

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, JULY 12, 2016, 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, Pat Prostrollo, Tom Jones, Norbert Sebade, Reed Kessler and Scott Parsley

Staff Present

Interim Commissioner Aaron Scheibe, Cassie Stoesser, Cassidy Kulesa, Ashley Moore, Katelyn Hump, Dale Knapp and Natalie Likness

Other Staff Present

Sam Helma - BankWest, Inc.

Call to Order

Chairman Erickson called the meeting to order at 9:33 a.m.

Agenda

A motion was made by Tony Klein and seconded by John Calvin to approve the agenda as presented.

Motion passed by a roll call vote.

Minutes

A motion was made by Dale Clement and seconded by Don Kettering to approve the minutes of the meetings held June 14, 2016 and July 5, 2016, 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 and would therefore abstain on that issue. The Chairman opened up the floor for questions and discussion concerning the potential conflicts; there were none from board members and no objection to proceeding with the agenda.

Assignment of Lease and Rents Memo

A motion was made by Don Kettering and seconded by Mike Luken to approve the changes of the assignment of lease and rents template as presented.

Motion passed by a roll call vote.

Executive Session

A motion was made by John Calvin and seconded by Sharon Casey to enter into executive session at 9:45 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

Executive Session Report

The Chairman declared the board out of executive session at 10:10 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 taken.

A motion was made by Greg Heineman and seconded by Sharon Casey to approve the chairman's report from executive session.
Motion passed by a roll call vote.

Loan Review Summary

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

A motion was made by Dale Clement and seconded by Don Kettering to approve the loan reviews and recommendations as presented.
Motion passed by a roll call vote with Pat Prostrollo and Jeff Erickson abstaining.

Old Business

PEDCO/Pulse Processors

A motion was made by Tony Klein and seconded by Ted Husted to approve the commitment extension to August 20, 2016.
Motion passed by a roll call vote.

RTI Holdings, LLC/RTI, LLC

A motion was made by Pat Prostrollo and seconded by John Calvin to approve the collateral release as presented.
Motion passed by a roll call vote.

Sioux Falls Development Foundation

A motion was made by Don Kettering and seconded by John Calvin to approve the collateral release as presented.
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 10:18 a.m.
Motion passed by a roll call vote.



Dale Clement, Secretary or
Tony Klein, Treasurer