

Jefferson Local Development Corporation (JLDC)

Meeting Minutes, June 27, 2012

Board members and staff present: Mark Fries, Darrell Miller, Kristi Wilson, Dick Norden, Barbara Reiter, Tom Harrington, Tara Mastel, and Tammy Fischer.

Guests: Lynn Nemeth (Pies on the Porch), Katie Weaver (Headwaters RC&D), Roy McBride (Whitehall Rocky Mountain Bank), and Curtiss Chrystal (Billings Rocky Mountain Bank).

Call Meeting to Order

The meeting was called to order at 1:00 p.m. by Tom Harrington followed by introductions and approval of the staff retreat minutes.

Headwaters RC&D Presentation – Katie Weaver the Economic Development Planner from Headwaters RC&D out of Butte gave an overview of the help that is available through Headwaters. She asked for suggestions and wanted feedback on the needs of Jefferson County. Barb asked about help with grant writing and the need for an animal shelter. Headwaters can review the grants, but they are not grant writers. Katie noted the help needed and passed out her business card so she can be called if anyone thinks of other needs of the county.

Borden's Hotel – Roy McBride and Curtiss Chrystal from Rocky Mountain Bank explained that they bank reviewed the Feasibility Study from High Plains Architect and the JLDC financials. The loan request to proceed with the renovation of Borden's was approved by the bank with no loan fees to the JLDC. There was an increase in the project costs from \$1.4 million to \$1.48 million. It was suggested that an appraisal be done and to look at other ways that project costs can be reduced. Curtiss explained that the cost of an appraisal would be \$4,000 - \$6,000 and would encompass the cost base, income base, and market value. Rocky Mountain Bank will put out the bid for the appraisal. Mark made a motion to move forward with the appraisal; Dick seconded the motion. The motion was approved by a vote of the Board; Ed Handl's vote was done by proxy. Roy shared that this is a good project for the bank and the Whitehall community. He complimented the JLDC on their financial reporting per the banks underwriters. Mark asked about funding for new furniture. The Historic Grant will not cover the cost of furniture. This is another issue to keep in mind when figuring the cost of the project.

Boulder South Campus – Tara reported they are waiting for the bids for the roads in the subdivision to go to final Platt. There was a sewer blockage in Building 7 and 3 Brothers Plumbing and Heating (JLDC's 2011 Annual Meeting winner for the Jefferson County Innovative Small Business of the year) was called to do the work. The South Campus personnel were happy with their work.

Sunlight Business Park (SBP) – Tom H. reported that he and Tara are working on the plans for an office/warehouse building for the SBP. A couple contractors have been asked to give an estimate on the preliminary cost of the structure. The idea for an office/warehouse building came from a Golden Sunlight Mine (GSM) employee. A meeting has been set with the architect to review the preliminary package for the Interpretive Center. The Interpretive Center would be the first building when entering the park.

Marketing Report – GSM sent out the initial letter to their main vendors giving them a heads up that the JLDC would be sending them information on the SBP. The 2nd letter was sent out and there have been no inquiries to date. Tom said he and Tara are working with realtor to get the information on the MLS and Montanasitelector.com. Possibly going to send out a 3rd letter. LGT, a wind project company, has been out several times to visit the site and is still interested in the park for a business site.

Community/Committee Meetings

1) Elkhorn Community Group – Tom H. reported that Eastern Resources took over the Elkhorn Mine and Montana Tunnels and listed them as assets on their Balance Sheet. The Elkhorn Dream Project has its mill running. There was too much copper in the ore that was taken to GSM so they want to use Montana Tunnels to process but with the \$70 million shortfall at Tunnels they need to get Elkhorn up and running first. The goal is to have the mill at Elkhorn operational by October and would generate 300-350 jobs. Elkhorn leadership did agree to start paying down back taxes.

2) Community Transition Advisory Committee (CTAC) – Is in conjunction with GSM. GSM has started exploration after 20 years in operation. The Concentration Project is becoming a reality; construction should start in 2013 and the concentrator would start up in 2014. The Cyanide Code and Mine Manger certifications are done.

3) Science and Technology Committee (STI) – Is a Hi-Tech arena that is involved with the school and community. Through the help of STI, GSM has given the school a lightening monitor, computers and a weather station. Dark fiber lines are possibly going to be installed from the Super Computer in Butte to Three Forks. The STI committee would like to help with alternative energy options to reduce high utility costs for the school and the town of Whitehall.

4) Tax Increment Finance District Advisory Board (TIFID) –The quarterly meeting will be held today at 3p.m. There are five members on the Board. The TIFID fund has available \$170,000-\$190,000 to use for infrastructure for the South end and \$50,000 to use in the North end. The JLDC Staff reported that \$12,578 was paid out of the JLDC funds for the construction of the SBP and asked the board for permission to ask for reimbursement from the TIFID fund. Darrell made a motion to ask for reimbursement for the shortfall; Kristi seconded the motion. The motion passed.

5) North County Roundtable –Tara reported that a date needs to be set for the next Roundtable and it was suggested to have a Candidate Forum. Tara will get with the Roundtable committee to get this arranged.

6) Chambers of Commerce – Tara reported that she and Tom are working with Jan Cornish on urban renewal in Whitehall. There is residual from a grant and they are 1/3 of the way through. She also reported that the results from a survey that was done at the Broncs & Barrels Rodeo would be in soon. Kristi reported that she is working with Divide Ride regarding their attendance at the Frontier Days. She is not sure if they will be coming giving the current wildfire situation.

No report was given on the Boulder Chamber of Commerce.

JLDC Administrative Items

1) Annual Planning Session review – Tara recapped a few of the suggestions from the Board at the Annual Planning Session.

2) JLDC proposed work plan and budget – The budget and work plan were reviewed. An email will be sent to the Board asking for approval of the JLDC program and projects.

3) Public relations activity report – Will be added to the monthly Staff Report.

4) QuickBooks Online Demonstration – Tom gave an online demonstration of the JLDC accounts on QuickBooks Online. He demonstrated to the Board how they can review the financial status of the JLDC. The Board will be sent an email inviting them to QuickBooks Online. They will have read-only access.

5) Audit letter of engagement – An email will be sent out to the Board.

Comments & Questions – There were no comments or questions.

Next meeting

The next JLDC meeting will be at 2:00 p.m. on July 18, 2012 in Jefferson City at the Old School House. Meeting was adjourned at 3:00 p.m.

Respectfully Submitted,

Tammy Fischer