural Child Care Innovation Program (RCCIP) & Strategic Supply Plan (SSP)

The RCCIP meeting was held on February 12th at The Heritage Bank at that meeting we Discussed the SSP surveys being sent out, and upcoming meetings for the SSP Core Team. We also talked about the Provider Appreciation Event, Family Child Care Provider Hub, Upcoming grants, and had Partnership updates.

The SSP Core team had their first meeting on March 11th @ Heritage Bank at that meeting First Childrens Finance (FCF) went over the results of the surveys and what the needs for Child Care in Kandiyohi County. The Core team members' second meeting was held on April 8th at that meeting they discussed Ideas and Goals. We will be combining the 2 meetings in May and will be held May 20, 2024, at the Kandiyohi YMCA multipurpose room from 6:00pm till 8:00pm.

I also attended the ribbon cutting for Stay N Play Child Care in March. I have been attending the PACT for families Early Childhood Meetings each month as well as their Full Collaborative Meetings.

I will be contacting providers to see if they have any questions or concerns regarding the Proposed Child Care Licensing Standards.