

Big Sky EDA/EDC Joint Executive Committee Meeting Minutes
Wednesday, October 3, 2018 – 7:30 A.M. to 9:15 A.M.
Rosebud Room, 2nd Floor – Granite Tower

***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.*

Committee Members Present: EDA – Cory Moore, Jennifer Smith, Paul Neutgens, Robin Rude, Sheri Nicholson
EDC – David Trost, Eric Simonsen, Mike Nelson

Staff and others Present: Steve Arveschoug, Austin Trunkle, Becky Rogers, Melanie Schwarz, Dianne Lehm, Brandon Berger

Call to Order:
Jennifer Smith, EDA Chair, called the meeting to order at 7:33 A.M.

Agenda Changes for Today’s Meeting:
Changes to the agenda include an update regarding the USDA presented by Melanie in section IV Item C.

Public Comments:
None

Agenda:
Approval of EDA/EDC Executive Committee Minutes

Motion: Sheri Nicholson, to approve and forward to the Board of Directors, the September 2018 Executive Committee Minutes as presented to the Executive Committee.

Second: Paul Neutgens

Discussion: None

Motion carried

Approval of EDA/EDC Financials – Jim

Motion: Mike Nelson, to approve and forward to the Board of Directors, the August 2018 EDA/EDC Financials as presented to the Executive Committee.

Second: Eric Simonsen,

Discussion: None

Motion carried

EDA/EDC Management Services Agreement Amendments

Becky presented the changes to the current management services agreement between the EDA and the EDC and explained how recent staffing changes necessitated updating the agreement. David proposed that the schedule of wages show only a percentage rather than a wage number, pending confirmation if the SBA requires a wage be shown. The committee also proposed signing the agreement for a new, two-year term.

Motion: David Trost, to approve and forward to the Board of Directors, a two-year agreement that renews in 2020 with the hourly wage rate struck pending SBA requirements.

Second: Cory Moore

Discussion: None

Motion carried

Executive Director's Report

One Big Sky District Update – Allison/Steve

Steve gave an update on OBSD. Steve mentioned that most of the work is going on behind the scenes and largely with CTA. There's an urgency to wrap up some of the leg-work so the strategy partners can begin to show the community what is being accomplished. The Governor was here on Monday and met with Landmark Development as well as our partners. Steve believes the relationship between Steve Bullock and Bob Dunn is extremely important. He also feels hopeful that some of the council members who are on the fence are beginning to warm to the OBSD idea. NAI Properties and the Partners also met this week. The fiscal analysis work is in progress and once complete, will help frame the economic impact narrative that will be the next big push. This will ultimately build towards an ask of our legislature for more robust economic development tools. Cory remarked on the energy and excitement at the lunch meeting earlier this week. Cory also made a point to mention how delicate the situation is regarding where the anchor projects will be. David asked if there is any protective agreement, conflict of interest disclosure, or non-disclosure agreement that keeps BSED Board Members and Employees from engaging in business involving the OBSD. Steve mentioned that each employee has signed a document that would require them to disclose whether or not they have a business interest related to work being done by the organization. However, the Committee mentioned that they believe the other strategy partners should be beholden to those sorts of agreements as well. Steve told the Committee that he will speak with legal counsel on how to move forward on this subject. Steve also wanted to reiterate his encouragement of the Board, Committee, and Community to speak in support of this project to our local legislators.

BSED Legislative Priorities Update

Initiative 185 Policy Statement

Steve sent out a policy statement, regarding to I-185, that was requested at the last Board Meeting. Steve mentioned that the response from the Board Members about the policy statement was largely positive. The Mayor of Laurel took exception with the stance the Board has taken. Steve also mentioned that the Chamber of Commerce has also received a bit of a backlash regarding their pro-I-185 stance as well.

Motion: Cory Moore, to recommend forwarding the Initiative 185 Policy Statement to the full Board, as presented to the Executive Committee.

Second: David Trost

Discussion: None

Motion carried

Higher Education 6 Mills

Next was the Committee's consideration of LR-128. This levy is a six-mill tax for higher education. Since the levy was first considered in 1948, it has always passed. The taxes raised go to the Montana University System (MUS). This levy comes due every 10 years.

Motion: Eric Simonsen, to recommend support for LR-128 to the full Board, as presented to the Executive Committee.

Second: Robin Rude

Discussion: None

Motion carried

Montana Economic Developers Association (MEDA) Strategy

Steve is currently serving as the President of the Montana Economic Developers Association and gave an update on their legislative strategy planning they have undertaken. Legislative priorities are being refined and MEDA is asking to renew and increase the state's Small Business Development Center funding which will sunset in 2019 and has remained at the same funding level since 2000.

Conflict of Interest - Consent and Waiver

Crowley Fleck notified us of a conflict of interest in regards to their work with the City's lobbying effort. They ask us to agree to a Conflict of Interest Consent and Waiver. The executive Committee was informed of the conflict and was in general agreement of the form.

Program/Org. Directors Updates

Operations

Future Facilities Taskforce RFP Finalists and Next Steps – Becky/Jennifer

Due Diligence Update

Becky gave an update on the progress of the due diligence being conducted for the three finalist proposals. Due diligence is focused on a cost analysis, space analysis, and a location analysis. Last week, staff toured the three finalist locations and shared feedback and concerns. With respect to the cost analysis, Becky put together a spreadsheet that compares each proposal side-by-side, and year-over-year. Eric Simonsen has been contracted to conduct the space analysis and evaluate the functionality of each. Becky will then cross reference the location with our needs analysis to give a more definitive weight to the location scoring. Becky anticipates there may need to be a special Board Meeting to present a final decision. Steve wants this decision to be made before the month is out. David remarked that he's confident in whatever decision the FFT makes. However, he believes that instead of a special meeting, that it should be an optional workshop where you can ask questions of the analysis and a final decision will be voted on at the 11/08/2018 Board Meeting.

Property Purchase Policy Discussion

Steve held a discussion about the Property Purchase Policy. There should be consideration of the fact that not everyone in the community would be pleased with BSED purchasing property. However, it is within the legal rights of a Tradeport Authority to purchase land for purposes of executing the organizational mission. The Committee supports the prospect of owning property should that proposal be the selected finalist. Sheri said she didn't have an issue with the organization owning property but voiced a concern about spending dollars from the opportunity fund. Sheri is concerned about the potential loss of future recruitment efforts if the money is spent on investing equity in a building. Steve acknowledged her concerns and mentioned that that very question had been taken into consideration when discussing budget.

Nominating Committee Update – Becky/Mike

EDC Election Results

Becky provided the Committee the results of the EDC Board elections. The EDA seats are now open for applications. The closing date for those applications is October 25th. There is a link available on the BSED website.

Big Sky Finance – SMART Audit Response Plan – Brandon

Brandon presented to the Committee the results of the SBA SMART Audit along with an accompanying response plan. The result was: Acceptable with Corrective Action needed. Brandon informed the Committee of the findings, recommendations, and actions taken to date.

Motion: Sheri Nicholson, to recommend the approval of the response plan to the full Board, as presented to the Executive Committee.

Second: Eric Simonsen

Discussion: None

Motion carried

Marketing and Member Investors – Melanie

Melanie gave an update on the annual meeting and mentioned that 62% of the Board has RSVP'd. The goal is to have 95% in attendance.

Also, the USDA and ERS, the technical support division of the USDA, are looking to relocate up to 600 jobs. On October 14, Billings will submit their relocation proposal. Bozeman will also make a proposal. Melanie also wanted to ask the Executive Committee if they'd consider an incentive package for the USDA should we find ourselves on the "short-list". The potential of providing incentives was received well by the Committee. Finally, there is a call center in Utah that has expressed interest in relocating to Billings. We are actively pursuing the opportunity.

Other Program Reports (as needed)

Entrepreneur Space Plan Update – Dena

Dena updated the Committee on the E-Space. Through Dena and Mel's efforts, they have hit (and exceeded) their funding goal and have posted the job description for the program director. Meet-ups are at the forefront of our awareness-building campaign in addition to building the mentor-pool. Steve and Dena are working on developing success metrics to gauge the effectiveness of the Entrepreneur Space. Melanie added that the unveiling of the E-Space branding will be at the evening event of our annual meeting on October 18th.

Executive Session (as needed)

There was no need for an Executive Session

Public Comment

None

Adjourn

Jennifer adjourned the meeting at 9:21 AM

Next Executive Committee Meeting – November 7, 2018

Big Sky Economic Development Board of Directors will make reasonable accommodations for known disabilities that may interfere with an individual's ability to participate. Persons requiring such accommodations should make their requests to Big Sky Economic Development as soon as possible before the meeting day. Please call Big Sky Economic Development at 256-6871.