

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
WEDNESDAY, MAY 13, 2020, 10:00 A.M. CT**

Members Present

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

Staff Present

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

Other Staff Present

Andrew Coppersmith and Mike Bietz - BankWest, Inc.

Others Present

Bob Mercer – Keloland News
Julie Volk – NextEra Energy

Call to Order

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

Agenda

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

Motion passed by a roll call vote.

Minutes

A motion was made by Pat Burchill and seconded by Joy Nelson to approve the minutes of the meetings held April 8, 2020 and May 5, 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 Pat Burchill and seconded by Mike Luken to enter into executive session at 10:06 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 10:39 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 Pat Burchill and seconded by Sharon Casey to approve the Chairman's report from executive session.
Motion passed by a roll call vote.

Old Business

Turner County Dairy

A motion was made by Joy Nelson and seconded by Kevin Tetzlaff to approve changing the project owner to Dakota Line Dairy.
Motion passed by a roll call vote.

U.S. Foods, Inc.

A motion was made by Eric Yunag and seconded by David Emery to approve extending the construction commencement date to October 1, 2020.
Motion passed by a roll call vote.

New Business

Watertown Development Company/NT Sales and Leasing, Inc.

A motion was made by Pat Burchill and seconded by Mike Luken to approve a loan request from Watertown Development Company/NT Sales and Leasing, Inc. in the amount of \$219,725. Secured by a shared first position on the real estate.

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.

Reinvestment Payment Program

Crowned Ridge Wind II, LLC

A motion was made by Joy Nelson and seconded by Eric Yunag to approve the Reinvestment Payment Program grant application to Crowned Ridge Wind II, 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 \$3,977,193 but not to exceed 50% percent of State Sales/Use Tax paid on eligible project costs, is approved for Crowned Ridge Wind II, 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; provided, however, the construction date may not be later than July 1, 2020. 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

Jones & Klumb Family Farm, LLC, Mark Fuoss, Spink Hutterian Brethren Inc. – Barn 1
Spink Hutterian Brethren Inc. – Barn 2, Spink Hutterian Brethren Inc. – Nursery Barn and
Zimmerman Livestock, LLC

A motion was made by Don Kettering and seconded by Ted Husted to approve the South Dakota Jobs Program grants as recommended by staff.

Jones & Klumb Family Farm, LLC

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 \$24,865, but not to exceed the State Sales and Use Tax paid on eligible equipment costs during the first year of the project, is approved for Jones & Klumb Family Farm LLC. 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.

Mark Fuoss

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 \$22,503, but not to exceed the State Sales and Use Tax paid on eligible equipment costs during the first year of the project, is approved for Mark Fuoss. 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.

Spink Hutterian Brethren Inc. – Barn 1

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 \$33,592, but not to exceed the State Sales and Use Tax paid on eligible equipment costs during the first year of the project, is approved for Spink Hutterian Brethren, Inc. 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.

Spink Hutterian Brethren Inc. – Barn 2

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 \$33,592, but not to exceed the State Sales and Use Tax paid on eligible equipment costs during the first year of the project, is approved for Spink Hutterian Brethren, Inc. 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.

Spink Hutterian Brethren Inc. – Nursery Barn

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 \$44,842, but not to exceed the State Sales and Use Tax paid on eligible equipment costs during the first year of the project, is approved for Spink Hutterian Brethren, Inc. 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.

Zimmerman Livestock, LLC

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 \$71,756, but not to exceed the State Sales and Use Tax paid on eligible equipment costs during the first year of the project, is approved for Zimmerman Livestock, LLC. 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.

Adjourn

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

A handwritten signature in black ink, appearing to read "Matt Judson", written over a horizontal line.

Matt Judson, Treasurer