

Rapid City Area Economic Development Partnership Board of Directors
Meeting Minutes
January 18, 2006
Radisson Hotel, Ballroom
4:30 p.m.

PRESENT:

Greg Bartron	Ward Cheney	Bob DeMersseman	Marcia Elkins
Owen Emme	Steve Flanery	Bill Gikling	Deb Hadcock
Terri Haverly	David Hillard	Debra Jensen	Kip Larson
Karen Olson	Jim Pahl	Don Patnoe	Tom Rau
Loni Reichert	Rick Rylance	Dave Schmidt	Pat Tlustos
Pat Wyss			

Guest: Gautam Pillay

I. CALL MEETING TO ORDER

Chairman Larson called the meeting to order.

II. APPROVAL OF MINUTES

Minutes from the December meeting were previously emailed. Emme motioned for approval of the minutes. Pahl seconded the motion. All approved. Motion carried.

III. FINANCIAL REPORT

Gikling provided the December financial report. Copies of the Balance Sheet and Profit and Loss had previously been emailed to the board. Total income is up 8.2% at \$347,746 and expenses total \$277,537 showing an 8% increase over last year.

IV. N2TEC

Larson reported the Rapid City N2TEC Team met on December 28, to review several patents/information provided to them from N2TEC. Several were discounted due to patents being old, marketability, and ones that needed FDA approval due to length to get approval. DeMersseman added he and Dale Skillman, Small Business Innovative Research, have been selected to do the initial review of future projects that are introduced and bring those most likely to succeed in the area to the group for further consideration. Bartron added the N2TEC goal is to have a new business in the area by 2006. Also, the National N2TEC Team has selected western South Dakota for the location for their institute. Black Hills Vision and the Governor's Office have been asked to provide funding for support of the institute if it should become a reality.

V. BUSINESS INCUBATOR

Haverly reported construction on the roof on the incubator has been completed and the building is now considered 56% complete. Jim Mirehouse has been hired as CEO of the incubator and has been working on the legislation, logo, website and address of the facility. Work is also being done on the development of governance of the center that will be conducted via representative operating committees that will report through the CEO to the Board of Directors. Letters have been mailed out to different agencies asking for them to submit names to serve on those committees. The board was asked to consider names for representation of the Partnership on these committees and submit any to DeMersseman by the February meeting at which time a decision would be made as to who would serve. The committees are: Program/Promotion Committee, Finance/Legal Committee, Admissions Committee, and Building Operations Committee. Mike DeMersseman and Harry Christianson from DeMersseman Jensen Law Firm have been asked to carry the property tax legislation. The bill has been dropped and as soon as it receives a bill number that information will be emailed to board members. Support of the bill sounds positive at this time due to the fact that it will have a small affect of approximately \$200,000 to the state

and affecting only about three incubators at this time. Incubators this legislation would affect include Sioux Falls, Rapid City and Brookings.

VI. PROSPECT REPORT

DeMersseman reported work continues with two financial services call centers and three local expansions considering land in and around the industrial parks. The most exciting prospect at this time would be Jim Swartz, Fundamental Applied Biology Inc., (FAB) located in San Francisco. The company is working to commercialize the technique of exploiting the protein-making characteristics of living cells to produce protein-based medicinal drugs is considering a pilot plant in the business incubator.

VII. EX OFFICIO REPORTS

A. CITY OF RAPID CITY

DeMersseman thanked the City Council for their work on the 2012 Opportunity Capture Fund, which had its first reading last week. Hadcock stated a special meeting would be held February 13, on the Walmart project.

B. PENNINGTON COUNTY COMMISSION

No report given.

C. SOUTH DAKOTA SCHOOL OF MINES & TECHNOLOGY

Gautam Pillay, Vice President of Research, reported for Dr. Chuck Ruch who was unable to attend. Pillay briefed the board on a new facility. A kickoff is planned for March and more information will follow. The Board of Regents would be holding a public information meeting on campus tomorrow at 3:00 p.m. regarding the proposed site for public university classes in Sioux Falls. He encouraged board members to attend. The Zyvex equipment is up and operational and the final check out is complete. The Zyvex Company will identify actual prospect companies.

D. WESTERN DAKOTA TECHNICAL INSTITUTE

No report given.

E. CAREER LEARNING CENTER

No report given.

F. CHAMBER OF COMMERCE

Wyss reported Pat McElgunn is also tracking the legislation on the incubator as a lobbyist in Pierre. The Chamber will once again be holding its weekly legislative crackerbarrels on the SDSM&T campus beginning this Saturday. Air Service Task Force has been very busy and reports show boardings are up at this time for Rapid City. The Chamber staff has applied for reaccreditation with the US Chamber of Commerce and is hoping for a 5 Star rating.

VIII. COMMITTEE REPORTS

A. EXECUTIVE COMMITTEE

Larson reported the South Dakota School of Mines & Technology Foundation has contacted the Partnership requesting it to consider sponsoring up to \$2,000 toward the SDSM&T "Engineers Make Great Entrepreneurs" Speaker Series and Scholarship Competition. For more information please see attached. Rylance motioned the Partnership Board sponsor \$2,000 towards this project. Emme seconded the motion. All approved. Motion carried. Larson will notify the Foundation.

B. WEST RIVER BUSINESS SERVICE CENTER/GENESIS

Bartron reported the West River Foundation receives \$75,000 from the City for low income to moderate housing. The Foundation is planning to build 13 Governor Homes in Big Sky that would be considered low-income housing. Other loans the center is working on include an infrastructure loan to the City of Box Elder for Exit 67, a horse complex in Hill City, and a restaurant in Faith. The center is

busy gearing up for the move into the business incubator this summer and stressed the importance of marketing this facility. Genesis of Innovation met in Pierre and has plans of becoming more involved in the N2TEC project.

C. SCORE

Cheney reported SCORE has been busy since October with 191 face-to-face and online hours and 281 volunteer hours.

IX. ITEMS FROM THE FLOOR

Haverly provided information on the South Dakota Career Center's Open House to be held February 16, 2006, from 3:00 p.m. to 6:00 p.m. Invitations will be sent out later. Economic Development and West River Business Service Center will have a booth there.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Loni Reichert, Office Manager