

Jefferson Local Development Corporation (JLDC)

Meeting Minutes, August 17, 2011

Board members present: Sheila Hogan, Darrell Miller, Colleen Teeling, John Brower, Tom Lythgoe, Dick Norden, Chris Rehor, Barbara Reiter, Tom Harrington, and Tara Mastel.

Board Members Absent: Byron Stahly, Mark Fries, and Ed Handl.

Visitors: Kristi Wilson, Elyse Rioux, and Shawn Bryant.

1. Call Meeting to Order

The meeting was called to order at 2:05 p.m. by President, Sheila Hogan, at Borden's Hotel, in Whitehall. Sheila asked for an agenda item change for the Borden's discussion to be moved to executive session.

Introductions were made.

Barb Reiter made a motion to approve the minutes from 7/20/11; John Brower seconded. Minutes were approved.

2. Jefferson County Public Health Assessment Presentation

Elyse Rioux a Vista volunteer and MAPP coordinator shared that they are starting a community health assessment for Jefferson County as part of the Jefferson County Health Department. This assessment is used to identify health issues that are present now and how they can be prevented later; to create a healthier community. She announced that they need people from the county to be involved in several different areas to help get this project underway. An example of a community need could be citizens getting more exercise via groups getting together or affordable gym memberships. There have been no problems identified currently; the National Organization of Health Officers is pushing for these assessments to be done. The CDC and Health Public Services are focusing on prevention rather than just providing services for what currently arises.

3. Spring Creek Valley Subdivision Easement Request

Tara reported that the Spring Creek Valley Easement Group met regarding the easement going through the property that the JLDC owns. The committee decided to recommend to the board to grant the easement through the property to the developer with several caveats. The reasons for granting the easement are as follows: road and utilities installed would be a great benefit for the future, the easement would provide some economic benefit, the road could make the property more attractive to potential business, and the easement allows Montana Tunnels to have access to two pieces of their property that are landlocked. There were a lot of concerns about future potential problems, financing for the road maintenance and the ability to enforce any covenants or MOU with the developer. The caveats that the committee requested are: good road design to prevent future erosion, design that would fit this property specifically, that the maintenance be clearly defined and adequately funded, that the right to access the roads from JLDC's lot be granted, the right to connect another road if desired, access for Montana Tunnels to their property, and the right to upgrade the road from gravel to pavement if desired. The staff suggestion is that a Road Maintenance District (RMD), be implemented from the Corbin road to the property line of Dennis Lay's subdivision. An RMD assures adequate funding of road maintenance through assessments on parcels.

Much discussion took place on regarding the maintenance, the RMD, and insurance coverage in case of an incident. Tara mentioned that Dennis Lay said he would not do an RID on the whole property because of the cost associated. Tom L. recommended that the board approve the easement based on Dennis Lay agreeing to the caveats. Darrell made a motion based on reforming the caveats; Dick seconded the motion. Tom L. proposed to amend the motion to include that the caveats be refined by someone representing the JLDC, county planning and the road department; Dick seconded the amendment. A vote was taken and the motion passed.

4. Elkhorn Goldfields Projects

Tom H. said that the Elkhorn Goldfield's project encompasses the Golden Dream project in Boulder and the Montana Tunnels operation. The Golden Dream project has 11 people employed; they have an underground crew of 14 and they have gone in about 150 feet. They shipped 1000 tons of ore to Golden Sunlight Mine and the small tailings clean up had traces of gold in it and was shipped down by a local contractor out of Boulder. They are in the process of improving the road going into the mine and doing some reclamation of some of the historical tailings that were left behind. They are still in the process of working on their funding. They are still working on a reverse merger to assume the assets of Elkhorn Goldfields. Rob Trenaman, President of Montana Tunnels and the

Golden Dream Project, is on the docket to be elected to the board of directors for this new company. This should help with financing and give access to capital on the stock market. John Schafer with Montana Tunnels has been very involved in the environmental side of the Golden Dream project. They are still looking for investors. Some wind developers have been looking around at the potential resource to tie into their substation and utilize the wind.

5. Boulder South Campus

1. Subdivision Report – Tara reported that the subdivision is moving forward. They had a meeting with all involved and reviewed the Plat. The Plat is done and looks good. The application is in the works and should be to the county next week.

2. EDA Funding Request – There is progress with the EDA request. Tom and Tara met with John Rogers, EDA representative, in Helena. They discussed selling part of the South Campus property to Youth Dynamics and using the proceeds for renovating Building 6. That satisfies EDA's need to retain a lean on the grant to JLDC. A formal letter to EDA's Regional Office in Denver was submitted asking if we can sell Building 7 & 8 and reinvest the proceeds to renovate Building 6 and fund a business incubator in Borden's.

6. Golden Sunlight Mine/Community Transition Advisory Committee (CTAC)

Tom H. reported that things are going good at GSM. They have 225 employees, 82 contractors; they are in full production. They have some exploration dollars. And has potential to extend the mine life out past year 2015. They are also involved in many other projects, like the Big Horn Sheep transplant and other community efforts. The mine will be making their first tax payment on gross proceeds. They are getting a lot of activity from third party ore contracts with the high gold prices.

1. Sunlight Business Park – Construction is completed. Walk thru with contractor is scheduled for next week and the engineer is doing the final punch list. Veronica with EDA was out and did a walk through and was very pleased with what she saw. Activity for the park is good; working with EcoTech and with Headwaters to do a Big Sky Trust Fund Feasibility Study that has potential to create 140 jobs. If all goes through, EcoTech could take up to three quarters of phase one of the park.

LGT, a company from England is also interested in the park and will be here to discuss possibilities in September.

2. Science and Technology Committee – Tom H. reported they are looking for school support on a couple of projects, a met tower and a weather station.

7. Borden's Hotel

Moved to executive session at the end of the meeting.

8. JLDC Administrative Items

1. Nominations for Annual Rewards – Tara gave an explanation of the two business awards given at the annual dinner and reported the nominees. For Small Business of the Year Sheila Hogan nominated Montana City Grill, Montana City Store and Elkhorn Mountain Inn and Dick Norden nominated Boulder Hot Springs. Montana City Grill, Montana City Store and Elkhorn Mountain Inn were selected.

For Innovative Small Business of the Year Dick Norden nominated 3 Brothers Plumbing and Heating and Tom H. and Tara nominated The Homestake Lodge.

3 Brothers Plumbing and Heating was selected.

Both awards had a tie vote the first round.

2. Slate of nominees for open Board positions – Tara reported that the nomination committee discussed the slate of nominees via email. There are three open board positions. Nominees are Colleen Teeling, Darrell Miller, both agreeing to another term and Kristi Wilson, of Whitehall, submitted her application.

The positions will be voted on at the annual meeting on September 1st.

3. Annual Meeting detail - Tara ran through the details for the annual meeting, the menu for the dinner, and the bonus history tour of The Boulder Hot Springs. Barb commented on the historic theme and that the town of Boulder celebrated their 100th birthday.

It was expressed how donations of door prizes is a great marketing opportunity for businesses.

9. Comments & Questions

Tara reported that the letter for request for proposal for the Montana Cowboy Hall of Fame had to be sent through the county since she was related to two people on the board. Tara said that there are some tough competitors for the location of the Montana Cowboy Hall of Fame and there are a couple items to think about in regards to proceeding. One being the time it will take and Jefferson County lacking the Native American presence, which is important for the Hall of Fame.

Darrell made a motion not to proceed and Barb seconded. Motion carried with a 6/2 vote.

10. Adjourn – Meeting adjourned at 3:45p.m. Next meeting is scheduled for October 19th at the Clancy Library.

Respectfully submitted,

Tammy Fischer