

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
TUESDAY, AUGUST 8, 2017, 9:30 A.M. CT**

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**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
TUESDAY, AUGUST 8, 2017, 9:30 A.M. CT**

**Board  
Members:**

*Jeff Erickson*

*Dale Clement*

*Tony Klein*

*Sharon  
Casey*

*John Calvin*

*Michael  
Luken*

*Greg  
Heineman*

*Ted Husted*

*Don  
Kettering*

*Pat  
Prostrollo*

*Tom Jones*

*Norbert  
Sebade*

*Reed Kessler*

**Non-Voting**

*Spencer  
Hawley*

*Billie Sutton*

*Lee Qualm*

*Blake Curd*

**Motion Sheet  
(STAFF RECOMMENDATIONS)**

**Agenda**

Motion to approve the agenda as presented.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Minutes**

Motion to approve the minutes of the meetings held July 11, 2017 and July 31, 2017, as presented.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Conflicts of Interest Disclosures**

**Commissioners Comments**

**Executive Session**

Motion to enter into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Chairman: Declare board out of executive session. [        a.m.]. Chairman: The BED 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.**

**Motion to approve the chairman's report from executive session.**

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Loan Review Summary**

**Kerry K Engle Separate Property Trust**

Motion to approve the loan review and recommendation as presented.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Old Business**

**Aberdeen Development Corporation/Magnum Trucking**

Motion to grant a one-time waiver of the requirement to provide audited annual financial statements within 90 days of year-end and unaudited quarterly financial statements within 60 days of quarter-end, both for the borrower's fiscal year ended 03/31/2017, and to approve an amendment of the Loan Agreement to extend the time to provide audited annual financial statements to within 120 days of borrower's fiscal year end and to provide unaudited quarterly financial statements promptly upon written request from BED.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

Please note times:

Call To Order: \_\_\_\_\_

Executive Session \_\_\_\_\_

Regular Session \_\_\_\_\_

Adjournment \_\_\_\_\_

**Day County Wind II, LLC**

Motion to approve extending the construction commencement date to August 2018.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**SD Sun, LLC and SD Sun II, LLC**

Motion to approve extending the construction commencement date to January 10, 2019.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**New Business**

**O'Connor Kiln & Dryer, Inc.**

Motion to approve the loan request from O'Connor Kiln & Dryer, Inc. in the amount of \$585,000. Secured by a shared first collateral position and the personal guarantees of principals with 10% or more ownership.

The loan is approved according to the terms and conditions of the commitment letter; all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Reinvestment Payment Program**

**Agropur inc.**

Motion to approve the Reinvestment Payment application of Agropur inc. as recommended by staff in the board packet.

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment of \$7,254,497 but not to exceed 100 percent of State Sales/Use Tax paid on eligible project costs, is approved for Agropur inc. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**James Valley Ethanol, LLC**

Motion to

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Adjourn**

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

A

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, SD  
TUESDAY, AUGUST 8, 2017, 9:30 A.M. CT**

**REGULAR SESSION AGENDA**

- 9:30 A.M. Call To Order, Chairman Jeff Erickson
- 9:35 A.M. **Agenda**  
RECOMMENDED ACTION: Motion to approve the agenda as provided or amended.
- Minutes**  
RECOMMENDED ACTION: Motion to approve the minutes of July 11, 2017 and July 31, 2017, as presented.
- Conflicts of Interest Disclosures**
- 9:45 A.M. Commissioner's Comments
- 9:55 A.M. **Executive Session**  
RECOMMENDED ACTION: Motion to enter into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance applicants.
- 10:35 A.M. **Report from Executive Session**  
RECOMMENDED ACTION: Approve Chairman's report from Executive Session.
- Other Motions  
Loan Review Summary  
Aberdeen Development Corporation/Magnum Trucking  
Day County Wind II, LLC  
SD Sun, LLC and SD Sun II, LLC  
O'Connor Kiln & Dryer, Inc.  
Agropur inc.  
James Valley Ethanol, LLC

Notice is further given to persons with disabilities that this meeting is being held in a physically accessible place. Please notify the above mentioned office within 48 hours of the public hearing if you have special needs for which this agency will make the necessary arrangements.

Participation in the meeting can be at GOED at 711 E Wells Ave, Pierre, South Dakota, or the GOED office at the Zeal Center for Entrepreneurship at 2329 N. Career Avenue, Sioux Falls, South Dakota.

B

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
TUESDAY, JULY 11, 2017, 9:30 A.M. CT**

Members Present

Chairman Jeff Erickson, Dale Clement, Tony Klein, Sharon Casey, John Calvin, Mike Luken, Greg Heineman Ted Hustead, Don Kettering, Tom Jones, Norbert Sebade, Reed Kessler, Spencer Hawley, Billie Sutton, Lee Qualm and Blake Curd

Staff Present

Commissioner Scott Stern, Cassie Stoeser, Ashley Moore, Katelyn Hump, Cassidy Kulesa, Natalie Likness and Dale Knapp

Other Staff Present

Sam Helma - BankWest, Inc.

Others Present

Bob Mercer

Call to Order

Chairman Erickson called the meeting to order at 9:31 a.m.

Agenda

A motion was made by Sharon Casey and seconded by Reed Kessler to approve the agenda as presented.

Motion passed by a roll call vote.

Minutes

A motion was made by Mike Luken and seconded by Greg Heineman to approve the minutes of the meetings held June 13, 2017 and June 29, 2017, as presented.

Motion passed by a roll call vote.

Clausen & Rice, LLP Accounting Contract

A motion was made by Dale Clement and seconded by Ted Hustead to approve the Clausen & Rice, LLP contract for accounting services 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. Don Kettering declared a potential conflict on Century Custom Molding, Inc. and Vantage Point Solutions, Inc. due to his service at First Dakota National Bank and announced he would abstain from the matter. 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.

Executive Session

A motion was made by Don Kettering and seconded by Tony Klein to enter into executive session at 9:52 a.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.



### Executive Session Report

The Chairman declared the board out of executive session at 10:24 a.m. The Chairman reported that the Board of Economic Development 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 Mike Luken and seconded by Dale Clement to approve the Chairman's report from executive session.  
Motion passed by a roll call vote.

### Loan Review Summary

#### CMW Industrial Properties, LLC, EyeBrain Medical, Inc., Dak-Lan, LLC and WM3D SD Properties, LLC

A motion was made by Norbert Sebade and seconded by Reed Kessler to approve the loan reviews and recommendations as presented.  
Motion passed by a roll call vote.

### Old Business

#### Applied Engineering, Inc.

A motion was made by Dale Clement and seconded by Sharon Casey to approve the waiver for a loan over \$1,000,000 and to increase the loan amount to \$1,122,600, not to exceed 45% of project costs.  
Motion passed by a roll call vote.

#### Win Chill, LLC

A motion was made by Ted Hustead and seconded by Norbert Sebade to approve the application modification as presented.  
Motion passed by a roll call vote.

### New Business

#### Century Custom Molding, Inc.

A motion was made by Ted Hustead and seconded by Mike Luken to approve the loan request from Century Custom Molding, Inc. in the amount of \$520,000. Secured by a shared first position on the fixed assets.

The loan is approved according to the terms and conditions of the commitment letter; all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.  
Motion passed by a roll call vote with Don Kettering abstaining.

#### Vantage Point Solutions, Inc.

A motion was made by Sharon Casey and seconded by John Calvin to approve the waiver for a loan over \$1,000,000 and approve the loan request from Vantage Point Solutions, Inc. in the amount of \$1,350,000. Secured by a shared first position on the financed assets.

The loan is approved according to the terms and conditions of the commitment letter; all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.  
Motion passed by a roll call vote with Don Kettering abstaining.

Bills

A motion was made by Ted Hustead and seconded by Greg Heineman to approve the bill payable to Moody's Analytics in the amount of \$3,682.00.

Motion passed by a roll call vote.

Adjourn

A motion was made by Dale Clement and seconded by Tony Klein to adjourn the meeting at 10:31 a.m.

Motion passed by a roll call vote.

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Dale Clement, Secretary or  
Tony Klein, Treasurer

**CREDIT COMMITTEE**  
**GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD**  
**MONDAY, JULY 31, 2017, 11:00 A.M. CT**

Members Present

Chairman Jeff Erickson, Dale Clement, Don Kettering, Pat Prostrollo and Nobert Sebade

Staff Present

Deputy Commissioner Aaron Scheibe, Cassie Stoesser, Ashley Moore and Cassidy Kulesa

Other Staff Present

Sam Helma and Mike Bietz- BankWest, Inc.

Call to Order

Chairman Erickson called the meeting to order at 11:00 a.m.

Agenda

A motion was made by Pat Prostrollo and seconded by Don Kettering 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. Don Kettering declared a potential conflict on Kerry K Engle Separate Property Trust loan review and O'Connor Kiln & Dryer, Inc. application due to his service at First Dakota National Bank. 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.

Executive Session

A motion was made by Dale Clement and seconded by Pat Prostrollo to enter into executive session at 11:04 a.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.

Executive Session Report

The Chairman declared the Credit Committee out of executive session at 11:22 a.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 Dale Clement to approve the chairman's report from executive session.

Motion passed by a roll call vote.

Loan Review

Kerry K Engle Separate Property Trust

Credit Committee recommends to the Board approving the loan review and recommendation as presented.

Motion was made by Dale Clement and seconded by Norbert Sebade.

Motion passed by a roll call vote with Don Kettering abstaining.

New Business

O'Connor Kiln & Dryer, Inc.

Credit Committee recommends to the Board approving the application as presented.

Motion was made by Pat Prostrollo and seconded by Dale Clement.

Motion passed by a roll call vote with Don Kettering abstaining.

Adjourn

A motion was made by Don Kettering and seconded by Dale Clement to adjourn the meeting at 11:24 a.m.

Motion passed by a roll call vote

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Dale Clement, Secretary or  
Tony Klein, Treasurer