

# Jefferson Local Development Corporation

Meeting Minutes, October 11, 2005

*Present:* Joe Calnan, Barbara Sunderland, Patricia Lewis, Darrell Miller, Byron Stahly, Tom Harrington, Nancy Wheeler. *Guest:* Wayne Hintz.

**1.** The meeting was called to order at 2:00 p.m. by President, Joe Calnan, in the Jury Room of the Boulder Courthouse. September 19th minutes were adopted as published. Office staff will continue to email rough draft of minutes to board members for revisions before publishing final minutes.

**2. Manager Position Status** - The job description was reviewed and forwarded to MSU. It was left the same as it was with the primary duty as JLDC Manager. The position will be increased back to full-time. The County profile was also finalized and sent to MSU. MSU will advertise for six weeks; Tom H. will send an email to the board members when the advertisement is published. Screening will follow, then the interview process begins. JLDC agreed to approach MSU to include Tom H. and Joe in the screening process. Tom H. will ask Tom L. if the county would also like to be included in the screening process. Several JLDC board and staff members along with the Commission should be included in the interview process. Tom will draft a letter to MSU and Steve Siegelin expressing JLDC's interest in being included in both the screening and interview processes.

**3. MTAG Public Meetings** - Darrell distributed copies of the minutes from the last *Montana Tunnels Advisory Group* (MTAG) meeting and went over the highlights. Kelly Schmitt, who works for the Hazardous Waste Site Cleanup (Brownfields Coordinator), met with the group recently. She distributed information on Brownfields Grants. JLDC may be eligible for an Assessment Grant to determine recreational uses for the site. The application deadline is November 30th. Group decided to have Tom H. consult with Headwaters RC&D on doing the grant for us. Tom will send an email to board members after talking with Headwaters.

MTAG will host two public informational-sharing meetings in October. The October 18th meeting will be held at the Clancy School Cafeteria starting at 7:00 p.m. The October 20th meeting will be held at the Montana City School Gym starting at 7:00 p.m. Presentations on how the Montana Tunnels Mine impacts the schools, people, economics, and environment in the community are scheduled. Tables from which the audience can receive more detailed information and be further able to talk with the presenters will be available. Fact Sheet handouts will be prepared by the presenters. Darrell distributed MTAG's Mission Statement to board members present.

Joe talked with Helena Civic Television personnel regarding filming the meetings as an advertising tool. They are not available for the Oct. 18th meeting in Clancy, but will attend and film the Oct. 20th meeting in Montana City. The filmed meeting will be aired on their television channel. Annual membership dues for the Helena Civic Television are \$60. Joe will get further information and bring to the next meeting so a decision can be made on JLDC becoming a member.

**4. CTAC** - Tom reported the mill is running at full production. The pit wall slide appears to have stabilized with only minor movement. A specialized drill and blast crew has been hired to drill and blast the large rocks that are wedged between the two slide areas. Pit life will be shortened if this doesn't work. The current operations budget projections will be impacted by the cost of dealing with the slide and will impact the annual bottom line. The mine plans to sell three trucks to Cortez Mine in Nevada. The mine operation will continue to run with five trucks. The reduction of employees should be accomplished by normal attrition.

Some exploration activity has occurred and several potential targets exist. A request for about \$1 million to conduct additional exploration work has been sent to Placer Dome and will be contingent on current assay results.

Elkhorn ore processing went well and GSM is currently looking for other opportunities for off-site ore processing. They are still working on the SEIS; anticipate a Record of Decision by end of the year.

**Land Acquisition** - The Industrial Park is moving forward. The adjacent 10-acre Davis land purchase has been finalized and the land is now a part of JLDC's assets. The well driller recommended using the test well as a

production well. A 60-day application is required by the DEQ for the production well. The application has been submitted and the contractor is working with the DEQ for approval. The contractor is continuing to work on the infrastructure development and is anticipating completion late October or early November.

**Lease Update** - The lease agreement for the Industrial Park between JLDC and PDI/GSM is still pending. It did not get reviewed by the PDI Board in September as anticipated.

**Wind Project** - The Wind Energy Development lease has been approved by the PDI Board and the developer is moving forward with soil testing. JLDC is proceeding to acquire Whitehall Wind LLC and its associated standing in an action before the PSC. Mike Uda has developed the initial paperwork to assist with the transfer; an estimated \$2,000 expert witness fee is being requested as the process moves forward.

## 5. South Campus

**Boiler & Irrigation System** - Continue to have boiler problems. Pat Devine, CMS engineer, is working on specifications for the roof and boiler. CMS will seek bids from 3-5 reputable contractors.

JLDC is still waiting for a response on the legality of allowing irrigation from a fire hydrant. A new 2" water service connection was quoted at \$3,700. Terry Lindsay suggested JLDC put a 60' well at the South Campus.

Tom H. spoke with HUD; they will not give JLDC an extension on the grant timeline. After June 30th, the balance returns to the Treasury. Tom distributed a sheet listing HUD draws to date. After discussion on the grant money, it was decided to have Tom submit to HUD for approval a revised Work Plan to include the South Campus boiler, roof, and sprinkler/irrigation system, and infrastructure for the JLDC building at Sunlight Business Park as part of the program. Joe wants JLDC to make sure it's clarified with HUD on how money is being used and that it's included in the annual audit report.

**South Campus Appraisal Report** - Anticipated to be completed by Tom Brooke before next JLDC meeting.

**6. Meth Treatment Center** - The Department of Corrections' (DOC) RFP for a 40-bed women's and an 80-bed men's methamphetamine treatment facility came out Oct. 1st. Boyd Andrew will bid for the women's facility; they would like to build a women's 60-bed facility. The RFP closes January 1, 2006. Mike R. approached the JLDC at last month's meeting for a Resolution or Letter of Support. The board discussed providing support for public meetings that will probably be held in November. Tom H. will contact Mike R. regarding this. Tom drafted a Resolution of Support and emailed it to all board members. As a quorum wasn't present at the JLDC meeting, the Resolution adoption was tabled till the November meeting. If Boyd Andrew proves successful in their bid, they would like to build the new facility on DOC property adjacent to the South Campus. JLDC supports the idea of being a good neighbor with Riverside and will send them a copy of the Resolution after adoption and meet with them before the public meetings for their input.

## 7. Staff Reports

a. Tom and Scott met with John S. from Montana Tunnels and toured the Apollo Gold Diamond Hill site outside of Townsend. Montana Tunnels owns 110 acres with mining claims. CEC is looking for 250-bed prison facility site in the three-county surrounding area. Information will be passed to CEC POC Joe Mazurak.

b. The new JLDC Board members' initial in-briefs have been completed.

c. Board members are to bring a list of potential new members with them to the November meeting.

d. As part of the FY 05 GSM sustainability agreement, Tom H. and Scott conducted a Sustainable Development Training for Extension Agents August 28th in Whitehall. Site tours and discussions were conducted of the sustainable projects in the Whitehall area and a presentation was given on the Pipestone Gravity Irrigation Project. The group felt this was a very informative and positive training.

e. Pat asked about Scott's "*Parting Shot: Observation and Recommendations*" presented to the board at last month's meeting. One of the points listed is JLDC's current office space shortage. Tom H. recommended that some of the HUD money be used toward the infrastructure of a building at *Sunlight Business Park* to house a new JLDC office. This item will be included in the revised Work Plan Tom H. is submitting to HUD for approval.

f. South Campus subdivision process - Consensus of the board is to move ahead with the process as YDI may want a lease option. Tom H. has drawn a draft facility diagram and reports some of the work is already done. Staff will get subdivision requirements from the county and bring to the next meeting. Board will need to vote on a contractor to assist as needed with the project.

**g.** Joe would like the office staff to add "*General Comments and Questions*" after "Staff Reports" to all monthly agendas. Joe reports 3-Rivers installed high speed fiber optics by the future Business Park at Montana Tunnels. Qwest has optics there also.

**h.** The Audit Committee requested Wayne Hintz, JLDC auditor, be present prior to the regular meeting time. He added an accounts receivable item, post-statement events, and clarified questions. Darrell suggested he do a year-to-year comparative. Joe said these reports are mainly for the government and historical records. He would like to have copies of the FY 2004 and FY 2005 audits and all further audit reports filed with the County Clerk and Recorder office. Wayne will send us five audit copies.

Meeting adjourned at 3:50 p.m. The next meeting is scheduled for Thursday, November 3rd, at the JLDC / County Extension Office's conference room in Whitehall. For those wanting to tour Whitehall and the future *Sunlight Business Park*, meet at the Extension office at 1:00 p.m.

The regular meeting will start at 2:00 p.m.

Respectfully Submitted,

Nancy Wheeler  
Notetaker