Official Proceedings of the Stutsman County Commission – June 8, 2021

At 8:30 a.m., Chairman Klose called the special meeting of the Stutsman County Commission to order. Dennis Ova, Ramone Gumke, Joan Morris, Steven Cichos and Mark Klose answered the roll call.

The following were in attendance: Richard Dye, ADM Senior Tax Manager (via phone), Connie Ova, Director of JSDC, George Quigley, Spiritwood Township Supervisor/Fire Director, Clarence Daniels, Spiritwood Township Chairman, John Craft, Spiritwood Township Supervisor, Michael Severson, Barnes County North Superintendent, Brian Paul, Jamestown Rural Fire Department Chief, and Shirly Krapp, Fire District Secretary/Treasurer (via phone).

Klose opened the floor for discussion regarding Archer Daniels Midland (ADM) application for property tax incentive.

An analysis was prepared by Morris. Current taxes for Cargill are $395,441, with a total valuation of $46 million dollars. Estimated taxes for ADM would be $600,000, with a total valuation of $70 million dollars.

ADM has requested Payment in Lieu of Taxes (PILT). The proposed annual ADM payment would be $200,000. Annual taxes waived would be $400,000. The ADM payment amount over 20 years would be $4 million dollars. The total taxes waived would be $8 million dollars.

The initial investment for ADM is approximately $350 million dollars. About $70 million dollars will be used to rebuild a soybean crush refinery. ADM anticipates building on the existing foundation of the building sites and silos will be refurbished.

Cargill currently owns approximately 2,000 acres at the site. ADM will be taking ownership of only 230-240 acres.

Brian Paulson, Jamestown Rural Fire Department Chief, presented his concerns. Part of the revenue they receive from the state is driven through insurance premiums. Some facilities in the past were self-insured. ADM is self-insured.

Clarence Daniel, Spiritwood Township Chairman, was concerned with the 20-year window rather than 7-10-years approved in previous projects. Spiritwood Township is just starting to collect 30% on the ethanol plant.

John Craft, Spiritwood Township Supervisor, asked if the acres being purchased includes the lagoons and any of the current water permits held by Cargill, and how much of the water will be required for the new processing plant. Dye will gather this information.

Paulson presented a question regarding GRE converting from coal to natural and how that will affect the tax assessed by the state.

Connie Ova, JSDC, stated this will be the largest project ADM has done in their history. Ova believes it is an asset to the community.

The rail will be expanded, so more rail cars can be held on site. Dye will get more information regarding rail and truck traffic.

A concern of rail trains blocking all three of the railroad crossings was presented. These include the north side of the ethanol plant, the railway in the City of Spiritwood, and the east side. There is no exit on the south side of railway in the City of Spiritwood when it is blocked.

ADM understands there will be a current drop in revenue as to what the current facility is paying. As it sits today, it is a specific use property.

The JSDC Board through the City and the County has committed funding to this project. ADM has only received the property tax dollars and not revenue dollars. There is a $2.4 million dollar incentive package on the table through JSDC.

The next special meeting will be held Friday, June 11, 2021 at 10:30 a.m.

At 9:34 a.m., Morris made a motion to adjourn, seconded by Cichos. Motion carried.

ATTEST:

Jessica Alonge Interim Auditor/COO	Mark T. Klose Commission Chairman