

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
WEDNESDAY, JUNE 10, 2020, 10:00 A.M. CT**

Members Present

Chairman Jeff Erickson, Matt Judson, Sharon Casey, Mike Luken, Ted Husted, Don Kettering, Tom Jones, Reed Kessler, Joy Nelson, Eric Yunag, Pat Burchill, Kevin Tetzlaff, David Emery and Kris Langer

Staff Present

Deputy Commissioner Mary Lehecka Nelson, Cassie Stoesser, Ashley Moore, LaJena Gruis, Cassidy Kulesa, Terri LaBrie and Joe Fiala

Other Staff Present

Andrew Coppersmith and Mike Bietz - BankWest, Inc.

Call to Order

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

Agenda

A motion was made by Matt Judson and seconded by Eric Yunag to approve the agenda as presented.

Motion passed by a roll call vote.

Minutes

A motion was made by Pat Burchill and seconded by Sharon Casey to approve the minutes of the meetings held May 13, 2020, May 26, 2020 and June 1, 2020, 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 David Emery and seconded by Mike Luken to enter into executive session at 10:08 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 10:32 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 Joy Nelson and seconded by Don Kettering to approve the Chairman's report from executive session.

Motion passed by a roll call vote.

Grant Reviews

Local Infrastructure Improvement Program (City of Huron and Sioux Falls Development Corporation) and Reinvestment Payment Program (Otter Tail Power)

A motion was made by Pat Burchill and seconded by Ted Husted to approve the grant reviews as recommended by staff and Grant Committee.

Old Business

Watertown Development Company/Comprehensive Logistics Co., LLC

A motion was made by Mike Luken and seconded by Don Kettering to approve a commitment extension to October 1, 2020.

Motion passed by a roll call vote.

New Business

WYTEC, LLC

A motion was made by Sharon Casey and seconded by David Emery to approve a waiver for a loan over \$1,000,000 and a loan request from WYTEC, LLC in the amount of \$3,000,000.

Secured by a shared first collateral position on all new equipment purchased, a second collateral position on real estate, the personal guaranty of 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 roll call vote.

Local Infrastructure Improvement Program

Deadwood-Lead Economic Development Corporation

A motion was made by Joy Nelson and seconded by Pat Burchill to approve as recommended by staff and Grant Committee.

Deadwood-Lead Economic Development Corporation

Approve a Local Infrastructure Improvement grant award to Deadwood-Lead Economic Development Corporation in the amount of \$9,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

Motion passed by a roll call vote.

Reinvestment Payment Program

Royal Canin US

A motion was made by Don Kettering and seconded by Eric Yunag to approve the Reinvestment Payment Program grant application to Royal Canin US as recommended by staff.

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 \$441,000 but not to exceed 20 percent of State Sales/Use Tax paid on eligible project costs, is approved for Royal Canin US. 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.

Bills

A motion was made by Mike Luken and seconded by Pat Burchill to approve the bill payable to Factual Data in the amount of \$3,143.25 for Credit Reports.

Adjourn

The Chairman adjourned the meeting at 10:50 a.m.

Matt Judson, Treasurer

DRAFT