

**MINUTES
RURAL MN ENERGY BOARD MEETING
MONDAY February 22, 2010
CRD, SLAYTON, MN**

MEMBERS PRESENT:

Blue Earth County	Will Purvis	Murray County	Kevin Vickerman
Chippewa County	Excused	Nobles County	Diane Thier
Cottonwood County....	John Oletjenbruns	Pipestone County	Marv Tinklenberg
Faribault County	Tom Warmka	Redwood County	John Schueller
Jackson County.....	Absent	Renville County.....	Robert Fox
Lincoln County	Excused	Rock County.....	Ken Hoime
Lyon.....	Excused	Watsonwan County ...	Scott Sanders
Martin County	Jack Potter	Yellow Medicine Co .	Excused
Mower County	Absent		

ALSO PRESENT: Jeffrey Vetsch (CERT), Yvonne Simon (Center for Rural Policy & Development), Paul Pierson (USDA - RD), Dennis Timmerman (AURI) and Annette Bair (Staff).

CALL TO ORDER: Chairman Fox called the meeting to order at 9:30 a.m.

INTRODUCTIONS: Chairman Fox asked everyone present to introduce themselves.

CHANGES/ADDITIONS TO THE AGENDA:

M/S/P Tinklenberg, Warmka to approve the following changes to the agenda. Under New business add potential C-BED changes, Dan Juhl conversation with Walz, AMC Conference Call and under Executive Committee Report 2010 Members -Chippewa County Membership.

MINUTES:

M/S/P Warmka, Oletjenbruns to approve the November 23, 2009 minutes as written.

FINANCIAL REPORT:

M/S/P Warmka, Potter to ratify the payment of the MCIT bill in the amount of \$23.99.

M/S/P Vickerman, Schueller to approve payment of the following bills: HGA in the amount of \$2,902.50 for services ending 11/20/2009; \$16,662.50 for services ending 12/25/2009, Stoel Rives \$2,512.50 for services from 10/7/09 to 10/23/09, \$670 for services on 12/21/09; the SRDC 11/09 services in the amount of \$1,969.60, 12/09 services in the amount of \$1,140 and 01/2010 services in the amount of \$720.

EXECUTIVE COMMITTEE REPORT:

Draft 2010 Budget. Members reviewed the draft budget developed by the Executive Committee for calendar year 2010. Note at errors have been corrected in the LCCMR column from the one that was sent out in January (handout was corrected copy).

The LCCMR project was discussed and a final report will be submitted to LCCMR however, there may be interest by some of the Metro Counties to continue the project. If that is the case the remaining funds might be utilized by the Metro interested counties in order to continue the project.

The WAPA application that was submitted for \$5,000 requires an additional \$5,000. No action was taken and the project is not going to be moved forward by the rural counties.

2010 Membership: Chippewa County has submitted paperwork and is withdrawing from the Energy Board effective the end of June, 2010. They have submitted the first half of calendar year 2010 dues, which is reflected in the draft budget.

M/S/P Warmka, Thier to approve to adopt the 2010 budget.

TOPICS OF INTEREST FOR UPCOMING YEAR: Committee members referred to the list of topics that was including in their mailing. They reviewed the different topic areas that they would potentially like to see covered during their meetings. Topics of interest selected were: Corncob Biomass Energy, Solar, and Biogas Digesters. Discussion also involved potential field trips to St. Johns and to Morris.

ELECTION OF OFFICERS: Chairman Fox turned the meeting over to Commissioner Tinklenberg. The Nominating Committee of Tinklenberg, Purvis and Potter indicated that they had met and have conferred with the current RMEB officers. The Nominating Committee moved forward the slate of CY 2009 officers to remain the same for CY 2010.

M/S/P Vickerman, Oletjenbruns to approve the Officers for CY 2010 as follows:

- Chairman - Bob Fox
- Vice Chairman - Tom Warmka
- Treasurer - Larry Hansen
- Secretary - Ken Hoime

Tinklenberg then turned the meeting back over to Chairman Fox.

SUBCOMMITTEE APPOINTMENTS: The subcommittee appointments for CY 2010 are as follows:

- Legislative Committee: Benson, Fox, Hansen, Sanders, Vickerman and Warmka.
- The Rural Metro Committee for 2010 will be Fox, Hansen, Potter, Ritter and Warmka.
- The LCCMR Committee will no longer be needed once the final report is submitted.

Chairman Fox requested anyone who has an interest to serve on any of these committees to contact him.

COMMITTEE UPDATES: Vickerman reported for the Legislative Committee that there has not been time to make any changes to the issues and the production tax and levy limit legislative issue. However, it would be wise to position the RMEB to be ready to educate new elective officials after the November elections.

The committee members emphasized that the Rural Metro Project was a good project and that when they were working with WAPA the process was faster than going through the MISO queue. It is just current circumstances made it difficult for any of the rural counties to participate in the Rural Metro Project at this point in time.

Minnesota biobased economy. Dennis Timmerman, AURI. A couple of years ago, AURI approached the Rural Minnesota Energy Board counties for participation in looking at biobased used products within the counties. Blue Earth, Redwood and Murray Counties participated with SW Marking who conducted a study on procurement of biobased products within the counties. Many of the counties use their department heads as those who procure products. The result was most of the counties do not recognize biobased products. Timmerman reported on several biobased products and their uses. One obstacle for biobased products is purchasing shelf space. Commissioners agreed that that is a very difficult barrier to overcome. One of the RMEB commissioner reported at another area that is difficult is restocking items so they are available. An example is of a cornbase deicer that works very well, by it is not restocked in a timely fashion so other products are used.

MEMBER UPDATES ON ENERGY PROJECTS AND ISSUES:

- Nobles County - Commissioner Thier reported that Community Wind South is moving forward and may have its turbines up by this spring. Nobles County is considering increasing fees for moving permits to reflect the costs that are incurred by the highway department. Are other counties considering doing this, response was yes. Bair also mentioned that the County Engineers Windwork Group has been working on this issue.
- Rock County - Commissioner Hoime reported on the Geronimo Wind Project in the NE part of the county is moving forward with a 100 MW wind farm.
- Faribault Count - Commissioner Warmka reported that their LEC is totally geothermal, they were told there would be a 12 hour warm-up however it was only 2 hours. He also reported that former Blue Earth County Commissioner Wortel is working with Region 9 to promote community wind projects. Most communities do not generate their own power and would need to go through a third party process (build, produce and sell to the grid).
- Cottonwood County - Commissioner Oletjenbruns reported the city of Mt. Lake is getting better than 17% power from their turbines. Geronimo Wind is working on leases south of Mt. Lake and Outland Energy is active near Jeffers.
- Martin County - Commissioner Potter reported on phase III of the Trimont project with 150 MW of wind being built, he also indicated there is some activity NW of Sherburn.

SW CERT UPDATE: Bair introduced the new SW West Central CERT Regional Coordinator, Jeff Vetsch. Jeff gave the commissioners a little history about himself and his involvement within the area and his previous employment at Prairiewoods Environmental Learning Center and projects at that facility. He is currently working on more community involvement. He needs more contacts throughout the SW area. He is working on more small scale renewable energy, efficiency, and energy conservation projects. He has made contacts with Bridging Brown Counties and

Marshall Environmental Education and is working on ways to get more people involved. He explained about phantom loads and wasting less energy.

Jeff described the new CERT initiatives as the VendorMiser which goes on non perishable vending machines such as cold drinks machines. The cost of the miser is \$160 and the payback is within 15 months.

Project Green Fleet reduces diesel emissions on diesel school buses. Project Green Fleet will pay for the equipment to put on the bus and will change the exhaust system. The only thing the company will incur is they will need to change their filters twice per year.

A third initiative is the statewide MN applied rebate on appliances. There will be \$5 million for MN purchased appliances that are energy star. Those rebates can be combined with utility rebates.

A Fourth Area is Green Step Cities. This project will include best practices and will be unveiled at the League of Minnesota Cities Meeting this summer. Jeff announced that on April 24, Marshall will be having an Earth Day Event.

Bair reported on the SW CERT Seed Grant that was given in the 12 county area as being Springfield Public School Green Roof, Western Community Action Energy Efficiency Project, AURI Template for Redwood County, Brown County, Watonwan County and Martin County, and Prairieland Cellulosic Waste to Ethanol Project.

Bair reported that she is working on developing a Wind and Development Workshop focused on issues on interest for Elected Officials, Zoning Administrators, Highway Engineers and others to bring people up to speed on wind development since the 2008 February Interactive Workshop.

OTHER BUSINESS AND REPORTS

- **USDA - RD** - Paul Pierson reported that their scoring points for the REAP Grant and last year the Energy Board agreed to sign off on letters which provided those points for the applications. This year he is requested the Energy Board consider signing off on those applications.

M/S/P Hoime, Potter to approve Chairman Fox to sign off on letters of support for the USDA REAP grants within the Energy Board county area.

Pierson also reported that he will be holding workshops for small businesses for that application process. Many of the local EDA's can do the applications if they are walked through the process.

- Yvonne Simon from the Center for Rural Policy & Development reported on the Regional Competitive Project that they had established a capital tool for banks at current status there are 17 community banks that cover 77 communities and they are looking to expand to 23 banks covering 109 communities. They are also looking at a business accelerator group which would be similar to the retired volunteers but this would be made up of current executives.

NEW BUSINESS.

- Fox reported that he had been speaking with Dan Juhl who is reported that he has been in communication with Waltz on the federal tax issue.

- Fox reported that there appears to be some movement by the state change the definition of local ownership in C-BED. Currently local ownership means a Minnesota resident. It appears that there is some communication that the term should be moved towards if a county passes a C-BED resolution then local would be the county boards. We will be keeping an eye on that.

MEETING DATES: The next meeting dates are on the agenda. The next meeting is March 22, 2010. Following today's meeting there will be a discussion amongst those commissioners interested regarding the AMC conference call.

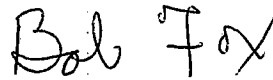
ADJOURN: The meeting was adjourned by Chairman Fox at 11:30 a.m.

Minutes Prepared By Annette Bair, Staff.

Minutes Reviewed By:

Energy Board Secretary

Minutes Approved By:

Handwritten signature of Bob Fox in black ink.

Energy Board Chairperson