

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
WEDNESDAY, MAY 15, 2024, 10:00 A.M., CT**

Members Present

Chairman Jeff Erickson, Don Kettering, Matt Judson, Sharon Casey, Mike Luken, Tom Jones, Reed Kessler, Joy Nelson, Eric Yunag, Kevin Tetzlaff, David Emery, Craig Christianson, Brad Moore and Kameron Nelson

Staff Present

Deputy Commissioner Jesse Fonkert, Travis Dovre, Ashley Moore, Jack Valentine, Stephanie Deyo, Lexxy Phillips, Nick Rabern, Nadine Agneau, Joe Fiala and Adam Molseed

Other Staff Present

Mike Bietz and Shawn Hofer – BankWest, Inc.

Others Present

Bob Mercer - Keloland

Call to Order

Chairman Erickson called the meeting to order at 10:00 a.m.

Agenda

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

Motion passed by a voice vote.

Minutes

A motion was made by Mike Luken and seconded by Kevin Tetzlaff to approve the minutes of the meetings held April 9, 2024 and April 29, 2024, as presented.

Motion passed by a voice vote.

Conflicts Disclosure

Chairman Erickson opened the floor for board members to identify potential conflicts under SDCL Chapter 3-23. Jeff Erickson declared a potential conflict with Borns Group, Inc. as he is on the Board of Directors for American Bank and Trust and would not partake in the discussion or vote on the project. Joy Nelson declared a potential conflict with Borns Group, Inc. as she is on the Board of Directors for American Bank and Trust and would not partake in the discussion or vote on the project. Mike Luken declared a potential conflict with Borns Group, Inc. as he is related to the borrower and would not partake in the discussion or vote on the project. The Chairman opened up the floor for questions and discussion concerning the potential conflicts; there were none from the board members and no objection to proceeding with the agenda.

Public Comments – none

Executive Session

A motion was made by Joy Nelson and seconded by Don Kettering to enter into Executive Session at 10:10 a.m. to discuss contractual matters, and to discuss commercial and financial information relating to loan and other assistance applicants. SDCL 1-16G-11

Motion passed by a voice vote.

Executive Session Report

The Chairman declared the board out of Executive Session at 10:23 a.m. The Chairman reported that the Board of Economic Development entered into Executive Session to discuss contract matters, 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 Brad Moore to approve the Chairman's report from Executive Session.

Motion passed by a voice vote.

Old Business

Engineered Concrete Products, LLC

A motion was made by Sharon Casey and seconded by Joy Nelson to approve a commitment extension to November 10, 2024, as presented.

Motion passed by a voice vote.

TTL Holdings, LLC

A motion was made by Don Kettering and seconded by Mike Luken to approve a commitment extension to November 10, 2024, as presented.

Motion passed by a voice vote.

Gus Stop 8

A motion was made by Tom Jones and seconded by Sharon Casey to approve changing the SD Works borrower from Gus Stop 8 to GF Buche Co., as presented.

Motion passed by a voice vote.

New Business

Borns Group, Inc.

A motion was made by Matt Judson and seconded by Craig Christianson to approve a SD Works loan request from Borns Group, Inc. in the amount of \$530,000. Secured by a sole second position on inventory, the personal guarantees from principals with 10% or more ownership and a corporate guaranty.

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 voice vote with Jeff Erickson, Joy Nelson and Mike Luken abstaining.

DAP, LLC

A motion was made by Kevin Tetzlaff and seconded by David Emery to approve a SD Works loan request from DAP, LLC in the amount of \$982,519. Secured by a sole 2nd lien position on assets, the personal guarantees from principals with 10% or more ownership and a corporate guaranty.

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 voice vote.

DAP, LLC

A motion was made by Don Kettering and seconded by Craig Christianson to approve a waiver of a loan over \$1,000,000 and approve a REDI loan request from DAP, LLC in the amount of \$1,965,038. Secured by a 1st lien position on assets, the personal guarantees from principals with 10% or more ownership and a corporate guaranty.

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 voice vote.

Adjourn

A motion was made by Joy Nelson and seconded by Mike Luken to adjourn the meeting at 10:32 a.m.

Motion passed by a voice vote.

Matt Judson, Treasurer