

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, FEBRUARY 12, 2019, 9:30 A.M. CT**

Members Present

Chairman Jeff Erickson, Dale Clement, Matt Judson, Sharon Casey, Mike Luken, Ted Husted, Don Kettering, Pat Prostrollo, Tom Jones, Norbert Sebade, Pat Costello and Justin Cronin

Staff Present

Commissioner Steve Westra, Cassie Stoesser, Ashley Moore, LaJena Gruis, Cassidy Kulesa, Dale Knapp, Natalie Likness and Joe Fiala

Other Staff Present

Andrew Coppersmith, Mike Bietz and Laura Hansen - BankWest, Inc.

Call to Order

Chairman Erickson called the meeting to order at 9:32 a.m.

Agenda

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

Motion passed by a roll call vote.

Minutes

A motion was made by Dale Clement and seconded by Pat Prostrollo to approve the minutes of the meetings held December 11, 2018 and February 4, 2019, as presented.

Motion passed by a roll call vote.

Conflicts Disclosure

Chairman Erickson opened the floor for board members to identify potential conflicts under SDCL Chapter 3-23. There were none from board members and no objection to proceeding with the agenda.

Public Comments - none

Executive Session

A motion was made by Sharon Casey and seconded by Pat Prostrollo to enter into executive session at 9:41 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 10:04 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 Matt Judson and seconded by Ted Husted to approve the Chairman's report from executive session.

Motion passed by a roll call vote.

Reports

South Dakota Division of Banking – Report from Examination

A motion was made by Don Kettering and seconded by Sharon Casey to accept the exam as presented.

Motion passed by a roll call vote

Old Business

Brown County, City of Mitchell and Sully County

A motion was made by Pat Prostrollo and seconded by Sharon Casey to approve extending the grant agreement date to June 30, 2019.

Motion passed by a roll call vote.

Otter Tail Power Company

A motion was made by Tom Jones and seconded by Dale Clement to approve extending the construction commencement date to May 2019.

Motion passed by a roll call vote.

Ringneck Energy & Feed, LLC

A motion was made by Ted Husted and seconded by Pat Prostrollo to approve an extension of the Grant Agreement to May 31, 2019.

Motion passed by a roll call vote.

New Business

R&R Holdings, LLC

A motion was made by Mike Luken and seconded by Don Kettering to approve the waiver for a loan over \$1,000,000 and a loan request from R&R Holdings, LLC in the amount of \$1,278,000. Secured by a shared first position on the real estate, cross collateralized with the current mortgage, an assignment of lease and rents and the personal guaranty 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.

Adjourn

A motion was made by Dale Clement and seconded by Pat Prostrollo to adjourn the meeting at 10:09 a.m.

Motion passed by a roll call vote.

Dale Clement, Secretary or Matt Judson, Treasurer