

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, SEPTEMBER 9, 2020, 10:00 A.M., CT**

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**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, SEPTEMBER 9, 2020, 10:00 A.M., CT**

**Board  
Members:**

*Jeff Erickson*

*Matt Judson*

*Sharon  
Casey*

*Mike Luken*

*Ted Husted*

*Don  
Kettering*

*Tom Jones*

*Reed Kessler*

*Joy Nelson*

*Eric Yunag*

*Pat Burchill*

*Kevin  
Tetzlaff*

*David Emery*

**Non-Voting**

*Lee Qualm*

*Erin Healy*

*Craig  
Kennedy*

*Kris Langer*

**Motion Sheet**

(STAFF RECOMMENDATIONS)

**Agenda**

Motion to approve the agenda as presented.

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

**Minutes**

Motion to approve the minutes of the meetings held August 12, 2020 and August 26, 2020, as presented

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

**Conflicts of Interest Disclosures**

**Public Comments**

**Clausen and Rice, Inc. Accounting Contract**

Motion to approve the Clausen and Rice, Inc. contract for accounting services as

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

**Commissioners Comments**

**Executive Session**

Motion to enter into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

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

**Chairman: Declare board out of executive session. [        a.m.]. Chairman: The BED entered into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. No action was taken.**

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

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

**Grant Reviews**

**Reinvestment Payment Program (Agropur, Inc., Ag Processing, Inc. and Willow Creek Wind Power, LLC)**

Motion to approve the grant reviews as recommended by staff and Grant Committee.

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

Please note times:

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

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

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

Adjournment \_\_\_\_\_

**Old Business**  
**City of Colman**

Motion to approve extending the grant expiration date to September 13, 2021.

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

**Deadwood-Lead Economic Development Corporation**

Motion to approve the revised project and costs as presented.

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

**Leaning Oak**

Motion to approve extending the construction commencement date to April 30, 2021.

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

**Ratio, LLC**

Motion to approve extending the construction commencement date to May 1, 2021.

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

**New Business**

**Economic Development Partnership Program**

**Beadle and Spink Enterprise Community, Inc. (BASEC)**

Motion to approve an Economic Development Partnership grant award to BASEC in the amount up to \$1,000, not to exceed 50% of costs as recommended by staff and Grant Committee.

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

**Local Infrastructure Improvement Program**

**Belle Fourche Development Corporation, City of Volga, Grant County Development Corporation and Sioux Falls Development Foundation**

Motion to approve the Local Infrastructure Improvement Program grants as recommended by staff and Grant Committee.

**Belle Fourche Development Corporation**

Approve a Local Infrastructure Improvement grant award to the Belle Fourche Development Corporation in the amount of \$240,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

**City of Volga**

Approve a Local Infrastructure Improvement grant award to the City of Volga in the amount of \$500,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

**Grant County Development Corporation**

Approve a Local Infrastructure Improvement grant award to the Grant County Development Corporation in the amount of \$500,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

**Sioux Falls Development Foundation**

Approve a Local Infrastructure Improvement grant award to the Sioux Falls Development Foundation in the amount of \$200,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

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

**Adjourn**

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

A

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, SD  
WEDNESDAY, SEPTEMBER 9, 2020, 10:00 A.M. CT**

**REGULAR SESSION AGENDA**

- 10:00 A.M. Call to Order, Chairman Jeff Erickson
- 10:05 A.M. **Agenda**  
RECOMMENDED ACTION: Motion to approve the agenda as provided or amended.
- Minutes**  
RECOMMENDED ACTION: Motion to approve the minutes of August 12, 2020 and August 26, 2020, as presented.
- Conflicts of Interest Disclosures**
- Public Comments**
- Clausen and Rice, Inc. Accounting Contract**  
RECOMMENDED ACTION: Motion to approve the Clausen and Rice, Inc. Accounting Contract as presented.
- 10:15 A.M. **Commissioner's Comments**
- 10:20 A.M. **Executive Session**  
RECOMMENDED ACTION: Motion to enter into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance applicants. SDCL 1-25-2(4) and 1-16G-11
- 10:50 A.M. **Report from Executive Session**  
RECOMMENDED ACTION: Approve Chairman's report from Executive Session.
- Other Motions**
- Grant Reviews
  - City of Colman
  - Deadwood-Lead Economic Development Corporation
  - Leaning Oak
  - Economic Development Partnership Program
    - Beadle and Spink Enterprise Community, Inc.
  - Local Infrastructure Improvement Program
    - Belle Fourche Development Corporation
    - City of Volga
    - Grant Count Development Corporation
    - Sioux Falls Development Foundation

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.

Participation in the meeting can be at GOED at 711 E Wells Ave, Pierre, SD, the GOED office at the Zeal Center for Entrepreneurship at 2329 N. Career Avenue, Sioux Falls, SD or the GOED office at the Ascent Innovation Center at 525 University Loop, Rapid City, SD.

B

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, AUGUST 12, 2020, 10:00 A.M. CT**

Members Present

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

Staff Present

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

Other Staff Present

Andrew Coppersmith and Mike Bietz - BankWest, Inc.

Other's Present

Bob Mercer - Keloland

Call to Order

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

Agenda

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

Motion passed by a roll call vote.

Minutes

A motion was made by Joy Nelson and seconded by Tom Jones to approve the minutes of the meetings held July 8, 2020 and August 3, 2020, as presented.

Motion passed by a roll call vote.

Conflicts Disclosure

Chairman Erickson opened the floor for board members to identify potential conflicts under SDCL Chapter 3-23. There were none from board members and no objection to proceeding with the agenda.

Public Comments – none

Executive Session

A motion was made by Sharon Casey and seconded by Eric Yunag to enter into executive session at 10:14 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion passed by a roll call vote.

Executive Session Report

The Chairman declared the board out of executive session at 10:37 a.m. The Chairman reported that the Board of Economic Development entered into Executive Session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. No action was taken.



A motion was made by Pat Burchill and seconded by Mike Luken to approve the Chairman's report from executive session.  
Motion passed by a roll call vote.

#### Old Business

##### Farmers Union Industries, LLC

A motion was made by Ted Hustead and seconded by Joy Nelson to approve extending the commitment letter to January 2021.  
Motion passed by a roll call vote.

##### J and K Feeders, LLC

A motion was made by Kevin Tetzlaff and seconded by Reed Kessler to approve extending the construction commencement date to October 1, 2020.  
Motion passed by a roll call vote.

##### WYTEC, LLC

A motion was made by David Emery and seconded by Pat Burchill to approve changing the borrower name from WYTEC, LLC to NextBeam, LLC.  
Motion passed by a roll call vote.

#### New Business

##### Reinvestment Payment Program

##### Day County Wind, LLC

A motion was made by Sharon Casey and seconded by Mike Luken to deny the Reinvestment Payment Program grant application to Day County Wind, LLC as recommended by staff.  
Motion passed by a roll call vote.

##### Dairy Wise Builders-SD, LLC

A motion was made by Joy Nelson and seconded by Ted Hustead to approve the Reinvestment Payment Program grant application to Dairy Wise Builders-SD, LLC as recommended by staff.

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment of \$792,720 but not to exceed the State Sales/Use Tax paid on eligible project costs, is approved for Dairy Wise Builders. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion passed by a roll call vote.

##### Meridian Wind Project, LLC

A motion was made by Mike Luken and seconded by Kevin Tetzlaff to approve the Reinvestment Payment Program grant application to Meridian Wind Project, LLC as recommended by staff.

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment

of \$3,115,708 but not to exceed 36% percent of State Sales/Use Tax paid on eligible project costs, is approved for Meridian Wind Project, LLC. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion passed by a roll call vote.

#### South Dakota Jobs Program

##### TrueNorth Steel, Inc.

A motion was made by Pat Burchill and seconded by Eric Yunag to approve the South Dakota Jobs Program grant application to TrueNorth Steel, Inc. as recommended by staff.

Having considered the applicable factors and the likelihood the project would not occur in South Dakota without a grant, a South Dakota Jobs grant in the amount of \$18,000, but not to exceed 50% of the State Sales and Use Tax paid on eligible equipment costs, is approved for True North Steel, Inc. The project as completed must be substantially similar to the project described in the application and must comply with the applicable deadlines and requirements set forth in statute and administrative rule.

Motion passed by a roll call vote.

#### Adjourn

The Chairman adjourned the meeting at 10:45 a.m.

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Matt Judson, Treasurer

**GRANT COMMITTEE  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, AUGUST 26, 2020, 2:00 P.M. CT**

Members Present

Chairman Don Kettering, Mike Luken and Ted Husted

Staff Present

Commissioner Steve Westra, Cassie Stoesser, Ashley Moore, Joe Fiala and LaJena Gruis

Call to Order

Chairman Kettering called the meeting to order at 2:00 p.m.

Agenda

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

Motion passed by a roll call vote.

Conflicts Disclosure – Chairman Kettering opened the floor for committee members to identify potential conflicts under SDCL Chapter 3-23. There were none from committee members and no objection to proceeding with the agenda.

Public Comments – none

Executive Session

A motion was made by Ted Husted and seconded by Mike Luken to enter into executive session at 2:01 p.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion passed by a roll call vote.

Executive Session Report

The Chairman declared the Grant Committee out of executive session at 2:24 p.m. The Chairman reported that the Board of Economic Development Grant Committee entered into Executive Session to discuss commercial and financial information relating to loan and other assistance to applicants. No action taken.

A motion was made by Mike Luken and seconded by Ted Husted to approve the chairman's report from executive session.

Motion passed by a roll call vote.

Grant Reviews

Reinvestment Payment Program (Agropur, Inc., Ag Processing, Inc. and Willow Creek Wind Power, LLC)

Grant Committee recommends to the Board approving the grant reviews as presented.

A motion was made by Ted Husted and seconded by Mike Luken.

Motion passed by a roll call vote.

New Business

Economic Development Partnership Program

Beadle and Spink Enterprise Community, Inc. (BASEC)

Grant Committee recommends to the Board approving an Economic Development Partnership grant award to BASEC in the amount up to \$1,000, not to exceed 50% of costs.

A motion was made by Mike Luken and seconded by Ted Hustead.

Motion passed by a roll call vote.

Local Infrastructure Improvement Program

Belle Fourche Development Corporation, City of Volga, Grant County Development Corporation and Sioux Falls Development Foundation

Grant Committee recommends to the Board approving as presented.

Belle Fourche Development Corporation

Approve a Local Infrastructure Improvement grant award to the Belle Fourche Development Corporation in the amount of \$240,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

City of Volga

Approve a Local Infrastructure Improvement grant award to the City of Volga in the amount of \$500,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

Grant County Development Corporation

Approve a Local Infrastructure Improvement grant award to the Grant County Development Corporation in the amount of \$500,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

Sioux Falls Development Foundation

Approve a Local Infrastructure Improvement grant award to the Sioux Falls Development Foundation in the amount of \$200,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

A motion was made by Ted Hustead and seconded by Mike Luken.

Motion passed by a roll call vote

Adjourn

A motion was made by Mike Luken and seconded by Ted Hustead to adjourn the meeting at 2:33 p.m.

Motion passed by a roll call vote.

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Matt Judson, Treasurer

C

STATE OF SOUTH DAKOTA  
CONSULTING CONTRACT

AGREEMENT made and entered into this \_\_\_ day of June, 2020 by and between the State of South Dakota, Governor's Office of Economic Development, a state agency, of 711 E Wells Ave., Pierre, SD 57501, (the "State") and Clausen and Rice, Inc., 430 West Sioux Ave, PO Box 1117, Pierre, SD 57501(the "Consultant").

The State hereby enters into this Agreement for services with Consultant in consideration of and pursuant to the terms and conditions set forth herein.

1. The Consultant will perform services for the State as follows: prepare monthly financial statements, assist in the fiscal year-end accounting, and provide financials to the Department of Legislative Audit for the SD Board of Economic Development's annual audit (BED). Consultant will also prepare quarterly financial statements for the grant programs administered under BED.

2. The Consultant's services under this Agreement shall commence on July 1, 2020, and end on June 30, 2021, unless sooner terminated pursuant to the terms hereof.

3. The Consultant will not use State equipment, supplies or facilities. The Consultant will provide the State with its Employer Identification Number, Federal Tax Identification Number or Social Security Number upon execution of this Agreement.

4. The State will make payment for services to be paid upon satisfactory completion of the services. The TOTAL CONTRACT AMOUNT is an amount not to exceed \$21,500. Payment will be made pursuant to itemized invoices submitted with a signed state voucher. Payment will be made consistent with SDCL ch. 5-26.

5. The Consultant agrees to indemnify and hold the State of South Dakota, its officers, agents and employees, harmless from and against any and all actions, suits, damages, liability or other proceedings that may arise as the result of performing services hereunder. This section does not require the Consultant to be responsible for or defend against claims or damages arising solely from errors or omissions of the State, its officers, agents or employees.

6. The Consultant, at all times during the term of this Agreement, shall obtain and maintain in force applicable insurance coverage of the types as follows:

A. Commercial General Liability Insurance: The Consultant shall maintain occurrence based commercial general liability insurance or equivalent form with a limit of not less than \$250,000 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.

B. Worker's Compensation Insurance: The Consultant shall procure and maintain workers' compensation and employers' insurance as required by South Dakota law.

Before beginning work under this Agreement, Consultant shall furnish the State with properly executed Certificates of Insurance which shall clearly evidence all insurance required in this Agreement. In the event a substantial change in insurance, issuance of a new policy, cancellation or non-renewal of the policy, the Consultant agrees to provide immediate notice to the State and provide a new certificate of insurance showing continuous coverage in the amounts required. Consultant shall furnish copies of insurance policies if requested by the State.

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

8. Consultant agrees to report to the State any event encountered in the course of performance of this Agreement which results in injury to the person or property of third parties, or which may otherwise subject Consultant or the State to liability. Consultant shall report any such event to the State immediately upon discovery.

Consultant'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. Consultant'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 Consultant to report any event to law enforcement or other entities under the requirements of any applicable law.

9. This Agreement may be terminated by either party hereto upon thirty (30) days written notice. In the event the Consultant 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 such a default is effected by the State, any payments due to Consultant at the time of termination may be adjusted to cover any additional costs to the State because of Consultant's default. Upon termination the State may take over the work and may award another party an agreement to complete the work under this Agreement. If after the State terminates for a default by Consultant it is determined that Consultant was not at fault, then the Consultant shall be paid for eligible services rendered and expenses incurred up to the date of termination.

No party shall be liable for a delay in performance or failure to perform its obligations under this Agreement if such delay or failure is due to acts of God or any other event beyond the control of the parties, including, without limitations, fire, explosion, weather, disease, war, insurrection, civil strife, riots, government action or power failure, provided, however, that the party who is unable to perform resumes performance as soon as possible following the end of the event causing the delay.

10. 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. Termination for any of these reasons is not a default by the State nor does it give rise to a claim against the State.

11. 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.

12. This Agreement shall be governed by and construed in accordance with the laws of the State of South Dakota. Any lawsuit pertaining to or affecting this Agreement shall be venued in Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota.

13. The Consultant will comply with all federal, state and local laws, regulations, ordinances, guidelines, permits and requirements applicable to providing services pursuant to this Agreement, and will be solely responsible for obtaining current information on such requirements.

14. The Consultant may not use subcontractors to perform the services described herein without the express prior written consent of the State. The Consultant 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 for the benefit of the State in a manner consistent with this Agreement. The Consultant will cause its subcontractors, agents, and employees to comply, with applicable federal, state and local laws, regulations, ordinances, guidelines, permits and requirements and will adopt such review and inspection procedures as are necessary to assure such compliance.

15. Consultant 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 the Consultant in connection with its 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 the Consultant 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.

16. 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 Steve Westra on behalf of the State, and by John Clausen, on behalf of the Consultant, 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.



17. 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.

18. 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. 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.

In Witness Whereof, the parties signify their agreement effective the date above first written by the signatures affixed below.

STATE

CONSULTANT

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

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

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

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

- State Agency Coding (MSA Center):
- State Agency MSA Company for which contract will be paid:
- Object/subobject MSA account to which voucher will be coded:
- Name and phone number of contact person in State Agency who can provide additional information regarding this contract: Cassie Stoesser 605-773-5195