BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, OCTOBER 13, 2015, 11:00 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, Scott Parsley and Brian Gosch

Staff Present
Deputy Commissioner Aaron Scheibe, Cassie Stoeser, Ashley Moore and Dale Knapp

Other Staff Present
Mike Bietz and Sam Helma - BankWest, Inc.

Call to Order
Chairman Erickson called the meeting to order at 11:03 a.m.

Agenda
A motion was made by Pat Prostrollo and seconded by Dale Clement to approve the agenda as presented.
Motion passed by a roll call vote.

Minutes
A motion was made by Don Kettering and seconded by Mike Luken to approve the minutes of the meeting held September 15, 2015 and October 1, 2015, as presented.
Motion passed by a roll call vote.

Annual Report/Audit Report
A motion was made by Ted Hustead and seconded by Sharon Casey to approve the 2014 Annual Report/Audit Report as presented.
Motion passed by a roll call vote.

Executive Session
A motion was made by Mike Luken and seconded by Norbert Sebade to enter into executive session at 11:11 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 11:34 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 Don Kettering and seconded by Ted Hustead to approve the chairman's report from executive session.
Motion passed by a roll call vote.

Loan Reviews
Loan Review Summary – Aberdeen Development Corporation, PEDCO/Eagle Creek and WM3D SD, LLC
A motion was made by Tony Klein and seconded by Dale Clement to approve the loan reviews and recommendations as presented.

Motion passed by a roll call vote.

Old Business

CED Campbell County Wind Farm Holdings, LLC

A motion was made by Pat Prostrollo and seconded by Sharon Casey to approve changing the project owner back to Campbell County Wind Farm, LLC.
Motion passed by a roll call vote.

PEDCO/Pulse Processors

A motion was made by Ted Hustead and seconded by Pat Prostrollo to approve the increased project costs as presented.
Motion passed by a roll call vote.

New Business

R & R Holdings, LLC

A motion was made by John Calvin and seconded by Dale Clement approve the loan request from R & R Holdings, LLC in the amount of $606,000. Secured by a shared first position on the real estate 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 passed by a roll call vote.

Ring-Neck Energy & Feed, LLC

A motion was made by Don Kettering and seconded by Pat Prostrollo to approve the Reinvestment Payment application of Ring-Neck Energy & Feed, LLC 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 $1,183,845, but not to exceed 50 percent of State Sales/Use Tax paid on eligible project costs, is approved for Ring-Neck Energy & Feed, LLC. 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 passed by a roll call vote.

Adjourn

A motion was made by Tony Klein and seconded by Dale Clement to adjourn the meeting at 11:40 a.m.
Motion passed by a roll call vote.

Tony Klein

Dale Clement, Secretary or
Tony Klein, Treasurer