

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, DECEMBER 11, 2019, 10:00 A.M. CT**

Members Present

Chairman Jeff Erickson, Matt Judson, Sharon Casey, Mike Luken, Ted Husted, Tom Jones, Joy Nelson, Pat Burchill, Kevin Tetzlaff, David Emery and Craig Kennedy

Staff Present

Commissioner Steve Westra, Deputy Commissioner Mary Lehecka Nelson, Joe Fiala, Ashley Moore, LaJena Gruis, Cassidy Kulesa, Terri LaBrie and Dale Knapp

Other Staff Present

Andrew Coppersmith and Mike Bietz - BankWest, Inc.

Others Present

Bob Mercer - Keloland

Call to Order

Chairman Erickson called the meeting to order at 10:01 a.m.

Agenda

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

Motion passed by a roll call vote.

Minutes

A motion was made by Pat Burchill and seconded by Ted Husted to approve the minutes of the meetings held November 13, 2019 and November 25, 2019, as presented.

Motion passed by a roll call vote with David Emery abstaining.

Conflicts Disclosure

Chairman Erickson opened the floor for board members to identify potential conflicts under SDCL Chapter 3-23. Mike Luken declared a potential conflict with Watertown Development Company as he serves on the Watertown Municipal Utilities Board. 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.

Public Comments – none

Executive Session

A motion was made by Joy Nelson and seconded by Mike Luken to enter into executive session at 10:11 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 10:55 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 Sharon Casey and seconded by Kevin Tetzlaff to approve the Chairman's report from executive session.  
Motion passed by a roll call vote.

#### Grant Reviews

##### Reinvestment Payment Program (3M Aberdeen and Terex South Dakota, Inc.) and South Dakota Jobs Program (Forest Products Distributors, Inc.)

A motion was made by Matt Judson and seconded by Pat Burchill to approve the grant reviews as recommended by staff and Grant Committee.  
Motion passed by a roll call vote.

#### Loan Reviews

##### PEDCO/Puris and Vermillion Area Chamber of Commerce and Development Company

A motion was made by Matt Judson and seconded by Joy Nelson to approve the loan reviews and recommendations as presented.  
Motion passed by a roll call vote.

#### Old Business

##### Ag Processing, Inc.

A motion was made by Sharon Casey and seconded by Pat Burchill to approve extending the construction commencement date to September 30, 2020.  
Motion passed by a roll call vote.

##### Lincoln Clean Energy, LLC

A motion was made by Mike Luken and seconded by Tom Jones to approve changing the project owner to Willow Creek Wind Power, LLC.  
Motion passed by a roll call vote.

#### New Business

##### Local Infrastructure Improvement Program

##### Watertown Development Company

A motion was made by Kevin Tetzlaff and seconded by Pat Burchill to approve the Local Infrastructure Improvement Program grant application to Watertown Development Company as recommended by staff and Grant Committee.

Approve a Local Infrastructure Improvement grant award to Watertown Development Company in the amount of \$385,961 not to exceed 50% of total project, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.  
Motion passed by a roll call vote with Mike Luken abstaining.

##### Reinvestment Payment Program

##### Riverview, LLP

A motion was made by Joy Nelson and seconded by David Emery to approve the Reinvestment Payment Program grant application to Riverview, LLP 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 \$1,302,278 but not to exceed the State Sales/Use Tax paid on eligible project costs, is approved for Riverview, LLP. 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.

#### Tatanka Ridge Wind, LLC

A motion was made by Pat Burchill and seconded by Ted Husted to approve the Reinvestment Payment Program grant application to Tatanka Ridge Wind, LLC 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 \$2,966,507 but not to exceed 50% percent of State Sales/Use Tax paid on eligible project costs, is approved for Tatanka Ridge Wind, 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.

#### Triple H Wind Project, LLC

A motion was made by Kevin Tetzlaff and seconded by Mike Luken to approve the Reinvestment Payment Program grant application to Triple H Wind Project, LLC 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 \$4,828,058 but not to exceed 50% percent of State Sales/Use Tax paid on eligible project costs, is approved for Triple H Wind Project, 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.

#### South Dakota Jobs Program

##### Leaning Oak

A motion was made by Pat Burchill and seconded by Mike Luken to approve the South Dakota Jobs Grant application to Leaning Oak as recommended by staff.

Having considered the applicable factors and the likelihood the project would not occur in South Dakota without a grant, a South Dakota Jobs grant in the amount of \$217,926, but not to exceed the State Sales and Use Tax paid on eligible costs, is approved for

Leaning Oak. The project as completed must be substantially similar to the project described in the application and must comply with the applicable deadlines and requirements set forth in statute and administrative rule.  
Motion passed by a roll call vote.

Bills

A motion was made by Matt Judson and seconded by Joy Nelson to approve the bills payable to Department of Legislative Audit in the amount of \$7,344.75 for the REDI Audit and BMI/Portfol in the amount of \$8,325.00.  
Motion passed by a roll call vote.

Adjourn

The Chairman adjourned the meeting at 11:05 a.m.

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Matt Judson, Treasurer