

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, MAY 3, 2026, 10:00 A.M., CT**

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**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, MAY 13, 2026, 10:00 A.M., CT**

**Board  
Members:**

**Jeff Erickson**

**Matt Judson**

**Sharon  
Casey**

**Mike Luken**

**Don  
Kettering**

**Tom Jones**

**Reed Kessler**

**Joy Nelson**

**Kevin  
Tetzlaff**

**David Emery**

**Craig  
Christianson**

**Brad Moore**

**Jim Schmidt**

**Non-Voting**

**Senator Tim  
Reed**

**Representative  
Erik Muckey**

**Senator Liz  
Larson**

**Representative  
Spencer  
Gosch**

**Motion Sheet**

(STAFF RECOMMENDATIONS)

**Agenda**

Motion to approve the agenda as presented.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Conflicts of Interest Disclosures**

**Minutes**

Motion to approve the minutes of the meetings held April 8, 2026 and May 4, 2026, as presented.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Public Comments**

**Casey Peterson, LTD Accounting Contracts**

Motion to approve the Casey Peterson, LTD accounting contracts for REDI and SD Works as presented.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Local Infrastructure Improvement Program**

Motion to approve the revised Local Infrastructure Improvement Program application and grant agreement as presented.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Commissioner's Comments**

**Executive Session**

Motion to enter into executive session per SDCL 1-16G-11 to review and discuss trade secrets or commercial and financial information relating to loan and other assistance to applicants and/or borrowers.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Chairman: The Chairman declared the board out of executive session at [        a.m.].**

**Chairman: The BED entered into executive session to review and discuss trade secrets or commercial and financial information relating to loan and other assistance to applicants and/or borrowers.**

Please note times:

Call To Order: \_\_\_\_\_

Executive  
Session \_\_\_\_\_

Regular Session \_\_\_\_\_

Adjournment \_\_\_\_\_

**Motion to approve the chairman's report from executive session.**

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Old Business**

**North Sioux City Economic Development Corporation**

Motion to approve the collateral swap and recommendations as presented.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**New Business**

**DeSCo Architectural, Inc.**

Motion to approve a SD Works loan request from DeSCo Architectural, Inc. in the amount of \$400,000. Secured by a sole second lien position on all business assets, a sole second real estate mortgage on both properties, the guaranty of principals with 10% or more ownership pr beneficial interest 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 made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Lemmon IGA**

Motion to approve a SD Works loan request from Lemmon IGA the amount of \$550,000. Secured by a sole second lien position on financed assets and the personal guaranties from principals with 10% or more ownership.

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 made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Bills**

Motion to approve the bill payable to Department of Legislative Audit in the amount of \$44,934.40.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Adjourn**

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

A



Notice is further given to persons with disabilities that this meeting is being held in a physically accessible place. Please notify the above mentioned office within 48 hours of the public hearing if you have special needs for which this agency will make the necessary arrangements.

B

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, APRIL 8, 2026, 10:00 A.M., CT**

Members Present

Chairman Jeff Erickson, Don Kettering, Sharon Casey, Mike Luken, Tom Jones, Reed Kessler, Joy Nelson, Kevin Tetzlaff, David Emery, Craig Christianson, Brad Moore, Jim Schmidt, Tim Reed and Liz Larson

Staff Present

Jack Valentine, Ashley Moore, Nick Rabern, Brittany Eddy, Allison Kiner, Steph Deyo, Brandin Seibel, Dale Knapp, Bill Wendling and Curtis Egan

Other Staff Present

Mike Bietz, Shawn Hofer, Megan Briggs and Erin Barnes– BankWest, Inc.

Others Present

Meghan O'Brien - South Dakota Searchlight  
Bob Mercer – Keloland News

Call to Order

Chairman Erickson called the meeting to order at 10:00 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 voice vote.

Conflicts Disclosure

Chairman Erickson opened the floor for board members to identify potential conflicts under SDCL Chapter 3-23. Kevin Tetzlaff declared a potential conflict with High Plains Processing, LLC due to banking relations 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.

Minutes

A motion was made by Don Kettering and seconded by Joy Nelson to approve the minutes of the meetings held March 11, 2026 and March 30, 2026, as presented.

Motion passed by a voice vote.

Public Comments – none

Money Transfer

A motion was made by David Emery and seconded by Don Kettering to approve the money transfer as presented.

Motion passed by a voice vote.

### Executive Session

A motion was made by Jim Schmidt and seconded by Brad Moore to enter into Executive Session at 10:12 a.m. per SDCL 1-16G-11 to review and discuss trade secrets or commercial and financial information relating to loan and other assistance to applicants and/or borrowers. Motion passed by a voice vote.

### Executive Session Report

The Chairman declared the board out of Executive Session at 10:35 a.m. The Chairman reported that the Board of Economic Development entered into Executive Session to review and discuss trade secrets or commercial and financial information relating to loan and other assistance to applicants and/or borrowers. No action was taken.

A motion was made by Jim Schmidt and seconded by Brad Moore to approve the Chairman's report from Executive Session. Motion passed by a voice vote.

### Old Business

#### High Plains Processing, LLC

A motion was made by Mike Luken and seconded by Brad Moore to approve increasing the award amount to \$9,348,428 as presented. Motion passed by a voice vote with Kevin Tetzlaff abstaining from the vote and discussion.

### New Business

#### Reinvestment Payment Program

##### Agropur, Inc.

A motion was made by Craig Christianson and seconded by Tom Jones to approve the Reinvestment Payment Program grant application of Agropur, Inc. up to \$835,953 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 up to \$835,953 but not to exceed 50% of the amount of the actual State Sales/Use Tax paid on eligible project costs not to exceed \$65,267,030, is approved for Agropur Inc. 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 voice vote

### Adjourn

A motion was made by Mike Luken and seconded by Jim Schmidt to adjourn the meeting at 10:38 a.m. Motion passed by a voice vote.

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Matt Judson, Treasurer

**CREDIT COMMITTEE**  
**GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD**  
**MONDAY, MAY 4, 2026, 11:00 A.M. CT**

Members Present

Chairman Jeff Erickson, Don Kettering, Reed Kessler, Matt Judson and Craig Christianson

Staff Present

Jack Valentine, Ashley Moore, Nick Rabern, Brittany Eddy, Allison Kiner, Brandin Seibel, Sheldon Jensen, Curtis Egan, Laure Swanson and Bill Wendling

Other's Present

Mike Bietz, Shawn Hofer, Andy Hubbard, Erin Barnes and Megan Briggs – BankWest, Inc.

Call to Order

Chairman Erickson called the meeting to order at 11:02 a.m.

Agenda

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

Motion passed by a voice vote.

Conflicts Disclosure

Conflicts Disclosure – Chairman Erickson opened the floor for board members to identify potential conflicts under SDCL Chapter 3-23. Matt Judson declared a potential conflict with DeSCo Architectural, Inc. due to banking relations, and he 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 Reed Kessler and seconded by Craig Christianson to enter into Executive Session at 11:04 a.m. per SDCL 1-16G-11 to review and discuss trade secrets or commercial or financial information related to applicants and/or borrowers.

Motion passed by a voice vote.

Executive Session Report

The Chairman declared the Credit Committee out of Executive Session at 11:28 a.m. The Chairman reported that the Board of Economic Development Credit Committee entered into Executive Session to review and discuss trade secrets or commercial and financial information relating to loan and other assistance to applicants and/or borrowers. No action was taken.

A motion was made by Matt Judson and seconded by Don Kettering to approve the Chairman's report from executive session.

Motion passed by a voice vote.

Old Business

North Sioux City Economic Development Corporation

Credit Committee recommends to the Board approving the collateral swap and recommendations as presented.

A motion was made by Don Kettering and seconded by Craig Christianson.

Motion passed by a voice vote.

New Business

DeSCo Architectural, Inc.

Credit Committee recommends to the Board approving the SD Works application as presented.

A motion was made by Don Kettering and seconded by Craig Christianson.

Motion passed by a voice vote with Matt Judson abstaining.

Lemmon IGA

Credit Committee recommends to the Board approving the SD Works application as presented.

A motion was made by Reed Kessler and seconded by Don Kettering.

Motion passed by a voice vote.

Adjourn

A motion was made by Don Kettering and seconded by Craig Christianson to adjourn the meeting at 11:35 a.m.

Motion passed by a voice vote.

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Matt Judson, Treasurer

C

January 29, 2026

To Management  
Governor's Office of Economic Development  
South Dakota Board of Economic Development Revolving Economic Development Initiative  
711 East Wells Avenue  
Pierre, South Dakota 57501

You have requested that we prepare the monthly financial statements of the Governor's Office of Economic Development - South Dakota Board of Economic Development Revolving Economic Development Initiative (the Organization) during the year ended **June 30, 2027**, which comprise the statements of net position and the related statements of revenues, expenses, and changes in net position and cash flows. As you have requested, the monthly financial statements will not include the related notes to the financial statements as required by accounting principles generally accepted in the United States of America.

You have requested that we prepare the annual financial statements of the Organization which comprise the statement of net position as of **June 30, 2026**, and the related statements of revenues, expenses, and changes in net position, and cash flows and the related notes to the financial statements for the year then ended as required by accounting principles generally accepted in the United States of America.

We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter.

### **Our Responsibilities**

The objective of our engagement is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you. We will conduct our engagement in accordance with Statements on Standards for Accounting and Review Services (SSARSs) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's *Code of Professional Conduct*, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

### **Management Responsibilities**

The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America. Management has the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your financial statements in accordance with SSARSs:

- a) The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements.

- b) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- c) The prevention and detection of fraud.
- d) To ensure that the entity complies with the laws and regulations applicable to its activities.
- e) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- f) To provide us with:
  - i. Access to all information of which you are aware that is relevant to the preparation and presentation of the financial statements, such as records, documentation, and other matters;
  - ii. Additional information that may be requested for the purpose of the preparation of the financial statements; and
  - iii. Unrestricted access to persons within the Organization with whom we determine necessary to communicate.

The financial statements will not be accompanied by a report. However, you agree that the financial statements will clearly indicate that no assurance is provided on them.

### **Other Relevant Information**

As part of our engagement, we will also:

- Propose adjusting or correcting journal entries to be reviewed and approved by the Organization's management.
- Consult management on the implementation of new accounting standards.

With respect to any nonattest services we perform:

- We will not assume management responsibilities on behalf of the Organization. However, we will provide advice and recommendations to assist management in performing its responsibilities.
- The Organization's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.
- Our responsibilities and limitations of the nonattest services are as follows:
  - We will perform the services in accordance with the AICPA's *Code of Professional Conduct*.
  - This engagement is limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

Deidre Budahl, CPA is the engagement partner for the services specified in this letter. Her responsibilities include supervising Casey Peterson, LTD's services performed as part of this engagement.

This engagement will be effective upon signing and will end on **June 30, 2027**, unless sooner terminated pursuant to the terms herein. Our fee for these services will be based on the number of hours required by the staff assigned to complete the engagement. The firm's partners will bill at a rate of \$300 per hour; non-partner staff will bill at a rate of \$185 per hour. The total contract amount for this engagement will not exceed \$49,500 for the year ended **June 30, 2027**. Our invoices for these services will be rendered as work progresses and are payable consistent with SDCL ch. 5-26 (the "Prompt Payment Act"). The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during our engagement. If significant additional time is necessary, we will discuss it with you before we incur the additional costs.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible for maintaining such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

In connection with this engagement, we may communicate with you or others via personal fax or email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for the interception or unintentional disclosure or communication of email transmissions, or for the unauthorized use or failed delivery of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We want you to be aware of our record retention policy with respect to your files and related documentation. Based on our present policies, we will maintain this information in electronic format for seven years after which it will be destroyed. We may modify our record retention policies from time to time in accordance with our professional obligations. It is, therefore, important for you to keep copies of your reports and related supporting data in your files.

We will be pleased to discuss this letter with you at any time. If you request us to perform additional services not contemplated or described in this engagement letter, we will provide you with a separate agreement describing those additional services and fees.

Please sign and return this letter and addendum to indicate your acknowledgement of, and agreement with, the arrangements for our engagement to prepare the financial statements described herein, and our respective responsibilities.

Respectfully,

Deidre Budahl, CPA  
Authorized Signer for Casey Peterson, LTD  
Rapid City, South Dakota

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the Governor's Office of Economic Development - South Dakota  
Board of Economic Development Revolving Economic Development Initiative by:

Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

## **ADDENDUM TO ENGAGEMENT LETTER**

For purposes of this Addendum "Contractor" refers to Casey Peterson, LTD; "State" refers to the Governor's Office of Economic Development, an agency of the State of South Dakota. In the event of a conflict between the terms of this Addendum and the Engagement Letter, this Addendum shall control.

1. **USE OF EQUIPMENT, SUPPLIES AND FACILITIES:** Contractor will not use State equipment, supplies or facilities.

2. **CONTRACTOR IDENTIFICATION:**

Upon execution of this Agreement, Contractor will provide the State with Contractor's Employer Identification Number, Federal Tax Identification Number or Social Security Number.

3. **INDEMNIFICATION:**

Contractor agrees to indemnify the State of South Dakota, its officers, agents, and employees, from and against all claims or proceedings for actions, suits, damages, liabilities, other losses or equitable relief that may arise at least in part as a result of an act or omission in performing services under this Agreement. Contractor shall defend the State of South Dakota, its officers, agents, and employees against any claim, including any claim, action, suit, or other proceeding related to the claim. Contractor's obligation to indemnify includes the payment of attorney fees and other costs of defense. In defending the State of South Dakota, its officers, agents, and employees, Contractor shall engage other professionals, subject to the written approval of the State which shall not be unreasonably withheld. Notwithstanding the foregoing, the State may, in its sole discretion and at the expense of Contractor, engage attorneys and other professionals to defend the State of South Dakota, its officers, agents, and employees, or to assist Contractor in the defense. This section does not require Contractor to be responsible for or defend against claims or proceedings for damages, liabilities, losses or equitable relief arising solely from errors or omissions of the State, its officers, agents or employees.

4. **INSURANCE:**

At all times during the term of this Agreement, Contractor shall obtain and maintain in force insurance coverage of the types and with the limits as follows:

A. **Commercial General Liability Insurance:**

Contractor shall maintain occurrence-based commercial general liability insurance or equivalent form of coverage with a limit of not less than one million dollars (\$1,000,000) for each occurrence. If such insurance contains a general aggregate limit it shall apply separately to this Agreement or be no less than two times the occurrence limit. The insurance policy shall name the State of South Dakota, its officers and employees, as additional insureds, but liability coverage is limited to claims not barred by sovereign immunity. The State of South Dakota, its officers and employees do not hereby waive sovereign immunity for discretionary conduct as provided by law.

B. **Professional Liability Insurance or Miscellaneous Professional Liability Insurance:**

Contractor agrees to procure and maintain professional liability insurance or miscellaneous professional liability insurance with a limit not less than one million dollars (\$1,000,000). The insurance policy shall name the State of South Dakota, its officers and employees, as additional insureds but liability coverage is limited to claims not barred by sovereign immunity. The State of South Dakota, its officers and employees do not hereby waive sovereign immunity for discretionary conduct as provided by law.

Contractor shall furnish the State with properly executed Certificates of Insurance which shall clearly evidence all insurance required in this Agreement including naming the State, its officers and employees, as additional insureds, as set forth above. In the event of a substantial change in insurance, issuance of a new policy, cancellation or nonrenewal of the policy, Contractor agrees to provide immediate notice to the State and provide a new certificate of insurance showing continuous coverage in the amounts required. Contractor shall furnish copies of insurance policies if requested by the State.

5. TERMINATION:

This Agreement may be terminated by either party hereto upon thirty (30) days written notice. In the event Contractor breaches any of the terms or conditions hereof, this Agreement may be terminated by the State at any time with or without notice. If termination for a breach is affected by the State, any payments due to Contractor at the time of termination may be adjusted to cover any additional costs to the State because of Contractor's breach. Upon termination the State may take over the work and may award another party a contract to complete the work contemplated by this Agreement. If after the State terminates for a breach by Contractor it is determined that Contractor was not at fault, then Contractor shall be paid for eligible services rendered and expenses incurred up to the date of termination.

6. FUNDING:

This Agreement depends upon the continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement will be terminated by the State upon five (5) business days written notice. Contractor agrees that termination for any of these reasons is not a default by the State nor does it give rise to a claim against the State or any officer, agent or employee of the State, and Contractor waives any claim against the same.

7. COMPLIANCE WITH EXECUTIVE ORDERS 2023-02:

Contractor certifies and agrees that the following information is correct:

In preparing its response or offer or in considering proposals submitted from qualified, potential vendors, suppliers, and subcontractors, or in the solicitation, selection, or commercial treatment of any vendor, supplier, or subcontractor, Contractor is not an entity, regardless of its principal place of business, that is ultimately owned or controlled, directly or indirectly, by a foreign national, a foreign parent entity, or foreign government from China, Iran, North Korea, Russia, Cuba, or Venezuela, as defined by South Dakota Executive Order 2023-02.

Contractor further agrees that, if this certification is false, such false certification will constitute grounds for the State to terminate this Agreement. Contractor further agrees to provide immediate written notice to the State if during the term of this Agreement it no longer complies with this certification and agrees such noncompliance may be grounds for termination of this Agreement.

8. NOTICE:

Any notice or other communication required under this Agreement shall be in writing and sent to the address set forth above. Notices shall be given by and to Katlyn Svenden, on behalf of the State, and by and to Katie Murphy, on behalf of Contractor, or such authorized designees as either party may from time to time designate in writing. Notices or communications to or between the parties shall be deemed to have been delivered when mailed by first class mail, provided that notice of default or termination shall be sent by registered or certified mail, or, if personally delivered, when received by such party.

9. CONTROLLING LAW AND VENUE:

This Agreement shall be governed by and construed in accordance with the laws of the State of South Dakota, without regard to any conflicts of law principles, decisional law, or statutory provision which would require or permit the application of another jurisdiction's substantive law. Venue for any lawsuit pertaining to or affecting this Agreement shall be in the Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota.

10. INDEPENDENT CONTRACTOR:

While performing services hereunder, Contractor is an independent contractor and not an officer, agent, or employee of the State of South Dakota.

11. THIRD PARTY BENEFICIARIES:

This Agreement is intended to govern only the rights and interests of the parties named herein. It is not intended to create, does not and may not be relied upon to create, any rights, substantive or procedural, enforceable at law by any third party in any matters, civil or criminal.

12. ASSIGNMENT AND AMENDMENT:

This Agreement may not be assigned without the express prior written consent of the State. This Agreement may not be amended except in writing, which writing shall be expressly identified as a part hereof and be signed by an authorized representative of each of the parties hereto.

13. COMPLIANCE:

Contractor will comply in full with all federal, tribal, state and local laws, regulations, ordinances, guidelines, permits, requirements and other standards applicable to the services provided under this Agreement and will be solely responsible for obtaining current information regarding the foregoing. Nothing herein shall constitute a waiver by the State to any defense to jurisdiction nor shall anything herein constitute an acknowledgement by the State that any tribe has or exercises any jurisdiction over this Agreement or the parties.

14. REPORTING:

Contractor agrees to report to the State any event encountered in the course of performance of this Agreement which results in an injury to any person or property, or which may otherwise subject Contractor, or the State of South Dakota or its officers, agents or employees to liability. Contractor shall report any such event to the State immediately upon discovery.

Contractor's obligation under this section shall only be to report the occurrence of any event to the State and to make any other report provided for by their duties or applicable law. Contractor's obligation to report shall not require disclosure of any information subject to privilege or confidentiality under law (e.g., attorney-client communications). Reporting to the State under this section shall not excuse or satisfy any obligation of Contractor to report any event to law enforcement or other entities under the requirements of any applicable law.

15. SUBCONTRACTING:

Contractor may not use subcontractors to perform the services described herein without the express prior written consent of the State. Contractor will include provisions in its subcontracts requiring its subcontractors to comply with the applicable provisions of this Agreement, to indemnify the State, and to provide insurance coverage in a manner consistent with this Agreement. Contractor will cause its subcontractors, agents, and employees to comply with applicable federal, tribal, state, and local laws, regulations, ordinances, guidelines, permits and other standards and will adopt such review and inspection procedures as are necessary to assure such compliance. The State, at its option, may require the vetting of any subcontractors. Contractor shall assist in the vetting process.

16. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION:

By signing this Agreement, Contractor certifies that neither Contractor nor its principals are presently debarred, suspended, proposed for debarment or suspension, or declared ineligible from participating in transactions by the federal government or any state or local government department or agency. Contractor further agrees that it will immediately notify the State if during the term of this Agreement Contractor or its principals become subject to debarment, suspension or ineligibility from participating in transactions by the federal government, or by any state or local government department or agency.

17. STATE'S RIGHT TO REJECT:

The State reserves the right to reject any person from performing services under this Agreement who the State believes would be detrimental to the services, presents insufficient skills, presents inappropriate behavior or is considered by the State to be a security risk.

18. SEVERABILITY:

In the event that any court of competent jurisdiction shall hold any provision of this Agreement unenforceable or invalid, such holding shall not invalidate or render unenforceable any other provision hereof.

19. SUPERCESSION:

All other prior discussions, communications and representations concerning the subject matter of this Agreement are superseded by the terms of this Agreement, and except as specifically provided herein, this Agreement constitutes the entire agreement with respect to the subject matter hereof.

20. FORCE MAJEURE:

Notwithstanding anything in this Agreement to the contrary, neither party shall be liable for any delay or failure to perform under the terms and conditions of this Agreement, if the delay or failure is caused by war, terrorist attacks, riots, civil commotion, fire, flood, quarantine, epidemic, pandemic, earthquake or any act of God, or other causes beyond the party's reasonable control provided, however, that in order to be excused from delay or failure to perform, the party must act diligently to remedy the cause of such delay or failure and must give notice to the other party as provided in this Agreement as soon as reasonably possible of the length and cause of the delay in performance.

21. WAIVER OF BREACH:

The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision in this Agreement.

22. SOVEREIGN IMMUNITY:

Nothing in this Agreement is intended to constitute a waiver of sovereign immunity by or on behalf of the State of South Dakota, its agencies, officers or employees.

23. HEADINGS:

The headings in this Addendum are for convenience and reference only and shall not govern, limit, modify or in any manner affect the scope, meaning, or intent of the provisions of this Addendum.

24. AUTHORITY TO EXECUTE:

Contractor represents and warrants that:

- A. The execution, delivery and performance of this Agreement has been duly authorized by Contractor and no approval, authorization or consent of any governmental or regulatory agency is required to be obtained in order for Contractor to enter into this Agreement and perform its obligations under this Agreement;
- B. Contractor is duly authorized to conduct business in and is in good standing in each jurisdiction in which Contractor will conduct business in connection with this Agreement; and
- C. Contractor and its personnel have obtained all licenses, certifications, permits, and authorizations necessary to perform the services under this Agreement and currently are in good standing with all regulatory agencies that regulate any or all aspects of Contractor's performance of the services. Contractor will maintain all required certifications, licenses, permits, and authorizations during the term of this Agreement at its own expense.

25. DISCLOSURE OF THE CONTRACT:

Neither party shall disclose the contents of the Agreement except as required by applicable law or as necessary to carry out the terms of the Agreement or to enforce that party's rights under this Agreement. The Contractor acknowledges that the State of South Dakota and its agencies are public entities and thus are bound by South Dakota open meetings and open records laws. It is therefore not a breach of this Agreement for the State to take any action that the State reasonably believes is necessary to comply with the South Dakota open records or open meetings laws, including, without limitation, posting this Agreement on the website pursuant to SDCL 1-27-46. The Contractor agrees that the Agreement and any prices, fees and rates agreed to be paid by the State under the Agreement are not confidential.

26. SURVIVAL FOLLOWING TERMINATION:

Any terms of this Agreement that would, by their nature or through the express terms of this Agreement, survive the expiration or termination of this Agreement shall so survive.

27. CONFIDENTIALITY:

For the purpose of this Agreement, "Confidential Information" shall include all information, regardless of its format, disclosed to Contractor by the State and all information, regardless of its format, obtained by Contractor through the provisions of services as contemplated by this Agreement. Contractor, and any person or entity affiliated with Contractor shall not disclose any Confidential Information to any third person for any reason without the express written permission of a State officer or employee with authority to authorize the disclosure. Contractor, and any person or entity affiliated with Contractor shall not: (i) disclose any Confidential Information to any third person unless otherwise specifically allowed under this Agreement; (ii) make any use of Confidential Information except to exercise rights and perform obligations under this Agreement; (iii) make Confidential Information available to any of its employees, officers, agents or consultants except those who have agreed, by contract, to obligations of confidentiality at least as strict as those set out in this Agreement and who have a need to know such information and who have been instructed that such information is or may be confidential under state or federal law. Contractor, and any person or entity affiliated with Contractor is held to the same standard of care in guarding Confidential Information as it applies to its own confidential or proprietary information and materials of a similar nature, and no less than holding Confidential Information in the strictest confidence. Contractor, and any person or entity affiliated with Contractor shall protect the confidentiality of the State's information from the time of receipt to the time that such information is either returned to the State or destroyed to the extent that it cannot be recalled or reproduced.

Confidential Information shall not include information that: (i) was in the public domain at the time it was disclosed to Contractor or to any person or entity affiliated with Contractor; (ii) was known to Contractor, or to any person or entity affiliated with Contractor, without restriction at the time of disclosure from the State; (iii) was disclosed with the prior written approval of State's officers or employees having authority to disclose such information; (iv) was independently developed by Contractor, or by any person or entity affiliated with Contractor, without the benefit or influence of the State's information; or (v) becomes known to Contractor, or to any person or entity affiliated with Contractor, without restriction, from a source not connected to the State of South Dakota.

Confidential Information can include, but is not limited to, names, social security numbers, employer numbers, addresses and all other data about applicants, participants, employers or other clients to whom the State provides services of any kind. Contractor understands that this information may be confidential and protected under state or federal law. Contractor agrees to immediately notify the State if the information is disclosed, either intentionally or inadvertently.

If work assignments performed in the course of this Agreement require additional security requirements or clearance, Contractor agrees that its officers, agents and employees may be required to undergo investigation or may be required to sign separate confidentiality agreements, and it will limit access to the confidential information and related work activities to employees that have executed such agreements.

Contractor will enforce the terms of this Confidentiality Provision to its fullest extent.

Contractor agrees to remove any employee or agent from performing work under this Agreement that has or is suspected to have violated the terms of this Confidentiality Provision and to immediately notify the State of such matter.

Contractor will comply with any other confidentiality measures and terms included in the Agreement.

Upon termination of this Agreement, if not already done so as part of the services performed under the Agreement, Contractor agrees to return to the State, at Contractor's cost, any Confidential Information or documentation maintained by Contractor regarding the services provided hereunder in a format readily useable by the State as mutually agreed by Contractor and State.

## 28. WORK PRODUCTS:

Contractor hereby acknowledges and agrees that all reports, plans, specifications, technical data, miscellaneous drawings, software system programs and documentation, procedures, or files, operating instructions and procedures, source code(s) and documentation, including those necessary to upgrade and maintain the software program, and all information contained therein provided to the State by Contractor in connection with the performance of services under this Agreement shall belong to and is the property of the State and will not be used in any way by Contractor without the written consent of the State. Papers, reports, forms, software programs, source code(s) and other material which are a part of the work under this Agreement will not be copyrighted without written approval of the State.

29. CRIMINAL BACKGROUND CHECKS:

Pursuant to SDCL 5-18D-28, Contractor agrees that each person who has access to confidential information obtained from the United States Internal Revenue Service or an authorized secondary source pursuant to this Agreement shall submit to and successfully pass a state and federal criminal background investigation and submit to a fingerprint check by the South Dakota Division of Criminal Investigation and the Federal Bureau of Investigation before being granted access to any Confidential Information. The appointing authority shall submit the completed fingerprint card to the South Dakota Division of Criminal Investigation. Contractor shall be responsible for payment of any fee charged for the cost of fingerprinting and the criminal background investigation. If a disqualifying record is discovered, Contractor agrees that such individual will not have access to the Confidential Information obtained from the United States Internal Revenue Service or an authorized secondary source pursuant to this Agreement. The State shall have the sole discretion to determine whether a record is disqualifying and will immediately notify Contractor.

30. TRANSFER OF INFORMATION:

Upon termination of this Agreement (whether initiated by the State or Contractor) and following a written request by the State, Contractor agrees to provide to the State, at Contractor's expense, any data and other pertinent records related to services performed under this Agreement ("Information") to the State or a designee chosen by the State ("Recipient") within thirty (30) days, unless otherwise agreed by the parties. The transfer of Information shall be conducted based upon the State's standards and in accordance with all applicable laws and regulations in a format readily usable by the State or Recipient as mutually agreed by Contractor and State.

31. OTHER METHODS OF NOTICE:

The parties consent to the use of electronic means and facsimile transmissions for communications as a signed writing provided that delivery is confirmed.

32. DILIGENCE AND SKILL:

In the performance of these services and providing the deliverables under the Agreement, Contractor, and its employees shall exercise the degree of skill and care consistent with customarily accepted practices and procedures for the performance of the type of services required. Contractor shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services and deliverables furnished by Contractor and any subcontractors, if applicable, under this Agreement. It shall be the duty of Contractor to assure that its services and deliverables are technically sound and in conformance with all pertinent technical codes and standards. Contractor represents and warrants that: (i) it shall give high priority to the performance of the services; and (ii) the services shall be performed in a timely manner.

Contractor shall be responsible to the State for material deficiencies in the contracted deliverables and services which result from the failure to meet the standard given herein. Contractor shall promptly correct or revise any material errors or omissions in deliverables and re-perform any services which are not in compliance with such representations and warranties at no cost to the State, provided that Contractor's failure to comply is not due solely to the actions, errors, or omissions of the State.

Permitted or required approval by the State of any services or deliverables furnished by Contractor shall not in any way relieve Contractor of its responsibility for the professional quality and technical accuracy and adequacy of its work. The State's review, approval, acceptance, or payment for any of Contractor's services or deliverables herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and except as provided herein Contractor shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to the State caused by Contractor's performance or failure to perform under this Agreement.

In the event of a breach of these representations and warranties, the State shall provide telephonic or electronic notice to Contractor. The State may, in its sole discretion, require Contractor to cure such breaches. If it is necessary for Contractor to send at least one qualified and knowledgeable representative to the State's site where the system is located, this will be done at Contractor's expense. This representative will continue to address and work to remedy the deficiency, failure, malfunction, defect, or problem at the site. The rights and remedies provided in this paragraph are in addition to any other rights or remedies provided in this Agreement or by law.

**33. CERTIFICATION OF NO STATE LEGISLATOR INTEREST:**

Contractor (i) understands neither a state legislator nor a business in which a state legislator has an ownership interest may be directly or indirectly interested in any contract with the State that was authorized by any law passed during the term for which that legislator was elected, or within one year thereafter, and (ii) has read South Dakota Constitution Article 3, Section 12 and has had the opportunity to seek independent legal advice on the applicability of that provision to this Agreement. By signing this Agreement, Contractor hereby certifies that this Agreement is not made in violation of the South Dakota Constitution Article 3, Section 12.

January 29, 2026

To Management  
Governor's Office of Economic Development - SD Works  
711 East Wells Avenue  
Pierre, South Dakota 57501

You have requested that we prepare the monthly financial statements of the Governor's Office of Economic Development - SD Works (the Organization) during year ending **June 30, 2027**, which comprise the statements of net position and the related statements of revenues, expenses, and changes in net position and cash flows. As you have requested, the monthly financial statements will not include the related notes to the financial statements as required by accounting principles generally accepted in the United States of America. We are pleased to confirm our acceptance and understanding of this engagement by means of this letter.

### **Our Responsibilities**

The objective of our engagement is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you. We will conduct our engagement in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's *Code of Professional Conduct*, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

### **Management Responsibilities**

The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America. Management has the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your financial statements in accordance with SSARs:

- a) The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements.
- b) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- c) The prevention and detection of fraud.
- d) To ensure that the entity complies with the laws and regulations applicable to its activities.

- e) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- f) To provide us with:
  - i. Access to all information of which you are aware that is relevant to the preparation and presentation of the financial statements, such as records, documentation, and other matters;
  - ii. Additional information that may be requested for the purpose of the preparation of the financial statements; and
  - iii. Unrestricted access to persons within the Organization with whom we determine necessary to communicate.

The financial statements will not be accompanied by a report. However, you agree that the financial statements will clearly indicate that no assurance is provided on them.

### **Other Relevant Information**

As part of our engagement, we will also:

- Propose adjusting or correcting journal entries to be reviewed and approved by the Organization's management.
- Consult management on the implementation of new accounting standards.

With respect to any nonattest services we perform:

- We will not assume management responsibilities on behalf of the Organization. However, we will provide advice and recommendations to assist management in performing its responsibilities.
- The Organization's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.
- Our responsibilities and limitations of the nonattest services are as follows:
  - We will perform the services in accordance with the AICPA's *Code of Professional Conduct*.
  - This engagement is limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

Deidre Budahl, CPA is the engagement partner for the services specified in this letter. Her responsibilities include supervising Casey Peterson, LTD's services performed as part of this engagement.

This engagement will be effective upon signing and will end on **June 30, 2027**, unless sooner terminated pursuant to the terms herein. Our fee for these services will be based on the number of hours required by the staff assigned to complete the engagement. The firm's partners will bill at a rate of \$300 per hour; non-partner staff will bill at a rate of \$185 per hour. The total contract amount for this engagement will not exceed \$30,000 for the year ending **June 30, 2027**. Our invoices for these services will be rendered as work progresses and are payable consistent with SDCL ch. 5-26 (the "Prompt Payment Act"). The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during our engagement. If significant additional time is necessary, we will discuss it with you before we incur the additional costs.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible for maintaining such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

In connection with this engagement, we may communicate with you or others via personal fax or email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for the interception or unintentional disclosure or communication of email transmissions, or for the unauthorized use or failed delivery of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We want you to be aware of our record retention policy with respect to your files and related documentation. Based on our present policies, we will maintain this information in electronic format for seven years after which it will be destroyed. We may modify our record retention policies from time to time in accordance with our professional obligations. It is, therefore, important for you to keep copies of your reports and related supporting data in your files.

We will be pleased to discuss this letter with you at any time. If you request us to perform additional services not contemplated or described in this engagement letter, we will provide you with a separate agreement describing those additional services and fees.

Please sign and return this letter and Addendum to indicate your acknowledgement of, and agreement with, the arrangements for our engagement to prepare the financial statements described herein, and our respective responsibilities.

Respectfully,

Deidre Budahl, CPA  
Authorized Signer for Casey Peterson, LTD  
Rapid City, South Dakota

RESPONSE:

This letter and Addendum thereto correctly sets forth our understanding.

Acknowledged and agreed on behalf of Governor's Office of Economic Development - SD Works by:

Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

## **ADDENDUM TO ENGAGEMENT LETTER**

For purposes of this Addendum "Contractor" refers to Casey Peterson, LTD; "State" refers to the Governor's Office of Economic Development, an agency of the State of South Dakota. In the event of a conflict between the terms of this Addendum and the Engagement Letter, this Addendum shall control.

1. **USE OF EQUIPMENT, SUPPLIES AND FACILITIES:** Contractor will not use State equipment, supplies or facilities.

2. **CONTRACTOR IDENTIFICATION:**

Upon execution of this Agreement, Contractor will provide the State with Contractor's Employer Identification Number, Federal Tax Identification Number or Social Security Number.

3. **INDEMNIFICATION:**

Contractor agrees to indemnify the State of South Dakota, its officers, agents, and employees, from and against all claims or proceedings for actions, suits, damages, liabilities, other losses or equitable relief that may arise at least in part as a result of an act or omission in performing services under this Agreement. Contractor shall defend the State of South Dakota, its officers, agents, and employees against any claim, including any claim, action, suit, or other proceeding related to the claim. Contractor's obligation to indemnify includes the payment of attorney fees and other costs of defense. In defending the State of South Dakota, its officers, agents, and employees, Contractor shall engage other professionals, subject to the written approval of the State which shall not be unreasonably withheld. Notwithstanding the foregoing, the State may, in its sole discretion and at the expense of Contractor, engage attorneys and other professionals to defend the State of South Dakota, its officers, agents, and employees, or to assist Contractor in the defense. This section does not require Contractor to be responsible for or defend against claims or proceedings for damages, liabilities, losses or equitable relief arising solely from errors or omissions of the State, its officers, agents or employees.

4. **INSURANCE:**

At all times during the term of this Agreement, Contractor shall obtain and maintain in force insurance coverage of the types and with the limits as follows:

A. **Commercial General Liability Insurance:**

Contractor shall maintain occurrence-based commercial general liability insurance or equivalent form of coverage with a limit of not less than one million dollars (\$1,000,000) for each occurrence. If such insurance contains a general aggregate limit it shall apply separately to this Agreement or be no less than two times the occurrence limit. The insurance policy shall name the State of South Dakota, its officers and employees, as additional insureds, but liability coverage is limited to claims not barred by sovereign immunity. The State of South Dakota, its officers and employees do not hereby waive sovereign immunity for discretionary conduct as provided by law.

B. **Professional Liability Insurance or Miscellaneous Professional Liability Insurance:**

Contractor agrees to procure and maintain professional liability insurance or miscellaneous professional liability insurance with a limit not less than one million dollars (\$1,000,000). The insurance policy shall name the State of South Dakota, its officers and employees, as additional insureds but liability coverage is limited to claims not barred by sovereign immunity. The State of South Dakota, its officers and employees do not hereby waive sovereign immunity for discretionary conduct as provided by law.

Contractor shall furnish the State with properly executed Certificates of Insurance which shall clearly evidence all insurance required in this Agreement including naming the State, its officers and employees, as additional insureds, as set forth above. In the event of a substantial change in insurance, issuance of a new policy, cancellation or nonrenewal of the policy, Contractor agrees to provide immediate notice to the State and provide a new certificate of insurance showing continuous coverage in the amounts required. Contractor shall furnish copies of insurance policies if requested by the State.

5. TERMINATION:

This Agreement may be terminated by either party hereto upon thirty (30) days written notice. In the event Contractor breaches any of the terms or conditions hereof, this Agreement may be terminated by the State at any time with or without notice. If termination for a breach is affected by the State, any payments due to Contractor at the time of termination may be adjusted to cover any additional costs to the State because of Contractor's breach. Upon termination the State may take over the work and may award another party a contract to complete the work contemplated by this Agreement. If after the State terminates for a breach by Contractor it is determined that Contractor was not at fault, then Contractor shall be paid for eligible services rendered and expenses incurred up to the date of termination.

6. FUNDING:

This Agreement depends upon the continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement will be terminated by the State upon five (5) business days written notice. Contractor agrees that termination for any of these reasons is not a default by the State nor does it give rise to a claim against the State or any officer, agent or employee of the State, and Contractor waives any claim against the same.

7. COMPLIANCE WITH EXECUTIVE ORDERS 2023-02:

Contractor certifies and agrees that the following information is correct:

In preparing its response or offer or in considering proposals submitted from qualified, potential vendors, suppliers, and subcontractors, or in the solicitation, selection, or commercial treatment of any vendor, supplier, or subcontractor, Contractor is not an entity, regardless of its principal place of business, that is ultimately owned or controlled, directly or indirectly, by a foreign national, a foreign parent entity, or foreign government from China, Iran, North Korea, Russia, Cuba, or Venezuela, as defined by South Dakota Executive Order 2023-02.

Contractor further agrees that, if this certification is false, such false certification will constitute grounds for the State to terminate this Agreement. Contractor further agrees to provide immediate written notice to the State if during the term of this Agreement it no longer complies with this certification and agrees such noncompliance may be grounds for termination of this Agreement.

8. NOTICE:

Any notice or other communication required under this Agreement shall be in writing and sent to the address set forth above. Notices shall be given by and to Katlyn Svenden, on behalf of the State, and by and to Katie Murphy, on behalf of Contractor, or such authorized designees as either party may from time to time designate in writing. Notices or communications to or between the parties shall be deemed to have been delivered when mailed by first class mail, provided that notice of default or termination shall be sent by registered or certified mail, or, if personally delivered, when received by such party.

9. CONTROLLING LAW AND VENUE:

This Agreement shall be governed by and construed in accordance with the laws of the State of South Dakota, without regard to any conflicts of law principles, decisional law, or statutory provision which would require or permit the application of another jurisdiction's substantive law. Venue for any lawsuit pertaining to or affecting this Agreement shall be in the Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota.

10. INDEPENDENT CONTRACTOR:

While performing services hereunder, Contractor is an independent contractor and not an officer, agent, or employee of the State of South Dakota.

11. THIRD PARTY BENEFICIARIES:

This Agreement is intended to govern only the rights and interests of the parties named herein. It is not intended to create, does not and may not be relied upon to create, any rights, substantive or procedural, enforceable at law by any third party in any matters, civil or criminal.

12. ASSIGNMENT AND AMENDMENT:

This Agreement may not be assigned without the express prior written consent of the State. This Agreement may not be amended except in writing, which writing shall be expressly identified as a part hereof and be signed by an authorized representative of each of the parties hereto.

13. COMPLIANCE:

Contractor will comply in full with all federal, tribal, state and local laws, regulations, ordinances, guidelines, permits, requirements and other standards applicable to the services provided under this Agreement and will be solely responsible for obtaining current information regarding the foregoing. Nothing herein shall constitute a waiver by the State to any defense to jurisdiction nor shall anything herein constitute an acknowledgement by the State that any tribe has or exercises any jurisdiction over this Agreement or the parties.

14. REPORTING:

Contractor agrees to report to the State any event encountered in the course of performance of this Agreement which results in an injury to any person or property, or which may otherwise subject Contractor, or the State of South Dakota or its officers, agents or employees to liability. Contractor shall report any such event to the State immediately upon discovery.

Contractor's obligation under this section shall only be to report the occurrence of any event to the State and to make any other report provided for by their duties or applicable law. Contractor's obligation to report shall not require disclosure of any information subject to privilege or confidentiality under law (e.g., attorney-client communications). Reporting to the State under this section shall not excuse or satisfy any obligation of Contractor to report any event to law enforcement or other entities under the requirements of any applicable law.

15. SUBCONTRACTING:

Contractor may not use subcontractors to perform the services described herein without the express prior written consent of the State. Contractor will include provisions in its subcontracts requiring its subcontractors to comply with the applicable provisions of this Agreement, to indemnify the State, and to provide insurance coverage in a manner consistent with this Agreement. Contractor will cause its subcontractors, agents, and employees to comply with applicable federal, tribal, state, and local laws, regulations, ordinances, guidelines, permits and other standards and will adopt such review and inspection procedures as are necessary to assure such compliance. The State, at its option, may require the vetting of any subcontractors. Contractor shall assist in the vetting process.

16. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION:

By signing this Agreement, Contractor certifies that neither Contractor nor its principals are presently debarred, suspended, proposed for debarment or suspension, or declared ineligible from participating in transactions by the federal government or any state or local government department or agency. Contractor further agrees that it will immediately notify the State if during the term of this Agreement Contractor or its principals become subject to debarment, suspension or ineligibility from participating in transactions by the federal government, or by any state or local government department or agency.

17. STATE'S RIGHT TO REJECT:

The State reserves the right to reject any person from performing services under this Agreement who the State believes would be detrimental to the services, presents insufficient skills, presents inappropriate behavior or is considered by the State to be a security risk.

18. SEVERABILITY:

In the event that any court of competent jurisdiction shall hold any provision of this Agreement unenforceable or invalid, such holding shall not invalidate or render unenforceable any other provision hereof.

19. SUPERCESSION:

All other prior discussions, communications and representations concerning the subject matter of this Agreement are superseded by the terms of this Agreement, and except as specifically provided herein, this Agreement constitutes the entire agreement with respect to the subject matter hereof.

20. FORCE MAJEURE:

Notwithstanding anything in this Agreement to the contrary, neither party shall be liable for any delay or failure to perform under the terms and conditions of this Agreement, if the delay or failure is caused by war, terrorist attacks, riots, civil commotion, fire, flood, quarantine, epidemic, pandemic, earthquake or any act of God, or other causes beyond the party's reasonable control provided, however, that in order to be excused from delay or failure to perform, the party must act diligently to remedy the cause of such delay or failure and must give notice to the other party as provided in this Agreement as soon as reasonably possible of the length and cause of the delay in performance.

21. WAIVER OF BREACH:

The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision in this Agreement.

22. SOVEREIGN IMMUNITY:

Nothing in this Agreement is intended to constitute a waiver of sovereign immunity by or on behalf of the State of South Dakota, its agencies, officers or employees.

23. HEADINGS:

The headings in this Addendum are for convenience and reference only and shall not govern, limit, modify or in any manner affect the scope, meaning, or intent of the provisions of this Addendum.

24. AUTHORITY TO EXECUTE:

Contractor represents and warrants that:

- A. The execution, delivery and performance of this Agreement has been duly authorized by Contractor and no approval, authorization or consent of any governmental or regulatory agency is required to be obtained in order for Contractor to enter into this Agreement and perform its obligations under this Agreement;
- B. Contractor is duly authorized to conduct business in and is in good standing in each jurisdiction in which Contractor will conduct business in connection with this Agreement; and
- C. Contractor and its personnel have obtained all licenses, certifications, permits, and authorizations necessary to perform the services under this Agreement and currently are in good standing with all regulatory agencies that regulate any or all aspects of Contractor's performance of the services. Contractor will maintain all required certifications, licenses, permits, and authorizations during the term of this Agreement at its own expense.

25. DISCLOSURE OF THE CONTRACT:

Neither party shall disclose the contents of the Agreement except as required by applicable law or as necessary to carry out the terms of the Agreement or to enforce that party's rights under this Agreement. The Contractor acknowledges that the State of South Dakota and its agencies are public entities and thus are bound by South Dakota open meetings and open records laws. It is therefore not a breach of this Agreement for the State to take any action that the State reasonably believes is necessary to comply with the South Dakota open records or open meetings laws, including, without limitation, posting this Agreement on the website pursuant to SDCL 1-27-46. The Contractor agrees that the Agreement and any prices, fees and rates agreed to be paid by the State under the Agreement are not confidential.

26. SURVIVAL FOLLOWING TERMINATION:

Any terms of this Agreement that would, by their nature or through the express terms of this Agreement, survive the expiration or termination of this Agreement shall so survive.

27. CONFIDENTIALITY:

For the purpose of this Agreement, "Confidential Information" shall include all information, regardless of its format, disclosed to Contractor by the State and all information, regardless of its format, obtained by Contractor through the provisions of services as contemplated by this Agreement. Contractor, and any person or entity affiliated with Contractor shall not disclose any Confidential Information to any third person for any reason without the express written permission of a State officer or employee with authority to authorize the disclosure. Contractor, and any person or entity affiliated with Contractor shall not: (i) disclose any Confidential Information to any third person unless otherwise specifically allowed under this Agreement; (ii) make any use of Confidential Information except to exercise rights and perform obligations under this Agreement; (iii) make Confidential Information available to any of its employees, officers, agents or consultants except those who have agreed, by contract, to obligations of confidentiality at least as strict as those set out in this Agreement and who have a need to know such information and who have been instructed that such information is or may be confidential under state or federal law. Contractor, and any person or entity affiliated with Contractor is held to the same standard of care in guarding Confidential Information as it applies to its own confidential or proprietary information and materials of a similar nature, and no less than holding Confidential Information in the strictest confidence. Contractor, and any person or entity affiliated with Contractor shall protect the confidentiality of the State's information from the time of receipt to the time that such information is either returned to the State or destroyed to the extent that it cannot be recalled or reproduced.

Confidential Information shall not include information that: (i) was in the public domain at the time it was disclosed to Contractor or to any person or entity affiliated with Contractor; (ii) was known to Contractor, or to any person or entity affiliated with Contractor, without restriction at the time of disclosure from the State; (iii) was disclosed with the prior written approval of State's officers or employees having authority to disclose such information; (iv) was independently developed by Contractor, or by any person or entity affiliated with Contractor, without the benefit or influence of the State's information; or (v) becomes known to Contractor, or to any person or entity affiliated with Contractor, without restriction, from a source not connected to the State of South Dakota.

Confidential Information can include, but is not limited to, names, social security numbers, employer numbers, addresses and all other data about applicants, participants, employers or other clients to whom the State provides services of any kind. Contractor understands that this information may be confidential and protected under state or federal law. Contractor agrees to immediately notify the State if the information is disclosed, either intentionally or inadvertently.

If work assignments performed in the course of this Agreement require additional security requirements or clearance, Contractor agrees that its officers, agents and employees may be required to undergo investigation or may be required to sign separate confidentiality agreements, and it will limit access to the confidential information and related work activities to employees that have executed such agreements.

Contractor will enforce the terms of this Confidentiality Provision to its fullest extent.

Contractor agrees to remove any employee or agent from performing work under this Agreement that has or is suspected to have violated the terms of this Confidentiality Provision and to immediately notify the State of such matter.

Contractor will comply with any other confidentiality measures and terms included in the Agreement.

Upon termination of this Agreement, if not already done so as part of the services performed under the Agreement, Contractor agrees to return to the State, at Contractor's cost, any Confidential Information or documentation maintained by Contractor regarding the services provided hereunder in a format readily useable by the State as mutually agreed by Contractor and State.

## 28. WORK PRODUCTS:

Contractor hereby acknowledges and agrees that all reports, plans, specifications, technical data, miscellaneous drawings, software system programs and documentation, procedures, or files, operating instructions and procedures, source code(s) and documentation, including those necessary to upgrade and maintain the software program, and all information contained therein provided to the State by Contractor in connection with the performance of services under this Agreement shall belong to and is the property of the State and will not be used in any way by Contractor without the written consent of the State. Papers, reports, forms, software programs, source code(s) and other material which are a part of the work under this Agreement will not be copyrighted without written approval of the State.

29. CRIMINAL BACKGROUND CHECKS:

Pursuant to SDCL 5-18D-28, Contractor agrees that each person who has access to confidential information obtained from the United States Internal Revenue Service or an authorized secondary source pursuant to this Agreement shall submit to and successfully pass a state and federal criminal background investigation and submit to a fingerprint check by the South Dakota Division of Criminal Investigation and the Federal Bureau of Investigation before being granted access to any Confidential Information. The appointing authority shall submit the completed fingerprint card to the South Dakota Division of Criminal Investigation. Contractor shall be responsible for payment of any fee charged for the cost of fingerprinting and the criminal background investigation. If a disqualifying record is discovered, Contractor agrees that such individual will not have access to the Confidential Information obtained from the United States Internal Revenue Service or an authorized secondary source pursuant to this Agreement. The State shall have the sole discretion to determine whether a record is disqualifying and will immediately notify Contractor.

30. TRANSFER OF INFORMATION:

Upon termination of this Agreement (whether initiated by the State or Contractor) and following a written request by the State, Contractor agrees to provide to the State, at Contractor's expense, any data and other pertinent records related to services performed under this Agreement ("Information") to the State or a designee chosen by the State ("Recipient") within thirty (30) days, unless otherwise agreed by the parties. The transfer of Information shall be conducted based upon the State's standards and in accordance with all applicable laws and regulations in a format readily usable by the State or Recipient as mutually agreed by Contractor and State.

31. OTHER METHODS OF NOTICE:

The parties consent to the use of electronic means and facsimile transmissions for communications as a signed writing provided that delivery is confirmed.

32. DILIGENCE AND SKILL:

In the performance of these services and providing the deliverables under the Agreement, Contractor, and its employees shall exercise the degree of skill and care consistent with customarily accepted practices and procedures for the performance of the type of services required. Contractor shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services and deliverables furnished by Contractor and any subcontractors, if applicable, under this Agreement. It shall be the duty of Contractor to assure that its services and deliverables are technically sound and in conformance with all pertinent technical codes and standards. Contractor represents and warrants that: (i) it shall give high priority to the performance of the services; and (ii) the services shall be performed in a timely manner.

Contractor shall be responsible to the State for material deficiencies in the contracted deliverables and services which result from the failure to meet the standard given herein. Contractor shall promptly correct or revise any material errors or omissions in deliverables and re-perform any services which are not in compliance with such representations and warranties at no cost to the State, provided that Contractor's failure to comply is not due solely to the actions, errors, or omissions of the State.

Permitted or required approval by the State of any services or deliverables furnished by Contractor shall not in any way relieve Contractor of its responsibility for the professional quality and technical accuracy and adequacy of its work. The State's review, approval, acceptance, or payment for any of Contractor's services or deliverables herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and except as provided herein Contractor shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to the State caused by Contractor's performance or failure to perform under this Agreement.

In the event of a breach of these representations and warranties, the State shall provide telephonic or electronic notice to Contractor. The State may, in its sole discretion, require Contractor to cure such breaches. If it is necessary for Contractor to send at least one qualified and knowledgeable representative to the State's site where the system is located, this will be done at Contractor's expense. This representative will continue to address and work to remedy the deficiency, failure, malfunction, defect, or problem at the site. The rights and remedies provided in this paragraph are in addition to any other rights or remedies provided in this Agreement or by law.

**33. CERTIFICATION OF NO STATE LEGISLATOR INTEREST:**

Contractor (i) understands neither a state legislator nor a business in which a state legislator has an ownership interest may be directly or indirectly interested in any contract with the State that was authorized by any law passed during the term for which that legislator was elected, or within one year thereafter, and (ii) has read South Dakota Constitution Article 3, Section 12 and has had the opportunity to seek independent legal advice on the applicability of that provision to this Agreement. By signing this Agreement, Contractor hereby certifies that this Agreement is not made in violation of the South Dakota Constitution Article 3, Section 12.

D

## **Memorandum**

Date: May 13, 2026  
To: Board of Economic Development  
From: Stephanie Deyo, Grants Manager  
Re: Local Infrastructure Improvement Program Grant Application and Agreement

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The Local Infrastructure Improvement Program allows entities to apply for infrastructure assistance for an “economic development” project within the community. In most instances, the applicant is not the economic development project owner but rather an Economic Development Organization, City or County looking for infrastructure assistance. The LIIP grant requires quarterly reporting throughout the project lifecycle and then employment reporting for a period of time after grant disbursement

Our office has encountered instances where the applicant is unable to fulfill these grant reporting requirements as they are not the project owner. The disbursement of the grant is also conditional on the economic development project’s completion; since the applicant is not the project owner completion of the project is outside of their control.

In order to address the above circumstances, we have revised both the LIIP grant application and agreement to now include a requirement that the applicant establish an agreement with the project owner to provide the necessary information to the applicant throughout the grant timeframe as well as clearly outlining that the applicant will only be reimbursed if the economic development project achieves completion as outlined in the application.

Attached are the revised Local Infrastructure Improvement Grant Application and Agreement containing the revisions legal counsel has recommended for the Board of Economic Development’s review and approval. If approved, these templates will be utilized immediately and going forward for future Local Infrastructure Improvement Program Grants.

## **Recommendation**

Staff recommends approving the revised Local Infrastructure Improvement Program Application and Grant Agreement.

**South Dakota  
Local Infrastructure Improvement Program (LIIP)  
Application**

**APPLICANT INFORMATION**

Date: \_\_\_\_\_

Name of Applicant: \_\_\_\_\_

Applicant:  Local Development Corporation  
*(Please identify)*  Tribal Government  
 Municipality  
 County  
 Other political subdivision of this state; please specify: \_\_\_\_\_  
 Other, please specify: \_\_\_\_\_

Contact: \_\_\_\_\_

Date Established: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip Code: \_\_\_\_\_

Business Telephone: \_\_\_\_\_

Fax Number: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_ Website Address: \_\_\_\_\_

Identification Number

Federal: \_\_\_\_\_ State: \_\_\_\_\_

\_\_\_\_\_

Return application to:  
Governor's Office of Economic Development, 711 East Wells Avenue Pierre, SD 57501  
E-mail: [Stephanie.Deyo@state.sd.us](mailto:Stephanie.Deyo@state.sd.us) Fax: 605.773.3256 (Revised 06/13/2023)

**South Dakota  
Local Infrastructure Improvement Program (LIIP)  
Application**

**PROJECT INFORMATION**

Management Contact \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

Address of Project Site \_\_\_\_\_

Engineer for Project \_\_\_\_\_

Engineer License Number \_\_\_\_\_

Project Description:

How will the requested funds from GOED be used?

The estimated date construction or acquisition will commence: \_\_\_\_\_

The estimated completion or acquisition and installation date: \_\_\_\_\_

The estimated date by which the project will be fully operational: \_\_\_\_\_

Return application to:  
Governor's Office of Economic Development, 711 East Wells Avenue Pierre, SD 57501  
E-mail: [Stephanie.Deyo@state.sd.us](mailto:Stephanie.Deyo@state.sd.us) Fax: 605.773.3256 (Revised 06/13/2023)

**South Dakota  
Local Infrastructure Improvement Program (LIIP)  
Application**

Legal owner of project site(s), if other than applicant, and relationship to applicant:

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Has the project applied for reduced property taxation through the cCounty or mMunicipality?

Yes  No  If yes, please explain: \_\_\_\_\_

Has the County or Municipality project owner applied for a TIF (Tax Increment Financing) for this project?

Yes  No  If yes, has the county or municipality it been approved the TIF? \_\_\_\_\_

Does the County or Municipality project owner intend to apply for a TIF (Tax Increment Financing) for this project?

Yes  No

Is the project subject to municipal sales tax refund?

Yes  No  If yes, please explain: \_\_\_\_\_

If the project owner is other than the applicant, does the applicant have a formal agreement with the project owner to provide all information required for future LIIP grant reporting?

Yes  No  If no, such an agreement will be a condition of any LIIP grant awarded.

**Requested Sources:** Please attach copies of letters of commitment for each source of permanent and interim funding. Letters should contain a description of items to be funded.

**A. Sources (including GOED):**

Sources	Contact Person	Phone Number	Amount
			\$
			\$
			\$
			\$
<b>GOED LIIP Funds Requested</b>			<b>\$</b>

Return application to:  
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E-mail: [Stephanie.Deyo@state.sd.us](mailto:Stephanie.Deyo@state.sd.us) Fax: 605.773.3256 (Revised 06/13/2023)

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**South Dakota  
Local Infrastructure Improvement Program (LIIP)  
Application**

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**Total \$**

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[Note: Payment of all LIIP grant awards is contingent upon completion of the project.](#)

Return application to:  
Governor's Office of Economic Development, 711 East Wells Avenue Pierre, SD 57501  
E-mail: [Stephanie.Deyo@state.sd.us](mailto:Stephanie.Deyo@state.sd.us) Fax: 605.773.3256 (Revised 06/13/2023)

**South Dakota  
Local Infrastructure Improvement Program (LIIP)  
Application**

<b>B. Uses of All Funds</b>	<b>Total Project Cost</b>	<b>Proposed Sources</b>
<i>Total Project Costs:</i>		
Land Acquisition	\$ _____	_____
Land Improvements	\$ _____	_____
Building	\$ _____	_____
Site Improvements	\$ _____	_____
Repairs/Renovations	\$ _____	_____
Construction	\$ _____	_____
Construction Fees	\$ _____	_____
Equipment and Installation	\$ _____	_____
Other Construction Costs	\$ _____	_____
Working Capital	\$ _____	_____
Other Costs	\$ _____	_____
<b>TOTAL:</b>	\$ _____	

**CURRENT EMPLOYMENT INFORMATION FOR ECONOMIC DEVELOPMENT PROJECT BEING SERVED BY THE INFRASTRUCTURE**

*(Please provide current employment levels as of the date of the application.)*

**Annual**

	<b>Total Number of Employees (in and out of SD)</b>	<b>Average Annual Hours</b>	<b>Total Number of Employees in SD</b>	<b>Average Hours (SD Employees)</b>
Full-time	_____	_____	_____	_____
Part-time*	_____	_____	_____	_____
Seasonal/Temporary**	_____	_____	_____	_____
<b>TOTAL EMPLOYEES</b>	_____	_____	_____	_____

\*Works less than 30 hours per week.

\*\*Works only during peak season (please specify length of peak season \_\_\_\_\_ months).

Return application to:  
Governor's Office of Economic Development, 711 East Wells Avenue Pierre, SD 57501  
E-mail: [Stephanie.Deyo@state.sd.us](mailto:Stephanie.Deyo@state.sd.us) Fax: 605.773.3256 (Revised 06/13/2023)

**South Dakota  
Local Infrastructure Improvement Program (LIIP)  
Application**

**South Dakota Employees Only**

**PLEASE USE HOURLY WAGES**

	<u>Wages Weighted</u>			<u>Number of Employees Receiving that Wage</u>			
	Low	Avg	High	Low	Avg	High	per class
Managers & Administrators	\$ _____	\$ _____	\$ _____	_____ + _____ + _____	=	_____	
Professional & Technical	\$ _____	\$ _____	\$ _____	_____ + _____ + _____	=	_____	
Sales	\$ _____	\$ _____	\$ _____	_____ + _____ + _____	=	_____	
Clerical	\$ _____	\$ _____	\$ _____	_____ + _____ + _____	=	_____	
Service	\$ _____	\$ _____	\$ _____	_____ + _____ + _____	=	_____	
Ag, Forestry, Fishing	\$ _____	\$ _____	\$ _____	_____ + _____ + _____	=	_____	
Production, Maintenance	\$ _____	\$ _____	\$ _____	_____ + _____ + _____	=	_____	

**SOUTH DAKOTA TOTAL NUMBER OF WORKERS: \_\_\_\_\_**

**CURRENT SOUTH DAKOTA  
TOTAL ANNUAL PAYROLL: \$ \_\_\_\_\_**

Return application to:  
Governor's Office of Economic Development, 711 East Wells Avenue Pierre, SD 57501  
E-mail: [Stephanie.Deyo@state.sd.us](mailto:Stephanie.Deyo@state.sd.us) Fax: 605.773.3256 (Revised 06/13/2023)

**South Dakota  
Local Infrastructure Improvement Program (LIIP)  
Application**

**PROJECTED EMPLOYMENT INFORMATION**

South Dakota (only) employment projected to be created/retained each year as a result of the project being serviced by the infrastructure improvement(s):

**PROJECTED ANNUAL EMPLOYMENT IN SOUTH DAKOTA**

**Jobs to be created/retained**  
*(please specify whether jobs are created or retained)*

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Full-time						
Part-time*						
Seasonal/Temp**						
Total New Employees						

\*Works less than 30 hours per week.

\*\*Works only during peak season (please specify length of peak season \_\_\_\_ months).

**PROJECTED NUMBER OF EMPLOYEES IN VARIOUS JOB CATEGORIES IN SOUTH DAKOTA:**

	Current 20__	Year 1	Year 2	Year 3	Year 4	Year 5
Managers & Administrators	_____	_____	_____	_____	_____	_____
Professional & Technical	_____	_____	_____	_____	_____	_____
Sales	_____	_____	_____	_____	_____	_____
Clerical	_____	_____	_____	_____	_____	_____
Service	_____	_____	_____	_____	_____	_____
Ag, Forestry & Fishing	_____	_____	_____	_____	_____	_____
Production, Maintenance	_____	_____	_____	_____	_____	_____
<b>TOTAL EMPLOYEES</b>	=====	=====	=====	=====	=====	=====
<b>TOTAL ANNUAL PAYROLL</b>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

**PROJECTED SOUTH DAKOTA  
TOTAL ANNUAL PAYROLL:** \$ \_\_\_\_\_

Return application to:  
Governor's Office of Economic Development, 711 East Wells Avenue Pierre, SD 57501  
E-mail: [Stephanie.Deyo@state.sd.us](mailto:Stephanie.Deyo@state.sd.us) Fax: 605.773.3256 (Revised 06/13/2023)

**South Dakota  
Local Infrastructure Improvement Program (LIIP)  
Application**

Anticipated Economic Impact of ~~Requested funding~~ Funding:

Previous ~~State A~~ assistance:

Community Benefits:

**Please attach the following items:**

- Cost documentation for the project
- Feasibility Study if applicable
- [Agreement with project owner regarding information for future reporting, if applicable](#)
- Any additional supporting documentation for the project

Return application to:  
Governor's Office of Economic Development, 711 East Wells Avenue Pierre, SD 57501  
E-mail: [Stephanie.Deyo@state.sd.us](mailto:Stephanie.Deyo@state.sd.us) Fax: 605.773.3256 (Revised 06/13/2023)

**South Dakota  
Local Infrastructure Improvement Program (LIIP)  
Application**

**CONFIDENTIALITY STATEMENT**

South Dakota Codified Laws 1-16G-11(BED); DOCUMENTARY MATERIAL CONSISTING OF TRADE SECRETS EXEMPT FROM DISCLOSURE - Any documentary material or data made or received by the applicable board or the GOED for the purpose of furnishing assistance to a business, to the extent that such material or data consists of trade secrets or commercial or financial information regarding the operation of such business, may not be considered public records, and shall be exempt from disclosure pursuant to the provisions of 1-16G-3 to 1-16G-11, inclusive, or other applicable law. Any discussion, consideration of, or action upon such trade secrets or commercial or financial information by the applicable board may be done in executive session closed to the public, notwithstanding the provisions of the open meeting laws of this state.

Please NOTE that once an application is approved, the name of the applicant, the location of the applicant, the grant amount and the number of employees to be employed or trained is not confidential.

Pursuant to SDCL 22-29-19, persons who knowingly make any materially false statement on or related to this application, or who willfully overvalues any land or other property offered as security for any loan sought by or related to this application is subject to prosecution. The maximum penalty for a violation of SDCL 22-29-19 is 2 years in the state penitentiary or a \$2000 fine, or both. By their execution of this Application, all persons signing this Application warrant and represent that they have read and understand the provisions of SDCL 22-29-19.

Applicant: \_\_\_\_\_

Officer's Signature: \_\_\_\_\_

Officer's Name/Title: \_\_\_\_\_

\_\_\_\_\_

Telephone Number: \_\_\_\_\_ Date: \_\_\_\_\_

Return application to: Governor's Office of Economic Development, 711 East Wells Avenue Pierre, SD 57501 E-mail: <a href="mailto:Stephanie.Deyo@state.sd.us">Stephanie.Deyo@state.sd.us</a> Fax: 605.773.3256 (Revised 06/13/2023)
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**South Dakota  
Local Infrastructure Improvement Program (LIIP)  
Application**

CERTIFICATIONS and ATTESTATION

All information contained above and in schedules attached hereto are true and complete to the best knowledge and belief of the applicant. There is no intent to deceive or defraud the Board of Economic Development, the Economic Development Finance Authority or the South Dakota Development Corporation or any potential participant in any loans to finance this project.

The applicant recognizes that neither GOED nor any of the boards which it supports will process any application that is not complete. Incomplete applications will be returned to the applicant for completion.

Except for loan programs solely administered and under the control of GOED, GOED has no authority to commit financing or other financial assistance. Specifically, regardless of any assurance, guarantee, communication or representation to the contrary, GOED has no authority to make commitments for loans or other financial assistance from BED or EDFA.

[The applicant understands any payment of an approved LIIP grant award is contingent on completion of the economic development project in substantially the same form as detailed in this application.](#)

The Governor's Office of Economic Development prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, marital or family status.

Pursuant to South Dakota Codified Law ("SDCL") 22-29-19, persons who knowingly make any materially false statement on or related to this application, or who willfully overvalues any land or other property offered as security for any loan sought by or related to this application is subject to prosecution. The maximum penalty for a violation of SDCL 22-29-19 is 2 years in the state penitentiary or a \$2000 fine, or both. By their execution of this Application, all persons signing this Application warrant and represent that they have read and understand the provisions of SDCL 22-29-19.

Pursuant to South Dakota Codified Law 1-16G-68, no person, as that term is defined in SDCL 1-16G-56(10), who works for a project, as that term is defined in SDCL 1-16G-56(11), may be employed for a commission or compensation that is

Return application to: Governor's Office of Economic Development, 711 East Wells Avenue Pierre, SD 57501 E-mail: <a href="mailto:Stephanie.Deyo@state.sd.us">Stephanie.Deyo@state.sd.us</a> Fax: 605.773.3256 (Revised 06/13/2023)
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**South Dakota  
Local Infrastructure Improvement Program (LIIP)  
Application**

dependent in any manner upon the approval of any government grants, loans, or reinvestment payments that the person obtains for the project.

By their execution of the Application, all persons signing this Application warrant and represent they have read and understand the provisions of SDCL 1-16G-68 and attest that no person is employed by the company, or for the project, or in connection with the project, or receiving compensation specific to the loan, grant, or reinvestment payment the project may receive in violation of SDCL 1-16G-68.

Applicant Business:

\_\_\_\_\_

Officer's Signature:

\_\_\_\_\_

Officer's Name/Title:

\_\_\_\_\_

Telephone Number: \_\_\_\_\_ Date: \_\_\_\_\_

Return application to:  
Governor's Office of Economic Development, 711 East Wells Avenue Pierre, SD 57501  
E-mail: [Stephanie.Deyo@state.sd.us](mailto:Stephanie.Deyo@state.sd.us) Fax: 605.773.3256 (Revised 06/13/2023)

GRANT AGREEMENT  
LOCAL INFRASTRUCTURE IMPROVEMENT PROGRAM

LIIP-[Grant Number]

[Applicant]  
[Address]

[Board Meeting Date]

Dear [Applicant],

The Application of [Applicant] (the "Applicant") dated [Application Date] for a grant from the Local Infrastructure Improvement Program has been approved by the Board of Economic Development ("BED") upon the terms and conditions set forth below. BED agrees to make a Local Infrastructure Improvement Grant (the "Grant") to Applicant upon the following terms and conditions:

1. The total amount of the Grant shall be the lesser of \$[Amount], or [ ]% of the total project costs. The Grant proceeds shall be disbursed in accordance with, and subject to, the BED's Local Infrastructure Improvement Program Award Policy ("LIIP Award Policy"), attached hereto and incorporated herein by this reference as if set forth in full. Any modification or waiver of the LIIP Award Policy must be set out in writing in this Grant Agreement and must refer to the provision of the LIIP Award Policy being modified or waived.

2. The Applicant or an authorized representative must, prior to disbursement of any funds, properly execute and return to GOED the following documents:

- [X] Documentation evidencing compliance with the LIIP Award Policy.
- [X] Evidence showing commitment of proposed [new] business [expansion] as outlined in the application.
- [X] [If the Applicant is not the project owner, documentation showing an enforceable agreement with the project owner to provide all information required for the Applicant to meet its reporting obligations in paragraph 4 below.](#)

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3. If Applicant is a corporation or limited liability company, Applicant must also prior to disbursement of any funds provide the following documents to GOED:

(a) A certified copy of the Resolution of the board of directors, members or other governing entity of the Applicant authorizing the execution of the Documents.

4. The Applicant must comply with the following special conditions:

[X] Provide GOED with a quarterly project construction status reports beginning three months from the date this Grant Agreement is signed and every quarter thereafter until the project is complete.

[X] Provide GOED with semi-annual employment reports for the Project on a form provided by GOED beginning six months after the Local Improvement Infrastructure Program grant is disbursed and for a period of five (5) years thereafter.

5. The Applicant must attest to meeting the following requirements per SDCL 1-56-10:

(1) A conflict of interest policy is enforced within the recipient's or sub-recipient's organization;

(2) The Internal Revenue Service Form 990 has been filed, if applicable, in compliance with federal law, and is displayed immediately after filing on the recipient's or sub-recipient's website;

(3) An effective internal control system is employed by the recipient's or sub-recipient's organization; and

(4) If applicable, the recipient or sub-recipient is in compliance with the federal Single Audit Act, in compliance with § 4-11-2.1, and audits are displayed on the recipient's or sub-recipient's website.

6. No condition or covenant stated herein may be waived without the prior written consent of BED. BED shall have no obligation to make any disbursement to Applicant unless and until all of the conditions set forth above, as well as any other conditions which BED in its sole and exclusive discretion may see fit to impose, have been met to BED's satisfaction. [The Grant is expressly conditioned on completion of the economic development project in substantially the same form as detailed in Applicant's application for the Grant.](#)

7. By execution of this Grant Agreement, Applicant agrees, upon demand by BED, to reimburse BED for any and all expenses incurred, or which may hereafter from time to time be incurred, by BED or its agents, including reasonable attorney's fees, in connection with or by reason

of Applicant's application for, and the making and administration of, the Grant. Applicant agrees to be responsible for such costs and expenses whether or not the Grant provided for herein is disbursed.

8. The commitment on the part of BED set forth herein is effective for a period of 180 days from the date hereof, and will lapse at that time if this Agreement, and the terms and conditions of the Grant set out herein, are not accepted in writing by the Applicant. In any event, unless extended by BED, the commitment to make the Grant will lapse one year from the date of acceptance if the Grant has not yet funded in its entirety. BED reserves the right to withdraw the Grant at any time if any of the conditions of this Grant Agreement or those conditions set forth in ARSD 68:02:08 have not been met to BED's satisfaction.

9. Any of the following shall constitute a default upon the conditions of the Grant:

(1) If the Applicant knowingly makes any material false statement or report in the application;

(2) Failure to adhere to the conditions of the local infrastructure improvement grant;

(3) Failure to complete the economic development project in substantially the same form as detailed in Applicant's application for the Grant; or

~~(4)~~ Repeated failure by the Applicant to provide access to documents or to provide the reports and other information required by this Agreement and ARSD Ch. 68:02:09.

If there is a default as determined by BED, within thirty days of written demand from BED, the applicant shall repay to GOED any part of the Grant that has been disbursed. In addition to any other action considered appropriate by BED to protect the interest of the BED and the Local Infrastructure Improvement Program, BED may commence a civil action to recover any Grant proceeds that the applicant is required to repay.

If you wish to proceed with the Grant upon the terms and conditions set forth above, please indicate the acceptance of the Applicant by a duly authorized signature below. If the Applicant is a corporation, limited liability company or partnership, please attach appropriate proof of authority.

If you have any questions, please contact Stephanie Deyo at (605) 773-4633. Thank you for your interest in the Local Infrastructure Improvement Program and in South Dakota's future.

[DOCUMENT CONTINUED ON FOLLOWING PAGE]

Sincerely yours,

SOUTH DAKOTA BOARD OF ECONOMIC DEVELOPMENT

BY: \_\_\_\_\_  
Treasurer

Applicant agrees to the terms above set forth.

APPLICANT  
[Applicant Name]

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
ITS: \_\_\_\_\_  
(SEAL)

ATTEST:

BY: \_\_\_\_\_  
Its: \_\_\_\_\_

Upon execution return to BED at the address indicated above.

**NOTE: Corporate Applicants must execute Agreement, in corporate name, by duly authorized officer, and seal must be affixed and duly attested; Limited Liability Company Applicants must execute Agreement by duly authorized Manager or by all members; Partnership Applicants must execute Agreement in firm name, together with signature of an authorized general partner.**

**K**

**Board of Economic Development  
May 13, 2026**

**BILLS REQUIRING APPROVAL FOR PAYMENT**

Department of Legislative Audit

\$44,934.40