

MINUTES
HARMONY ECONOMIC DEVELOPMENT AUTHORITY
Regular Meeting

September 4, 2025
7:30 AM

Council Room
Community Center

Present: Kerry Kingsley, Keith McIntosh, Kyle Scheevel, Greg Schieber

Also Present: Alissa Stelpflug (City Administrator), Katrina Hurley (CEDA), Brett Grabau (City Engineer), Erica Thilges (Harmony Area Chamber of Commerce), Jessica J. Hemenway (Harmony Area Chamber of Commerce), one community member

Absent: Stuart Morem

The regular meeting was called to order at 7:29 A.M. by Kerry Kingsley.

Minutes

The board reviewed the minutes of the August 7, 2025 meeting. Greg Schieber made a motion to approve the minutes. The motion was seconded by Kyle Scheevel and approved by the board.

Industrial Park Update- City Engineer (Stantec)

Brett Grabau provided an overview of the Industrial Park, noting that the first phase was developed off Highway 52 and the second phase was extended up to the township road in 2003–2004. Four vacant lots remain, three internal and one external. While there has been some inquiry into these lots, sinkholes have created challenges for development. Fillmore County has mapped sinkholes through aerial photos and GIS, showing significant sinkhole presence in the area.

Grabau explained that Dairyland Power had once considered development but withdrew after uncovering organic materials, despite his belief that the land is still developable if sinkholes are capped. He suggested mapping the sinkholes and creating concept plats to determine potential lot sizes and feasibility for development. The cost for this work is estimated at \$3,200 and could be completed within a month. For a more detailed analysis, a geotechnical study with soil borings ten feet deep or more would be required, at a cost of approximately \$10,000.

Board members discussed the risks and opportunities. Kingsley expressed concerns about liability and the need to disclose sinkholes, while Schieber noted that the value of the lots and infrastructure costs would need to be carefully evaluated. Scheevel pointed out that consultant rates will only continue to increase, suggesting action sooner rather than later. Members discussed the possibility of gaining anywhere from three to ten lots, the flexibility of platting, and the importance of having accurate information before moving forward. Ultimately, McIntosh made a motion to table the matter for one month, which was seconded by Scheevel. The motion carried.

Chamber of Commerce Report

Erica Thilges reported on Chamber activities, noting that the final Back Alley Jam of the season was held successfully on Main Street and that another successful Ladies Bingo Night had also taken place. A ribbon cutting was held last weekend for the Lumber Yard Marketplace, and posters have been distributed for the Fall into Harmony event scheduled for September 20. The Chamber's membership drive will begin at the end of the month, with an early bird discount available. A new Membership and Event Coordinator, Jayda Walker, has been hired for 20–30 hours per week and is expected to attend a future EDA meeting.

Jessica Hemenwayhe reported that the Chamber remains financially strong, with \$11,000 in the black. Funds remain with the Chamber and do not roll back to the city, positioning the organization toward greater sustainability. Kingsley expressed his appreciation for the Chamber's efforts and volunteer contributions.

Rolling Hills Transit

Bill Spitzer provided an update on Rolling Hills Transit services. He reported that the system previously operated thirteen routes, one of which was suspended to reallocate service hours. Rolling Hills is now exploring expanded service into Chatfield and Harmony, including extending daily operations to ten hours. Staffing levels are currently sufficient, with no open driver positions.

Spitzer provided details on existing services, including the volunteer driver program in which individuals use their own vehicles to transport passengers to medical appointments and are reimbursed for mileage. He also described the Care Van program, which serves individuals with mobility restrictions and operates two vans covered by insurance, Medicare, or private pay. Rolling Hills partners with SEMCAC to operate as a nonprofit. MnDOT provides 95 percent of the operating budget, with the remaining 5 percent covered through fares. Beginning in 2026, however, the local match will increase to 10 percent, resulting in an anticipated \$40,000 shortfall.

Kingsley asked whether services are income-based. Spitzer explained that only the volunteer driver program uses a sliding scale based on income, while most services are open to all. Kingsley also inquired about transportation to Winona, which Spitzer confirmed is possible, and he noted that expansion into Rochester is under consideration. Spitzer asked whether Harmony would be interested in supporting expanded services and suggested conducting a community survey to gather input, particularly regarding interest in an express route to Rochester.

Stelpflug suggested that the survey could be distributed with utility bills or newsletters and shared on social media. Spitzer also proposed offering an incentive such as \$5 Harmony Dollars for participation. Thilges confirmed that Harmony Dollars are available for purchase by anyone. Spitzer agreed to prepare and print the survey, with distribution planned for October.

Financial Reports and Claims

Katrina Hurley reported that for the Revolving Loan Fund, all borrowers are up to date on their payments. The Charming Farmer has recently been added to the report after approval from City Council and closing of the loan.

Prospects/ Community Update

Katrina Hurley provided an update on the bike trail ribbon cutting planning. Once a date has been set Hurley will announce it to the board. In addition to the ribbon cutting there is a plan to host a memorial bike ride after the cutting. Kingsley reported that effective October 1 2025, Andrew will purchase the Kingsley Mercantile store, Kingsley will then relocate to the building east of the current store, and operate Kingsley Plumbing, an HVAC and plumbing business, from that location.

Public Forum

No public comments were made.

Home Rebate Program

Hurley reported that the city had become inundated with overseas requests when the Home Rebate Program was initially put online. This is due to AI generated videos and travel influencers using the information that the individual does not have to be a resident of Harmony to receive the rebate. Hurley requested approval to change the website to request that all future inquiries come with proposed projects. This way, it limits the amount of spam calls and emails the city will be receiving.

Fillmore County Childcare Core Team

The Fillmore County Childcare Core Team was discussed. Kingsley raised concerns about competition from Preston's school-based childcare program and emphasized the importance of being proactive in supporting childcare in Harmony. He acknowledged the challenge of subsidizing private businesses but underscored the community's need for childcare services. Schieber suggested inviting a childcare provider to a future EDA meeting, and Hurley agreed to send an invitation.

CEDA/EDA Work Plan

The EDA workplan was discussed with the new measurable deliverables, and a motion was made by Scheevel and seconded by McIntosh to approve the plan. Schieber noted that adjustments could be made at any time. The motion carried.

2026 Budget

The 2026 budget was reviewed for a 3% increase request from the EDA board. Schieber made a motion, seconded by Kingsley, to approve a 3% levy request for City Council consideration. The motion carried.

Other Business:

The current annexation request for the city was also discussed. Kingsley mentioned hearing differing reports on the issue, while Scheevel noted that annexation could expand the tax base and would have minimal impact according to MiEnergy. Similar projects are underway in Oronoco and Lawler. Hurley reported that she and Stelpflug were working with MiEnergy and Dairyland Power to plan an informational town hall session for the town to ensure the public is fully informed before a decision is made.

Adjournment:

Hearing no objections, EDA President Kingsley adjourned the meeting. The meeting adjourned at 8:56 AM.

The next regular meeting is scheduled for October 2, 2025 at 7:30 AM at the Community Center.

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September 4, 2025