

**MINUTES**  
**RURAL MN ENERGY BOARD MEETING**  
**MONDAY February 13, 2012 1:00 P.M.**  
**PIZZA RANCH, SLAYTON, MN**

**MEMBERS PRESENT:**

Blue Earth County .....	Excused	Mower County .....	Ray Tucker
Brown County .....	Dennis Potter	Murray County .....	Kevin Vickerman
Cottonwood County...	John Oletjenbruns	Nobles County .....	David Benson
Faribault County .....	Tom Warmka	Pipestone County .....	Marv Tinklenberg
Freeborn County .....	Glen Mathiason	Redwood County .....	John Schueller
Jackson County .....	Dave Henkels	Renville County .....	Bob Fox
Lincoln County .....	Larry Hansen	Rock County .....	Ken Hoime
Lyon County .....	Steve Ritter	Watonwan County .....	John Baerg
Martin County .....	Jack Potter	Yellow Medicine Co ....	Greg Renneke

**ALSO PRESENT:** Annette Bair, Staff, Kevin Walli, via phone from 1:00 – 1:07 p.m.

**CALL TO ORDER :** The meeting was called to order at 1:00 p.m.

Kevin Walli, RMEB Lobbyist, called in to give an update on the status of the Production Tax Bill in relation to Levy Limits. HF1772 and SF1618 are the House and the Senate file bills related to production tax being excluded from levy limits. Commissioners are urged to contact their Legislators to let them know about the two bills. Legislators need to be aware that the production tax needs to be excluded from levy limits. There is a legislative breakfast being organized by the Southwest RDC being scheduled for April 15 at 7:30 a.m. at the Kelly Inn. Following the conclusion of the call with Kevin Walli, the RMEB continued with the items on their agenda.

**PLEDGE OF ALLEGIANCE:** Chairman Warmka asked everyone to stand for the Pledge of Allegiance.

**ANNOUNCEMENTS AND INTRODUCTIONS:**

Bair passed around the following information for RMEB Commissioners:

- From Rural Advantaage, on April 2, there will be a Bio-energy from Perennials Workshop.
- From the January 25, 2012 Star Tribune, an article on Wind Energy, the Solar Wind Farm in Slayton.
- In the January 24<sup>th</sup> Star Tribune there was an article about Poet adding a Dutch partner to the cellulosic ethanol venture. This is at the facility that the Energy Board visited last summer.
- All members were requested to review their county information for the Commissioner and Alternate, the County Administrator and Auditor for the contacts for the RMEB and to place that information on the sheet going around with the sign-in sheet.

**CHANGES TO THE AGENDA:**

M/S/P Ritter, Benson to approve the agenda as written.

**MINUTES:**

M/S/P Tinklenberg, Ritter to approve the minutes of November 28, 2011 as written.

**TREASURER'S REPORT:** Treasurer Hansen referred the Commissioners to the Finance handout and reported that 15 of the 16 counties dues have been received. The MCIT insurance bill in the amount of \$2056 was paid in January. He also reviewed the bills. Bair added they had just received the January bill from Fryberger and it was passed around the room.

**M/S/P** Hoime, Vickerman to approve the Treasurer's report and payment of the following bills:

- Fryberger November 2011 for \$506.90
- Fruberger December 2011 for \$1850
- Fryberger January 2012 for \$1310.25
- SRDC General for Nov and Dec 2011 and Jan 2012 for \$1360, \$3116.05 and \$670
- SRDC for the audit \$300
- SRDC for Fiscal \$150
- AMC for Website maintenance \$500

**NEW MEMBERS:** Bair reported that Freeborn and Brown Counties sent letters requesting membership; these letters were included in the meeting mailing.

**M/S/P** Tucker, Ritter to approve membership of Freeborn and Brown Counties to the Rural MN Energy Board.

Discussion: Members discussed the entry fee of \$1,000 to the Energy Board. None of the incoming counties has a problem with the fee. All new counties have paid the \$1,000 entry fee. Discussion was if a county leaves and comes back to the Energy Board, would the \$1,000 entry fee be applicable. Consensus of members present was that it would be applicable however, they would make that decision if the need arose.

**EXECUTIVE COMMITTEE:** Prior to this meeting, the Executive Committee met with Mark Willers regarding the Community Wind South project. The RMEB has been involved with the project as a result of being an Intervenor in the Xcel Energy 4 high voltage transmission lines and substations; the ALJ identified the RMEB as the decision maker of who would be the local projects for the up to 60 MW of locally owned wind. The CEO of Juwi in the US plans to attend the March Energy Board meeting.

The Executive Committee will also review the Joint Powers Agreement with the policies to identify any areas that have inconsistencies and may need a revision. This will be brought to the March RMEB meeting.

On Feb. 28<sup>th</sup>, RMEB Commissioners Warmka, J. Potter, & Fox will be visiting with Sibley Co. regarding RMEB.

**LEGISLATIVE COMMITTEE:** Tucker reported that his County has spoken with their legislators about the production tax. Members indicated that it is important that the legislation passes – whether levy limits go into effect or not. Members discussed the merits of joining with the Southwest Regional Development Commission in co-sponsoring a legislative breakfast. Logistics were discussed. The SRDC would cover the costs of the legislators for their nine counties, if the RMEB would cover the

costs of the legislators from the remaining RMEB counties. A block of rooms under the SRDC will be reserved for both RMEB and SRDC Commissioners.

**M/S/P** Ritter, Tinklenberg to approve the joint sponsoring of a legislative breakfast and RMEB to cover breakfast costs of legislators beyond the SRDC (9 county) area.

Discussion: Four to five RMEB Commissioners should plan on attending and let Bair know if they plan to attend. Meal cost is about \$9 per person, with a 25 meal minimum. A block of rooms will be reserved for March 14<sup>th</sup> and the breakfast will be March 15<sup>th</sup> at 7:30 am.

### **ELECTION OF OFFICERS:**

Chairman Warmka requested the report from the Nominated Committee of Will Purvis, Roger Ringkob and Jack Potter. Potter reported that Purvis, Ringkob and he had met at AMC in December. They have talked with the perspective candidates for RMEB officers. The slate of candidates recommended by the Nominated Committee are; Chair, Tom Warmka, Vice-Chair, Kevin Vickerman, Secretary, Ken Hoime and Treasure, Larry Hansen. Jack asked for any other nominations. There were none.

**M/S/P** Tinklenberg, Oletjenbruns to approve officers as nominated.

### **Member Updates on Energy Projects and Issues from your Respective Counties:**

Chairman Warmka requested counties to report on what is going on in their own respective county.

- Faribault Co – Big Blue project has the bases poured. They have 18 towers, concrete, wire all in place, the substation is nearly complete however, they cannot get their towers for the project and do not know when they will be getting the towers.
- Freeborn Co – Reported that they have 122 towers and that projection is expected to double. Bair had provided Freeborn Co. Commissioner Mathiason with the PUC draft site permit for the Shell Rock Windfarm which will be between 24 and 28 towers with 1.65MW machines. Currently it doesn't look as though the work will be completed in 2012.
- Murray Co – Commissioner Vickerman reported that the solar project has been attending Farm Shows to get information out on what that project is all about.
- Rock – Geronimo Wind is moving fast with their project. They have had to move a few of their sites because some of them were on the rock ridge ledge and they could not bore into the rock. They expect to be up and running by the end of 2012 with 119 towers.
- Yellow Medicine Co – Commissioner Renneke reported that the county is working to save the Minnesota Falls Dam. Chippewa County does not support saving the dam. However, Minnesota Valley Energy and Fagen Inc. are in favor of keeping the dam for the hydroplant. They plan to be meeting this week.
- Bair referred the member counties to handouts as well as the mailing that identified how member counties were using the production tax. The majority of the counties who responded indicated they use the production tax for property tax relief, but, some also use it for road and bridges, general fund, and/or capital investments.
- Also distributed was a survey that Bair had done with the County Engineers who have used the Development Agreement. The engineers were asked what their estimated costs for road repair were and if those costs differed from paved and gravel. Four of the counties did respond: Faribault, Nobles, Meeker and Jackson. Overall, when speaking to the Meeker Co. Engineer, he estimated the cost per axel was between \$3 and \$10 between the different counties. Also asked

“was it preferable by the county for development projects to use gravel roads?” The majority of the counties indicated that yes it was preferable for the projects to use the gravel roads. Nothing was identified for any additions needed thus far in the Development Agreement. The engineers indicated that everything had worked well.

**SW CERT UPDATE**

Bair reported that the Seed grants were given to MRES, that is Minnesota Renewable Energy Society. They will be working with school-aged kids and holding a tour on solar projects expected in the Pipestone area. Region 9 was funded with their bulk buy of wind for in the counties of Watonwan, Brown and Martin. AURI was also funded to develop a feasibility study for poultry bio-mass.

Bair is working on putting together a PACE and PBEEP workshop for April 2 in Worthington in the afternoon.

Bair reported she had just attended the Slayton Lighting Premier on Sunday. That premier was to celebrate the work being done at 11 businesses in Slayton who had lighting audits and subsequent retrofit for lighting implemented.

**OTHER BUSINESS:** There was no other business or reports.

**NEW BUSINESS:** Vickerman indicated that the Commissioners will be at the AMC Legislative Conference on March 21<sup>st</sup> and 22<sup>nd</sup>. That conference gets over at noon. Bair was asked to see if she could arrange for a tour of the GRE Facility in Maple Grove. Bair will be contacting GRE to see if the afternoon of March 22<sup>nd</sup> would be feasible for tours of that facility. Bair would need to know numbers of people who would plan to attend a tour, probably looking at one hour tours with one beginning at 1:00 and the second perhaps beginning at 2:00. Those logistics will be worked out and information will be sent out.

**MEETING DATES** – Future meeting dates were identified as March 26<sup>th</sup> being the next meeting date.

**ADJOURN:** Chairman Warmka adjourned the meeting at 2:29 pm.

Minutes Prepared By Annette Bair, Staff.

Minutes Reviewed By:

  
Energy Board Secretary

Minutes Approved By:

  
Energy Board Chairperson