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

MINUTES

December 10, 2011 EDC Office, Willmar

Present:

Robert Carlson, Betty Bollig, Ron Erpelding, Duane Hultgren, Rick Nordin and

Milan Schmiesing

Excused:

Beverly Dougherty

Staff:

Steven Renquist, Executive Director and Jean Spaulding, Assistant Director

Ex Officio:

Jim Butterfield and Bruce Peterson

Media: Anne Polta, West Central Tribune

Secretarial:

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

President Ron Erpelding called the meeting to order at 11:00 a.m. Erpelding noted the amended Agenda includes the addition of approving under the Consent Agenda a half page ad in the 2012 Willmar Lakes Area Guide at a cost of \$1,125 by Lakeside Press from the Marketing & Public Relations Committee's budget.

IT WAS MOVED BY Milan Schmiesing, SECONDED BY Betty Bollig, to approve the Amended Agenda and Consent Agenda.

CONSENT AGENDA—

- Approved: 1. Minutes of November 10, 2011 meeting
 - 2. Financial reports as of November 30, 2011, subject to audit
 - 3. Adding Heather Anderson, Shari Courtney and Ann Winge-Johnson to the Marketing and Public Relations Committee
 - 4. Half page ad in the 2012 Willmar Lakes Area Guide at a cost of \$1,125 by Lakeside Press from the Marketing & Public Relations Committee's budget

Accepted: Committee Minutes

- 1. Agriculture & Renewable Energy Development 9/15/2011
- 2. Business Retention & Expansion/Recruitment (BRE/R) 10/5/2011
- 3. Finance 11/8/2011
- 4. Marketing and Public Relations 10/24/2011
- 5. Leisure Travel 10/3/2011

MOTION CARRIED.

PROGRESS REPORTS

Willmar. Bruce Peterson reported the city of Willmar submitted to the Federal Aviation Association an information packet for the first phase land release of the former airport; the city is waiting to hear what needs to be done to update the environmental assessment. This week the city started reevaluating its downtown plan and is conducting public and stakeholder

meetings; the city will prepare a draft plan to be adopted in March 2012 containing 10-12 elements on which the city and interested entities can move forward; the plan will also be the basis for a capital improvement program.

EDC/MinnWest Technology Campus (MWTC). Steve Renquist reviewed with the board a list of BRE & R Potential Projects for 2012 (see attached). Renquist reported on a meeting this week with area legislators and Meeker County representatives regarding Highway 12 improvements from Delano to the South Dakota border. Renquist has pledged the EDC's support to Marshall on extending the Highway 23 project. Renquist distributed a draft proposal regarding a proposed West Central Renewable Resources Corridor (see attached) that was presented to the area legislators. Renquist informed the board he is an active member of New London's Citizens in Action Committee. Renquist reported in January through March 2012, EDC staff will hold meetings with every Kandiyohi County community regarding EDC activities and community expectations of the EDC. Staff will inform the board of the meeting dates should they wish to attend. At the suggestion of a board member, Renquist will obtain information from other entities on conducting the business survey for the BRE/R Committee. Renquist is confident the majority of the items on his BRE & R Potential Projects for 2012 can be moved forward. Contacts noted in minutes made by BRE/R Committee members were done on a personal level and not as a representative of the EDC. The board recognized there will be projects that develop in 2012 that are not on Renquist's list. Renquist reported on an investor meeting for a pancreatic treatment method.

Jean Spaulding reported yesterday she helped staff a booth with MWTC at Life Science Alley, a trade organization that works with BioBusiness Alliance of Minnesota and hosts educational events. The focus of the conference was medical device manufacturing. The conference had excellent speakers. The booth was a good opportunity to reconnect with those who attended the Animal Science Venture Forum. Many people visited the booth. MWTC is obtaining recognition. Spaulding reported she participated in a company presentation through the Minnesota Angel Network (MNAN). Willmar/Kandiyohi County will be a regional intake center for MNAN. Spaulding anticipates this will be a training program for the local Kandiyohi County Angel Network. One company screened through MNAN will be coming to the area. Better directional signage at MWTC was suggested. Peterson stated because of MWTC's historical designation, it is limited in its signage. MWTC is aware of the signage needs and would like to improve it.

Willmar Area Multicultural Business Center (WAM-BC). Spaulding reported WAM-BC has been submitting grant applications and received a \$15,000 grant through the Latino Entrepreneur Initiative. WAM-BEC received a grant to educate Latino businesses on increasing production and capacity and it has been working with businesses to expand. Peterson reported a Latino business owner purchased the former Rule Tire location and intends to redesign and redevelop it into a private business center.

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New Business—There was no new business.

COMMITTEE REPORTS—

Agriculture and Renewable Energy Development. This month's Ag Specialist's report was included in the board packet. Renquist invited the board to visit the new Ag office at MWTC. The committee is waiting to hear on its federal grant application.

BRE/R. Erpelding reported the BRE/R Committee will be hearing the anhydrous ammonia presentation at its January meeting.

Technology Advisory. Erpelding requested Spaulding update the BRE/R Committee on the Technology Advisory Subcommittee's activities at a future meeting. Spaulding reported the Minnesota Intelligent Rural Communities (MIRC) Steering Committee will meet at MWTC tomorrow and receive an update on the grant and projects. There are four ongoing projects and the Blandin Foundation just approved a fifth project, which is a teleconference room at the Mid-Central Research and Outreach Center (MCROC). MWTC received a LightSpeed grant for \$38,000 that it matched. The Blandin Foundation approved \$7,000 for the MCROC project that will be paid to the EDC and the MIRC Steering Committee recommended the EDC contribute \$3,000 toward the MCROC project. If the EDC's \$3,000 contribution is approved, the EDC will then disburse a total of \$10,000 to MWTC under the MIRC grant.

IT WAS MOVED BY Milan Schmiesing, SECONDED BY Duane Hultgren, to approve the allocation of \$3,000 from the funds designated for broadband on the Kandiyohi County and City of Willmar Economic Development Commission's Balance Sheet to MinnWest Technology Campus for the teleconference room at the Mid-Central Research and Outreach Center. MOTION CARRIED.

Spaulding reported the EDC is receiving today a donation of computers from Chippewa County for PCs for People. The committee is working with the Willmar School District in locating families for distribution of the computers. Spaulding has requested used computers from the New London-Spicer School District that can be refurbished and returned to the New London-Spicer community through PCs for People. Erpelding commended the committee on its work to date.

Marketing and Public Relations. Spaulding announced Rick Nordin was the winner of the iPad 2 through the facts & stats campaign. All of the entries in the facts & stats campaign were put in a basket and the winner was randomly drawn from the basket by Joanna Schrupp during the Marketing and Public Relations Committee meeting. Renquist informed the board he made the determination there was no conflict of interest with Nordin winning the iPad 2. Spaulding stated the next phase will be educating the community on what is the EDC and what it does.

Leisure Travel. Betty Bollig reported Erpelding facilitated the Willmar Lakes Area Convention & Visitor Bureau's (CVB) planning session on November 22, 2011. The Leisure **T**ravel Committee is working on attracting visitors to Kandiyohi County and educating its citizens on what is available in the county. The main push at present is the bike trail expansion. Nordin stated an expansion of trails into the southern end of the county has been requested by its residents and would be welcome. The committee is hosting a bike summit in January. Erpelding facilitated the CVB's planning session five years ago and commended the CVB on the great strides shown and its use of electronic media. Bollig recommended board members use the CVB's calendar of events. Beth Fischer was complimented on her great leadership.

Comments. Peterson is pleased to see a new building being erected in Kandiyohi. Spaulding reported she closed the EDC's loan with Peaceful Thymes this week and the project is moving forward with equity investment by the community. Nordin thanked the board for the iPad 2. Bob Carlson reported Highway 9 through New London is done and the street lights are installed. Bollig reported an open house for the new city of Atwater offices is Saturday,

December 10. Hultgren stated the EDC is doing a good job strategizing on getting end results done. Schmiesing reported New London is becoming a destination with its small retail businesses for bus tours. Renquist reported the EDC has been asked to host a meeting between a township and a business concerning road issues. Erpelding requested statistics be updated for the five-year goals and reviewed at the next board meeting. Erpelding requested a reference sheet with frequently used abbreviations/acronyms and their related activities be provided to the board at each meeting. Erpelding suggested this board hold a few meetings each year in other communities, such as the new Atwater city offices and in New London. Nordin reported that since the Food Garage opened in Lake Lillian, it also has received bus loads of visitors and suggested a board meeting be held there. The board's consensus was to hold at least two meetings in another location in 2012. Erpelding reported the annual performance review of the Executive Director will be done in the near future.

NEXT MEETING—The next regular board meeting is 11:00 a.m., Thursday, January 12, 2012, at the EDC Board Room.

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 12:25 p.m.

1/12/2011

Betty Bollig, Secretary

APPROVED 1/12/2012:

Ron Erpelding, President

BRE & R Potential Projects for 2012

Minnesota Intelligent Rural Communities (Blandin)

Mid Central Research and Outreach Center

Minnesota Dairy Research and Training Center (Ag &RR)

Minnesota Turkey Research and Outreach Center (Ag&RR)

Highway 23 Improvement

Highway 12 Improvement – January meeting with MN DOT Commissioner

Renewable Resources Regional Coalition (Ag&RR)

Discover Manufacturing Week

Lake Lillian – vacant bank owned property and utilization of school/winery

Atwater - new business attraction, clinic

New London – grocery – participate with Citizens in Action Committee

Anhydrous Ammonia from Bio-Mass (Ag&RR)

Fuel Cell Project (Ag&RR)

Solar (photo-electric) manufacturer (Ag&RR)

Minnesota Extension led business survey

Continued business call program

Community meetings – greater understanding of community expectations

Expand/implement Kandiyohi community marketing (Raymond, New London, Atwater)

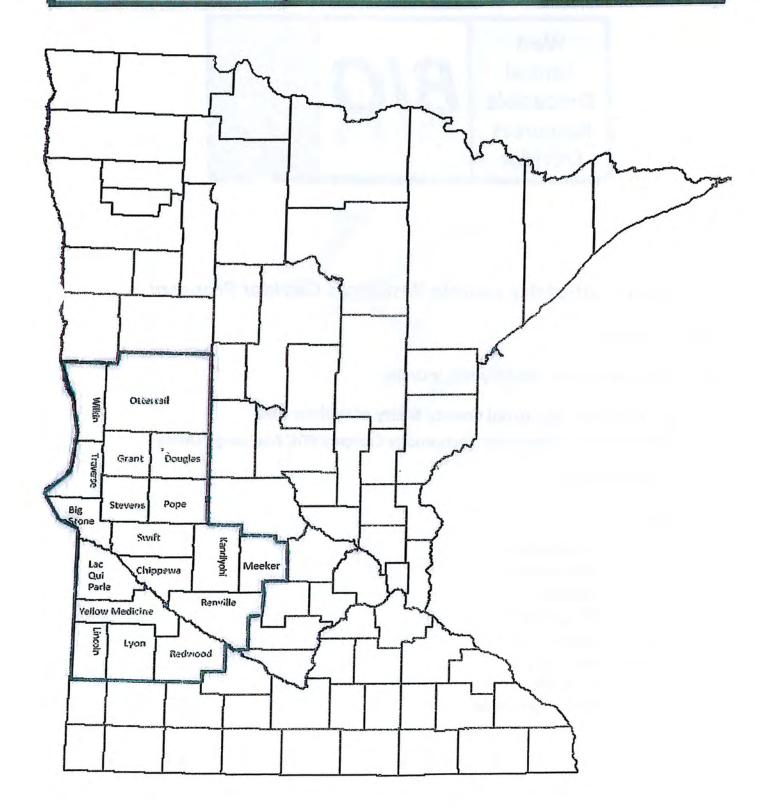
COG/ Food distribution hub/New London COG

Recruit new businesses for DT Willmar; create DT Improvement district

West
Central
Renewable
Resources
Corridor

BIO

Wass Fuels Plastics Chemicals Refineries



Kandiyohi County & City of Willmar Economic Development Commission



West Central Renewable Resources Corridor Proposal

Implementation:

Education & Outreach: identify and include:

Corridor Hub: Kandiyohi County & City of Willmar EDC

Hub Location: MinnWest Technology Campus-EDC BioEnergy Office

State Lawmakers:

Senate:

District 5: David Tomassoni

District 9: Keith Langseth

District 10: Dan Skogen

District 11: Bill Ingebrigtsen

District 13: Joe Gimse

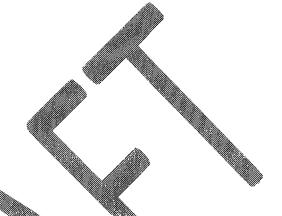
District 18: Steve Dille

District 20: Gary Kubly

District 21: Dennis Frederickson

House:

District 9B: Paul Marquart
District 10A: Bud Nornes
District 10B: Mark Murdock
District 11A: Torrey Westrom
District 11B: Mary Franson
District 13A: Paul Anderson
District 13B: Bruce Vogel
District 18A: Ron Shimanski
District 18B: Dean Urdahl
District 20A: Andrew Falk
District 20B: Lyle Koenen
District 21A: Chris Swedzinski
District 21B: Paul Torkelson



- Investors and businesses each county
- County assets related to biomass
- Create marketing packet about proposed corridor to partner with other counties prior to legislative session.
- Make appointments with presentation to county partners
- Request letters of support from contact list for the legislative presentation
- Work with UM MCROC and WCROC for job training programs related to biomass supply chain.
- Educate residents on the potential in the industry and economic impact to the area.
- Create campaign using agresidues does not take from human or animal foods.

Brand Minnesota:

- As "the place" to establish advanced biofuels and biochemical facilities. Therefore attracting businesses to Minnesota, attract talent and position Minnesota positively for investment.
- Create a brand for the corridor with logo tag line and consistent messaging
- Create training materials for other counties to become partners in corridor
- Find out reduction in carbon footprint and promote
- Find out potential carbon credits and promote

- Promote safer materials for human health and environment
- Promote energy independence

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Business Development & Policy Negotiation:

- For specific entities looking to become involved in the industry cluster involving bioplastics, biochemicals and biofuels.
- Create investor group FARM for "agriculture investing in agriculture"
- Find emerging technologies and hold multi-angel investor meetings to match new companies with investors.
- Business tax incentives for biomass supply chain companies
- "Biomass Regulatory Zone" for biomass easier permitting
- Create working partners for regulations and points of contact for specific biomass regulations
- Create county collaboration council and a non-profit to manage the corridor in the future
- Start-up of corridor in EDC BioEnergy Office at MinnWest Technology Campus
- Position MinnWest Technology Campus as the incubator-hub of the corridor
- Apply for state and federal grants to build bio-refineries
- Meet with industry leaders to augment current facilities to provide value-add products to current operations.
- Look for possible joint ventures, acquisitions, and infrastructure partners in corridor to strength business in region.
- Emerging technology company's business plan need to be profitable from the beginning without subsidies in long term.
- Create a regional model based on successful models in state like the medical device industry cluster and the spin off companies from original group.
- Have region's products listed and certified under biopreferred government purchasing programs.
- Trace our biomaterials to end products for certification
- Become a leader in petrochemical applications using biomass as feedstock
- Create a testing and certification center for products to ease regulatory issues and promote safety.
- Work with the military to inform them of our corridor and invite them to become part of the process.