

**SOUTH DAKOTA
VALUE ADDED FINANCE AUTHORITY
MINUTES OF THE MEETING
JUNE 27, 2019**

The South Dakota Value Added Finance Authority (VAFA) board held its regularly scheduled meeting on Thursday, June 27, 2019, at the SDDA Conference Room, Third Floor, Foss Building, 523 East Capitol Avenue, Pierre, South Dakota and via teleconference.

Board Members Present:

Bob Hull, Chairman
Mark Gross, Vice Chairman
Jim Doolittle
Nathan Jensen
Marcia Hendrickson
Chuck Jepson
Jim Schmidt

Board Members Absent:

Staff Present:

Terri LaBrie, Ashley Moore and Cassie Stoesser

Others Present:

Bob Mercer, Keloland
Cheri Rath, Value Added Center

Michael Crinion, Global Dairy LP
Walt Wendland, Ringneck Energy, LLC

Call to Order: Chairman Hull opened the meeting at 8:01 a.m. CT and asked for roll call. A quorum was present.

Agenda: Chairman Hull asked for any additions to the agenda. CLR 2015.01.AG was withdrawn from the agenda.

A motion to approve the agenda was made by Jim Schmidt and seconded by Jim Doolittle. Motion passed by unanimous roll call vote.

Conflict of Interest: Chairman Hull asked for any conflicts of interest. None were mentioned.

Minutes: A motion to approve the minutes dated May 30, 2019 was made by Jim Doolittle and seconded by Chuck Jepson. Motion passed by unanimous roll call vote.

Application Fee: A motion to approve the application fee for the Value Added Sub Fund for FY20 at \$0 was made by Jim Schmidt and seconded by Marcia Hendrickson. Motion passed by a unanimous roll call vote.

Global Dairy 2014-01-AG: Ms. LaBrie informed the board Global Dairy is requesting no payments until the fall when they intend to pay off the loan. Michael Crinion from Global Dairy LP was on the line to provide the board with an update on the progress with Dynamic and requested repayment in December 2019. Cheri Rath from the Value Added Center was on the line to let the board know she has been working with Michael in this process. Ms. LaBrie recommended the board give a six month extension and modify the loan agreement.

A motion to approve staff recommendation was made by Nathan Jensen and seconded by Chuck Jepson.
Motion passed by unanimous roll call vote.

CLR 2015-01-AG: CLR withdrew request.

Ringneck Energy, LLC 2014-03-AG: Ms. LaBrie informed the board Ringneck Energy, LLC is requesting to assume the debt of Walt Wendland and Chris Schwarck. Walt Wendland was on the line to provide an update on the project and inform the board they are up and operational. Ms. LaBrie recommended Ringneck Energy begin repayment and asked the board to approve a modification to the loan agreement to assign the debt of Walt Wendland and Chris Schwarck to Ringneck Energy, LLC to make all three parties liable as well extend the maturity date. A motion to approve staff recommendation was made by Chuck Jepson and seconded by Mark Gross.
Motion passed by unanimous roll call vote.

Tech V #2007.04.AG: Ms. LaBrie informed the board Tech V provided a monthly update on the project as approved during the May 2019 meeting. This is for informational purposes only and no action is needed.

Election of Officers for FY2019: Ms. LaBrie informed the board it's time to reelect officers and requested nominations.

A motion to re-appoint Bob Hull as Chairman and Mark Gross as Vice Chairman was made by Jim Doolittle and seconded by Jim Schmidt.
Motion Passed by unanimous roll call vote.

Executive Director Report: Ms. LaBrie reminded the board the Governor's Ag Summit is July 10th and 11th in Sioux Falls. A formal invitation was provided in the board packet. A status update on each of the VASF projects was also provided to the board.

The next VAFA meeting is scheduled for July 25, 2019 via teleconference.

A motion to adjourn was made by Mark Gross and seconded by Marcia Hendrickson.
Motion passed by unanimous roll call vote and the meeting adjourned at 8:26 a.m. CT.

Bob Hull, VAFA Chairman

Date