

Sargent County Development Authority

Minutes

Date of Meeting: 6-30-09 Time: 7:00 AM

Location of Meeting: SC Courthouse Conference Room

PRESENT: Bill Anderson, Mike Walstead, Sandy Hanson, Randy Pearson, Ron Narum,

Not present: Jay Jacobson, Jeff Anderson, Dan Delahoyde, Neil Anderson, Jerome Brekke, Don Wehlander

Guests: Charles Russell, Jeff Langley

Meeting Called to Order: Chairman Ron Narum

Minutes of Last Meeting Presented: minutes of the meeting dated 4-9-09 were presented for approval. Mike/Randy to approve minutes as written. Motion Carried unanimously.

Treasurer's Report: the monthly budget activity sheet printed by the county was presented.

Milnor Airport authority for the amount of \$3,000.00 was taken from this budget. Bill and Mike reported that it will be a one time payment.

Committee Reports: no reports

OLD BUSINESS

Wind Energy-Discussion on conducting public meetings regarding leases for wind energy development. Mike stated that the county has an adopted zoning ordinance in place now that has wordage regarding this type of development. Those have been mailed to the two developers that have made contact with Sargent County. Bill- contact city JDAs for support and take lead on moving forward. The ND statute does not allow county JDA to be aggressive in this type of endeavor. Felt it is up to the developers to take the lead on arranging for Public meetings. It needs to move forward.

NEW BUSINESS

Operational Security Inc (OSS)-Charles and Jeff introduced themselves and stated they are two of 4 people that are currently partners in this endeavor. Presented updated information regarding the business venture, which is a facility/campus that will store/house secured data both in hard copy and wired/wireless formats. They are seeking large agency contracts with potential of some large government contracts. At this time an individual is willing to pay for and put up a building in Lisbon with the idea that OSS will lease the building for the same type of use except it will be for other types of businesses that need data storage but not on the same scale as governmental information storage. The Lisbon building will be set up with some type of climate control, security, and staff to accomplish this need. OSS is seeking a land purchase in Ellendale at this time near the DRN and County Shop facility. This facility will be geared up for documents that need higher end storage requirements. It will have to follow governmental specs for storage retention. Location selection has to do with the ability to utilize the DRN infrastructure of wired/wireless capabilities to assist in meeting goals of the needs. Sandy-Have they worked with Regional Councils in the area? Jeff-yes they worked with Jamestown regional council to develop a business plan. But at this time no loan/grant use. They are submitting a grant thru SBIRG-Small Business Informational Research Grant (?) to assist in Bldg analysis as a 1st phase. Jeff commented on SC Bank will be the lead financial partner as this progresses. Dustin has been working with Jason Rockswold at the Forman Location. Bill-Who is SC B working with? Jeff-Dustin has been handling that connection and he would have to update the group on the banks involvement to this point. Bill-Have you done

an impact study? Charles-no, at this time Charles worked with the City of Ellendale to do a local analysis of the infrastructure of the community for future needs dependent on population growth. That had to do with fire, housing, amb, hospital, water, sewer, etc. Bill-Has a population impact for the region been completed? Charles-no. Ellendale will see the biggest impact population wise and the fastest impact. It will drizzle out to other communities in the region as well. The impact will probably come in phases as the campus continues to be built and grows. Bill suggested that a study of that sort would only benefit OSS as they continue to look for support. Local contractor involvement? Charlie-it may be minimal, because the federal government will require bonding and to some points security clearances and some of the contractor work needed on this facility may be at a level of knowledge that locals are not familiar with. Jeff- request funds to assist the partners in continued work to travel and work with agencies to firm up contracts and commitments so that they can move forward. Bill-How many communities/JDAs have they requested from? Jeff-Dickey/Ellendale, Sargent today. Aberdeen is committed to work with the rail system to utilize that facility as a loading/unloading dock and haul point to the facility. That is wiser then trying to spend dollars to beef up the rail system into the small community area and fight grain traffic on the rail locally. Jeff-They have to be careful how the funding support comes into OSS to stay away from conflict of interest and other funding issues that may arise using government dollars on top of government dollars. Sandy-What is this groups wishes for discussion of request or movement on from this point? Bill-OSS needs to submit a business plan to include some projections for community impact, employment opportunity, financial budgets, Ron- projected turn the dirt date? A next meeting will be scheduled as per OSS getting their info together to present. OSS will work with Sandy to set a date and suggested inviting Jason Rockswold and Possibly Lake Agassiz or Counter part in Jamestown to the meeting as well. Charles & Jeff thanked everyone for their time and left the meeting.

Dakota Micro (DM) Request-A letter was received by Sandy from Dakota Micro requesting consideration of deferment of the 2010 10% dividend payment to SC JDA from DM. Letter was read and attached to these minutes. Review of the original contract was done. It appears that a payment was to be made by DM on May 31st of 2009 as well. Nothing was stated in the letter and no one on the board had knowledge if this payment was made. Sandy will check on payment. The year could be a typing error or misunderstanding of information. Bill- it appears that DM may be 30 days in default of the contract at this time. Board-without better financial/business information the board feels this request needs to be tabled and contact with DM needs to be made for presentation at a meeting. Sandy will contact DM requesting the information and representation of DM be present for a meeting with JDA. Sandy will also make Contact with Lake Agassiz regarding this issue. Ron thought that Lake Agassiz also received the same letter and no action was taken. A future date of meeting will be arranged.

Economy of SE Region-Bill-discussion regarding a meeting with Bobcat, ILG, Ray-Mac, and any other business that has impact on the current economic crisis regarding shutdowns, layoffs, and closings in this area. Invite them to a meeting as well as all the JDAs in the area to see where these companies foresee for their future and if we can help them in anyway to stay viable and in business. Sandy will develop a list of JDAs/economic development groups for SE Region and work on arranging a meeting between those involved. Bill will also bring this to the table at the Commission 5 county meeting.

With no further business the meeting was adjourned at 8:20 am.

Sandy Hanson recorder