



**MISSISSIPPI RIVER
REGIONAL PLANNING COMMISSION**

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Vice Chairman
Vicki Burke, Onalaska, WI
Secretary & Treasurer
Greg Flogstad, Onalaska, WI
Director*

MINUTES

**MISSISSIPPI RIVER REGIONAL PLANNING COMMISSION (MRRPC)
BIMONTHLY MEETING**

10:30 a.m., April 11, 2012

Midway Hotel La Crosse "River Jacks", 1835 Rose Street, La Crosse, Wisconsin

Call to Order

Chairman Savage called the meeting to order at 10:30 a.m. and asked for the roll call. Greg Flogstad, Director of the MRRPC took roll and said a quorum was present. The attendance roster is attached.

Guests in attendance: Jill Grennan, representing U.S. Senator Ron Johnson; Brenda Hicks-Sorensen and Jenny Kuderer, Wisconsin Economic Development Corporation; Bill Warner, Pierce County Economic Development Corporation; Mike Temp, Auditor, Tostrud and Temp S.C.; Paul Wydeven, WisDOT Southwest Region

Minutes of February 8, 2012 Bimonthly Meeting

Commissioner Schlesselman made a motion, seconded by Commissioner Nickelatti to accept the minutes of the February 8, 2012, bimonthly meeting. Approved unanimously.

Treasurer's Report

Vicki Burke, MRRPC Secretary/Treasurer presented the treasurers reports. Ms. Burke said the February 1, 2012 balance in all MRRPC accounts was \$297,567.09 and the February 29, 2012 ending balance was \$302,983.41. Ms. Burke reported that the beginning balance in March 2012 was \$302,983.41 and the balance in all accounts at month's end was \$290,885.12.

Ms. Burke then presented the financial report for the Business Capital Fund. The balance in this account as of January 31, 2012 was \$359,614.23. From February 2012 through March 2012 activity in this account included loan repayments of \$17,917.15, account interest of \$208.47, a drawdown of \$1,988.00 for D&O Liability Insurance and a transfer of \$131,378.21 to the Business Capital Fund RLF Sequester Account leaving a March 31, 2012 ending balance of \$244,373.64. Ms. Burke said that as of January 31, 2012, the Business Capital Fund II RLF had a balance of \$107,961.86. She said that from February 2012 through March 2012 interest on this account totaled \$61.21, loan repayments were made totaling \$4,365.42, and a transfer of \$47,909.93 to the Business Capital Fund II RLF Sequester Account leaving a March 31, 2012 balance of \$64,478.56.

The CMV Growth Development Fund began with a January 11, 2012, balance of \$56,556.66. Ms. Burke said from the period of January 12, 2012 through March 14, 2012 interest earned on this account totaled \$14.41, loan payments made totaled \$1,205.02 and \$1,803.80 was transferred to the CMV Sequester Account leaving a March 14, 2012 balance of \$55,972.29. Ms. Burke said the balance in the CMV-EDA Sequestered Fund as of January 11, 2012 was \$158,682.71. During the period of January 12, 2012 through March 14, 2012 activity in this account consisted of interest earned of \$41.32, a deposit of \$1,803.80 from the CMV Development Fund, and a payment to the U.S. Treasury of \$30.81 leaving a March 14, 2012 balance of \$160,497.02.

A Nine County Economic Development District Providing Assistance to Local Governments

- Land Use Planning ▪ Zoning and Subdivision Ordinances ▪ Transportation Planning ▪ Economic Development Planning
- GIS Mapping ▪ Recreation Planning ▪ Revolving Loan Fund Administration ▪ Grant Writing ▪ Socioeconomic Data Dissemination
- Assist Local Interests in Responding to State and Federal Programs ▪ Advisory Service on Local Planning Issues
- Coordinating Agency for Programs and Activities ▪ Public Advocacy on Issues Affecting Our Region

Ms. Burke said the La Crosse County Economic Development Fund began with a January 16, 2012 balance of \$73,558.49. During the period of January 17, 2012 through March 13, 2012, loan repayments of \$1,850.00 were made and interest earned totaled \$29.08. The ending account balance as of March 13, 2012 was \$75,437.57. Chairman Savage asked for a motion of approval on the treasurers reports presented. Commissioner Ross made a motion to approve the treasurer's reports as presented. The motion was seconded by Commissioner Schroeder, and approved unanimously.

Mr. Law reported there have been no new loans from any of the RLFs the MRRPC administers but he continues outreach efforts by attending Inventors and Entrepreneur Clubs to promote the revolving loan funds. Mr. Law reported that the Business Capital Fund and Business Capital Fund 2 had to sequester funds into additional bank accounts because of EDA guidelines requiring that funds exceeding 25% of base capital for two semi-annual reporting periods have to be sequestered into separate accounts.

Mr. Flogstad said the La Crosse County Economic Development Fund also had to sequester funds into a sequester account because of the 25% threshold. Mr. Flogstad reported the RLF had a potential project in the works.

Report and Decision on MRRPC 2011 Audit, Mr. Mike Temp, CPA Tostrud and Temp

Mr. Flogstad introduced Mike Temp, CPA of the Tostrud and Temp Accounting firm. Mr. Temp said his firm prepared the 2011 audit for the Mississippi River Regional Planning Commission (MRRPC). He referred everyone to page 4 of the audit provides an opinion on the financial statements. The statement read as follows "In our opinion, the financial statements referred to above present fairly in all material respects, the respective financial position of the governmental activities, the component units, each major fund and the aggregate remaining fund information of the MRRPC as of 12/31/2011, and the respective changes in financial position thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America". Mr. Temp said no issues were identified during the audit. He said the Statement of Revenues, Expenditures and Changes in Fund Balance show an increase of \$8,856 for the year. Mr. Temp said the increase in funds provides for operating expenses during weak revenue periods. Mr. Temp briefly reviewed the Combined Statement of Revenues, Expenditures and Changes in Net Assets for the four revolving loan funds the MRRPC administers. He said all funds had excess of revenue over expenditures and those funds go back into the fund and can be used for future loans.

Mr. Temp outlined some of the information included in the audit footnotes. He said the Federal Deposit Insurance Corporation (FDIC) provides insurance on deposits up to \$250,000 but suggested the MRRPC pursue collateralization of funds at banks where RLF funds are above the \$250,000 threshold. Director Flogstad said the MRRPC's RLF funds are distributed among several banks. Mr. Temp then reviewed the budget comparison showing the original budgeted amounts and final amounts. He continued by summarizing other final statements included in the audit. Mr. Temp said the MRRPC is considered as a Low Risk Audit as no issues were identified. Mr. Temp opened the floor for questions. Mr. Savage asked if anyone had any questions and the audit was accepted as presented.

Regionalizing Revolving Loan Funds Initiative Presentation, Brenda Hicks-Sorensen, Vice President, Economic and Community Development, Wisconsin Economic Development Corporation

Mr. Flogstad introduced Brenda Hicks-Sorensen and Jenny Kuderer from the Wisconsin Economic Development Corporation (WEDC). Ms. Hick-Sorensen said a 13 member Board of Directors oversees the Wisconsin Economic Development Corporation. The Board consists of 8 private sector members, 4 elected officials, and Governor Walker serves as the Chair. She said that last year the WEDC approved a strategic plan and a key strategy in the plan was to enable a world class, high performing economic development network known as the Wisconsin Acceleration Network to drive business startup, retention and expansion. She said the State has over 650 economic development and business organizations and a goal is to align those resources. She said a key strategic action identified is regionalizing revolving loan funds. She said the WEDC has a lot of focus on extended enterprise, how do we strengthen activities at the local and regional level that support our customers of the state and hopefully future businesses of the state. Ms. Hicks-Sorensen said the WEDC Operational Plan approved in October 2011 identified that we would ideally like to have two additional regional RLFs by the end of the fiscal year. She said the RPCs were identified as the regional territories. She added that the WEDC regional account managers also mirror the RPC territories. In addition the RPCs are also Economic Development Districts (EDDs) as recognized by the Economic Development Administration and most have Comprehensive Economic Development Strategies. Ms. Hicks-Sorensen said the WEDC realizes that economic development doesn't stop at county or regional boundaries.

She referred everyone to a handout showing the regional RLF's established in the State so far and provided a brief overview of those funds. She outlined the reasons and benefits of the regional RLFs. She commented that there are a number of

communities, and counties, like Vernon County, that are doing a fantastic job with a high fund utilization rate but on the flip side some are holding on to their funds. She said there's some concern RLFs guidelines are not always followed and regionalizing RLF funds will reduce administrative burden and spread the risk. Ms. Hicks-Sorensen said HUD has been cutting the appropriation of these funds so it's important how we utilize these funds. She said we are looking at how we can best leverage funds and best serve businesses to further support business development in the State. Ms. Hicks-Sorensen said one of the carrots of regionalizing the RLFs is the funds can be defederalized freeing the funds of their federal character and allowing broader and more flexible use of them. Commissioner Jaekel expressed concern that if Vernon County doesn't participate in the regional fund it won't have access to additional funds. Commissioner Nickelatti also expressed concern about future state funds. Ms. Hicks-Sorensen said communities don't have to pool their funds but what will happen is if a community or county decides not to participate is new loans will still be made to businesses in those communities or counties but the loans would be paid back to the regional funds.

Ms. Hicks-Sorensen provided an overview of the regional revolving loan funds in operation and described some of the boards that have been formed to help with oversight and administration of the regional RLFs. She explained there was some concern from rural communities about having RLF funds available to them after regionalization, but that hasn't been an issue, as the monies revolve quickly. She said that the local RLF boards are also structured so this shouldn't happen. Ms. Hicks-Sorensen explained rural communities really aren't competing with most urban areas because of urban areas' entitlement status whereby they get their funds directly from HUD. The regional fund board would have to approve having the entitlement communities participate. Some more discussion occurred on the formation of regional funds. Ms. Hicks-Sorensen said each fund would need an authorizing resolution to participate in a regional fund. Commissioner Jaekel asked when this all would happen. Ms. Hicks-Sorensen said the WEDC is moving forward on the regionalization of the revolving loan funds and has asked the legislature to give the WEDC a year before any legislation is passed on this issue. Commissioner Kuhn asked about the current local funds. Ms. Hicks-Sorensen said if a County doesn't participate in a regional fund, local funds would be paid back to the local fund, but any new funds from WEDC or the state would go back to the regional fund. Commissioner Baecker asked where the authority comes from for the regionalization of the funds. Ms. Hicks-Sorensen said the authority is provided by HUD and the WEDC's Board of Directors. Some more discussion occurred on the process of establishing the regional rlf's. She said this is not an effort to take control away from the local level. Ms. Hicks Sorensen said listening sessions were held around the State on the WEDC's strategic plan. Chairman Savage thanked Ms. Hicks-Sorensen for her presentation.

Discussion on Executive and Administration Committee Recommendations

Director Flogstad said the Executive and Administration Committee met on March 28th. He said the committee recommended that all MRRPC staff receive a 2% salary increase effective July 1, 2012. Chairman Savage asked for a motion on that recommendation. Commissioner Schroeder made a motion that all MRRPC staff receive a 2% increase effective July 1, 2012. Commissioner Schnitzler seconded the motion and it was approved unanimously. Commissioner Burke reported the Executive and Administration Committee was recommending that county contributions be frozen at the 2012 level of \$132,770 resulting in some counties paying a little more and some a little less. Chairman Savage asked for a motion on that recommendation. Commissioner Burke made a motion to freeze the MRRPC County Contributions at their 2012 level of \$132,770. Commissioner Schroeder seconded the motion and it was approved unanimously. Director Flogstad said State of Wisconsin ACT 10 calls for employers covered by this Act to have employee grievance procedures in place. Mr. Flogstad presented proposed grievance procedures for the MRRPC and explained the proposed procedures borrow heavily from recently approved Southeast Regional Planning Commission's grievance procedures. Commissioner Schlesselman asked if the procedures had been reviewed by an attorney and Mr. Flogstad said Southeast RPC's attorney reviewed the procedures. Chairman Savage asked for a motion on the grievance procedures. Commissioner Ehrsam made a motion to approve the grievance procedures as presented; the motion was seconded by Commissioner Schnitzler and approved unanimously.

Report on the Three Bus Service Route Project Serving Crawford, La Crosse and Vernon Counties

Mr. Fletcher provided an overview of the proposed Western Wisconsin Commuter Bus project in the works that will serve Crawford, La Crosse and Vernon counties. He said bus service is scheduled to begin July 2, 2012 with four round trips daily on three routes Monday through Friday. He said Route One goes from Prairie du Chien and travels through the communities of Eastman, Mt. Sterling, Gays Mills, Soldiers Grove, Readstown and Viroqua. He said the 2 northern routes will each have one bus traveling in opposite directions that travel through the communities of Viroqua, Westby, Coon Valley, La Crosse, Stoddard, and Genoa. He said the proposed routes are trying to reach as much population as possible. The fare will be \$3 one way with transfers allowed between bus routes at no cost. A guaranteed ride home service will also be provided in case of a family emergency etc. Mr. Fletcher explained that about 75% of the funding would come from a federal grant through the Wisconsin

Department of Transportation and the remaining amount is planned to come from the fare box, business and community contributions. He said right now the project is going through an RFP process to find a provider for the project.

Safe Route to School Coordinator Position Grant Funding Status and Proposed Projects for Westby, Viroqua, and Spring Valley

Mr. Fletcher said that Safe-Routes-to School (SRTS) funding is on a two year cycle and the grant application period for these funds opened up two weeks ago. The grant deadline for all SRTS applications is May 4th. Mr. Fletcher said he is preparing SRTS grant applications for the Village of Spring Valley and the Cities of Viroqua and Westby for implementation funds. The implementation funds would be used for various projects such as improvements to crosswalks, sidewalks, signage, rapid flashing beacons, bike racks etc. Mr. Fletcher said he is also applying for funds to hire a regional SRTS coordinator. Mr. Fletcher said he sent a letter to 21 communities with K-8 schools asking if they would be interested in such a project and 18 of the communities responded yes. Mr. Fletcher said he is working on getting letters of support from the communities and school districts in support of this project.

AIM 2 WIN Tri State Workforce and Economic Development Initiative

Director Flogstad provided an overview of the AIM2WIN initiative. He said AIM2WIN is a tristate project intended to support and enhance new or existing efforts to help transform the tri-state region to a knowledge-based economy that supports innovative industry clusters where entrepreneurship and highly skilled workers will be the driving force. He said a meeting will be held on April 27, 2012 to discuss regional workforce development and economic development agendas and strategies. He said AIM2WIN may be helpful in the future to help get more federal funds into the region.

Appointment of Nominating and Bylaws Committee to Present Officer Candidates at the June 13, 2012 Annual Meeting

Chairman Savage made the following appointments to the MRRPC's Nominating Committee: Ron Carney, Jackson County; Mike Murray, Pepin County; and Jim Ehram, La Crosse County. All appointees said they would serve. Chairman Savage said at the June MRRPC annual meeting new officers will be elected for a 2-year period.

Old Business and New Business

This is to certify that the foregoing is a true and correct copy of the April 11, 2012, bimonthly meeting minutes approved on the 13th day of June 2012.

Vicki Burke, Secretary-Treasurer