



MISSISSIPPI RIVER REGIONAL PLANNING COMMISSION

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*Eugene Savage, Black River Falls, WI
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*James Scholmeier, Fountain City, WI
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., December 14, 2011

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: Bill Warner, Pierce County EDC and Karl Green, La Crosse County UW-Extension Resource Agent

Minutes of October 12, 2011 Bimonthly Meeting

Commissioner Purdy made a motion, seconded by Commissioner Schnitzler to accept the minutes of the October 12, 2011, bimonthly meeting. Approved unanimously.

Treasurer's Report

Vicki Burke, MRRPC Secretary/Treasurer presented the treasurers reports. Ms. Burke said the October 1, 2011 balance in all MRRPC accounts was \$170,650.63 and the October 31, 2011 ending balance was \$203,215.96. Ms. Burke reported that the beginning balance in November 2011 was \$203,215.96 and the balance in all accounts at month's end was \$185,192.55.

Ms. Burke then presented the financial report for the Business Capital Fund. The balance in this account as of September 30, 2011 was \$315,577.40. From October 2011 through November 2011 activity in this account included loan repayments of \$28,254.80, account interest of \$222.43 and account drawdowns totaled \$2,198.78 leaving a November 30, 2011 ending balance of \$341,855.85. Ms. Burke said that as of September 30, 2011, the Business Capital Fund II RLF had a balance of \$99,341.76. She said that from October 2011 through November 2011 interest on this account totaled \$67.64, loan repayments of \$4,972.97, and a drawdown of \$310.80 for MRRPC administrative fees leaving a November 30, 2011 balance of \$104,071.57.

The CMV Growth Development Fund began with a September 14, 2011, balance of \$55,925.18. Ms. Burke said from the period of September 15, 2011 through November 9, 2011 interest earned on this account totaled \$12.96, loan payments made totaled \$1,205.02, and a transfer of \$1,406.07 was made to the CMV-EDA Sequestered fund leaving a November 9, 2011 balance of \$55,737.09. Ms. Burke said the balance in the CMV-EDA Sequestered Fund as of November 14, 2011 was \$157,252.91. During the period of September 15, 2011 through November 9, 2011 activity in this account consisted of interest earned of \$36.25 and a deposit from the CMV Growth Development Fund of \$1,406.07 leaving a November 9th balance of \$158,695.23.

Ms. Burke said the La Crosse County Economic Development Fund began with a November 13, 2011 balance of \$67,214.84. During the period of September 14, 2011 through November 13, 2011, loan repayments of \$3,143.33 were made and interest earned totaled \$28.89. The ending account balance as of November 13, 2011 was \$70,387.06. Chairman Savage asked for a motion of approval on the treasurers reports presented. Commissioner Ehrsam made a motion to approve the treasurer's reports as presented. The motion was seconded by Commissioner Schlesselman, and approved unanimously.

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*

Bryan Law reported that the Business Capital Fund recently approved a loan to a business in Trempealeau County. He said it's a great project that will create four new jobs. Mr. Law said the Business Capital Fund's annual meeting was held in November and an annual meeting for the CMV Growth Development Fund is scheduled next week. Mr. Law said he continues his outreach efforts by attending Inventors and Entrepreneur Clubs to promote funds. Mr. Law added that a mailing promoting the revolving loan funds was sent to banks in the region. He said all of the revolving loan funds have funds available for lending.

Economic, Environmental and Regulatory Issues of Frac Sand Mining – Karl Green, UW Extension Agent, La Crosse County

Mr. Green began his presentation on Frac Sand Mining. He explained Frac Sand is Quartz Sand. He said this area has highly rounded sand with high compressive strength. He said Galesville is the name of one frac sand formation. Mr. Green explained that sands most easily recoverable (close to the surface) are the most desirable. He said the ability to get the sands from the quarry or mine to the oil/gas drilling sites is another factor. Nearby rail also make the sands more desirable.

Mr. Green said the best Frac Sand is well rounded and nearly pure quartz. He explained many younger sands are too angular and contain other minerals or rock fragments. Mr. Green displayed a geologic map of La Crosse County showing where Frac Sands are located. He also displayed a geologic map of western Wisconsin showing the location of Frac Sands. He said high quartz content sand stone formations in the region include the St. Peter formation, Jordan formation and the Wonewoc formation.

Mr. Green continued by explaining how the frac sand is used by the oil and natural gas companies. He said the high price of oil has made Frac Sand an industry. He said the process includes a mixture of water, chemicals and sand (proppant). He explained this mixture or sand slurry is introduced into the fractured oil shale at high pressures. He said the proppant (sand) holds the formation open and allows oil/natural gas out of the formation. He said chemicals used are dependent on the formation characteristics. Mr. Green showed a map of the United States showing where there are natural gas deposits. He briefly discussed the Marcellus Shale in Pennsylvania. Mr. Green showed a table that showed projected yields from the Bakken formation in Montana, North Dakota and Canada. Mr. Green discussed some advantages of sand mining that included: 1) local jobs and economic growth; 2) demand for natural gas as a clean fuel will sustain the industry into the future; 3) Wisconsin has a history of industrial (foundry sands) sand mining that has recorded very few problems in 100+ years; and 4) When compared to other types of mining, sand mining has minimal environmental impact and sand mines can be reclaimed successfully.

Potential problems and issues were the presented by Mr. Green. He mentioned groundwater usage and the potential for contamination of groundwater. He said air quality is another consideration as well as truck traffic, safety and the cost of road maintenance. Other issues mentioned were blasting and potential damage to structures, noise levels and hours of operation, and reclamation and subsequent land use. Mr. Green then discussed some of the problems and how they can be dealt with. He said sandstone formations of Wisconsin and Minnesota are some of the best available for frac sand. He said that as long as fracking is the best available technology for producing previous unrecoverable natural gas it will continue to be big business. Interest in Wisconsin sand has been growing but the "sand boom" took us by surprise. He said many counties are being overwhelmed by mining applications. Some more discussion occurred on the advantages and issues that surround frac sand mining. Commissioner Schlesselman asked about what chemicals were used in the washing process and if there was a possibility of resin added. Mr. Green said a flocculation process is used and explained this process is used in the wastewater treatment industry. There was some discussion on the use of slurry ponds and the potential for leaks. Commissioner Leys said there could be problems and the industry should be regulated but what is the alternative, burning coal? Commissioner Purdy asked why two counties in Minnesota have instituted a moratorium on this type of mining activity. Mr. Green said the moratoriums were put in place to slow down the process. He said a lot has to do with environmental considerations. This type of activity isn't like harvesting wood that grows back. Commissioner Murray added there is a moratorium in place in Pepin County right now. He said that without zoning there is nothing stopping this type of mining activity from coming in. Commissioner Purdy said as far as economics the last mines in might not make it. Commissioner Murray said these mining operations are highly automated and don't result in a big labor force. There was some more discussion on mines in the region. Commissioner Russell said he thought there was a frac mining operation in Clayton, Iowa that employed between 100-250 employees. Commissioner Leys added these are good paying jobs. There was then some discussion on what frac sand sells for. Commissioner Russell said this mining industry is good for other business in the region. Commissioner Semb said that Trempealeau County has ordinances to handle the mining issues but what's happening is areas are trying to get cities etc. to annex some properties so the county ordinance is negated.

Commissioner Schlesselman said he attended a conference two weeks ago that focused on frac mining. He said there were 2 excellent speakers that made a presentation on the mines operating in Chippewa County. They also explained the permitting process. He said if anyone wanted to see what a mine like this would look like go to Google Earth and search directly west of Bloomer. Commissioner Jaekel asked what are small communities suppose to do that don't have ordinances in place. She said small communities don't have funds to put the structure in place to prevent these activities. The cost of road maintenance, loss of land values etc. were mentioned. Mr. Green said an ordinance is the way to control the mining activities in your town. He said a moratorium will slow down the process. Mr. Green gave some examples of Town ordinance provisions and said a moratorium would give a local community some time to develop zoning. Mr. Flogstad mentioned that in the meeting packets there are some websites listed that will provide information about ordinances. He said there are two key things: 1) blasting ordinance and 2) mining agreement. Mr. Green said if anyone has any further questions to contact the Extension office. Commissioner Schlesselman said that before any conditional use permits are issued, local governments should get concessions from the mining companies first, as it's difficult to get the concessions after the permit is issued. Chairman Savage asked if there was any further discussion and then thanked Mr. Green for the informative presentation.

Commissioner and Public Input on 2012-2017 Comprehensive Economic Development Strategy (CEDS)

Mr. Flogstad reviewed a draft of the 2012-2017 Comprehensive Development Strategy for the Mississippi River Regional Planning Commission. He reviewed the strategies developed by the CEDS committee. He asked for input or any additional comments. Mr. Flogstad asked that any comments be submitted between now and the next meeting. Mr. Flogstad then asked that everyone complete a regional economic development emphasis survey. The survey asked respondents to rank selected Industry Strengths and Opportunities, Quality of Place Assets, and Business Support Services. Mr. Flogstad asked what economic development areas do you want emphasized in our region. Mr. Flogstad said the survey results would be tabulated and reported at the February meeting. Mr. Flogstad said we want to look out 10 years.

Report on Grant Award from U.S. Department of Commerce – Economic Development Administration for Technical Assistance Grant and Kickapoo Reforestation Grant to Determine Feasibility – Demand, Cost and Benefits of Biofuel Pellet Plant in the Kickapoo Valley

Mr. Law said the MRRPC received a \$25,000 technical assistance grant award from the U.S. Department of Commerce-Economic Development Administration to determine feasibility – demand, cost and benefits of a biofuel pellet plant in the Kickapoo Valley. Mr. Law said the MRRPC is pursuing a \$25,000 matching grant from the Kickapoo Reforestation Grant fund. He explained MRRPC has to have a knowledgeable principal investigator for this project to develop the Request for Proposal (RFP) etc. in order to secure the \$25,000 match. Mr. Law said the MRRPC has contacted Gary Radloff at the University of Wisconsin to serve as the principal investigator. Mr. Law said Mr. Radloff is an expert on bio-fuel energy policy. He said the MRRPC expects the match will be funded and are moving forward with this project. He said the RFP should be completed in the next few months.

Approval of 2012 Transportation Planning Work Program

Mr. Fletcher said each year the MRRPC has to develop a work program for the Department of Transportation (DOT) because of the funding the MRRPC receives from DOT. Mr. Fletcher continued by reviewing all of the work elements listed in the work program. He said some of the major work elements are grant writing, regional transportation coordination, safe routes to school planning, and comprehensive planning. There was some discussion on the work program. Commissioner Leys noted that in his community kids that live only a few blocks from school don't walk to school. He said there are sidewalks in place so that wasn't an issue. Mr. Fletcher remarked that implementing the Safe Routes to School plans was very important. Commissioner Ehram asked what local funds were needed for the proposed commuter bus route in Crawford, Vernon and La Crosse counties. Mr. Fletcher said the local match would be \$90,000 for the period of May 2012 through the end of the year. Mr. Fletcher said he was working with local governments and businesses to secure that match. Chairman Savage asked if there were any further questions on the work program. Hearing none, Commissioner Ehram made a motion to approve the Mississippi River Regional Planning Commission Transportation Planning Annual Work Program for 2012. The motion was seconded by Commissioner Murray and approved unanimously.

Safe Routes to School Plan Final Report

Mr. Fletcher said that Safe Routes to School Plans have been completed for the Village of Spring Valley in Pierce County, and the cities of Westby and Viroqua in Vernon County. He said both plans have been adopted by the local municipalities. Mr. Fletcher reviewed the planning process that included forming a task force, surveying parents, conducting interviews and collecting data on the communities, identifying issues and developing recommendations to address the issues identified. Mr.

Fletcher said all plans focus on connecting the entire community. He briefly reviewed some issues identified and the recommendations made. Mr. Fletcher said in all of the communities a common issue was crossing a State or US Highway. He said lack of sidewalks was also an issue at some schools. He said that now the plans are adopted the next step is implementation. He said these communities are eligible to apply for implementation funding. Commissioner Jaekel asked what the long range goal was for the SRTS planning. Mr. Fletcher said the ultimate goal is to get kids out walking and exercising but this is often difficult because of concerns parents have about safety etc. Commissioner Smith thanked Mr. Fletcher and said as a grandparent he is encouraged by the Safe Routes to School Program.

Decision on Applying for Wisconsin Department of Transportation Grant to Fund a Regional Safe Routes to School Coordinator

Mr. Fletcher said he was asking for a decision on applying for grant funds to fund a regional Safe Routes to School coordinator position for a 2 year period. Mr. Fletcher outlined the job description of the regional coordinator position. He said no local match is required. He said a regional coordinator is a more efficient way of utilizing Safe Routes to School funding and the Department of Transportation was encouraging regional coordination. Mr. Fletcher said the position would be housed at the MRRPC offices and would be under the MRRPC's direction. The coordinator would work with communities to apply for grant funds and also assist in the implementation process once the plans are completed. Mr. Fletcher said he surveyed communities in the region with elementary and middle schools and 15 communities said they would like assistance in applying for SRTS funding. He said he has at least one yes response from every county in the region. He said the East Central Regional Planning Commission has a Regional Safe Routes to School Coordinator position at their RPC. Mr. Fletcher asked for approval to move ahead with the grant application to fund a SRTS coordinator. Commissioner Burke made a motion to approve the MRRPC to apply for grant funds from the Department of Transportation to fund a regional Safe Routes to School Coordinator position. Commissioner Smith seconded the motion and it was approved unanimously.

Fort McCoy Joint Land Use Compatibility Study Update

Bryan Law said the JLUS Policy Committee has met twice. He said that topics have been defined to include in the JLUS. He referred everyone to the blue handout in their meeting packets. He said that preliminary recommendation categories have also been developed. He explained the preliminary recommendations were based on recommendations from other JLUS and themes that came out of a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis conducted at the September 27, 2011 policy meeting. Mr. Law said a meeting will be held on March 6, 2012. He explained it will be a public meeting and a draft JLUS will be available. He said the JLUS Technical Advisory Group will meet twice between now and then.

Old Business and New Business

Chairman Savage asked if there was any old business. Hearing none, Chairman Savage then asked if there was any new business. Commissioner Schlesselman asked about the Jackson County CDBG Public Facilities Grant application. Mr. Fletcher said the County is applying for a \$400,000 State CDBG grant and a \$600,000 TEA Grant for county road improvements to reconstruct 1.2 miles of County Hwy P. He said the total project cost is \$1.2 million. He said the road has a PASER rating of 3 and will be lucky to make it through the upcoming year. Commissioner Smith asked what Bergquist Company manufactures. Bill Warren, Pierce County EDC, said Bergquist is a high tech global company manufactures circuit boards, metal coatings, flexible circuitries etc. He said the company has invested \$4 million in their building and \$6 million in equipment in their recent expansion. He said the company has exceeded all employment targets.

Mr. Flogstad said Commissioner Scholmeier requested that Wisconsin Sales Tax Exemptions be discussed at our meeting. Mr. Flogstad said he had a listing of all Wisconsin Sales Tax Exemptions and briefly mentioned some of the exemptions. Mr. Scholmeier said as a businessman he disagrees with so many services being exempt, meaning the rest of us have to pay more. Mr. Scholmeier maintained if some of these exemptions were changed we could lower the overall sales tax rate.

This is to certify that the foregoing is a true and correct copy of the December 4, 2011, bimonthly meeting minutes approved on the 8th day of February 2011.

Vicki Burke, Secretary-Treasurer