

# Jefferson Local Development Corporation

Meeting Minutes, November 3, 2005

*Present:* Patricia Lewis, Barbara Sunderland, Darrell Miller, Bob Marks, Byron Stahly, Ed Handl, Jan Speirer, Mike Molitor, Tom Lythgoe, Tom Harrington, Nancy Wheeler. *Guests:* Ken Weber, Mark Isto

Prior to the regular JLDC meeting, Tom H. gave an overview of the Sunlight Business Park. The group then toured various sites in/near Whitehall including the Sunlight Business Park, Mountain States Drivetrain, Liberty Place, and the Recreation Complex.

**1.** The meeting was called to order at 2:02 p.m. by Vice President, Patricia Lewis, in the Conference Room of the County Extension/JLDC office in Whitehall. Barbara made a motion to approve the October 11th meeting minutes as published; Darrell seconded the motion. Motion passed.

**2. Manager Position Status** - The job announcement is published; closing date for applications is November 28th. Steve Siegelin, MSU Extension Service Western Region Department Head, was pleased to receive a letter from JLDC President, Joe Calnan, with member suggestions for the screening and interview committees. Tom H. will help with the screening process after the closing date. The three Jefferson County Commissioners, Joe, Pat, Tom H., and an MSU peer agent will be among those included in the interview process. Steve also suggested having the final candidates give a presentation, open to the public, the evening before the interviews. The entire JLDC Board and other interested individuals would then have an opportunity to meet the candidates and offer input to the committee. Tom H. will keep Board members informed as more information is received from MSU.

**3. MTAG Public Meetings** - Darrell informed the Board members the two scheduled MTAG public meetings were cancelled due to a serious safety situation with the unstable pit wall. The pit was closed down; 114 employees were either temporarily laid off or took annual leave. The mill is still operating and has material for at least another two weeks. Personnel are working on presenting several alternatives to Apollo Gold Board. Tim is attending an Apollo Gold Board meeting where a decision may be made as to the future operation of Montana Tunnels.

The next MTAG meeting will set the future direction of the group. JLDC has a verbal agreement to assume ownership of the buildings at Tunnels after mining ceases. JLDC also received a Memo of Understanding from Apollo Gold for the future business park acreage. JLDC/MTAG is currently working with Headwaters RC&D on a Brownfields Grant for an Assessment Grant to determine future uses for a site on a lower piece of Tunnels' property.

The county hard-rock mine trust account was discussed. These funds could be released when Montana Tunnels experiences at least a 50% employee lay off (temporary or permanent). Tom L. said it's at Commission Discretion when to release funds, he is defining Montana Tunnels as having a temporary layoff and said there are no plans to release funds at this time. Ken W. said the Commission, at this time, has not dealt with this issue/decision at all.

**4. CTAC** - The GSM had a significant pit wall slide June 5 that caused a disruption in the work and production schedule and will have an impact on the end of mine life. Mark Isto, GSM Manager, gave the Board a Power Point presentation showing the pit slide and gave an update on current operations. A specialized drill and blast crew was hired at a cost of \$800,000 to drill and blast the large rocks wedged between the two slide areas. The contractors are scaling the high wall and doing blasting. More drilling, blasting and rock scaling needs to be done. Cable looped netting will be used to keep loose rocks from falling. Robotic survey instruments continuously monitor the pit wall slide movement that has stabilized from up to 7" per day to less than 1/4" per day. Mill feed is available as mining progresses adjacent to the slide area. Mining life, including underground mining, is expected to continue through 2008. The mine currently has 160 employees.

**Barrick Gold Corporation Offer** - Placer Dome Gold had no prior knowledge about the proposal and learned of it when announced Monday, October 31st. Mark explained share pricing and Barrick's offer for all outstanding shares of Placer Dome. Barrick needs a commitment of 2/3 shares to gain the company. All Placer Dome shareholders will be mailed full details of the offer and the offer will be open for acceptance for 35 days following the date of the mailing. Mark said Barrick is a good company with a good reputation and they gave a very compelling offer. Barrick Gold and Placer Dome have mining projects in close proximity to each other. There were inquiries and discussion from the JLDC Board regarding Barrick's record on sustainable development.

**Industrial Park Lease** - Mark would like to have the lease agreement finalized within the next month. The ranch property Conservation Easement was also discussed.

**Wind Project** - GSM and Wind Hunter, a wind developer, have entered into a long-term Option to Lease Agreement for the purpose of developing wind energy and associated infrastructure developments. The developer is moving forward with soil analysis. Mike Uda is still working on the transfer for JLDC to acquire Whitehall Wind LLC and its associated standing.

## **5. South Campus**

**Building 8 Boiler** - There has been only one boiler issue this last month. Pat Devine, engineer with CMS, is producing the specifications for a new boiler. Pat said AYA has expressed interest in having two boilers for better efficiency. Tom H. told Pat to proceed with the specifications he now has for a single boiler. AYA would need to cost share any additional boiler upgrades above the standard package that currently exists. Total boiler replacement is expected to take one day. Tom H. anticipates specifications within the next week.

**Building 8 Roof** - Pat Devine, engineer with CMS, is developing specifications for replacing the roof. He expects roof replacement to take from four days to one week; roof replacement may need to be delayed till spring.

**Irrigation System** - Tom read a letter received from the Mayor of Boulder regarding the use of the City of Boulder fire hydrant(s) for irrigation purposes at AYA. No Montana laws were found to prohibit this practice, however, it does state the local jurisdiction can enact ordinances, resolutions, etc. regulating such use. The Mayor has asked the City Attorney to draft an ordinance prohibiting such a practice. Parties using fire hydrants for irrigation would be fined \$500. The Mayor wanted to make it perfectly clear that this is not a matter of finances to the City of Boulder, but a direct response to public health and safety.

Irrigation system options were discussed. Bob stated JLDC could look into using a well north in the area on a piece of ground the county acquired. Tom H. spoke with Ben S.; who is also in need of a new water source. He would like to use a well belonging to the county for the Shop and Roads water needs. Tom H. will get further details from Ben on tapping into this well. Darrell suggested that if the choice for irrigating came down to the option of connecting to the city main or drilling a well, it might make more sense to drill a well as the cost estimates are about the same either way but there would not be a monthly fee if using a well. Well maintenance also would probably not be as costly as the city fee.

**Land Transfer** - The Department of Corrections would like to transfer to Jefferson County a piece of property adjacent to the South Campus that could be used for the Meth Treatment Center. Tom L. sent a letter in support of this land transfer to Bill Slaughter, DOC, to endorse and send to the Land Board. To allow the Land Board to act on the transfer before the Meth Treatment Center contract is awarded in March, the Land Board would include this item on their December and January agendas.

**6. Meth Treatment Center** - An Addendum to the Meth RFP states the contractor selected to establish and maintain a residential methamphetamine treatment program must be a private, non-profit Montana corporation. Mike R. approached the JLDC for a Resolution or Letter of Support, which is one of the criteria. Tom H. drafted a Resolution of Support and read it to the Board members. Ed made a change to the Resolution. Bob made a motion to approve and send the Resolution as amended, Mike seconded the motion. Motion passed. Tom L. said the county will also give a Resolution of Support. A Resolution may also be needed from the City of Boulder. A public informational meeting will need to be organized; JLDC will assist with the meeting.

**7. Executive Committee Update** - Joe asked to have a discussion on the duties/authority of the Executive Committee. Since Joe was unable to attend this meeting, the item was tabled until the December meeting.

## 8. Staff Reports

a. A copy of the Revised HUD EDI work plan was distributed. A letter requesting authorization to revise the grant work plan was sent and an acknowledgment of receipt has been received without an answer. Tom spoke with HUD; she said she would get back to us with an answer soon. The South Campus boiler replacement, new roof, and irrigation system were submitted as part of the revision. Any remaining funds would be for infrastructure in the business park. Bob asked if draws on this account need to be done after actual expenditures or if funds could be set aside earmarked for a future specific purpose.

b. Tom Brooke should be finalizing the South Campus appraisal report this month. JLDC needs to ask Peter (YDI) if he's still interested in a lease option.

c. Approval has been received from DEQ to drill the second test well at the Sunlight Business Park that will be used as a production well. Rick K. will coordinate well drilling with Terry L.

d. Barbara represented the JLDC directors at the recent Headwaters RC&D annual meeting/dinner in Butte.

e. A copy of the Jefferson County Subdivision Regulations is available for checkout from the JLDC office. It is not available electronically. Tom L. said subdivision guidelines may change with next legislature.

f. Tom H. attended a *Leadership Montana* class in Kalispell recently and discussed the growth challenges being faced. He sent a copy of the session after action report to the JLDC, CTAC and MTAG members for their information.

g. Tom L. foresees growth challenges in the northern part of Jefferson County. He would like to bring central sewer and central water to Montana City and northern Jefferson County from Helena while maintaining current identity and tax base; perhaps pay fees to Lewis & Clark County without being annexed into Helena.

## 9. General Comments & Questions

a. HB 124 passed several years ago regarding hard-rock mine money. \$160,000 of HB 124 hard rock mine money did not get transferred to any account. Tom L. said this money came from both GSM and Montana Tunnels but is hard to portion out where money should go.

Tom L. said his recommendation will be to transfer it into the economic development account, where it should be, to support economic development.

b. Bob M. asked how office staff is doing. Discussion followed on a couple issues. Due to time, it was decided the Executive Committee will meet to address some items in Scott's *"Parting Shot: Observation and Recommendations"* and bring recommendations to next meeting.

c. Tom L. asked for a committee to address the Jefferson County roadless areas in the Beaverhead-Deer Lodge National Forest. Tom L. says Governor Schweitzer would like a document showing the current roads and any new roads being introduced. If any new roads are added, he would like to know the reason they are being recommended. Tom H. will coordinate a meeting with the committee consisting of Byron, Mike, Joe, Darrell, and Tom H. and bring documents to the Commission by the end of November.

Next meeting is scheduled for Thursday, December 8th, 2:00 p.m. in the Jury Room of the Boulder Courthouse. Meeting adjourned at 4:05 p.m.

Respectfully Submitted,

Nancy Wheeler  
Notetaker