

Sargent County Development Authority

Minutes

Date of Meeting: 12-15-09 Time:7:30 am

Location of Meeting:Sargent County Courthouse Conference Room

PRESENT:Mike Walstead, Sandra Hanson, Randy Pearson, Bill Anderson, Dan Delahoyde, Ron Narum, David Jacobson, Jay Jacobson

Not PRESENT: Jeff Anderson, Don Wehlander,

Guests:Gretchen Vann

Meeting Called to Order:Ron Narum-Chr

Minutes of Last Meeting Presented:Minutes presented to Board. Upon review of written minutes Randy/Jay to approve minutes as presented. No discussion. Motion Carried unanimously.

Treasurer's Report:Mike Walstead reported that at the end of October 2009 the SC JDA has \$126,300.00. The budget report was submitted with a beginning budget of \$80,000.00 and as of 11/30/09 \$5,551.30 spent leaving a balance of \$74,448.68 in the budget.

Committee Reports:No reports at this time

OLD BUSINESS

Wind Energy update-Dan Delahoyde reported that there has not been a lot of activity in this area since the Cogswell community meetings. Dan stated that he has spoken to some landowners in his area, but due to fall harvest delays and problems people are still working on completion of harvest and do not have time to discuss this topic at lengths. Dan does not feel he should be the chr or take the lead in the landowner group that needs to be formed due to his position on the SC JDA and as the Twp Chairman for Jackson. It was enforced that the JDA or County is not in a position to select a developer for the landowners. Most areas the landowners form a group and represent themselves in the process. Dan was commended for taking the initiative to bring Frank Valen to the Cogswell meeting to speak to the public regarding landowners rights when looking at leases from wind developers. We still have two developers interested in the area. Green Resources and Just Wind. Discussion held on the qualities of both companies. Discussion regarding developer trends and companies selling into the grid vs long term contracts and how that changes with prices and the demand in the market. Market price will always drive development.

Keystone Pipeline-Jay reported that the pipeline has used some electricity since November. They are currently commissioning their equipment. In conversation with the company representatives, they are about a month behind schedule. They will try to begin pumping oil thru the state the end of Feb. and be commercial by the end of march. It takes about one month to fill the line once the first barrel is put in the pipe. County and Jackson Twp have received payments for road repairs done due to heavy traffic during construction.

OSSI-Sandy ran into the group in Bismarck last week and they are still forging ahead. It is still their intention to place the main facility in the Ellendale area with other satellite facilities located in Ransom and Sargent Counties. At this point the three gentlemen have only their own credibility to use as a selling tool for this business adventure, guaranteed support will have to come from other agencies and/or financial backers due to the complex and financial needs of the proposed plan.

NEW BUSINESS

Rutland Café-Gretchen was in attendance to present her business plan and make a request for financial support. She provided a written plan (enclosed) and explained the plan for the Rutland Café and the future of the Rutland General Store. Gretchen asked to be considered for a \$35,000.00 loan with a payback schedule set up for 30 years. It is her hope to accelerate those payments with increased profits as allowed. The loan will be used for bringing some items up to regulation and code such as the propane lines, plumbing repairs, adding a breezeway between the two buildings, and other remodeling and upgrading of the café. She is hiring some general contractors and doing some work herself. The Rutland Café had a lease/purchase agreement with Rutland Economic Development with the previous owner for \$15,000.00. The Rutland ED purchased the building and equipment and then set up the lease agreement. That agreement has been transferred to the new owners. Gretchen has no other debts connected to the store/café. Since the purchase she has already seen a 20% increase in profit and sees that staying steady. She anticipates some additional jobs and some summer work available for high school students. Gretchen stated that her repayment plan is supported by existing business and the 20% increase may provide the opportunity to make payments ahead. Bill/Dan to borrow The Rutland Café/Rutland General Store represented by Gretchen Vann the amount of \$35,000.00 for 30 year repayment schedule Amortization with 1% over the prime and a 5 yr balloon. Discussion regarding the 5 yr balloon offers an opportunity to look at the loan, the interest rates, and the business plan in the future as needed. No further discussion, Ron called for the vote. Motion carried unanimously. The SCJDA would like to work with Lyle Bopp the SC States attorney to complete all necessary paperwork.

Therapeutic Riding Stables-Bill discussed this business opportunity with Ione who has a connection with the lead people working on this. It is going to be located north of Milnor but is in Ransom County. It was discussed that when they are ready they should approach the Ransom County JDA first and then maybe work with Milnor Economic Development since it is the closest community. As it progresses and as needed they can approach this group as well. This item will be removed from the agenda until we are recontacted by the group. With no further business Bill/Jay moved to adjourn. Motion carried unanimously. 8:40 am.

Sandra Hanson

Recording secretary