

EDA/EDC Joint Board Meeting Minutes

Thursday, January 12, 2017 – 7:30 am – Granite Tower, 1st Floor

***BIG SKY ED Mission Statement:** - Focused on sustaining and growing our region's vibrant economy and outstanding quality of life, Big Sky Economic Development provides leadership and resources for business creation, expansion, retention, new business recruitment and community development.*

EDA Board Members Present: Sheri Nicholson, Jennifer Smith, Cory Moore, Kevin Gustainis, Robin Rude, Mitch Goplen, Greg McDonald, Paul Neutgens, Dana Pulis, Chuck Tooley, Robyn Driscoll (ex-officio), Terry Bouck (ex-officio), Mike Yakawich (ex-officio)

EDA Board Members Absent: Mark Qualman, Heidi Jensen (ex-officio), John Brewer (ex-officio)

EDC Board Members Present: David Trost, Eric Simonsen, Duncan Peete, Mike Nelson, Craig Bartholomew, Kathy Boelter, Scott Chesarek, Mac Fogelsong, Wayne Nelson, John Ostlund, Aaron Ramage, Mike Seppala, Debbie Singer, James Smith, John Walsh

EDC Board Members Absent: David Ellis, Ty Elkin, Doug Hansen, Jon Stepanek, Steve Loveless, John Brewer

Staff and Guests: Steve Arveschoug, Brandon Berger, Jim Tevlin, Dena Johnson, Mike Waters, Dianne Lehm, Sara Hudson, Eric Halverson, Kevin Heany, Jack Nichols

Call to Order:

David Trost, EDC Chair, called the meeting to order at 7:30 am with the Pledge of Allegiance.

Public Comment/Recognitions/Special Announcements:

Kevin Heaney of Crowley Fleck and Jack Nichols did a short introduction of himself.

Jack Nichols of Montana Economic Development Advisory Council did a short introduction of himself.

Agenda Changes: No changes to the agenda

Consent Agenda:

Approval of December 8th Board Meeting Minutes

Motion: Wayne Nelson, to approve the December 8th Board Meeting minutes and the November 2016 EDA and EDC Financials as presented to the Board.

Second: John Walsh

Discussion: None

Motion carried

Regular Agenda:

Review and Accept Conflict of Interest Policy – Kevin Heaney/Steve A.

Kevin overviewed the BSED Conflict of Interest policy. He emphasized the importance of why we have this policy in place and what it means. He mentioned it was for our own protection. Under non-profit corporation act in Montana, directors could face personal liability if they engage in a conflict of interest transactions, where we don't follow certain protocols. The policy comes to play in two components. One is when we file our form 990 for EDC with the IRS they require us to check the box that we have a conflict of interest policy. Two, the statute, although helpful, isn't incredibly detailed, so this gives us the mechanism to disclose, evaluate and monitor conflicts of interest. Kevin went through the policy, item by item and explained specifics. He answered questions after reviewing the policy.

Steve asked that everyone sign that they have received the policy and leave them at their place for staff to collect.

Program Director Reports/Consideration

Business Finance Program Business Plan and Resolution of Merger – Brandon Berger/Steve A.

Brandon discussed the merger with Montana Community Finance Corporation, out of Helena, with the EDC. He gave an update from the last Board meeting. Packet was handed out, including business/merger plan and legal documents. A small committee with the Directors. Shari, Cory, Jennifer, and Wayne provided extra evaluation of the plan. There were no additions or deletions to the plan and was also presented to the Executive Committee. Brandon asked for the Board's approval with the intent to merge the two organizations and Big Sky Economic Development Corporation. Brandon asked if there were any questions and answered them. Brandon reviewed the packet to the Board, which included, the Certificate of Adoption of Resolutions, the Plan of Merger, and Articles of Merger, which are different than the packet that was mailed out to Board members. There are no significant changes to the documents in the packet today. Brandon proceeded to go through each of the documents. Steve asked the full EDA/EDC Board to consider action on the Business Plan. Then for the EAC Board to consider The Certificate of Adoption of Resolution.

Motion: Joint Board approval - Mike Seppala, approving the hard copy of the Business Plan that was handed out.

Second: Chuck Tooley

Discussion: None

Motion carried

Motion: EDC Board approval – John Ostlund, approving The Certificate of Adoption of Resolution

Second: Debbie Singer

Discussion: None

Motion carried

Annual Notification of Appointment of Assistant Executive Director for Purposes of 504 Loan Program

Steve informed the Board that he formerly appointed Brandon Berger as the Assistant Executive Director for the EDC, for Purpose of Executing the 504 Loan Program as stated in Per Section 6.8 (Executive Director) of the Big Sky Economic Development Corporation (BSEDC Bylaws 4-9-15). This will be done every two years.

Community Development – Lockwood TEDD Update: Dianne/Katy

Dianne gave an update on the Lockwood TEDD. She noted on December 27th 2016 the TEDD was officially created. They are now able to move forward with next steps of completing all the documents and get them sent to the State Department of Revenue. February 1 is our next deadline that we're working towards. We still have a lot to look at; our next topic in infrastructure. Looking for funding for the infrastructure master plan. We're forming committees to get all parts and pieces moving together. Dianne asked if there were any questions or things to add what was discussed. It was mentioned that for Board action in the future, the Opportunity Fund Committee has discussed using funds to pay for the master plan with the condition that they would be reimbursed from future TEDD proceeds.

BillingsWorks Update – 2017 Employer Survey and State of the Workforce Report – Melanie

Steve substituted for Melanie. He gave the board information on the link to fill out the 2017 Employer Survey and State of the Workforce Report. He asked that each Board members fill out the survey themselves and then encourage ten business owners to fill out the survey. The information becomes the assets of the State of the Workforce Report that Big Sky Economic Development does each year and always includes data from the Department of Labor, both nationally and at a state level. The survey is open until the middle of February.

Business Recruitment and Outreach – Allison

Allison gave an update of where she is with the GE discussion. We are working and partnering with GE on a couple of areas. The first being understanding our asset position as far as the GE facility goes. We hope to have this worked out by the end of this week. At the beginning of February, we will be meeting with the GE legal team, as well as our legal team to walk through the lease to make sure we're all on the same page, as far as what their responsibility is and what our responsibilities are and what we're looking at in moving forward. They've also put us in touch with their head of real estate, so we can understand what's in the building and do a walkthrough of the building in mid-February. The second thing we are focusing on is finding a new third party option and marketing that asset. To work on that we have engaged in a site selection professional that typically works with private sector companies who's going to be coming out in February to look at the asset and help us strategize how to position it with national tenants. This will help us have our best foot forward, and we're ready when GE is with the facility. Steve also discussed the incentive payment that we pay GE. Several questions from the Board were answered.

Executive Director's Report/Consideration – Steve

Board Materials Review (Directory, Calendar, Committees)

Steve reviewed the calendar for 2017 that lists all the Board Meeting dates and some of our important tasks and projects. Things like our Budget Workshop, our Annual Meeting and other things listed on this calendar. He will send out notices whenever there will be anything to add to the calendar. One for example, some haven't been to the GE facility. The Board will be invited to go through the facility and get an idea of what we're talking about when we talk about the GE building. There are two directories, one is the list of the EDA Board, the other is the EDC Board list. This information is the contact on our Boards. This is the information we use to communicate with our Boards. Then we have our Board Committees list for 2017. As you look through this committee listing you'll see the word 'OPEN'. For example, on the Ad Hoc Legislative Committee, we have an open position for an EDA Board Member and EDC Board Member. There are other openings in other committees. You don't have to be a board member to serve on a committee. We have some outside expertise working on a few of our key committees. We try to represent our Member Investors and the community if the topic makes sense for their participation.

Legislative Priorities Update – Our Ad Hoc Legislative Committee has met to talk about a couple issues. A lot of discussion on tax increment financing. We've taken a position in support of trying to protect that tool for both Target Economic Development District and Urban Renewal. There are a lot of community members going to Helena to testify. On the local option tax authority, the position the Board has taken was to be neutral until a bill was introduced. There is a bill being worked on in partnership with the Montana Infrastructure Coalition and our local Chamber. Steve will bring this issue back to The Ad Hoc Legislative Committee and to the Board for reconsideration when a final bill has been drafted.

February Board Meeting – 1) Mid-Year Program Progress Reports and Budget Review Our February Board meeting will be our mid-year update for the Board. We'll be talking about what we've accomplished halfway through our current fiscal year in terms of our program goals. Each of Big Sky Economic Development's program directors will talk about what they've accomplished. This year we won't have a separate report on that progress. We just issued a Community Report in the news

Update: Staffing Plan Proposal (Director of Operations/Admin. Support)

We are still without an Executive Assistant. We're moving toward bringing on an operations director position in lieu of an executive assistant. Someone that can work at a higher level in terms of helping manage the day to day operations of our organization and then adding additional admin support. I have been discussing with Jim how we are going to fund this, and we think we have a game plan to present to The Executive Committee at the February meeting.

Public Comment:

David Trost congratulated Allison for her work with John Brewer in the work with American Airlines. David also mentioned that if any of the Board are in Helena to look at the legislative priorities and if there is something that fits for them to connect with Steve and legislate on that behalf.

Meeting Adjourned at 9:00 am

Next Meeting –February 9, 2017

Respectfully submitted,

David Trost, EDC Chair

Steve Arveschoug, Executive Director, Big Sky EDA-EDC

When approved, minutes and meeting materials will be filed electronically in the Big Sky EDA office.

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