
1. CALL TO ORDER

Chair Laven called the meeting to order at 6:02 p.m. at South Central Service Cooperative.

2. APPROVAL OF AGENDA

O'Connor moved to approve the agenda. Dalton seconded. Motion carried.

3. PLEDGE OF ALLEGIANCE

4. ROLL CALL

MEMBERS PRESENT: Jeff Annis, Andrea Boettger, Dave Borchert, Jim Branstad, Steve Cooling, Chris Dalton, Marie Dranttel, Elroy Glidden, Paul Harris, Hunter Jordan, James Kotewa, Dawn Kratzke, Brad Krause, Lynda Kruse, Mike Laven, Christian Lilienthal, Tom Loveall, Mary Milbrath, Shanon Nowell, Patty O'Connor, Matt Peterson, Mike Pfeil, Billee Rabbe, Gary Richter, Pam Rodewald, Steve Rohlfing, Phil Schafer, Scott Schlueter, Rob Wilkening

MEMBERS EXCUSED: Jean Anderson, Sarah Berry, Robert Goblirsch, Liz Krocak, Bob Nielsen, Rita Rassbach, Julie Tesch, Luisa Trapero

OTHERS PRESENT: Jessica Beyer, Nicole Griensewic, Joel Hanif, Stephanie Hilpipre, Sarah Janovsky, and members of the public.

There was a quorum.

5. APPROVAL OF CONSENT AGENDA

Nowell moved to approve the consent agenda. Schlueter seconded. Motion carried.

6. AACHEN, GERMANY DELEGATION PRESENTATION

In June 2025, RNDC Commissioners Andrea Boettger, Dave Borchert, Shanon Nowell, Scott Schleuter, and Luisa Trapero, along with three RNDC staff and regional stakeholders, traveled to Aachen, Germany, on a delegation trip funded by the McKnight Foundation. The delegation focused on shared challenges and solutions in flood mitigation, emergency management, circular economy, and innovation. Key takeaways included Germany's advanced flood response strategies, vertical boring for urban water absorption, and the importance of restoring natural reservoirs. The delegation explored circular economy models that reduce waste and promote sustainability and visited research centers and start-ups focused on turning science into jobs. The trip fostered new collaborations, including university partnerships and regional development initiatives, reinforcing the value of global engagement for local impact.

Each of the Commissioner participants in the delegation prepared slides and presented topics part of the learning exchange that were impactful to them and their local work here in Region Nine.

7. RURAL ENERGY ACADEMY (REA)

Although unable to attend, Dave Senjem, and Olmsted County Commissioner and former State Senator, was recognized for his leadership in clean energy. As Chair of the Senate Energy Committee, he helped launch the Climate Smart Municipalities program and the Rural Energy Academy, now a national initiative supported by NADO, that Nicole Griensewic has been asked to lead.

8. BROWNFIELDS 2025 PRESENTATION

Shannon Martin (Minnesota Pollution Control Agency) and Kristin Prososki (Kansas State University's Technical Assistance to Brownfields Program) presented to the commission on resources available to support brownfield redevelopment in counties, cities, and townships.

The presenters explained that brownfields—properties with real or perceived contamination—often remain underutilized due to liability concerns and redevelopment challenges. The MPCA offers technical assistance and grant funding for environmental assessments and cleanup planning, while TAB provides free, customized support to help communities navigate the redevelopment process, engage stakeholders, and identify funding opportunities. Both organizations emphasized their collaborative approach and commitment to supporting smaller and rural communities. They also highlighted tools such as the MPCA's "What's in My Neighborhood" and TAB's "Resource Roadmap" to help local governments assess sites and plan next steps.

Local governments are encouraged to begin by using the MPCA's online tools to identify potential brownfield sites and consider applying for MPCA's assessment grants. Communities can contact TAB for help evaluating reuse options, engaging the public, and identifying funding sources. For projects moving toward cleanup and redevelopment, DEED's Contamination Cleanup Grant is a key resource. Both MPCA and TAB remain available for ongoing support and guidance.

9. CHAIR'S REPORT

Chair Mike Laven reported that the Youth-aged Commissioner seat is now vacant following the previous representative's graduation from college. Commissioners were asked to help identify a new youth-aged candidate (ages 18–22) to fill the role. He also reminded members of the updated per diem policy: reimbursement forms must be submitted within 30 days to be eligible for payment. This change is intended to streamline administrative processes and reduce delays. Due to budget considerations, dinner will no longer be provided at the next Commission meeting; however, commissioners are encouraged to arrive an hour early to connect informally. Lastly, members were asked to save the 2026 Commission meeting dates, with a note that the June meeting has been moved to the 17th to better align with financial reporting timelines.

10. FINANCE DIRECTOR'S REPORT

Budget and Personnel Committee Chair, Shanon Nowell, provided an overview of Region Nine's current financial status and outlined the organization's plan to restore financial solvency. She explained that recent turnover in the Finance Director position, combined with the earlier departure of long-term finance staff, created a significant knowledge gap in managing RND's complex fiscal structure. Interim support was provided by internal staff and part-time consultants until Stephanie Hilpire was hired as Finance Director in May 2025.

Key challenges contributing to the current financial strain include delayed program funding, the need to cash flow projects, incomplete audit adjustments, and the impact of lean operations on reserves. Current analysis shows that reserve levels are lower than expected, requiring immediate action.

To address this, Region Nine is implementing a two-phase financial response: short-term cost-saving measures through the end of the calendar year, and longer-term strategies to rebuild reserves through FY25 and FY26. Immediate actions include pursuing \$50,000 in emergency funding from the McKnight Foundation, reducing discretionary spending, pausing unfunded contracts, reviewing general fund expenditures, and ensuring all staff time is billed appropriately to maximize reimbursements and minimize general fund exposure.

In closing, Nowell emphasized that these actions represent the first phase of a broader plan to restore financial stability. A budget amendment is anticipated in early 2026. She concluded by thanking Stephanie Hilpiper for her work as the new Finance Director.

Finance Director, Stephanie Hilpiper reported that Region Nine closed fiscal year 2023 with an unreserved fund balance of \$977,000. However, an operating loss of \$305,000 in fiscal year 2024 reduced that balance to \$671,000. Further review revealed uncollectible accounts receivable, which will increase FY24 losses. Preliminary estimates for FY25 indicate an additional loss exceeding \$400,000, continuing a trend of quarterly expenses outpacing revenues by approximately \$100,000.

Hilpiper noted that RNDC's unreserved fund balance should be 80% of the levy, or \$575,000, meaning the organization is currently below its target reserve level. Fiscal year 2026 is also projected to face a shortfall of \$400,000, due in part to previously unaccounted-for budget errors.

While \$1.3 to \$1.4 million in new funding is expected in FY26, it will not be sufficient to rebuild reserves. Stephanie is continuing to reconcile accounts and will bring forward a budget amendment in early 2026. She concluded by thanking the Commission for their support.

11. EXECUTIVE DIRECTOR'S REPORT

Executive Director, Nicole Griensewic informed the Commission that on September 29, RNDC received a formal petition from a portion of staff seeking union representation through AFSCME. Legal counsel has been secured, and leadership is working with the Bureau of Mediation Services to follow the appropriate legal process. Griensewic emphasized that, due to legal restrictions, no discussions regarding the union matter should occur between commissioners and staff. All inquiries should be directed to her or Deputy Director, Jessica Beyer.

Following this update, Commissioner Loveall asked whether staff had been instructed not to speak with commissioners.

Griensewic responded that, per RNDC's bylaws, the Executive Director is the only staff member who reports directly to the Board and Commission. She explained that communication between staff and commissioners should be routed through her.

Laven added that this structure is similar to how cities operate under a city administrator model, where staff concerns are directed through leadership rather than directly to elected officials.

Nowell clarified that if staff have concerns, they feel cannot be addressed through internal channels, the personnel handbook outlines a process allowing them to speak with either the Board Chair or the Budget and Personnel Committee Chair. She emphasized that retaliation for raising concerns is not tolerated and encouraged commissioners to direct staff to her or Chair Laven if issues arise.

Loveall acknowledged the explanation but expressed concern regarding staff morale and whether employees feel safe and heard. He noted that the union petition may reflect those broader concerns.

Griensewic announced that RNDC's Food Recovery Coordinator, Tom, will present at the upcoming NADO Annual Training Conference, highlighting the region's innovative food recovery work. Griensewic and staff member Sabri Fair will also participate in NADO's Rural Energy Academy, with costs covered by NADO.

Griensewic discussed her federal advocacy efforts, including a proposal for regional development organizations to receive annual planning grants to support USDA program delivery amid staffing shortages. She acknowledged the challenges posed by the federal shutdown and loss of anticipated funding, which have impacted RNDC's ability to plan and operate effectively.

Despite these challenges, Region Nine continues to pursue several EDA grants, including a major partnership with MSU and other regional projects. Griensewic highlighted the recent \$2.1 million EDA award to Waseca County as a major success, crediting staff for their extensive, often unreimbursed, technical assistance.

She also emphasized the importance of collaboration through the Minnesota Association of Development Organizations (MADO), including a spring 2026 all-staff training funded by the McKnight Foundation. McKnight continues to support RNDC's financial system improvements and professional development.

Looking ahead, Griensewic is exploring new partnerships, such as potential planning grants with the Minnesota Pollution Control Agency (MPCA), to help streamline project delivery. She stressed the need for creative funding strategies as traditional state and federal resources remain limited and reiterated that while Region Nine is delivering high-impact work, much of it remains underfunded.

12. OTHER BUSINESS

Commissioners gave updates from their communities.

13. ADJOURNMENT

Krause moved to adjourn. Kratzke seconded. Motion carried.

The meeting was adjourned at 7:46 p.m.

Signed:

Mike Laven, Chair

Jim Branstad, Secretary