



**JSDC Regular Board of Directors Meeting
May 10, 2021
Sabirs Buffalo Grill – Jamestown, ND
Official Minutes**

Members Present: Marlee Siewert, Tory Hart, Nick Schauer (entered at 11:50 am), Kelly Rachel, Dwaine Heinrich, Mark Klose (entered at 11:52 am), Ritch Wolf, CJ Janke, Lorrie Pavlicek, Steve Cichos (by phone), Jeremy Rham, David Steele, Rod Johnson, Tom Silbernagel (entered at 11:50 am), and Matthew Pepple.

Members Absent: None.

Staff Present: Connie Ova, Corry Shevlin, and Tracey Pringle.

Staff Absent: None.

Guests Present: Keith Norman, Jamestown Sun; Danica Chaput, Job Service of ND; David Schloegel, City Council; and Warren Abrahamson, NewsDakota.com (entered at 11:55 a.m.).

Call to order: 11:45 a.m. by Marlee Siewert.

Conflict of Interest: None.

B) Approval of Agenda: Marlee stated she would like to change the order of Agenda items. She would like to go into Executive Session after item F) Account Status Report.

Matthew moved to approve the Agenda with the change of Executive Session following item F) Account Status Report, Jeremy seconded, and the motion passed unanimously by voice vote with Nick, Tom, and Mark absent for the vote.

C) President's Report: No report.

Nick Schauer and Tom Silbernagel entered the meeting at 11:50 a.m.

Mark Klose entered the meeting at 11:52 a.m.

D) Strategic Committee Reports

Finance Committee-

(Committee members: Nick, Marlee, Tory, Dwaine, Steve, Jeremy, Rod, Matthew, Connie, Tracey, and Corry) *2021 Members*

- The Committee did not meet since the last Board meeting.

- The Finance Committee meets on an as needed basis. The next Finance Committee meeting is to be determined.

Existing Business Outreach Committee-

(Committee members: Tory, Marlee, Nick, Kelly, Mark, David, Rod, Tom, Corry, and Connie) *2021 Members*

- Tory reported the Committee met and is recommending approval of internship program applications at today's Board meeting. The Committee is also working on developing a survey.
- The Existing Business Outreach Committee meets on the first Tuesday of each month at Noon. The next regular monthly Existing Business Outreach Committee Meeting is scheduled for Tuesday, June 1st.

New Business Attraction Committee-

(Committee members: Tom, Marlee, Dwaine, Steve, Lorrie, CJ, Ritch, Matthew, Corry, and Connie) *2021 Members*

- Tom reported the Committee met and is recommending approval of 3 items at today's Board meeting which includes 2 applications for Flex PACE Funds and additional funds for the 2021 Flex PACE program.
- The Business Attraction Committee meets on the first Wednesday of each month at Noon. The next regular monthly Business Attraction Committee Meeting is scheduled for Wednesday, June 2nd.

Organizational Excellence Committee –

(Committee members: Marlee, Kelly, Mark, David, CJ, Lorrie, Ritch, Jeremy, Connie, Tracey, and Corry) *2021 Members*

- Lorrie reported the Committee met and reviewed the JSDC Policies and Procedures. The Committee is recommending approval of revisions to the Policies and Procedures at today's Board meeting.
- The Organizational Excellence Committee meets on the first Monday of the month at 9:00 a.m. The next regular monthly Organizational Excellence Committee Meeting is scheduled for Monday, June 7th.

E) Approval of Meeting Minutes: Minutes from the regular Board of Directors meeting on April 12, 2021 were in the One Drive for review.

David moved to approve the minutes of the April 12, 2021 Board of Directors meeting as presented, Tory seconded, and the motion passed unanimously by voice vote.

Minutes from the special Board of Directors meeting on April 16, 2021 were in the One Drive for review.

Lorrie moved to approve the minutes of the April 16, 2021 Board of Directors meeting as presented, Ritch seconded, and the motion passed unanimously by voice vote.

Guest Warren Abrahamson from NewsDakota.com entered the meeting at 11:55 a.m.

F) Account Status Report: Tracey reviewed the April financial reports which were in the One Drive for review.

Rod moved to approve the April financial report as presented, Tom seconded, and the motion passed unanimously by voice vote.

Adjourn for Executive Session: Marlee read the Executive Session meeting script and adjourned the open meeting to enter into Executive Session per NDCC Section 44-04-18.4 to discuss JSDC Incentives at 11:56 a.m.

Reconvened: Marlee reconvened the open portion of the meeting at 12:33 a.m.

L) JSDC Incentives: The Preliminary Proposal for Company X included the following incentives:

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- ≤\$2,514,000 **JSDC DRAFT LOCAL INCENTIVE PACKAGE OUTLINED BELOW:**
- ≤ \$214,000 **PACE Interest Buy-down loan (add “and/or In-kind” per motion)**
For conventional loans associated with a Jamestown/Stutsman County location. Buy down consists of up to 5% reduction in lending rate. PACE can be used for certified primary sector projects only.
Bank of ND Share would be up to \$500,000 grant for a total buy down incentive of up to \$714,000
- ≤ \$300,000 **New Jobs Training funds loan (forgivable loan)**
1% interest 10-year amortization
Secured by New Jobs Training Funds agreement for 50 FTE employees
Disbursed upon completion of appropriate legal documents including New Jobs Training Agreement with State of ND
Payments scheduled quarterly, should NJTF allocation for that quarter fall short, Company X, Inc. will be billed for deficit for the quarter
Loan may be paid in full at any time during the schedule payment period with no penalties assessed
Final dollar value of the New Jobs Training Funds allocation will be determined by ND Job Service after receiving application
- ≤\$1,000,000 Payable upon confirmation of and final signatures on LOI/Site Lease/Rail License Agreement with the Spiritwood Energy Park Association to construct a \$350,000,000 soybean processing facility at Spiritwood, ND.
- ≤\$500,000 Payable on significant completion of plant. The facility must be completed no later than 24 months following the execution date of Letter of Intent with the Spiritwood Energy Park Association.
- ≤\$500,000 **JSDC Jobs Incentive Grant** provided upon proof of hiring first 25 FTE \$20,000/FT employees paid equal to or more than \$20/hour and hired for 40 hours/week will qualify for this incentive and the business is certified as primary sector
Payable upon receipt of proof of hiring (W-4) and payroll information reviewed by JSDC monthly for the first (12) twelve months of full-time operation in Jamestown, ND. (Prorated claw backs apply for 5 years encourages company to stay in Stutsman County, ND.)

JSDC loan and grants funds will be subject to performance “claw backs” which allows the JSDC to recapture any and all incentive if Company X, Inc. does not occupy and staff functioning

production/business/executive/administrative/offices/facilities in Stutsman County, North Dakota, that are conducting day to day business operations.

Tory moved to approve the Preliminary Proposal Draft for the financing package on an 80% city / 20% county split for Company X as outlined by Connie with one change to the PACE Interest Buy-down loan to be listed as a loan “and/or in-kind”, Lorrie seconded, and the motion passed unanimously by roll call vote. Roll call: Marlee-aye, Tory-aye, Nick-aye, Kelly-aye, Dwaine-aye, Mark-aye, Ritch-aye, CJ-aye, Lorrie-aye, Steve-aye, Jeremy-aye, David-aye, Rod-aye, Tom-aye, Matthew-aye.

G) JSDC Policies & Procedures: Tracey reviewed her memo regarding the recommended revisions to the JSDC Policies and Procedures which was in the One Drive for review. She also reviewed each significant revision to the Procedures.

CJ made a motion to approve the revisions to the JSDC Policies and Procedures as stated, David seconded. Discussion followed.

Mark questioned when the procedure of payment of legal fees changed and why. Tracey stated the procedure has been as stated in the revisions for years, but was not updated in the Procedures. It was decided to have the Organizational Excellence Committee discuss further the revision pertaining to the payment of legal fees. Specifically, why the project principals aren't responsible for these fees.

CJ amended his motion to approve the revisions, with the exception of the legal fee payment revision, David agreed and seconded, the motion passed unanimously by voice vote.

H) 2021 Flex PACE Program: Corry reported this item has had a lot of discussion at the New Business Attraction meeting and at the Executive Committee meeting. There is a recommendation from the New Business Attraction Committee to add \$250,000 in Flex PACE funds for the 2021 program and to review criteria of the program. Corry reported there are two applications for approval today and if both are approved, we will be over budget by approximately \$27,000. Discussion followed.

Dwaine moved to approve up to an additional \$30,000 for the 2021 Flex PACE program, Tom seconded, and the motion passed unanimously by roll call vote. Roll call: Marlee-aye, Tory-aye, Nick-aye, Kelly-aye, Dwaine-aye, Mark-aye, Ritch-aye, CJ-aye, Lorrie-aye, Steve-aye, Jeremy-aye, David-aye, Rod-aye, Tom-aye, Matthew-aye.

Tom moved to have the 2021 Flex PACE Program criteria further discussed by the New Business Committee, Matt seconded. Discussion followed. The motion passed unanimously by voice vote.

I) KC Motorsports Flex PACE Request: Corry reported KC Motorsports is purchasing Stutsman Harley Davidson, the business and building. The New Business Attraction committee is recommending approval of \$85,714.38 in Flex PACE funds.

Kelly made a motion to approve \$85,714.38 in Flex PACE funds to KC Motorsports on an 80% city / 20% county split, Matt seconded, and the motion passed unanimously by roll call vote. Roll Call: Marlee-aye, Tory-aye, Nick-aye, Kelly-aye, Dwaine-aye, Mark-aye, Ritch-aye, CJ-aye, Lorrie-aye, Steve-aye, Jeremy-aye, David-aye, Rod-aye, Tom-aye, Matthew-aye.

J) Oviatt LLC Flex PACE Request: Corry reported Oviatt LLC will be building a new events center at the old Bible camp. Nick Schauer and Matthew Pepple declared conflicts with the item and did not participate in discussion or the vote. The New Business Attraction committee is recommending approval of \$85,714.31 in Flex PACE funds.

Lorrie made a motion to approve \$85,714.31 in Flex PACE funds to Oviatt LLC on an 80% city / 20% county split, Tom seconded, and the motion passed by roll call vote with Nick and Matthew abstaining. Roll Call: Tom-aye, Rod-aye, David-aye, Jeremy-aye, Steve-aye, CJ-aye, Lorrie-aye, Ritch-aye, Mark-aye, Dwaine-aye, Kelly-aye, Tory-aye, Marlee-aye. Abstained: Nick & Matthew.

K) Intern Program Applications: Corry reported a subcommittee of the Existing Business Committee was reviewed 12 intern applications and made recommendations to the full committee. The subcommittee includes: Marlee, Lorri, Tom, and Rod. The Existing Business Committee is recommending approval of all 12 applications from 5 employers for interns from 7 universities/colleges for up to a maximum of \$42,000. Rod and Marlee declared conflicts and did not participate in discussion or the vote.

Matthew made a motion to approve the recommendation of the committee, Dwaine seconded, and the motion passed by roll call vote with Rod and Marlee abstaining. Roll Call: Matthew-aye, Tom-aye, David-aye, Jeremy-aye, Steve-aye, Lorrie-aye, CJ-aye, Ritch-aye, Mark-aye, Dwaine-aye, Nick-aye, Tory-aye. Abstained: Marlee, Rod, and Kelly.

Adjourn: Marlee Siewert adjourned the meeting at 1:20 p.m.

Recording Ended: 1:20 p.m.

Respectfully submitted,
Tracey J Pringle, Admin & Finance Coordinator