

Jefferson Local Development Corporation (JLDC)

Meeting Minutes, October 19, 2011

Board members present: Sheila Hogan, Darrell Miller, Colleen Teeling, John Brower, Tom Lythgoe, Mark Fries, Dick Norden, Ed Handl, Kristie Wilson, Tom Harrington, and Tara Mastel.

Board Members Absent: Byron Stahly, Chris Rehor, and Barb Reiter.

Visitors: Shawn Bryant.

1. Call Meeting to Order

The meeting was called to order at 2:00 p.m. by President, Sheila Hogan, at the Old School House Library in Clancy. Packets of information were handed out to board members.

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

2. Sunlight Business Park

Tom H. reported that later this month we should be able to closeout with EDA; just waiting on the final punch list to be finished with the contractors. Final Plat paperwork has been turned into the county planning department for review. Incorporation has been done for the subdivision and was received back today from the Secretary of State. In process of finalizing the by-laws; as soon as that is finished, the final plat review can be scheduled with the county. Currently working on tenants; EcoTech announced to the board that they are working with the JLDC on a feasibility study. They did submit a Big Sky Trust Fund Grant application to do a feasibility analysis for the Sunlight Business Park. Also in discussions with LGT, a wind energy organization of the United Kingdom; they have been out a couple times and due back to talk about their program again. There are also a couple other small firms that asking for information about the park. Lastly, we have opened up the main access road through the SBP to stage the trucks hauling ore to the mine to help with safety and alleviate the congestion going up the mine during shift change.

3. Boulder South Campus

1) Subdivision report – Tara reported that work on the subdivision is moving forward; Dennis Lay is working on surveying the plat.

2) EDA funding request – There are three years left of the 15 year lean for a grant of about \$620,000 from the EDA to renovate the buildings on the South Campus property. YDI is paying rent and still interested in buying the property. They would like to buy it now so we could roll the money over and renovate Building 6. That would put three of the five building into use. We submitted the request into EDA and it was formally denied because it would be like getting funding without the application process. After speaking to Senator Tester's staff, they said there might be something they can do to help since it is an administrative rule. Tom H. did look up the administrative rules and it is up to the discretion of the EDA. Sheila suggested speaking with all three Congressmen's offices. Tom L. suggested going straight to the Senators themselves, not the staff and to fax a letter not mail it.

3) Assistance with security system for YDI – Looking at handout #1; YDI would like assistance replacing the old security system; since it is no longer working. They are required by their licensure to have a security system in place. Motions were made, voted on and agreed that the JLDC would pay 50% of the cost of putting in a new security system.

4. Borden's Hotel

1) Lease/sublease of café space – Tara reported that a two year lease has been signed with a new tenant, Bonnie Himes. Bonnie and her husband currently own a cruise business in Whitehall and her daughter decorates cakes and does catering. She is leasing the Gingerbread house (summer use only, very expensive to heat), the café and the lobby for a small bakery/deli. Tara told the board that there was a proposal process for interested applicants to treat everyone the same. Tara and Tom spoke with four to five businesses and only two submitted proposals. Because the kitchen is of limited-use and potential applicants wanting a full-use kitchen; they drafted a letter stating that they would help a business find financing if they qualified to put in a bigger kitchen and do a long-term lease in consideration of their investment into the building. The JLDC treats all businesses equally and is not competing with the private sector. Ed Handl suggested putting a letter in the Ledger telling the story of the JLDC's process.

2) Architect designs – Handout #2. This is the first suggested plan from the architects on the Borden’s building. This current plan has commercial businesses on first floor and residential on the second floor. In order to have commercial on the second floor an elevator would have to be put in for handicap accessibility. This plan would also consolidate the county entities to provide better customer service for the public. Philosophy of this architect is to use as much of what’s there to save money. This type of plan would also raise the bar for Whitehall and would be a good model for other small towns to renovate old buildings. Borden’s is not classified as a non-profit and has a taxable value of \$250,000 and taxes are being paid on that amount. Staff spoke with the Mayor to discuss the impact on the town if we went to a non-profit status with Borden’s. Non-profit exemption is being explored. The Lessee is aware of the risk and benefits of construction. Tom L. asked about what could be done to the Gingerbread House space so it is useable year round. Tara will talk to the architects about this. Dick Norden asked about a time frame for this project. It will probably take a couple years for this to be finished

5. Community/Committee Meeting

1) Elkhorn Community Group – Tom H. reported that Elkhorn Mine, The Golden Dream Project in Boulder, currently has 11 employees and 14 contractors. They have hauled some of the old tailings to Golden Sunlight Mine (GSM) for processing and that turned out good, so the investors have paid for Phase II. They are about 200 feet from the ore body and they are drilling about 100 feet a week. The end of October they should be into the ore and shipping to GSM the beginning of November. Employment ads will be going out for some technical help. Once into Phase III they will be in full operation and full staff. The underground contractors are from all over and some of them have applied for mine staff positions to stay in Boulder. The rest of the employees are from the Boulder area. The mine would like to keep hiring local.

2) Community Transition Advisory Committee (CTAC) – Tom H. reported that Golden Sunlight Mine (GSM) has 211 employees and 80 contractors. They are ahead of their production schedule due to all the outside ore. They have about eight contracts from surrounding counties; which is creating more jobs. They are doing exploration on the North Hill. Core drill is done; should know within the month on the outcome. They did receive authorization from Barrick North America to put the concentrator in the operating plan. The railroad has been up negotiating on railroad sites. Mine manager is very optimistic about this plan. They have some interest in wind development as well.

3) Science and Technology Committee – Tom H. reported that this is a spinoff of the CTAC group. There are some interested people looking at technological opportunities, for example the Internet. There are several Internet companies in the Whitehall area. The group would like to try to tie the Sunlight Business Park in with this group; there is a redundancy and capability that might appeal to market research organizations, looking at the town of Whitehall and making it a hub for Internet and making Borden’s a Smart Building. The school’s Science and Technology Department is involved to help with their funding issues. They would like to get an Internet link to do weather station reporting and making that part of the curriculum. They are working on getting a tower and net station to get the kids involved. The bug and biological part with Todd Breitenfeldt is part of this group.

4) Tax Increment Finance District Advisory Board – Tom H. reported that at the last meeting there was an update on North and South end infrastructure progression. There was internal procedure discussion at the meeting and that will be presented to the increment board at the next meeting. The next TIFD meeting will be held in December.

5) North County Roundtable – Sheila reported that there was a good turnout at the meeting. There were 20 in attendance. They are meeting again in December and will be working on the expectations of the group. The next meeting will be December 15th at the Jefferson City School at 11:45 a.m. Tara added that because of the work she is doing with the Boulder Chamber she made a connection with Jeff Windmueller of the Independent Record in Helena, and he was able to mention in the Sunday Independent Record about the speaker planned for Boulder. Tom L. thought there was a great turnout and good discussion.

6) Chambers of Commerce – Tara shared that she is working on bringing speaker Colleen Rudio to Boulder for the Boulder Chamber. Flyers were handed out. Sheila asked if there would be funding available through this program to help with the North end projects.

6. Spring Creek Valley Subdivision Easement Request – Tara reported that Dennis Lay decided to wait until the Real Estate market improves. Tara shared that she reiterated to him that all the decisions that the board made were in accordance with the by-laws and they stand so to come to the JLDC when he is ready to begin again.

7. Peerspectives Roundtable Program – Handout #3. Tara reminded the board that this was the training she went to at the Edward Lowe Foundation in Michigan and gave a brief summary of a Peerspective group and what its purpose is. They are really working at getting a group going in Southwest Montana. There are six people interested now and they are looking for four more. Workforce training grants through the state are also being considered for this program. FYI this foundation was started by the gentleman who invented kitty litter! This foundation was developed to help entrepreneurs.

8. JLDC Administrative Items

1) Election of Officers – added to the agenda and moved to first part of administrative items. Kristi Wilson was introduced as the newest board member. The President, Vice President and Secretary positions are up for election. Ed asked Sheila if she would be willing to serve again. Darrell nominated the current slate of officers for the same positions that they held last year. Tom L. seconded. Nomination was voted on and positions are held the same as last year.

2) Montanasiteselector.com – Handout #4. Tara explained how she was approached about this and what the Montana Site Selector is. She is still looking into the cost and what areas are included. Sheila suggested them doing a presentation at the December JLDC meeting in the North End.

3) Bank Signature Card – Tara reported that the bank is requesting an updated signature card. Currently Tara or Tom has been signing checks. It was requested that the by-laws and financial policy be reviewed and go over at the next meeting. Tom H. will email the board members the by-laws and financial policies currently in use. Tom L. suggested that both policies be reviewed annually.

4) Annual Meeting Wrap-up – Tara shared that there is a summary of the annual meeting in the staff notes. In summary 75 people attended, 28 memberships were represented and the total expense to JLDC was about \$2,000 after what was taken in; about \$1,000 more than last year. The board was asked how they felt about the expenditure increase; they thought it was ok, keep the charge the same and underwrite the excess. There were good reviews on the venue and Boulder Hot Springs.

9. Comments & Questions – Tara reported on the change on the agenda and the staff notes will follow that format. Tom L. reported that after he attended the MACO Conference that it was suggested that all county and board agendas should put Public Welcome and Public Comments at the beginning of the agenda so they do not have to wait until the end of the meeting for their comments. Tara and Tom H. also suggest adding a review of company financials after the meeting minutes and to make sure the next meeting date scheduled ahead of time and announced at the end of the meeting. The board agreed. A JLDC Governance Calendar and Conflict of Interest Statement were part of the attached items. Conflict of Interest Statements were collected. Those who were not present can sign and turn in at the next meeting. Tom H. reported that the National Affordable Housing project is moving forward. Applications are being taken. The Sunlight Business Park ran into one snag. Tara reported that EDA wanted to know who owned the wires in the ground for the utilities. They are owned by the utility companies and EDA could not help with that funding. Vigilante Electric, a non-profit utility company, was willing to be a co-applicant to get the grant funding for the utilities.

10. Adjourn – Meeting adjourned at 3:40p.m. Next meeting is scheduled for November 16th at Boulder City Hall.

Respectfully submitted,

Tammy Fischer