

**Jefferson Local Development Corporation (JLDC)**  
Meeting Minutes, July 15, 2009

*Board members present:* Patricia Lewis, Barbara Sunderland, Darrell Miller, Ed Handl, Colleen Teeling, Bob Marks, Barbara Reiter, Dick Norden, Tom Lythgoe, Tara Mastel, Tom Harrington, and Nancy Wheeler. *Board members absent:* Byron Stahly, Sheila Hogan. *Guests:* Scott Mendenhall, Maren Olsen, Michelle Sides, Steve Marks and Jeff Chafee. A quorum was present.

**1. Call Meeting to Order**

The meeting was called to order at 2:03 p.m. by President, Barbara Sunderland, at Marks Lumber in Clancy. Pat made a motion to approve the meeting minutes from 6/3/09 and 6/18/09; Barbara R. seconded the motion. Minutes were approved as published.

**2. Biofuels Project Presentation**

Scott Mendenhall distributed a discussion paper on a Southwest Montana Biomass Co-Generation Project that he would like JLDC to consider becoming involved with. After reading through the paper, discussion on the project followed. Marks Lumber feels this would be a very appropriate and beneficial project for Jefferson County and is looking for interested partners. Scott said it's a big project and proposed that JLDC entertain adding this project to their Work Plan. The project would require some staff time and possibility searching for grants to fund a feasibility study. Tom H. felt it's a good idea, is needed and, looking at the condition of the forest, an opportunity to develop something that will bring good paying jobs into the county. Tara said Headwaters would have some capacity to help with grant writing and staff could make room in their Work Plan for this important project. Scott said if the project moves forward, there may be capacity building money available to help with staffing for the project. Ed said he feels it's a major opportunity as there are only so many resources in the county and a lot of resources are being wasted.

Pat made a motion for the JLDC managers to add this project to their Work Plan and start initial work on the project. Colleen seconded the motion. Discussion followed. Ed asked for a definition of initial work. Darrell sees JLDC's role as facilitating the methodology idea outlined on the discussion paper, contacting a consortium of interested people and bringing them together for an initial meeting to find out their level of interest. If interest is confirmed, perhaps looking at potential for grants to fund a feasibility study. Pat revised her motion for JLDC managers to add the project to their Work Plan and the first step will be to invite a consortium of interested people to a meeting to confirm their interest. If there is an expressed interest in the project, managers would search for grants to fund a feasibility study. Colleen seconded the motion. Bob and Darrell abstained from voting as they have a corporate interest in the project. Motion passed.

**3. Golden Sunlight Mine (GSM) / Community Transition Advisory Committee (CTAC)**

a. Tom said CTAC meeting minutes were emailed to the board members. Employment is currently at 151 employees and 34 contractors on site. The pit layback is about 15 percent ahead of plan and the mine manager reported they are looking for potential ways to start the mill in 2011 instead of 2012. The mine experienced a small high wall failure in the Southwest portion of the pit that is a very small impact and will not cause delays.

**b. Phase II Financing**

Tara said an email was sent to the board on the Phase II financing. Staff received a call from John Rogers of EDA and Washington D.C. concurred with the Denver recommendation to fund the project. Tara said the project design needs to be re-engineered and a lot re-write done as DEQ approval is currently for the entire 200 acre park with the water tank. With the lot rewrite, the first phase of 40-45 acres without the water tank will be developed at the park. The estimated cost for the re-engineering and lot rewrite is \$40,000. Staff said the source financing has changed and is proposing to the board that JLDC use Revolving Loan Funds (RLF) to advertise and pay for an engineer right now as the re-engineering will take some time. There is an opportunity to replenish some of the funding through the administration fees of the two grants that have been awarded. Discussion followed.

Bob moved that JLDC staff be allowed to use the RLF to support the re-engineering and lot re-write for the business park. Barbara R. seconded the motion. Motion carried.

**c. Business Park DEQ Status**

Tom said the discharge permit was put into effect the first part of April and the first report was due on the discharge permit the first part of July. There has been no discharge so it was an easy report. Staff is currently in discussion with an organization about providing a bid to do the quarterly monitoring. DEQ requires six reports each quarter on the discharge permit to keep valid.

**d. Master Plan Update**

Tara said the Master Plan final corrections need to be reviewed and the Master Plan is essentially done.

**e. Tax Increment Financing District (TIFD)**

Tara said the last landowner has opted out and Barrick, JLDC, State of Montana and BLM land will be the only land included in the TIFD. Barrick is currently working on the legal description and their legal department will review the zoning regulations one last time. The zoning will be submitted to the Commission and a public meeting held; have until the end of the year to be finalized.

**f. Wind Development**

Tom said staff received the draft report from NW SEED to review and provide comments on. The project combines Jefferson County, the Town of Whitehall and most likely the Whitehall Schools. Staff has asked the mine to schedule a meeting with Sea Wind, the successful bidder on the commercial wind project at the mine, to discuss integration of the small wind with the big wind project. Sea Wind has installed two additional anemometers at the mine to collect additional wind data.

**4. Montana Tunnels / Montana Tunnels Advisory Group (MTAG)**

Tom said Apollo Gold leadership is looking for an investor for the \$70 million to fund the Montana Tunnels open M-pit as the Black Fox mine in Canada is now up and running. Met with 50 percent joint venture partner out of the Black Diamond financing operation and they are also looking for resources but their focus is more on the Boulder Elkhorn Mine project; they need about \$15 million for operations.

Montana Tunnels said leadership is working on releasing the liens on the 67 acres they will deed to JLDC for a business park in the Jefferson City area. Approval has been received from both the Apollo Gold leadership and Elkhorn Gold leadership to move forward. The park will allow JLDC to have more flexibility on the north end with projects that may develop there.

**5. Boulder South Campus**

**a. Sewer Project**

Tara said good progress is being made on the project. The county designated the \$167,000 stimulus money it received to this project. A couple productive meetings have been held with all the entities served by the South Campus sewer. The project will be done in three phases and Phase I, which is south of the river, should be completed by November.

Tara said consultant, Judie Tilman, is working on a Planning Grant for locating a business into building 5 on the South Campus and will possibly also look at building 6 that was approved at JLDC's annual planning session.

**6. JLDC Administrative Items**

**a. Board Recruitment**

Tara said there will be three board vacancies, one from each part of the county. Two additional board member terms also expire in September. Board of Director applications were distributed to board members present and applications are also available on the JLDC website, jldcmt.com. Application deadline is July 31<sup>st</sup> (applications need to be into the Extension / JLDC office by this date).

### **b. Annual Meeting of the Membership**

Tara said based on board input, the annual meeting date will be Wednesday, September 2<sup>nd</sup> at the Montana City Grill. The format will be about the same as at last year's annual meeting.

Barbara S. said the By-law Committee should meet and finalize revisions to the current by-laws so they can be amended at the annual meeting in September. Bob thought most revisions have been agreed upon. Barbara S. said the board has been and is losing members with a wealth of knowledge of JLDC and there was some conversation of adding advisory, non-voting, members and that would have to be a by-law revision. Staff will gather by-law information and email to the committee to review before the annual meeting.

### **c. Nominations for Annual Business Awards**

Tara asked board members for their input on nominations for the annual business awards. Discussion followed on the awards and possible award recipients. Email staff with other award/recipient nominations no later than August 15<sup>th</sup>. Discussion and decisions followed on speakers for the project updates from each area of the county. The Nominating Committee, consisting of the President, Vice President and Manager, will review the board applications received the first week of August to nominate for the vacant board positions and will then advertise in the county papers.

Staff is asking board members for help in obtaining door prizes for the annual meeting by contacting businesses in your area for door prizes. Please email a list of your door prize donations to the office no later than August 14<sup>th</sup>.

### **d. Board Self Evaluation**

Tara said in reviewing the process she feels the evaluation should be done just before the annual planning session instead of July so the evaluation was deferred until March. Tara distributed the new JLDC Board Governance Calendar to members present.

### **e. 2010 Budget**

Tara said staff will present the JLDC budget to the County Commission the last week of July. Proposed budget sheet handouts were distributed to members present. Discussion followed. Staff will email board members the budget presentation date and time when known.

## **7. Comments & Questions**

**a.** Tara said Tizer Gardens is partnered with Montana Shakespeare Company in presenting live theater Thursday through Sunday from now until August 2<sup>nd</sup>.

**b.** Tom updated the board on the Southwest Montana Veteran's Home. A group meets each Monday morning in Boulder at the Commission office. Criteria are expected by the end of the month. One of the major employers in Whitehall has committed acreage for the home, another potential location would be in Boulder on the South Campus and, if the business park materializes in Jefferson City, that may be another option. Staff will keep the board informed on developments.

**c.** Tom gave an update on the fire buildings in Whitehall. A special JLDC board meeting was held and the board made a decision to allow the process to move forward and look at potential consolidation of land and ownership after the buildings were leveled and cleared. Staff discussed the option with building owners. A meeting was held with realtors to determine a fair market value for the lots to potentially make it possible to consolidate the four lots. A letter was sent to the building owners on the determined suggested purchase price of the lots and to let them know, if JLDC staff received board approval, JLDC would be interested in possibly purchasing the lots if the owners decided to sell. Copies of the letters were sent to the board members via email. The purchase price for the four lots is about \$45-\$47,000 with financing to come from the IMS account. Staff is asking for board direction so if the building owners approach JLDC staff about land consolidation under one ownership, staff knows their latitude to negotiate. Discussion followed.

Barbara R. made a motion for staff to negotiate with the building owners and authorize purchase of the four lots for a maximum of \$47,000. Ed seconded the motion. Discussion followed. Motion carried.

**8. Adjourn**

The next meeting is scheduled for Wednesday, August 26<sup>th</sup>, 2:00 p.m. at the Extension Office conference room in Whitehall. Pat made a motion to adjourn, Barbara R. seconded the motion. Motion carried. The meeting adjourned at 4:00 p.m.

Respectfully submitted,

Nancy Wheeler, Notetaker