

**ANACONDA DEER LODGE COUNTY
COMMISSION WORK SESSION
6 P.M. TUESDAY, FEBRUARY 25, 2020
HEARST LIBRARY**

Present: District 1 Commissioner Terry Vermeire, District 2 Commissioner Steve Gates, District 3 Commissioner Kevin Hart (Chair), District 4 Commissioner Paul Smith), District 5 Commissioner Mike Huotte, (Vice-Chair), CEO Bill Everett, County Attorney Krakowka, and Clerk of Commission Lori Sturm

Members of the Press: No Press present

Members of the Public: Per Sign-In Sheet

Commission Chair Hart called the meeting to order at 6:00 p.m. Commission Chair Hart explained the Commission rules of procedure.

Certified Local Government (CLG) Grant Contract between Anaconda-Deer Lodge County and the Montana State Historic Preservation Office for 2020 – 2021.

Gayla Hess, serving as the Historic Preservation officer – The State of Montana has presented us with an agreement for the Certified Local Government Grant cycle for 2020-2021. The contract offers a \$1,835.00 reimbursement grant. We had applied for \$1500.00 and they have offered the additional sum. This raises our match amount to \$1,223.33. Based on the projected budget that we turned in with our application we expect our match to exceed this. Our match will be for cash and in-kind about \$4000.00.

Place on Agenda.

Contract Amendment Number 1 to Contract 20-0725-5-21-006-0 Supplemental Nutrition Program for Anaconda Deer Lodge County WIC Program.

Leigh Ann Homes, Public Health Director – This is for a contract amendment to add an additional \$5,000.00 to our current grant. They informed us that they had some additional funding available and we requested it for breast feeding services and additional training.

Place on Agenda.

Remedy Coordination, Funding, and Settlement Agreement between Anaconda-Deer Lodge County and Atlantic Richfield

CEO Everett – Requested that this be moved to the end of the meeting.

Request for Appointment to the Anaconda-Deer Lodge County Kennedy Common Committee to obtain public input on the sale, distribution and/or use of alcohol on the property known as Kennedy Common and report the findings in writing to the A-DLC Commission. The following individuals have

requested Appointment to the Board.

- Theresa Johnson – (resides within 2 blocks of Kennedy Common)
- Margie Calnan Smith (resides within A-DLC)
- Jeanne Krumm (Anaconda Chamber Board member)
- Mary Johnston (resides within A-DLC)
- Rose Nyman (resides within 2 blocks of Kennedy Common)
- Sandra Brown Ariss (resides within A-DLC)

One (1) A-DLC Commissioner (not the Chair or Vice-Chair)

- Commissioner Hart – Clarified it is not the Chair or Vice-Chair of this Commission not being able to be on the board, it is that they cannot be Chair or Vice-Chair of the Committee.

One (1) A-DLC Park and Recreation Board Member

One (1) Anaconda Chamber of Commerce board member

Two (2) Public members that reside within two blocks of the Kennedy Common

Two (2) Public members that reside within A-DLC

- Commissioner Gates – I would request to be on this committee.
- Commissioner Vermeire – I know it says that it has to be an Anaconda Chamber Board Member; Mary Johnson is also the Director of the Chamber.
- Commissioner Hart – I believe her request is on Chamber of Commerce letterhead.
- Commissioner Huotte – Asked if the Park and Recreation Board meet last night
- Commissioner Hart – They did meet and the member they would like to see appointed is Toni Hofland, who is the Chair of the Park and Recreation Board.

Place on Agenda.

National Council on Alcoholism and Drug Dependence (NCADD) Proclamation for Alcohol Awareness Month.

Tami Martin – Last year the Montana High School students were surveyed; 40 percent of them reported trying marijuana for the first time, 17 percent reported drinking, and 40 percent using tobacco and vaping is on the rise. They are reporting they are trying alcohol as young as 8 years old. They have no idea what they are doing, what the dangers are, how it increases the risk of becoming addicts, and of developing health problems. April is National alcohol awareness month. Before you is a proclamation. Maybe have a day where there is an event and make a proclamation of it. These events do not have to be big. I am willing to do all of the footwork and ask that you join me. It could even be a Commissioners meeting of just making a statement of “We are signing this and are behind it”.

County Attorney – Offered to help.

Shawn Street, student – Talked about alcohol being a problem.

Place on Agenda.

Request to be appointed to the Anaconda-Deer Lodge County Planning Board by Mary Kay Massey-Eldridge. (Letter attached)

Place on Agenda.

Request to be appointed to the Anaconda-Deer Lodge County Urban Renewal Agency-TIF Board by Pam West. (Letter attached)

Commissioner Hart – Pam West and Rose Nyman have requested to be on this board. I don't think that we can legally appoint anyone until it is legally established. It was set by Resolution and according to the Charter it should have been set by Ordinance. Until it is established by Ordinance we are not able to appoint anyone to that board. We will put this off until we have an Ordinance.

Resignation from the Anaconda-Deer Lodge County Weed Board by Lorraine Biggs. (Letter attached) – Bill Everett

Place on Agenda.

Special Event Permit – Kenny Cook Memorial Classic Car Show to be held at the Kennedy Common on July 18, 2020, pending certificate of insurance

Place on Agenda.

Special Event Permit – St. Patrick's Day Race – March 14, 2020, pending certificate of insurance.

Commissioner Huotte – We have received notice that there is a Certificate of Insurance.

Place on Agenda.

Special Event Permit – St. Patrick's Day Parade – March 17, 2020, pending certificate of insurance.

Place on Agenda.

Remedy Coordination, Funding, and Settlement Agreement between Anaconda-Deer Lodge County and Atlantic Richfield

Mike Grayson, Grayson Law Firm – I am here to give an initial introduction to what has a really long name. This is for your consideration and eventual approval or disapproval. Everyone knows about the Institutional Controls (IC) agreement of 2016. There were a number of scoping meetings with the community where we wanted to gather more information and receive public input on what issues needed to be dealt with. We worked very hard were given a directive by EPA, Doug Benevento to reach an agreement by the end of July of 2018 or he would issue a "Unilateral Order" on the Anaconda Superfund site. In July 2018 we reached what we called a conceptual settlement framework; we had a verbal sort of agreement and took 3 or 4 more months to get that outlined. We went back to the table and started hammering out details.

The First details hammered out was the Golf Course Agreement. That came out last fall. It came to the Commission and there were a series of public meetings. The Golf Course Authority Board Ordinance was approved, golf management contract went out for bid and a firm was chosen. That is done. We continued to negotiate, working with ARCO, EPA, DEQ and US Dept. of Justice; and finally we think we reached a point where everyone is willing to move forward publically. We are not allowed to talk about these negotiations publically without all parties agreeing that it is Okay. This was an order from a federal judge. Everyone has agreed that it is time for it to be released and discussed. Let the community look at this, get comments and input and ultimately let the Commission decide whether this should be passed.

There is no doubt in my mind that this settlement agreement is far better than the “Unilateral Order” would have been for Anaconda. It is far better than the 2016 IC agreement. It has been placed on the county website. Some of the exhibits are quite lengthy and some are quite complicated. Overall this agreement will provide many things for the county. There will be an extensive number of public meetings to meet with people over the next 2 weeks. The individuals who have been working on this agreement will be present to answer questions and listen to your comments. The superfund team included Bill Everett, Terry Vermeire, Kevin Hart, Brion Lindseth and Jennifer Bishop, Jim Davison, Elizabeth Erickson, Shane Ellingson, and Carl Nyman. This team met a lot with ARCO and we worked through issues. The agreement before you is much better in many respects from the big issues all the way to the smaller issues. It permits community benefits, economic development benefits, and community health and safety aspects. It is a good agreement.

CEO Everett – Thanked the people who put this agreement together. If people understood the number of hours that were put into this agreement over 3 ½ years . . . it was a lot of work and long hours. It was frustrating at times and there were times when everyone walked out. The team we had was very diverse and very talented. It was a diverse group with different expertise that reflects our community. The team was perfect. I also want to thank the DEQ, EPA and Doug Benevento. He is a real forceful guy and he mandated that we get something done. We needed that mandate to get something accomplished. Also want to thank Atlantic Richfield. They did help us bring forth the product that is in the best interest of the community. It is better than the “Unilateral Agreement”. Under a “Unilateral Agreement” we would have none of this economic development funding.

A few of the highlights of the agreement are as follows:

Community Health and Safety Benefits

- Arsenic and lead levels are a high concern for this community. The first thing we came up with is an attic abatement program. Over the next 25 years a county staff of 7 full time employees will be able remove all dust from the attics, insulation etc. The attic is like the petri dish of your house, it preserves the contaminants for the past 100 years. This is a 25 year program and is well funded through Atlantic Richfield. We will be setting up an office and building space to accommodate this. They are providing us with equipment and training.

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- Atlantic Richfield has done a great job to reach out and get access to people's yards and clean them. The biggest complaint from the community was about the weighted average. If you have a hot spot that stuff needs to be removed. Atlantic Richfield has agreed that "average weighting" of the yard program is now gone. That will be administered by Atlantic Richfield and not the county. They have a current target of over 300 yards this year.
- Next is the Blood lead program. Where any citizen regardless of age can reach out and be tested. If you test high for lead, we will work with your care provider and figure out the pathway that brought you to this lead contamination and help resolve the issue.
- The largest part that will keep this community safe in the future is a very robust IC program. Five employees will administer the program. This will help oversee the clean-up and more importantly is the continued safety of the community. We will always have contaminants in our community; it is a cap. As we progress we will be encroaching upon the cap. It also will provide protection. The dollar value is not as important as "we want the job done right". We don't want to limit it by a dollar amount. This could cost about a half million dollars a year to run.
- The final thing regarding health and safety is something we ran into about a year ago and that was with a well in Lost Creek. A well tested extremely hot. It tested so hot that the filtration systems would not provide end result water that was drinkable. Atlantic Richfield was good to deal with. It took some time to work through. To deal with similar events in the future Atlantic Richfield has given a half million dollars to put into a trust fund account that will also grow interest. When we do have these issues we can react immediately and take care of the homeowner and get adequate safe water.

Economic Development Package

- Atlantic Richfield will provide approximately 28.75 million to fund a Community Economic Development Program over the next 25 years; as well as receiving approximately 9 million in the next year. The last agreement had no guarantees. We will be able to put it to work right away. Our community needs lodging, a hotel that will facilitate multiple purposes. We will use 3 million dollars allocated towards a hotel project in the east yards. We are looking at a 10 million dollar hotel project with (80 room facility) that will have a bar, restaurant and conference center and maybe a swimming pool. Who will benefit from this . . . the golf course, the ski hill, lodging for hospital visitors, the school to host tournaments, Goosetown softball tournament and families for events such as weddings. We could maximize some of the economic impact on our community. We have over a hundred million dollars of construction projects on task in the next 5 years. These people will need a place to stay.
- Another valuable project is the wastewater treatment plant. We spent 4 million dollars and then spent another 1.5 million. That was bonded out and the taxpayers would pay for that over the next 30 years. Part of the agreement is Atlantic Richfield will pick up the tab and pay off the 4 million dollars plus the 1.5 million additional fees. That huge financial impact will help every household in Anaconda that is hooked up to the city sewer system. You should see that savings on your next tax bill.
- The County will receive 108 acres for economic development in the Opportunity Triangle area. That property already has infrastructure (it has water, sewer, electricity and natural gas).

Legal Liability Abatement

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- The third part which is vital is the Legal Liability abatement. It gets us out of a lot of the liability that the county incurred upon itself back with the 94 conveyance property. I think we approached most angles that will benefit the greatest masses of this community.

Over the next several weeks there will be a ton of public meetings. We will have as many public meetings as people want. They are at different times and different places so we can reach out to as many people as possible. We are interested in what your ideas and thoughts are. There is no date to sign the agreement; it depends on what the community wants. When the time is right it will be presented to the Commission and the Commission will then make the vote. This is a short synopsis of a roughly 1000 page agreement. This is the second rolling out. The first was the golf course; this is the funding agreement. In the next year you may see the finalized CD, and it will contain many other components. We went with a slow roll out so it would be more biteable. The community can understand what they are getting, and we can concentrate on one part before moving on to the next.

Terry Vermeire – I was involved with the 2016 agreement. I am pleased with this agreement. The biggest difference between this and 2016 is the golf course, and the attic dust program being funded for 25 years. The tax relief will be huge. Getting rid of the weighted averaging when testing properties is also huge. Another thing on testing is that we have some exemptions: they will be testing some alleys, some parks, play areas, daycares and schools. The domestic well program and the blood program those were not in the 2016 agreement. The economic development program we will be getting more money upfront and will be locked into that for 25 years. I am pleased with what we are presenting to the public.

Carl Nyman – This is the third time that we have been here and it feels that it is going to come together. Bill assembled a diverse group of people with different opinions. We tried to represent the community and listen. We want to provide for the future. This provides tools that we otherwise wouldn't have. We are interested to hear what people think.

Terry Vermeire – Did anyone mention that the with the IC program the county had to agree to run it for 50 years.

Carl Nyman – That wasn't difficult for us to agree to. The county started out in terms of its real involvement with negotiations. That provides a real benefit for everyone in the community in terms of protection from waste left in place and residual contamination. Nearly 100 years of operation has left soil and dust finding its ways into a lot of places. There will always be a residual aspect and it is important to be aware of that. This program helps.

Blake Hempstead – Big thanks goes to Carl and Mike. I appreciate you doing this. Speaking on behalf of the school board I ask that when you look at the hotel, look at a hotel/motel with doors facing inside. Our local establishments have outside facing doors and schools cannot use those anymore. There have been problems with kids getting in and out of the rooms at night. Just keep in mind the tournaments we would like to have at the Memorial Gym.

Rose Nyman – Thanked everyone on both sides. Anxious to read it. We had a closure of the smelter and then nothing to show for it. It would be beneficial to the community to establish some kind of a trust

fund. Glad Blake brought up the exterior doors on motels. If I am traveling alone I want to feel secure. Question about the proposed projects in the East yards if the hotel is built; what will happen to the proposals.

CEO Everett – It is separate property. They are very hopeful it goes through because it would spur there progress as well.

Mike Huotte – Encourage fellow commissioners to make sure we all read this. This probably is one of the most important things we discuss as a Commission. It has the ability drive Anaconda's success or failure. Encourage all of us to attend the public meetings being held and listen to what the public has to say.

Commissioner Vermeire – Do we need to set this up for a Public Hearing.

Mike Grayson – I don't think it is legally required, but a good idea. Give people time to start reading the material. March 10th is already on the calendar for a Public Hearing. We need to see the concerns, discussions, questions and do research. We will take whatever time it takes to put this together before it is voted. We don't want to rush.

Commissioner Hart – I want to point out that the IC agreement that was proposed in 2016 the public saw a lot of flaws. Many were pointed out to the negotiating team. One of the most outspoken individuals was Mike Grayson. It was important for Mike to be on the negotiating team because he is a voice of the people. The smelter closed 40 years ago and we are still fighting over what we are going to do. Now we have a plan, now is the time to repair, rebuild and develop a robust community. This is set for a public hearing on the 10th of March.

Miscellaneous

Commissioner Huotte – No Miscellaneous

Commissioner Smith – No Miscellaneous

Commissioner Hart – No Miscellaneous

Commissioner Gates – No Miscellaneous

Commissioner Vermeire – No Miscellaneous

CEO Everett – There is a letter from Bob Andreozzi Requesting to continue his term on the Tree Board.

Place on Agenda

CEO Everett - If anyone has any questions or would like to discuss anything about the funding agreement, I am extremely accessible. Give me a call, swing by the office, we will figure out a time. We want to answer your questions and we want to hear your input. The meetings times are varied, different places and times. We want everyone to have a chance to speak.

County Attorney – No Miscellaneous

Public Comment

Adam Vauthier, Director of Local Development – We administer the URA board. This is the time of year that the downtown business owners are gearing up for construction season and they are coming to the TIF board for money. Do I need to postpone those meetings until this ordinance is past?

County Attorney – I think you can still conduct meetings and receive proposals. Ultimately I don't think you are going to be able to make a decision until the Ordinance is past. Invited Adam to stop by later this week and work on the ordinance. We could start pounding through and turning the Resolution into an Ordinance.

Paul Beausoleil – A couple of months ago there were some gentlemen here discussing solar energy. Has anything come about on that?

CEO Everett – I have had 6 different companies interested. NW Energy has a Request for Proposals out that is due in May for entities to come up with 250 mags of renewable energy. There are a lot of different players involved with big names. We have some things that are very attractive with geographic area with solar. (the proximity to the Dave Gates Power plant, the Bonneville line, and the 500 KB line up Gold Creek) A lot of things are being worked out right now. We are also trying to partner with Atlantic Richfield. They have more land than we have and we want to do something that makes sense with one product; plus they have expertise in this area. They have a company that does nothing but work with renewable energies.

ADLC Public Meeting Dates

Commissioner Hart - Read the Public Meeting Dates, times and locations for A-DLC and Atlantic Richfield Company regarding the settlement.

Commissioner Hart read the meeting calendar of dates and times.

Adjournment

Meeting adjourned at 7:05 p.m.



Lori Sturm
Clerk of Commission



Kevin Hart
Commission Chair