



Big Sky EDA/EDC Joint Executive Committee Meeting Minutes
Wednesday, November 1, 2017 – 7:30 AM – 9:00 AM
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 – Sheri Nicholson, Jennifer Smith, Cory Moore, Robin Rude
EDC – David Trost, Eric Simonsen, Mike Nelson, Duncan Peete

Staff and others Present: Steve Arveschoug, Jim Tevlin, Becky Rogers, Melanie Schwarz, Austin Trunkle, Dianne Lehm, Allison Corbyn

Call to Order:
David Trost, EDC Chair, called the meeting to order at 7:30 am

Agenda Changes for Today's Meeting:
There is a change to the agenda where we will add an additional program update for the next Opportunity Fund Meeting.

Public Comments:
David recognized Dianne and Melanie for giving a presentation at Windstone Retirement Community. Additionally, David recognized Steve for having a sidewalk named after him. Steve had pushed for City College and Career Center to have an unobstructed sidewalk connecting the two buildings. The sidewalk was named the "Arveschoug Pathway to Success."

Agenda:
Approval of EDA/EDC Executive Committee Minutes of October 4, 2017

Motion: Jennifer Smith, to approve and forward to the Board of Directors, the October 2017 Executive Committee Minutes as presented to the Executive Committee.
Second: Robin Rude
Discussion: None
Motion carried

Approval of September 2017 EDA/EDC Financials – Jim
Jim mentioned there is no real change to the financials from last month.

Motion: Sheri Nicholson, to approve and forward to the Board of Directors, the September 2017 EDA and EDC Financials as presented to the Executive Committee.
Second: Duncan Peete
Discussion: None
Motion carried

Preliminary Investment Strategy - Jim
Jim presented an updated investment strategy for the proceeds of the GE Building sale. The guidelines include investing funds locally, establishing a \$250k rainy day fund, and creating 3 pools of funds based on the amounts to

be invested. The beginning date for the investments will be January 1, 2018. BSED will put word out to all Yellowstone County banks and will seek solicitations on three separate pools of funds.

Pool 1: \$2.19M for 12 months and four participating banks

Pool 2: \$2.19M for 18 months and two participating banks

Pool 3: \$250,000 for 3 years and one participating bank

Bids will be received by November 30th and awarded to the banks offering the highest returns.

Steve would like the Executive Committee to vote on allowing to seek public solicitation.

Abstained: Sheri Nicholson

Motion: Mike Nelson, to approve and forward to the Board of Directors, to direct the staff to do a public solicitation for the deposit of our funds, as presented to the Executive Committee.

Second: Eric Simonsen

Discussion: None

Motion carried

Executive Director's Report – Steve

Matching-Challenge MSU Billings and RMC Science Building Projects

Steve informed the Committee that the Billings Gazette had donated \$50k to the RMC Science Building and that Zoot Enterprises and the Northern Hotel had combined to donate \$10k to the MSUB Science Building. The cash portions of those donations that take place in this calendar year will be matched by us.

In addition to the Matching Challenge, BSED is willing to provide a \$1M loan to MSUB, which has been discussed with Bill Kennedy. It is of note, however, that Western Security may provide financing for the balance of the project. Hopefully there will be a scenario in place by year's end that will determine if we need to lend that amount to MSUB. Mike Seppala and Steve have spoken about how the contract language would read if BSED and Western Security Bank were to partner on financing this project. Two potential sources of repayment are lease revenue from the College of Business and pledges made to the project

Succession Plan "Second Draft" Review

Steve provided everyone a revised copy of his Succession Plan.

The most significant change is the provision where an acting director was not eligible to be considered for the permanent position. This has been adjusted to allow an Interim Director to be considered.

There was substantial discussion about Item III, Section B1, which lays out where an Interim Director would be chosen from and who would approve it. David's contention is that there should be a document or provision that can transfer the power, in case of emergency, to a predetermined position without having to bring the entire Board together for a vote. This position would be in place until the Board could appoint an Interim Director. David believes this would also eliminate in-fighting were this situation to occur. It was also noted that there is no guarantee the predetermined position or individual would still be in place at the time they'd be needed. After lengthy debate, Steve let the Board know he will fine tune the piece that was discussed.

Steve informed the Board that he is intending on taking a month-long sabbatical and asked what their expectation be during his absence. The Committee agreed that he should refrain from communicating with staff during his time away. It was determined that unless there is a catastrophic undoing, Steve will remain disconnected from the day-to-day affairs at BSED.

Recommendation - Parks Board PD Funding Proposal

There has not been a park built in Billings since 1982. Billings had a population of just 60k people back then. The priority parks include Centennial, Poly Vista, Optimist's, and Castle Rock parks. There is also intent to add Coulson

Park and Skyline Park. There will be an ask of \$3M to kickstart the Parks Department Plan. Some of this funding will be cash-in-lieu and some will be grant funding. Steve recommends the Committee support the Parks Department's proposal in concept because it falls within our wheelhouse of trying to invest in and move forward our community. He suggested we stay out of the conversations concerning types of funding since that decision lies with the City.

Motion: Robin Rude, to approve and forward to the Board of Directors to accept the staff's recommendations on the Park Proposal as presented to the Executive Committee.

Second: Duncan Peete

Discussion: None

Motion carried

Program/Org. Director's Updates

Operations - Becky

Becky provided the Committee with an update about our Future Facilities Taskforce. The consultants will be touring facilities that could house incubation as part of their final analysis. The taskforce is meeting next week to review the survey that went out to staff and determine criteria for their needs. They will also consider criteria for housing incubation and will create a list of facilities for the consultant to tour. By the end of the analysis, we will bring to the Board a final option that houses just BSED offices and a final option that houses both BSED and an incubator. Very roughly, we will likely need about 15,000sq/ft. for BSED offices plus additional space for incubation. A conversation about when it was appropriate to notify the current landlord was held.

Annual Meeting Recap – Melanie

Melanie asked that The Committee give their feedback about our Annual Meeting. Suggestions included bigger screens for the attendees. Positive feedback was given for the up-beat music playing as guests take their seats. The Board all agreed the way the staff was presented was appropriate. The overall reception of the Annual Meeting was very positive.

GE/Zoot Final Building Issues Resolution - Allison

Allison let the Board know that GE will be moving their employees out at year's end. The tiling on the exterior of the building will only cost us \$18,000 of the \$100,000 set aside in the buy/sell agreement. This is considered quite a win. Final walk-throughs will be scheduled with both GE and Zoot as the year concludes.

Other Program Reports

Melanie shared two items for the next Opportunity Fund Meeting. First was a donation to the Battle of the Plans. Last year, we donated \$10,000 to the Battle of the Plans and we intend on requesting that same amount again this year. This time, we will hold the winnings until the project is up and running as last year's winnings are still sitting idle with the DBA. The second item is a request to give additional money to the TEDD Infrastructure Master Plan for costs incurred by the consultants because of a few issues that required additional time.

Steve updated the Committee on the EDA application process. We have received three applications for the two open seats. We are holding interviews next week and will bring a recommendation to the Board after that. He also mentioned that the Nominating Committee will discuss amending the bylaws to provide an additional year to the term of an Immediate Past-Chair if they have termed out while serving as Chairperson. This would be done to facilitate leadership continuity.

Meeting adjourned at 8:52

Next Executive Committee Meeting – December 6, 2017

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.