

Mid-Minnesota Development Commission  
Full Commission  
MINUTES

Wednesday, June 22, 2022, 4:00 p.m. (Public Hearing at 5:00 p.m.)  
1707 Technology Drive NE, Willmar MN, 56201

**Members Present:** Commissioners Kevin Crowley, Doug Erickson, Kathy Grochow, Jon Hawkinson, Jill Hoff, Doug Krueger, José Luciano, Tom McDonnell, Maureen Melgaard-Schneider, Robert Moller, Shawn Mueske, Rollie Nissen, Kiza Olson, Lorallen Schmeling, Dave Sebesta, Paul Simonsen, Berit Spors, DuWayne Underthun.

**Members Absent:** Commissioners, Rick Fagerlie, Chris Rowan, Steve Schmitt, Jeff Vetsch.

**Staff Present:** Executive Director Eric Day, Finance Director Sue Gimse, Finance & Office Manager Darla Bajari, Economic Development Professionals Michelle Marotzke and Nate Reuss, Transportation Planner Kyle Ten Napel, Communications Specialist Ben Carlson, Community Planner Ben Dolan, and Regional Transportation Resource Coordinator Terry Smith.

**Guests:** None

#### Call to Order

Chairperson Kevin Crowley called the meeting to order at 4:00 p.m.

#### Introductions

All Commissioners and staff who were present provided introductions.

#### Approval of Agenda

Chairperson Kevin Crowley presented the agenda and added one item under New Business – Harvest Bank Certificate of Authority Resolution. No other amendments were presented, Commissioner Rollie Nissen made a motion to approve the agenda, with the added Harvest Bank item. Commissioner Tom McDonnell seconded the motion, which carried with no dissenting votes.

#### Approval of April 6, 2022, Full Commission Meeting Minutes

While she did review the minutes, having not attended the April 6 Commission meeting, Secretary Sue Hilgert requested another Commissioner who was present at that meeting make a motion to approve the minutes from that meeting, provided the minutes were found to be in order and reflective of the meeting. Commissioner Shawn Mueske then moved to approve the minutes of the April 6, 2022, MMDC Commission meeting, as presented. Commissioner Robert Moller seconded the motion, which carried with no dissenting votes.

#### Treasurer's Report

Commissioner Doug Erickson provided an overview of the Treasurer's Report and made a motion to approve it. Commissioner Maureen Melgaard-Schneider seconded the motion, which carried without dissent. However, Commissioner Erickson later informed the Commission that he had provided the report using incorrect numbers (from a different month) and provided the corrected information, as follows.

As of March 16, 2022, MMDC's checkbook balance was at \$1,476.97. With receipts of \$447,106.73. With expenditures of \$435,223.02, Therefore, MMDC's checkbook balance, as of June 15, 2022, was \$13,360.68.

Bills approved totaled \$183,106.96 (payroll \$157,753.69; vendors \$25,353.27. The Treasurer's Report, provided with the meeting materials packet and referred to by Commissioner Erickson, also indicated a savings account balance of \$351,326.76; Long Term Savings were \$583,920.89; and the 4M balance was \$92.06.

Commissioner Erickson then moved to amend the prior motion to approve the Treasurer's Report. Commissioner Melgaard-Schneider seconded this motion to amend which carried by roll call vote, without dissent

### Consent Agenda

The consent agenda consisted of notes/minutes from the following recent committee meetings:

- A. MMDC Executive Committee - June 13, 2022
- B. MMDC Budget and Work Program Committee – June 13, 2022
- C. MMDC Personnel Committee – June 13, 2022
- D. MMDC Nominating Committee – June 13, 2022
- E. Legacy Revolving Loan Fund Committee
- F. CARES Revolving Loan Fund Committee
- G. MMRTCC Sub-Committee Minutes – March 22; April 26; May 24, 2022

Commissioner Sue Hilgert moved to approve the Consent Agenda. Commissioner Berit Spors seconded the motion, which carried with no dissenting votes.

### Correspondence and Announcements

Executive Director Eric Day provided a number of announcements, including:

- MMDC has had two Commission Resignations since our April 6 Meeting. Commissioner Tracy Montgomery has relocated out-of-state for a new opportunity. Day stated that he would be working to refill the municipal seat for McLeod County and reminded the Commission that McLeod County does have two municipal representatives, as the City of Hutchinson, as a city with 10,000 or more residents, has their own seat. Commissioner Jeff Benson is unable to continue his participation due to the nature of his job as an over-the-road trucker makes it difficult to attend meetings. Day read Commissioner Benson's resignation note, which Day had received earlier on June 22, 2022.
- Day reported that, on May 20, MMDC was informed that the MMDC Region's new and improved Comprehensive Economic Development Strategy (CEDS) was approved by the U.S. EDA. Day reminded the Commission that this plan is the mechanism used for Economic Development District Designation and is hat ensure access to U.S. EDA Infrastructure and other funds, not just for MMDC but for our region's counties, cities, and other stakeholders. Day credited Economic Development Professional Michelle Marotzke, who led the CEDS planning effort.
- Day informed that MMDC was awarded \$400,000 from the U.S. EDA, to be matched with \$100,000 from MMDC reserves to capitalize a \$500,000 MMDC American Rescue Plan Act RLF. This fund will support business establishment, sustainability, and expansion throughout our region. All are eligible to apply, but outreach will be directed toward women, veterans, people of color, and people with disabilities. Interest will be 1% above Wall Street Journal Prime rate on day of application and application fee submission (4% minimum)
- Day informed that MMDC was also awarded a \$12,800 AARP Community Challenge Grant. \$12,000 will be used to purchase Trailblazer Transit tokens and passes which will be distributed to residential living facilities and ultimately to their residents. Some passes will also go to McLeod Childcare providers with a goal of encouraging interaction between kids and seniors. Over 3,000 parties applied for a Community Challenge Grant. Only 260 were awarded. Formal announcement by AARP at the end of the month. Day noted that MMDC's award was the result of an additional injection of funds from the Toyota Motor Corporation.

Commissioner Doug Krueger noted that he had a recommendation and possibly two recommendations to offer for the refilling of the McLeod County Municipal Commissioner seat. Commissioner Krueger indicated that he would provide Director Day with the contact information for the individual he has in mind. Day expressed his gratitude for this assistance.

### **Executive Director's Annual Report**

Executive Director Day provided an oral report to the Commission. Highlights of this report included:

- A recap of staff changes that have occurred at MMDC during the course of the last 12 months.
- An expression of appreciation for the Commission's support of a succession plan that gave MMDC opportunity to bring on a new finance professional to replace Sue Gimse, who will retire on June 30.
- Assurance that MMDC's new Finance & Office Manager, Darla Bajari, is doing very well in her new role.
- A recap of some of MMDC's FY2022 work, including:
  - A major overhaul of MMDC's CEDS, now approved by the U.S. EDA
  - Successful application to the US EDA for the capitalization of the ARPA Revolving Loan Fund
  - Work on several comprehensive planning and ordinance-focused projects
  - Successful administration of Halal goat and multilingual journalism pilot projects
  - The Local Human Services – Public Transit Coordination Plan
  - Mid-Minnesota RTCC progress, including
    - Professional and volunteer driver recruitment
    - Attraction of a new NEMT provider to the area
    - Groundwork to bring increased rideshare services to our region
    - Public education on transportation resources
    - The recent award of the AARP Community Challenge Grant
    - Supporting the Local Human Service Public Transit Coordination Plan
    - Strengthening of relationships between transportation providers and between those providers and our region's human and social services providers.
  - Transportation, Active Living, and Safe Routes to Schools planning
  - Fiscal hosting for the Hwy 23 Coalition.
  - Assisting and coaching RLF applicants and borrowers to ensure their success
  - Numerous day-to-day activities, including:
    - Fielding stakeholder calls and inquiries
    - Pitching in to help our economic development partners
    - Learning
    - Etc.
- Expression of gratitude to Commissioners for supporting MMDC, our staff, and our region through your active MMDC participation.

### **Chairperson's Report:**

Chairperson Kevin Crowley thanked Director Day and all MMDC staff, with special mention of Finance Director Sue Gimse, who has served the Commission for many years. Chairperson Crowley noted that Gimse has been a go-to person during her tenure, stating that she could frequently be relied on to inform Commissioners and staff as to what could and could not be done from a finance standpoint.

Chairperson Crowley stated that Director Day has assembled a great group of professionals and said that it is fun to come to Commission meetings now and see how things are moving forward and no longer just sitting still. Chairperson Crowley again reiterated that he thought the group needed to thank MMDC staff for doing a great job.

### Staff Reports

Chairperson Crowley referred to the written director and staff reports that were provided within the meeting materials packet and asked if there were any questions. There were no questions from the Commission.

### Old Business

There was no Old Business.

### New Business – Action Items & Commission Business

#### Approval of FY 2022 Budget Revisions

Director Day informed that MMDC's Work Program and Budget Committee met on June 13 and at that time carried a motion to approve FY 2022 Budget Revisions. Day asked if any Work Program and Budget Committee members had anything to add. With no additions from the Committee, Commissioner Doug Erickson made a motion to approve the FY2022 Budget Revisions, as approved by MMDC's Work Program and Budget Committee. Commissioner Robert Moller seconded the motion, which carried without dissent after some discussion and clarification from MMDC's Finance Department professionals.

#### Approval of Final FY 2022 Indirect Cost Plan

Director Day informed that MMDC's Work Program and Budget Committee met on June 13 and at that time carried a motion to approve the Final FY 2022 Indirect Cost Plan. Day asked if any Work Program and Budget Committee members had anything to add. With no additions from the Committee, Commissioner Robert Moller made a motion to approve the Final FY2022 Indirect Cost Plan, as approved by MMDC's Work Program and Budget Committee. Commissioner Shawn Mueske seconded the motion, which carried without dissent.

#### Assignment of Excess FY 2022 Revenue – FY 2022

Director Day informed that MMDC's Work Program and Budget Committee met on June 13 and at that time carried a motion to approve the assignment of excess revenue, as recommended by staff and as found in your materials packet (show the sheet). At that time, specific recommendations included:

- Assignment of \$7,500 in excess revenue into MMDC's dedicated Unemployment Reserve
- Assignment of \$15,000 in excess revenue into MMDC's Emergency Staff Coverage Reserve
- Assignment of \$20,000 in excess revenue into MMDC's Community Enhancement Fund, to replenish funds used for MMDC's Community Enhancement Fund grant opportunity during the last fiscal year.
- Placement of \$3,538 into Unassigned, with any additional excess FY 2022 revenues over \$42,500 also placed into Unassigned revenue.

Day then asked if any Work Program and Budget Committee members had anything to add. With no additions, Commissioner Rollie Nissen made a motion to approve the Assignment of FY2022 Excess Revenue, as recommended by staff and by MMDC's Work Program and Budget Committee. Commissioner Kathy Grochow seconded the motion, which carried with no dissenting votes.

### **Authorize Use of up to \$30,000 of Community Enhancement Funds in FY 2023**

Director Day requested authorization to follow the same process as last year to offer small grants to communities to improve emergency response, promote health and wellness, provide training opportunities, give law enforcement organizations added support to develop positive relationships with youth and other groups, and add amenities that support positive community interaction. Day did ask for one change – the addition of a one calendar year deadline from time of award to request/receive reimbursement. Day then requested a motion to use up to \$30,000 from MMDC's Community Enhancement fund, during Fiscal Year 2023, for Mid-Minnesota Community Enhancement grants along established grant guidelines, but with the addition of a one calendar year deadline from time of award to request and receive reimbursement.

Commissioner DuWayne Underthun then provided a motion to authorize the use of up to \$30,000 from MMDC's Community Enhancement fund for the Mid-Minnesota Community Enhancement Grant activity, with established guidelines and with the addition of a one-year reimbursement deadline from the time of award. Commissioner Sue Hilgert seconded the motion, which carried without dissent after some additional discussion, including an overview of grants awarded in FY 2022.

### **Designation of Banks**

MMDC Finance Manager Darla Bajari informed the Commission that MMDC currently maintains balances at U.S. Bank, Bremer Bank, and Harvest Bank. Bajari requested approval of the use of all banks within the MMDC region as official depositories for checking, savings, and petty cash. Commissioner Shawn Mueske made a motion to approve all banks within the MMDC region for Commission use. Commissioner Tom McDonnell seconded the motion, which carried without dissent.

### **Designation of Staff to Authorize Payroll and Bill Paying in Executive Director Absence**

Director Day reminded the Commission that, while her assistance was not needed during the course of the year MMDC Economic Development Professional Michelle Marotzke was authorized by the Commission as a signer for FY 2022. Day then asked for a motion to redesignate Marotzke for this purpose moving forward, until which time MMDC's Executive Director, MMDC's Finance Professional, MMDC's contracted auditor, or the Commission sees a need for a change due to a change in Marotzke's employment status or any other reason. Commissioner Maureen Melgaard-Schneider offered such a motion. Commissioner Rollie Nissen seconded the motion, which carried without dissent.

### **US Bank Master Services Agreement**

Finance Manager Bajari referred to the copy of the US Bank Master Services Agreement that was included within the meeting materials packet. The document designates authorized signers and depositors for US Bank Accounts. Commissioner Sue Hilgert made a motion to approve the US Bank Master Services Agreement, as presented. Commissioner Paul Simonsen seconded the motion, which carried without dissent.

### **Harvest Bank Certificate of Authority Resolution**

Finance Manager Bajari distributed a resolution, received by MMDC on June 21, 2022 (a copy is attached to these minutes). Day asked for approval, by resolution, of the Harvest Bank Certificate of Authority. Commissioner Sue Hilgert made a motion to approve the Harvest Bank Certificate of Authority Resolution, as presented. Commissioner Kathy Grochow seconded the motion, which carried, by roll call vote, without dissent.

### Commission Annual Conflict of Interest Form

Finance Manager Bajari distributed MMDC's Conflict of Interest form and instructed Commissioners to complete and return the form if they have any changes or updates and/or if this is their first year on the Commission. Commissioners were encouraged to visit with MMDC's finance department if they had any questions.

### Investment Recommendation

Director Day informed the Commission that the MMDC's Work Program and Budget Committee met on June 13, 2022, and stated that this matter was discussed at that time. During that discussion it was determined that, to ensure adequate flexibility as MMDC's new American Rescue Plan Act RLF is capitalized, the best course of action would be to place funds from MMDC's CD, which is maturing in July, into an investor account with one of MMDC's approved lending institutions, with specific institution to be determined by staff based on current rates, and then have MMDC staff come back with a longer term investment recommendation during the Sept. meeting of the full commission. Day provided that, on June 8, 2022, the investor account rate at Harvest Bank was 0.25%, similar to some CD investment rates. Day stated that, by putting the funds into an investor account for the short term, MMDC would have additional flexibility as needed for the capitalization of the new ARPA RLF.

Day then asked for a motion to move funds from maturing CD into an Investment Savings account, with specific institution determined by staff based on investment terms, until further action can be considered by the full Commission in September 2022. Commissioner Tom McDonnell offered this motion, which was seconded by Commissioner Paul Simonsen. The motion carried without dissent.

### Personnel Committee Recommendations

#### Staff Step/Salary Increases

Director Day informed that he has gone through a process of performance review for all MMDC staff and reported that MMDC's Executive Committee has provided Day with his annual performance review, based on their perspectives and with ample consideration given to input received via the survey sent to all commissioners and staff in early June. Day then reported that all MMDC staff are performing satisfactorily or better.

Day informed that the MMDC's Personnel Committee met on June 13, 2022. At that time the Committee approved merit pay increases following MMDC's existing salary schedule. Day then asked for a motion to approve one-step merit increases for each MMDC employee, at their current grade-level, as dictated by MMDC's existing salary step structure.

Commissioner Rollie Nissen made a motion to approve one-step merit increases for each MMDC employee, at their current grade-level. Commissioner Robert Moller seconded the motion, which carried without dissent.

#### Fraud Training and Staff Review of MMDC Fraud Policy

Director Day Informed, while there have been no fraud-related problems to report all MMDC staff will be required to review MMDC's Fraud Policy and indicate in writing that they understand it and have no questions. Day also informed that staff who have influence over any EDA funds are also required to do some additional EDA-related reading and provide additional attestation.

Commissioner Sue Hilgert asked that MMDC staff be sure to share any pertinent information related to fraud protections. Day indicated that staff would be sure to share any relevant information on this topic with MMDC Commissioners.

This item was informational only.

### **Health Insurance**

Day reported that, as reported at MMDC's June 13, 2022, Personnel Committee meeting, early forecasting leads him to believe insurance rates will again climb for the 2023 calendar year. Day stated that he is hoping for no more than a 10% increase and stated that he and Finance Manager Darla Bajari will keep abreast of this issue. Day also stated that he will bring other coverage options forward if he and Bajari discover a health insurance option with similar or better coverage with a lower premium.

This item was informational only.

### **Executive Director Annual Performance Review**

Chairperson Kevin Crowley informed the Commission that, on June 13, during a meeting of the MMDC's Executive Committee, members of that committee reviewed the results of the performance survey that was sent to all Commissioners and staff. Crowley reported that Day scored high in all areas and that there were no negative comments or suggestions to change his leadership strategy.

Day asked that, for good measure, a motion be put forward to provide Day with a one-step merit increase, in accordance with MMDC's current salary structure/schedule. Commissioner Sue Hilgert offered a motion to provide Day with a one-step merit increase after informing the Commission that the MMDC's Executive Committee had originally put forward a recommendation for a two-step increase for Day, based upon his high level of performance during challenging times. Commissioner Hilgert added that Day has, after consideration, decided to turn down the two-step increase in favor of a single-step. Day stated that he thanked the Executive Committee and others for the recognition of a job well done but said that he preferred to be in-line with other MMDC staff. Commissioner Dave Sebesta then seconded the motion, which carried without dissent.

### **Aging Update**

Commissioner Maureen Melgaard-Schneider informed the Commission that, while she had originally planned to share information from the Minnesota Board on Aging, she had little she could report, as the MN Board on Aging's policy proposals, which are contained within the omnibus bill, were not voted on before the end of the session. It is not yet known if anything will happen during a special session if one were to occur. Commissioner Melgaard-Schneider said that she will keep Commissioners informed.

Commissioner Melgaard-Schneider informed that, when the COVID-19 Pandemic hit, those in long-term care facilities were among the most vulnerable. The Centers for Medicare & Medicaid Services (CMS) and the Biden Administration are currently taking public comment on a possible requirement for the nation's 15,000-plus nursing facilities to use Medicaid money for direct care only (e.g. staffing) and not other operations, maintenance, capital improvements, or diverted to profits. Melgaard-Schneider added that 34% of Americans killed by COVID-19 were residents of nursing homes and other long-term care facilities. Medicaid pays the bills for 62% of long-term care residents. In 2019, the total bill was \$50.8 billion.

Commissioner Melgaard-Schneider reported that, at the start of 2022, the standard monthly premium for Medicare Part B was increased by 15%, largely due to the high list price of the new Aduhelm Alzheimer's drug. Since that time the Aduhelm price has been reduced by half and the federal government has decided to limit coverage to those individuals enrolled in a qualifying clinical trial. This should reduce actual Medicare spending to levels lower than originally anticipated. Rather than redetermine 2022 rates, any cost savings will be realized in 2023 Part B premiums.

**RLF Update**

MMDC Economic Development Professional Michelle Marotzke informed Commissioners that a Legacy RLF loan will be closing soon - \$91,000 for Beaver Creek Boarding in Renville County (south of Olivia). MMDC is partnering with the Southwest Initiative Foundation and Franklin State Bank for this loan (approved by the RLF Loan Committee and, on June 13, 2022, also by MMDC's Executive Committee on behalf of the Full Commission.

Marotzke also informed that a CARES RLF loan recently closed for Firelake Manufacturing in Hutchinson. Funds will be used to help relocate that company, who needed to find and improve a different space so they could stay in operation. MMDC partnered with Hutchinson EDA and the Southwest Initiative Foundation. Each partner contributed \$35,000 in loan funds toward the project.

Marotzke reported that MMDC is working to get the new American Rescue Plan Act RLF paperwork completed so lending can commence. MMDC does have potential projects in the lending pipeline at present and this fund may be used to support one or more of them. This fund will be available to all businesses but marketing and outreach will be directed toward people of color, veterans, women, and people with disabilities.

Day asked the Commission for authorization to move EDA-committed funds (promised \$100,000 in matching funds) as needed for ARPA RLF Capitalization. Commissioner Robert Moller made a motion to provide this authorization. Commissioner Tom McDonnell seconded the motion, which carried, without dissent, after the clarification that the authorization allowed for the movement of \$100,000 for this ARPA RLF fund.

**At this point, shortly before 5:00 p.m., Chairperson Crowley called a recess to allow for the Annual Public Hearing.**

**At 5:00 p.m. Chairperson Crowley opened the Annual Public Hearing for the adoption of the Fiscal Year 2023 (FY2023) Budget and for the consideration of the MMDC Levy.**

**Notice of Public Hearing**

Director Day read the notice of public hearing that was shared with the public via newspapers (Hutchinson Leader, Litchfield Independent Review, Renville County Register, West Central Tribune), via MMDC's website, and using MMDC's Facebook page, as follows:

May 31, 2022

From the Office of: Mid-Minnesota Development Commission  
1700 Technology Drive NE, Suite 300  
Willmar, MN 56201  
320-235-8504

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**NOTICE OF PUBLIC HEARING**

The Mid-Minnesota Development Commission will hold a public hearing on Wednesday, June 22, 2022, at 5:00 pm, on the MinnWest Technology Campus, Commons Conference Room located at 1707 Technology Drive NE, Willmar MN 56201.



The purpose of this public hearing is to officially adopt the Fiscal Year 2023 budget (July 1, 2022, through June 30, 2023) and to consider levying an ad valorem tax, within limitations set by state statute and which would not be received in full or used until the Fiscal Year 2024 budget is effective.

Eric Day, Executive Director  
Mid-Minnesota Development Commission  
1700 Technology Drive NE, Suite 300  
Willmar, MN 56201  
(320) 235-8504

### Presentation

Director Day provided a slideshow overview of Mid-Minnesota Development Commission's proposed Fiscal Year 2023 Work Program and Budget and took questions.

Day then referred to the written justification, included within the materials packet, outlining why he believed a 3% levy increase (within limitations set by state statute and which would not be received in full or used until the Fiscal Year 2024 budget is effective) was necessary and provided a verbal overview. His justification included the following points:

- Sustainability of MMDC's two-person Economic Development team, as needed to adequately manage three revolving loan funds in addition to the provision of other economic development services to our region (grant writing assistance, etc.).
- MMDC needs to manage the continuously-rising cost of doing business.
- MMDC's levy provides matching funds necessary for the EDA Planning Grant, MnDOT Planning Grant, RTCC, and the new ARPA RLF.
- The levy allows MMDC to keep indirect cost rates low
- The levy allows MMDC to weather the ebbs and flows of other funding streams.
- The levy provides MMDC opportunities to serve our region participating in initiatives beyond those funded by state, federal and other grantors (e.g. MMDC Community Enhancement Fund).
- The levy allows MMDC to keep technical assistance rates low for our community stakeholders.

Day reminded the Commission that MMDC can never recoup levy funds not taken in a given year as, unlike other government units we are statutorily limited to a 3% increase. Day stated that the approval of the full 3% increase would result in an additional \$11,334 to help the MMDC serve the region. Day then asked the Commission to support a 3% increase.

Chairperson Kevin Crowley then called, two times, for additional testimony from anyone present at the public hearing. Commissioner Doug Erickson then noted that, as an elected official, he will not support any tax increase. Commissioner Erickson noted that the MMDC levy is now listed separately on McLeod County property tax forms and that he has taken a number of calls on the issue.

Chairperson Crowley then called a third time for additional testimony. Commissioner Lorallen Schmeling noted that he is unable to get any sort of tradesperson to work at his home for the \$85/hour rate currently charged by MMDC.

Commissioner Robert Moller made a motion to increase MMDC's Levy by 3%. Commissioner Sue Hilgert seconded the motion, which carried after some discussion and clarification that the total levy size, if approved, would be \$389,145. One dissenting voice vote was cast by Commissioner Doug Krueger.

### Public Hearing Adjournment

With no other Public Hearing business, Commissioner Lorallen Schmeling made a motion to adjourn the public hearing. Commissioner Shawn Mueske seconded the motion, which carried without dissent.

At this point, Chairperson Crowley ended the recess and resumed MMDC's Full Commission meeting.

#### EDA CARES Act Extension Update

Director Day informed that MMDC's request to extend the CARES ACT Supplemental Grant spending deadline until the end of the 2022 Calendar year was approved by the US EDA.

This opportunity was first mentioned by the EDA in Oct. 2021. Rather than hire a short-term employee or contract, it was determined that a more prudent course of action would be to apply those dollars to fund existing staff for a longer period of time.

This item was informational only.

#### Mid-Minnesota Regional Transportation Coordinating Council Grant Update

Day again informed that MMDC received the \$12,800 AARP Community Challenge Grant. He also reminded Commissioners that MMDC will be entering the second year of Phase 4. RTCCs across the state are expected to continue their work for the foreseeable future, barring any major legislative changes.

The MMRTCC budget for the coming year will be \$215,300 (\$172,240 Federal, \$21,530 State, and \$21,530 MMDC)

Day stated that he anticipates the coming year will include more informational sessions to provide prospective riders with information on how to successfully use public transit and other ride-services. Delivered information will include the fact that the public transit bus is the most fiscally-responsible option if and when it can meet rider's needs. These sessions were difficult to consider previously, due to the pandemic.

Day shared that Smith remains very active with regard to volunteer driver recruitment (presentations to service clubs, etc.) and recognized MMDC Commissioner José Luciano for serving our region as a volunteer driver.

Finally, Day added that MMDC/MMRTCC recently completed a short video on the occupation of transit bus driver. This video can be used to inform prospective drivers about this good, important career opportunity. It will be shared with all MMDC Commissioners in the near future.

Day offered to take questions on the MMRTCC's activities and/or grant. None were offered.

This item was informational only.

#### Fiscal Year 2023 Budget

Director Day informed Commissioners that the updated Fiscal Year 2023 Budget and Work Program information provided to Commissioners at the meeting included some small revisions that resulted from Day's desire to accept a single-step wage increase, rather than a two-step increase.

Day then informed that MMDC's Work Program and Budget Committee met on June 13, 2022. At that time they considered the proposed FY 2023 Budget and a made a motion to approve it. Day then asked if any MMDC Work Program and Budget Committee members had anything to add. With no additions from the Work Program and Budget Committee, Day asked for a motion from this body to approve MMDC's proposed FY2023 budget, as presented.

Commissioner Shawn Mueske made a motion to approve MMDC's proposed Fiscal Year 2023 Budget, as presented. Commissioner Rollie Nissen seconded the motion, which carried without dissent.

#### **Fiscal Year 2023 Indirect Cost Plan**

Director Day referred to the Fiscal Year 2023 Indirect Cost Plan provided and informed the Commission that MMDC's Work Program and Budget Committee met on June 13, 2022. At that time they considered the proposed FY 2023 Indirect Cost Plan and a made a motion to approve it. Day then asked if any MMDC Work Program and Budget Committee members had anything to add. With no additions from the Work Program and Budget Committee, Day asked for a motion from this body to approve MMDC's proposed FY2023 Indirect Cost Plan, as presented.

Commissioner Tom McDonnell made a motion to approve MMDC's proposed Fiscal Year 2023 Indirect Cost Plan, as presented. Commissioner Robert Moller seconded the motion, which carried without dissent.

#### **Selection/Approval of Identified Special Interest Members**

Chairperson Crowley pointed to the listing of special/public interest Commissioners that was included in the meeting materials packet. Director Day read through the listing and informed that he would work to fill the vacancy left by Jeff Benson with his resignation – a Commissioner to represent the Transportation Sector in the public interest.

Day did note that the handout provided in the materials packet still had Commissioner Maureen Melgaard-Schneider listed as an ex-officio Commissioner. Day clarified that this is no longer the case as Commissioner Melgaard-Schneider no longer lives outside of the MMDC Region.

#### **Election of Officers**

Nominating Committee Chairperson Robert Moller thanked Nominating Committee members Doug Erickson, Doug Erickson, and DuWayne Underthun for their Nominating Committee participation. Commissioner Moller noted that, in January, he and the Committee started a process of identifying potential officers to fill the positions opening at the end of June 2022. Moller reminded that, as part of this process, it was important to consider the fact that a majority of Executive Committee seats (at least three of the five seats) must be filled by elected Commissioners (County Commissioners, City Councilors/Mayors, Township Board Members, or School Board Officials).

#### **Chairperson**

Commissioner Moller thanked Chairperson Kevin Crowley for his two-plus terms of service as MMDC's Chairperson. Commissioner Moller stated that he spoke to multiple people and was able to identify Commissioner Shawn Mueske as a potential candidate for the Chairperson position. Moller indicated that he was not aware of any other Commissioner who had expressed interest in the Chairperson position. With that, Moller indicated that the MMDC's Nominating Committee was nominating Commissioner Mueske for the MMDC Chairperson position. Moller then inquired as to if any MMDC Commissioner was interested in putting another name forward. Moller asked three times for any other nominations. Hearing none, Commissioner Rollie Nissen moved that the Commission cast a unanimous ballot electing Commissioner Mueske to the MMDC Chairperson position. Commissioner Sue Hilgert seconded the motion, which carried without dissent. MMDC Commissioners and staff congratulated Commissioner Mueske on his election.

### **Vice-Chairperson**

Commissioner Moller thanked Vice Chairperson DuWayne Underthun for his two terms of service as MMDC's Chairperson. Commissioner Moller stated that through his process of discovery he was able to identify Commissioner Lorallen Schmeling as a potential candidate for the Vice Chairperson position. Moller indicated that he was not aware of any other Commissioner who had expressed interest in the Vice Chairperson position. With that, Moller indicated that the MMDC's Nominating Committee was nominating Commissioner Schmeling for the MMDC Vice Chairperson position. Moller then inquired as to if any MMDC Commissioner was interested in putting another name forward. Moller asked three times for any other nominations. Hearing none, Commissioner Rollie Nissen moved that the Commission cast a unanimous ballot electing Commissioner Schmeling to the MMDC Vice Chairperson position. Commissioner Doug Erickson seconded the motion, which carried without dissent. MMDC Commissioners and staff congratulated Commissioner Schmeling on his election.

### **Treasurer**

Commissioner Moller thanked Chairperson Doug Erickson for his two terms of service as MMDC's Treasurer. Commissioner Moller stated that he had identified Commissioner Kevin Crowley as a potential candidate for the Treasurer position. Moller indicated that he was not aware of any other Commissioner who had expressed interest in the Treasurer position. With that, Moller indicated that the MMDC's Nominating Committee was nominating Commissioner Crowley for the MMDC Treasurer position. Moller then inquired as to if any MMDC Commissioner was interested in putting another name forward. Moller asked three times for any other nominations. Hearing none, Commissioner Rollie Nissen moved that the Commission cast a unanimous ballot electing Commissioner Crowley to the MMDC Treasurer position. Commissioner Dave Sebesta seconded the motion, which carried without dissent. MMDC Commissioners and staff congratulated Commissioner Erickson on his election.

Commissioner Robert Moller informed the Commission that it will be necessary to find interested candidates to replace outgoing MMDC Secretary Sue Hilgert and outgoing MMDC At-Large Executive Committee Member Dave Sebesta during the June 2023 annual meeting, as they will both be finishing their second terms at that time. Commissioner Moller asked Commissioners to contact Director Day if they were interested in one of those positions or if they had a suggestion as to another Commissioner who would do well in that position.

### **Committees, Committee Chairperson, and Other Appointments**

Chairperson Kevin Crowley pointed to the committee assignment document included in the meeting materials packet. Day reminded that these assignments are made by our Commission Chair. In this case Chairperson Crowley. Day asked all Commissioners to review the document and to let him know if they had any questions. Day added that he expected the MMDC Bylaws Committee might be a bit busier in the coming year, as it has been several years since MMDC's Bylaws were reviewed in great detail.

Commissioner Rollie Nissen noted that he was assigned to several committees, and that this could be problematic as he is not seeking re-election to his County Commissioner position in November 2022. Director Day then noted that, as Commissioner Nissen is a bus driver, it would be possible for him to represent the Transportation Sector in the public interest. Commissioner Nissen expressed that he would be interested in this.

### Treasurer's Report Amendment

At this point, Commissioner Doug Erickson informed that the numbers initially provided during the Treasurer's Report at this day's meeting were incorrect. He then provided the correct numbers (corrected numbers have been included in the Treasurer's Report minutes on pages 1 and 2 of this report).

As reported in that section, Commissioner Erickson moved to amend the prior motion to approve the Treasurer's Report. Commissioner Maureen Melgaard-Schneider seconded this motion to amend which carried by roll call vote, without dissent.

### Other:

Director Day expressed his appreciation for the support of MMDC's outgoing Chairperson (Commissioner Kevin Crowley), Vice Chairperson (Commissioner DuWayne Underthun), and Treasurer (Commissioner Doug Erickson). Day noted that, along with the rest of the Executive Committee and Commission members, these individuals have been unbelievably supportive of him during his tenure at MMDC. Day noted that MMDC staff were also appreciative and remarked that he though MMDC has come a long way during their terms.

### Adjournment:

With no further business, Commissioner Dave Sebesta moved to adjourn the meeting. Commissioner Paul Simonsen seconded the motion, which carried with no dissenting votes.

Chairperson Crowley adjourned the meeting at approximately 5:40 p.m.

Respectfully Submitted,

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Eric Day, Acting Secretary

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Kevin Crowley, Chairperson

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Suzanne Hilgert, Secretary


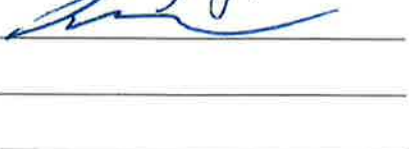


**CERTIFICATE OF AUTHORITY**  
(S-Corp/C-Corp/LLC/LP/GP/SP/LLP)

I, Doug Erickson ("Certifying Party"), do hereby certify that I am the Treasurer of Mid-Minnesota Development Commission (this "Business"), a governmental agency (type of business entity) organized under the laws of the State of Minnesota, Federal Employer I.D. Number 41-1234544; that the following is a true, complete and correct copy of the resolutions adopted at a meeting of the Board of Commissioners ("Board") of this Business (if business entity does not require a Board and/or meeting, place NA in blanks), duly and properly called and held on the 22nd day of June, 2022; that a quorum was present at said meeting; and that said resolutions are now in full force and effect.

**AUTHORIZED SIGNERS**

Any Authorized Signer listed below, subject to any written limitations, is authorized to exercise the granted powers indicated below:

<u>NAME</u>	<u>TITLE (If Any)</u>	<u>SAMPLE SIGNATURE</u>
A. <u>Darla K Bajari</u>	<u>Finance and Office Manager</u>	
B. <u>Eric Dav</u>	<u>Executive Director</u>	
C. _____	_____	_____
D. _____	_____	_____
E. _____	_____	_____
F. _____	_____	_____

**POWERS GRANTED**

**DEPOSITS**

RESOLVED, that Harvest Bank (the "Bank"), be and is hereby designated as a depository of this Business with authority to accept or receive at any time for the credit of this Business deposits by whomsoever made of funds and other property in whatever form or manner transferred or endorsed; and that any officer, partner, member, governor, manager or owner of this Business be and is hereby authorized to open or cause to be opened one or more accounts with the Bank on such terms, conditions and agreements as the Bank may now or hereafter require and to make any other agreements deemed advisable in regard to any of the foregoing.

RESOLVED FURTHER, such individual(s) may authorize payment, transfer or withdrawal by oral or telephonic directions to the Bank if complying with the Bank's rules and regulations communicated to this Business, from time to time. Furthermore, that checks, drafts or other orders for the payment, transfer or withdrawal of any of the funds or other property of this Business on deposit with the Bank shall be binding on this Business when signed, manually, digitally or by use of any form(s) of facsimile or any mechanical signatures adopted or otherwise authorized ("Signatures"), by any:

<u>Indicate A, B, C, D, E, and/or F Required</u>	<u>Description of Power</u>	<u>Indicate number of Signatures</u>
<u>A, B</u>	(a): the corresponding named individuals (from the Authorized Signers Section above)	<u>1</u>
<input type="checkbox"/>	(b): any individuals(s) from time to time holding the following positions at this Business: _____	_____
<input type="checkbox"/>	(c): any individual(s) designated in a written certificate signed by the _____ and the _____ of this Business (and such officer(s), manager(s) or partner(s) of this Business may appoint themselves as Authorized Signers); and the Bank is hereby authorized to pay and charge to the Business's Account any such checks, drafts or orders so signed or authorized, including those payable to the Authorized Signer's order, those payable to the Bank or to any individual(s) for application or those applied to the payment of any indebtedness owing to the Bank from the individual(s) who signed such checks, drafts or other withdrawal orders or otherwise authorized such withdrawals.	_____
<input type="checkbox"/>	(d): other: _____	_____

**LOANS**

RESOLVED FURTHER, that any of the parties named in (a) and/or (b) below are hereby authorized: (1) to borrow money and obtain other credit or financial accommodation from the Bank for and on behalf of this Business; (2) to sign, execute and deliver promissory notes, acceptances or other forms of indebtedness therefore or in renewal thereof, in such amounts and for such time, at such rates of interest and upon such terms as such individual(s) may see fit; (3) to discount, sell, assign, transfer, mortgage, or pledge to the Bank the real property, goods, instruments, documents of title, securities, chattel paper, intangibles or any other property now or

hereafter owned by this Business, either absolutely for any such consideration or as security for the payment or performance of any debts, liabilities or obligations to the Bank; (4) to guarantee unconditionally payment of any or all rights to payment so transferred or of any other indebtedness owed to the Bank by any individual(s); and (5) to do such other acts, to make such other agreements and to execute and deliver such other contracts, as such individual(s) may deem appropriate in connection with any of the foregoing.

Indicate A, B, C, D, E, and/or F Required	Description of Power	Indicate number of Signatures
_____	(a): the corresponding named individuals (from the Authorized Signers Section above)	_____
<input type="checkbox"/>	(b): the individual(s) from time to time holding the following positions at this Business: _____	_____
<input type="checkbox"/>	(c): other: _____	_____

**OTHER SERVICES**

RESOLVED FURTHER, that the individual(s) so authorized below are hereby authorized and empowered, on behalf of this Business, to transact any and all other business with and through the Bank which such individual(s) may at any time deem to be advisable, including, but not limited to, the authority to purchase certificates of deposit and to enter into safe deposit and lock-box agreements, night depository agreements, freight payment and payroll service agreements and other electronic data processing service agreements offered by the Bank, and to make any and all agreements and to execute and deliver to the Bank any and all contracts and other writings which such individual(s) may deem to be necessary or desirable.

Indicate A, B, C, D, E, and/or F Required	Description of Power	Indicate number of Signatures
A, B _____	(a): the corresponding named individuals (from the Authorized Signers Section above)	1 _____
<input type="checkbox"/>	(b): the individual(s) from time to time holding the following positions at this Business: _____	_____
<input type="checkbox"/>	(c): other: _____	_____

**FURTHER PROVISIONS:**

RESOLVED FURTHER, that the Certifying Party shall certify to the Bank the name(s) and Signature(s) of the individual(s) who presently are listed above, as well as the name(s) and Signature(s) of any other individual(s) so authorized by this Business under these resolutions, and the Certifying Party shall, upon a change in the certified facts, immediately certify to the Bank the name(s) and Signature(s) of the individual(s) then authorized to sign or act; the Bank shall be fully protected in relying on such certificates and on the Certifying Party's obligation to immediately certify to the Bank changes in any facts so certified, and the Bank shall be indemnified and saved harmless by this Business from any claims, demands, expenses, losses or damages resulting from relying on the Signature or other authority of any individual who was so certified, or refusing to honor any Signature or authority not so certified.

RESOLVED FURTHER, that any and all transactions by or on behalf of this Business with the Bank prior to the adoption of these resolutions (involving the transactions listed above or otherwise) be and are in all respects ratified, approved and confirmed.

I further certify that the Business's Board (if required as referenced above) has, and at adoption of said resolutions had, lawful authority to adopt the foregoing resolutions and to confer the powers granted to the individual(s) named, and that such individual(s) have full authority to exercise the same. I certify that the individual(s) listed above are duly elected and hold the positions in this Business set opposite their respective names, and that the Signatures are their respective authentic, official Signatures.

This Business recognizes and agrees that the Bank may furnish, at its discretion, automated access devices to Authorized Signers of this Business to facilitate those powers authorized by this resolution or other resolutions in effect at the time of issuance. The term "automated access device" includes, but is not limited to credit cards, automated teller machines ("ATM"), and debit cards.

This Business agrees that the Bank may rely on alternative signature and verification codes ("Codes") issued to or obtained from the Authorized Signers named on these resolutions. Codes include, but are not limited to, personal identification numbers ("PIN") and internet banking access on file with the Bank. The Bank is authorized to treat all Codes and/or Signatures as Authorized Signer(s) regardless of by whom or by what means the Signatures and/or Codes were affixed if they resemble those on file. Each Authorized Signer may have custody of this Business's Codes used to create Signatures, digital in nature, and to request issuance of a corresponding Codes list. The Bank shall have no liability for unauthorized use of Codes unless otherwise agreed to in writing.

**EFFECT OF RESOLUTIONS:** These resolutions shall continue in force until express written notice of their rescission or modification has been furnished to and received by the Bank. This resolution supersedes all prior resolutions granting banking powers.

In WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this Business this 22nd day of June, 2022

x Suzanne M. Kilgert  
Attested By One Other Individual

x Tony Earl

IMPRINT SEAL (if applicable)

Position Held: Treasurer