

Mid-Minnesota Development Commission
Commission Meeting
MINUTES

Wednesday, April 23, 2025, 6:00 p.m.

Kandiyohi Power Cooperative (Community Room) 8605 47th St NE, Spicer, MN 56288

Members Present: Commissioners, Kevin Crowley, Todd Frank, Brent Guyan, Jon Hawkinson, Jill Hoff, Doug Krueger, José Luciano, Maureen Melgaard-Schneider, Greg Mertens, Robert Moller, Shawn Mueske, Rollie Nissen, Scott Refsland, Yodee Rivera, Lorallen Schmeling, Darren Sombke, and Berit Spors.

Members Absent: Commissioners Mike Brouwer (replacement starts in June 2025), Tony Hausladen, Roger Imdieke, Gabra Lokken, Kiza Olson, Sara Pollmann, Reagan Quinn, and Carl Shuldes.

Staff Present: Executive Director Eric Day, Economic Developers Mike Nicholas and Nate Reuss, Communications Specialist Ben Carlson, Transportation & Community Planner Blake Barnard, Regional Development & Grant Specialist Carol Lundgren, and Mobility Manager Terry Smith.

Staff Absent: Finance Director Darla Bajari and Finance Assistant Nikki Johnson.

Guests: Trisha Lien and Desi Oberg, of First Children's Finance.

Call to Order: Chairperson Shawn Mueske called the meeting to order at approximately 6:02 p.m.

Pledge of Allegiance: The Pledge of Allegiance was recited by all Commissioners and staff in attendance, led by Chairperson Mueske.

Introductions: All present Commissioners and staff provided introductions.

Approval of Agenda: Chairperson Mueske presented the agenda and noted one addition:

- New Business M: Use of McKnight Foundation Funds for EV Charging Station Project in Willmar

Commissioner Robert Moller moved to approve the agenda with the addition. Commissioner Doug Krueger seconded the motion, which carried with no dissent.

Approval of February 5, 2025, Full Commission Meeting Minutes: Commissioner Rollie Nissen made a motion to approve the February 5 Commission minutes, as presented. Commissioner Jon Hawkinson seconded the motion, which carried with no dissent, after a comment from Rollie Nissen.

Commissioner Nissen indicated that, while the minutes do accurately reflect the comments he made on construction project funding, related to MN State Highway 23, those funds have since been delayed. While it had been anticipated that funding might be available beginning in March 2025, it is now hoped funds will be available in May 2025. The delay has been due to the state legislature's difficulty in making progress this session.

Treasurer's Report: Commissioner and Commission Treasurer Kevin Crowley provided an overview of the Treasurer's Report, which was contained within the meeting materials packet. He reported that, on January 22, MMDC started with a checkbook balance of \$10,933.37. MMDC had receipts of \$116,224.36 and expenditures of \$117,045.89. Commissioner Crowley reported an ending checkbook balance of \$10,111.84.

Commissioner Crowley also reported that, on March 31, MMDC had investments totaling \$954,233.30. Treasurer Crowley then made a motion to approve MMDC Treasurer's report, as presented. Commissioner Jon Hawkinson seconded this motion, which carried with no dissent.

Consent Agenda: The meeting materials packet contained minutes from the following recent meetings for the consent agenda:

- A. MMRTCC Subcommittee: February 25, 2025; March 25, 2025; and April 22, 2025 (provided at the meeting)
- B. Legacy Revolving Loan Fund Committee: March 20, 2025
- C. CARES Revolving Loan Fund Committee: April 4, 2025
- D. MMDC Transportation Advisory Committee/Area Transportation Improvement Plan Public Meeting: March 26, 2025

Chairperson Mueske provided an opportunity for questions and comments on the Consent Agenda items. With no questions, Commissioner Robert Moller made a motion to approve the Consent Agenda. Commissioner Kevin Crowley seconded the motion, which carried without dissent.

Correspondence and Announcements: Day circulated a flyer for a Workforce Housing and the Rural Narrative event, which will be held Tuesday, May 6, from 4-6 p.m. on the McLeod County Fairgrounds in Hutchinson.

Day also pointed to a prepared two-page report on the region's unemployment rates and cost-of-living. Day noted that this information was provided to keep all commissioners informed about the local economy. Day also offered to add information on other topics to future reports, if Commissioners have suggestions. Day noted that data is derived from the Minnesota Department of Employment and Economic Development and offered to take questions on the report.

Commissioner Jon Hawkinson inquired as to whether the expenses reported in the cost-of-living portion of the report were monthly costs. Day verified that this was indeed the case.

Staff Reports: Chairperson Mueske pointed out the staff reports that were included within the meeting materials packet and provided an opportunity for Commissioners to ask questions. While no other Commissioners had questions, Chair Mueske asked if MMDC should expect to receive the RTCC grant from MnDOT for the FY 2026 year. Day verified that all application materials were submitted on time, that additional materials were then requested by MnDOT, that these were also submitted, and that MMDC should receive word from MnDOT in early May. Day added that he was optimistic that MMDC's RTCC funding would continue in FY 2026.

Commissioner Mueske also pointed to the written report provided by MMDC Communications Specialist Ben Carlson. He inquired if the number of MMDC Facebook "followers", 431, was a good number. Carlson responded that he is always looking to grow this number but that it is approximately double the number of Facebook followers MMDC had at the organization's previous Facebook site, which was managed by a former employee. Carlson encouraged all Commissioners who use Facebook to follow MMDC. He also encouraged Commissioners to feel free to send him content to share. He noted that his goal is to ensure 60% of MMDC's Facebook posts/shares promote the good work of other organizations, community events, and other non-MMDC-specific information. Day added that increasing the number of followers helps to improve MMDC's Facebook algorithm, which means MMDC's content is seen by more people. He encouraged Commissioners to follow MMDC and to encourage others in their networks to follow as well.

Old Business: Chair Mueske pointed to the latest draft of the MMDC Commissioner Position Description, which was contained within the meeting materials packet. Commissioner Mueske noted that some recommended changes were incorporated. Day also pointed to alternative verbiage for several of the Commissioner Position Description responsibilities. Day said that these alternatives were based on feedback received from Commissioners since the February 5 Commission meeting.

Commissioner Berit Spors made a motion to approve the Commissioner Position Description, as presented, to allow for discussion on the matter. Commissioner Lorallen Schmeling seconded this motion. During the course of discussion, it was suggested by several Commissioners that one of the alternatives for responsibility number 4 would be appropriate. This item originally read:

4. Approve programs and services and monitor their effectiveness and usefulness, via staff reports, etc.

The preferred alternative verbiage for number 4. read:

4. To streamline processes, foster a culture of accountability and continuous improvement, and consider both quantitative and qualitative information when determining how to best deliver effective, cost-efficient, services that benefit our stakeholders.

With that, Commissioner Berit Spors motioned to make an amendment to modify the position description, incorporating the alternative verbiage to responsibility number 4. (as described above). This verbiage would then be substituted within the document considered in the main motion. This motion to amend was seconded by Commissioner Jon Hawkinson. After some additional discussion, this motion to modify carried with no dissent.

Chair Mueske then asked if there were any other amendments Commissioners would like to offer for the main motion. With no further amendments offered, Chair Mueske called for a vote on the original motion,

offered by Commissioner Spors and seconded by Commissioner Schmeling. That motion carried with no dissent. MMDC's new Commissioner Position Description is as follows:

Mid-Minnesota Development Commission
Position Description: MMDC Commissioner

Responsible to: *Entire Commission as well as to the entity or public interest the Commissioner represents*

Reports to: *MMDC Commission Chairperson*

General Responsibilities:

1. *Provide strategic guidance to the MMDC organization and to MMDC's Executive Director.*
2. *Understand the goals and mission of the MMDC organization and keep abreast of MMDC's various programs and services.*
3. *Help MMDC to work toward continuous improvement and maintain relevance by considering and, as needed, adjusting or updating the mission, policies, and services provided.*
4. *To streamline processes, foster a culture of accountability and continuous improvement, and consider both quantitative and qualitative information when determining how to best deliver effective, cost- efficient, services that benefit our stakeholders.*
5. *Look for and share new ways for MMDC to add value to our four-county region.*
6. *Elect officers (Chairperson, Vice Chairperson, Secretary, Treasurer, Commissioner At-Large) to serve as MMDC's Executive Committee and act on-behalf of the full Commission in situations when action cannot wait for the next Commission meeting.*
7. *Assist with the selection and evaluation of MMDC's Executive Director, as led by the MMDC Executive Committee.*
8. *Share expertise and opinions with MMDC's Executive Director, Staff, and other Commissioners and allow other Commissioners ample opportunity to do the same, even if/when their opinions are not aligned with your own.*
9. *With other Commissioners, coordinate suggestions for tasks and programming through the Commission as a body, which can, in turn, recommend or assign tasks to the Executive Director, who can then carry out assignments in the manner they deem most appropriate.*
10. *Attend an orientation meeting with the Executive Director at or before the onset of Commission participation.*
11. *Regularly attend Commission meetings, when possible, with the understanding that legitimate work, family, and other conflicts may occur from time to time.*
12. *Hold the MMDC organization and Commission to a high standard of performance and integrity.*
13. *Ensure effective fiscal controls and accountability. This includes the review and approval of MMDC's annual budget and audit report.*
14. *Read the materials sent to the Commissioners, and be prepared to ask timely, informed questions and to offer honest and constructive feedback.*
15. *Ensure that any publicly-expressed disagreement with a Commission decision is respectful in tone and work to ensure that, once decisions are made, successful outcomes are supported or, at a minimum, not deliberately hindered. Nothing in this provision should be taken to mean that*

Commissioners cannot publicly express their disagreement or disappointment in a decision made by the full Commission or by the elected Executive Committee on behalf of the full Commission.

16. *Maintain confidentiality about all Commission information that is deemed by members to be sensitive or confidential (e.g., sensitive personnel matters, private information related to revolving loan fund applications, etc.)*
17. *Abide by MMDC Bylaws and support/require adherence to all MMDC Personnel Policies.*
18. *Agree to take responsibility for or waive all MMDC per diem payments, and/or mileage reimbursements, and report those payments and reimbursements to the entity you represent, as appropriate or as required by that entity. The Commission will not be held responsible for any Commissioner who receives per diem payments or reimbursements from more than one entity for attendance at the same meeting(s).*
19. *Be respectful of all other MMDC Commissioners and all MMDC Staff at all times, avoiding language or actions that could be considered hostile or discriminatory with regard to any protected class (The Minnesota Human Rights Act protects people from discrimination based on the following protected classes: race, religion, disability, national origin, sex, marital status, age, sexual orientation, gender identity, and local human rights commission activity).*

MMDC COMMISSIONER COMMITMENT AGREEMENT

As a member of the Mid-Minnesota Development Commission, I commit to execution of this Commission position description to the best of my ability. I agree that if, at any time, I am unable to fulfill the commitments of a member of the Mid-Minnesota Development Commission I will give appropriate notice of my resignation to the Commission and, if I am an assigned participant (e.g., in the case of County Commissioners) I will request another person be assigned by my appointing body.

By signing below, I acknowledge that I have read and understand this Mid-Minnesota Development Commission Commissioner Position Description:

Commissioner Signature: _____ Date: _____

Day will get the approved Commissioner Position Description out to all Commissioners, via email, in the near future and paper copies will be distributed, signed, and collected at the June Commission meeting.

New Business – Action Items & Commission Business:

Further Introduction of New Commission Member Todd Frank: Commissioner Frank provided a brief introduction of himself. Commissioner Frank informed that he is employed with Beck's Hybrids, in Olivia, as a corn breeder. He is a scientist and researcher by trade. He grew up on a farm in Renville County and studied at the University of Minnesota, where he double-majored in agronomy and ag industries and marketing. Frank obtained his master's degree and doctorate in plant breeding and genetics at Iowa State University. He has lived most of his life in Minnesota but spent some time in Iowa and Central Indiana. Frank noted that he is the father of four and that his spouse works for Renville-Sibley Power Cooperative. He has now started the third year of his first term on the BOLD School Board.

Commissioner Frank was welcomed by the other MMDC Commissioners and staff.

Commission Vacancy/Recruiting Update: Day shared that, while he had been in communication with a potential candidate to fill the Information Technology Sector – Public Interest seat, after some deliberation, that individual decided that timing wasn't right to move forward. Day stated that he would continue to look for someone to fill this vacancy and invited Commissioners to offer suggestions if they were aware of a person who could be considered a subject matter expert in the information technology realm and would also be interested in participating.

Aging Related Information/Update: Commissioner Maureen Melgaard-Schneider offered updates on aging related matters, highlights of which included:

- Commissioner Melgaard-Schneider had the opportunity to listen to Minnesota State Demographer Susan Brower, who provided current information on the State's aging population. Key points included:
 - Since 2023, Minnesota has been home to over 1 million adults aged 65 and older. The state will see a leveling off around 2030 but will remain an older state for the foreseeable future. This will have major implications for the workforce, healthcare, long-term services and supports, and public budgeting.
 - Of Minnesota's 1 million older adults, approximately 307,000 are living with a disability. This may contribute to higher healthcare costs.
 - 45 percent of Minnesota's older adults are living alone, which can lead to social isolation.
 - 75% of those who survive to age 65 are going to need "severe long term services and supports," which Commissioner Melgaard-Schneider described as nursing care.
 - The majority of older adults in the U.S. do not have the financial resources to pay for long term services and supports.
 - In Minnesota 246,000 more Minnesotans would be living in poverty were it not for their social security income.
- 2025 State Legislative Session – Information is current as of April 11, 2025 (Note: the Legislature was on spring break for Passover and Easter starting at noon on April 11 through noon on Monday, April 21)

The Minnesota Board on Aging has two bills in front of the legislature this year. The first is a budget bill, which would provide additional funds for the Senior Linkage Line. This free, statewide service has received national recognition. During Medicare open-enrollment periods, many older Minnesotans call this line with questions. In 2024, the Senior Linkage Line helped seniors save over \$4 million on their prescription drug costs, by leading them to a more appropriate prescription drug plan. However, too often individuals abandon calls because of long hold-times (150 calls per day).

The Minnesota Board on Aging has also requested funds to help the Board and the seven Area Agencies on Aging incorporate 65 new policies that are part of federal rule changes. More staffing is needed to accomplish this. The Senate version was passed and is in the Human Services Omnibus Bill. However, it didn't make it into the Healthy Aging Subcabinet Bill.

Commissioner Melgaard-Schneider said that the Healthy Aging Subcabinet came out of a series of 2024 reports regarding the Legislative Task Force on Aging. The Minnesota Board on Aging has been the only dissenting vote on the establishment of the Healthy Aging Subcabinet, as there is concern this additional entity will further confuse the community of aging – there are already many aging programs in Minnesota, all regularly filing annual, semi-annual, or longer-term plans.

The Healthy Aging Subcabinet does have some supporters in the House. It has been included in the State government Ways and Means as well as the Senate's State and Local Government Omnibus Bill. However, it is not included in Health and Human Services. Commissioner Melgaard-Schneider reported that she is uncertain as to where things will land.

Commissioner Melgaard-Schneider has been lobbying for Age-Friendly Minnesota. This program would help communities prepare for the expected wave of aging residents, so these residents may stay in their homes and in their communities, while avoiding the need for at least some long-term services and supports.

Commissioner Melgaard-Schneider is working to assure the legislature that the Minnesota Board on Aging is not against the recommendation of the Legislative Task Force on Aging. However, they would prefer to see the Healthy Aging Subcabinet functions folded into what is already taking place, rather than starting something new and duplicative.

This morning, Melgaard-Schneider spoke with Minnesota House Chair Mohamud Noor, who indicated that the focus is on getting things done by May 19, without the need for a special

session. There are a few one-time appropriations proposed that could benefit the aging community, but there is no way Noor could make any promises on aging funding at this point.

Bill Summary:

- Human Services Omnibus bills (SF3054/HF2434) passed out of committee
 - Senate version: Includes MBA budget bill (SF1789) and a scaled version of Age Friendly MN (SF2630)
 - House version: The Healthy Aging Subcabinet bill (HF2725) which came out of the 2024 Legislative Task Force on Aging was included in the State Govt Finance & Policy Omnibus (HF2783) but not included in the Senate State & Local Govt Omnibus.
- Federal Update: Commissioner Melgaard-Schneider reported that things are not going well. The FY 2026 Health and Human Services Budget Proposal was circulated, and major funding cuts were proposed, including those related to aging services and supports. These include the elimination of Administration for Community Living, which administers Older Americans Act dollars. Certain ACL programs and offices would be moved to the Centers for Medicare and Medicaid Services (CMS) and the Administration for Children and Families (ACF). Also proposed were cuts to discretionary funding for Aging and Disability Resource Centers and State Health Insurance Assistance Programs.

Commissioner Melgaard-Schneider emphasized that this is a very turbulent time and that there are no solid answers at present, beyond the information presented by State Demographer Susan Brower. Commissioner Melgaard-Schneider then offered to take questions from the Commission.

Commissioner Yodee Rivera asked if there has been talk of older workers delaying retirement. She informed that three of her staff, who had previously indicated they planned to retire in 2025, have recently informed her that they would be staying on, so they could ensure continued income and health insurance. Commissioner Melgaard-Schneider reported that she has not heard a lot of remarks specific to this issue, but she shared that she sees a trend of people generally remaining in the workforce longer, noting that she did this herself, having worked well into her 70s. She stated that, to some degree, financial uncertainty was part of her decision. Commissioner Melgaard-Schneider noted that this longer career meant she likely missed out on some of the things often enjoyed by those who retire earlier.

Items of interest from Other Elected or Public Interest-Representing Commissioners: Chairperson Mueske invited any Commissioner to share any item of interest with the group.

Commissioner Jill Hoff informed the Commission that CareerForce Hutchinson will be holding an open house event next Tuesday, April 29. This will be an opportunity for individuals to receive assistance with their resumes and even learn more about occupations using virtual reality. She noted, as an example, that participants could try occupations like welding in a virtual environment. Over 150 different careers may be explored.

Commissioner Rollie Nissen reported that funding for state and federal highway construction projects is challenging, particularly with regard to matching fund requirements. The proposed Highway 23 project, just southwest of Willmar, is currently on hold, due to funding. Bid letting has not yet begun.

Annual Liability Coverage Waiver Form: Day pointed to the form that was included in the meeting materials packet. He shared that it was the staff recommendation to not waive statutory tort limits, just as the Commission has not waived these statutory tort limits previously. He then requested a motion to that effect.

Commissioner Jon Hawkinson made a motion for the Commission to not waive statutory tort limits. Commissioner Kevin Crowley seconded the motion, which carried with no dissent.

Revolving Loan Fund Update: MMDC Economic Developer Mike Nicholas informed that things have been busy on MMDC's RLF front. He noted that loans have been closed for four new clients since the last meeting. MMDC has also received several loan payoffs. MMDC has received inquiries from a small handful of individuals interested in learning more about MMDC's RLF financing. MMDC currently has about \$265,000 available for lending. Nicholas offered to take any questions.

Commissioner Melgaard-Schneider inquired as to when MMDC RLF borrower Smokey Dukes' pretzels might be available for sale in the area (The company had provided complimentary pretzel samples in two different flavors for those in attendance at this meeting). Nicholas informed the Commission that he hoped to see the product on store shelves in the near future. The company did receive their equipment, after some delay. Smokers are in place and distributors have been lined up, mostly in the southwestern U.S., where one partner resides. However, he reported that he is hopeful they will be soon showing up on the shelves of Minnesota retailers as well.

Maturing CD – Reinvestment Recommendation: Day pointed to investment information contained within the meeting materials packet. He informed that MMDC's investments included a maturing CD, valued at approximately \$249,000. This CD had been locked in for one year at a rate of 5.6%. The provided information contained reinvestment rates, both from the Minnesota Association of Governments Investing for Counties and from Harvest Bank. Day noted that he had discussed the investment with MMDC Finance Director Darla Bajari and said that they had determined, based on the available rates and given the current period of economic uncertainty, MMDC's staff recommendation would be to reinvest in the Minnesota Association of Governments Investing for Counties fund, for a 6-month term.

Commissioner Todd Frank made a motion to follow the staff recommendation and reinvest the maturing CD with the Minnesota Association of Governments Investing for Counties with a 6-month term. Commissioner Lorallen Schmeling seconded the motion, which carried with no dissent.

MnDOT Planning Grant Resolution (FY 2026 – 2027): Day pointed to the proposed MnDOT Planning Grant contract contained within the meeting materials packet. He reported there were no real departures from previous grant rounds and reminded the Commission that this grant provides funds so that MMDC can work as an extension of MnDOT and provide assistance with things like trail grant applications. MMDC also assists with the prioritization of transportation infrastructure projects via participation in the MnDOT District 8 Area Transportation Partnership and provides technical assistance for other transportation planning projects.

Day stated that most of this work is accomplished by MMDC Transportation & Community Planner Blake Barnard. MMDC receives \$75,000 per year from MnDOT for this work. MMDC dedicates a 15% match, or \$13,235.

Day then informed that, to receive this grant, MMDC must adopt a resolution, a printed version of which was also contained within meeting materials. The resolution read as follows:

BE IT RESOLVED that the Mid-Minnesota Development Commission enter into an Agreement for Distribution of MnDOT Planning funds, under Agreement number 1058788, with the State of Minnesota's Department of Transportation.

BE IT FURTHER RESOLVED that the Executive Director and Commission Chairperson of Mid-Minnesota Development Commission are hereby authorized to execute such Agreement and any amendments.

Day then asked for the approval and adoption of this resolution.

Commissioner Maureen Melgaard-Schneider moved the motion to approve and adopt the resolution, as presented, as needed to move forward with the MnDOT Planning Grant opportunity. Commissioner Scott Refsland seconded this motion, which carried, without dissent, by roll call vote.

Executive Director Evaluation Survey Question Input: Day pointed to the evaluation survey questions contained within the meeting materials packet and noted that these were the same questions used in 2024. Day indicated that he wanted to provide an opportunity for the group to make suggestions for survey improvement. He said that, if there were things that the survey doesn't ask about and should, this meeting would be a good time for Commissioners to let him know.

Day stated that his goal was to distribute this survey to all Commissioners and staff in the coming weeks so that responses can be in by May 22. Responses will then be shared with the Executive Committee so they can provide my annual evaluation. Day noted that all responses would be anonymous.

Chair Mueske encouraged all Commissioners to take the opportunity to complete the survey, as MMDC's Executive Committee finds it quite helpful. He noted it takes about 10-15 minutes to complete. Chair Mueske then provided an opportunity for Commissioners to ask questions or provide recommendations.

No revisions were suggested or recommendations offered. Commissioner Sombke inquired as to if the comment sections within the survey questions would provide the Executive Committee with the qualitative information they needed to conduct their review. Chair Mueske confirmed that the comments received as part of the survey process do indeed provide qualitative information that is considered and has been found to be very useful. Day added that, each year, the Executive Committee has referred to the comments when evaluating his performance and MMDC's direction.

Day stated that, if Commissioners think of suggestions within the next couple of weeks, they should feel free to share them with Day via email. He will then reach out to the members of MMDC's Executive Committee to see if they would like the suggestions incorporated into the survey.

Plan for Evaluation of Other MMDC Staff: Day directed MMDC's Commissioners to the evaluation form he uses to evaluate staff performance. This was included within the meeting materials packet. Day noted that all MMDC staff are evaluated on their work attitude, communication, personal growth and development, dependability, productivity, and innovation. Consideration is given for length of service, which means that expectations are higher for those who have been in their positions longer.

A total score of 20, of a possible 30, is required to earn my recommendation for a merit/step increase in July (3.25%). This means that staff performance must be better than "middle of the road" to receive their merit increase.

Chair Mueske inquired as to whether any MMDC Commissioner had questions on the MMDC staff evaluation process. Commissioner Jill Hoff asked whether staff are required to complete any sort of self-assessment or self-evaluation as part of the evaluation process. Day stated that staff do not complete anything formally. Day stated that he prefers to check in with staff throughout the year so that he is well-aware of what they are bringing to the organization. Day then informed that, after his written evaluation is completed and shared with staff, they have the opportunity to offer their comments and that this may influence their evaluation scores.

Regional Food Business Center Program Update: Day informed that he did not have any new information for the Commission. He reminded that funding for this USDA program, which provided MMDC additional resources to provide business support along the food value chain was paused by the administration. Contracts did not allow for a suspension of activities so, instead, the contracts were terminated. We Day reported that he still has some hope that this funding will return, and that new contracts or contract addendums will be issued, this hope dwindles a little more with each passing week. Day stated that he will be sure to let the Commission know if staff hear that the funding has thawed for this program.

Regional Transportation Coordinating Council (RTCC) Grant Update: Day shared that MMDC's grant application was submitted for the coming fiscal year, as discussed earlier in the meeting. MMDC should be receiving notification in early-May, but MnDOT has given us every indication that MMDC will be funded again for FY 2026.

Day reported that, in the coming year, in addition to other RTCC responsibilities, all grantees have been directed to propose a shared mobility transportation solution and use a lean start-up process to refine that solution in hopes of making it more viable. MMDC will be working to encourage more rideshare services to our region, using a tapered start-up supplement. The goal of this will be to give drivers time to develop a critical mass of regular rideshare users, so they can earn enough money to be sustainable in MMDC's region. The hope is that drivers, a handful of which reside within the MMDC region, don't have to drive to the Twin Cities or St. Cloud to get the ride volume needed to make services worth-while and that, by keeping them operating within the MMDC region, more nondrivers will have better transportation options.

Day went on to report that, last Friday, April 18, MMDC received word that the Willmar Area Community Foundation will be awarding MMDC \$20,000 to pilot this tapered start-up supplement idea in Kandiyohi County. \$17,000 will be put toward the rideshare driver subsidy and \$3,000 will be spent on related marketing and outreach. Day said that this will provide good opportunities for learning, so that the program can eventually grow to other regions.

Day noted that MMDC also has an application for a small grant into AARP. MMDC has asked for \$8,000 to help pay for transit and volunteer driver rides so that the region's older residents can get to essential destinations, like senior dining, the food shelf, etc.

Day shared that other notable RTCC work, of late, includes technical assistance provided to a small Hutchinson-based nonprofit, Parents Inspired. That organization is working to reestablish a volunteer driver program in McLeod County. The goal would be to help those with transportation barriers get to essential appointments and other destinations when they can't be accommodated by the Transit bus. This could include getting to and from health appointments, getting to shelter facilities, worship services, social engagements, etc.

An opportunity was provided for Commissioners to ask questions about RTCC efforts. No questions were offered.

Use of McKnight Foundation Funds for EV Charging Station Project in Willmar: Day informed the Commission that MMDC was approached by ZEF Energy. They are facilitating the development of fast (Level III) charging stations around the state, using Volkswagen settlement dollars. MN State Highway 23 and U.S. Hwy 71 are priority corridors for ZEF in 2025 and ZEF Energy is interested in adding a fast-charging station in Willmar. Both a development site and some local matching dollars are required.

MMDC has helped to put ZEF in touch with several entities, including the City of Willmar, the County Public Works Department, Kandiyohi County Economic Development, and the Convention and Visitors Bureau. MMDC staff have also suggested the Willmar Conference Center parking lot as a potential site. This site is found along U.S. Hwy 12, is within a half-mile of Highways. 23 and 71, and provides several restaurants, two hotels, a convenience store, and a conference center within a short walk. ZEF has been in touch with the site owner, and MMDC staff were told ZEF's conversation with the owner was very positive.

ZEF Energy still needs to identify and secure the required local match. Day requested that the Commission commit \$10,000 from MMDC's McKnight Foundation funding toward this effort, provided ZEF is able to raise the remaining matching funds from other parties. Day reminded the Commission that McKnight Foundation dollars may be used in whatever manner MMDC believes appropriate, provided they support local governments advancing sound environmental, climate, and clean energy projects.

Day noted that there are more and more electric vehicles on the road, especially as you travel toward metropolitan areas. He expressed his belief that improved EV infrastructure will make it easier for out-of-town EV owners to travel to MMDC's region and spend a few dollars as they are charging.

Day also reminded the Commission that MMDC is using McKnight dollars to supplement MN Department of Commerce Energy Efficiency Community Block Grant planning projects for several cities. However, the City of Willmar cannot qualify for these projects, due to the Department of Commerce's population restrictions (block grants can only serve communities with less than 15,000 people). Day said that this project would be a good way to ensure that Willmar can also benefit from MMDC's McKnight allocation. He then reiterated that he was requesting approval to dedicate \$10,000 of MMDC's McKnight allocation to match State dollars for the development of a rapid EV charging station in Willmar, contingent on ZEF's ability to raise the remaining local matching funds. It is the understanding of MMDC staff that this charging station would have 6 stalls, including 4 high-speed (level III) stalls and 2 medium speed (Level II) stalls. One of the high-speed stalls will be handicap accessible.

Commissioner Doug Krueger inquired as to who would be responsible for the cost of the electricity used to charge vehicles. Day stated that the user will be required to pay for their charges.

Commissioner Robert Moller asked about the total amount of matching funds required. Day stated that this will vary, based on how the project pencils out, with regard to construction costs, but that the match could be up to \$35,000. There is also a chance it may not be much more than the \$10,000 contributed by MMDC. The entire project is expected to cost between \$135,000 and \$150,000, as understood by MMDC staff.

Commissioner Lorallen Schmelling asked if there was any sort of charging station in Willmar at present. Day noted that there is a Tesla brand rapid charging station on South 1st Street, in the Cub Foods parking lot, but that the charger ZEF is working on would not be Tesla-specific. Commissioner Moller also noted that the Kandiyohi Power Cooperative has chargers in its parking lot. Day said that he believed these were "Level 2" chargers (medium speed).

Commissioner Jon Hawkinson made a motion to utilize \$10,000 from MMDC's McKnight Foundation allocation to support the charging station initiative brought forward by ZEF Energy. Commissioner José Luciano seconded the motion, which carried after continued discussion.

Discussion highlights:

Commissioner Robert Moller inquired as to the balance of McKnight funds. Day said that he didn't have the number with him this evening but said that MMDC is using McKnight funds to help support three planning projects that will use an estimated \$10,000 each, and that MMDC received a total of about \$132,000.

Commissioner Doug Krueger asked if the McKnight Foundation had placed any guidelines on the use of the funding. Day reiterated that the funds may be used as MMDC sees fit if it advances clean energy efforts in their communities.

Commissioner Maureen Melgaard-Schneider inquired as to why there was such a large range in the potential amount of matching funds required. Day said that the entire project and the amount of matching funds largely depends on the actual construction costs. MMDC will be locked in at no more than \$10,000, provided ZEF Energy is able to identify and secure the remaining matching funds required.

Commissioner Todd Frank asked if there is adequate electrical service in the location mentioned. Day stated that his understanding was that there is adequate electrical service in that location but noted that the location could still change.

Commissioner Lorallen Schmeling inquired as to if there is a plan to increase infrastructure to the point where an EV driver could travel across the state without being stranded for lack of power. Day stated that this is the case and that a couple of different entities are chipping away at this, having identified priority corridors. These initially included interstate highway corridors but, as things have progressed, effort has spread to secondary corridors. Day stated that ZEF Energy has been working on this effort for several years.

Commissioner Doug Krueger said that, while he normally doesn't support efforts related to electric vehicles, he thought that, in this case, there would be a significant economic benefit to the City of Willmar. He then said that he would vote in favor of the motion to allocate \$10,000 of MMDC's McKnight funds toward the project.

Presentation – Childcare in the MMDC Region: Day introduced the Commission to Trisha Lien and Desi Oberg, of First Children's Finance. For those less familiar, Day explained that First Children's Finance addresses the business and finance needs of childcare. Among other things, they partner with communities to preserve and grow their childcare supply. They also work to influence the State and the Feds to provide supports and investments needed to sustain childcare businesses. Day then explained that Lien and Oberg were joining the Commission meeting to provide insights into the MMDC Region's childcare realities so Commissioners can feel well-informed on this issue.

Presentation highlights:

- From June 2023 to June 2024, Minnesota experienced a net loss of 194 childcare programs.
- Each childcare closure represents:
 - Employers struggling to find employees
 - A loss of jobs
 - Parents struggling to find and afford quality care
 - An unstable learning environment for children.
- "If employees can't find quality care for their children, they won't work for you. They won't move to your community, or they'll be forced to move away, or they might have to consider quitting their job to stay home with their children because they have no other option." – a quote from Kris Bevell, Editor, Prairie Business Magazine
- Childcare centers are highly-regulated.
 - Organized under Rule 3
 - Regulations include requirements related to square footage, outdoor play space, toilets, and sinks.

- Multiple agencies are involved with the regulation of childcare centers
 - MN Department of Children, Youth, and Families
 - MN Department of Education Child and Adult Care Food Programs
 - Fire Marshal
 - Public Health
 - Local zoning and ordinances.
- Most childcare centers strive to operate at 85% capacity. They cannot typically hit 100% capacity as they need to carefully plan how children advance from infant to toddler rooms, toddler to preschool rooms, and preschool to school-age rooms. These children do not advance all at once, as they do in k-12 education, but instead advance by birthdate.
- Shared performance model: At 85% capacity, a 57-seat childcare center, which has total capacity for 8 infants, 14 toddlers, 20 preschoolers, and 15 school age children, will lose \$31,335 per year. Assumptions include:
 - Start-up costs \$200,000
 - \$1,500 monthly rent
 - Wages ranging from \$14-\$18 per hour, with the director earning \$21 per hour.
- Family childcare businesses are also highly-regulated
 - Organized under Rule 2
 - Licensing is done by each Minnesota County, with individual interpretations of State regulations.
- The average family childcare sees revenue of \$82,660 and expenses of \$29,332, leaving \$53,328 in profit (salary) for the provider. When converted to an hourly wage, this equates to \$15.78 per hour before any taxes and assumes 65 hours of work per week (53 open hours plus 12 hours of additional work each week).
- Each of MMDC's four counties is currently experiencing a significant childcare deficit
 - Kandiyohi: - 794
 - McLeod: - 391
 - Meeker: - 388
 - Renville: - 214
- A significant portion of family childcare providers throughout the MMDC region have been maintaining their existing licenses for over 20 years.
 - Kandiyohi: 34.21%
 - McLeod: 30.88%
 - Meeker: 24.14%
 - Renville: 30.43%
 - State of Minnesota: 32.82%

This indicates a wave of retirements is likely approaching

- When ranked among other states on the affordability of care, Minnesota's family childcare providers are relatively affordable. However, the state is among the least affordable for center-based infant, toddler, and 4-year-old care.
- In Minnesota, the average price of infant care in a center-based program is 42.15% more than the average tuition and fees at an in-state, four-year public university.
- In Minnesota, the average price for two children in center-based childcare is 155.26% more than the average annualized rent cost and 57.84% more than the average annualized mortgage cost.
- 50th percentile weekly rates for Childcare Centers
 - Infant: \$213 for McLeod and Renville Counties & \$255 for Kandiyohi and Meeker Counties.
 - Toddler: \$195 for McLeod and Renville Counties & \$240 for Kandiyohi and Meeker Counties
 - Preschool: \$190 for McLeod and Renville Counties & \$224 for Kandiyohi and Meeker Counties
 - School Age: \$170 for McLeod and Renville Counties & \$182 for Kandiyohi and Meeker Counties

- 50th percentile weekly rates for Family Childcare
 - Infant: \$140 for Renville County & \$155 for Kandiyohi, McLeod, and Meeker Counties
 - Toddler: \$135 for Renville County & \$150 for Kandiyohi, McLeod, and Meeker Counties
 - Preschool: \$130 for Renville County & \$150 for Kandiyohi, McLeod, and Meeker Counties
 - School Age: \$125 for Renville County & \$140 for Kandiyohi, McLeod, and Meeker Counties
- Average annual cost for childcare in the MMDC Region:

Childcare Center	Family Childcare
<ul style="list-style-type: none"> • Infant: \$11,076 - \$13,260 • Toddler: \$10,140 - \$12,480 • Preschool: \$9,880 - \$11,440 • School Age: \$8,840 - \$9,464 	<ul style="list-style-type: none"> • Infant: \$7,280 - \$8,060 • Toddler: \$7,020 - \$7,800 • Preschool: \$6,760 - \$7,800 • School Age: \$6,500 - \$7,280

- In 2023, 76% of Minnesota families had all available parents in the labor force in the past 12 months (24% had at least one parent not working)

County	Number of Own Children Under 6 Years	Number of Own Children Under 6 with All Available Parents in the Labor Force	Percent of Own Children Under 6 with All Available Parents in Labor Force	Percent of Own Children Under 6 with at Least 1 Parent NOT in the Labor Force
Kandiyohi	3,002	2,406	80.1%	19.9%
McLeod	2,331	1,666	71.5%	28.5%
Meeker	1,578	1,190	75.4%	24.6%
Renville	1,043	803	77.0%	23.0%

- 36% of parents withdrew from the workforce or declined employment due to childcare issues in FCF's Rural Child Care Innovations Program (RCCIP) communities, 2022-2024.
- Reported childcare related work performance issues in FCF RCCIP communities (2022-2024) include:
 - Tardiness
 - Inability to work overtime
 - Absenteeism
 - Inability to be fully productive
 - Inability to work different shifts
 - Inability to travel for work
 - Inability to receive consideration for a promotion
 - Inability to accept a promotion
- When responding to an FCF RCCIP Communities Survey (2022-2024) 54 percent answered "yes" to the question "Has the availability of your preferred childcare option impacted your decision to have another child or limit the size of your family?"
- Factors contributing to childcare challenges include:
 - Childcare workforce shortage
 - Parents and families want more choices
 - It's difficult to be a provider
 - Community recognition and support
 - Infant and toddler care is hard to find
 - Prices and delivery costs are both high
- First Children's Finance Recommendations:
 1. Understand the link between childcare, vibrant communities, and economic development.
 2. Protect existing early care and education investments already made; seek opportunities to invest in technical assistance and support to ensure these investments endure.

3. Influence the philanthropic community so other staff and decision makers understand the childcare realities presented.
4. Create learning experiences for others to understand the link between childcare and the economy.

MMDC Commissioners were provided with an opportunity to ask questions and expressed that they were appreciative of this informative presentation. Both Lien and Oberg encouraged Commissioners to reach out to First Children's Finance if they had questions or if they were able to put FCF in touch with a childcare provider, or prospective childcare provider. In addition to providing technical assistance, FCF can connect providers with training, grant dollars, and financing for their childcare business. Commissioners can learn more at www.firstchildrensfinance.org.

Adjournment:

With no further business, Commissioner Robert Moller moved to adjourn the meeting. Commissioner Jon Hawkinson seconded the motion, which carried with no dissent.

Chairperson Shawn Mueske adjourned the meeting at approximately 8:04 p.m.

Respectfully Submitted,

Eric Day, Acting Secretary

Shawn Mueske, Chairperson

The Next MMDC Commission Meeting Will Occur on Wednesday, June 18, 2025, at 6:00 p.m.

The location of this meeting is yet to be determined.