



MINUTES
Region Nine Development Commission
FULL COMMISSION MEETING
April 11, 2007

I. CALL TO ORDER

Chair James Broich called the meeting to order at 6:30 p.m. in the Nichols Office Center in Mankato.

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

MEMBERS PRESENT: Maria Bartsch, Leo Bauer, James Berg, Jerry Boler, James Broich, Alvin Dietz, Jack Fitzsimmons, Ron Fleischmann, Janie Flores, Terry Genelin, Ken Hanson, Janet Holicky, Charlie Hurd, Denny Jahnz, Matt Johansen, Frederick Juni, Norbert Kaufmann, Dwayne Krenz, Dan Kuhns, Brian Lynch, Mick McGuire, Alvis More, Diane Norland, Roger Oldfather, Gary Owens, Brenda Pautsch, Bob Roesler, Bob Schabert, James Stangler, William Stangler, Patricia Steckman, James Stenson, Tim Strand, Greg Young

MEMBERS EXCUSED: Candace Fenske, Harlan Gorath, Lance Mikkelson, Mary Jean Rohlfing

MEMBERS ABSENT: Kip Bruender, Tom Loveall

OTHERS PRESENT: Nate Arch, Troy Bonkowske, Linda Giersdorf, Reggie Edwards, Bob Klanderud, Nancy Pehling, Rita Stangler, LuAnn Vanderwerf, Cheryl Weston

IV. GUEST SPEAKER

Steve Francisco from the Minnesota Council of Nonprofits cancelled because of inclement weather. He will be rescheduled.

Nate Arch, district director from Congressman Tim Walz's Mankato office, gave an update on the activities of the Congressman. The Farm Bill is being reviewed and the Congressman serves on the Transportation Committee. In the coming months there will be countywide meetings to gather input on issues facing citizens. Arch said that the Congressman wants everyone to know that he is an advocate for their interests. Arch said the Congressman's office welcomes you. The telephone number to the Mankato office is 507-388-2149; Justin Backlund is the Congressman's scheduler; Nate Arch's email is natearch@mail.house.gov. Communication at the Washington, D.C. office is still by fax, which is 202-225-3433.

V. APPROVAL OF MINUTES

Fred Juni moved to approve the January 10, 2007 minutes as presented. Alvis More seconded. Motion carried.

VI. APPROVAL OF TREASURER'S REPORT

Leo Bauer moved to approve the treasurer's report as presented. Ron Fleischmann seconded. Motion carried.

VII. CHAIRMAN'S REPORT

Chair James Broich noted meetings he attended in the past month. They included Mar. 22 attending a R9 Strategic Planning Committee meeting and Mar. 30 attending an Area Transportation Partnership (ATP) meeting. At the R9 Board of Directors meeting Mar. 21 he reported on other meetings he attended. They included Feb. 15 - R9 Legislative Committee meeting; Feb. 21 - ATP meeting in St. James where enhancement projects were reviewed; Feb. 22 - R9 Revolving Loan Fund meeting that reviewed two loan applications; Mar. 7, 16 and 20 - R9 Budget / Personnel Committee meetings; Mar. 16 - R9 Budget / Personnel Committee; Mar. 19 - Minnesota River Area Agency on Aging (MNRAAA) meeting in Redwood Falls and participated in the R9 New Commissioner orientation session later that day. Chair Broich said Mar. 11-15 he attended a National Association of Development Organizations (NADO) conference in Washington, D.C. with executive director, Reggie Edwards and transportation planner, Brent O'Neil. While there they visited seven area congressman / staff where they presented regional issues.

Chair Broich requested approval for new commissioner, Denny Jahnz, who is the mayor of Lewisville. He will represent cities under 10,000 populations in Watonwan County. He replaces Susan Devens. Bob Schabert moved approval, Ken Hanson seconded. Motion carried.

Chair Broich introduced the following new commissioners that were approved at the R9 Board of Directors meeting March 21. They included Dan Kuhns who will represent county commissioners in Waseca County. He replaces Wendell Armstrong. Diane Norland who will represent the city of North Mankato. She replaces Terri McGee. Gary Owens who will represent townships in Waseca County. He replaces Eldo Brandenburg.

VIII. R9 SHARING & OPPORTUNITIES

LeSueur County area representatives shared happenings in their area.

Alvin Dietz who represents environmental quality and lives near the city of New Prague shared some trivia about LeSueur County. He said the first explorer to LeSueur County was a Frenchman in the 1700's. LeSueur County also has 128 lakes and the fishing is good. Dietz commented on the tornado that went through the area last year. The issue of who is responsible for cleaning up the debris in the lakes from the tornado is an issue between the Department of Natural Resources and the county. LeSueur County and Rice County collaborated in upgrading Highway 13. Dietz said the Ney family willed 100+ acres to LeSueur County and from the rental of the land; the county authorized funds to build an interpretation center. Development of the Washington Lake Park is underway with campgrounds and improvements made to the surrounding roads. Dietz explained that LeSueur County has borrowed \$550,000 for their revolving loan fund to assist citizens with upgrading their septic systems.

Janet Holicky who represents the Minnesota Valley Council of Governments and lives near the city of Cleveland shared that the city has finally completed their water tower, which took a long time to complete. County Road 15 will be getting its final layer of pavement this spring, which includes the main street of Cleveland. Holicky said the city's fire department received a six-wheel all-terrain mule emergency rescue vehicle from the state tobacco grant funds. Only six of the vehicles were given out statewide. The fire department submitted a grant to the state and received funds for a van. The Police Department submitted a grant to the state and received funds for a new squad car. The city is working on developing the eastern edge of town.

Mick McGuire who represents cities under 10,000 populations in LeSueur County and is the mayor of the city of Montgomery said the northern section of LeSueur County is dealing with population growth from the Twin Cities and the southern section of LeSueur County is dealing with population growth from the Mankato regional area. McGuire contacted some of the cities in LeSueur County and reported that New Prague will be part of an experiment of MnDOT's when Highway 19 is being repaired. The east side of town will be totally under construction and instead of using stops lights at the intersections, a round-about system for traffic will be used. The city will be building a new wastewater treatment plant and 110 new homes were built in New Prague last year. LeSueur is working on a project called Envision LeSueur 2020 that includes four groups that are laying out plans for growth of the city. They are going to build a new wastewater treatment plant and may partner with the city of Henderson on the \$20,000,000 project. LeCenter had five new houses built last year and are building a new water filtration plant for their upgraded sewer plant. In the last four years, the city of Montgomery has completed a water treatment plant and water filtration system, a water tower and a new library. An assisted living complex and senior housing projects are being considered. McGuire said that approximately 80 houses have been built in Montgomery the past three years. There continues to be transportation issues.

Bill Stangler who represents county commissioners in LeSueur County and lives near St. Peter commented that the area is a great place to live and he is proud of all of its citizens. He noted that there has been an 8% growth in population. Other activities of the area included the county working on comprehensive and transportation plans. A \$2,500,000 road bonding bill was recently passed that will be used for repair and upgrading of area roads. As previously mentioned, the county has applied for \$550,000 for their Revolving Loan Fund to be used for all citizens to upgrade their septic system - \$5,000 at 5% and paid back in 5 years. There are issues with cleanup of the area lakes from the tornado last year. Legislators are being asked to be involved. Stangler said there are no guidelines to follow and it is unclear as to what agency is responsible for directing the cleanup. The Minnesota River Board, a group of 28 counties, recently received an endowment for \$200,000 for cleanup of the river. Stangler reminded Commissioners to not put any debris or chemicals down gutters because it travels to the river. Regarding county budgets, there was a union settlement for 2007 and 2008 that is 3% and 3%. The Unimin Corporation is requesting an expansion near Ottawa and public hearings will be held to gather input.

James Stangler who represents townships in LeSueur County and lives near the city of Kilkenny said that there were few problems with the new HAVA (Help America Vote Act) machines that were used this past election season. Stangler announced that all of the townships in LeSueur County are enrolled in the Green Acres Program, a program that equalizes property tax burdens for agricultural landowners. The process was adding three townships each year to the program. Stangler said that they recently heard that his township's evaluation rates are up 10-20% for

next year. He said that townships and cities that are in the southern section of LeSueur County are fortunate to be able to participate in pull-tabs operations. The funds from the sale of the pull-tabs have enabled entities to purchase needed equipment. Stangler expressed his concern of the percentage that the state takes from the pull-tab funds.

IX. COMMITTEE REPORTS

A. Area Agency on Aging Committee

Committee Chair, James Berg reported that they had a low turnout of attendees for their committee meeting that was held prior to the Commission meeting. Berg said MNRAAA executive director, Linda Giersdorf, gave an update on staff activities. Giersdorf said that 2007 and 2008 budgets are being worked on and she gave an update on the Nutrition Services previous provider. She said that Rhonda Hiller Fjeldberg is working on RFP (requests for proposals) for 2008 grant funding; Elaine Spain is working on transit issues and the ROSE project; Gail Gilman Waldner is working on Community Service / Services Development (CS/SD) grants; and Robin Thompson is busy with Medicare Part D issues. Chair Berg said at their next meeting they are going to focus on baby boomer issues and invite Robin Thompson to give an update on Medicare Part D.

B. Economic & Community Development Committee

Committee Chair, Jerry Boler reported that the committee discussed the Main Street project that focuses on improvement of small towns. Boler noted that to move ahead on the project might entail hiring more staff. He announced that on June 8-10 the Martin County Courthouse and the city of Fairmont would be celebrating their 100-year anniversary and 150-year anniversary, respectively. Boler said he is concerned for the need of the gas tax increase – his county (Martin County) bonded \$3,000,000 to assist two ethanol plants, a Wal-Mart and other projects plus trying to upgrade roads and bridges which are in great need of repair.

C. Legislative & Communications Committee

Committee Co-Chair, Terry Genelin reported that their meeting focused on three areas – state legislation, federal legislation and public relations. Regarding the state of Minnesota's transportation legislation, support is encouraged to push for all new roads to meet 10-ton specifications, as a result there will be consistently throughout the state. Last year's legislation split transit funding 60-40 between the metro and rural areas, but with the metro being the most populated, most of the funding is going there for transit projects. The committee has agreed to send a letter to the governor requesting his support of an increase in the gas tax. Genelin said executive director, Reggie Edwards, would update Commissioners on federal legislation, since he recently traveled to Washington, D.C. Genelin said regarding public relations, Commissioners will be reviewing a R9 Roadshow clip and he reminded Commissioners to visit the R9 website at www.rndc.org because there continues to be new additions.

D. Strategic Planning Committee

Committee Chair, James Stenson said the committee met March 22. He presented a recommendation from the committee with a motion for approval by himself and seconded by Bob Roesler that the full Commission appoint the Strategic Planning Committee to serve as the nominating committee for the upcoming election of the RNDC chairman. Current chair, James Broich, has served two two-year terms. Stenson explained in years pass, the R9 Board appointed the members to the nominating committee, but with the new committee formations, the Strategic Planning Committee is able to fulfill that duty. It was noted that the committee

would welcome all nominations for chairman. James Stangler noted that in the R9 by-laws that the nominating committee must be made up of one board member and two commission members. Matt Johansen said that the committee does have those positions within its membership. Concern was expressed in having a knowledgeable person of MNRAAA programs that will be serving on their joint powers board. A lengthy discussion followed. The motion was called and a show of hands was 18 in favor of the motion and 11 not in favor. Motion carried. Stenson said the election of the R9 Chairman will be at the July annual meeting.

X. EXECUTIVE DIRECTOR'S REPORT

Executive Director, Reggie Edwards, requested approval for out-of-state travel for Troy Bonkowske and Jon Noerenberg to attend the mandatory 2007 Regional Economic Development conference May 2-4 in Madison, Wisconsin. The cost is approximately \$1,086.00 and is covered within the Economic Development Administration Planning budget. Bob Roesler moved approval of the travel request, Charlie Hurd seconded. Motion carried.

Edwards presented his monthly activities report for review. Highlighted in his report was the information on aging and the workforce.

After Commissioners reviewed a 90-second video of a local community project, Edwards explained the R9 Roadshow Project. It will highlight communities across the region on KEYC television several times each month. The fee is dependent on how many communities join the project. R9 consultant, Nancy Pehling from Creative Ad Solutions, explained further that the intent is to highlight the great assets that our region has to offer. If any community is interested they are urged to contact Reggie Edwards (507-389-8872 / reggie@rndc) or Nancy Pehling (507-344-8464 / nancy@casiteam.com).

Edwards demonstrated a new tool that will be added to the RNDC website - it will do calculations of all federal funding received by a jurisdiction and comparison among jurisdictions statewide.

XI. PROGRAM REPORTS

A. South Central Small Business Development Center Update

SCSBDC Director, Bob Klanderud, reminded Commissioners that their office is at the Technology Plus Building at 1961 Premier Drive #268 in Mankato and their services are free. Their new partnerships with the Southeastern Minnesota Initiative Fund, Minnesota State University-Mankato, South Central College and the Greater Mankato Economic Development is going well. A board of directors, made up of the partners, meets regularly to give direction to the SCSBDC.

Klanderud presented a summary for 2002-2006 that listed the number of clients served, consultation hours, seminars presented, approved loans and equity invested in the Region Nine area. Noted was the benefit to cost ratio for the program is \$15.84 in tax benefit to every \$1 cost of operations. Klanderud invited Commissioners to the Small Business Resource Fair April 24 at Rasmussen College. Also, he mentioned being involved with the media on getting the word out about the SCSBDC.

XII. OTHER BUSINESS

Chair James Broich said the next regularly scheduled full Commission meeting is July 11, but tentatively a full Commission meeting will be scheduled for June 13 when legislators will be invited. He also announced that after this meeting Waseca County representatives need to caucus to appoint someone to the Board of Directors to fill retired commissioner, Eldo Brandenburg's position and the mayors need to meet briefly with Reggie Edwards after this meeting regarding the Mayors Gathering event in May. Chair Broich mentioned that at the next Board of Directors meeting an interim treasurer will be appointed for the position held by Eldo Brandenburg.

XIII. ADJOURNMENT

The meeting adjourned at 8:40 p.m.

James J. Broich, Chairman

Roger Oldfather, Secretary