

CREDIT COMMITTEE
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, JULY 5, 2016, 12:30 P.M. CT

Members Present

Chairman Jeff Erickson, Don Kettering, Pat Prostrollo, Norbert Sebade and Reed Kessler

Staff Present

Interim Commissioner Aaron Scheibe, Cassidy Kulesa and Ashley Moore

Other Staff Present

Mike Bietz and Sam Helma - BankWest, Inc.

Call to Order

Chairman Erickson called the meeting to order at 2:03 p.m.

Agenda

A motion was made by Don Kettering and seconded by Norbert Sebade to approve the agenda as presented.

Motion passed by a roll call vote.

Conflicts Disclosure – Chairman Erickson opened the floor for committee members to identify potential conflicts under SDCL Chapter 3-23. The Chairman declared a potential conflict on the Weisser Properties, LLC loan review due to his service on the board of a bank partnering with the REDI loan and announced he would abstain from the matter. Although no issue concerning Madison or Lake County was presently before the committee, Pat Prostrollo wanted to note proactively that his auto dealership, from time to time, bids on and receives public contracts with the City of Madison and Lake County, which have economic development programs, to supply fleet vehicles under public procurement rules. Prostrollo also noted his business had previously sold vehicles to Dakota Bodies, a related party to DBI Holdings, LLC, which had a loan review before the credit committee, and he would therefore abstain on that issue. The Chairman opened up the floor for questions and discussion concerning the potential conflicts; there were none from committee members and no objection to proceeding with the agenda.

Assignment of Lease and Rents Memo

Credit Committee recommends to the Board approving the changes of the assignment of lease and rents template as presented.

Motion was made by Pat Prostrollo and seconded by Don Kettering.

Motion passed by a roll call vote.

Executive Session

A motion was made by Norbert Sebade and seconded by Don Kettering to enter into executive session at 2:09 p.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion passed by a roll call vote.

Norbert Sebade exited the call at 2:46 p.m.

Executive Session Report

The Chairman declared the Credit Committee out of executive session at 2:50 p.m. The Chairman reported that the Board of Economic Development Credit Committee entered into Executive Session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. No action was taken.

A motion was made by Pat Prostrollo and seconded by Don Kettering to approve the chairman's report from executive session.
Motion passed by a roll call vote.

Loan Reviews

DBI Holdings, LLC, EyeBrain Medical, Inc. and Weisser Properties, LLC

Credit Committee recommends to the Board approving the loan reviews and recommendations as presented.

Motion was made by Don Kettering and seconded by Reed Kessler.

Motion passed by a roll call vote with Pat Prostrollo and Jeff Erickson abstaining.

Old Business

PEDCO/Pulse Processors

Credit Committee recommends to the Board approving a commitment extension to August 20, 2016.

Motion was made by Pat Prostrollo and seconded by Reed Kessler.

Motion passed by a roll call vote.

RTI Holdings, LLC/RTI, LLC

Credit Committee recommends to the Board approving a release of collateral as presented.

Motion was made by Pat Prostrollo and seconded by Don Kettering.

Motion passed by a roll call vote.

Adjourn

A motion was made by Don Kettering and seconded by Pat Prostrollo to adjourn the meeting at 2:53 p.m.

Motion passed by a roll call vote



Dale Clement, Secretary or
Tony Klein, Treasurer