

EDA/EDC Joint Board Meeting Minutes

Thursday, April 13, 2017 – 7:30 a.m. – Hilton Garden Inn, 2465 Grant Road

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, Mark Qualman, Chuck Tooley, Robyn Driscoll (ex-officio), Terry Bouck (ex-officio), Mike Yakawich (ex-officio)

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

EDC Board Members Present: David Trost, Eric Simonsen, Duncan Peete, Mike Nelson, Kathy Boelter, Scott Chesarek, Ty Elkin, Mac Fogelsong, Aaron Ramage, Mike Seppala, Debbie Singer, James Smith, Jon Stepanek

EDC Board Members Absent: Steve Loveless, Craig Barhtolomew, John Brewer, David Ellis, Doug Hansen, Wayne Nelson, John Ostlund, John Walsh

Staff and Guests: Steve Arveschoug, Jim Tevlin, Dianne Lehm, Patrick Klugman, Katy Easton, Mike Waters, Sara Hudson, Melanie Schwarz, Allison Corbyn, Karen Baumgart, Brandon Berger, Ben Rose, Dena Johnson, Lorene Hintz, Liz Ching, Leif Welhaven, Kevin Heaney, Chris Nelson, Austin Trunkle

Loan Approvals - Brandon

Brandon is asking for loan approval from the Board for the Children's Development Center. He also mentioned he was in Bozeman yesterday for the loan closing and touring the facility.

Motion: Mike Seppala, to approve and forward to the full Board, for an increase on the SBA debenture portion from \$323,000 to \$356,000 for Children's Development Center, LLC in Bozeman.

Second: Duncan Peete

Discussion: None

Motion carried

Call to Order:

Sheri Nicholson, EDA Chair, called the meeting to order at 7:30 a.m. There was no Pledge as a flag was absent.

Agenda Changes: Loan Program Considerations, Loan Approvals, is moved to be first in the Regular Agenda. Also, in Public Comment/Recognitions/ Special Announcements, SD 2 High School Mill Levy is moved to be last.

Consent Agenda:

Approval of March 2017 EDA/EDC Joint Board Meeting Minutes

Motion: Cory Moore, to approve the March 2017 EDA/EDC Joint Board Meeting Minutes as presented to the Board.

Second: Debbie Singer

Discussion: None

Motion carried

February 2017 EDA and EDC Financials

Motion: Kevin Gustainis, to approve the February 2017 EDA/EDC Financials as presented to the Board.

Second: Robin Rude

Discussion: None; Motion carried

Regular Agenda:

GE Project Update and New Opportunity Considerations

GE Lease Settlement Agreement – Steve

Steve gave an update on the GE project and the steps we are taking as our relationship with GE comes to an amicable close. GE has been a tremendous partner from beginning to end. Steve thanked Allison and Jim of Big Sky Economic Development, Kevin Heaney, our lawyer, and our lenders, for all their great work resolving the matter with GE. Steve then excused Mike Nelson from the meeting and noted that both Mike and Wayne Nelson (Stockman Bank) would not participate in discussion or any Board action related to this topic. (Wayne Nelson was absent from this meeting).

Steve introduced Chris Nelson, CEO for Zoot Enterprises. Chris spoke about the expansion of Zoot and being a company that helps financial institutions not only approve individuals, but manage credit throughout the life cycle of the credit. He mentioned how supportive the Montana Community has been. Zoot is very excited to have the opportunity to expand into Billings. Chris is hopeful to utilize the space and the staff in this space as they begin the transition.

Job Retention and Growth Opportunity for Center of Excellence Background – Allison

Allison spoke about the letter of Intent and what the proposal from Zoot looks like. This will be the letter we'll be asking the Board to make a decision on today. She explained the language of the letter to help the Board better digest the terms of possible agreement with Zoot. Financial highlights were detailed as well.

Motion: Kevin Gustainis, authorizing the execution of the letter of intent and the development of a purchase agreement consent with the terms outlined in the letter, as presented to the Board.

Second: Cory Moore

Discussion: None

Motion carried

Loan Program Considerations – Brandon Berger

Merger Updates

Brandon gave the Board an update about the merger with the Helena Business Finance Program team. They've spoken with individuals at the SBA in DC. Brandon mentioned our two Helena employees visited and participated at our Staff Planning session.

2017 Program Progress Reports –

Community Development, Member Investor Program, and Organization Marketing

Member Investor Program – Melanie Schwarz

Melanie updated the Board about new looks for our marketing materials and the new, pocket-sized Strategic Plan as the merger becomes official. She mentioned the new name of our Finance Department is Big Sky Finance. This will require us to have a more state-wide approach. Melanie noted our last year's annual report won the gold IEDC award for marketing for Economic Development organizations. She spoke of interviews she does twice a month on Community Seven, speaking with community members, program directors and anyone who have things going on in the community. She also mentioned Allison doing a monthly radio show talking about Economic Development.

Other Program Level Reports As Needed

TEDD Infrastructure Master Plan Reimbursement Agreement – Katy

Katy spoke of the proposed reimbursement agreement between Big Sky Economic Development and Yellowstone County Board of County Commissioners on behalf of the Lockwood TEDD. The County Commissioners moved unanimously to approve this agreement. Katy is asking the EDA Board to move as well.

This is an EDA action only.

Motion: Robln Rude to approve the TEDD Infrastructure Master Plan Reimbursement Agreement, as presented to the Board.

Second: Greg McDonald

Discussion: None

Motion carried

Update: Changes in the Coal Industry Impact Study: Economic Impact, Workforce Analysis and Transition Strategies - Katy

Katy spoke of the Coal Industry Impact Study Summary. She mentioned these are excellent strategies involved to face the changes in the coal industry and how it's affecting our economy. One of the big moments is to see how much the coal industry does affect our own community in Yellowstone County in Billings, as well as our regional partners. She will present the work to a NATO conference next week in Denver.

Update: State of the Workforce Report – Karen

Karen reported on working to complete the state of the workforce report. She is creating a summary of the 101 pages of the report to a shorter version. It will be released to the public by April 26.

Executive Director's Report – Steve Arveschoug

Steve mentioned the budget workshop scheduled for April 28th. It is a chance for the Board to focus on the fiscal 2018 budget.

Steve thanked the Big Sky Economic team for everything they've been working on. He also thanked Allison for her great job on keeping things moving along with Zoot and GE.

Public Comment

Terry Bouck spoke of the levies the school district is looking to pass.

Meeting adjourned for Board Planning Session at 9:05 am

Next Meeting – May 11, 2017

Respectfully submitted,

Sheri Nicholson, EDA 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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