

**ANACONDA DEER LODGE COUNTY
COMMISSION WORK SESSION
6 P.M. TUESDAY, AUGUST 25, 2020
COURTHOUSE COURTROOM**

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: Kathie Miller, Leader

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.

Commissioner Hart – Roll Call of Commission

Public Hearing – The Public Hearing is regarding establishing the Anaconda-Deer Lodge County Budget for Fiscal Year 2020-2021.

John Sholey – The Anaconda-Deer Lodge County Fiscal Year 2020 Budget is being presented. The school mill levies have not been determined and will be added later as an addendum. We wanted to bring this to the public. Overall, the certified mills have come in; the county wide mills have gone down slightly while the city-wide mill values have gone up. Overall a pretty close evaluation to last year. Explained that this year the mill has a decrease of about 10 mills from last year. The individual mills we looked at cash that was being accumulated so that mills could be reduced so cash balances were not getting accumulated. Provided examples of the Mosquito districts going to zero mills because of having enough cash to pay for expenses during the fiscal year. Also reduced the Library fund from the general fund. Explained the Library mills for the last 2 years, they had received a good amount of cash, so that was reduced to 1 mill and believe the expenses will be worked off with the cash they have. The rest of the mills are similar to last year. When all is done, we are going down about 10 mills for the county. When we receive the school mills that will be an addendum and will be part of the budget when the information is received.

- **CEO Everett –** This is probably the finest budget we have put forth. This encompasses over 33 million dollars' worth of expenditures. The 2nd highest budget ever seen was 27 million; an increase of almost 20% in what you will see happen in our community. We are able to do with less money from the taxpayers. We have been successful with grants and receiving money from other funds. The mills are being cut by 10 mills. This is the lowest number of mills I have been able to find in over 10 years and maybe the lowest in 20 years. You will see a lot of capital improvements.
- **John Sholey -** Talked about the overall funds compared to last year. The taxes were close to last year. Looking at individual revenues Talked of the individual revenues and some are up due

to ARCO money received from negotiations with ARCO, money for attic dust, economic development, sewer and the Alt water system. Revenues are increased from the past. Looking at the expense side the salaries and benefits increased due to the ARCO Attic dust program and hiring 7 full time people and 3 new FTE' s in Public health. This raised up salaries and benefits. Supplies and services are pretty much the same. Debt service is up due to the new Sewer bonds from last year. . The Capital outlay looks down but there was huge construction with the sewer treatment plant last year. We are down to the last stage of that. We are doing a lot of other activity with the capital outlay.

- **CEO Everett** – The extra Revenue is not being spent and is being put towards capital improvements in the community. Talked about the improvements to the courthouse, (most going to windows for efficiency) the old jail roof, the fire station, large construction projects are mostly roads, the wastewater treatment plant, the airport, historical streetlights, sewer utility construction, housing projects hotel project and money for new water construction. Spoke to Commissioner Smith and Huotte about new projects in Opportunity and the west valley. Talked with Commissioner Smith and the residents would like to have Stewart street redone. Talked with Commissioner Huotte about the West Valley and he thinks Howe Street should to be redone, maybe with backup of Mountain View south. New equipment for the county will be a new plow truck for the road department. The truck needs to be a Monster of a truck to plow mill creek. The most important thing is we are doing all this and cutting mills from taxpayers. Hopes the school doesn't jack up rates again. By lowering mills and cutting sewer rates individuals should be looking at a pretty nice tax statement.

Open Public Hearing 6:15

Jim Davison – Questioned the amount of the differential tax between the county and city residents and will it continue this tax season and what is the mill levy value, or has it been set?

- **John Sholey**– Each year when we receive the certified mills, they have the new taxable value added into the prior year. This is the off year where they don't have all the valuations done. Some years they both go down or up. This year the county wide valuation was \$14,257 last year it was \$14,412 and the City was \$5,293 and last year was \$5,199. There are slight changes.

Closed Public Hearing 6:18

Resolution No. 20-22, A resolution of the Commission of Anaconda-Deer Lodge, Montana, Establishing Durston Park as an Official Park of Anaconda-Deer Lodge County (ADLC).

Commissioner Hart – This was brought up a few weeks ago. This is on Park and Main and has never been officially adopted as a city park. Durston park has been in existence for approximately 30 years; and has been an integral part of the county; and is a symbol of life remaining in Anaconda.

- **Jim Davidson** – Voiced opposition of making it a park. Right now, it is a nice piece of public land. It was fixed up because it was an empty lot after a fire, and we didn't want blight sitting in the middle of the downtown area. It is an important corner in the community, and I want to see it continue to be improved and utilized. But once the Commissioner make it a park, my understanding is that it would take an election of the people to undesignated it as a park. Feels that subdivisions occurred and a few parks that could now be used for better purposes. But because they are parks, the community is stuck with them and it would take an election of the

entire county. We should leave well enough alone. It is a great corner. The community has adopted this, and I don't see the need to permanently make it a park.
Place on Agenda.

Resolution No. 20-23, A Resolution to Amend Fund Budgets for Fiscal Year 2019-2020

John Sholey - As we do our year end entries; we come across a need for budget amendments for things we were not able to predict. Provided a summary of the budget amendments and explained the unbudgeted revenues and expenses such as the Neighborhood stabilization program and the ADLC CDBG Loans. Also went over the Special Revenue funds. Received revenue we did not budget such as PILT and state administration, the road fund, Forest Service PILT, the Road Service Revenue and sales of equipment from the road department. The Emergency Disaster fund was dormant for a couple of years; but with the Snowmageddon last year and this year with COVID it has been active. Picked out some items and explained information on various line items. Expenditures were also explained.

Place on Agenda

Resolution No. 20-24, A Resolution Establishing the Mill Levy For Anaconda-Deer Lodge County For Fiscal Year 2020-2021

John Sholey - Only county-wide and city-wide funds; no school mills as we do not have the information. Explained the number of mills established and the mill value is next to it. The mill value are at the county-wide value of \$14,257. Pointed out the City Differentials, Agency funds Special Assessment Districts, and special levy voted funds. The state county wide school funds are the same.

Place on Agenda

Resolution No. 20-25, A Resolution Adopting A Budget For Anaconda-Deer Lodge County For Fiscal Year 2020-2021

John Sholey - This is the Summary that we must put in official format for the Commission to approve. It states what we have talked about regarding the valuations of the county wide and city-wide mills and comparison to last year. It will be effective the first day of July 2020, the start of the new fiscal year.

Place on Agenda

Resolution No. 20-26, A Resolution Requiring All Properties in the West Valley Sewer District to Pay Established Sewer Fees Set by Resolution.

CEO Everett – Roughly five years ago we completed the sewer project in the west valley. Part of the understanding is that once completed everyone would be mandated to hook up within approximately 2 years. There have been some complications due to lack of contractor availability. Some people are under the belief that they do not have to be part of the wastewater. The Commission brought this forth requesting that everyone needs to hookup. They have been given plenty of time. This basically says whether or not you are hooked up to the wastewater treatment plant you will be assessed the

wastewater fee.

Place on Agenda

Fiscal Year 2020-2021 Budget Request from Copper Village Museum and Art Center for a donation in the amount of \$3500.00

CEO Everett – This is something the Commission has allocated funds and donated to for the past several years. Hope the Commission approves.

- **Rose Nyman** – Attended the open house that Copper Village held for the archives. Amazed at what has been accomplished. The museum has a fresh look, I saw the back, and everything is off the floor. Things are in archival boxes, shelves are sturdy. I would support the donation.

Place on Agenda

Position Description for a Public Health Emergency Preparedness Coordinator (PHEP)

Leigh Ann Holmes, Public Health Director – This is a new description and is not new funding. This clearly defines responsibility in the program and what the responsibilities would look like for a staff person. Previously the PHEP grant was operated and was administered by the RN and director. With the addition of me being an RN, some programs require nurses. This is just a redistribution of our resources. This also allows someone to pay specific attention to public health preparedness. COVID has illuminated the need for public health emergency preparedness. Specific duties are outlined and have someone in this position. Would like this added to our staffing.

- **CEO Everett** – Proud of Public Health department. Best health dept in Montana. We are adding all kinds of positions and is growing by leaps and bounds. Growing with revenue that has been generated outside of our county. Masterful job of obtaining grants.
- **Kathie Miller, Leader** – Asked if this was a full-time position and asked about the salary range?
- **Leigh Ann Holmes** – The PHEP grant requires a half time to 1.0 FTE. So, it would be .5 to 1 FTE. The salary range would be \$15 to \$18 an hour, not clearly defined at this point.

Place on Agenda

Lease Agreement between Anaconda-Deer Lodge County and the Smelter City Senior Citizens (Metcalf Memorial Senior Citizens Center)

CEO Everett – We have had an agreement for many years. A few terms have been changed in the agreement. They do a fantastic job, and this is our building.

Place on Agenda

Petition for the Abandonment of a small portion of Deer Lodge Drive, a dead-end spur street that is adjacent to property along Deer Lodge Drive and Harrison Street.

CEO Everett – We have a new road being built to the golf course. In doing that we are going to abandon a section of this road. This is a dead-end road and will also be part of a land swap. They are granting us access through other property of ALDC where we will run a road. Basically, it will be part of a swap

- **Jim Davison** – This road runs adjacent between block 3 and 5 of the industrial park. It leads into the back of the softball complex. It will eventually become a road for the county and a new entrance into the golf course.
- **County Attorney Krakowka** – They filed a petition at this point we need to have someone go out and examine it and look at the petition. We have seen issues with names on petitions if they are actual landowners.
- **Adam Vauthier, Local Development** – Essentially this will be about 200 ft of road working to abandon for development of that property that will be replaced with a road that the county is putting in place.
- **Marilyn Hagan Smith** – Asked if all parties who owned the road have been notified. And how much time are you giving them?
- **Adam Vauthier**– This is a tiny piece of street behind APOC world, we have talked to all the property owners. We have given them the petition and showed them the exhibit.
- **Jim Davison** – Adjacent property owners on both sides is Anaconda Local development.
- **Carl Hamming** – This is running through ALDC and dead ends into county property. That is the other adjacent owner. Clarification we will need to do a public hearing. Road abandonments do prompt a public hearing.
- **Commissioner Huotte** – I looked through the list of freeholders and it appears 3 or 4 are not real property holders in the county; you are required to have ten. I believe this would be an invalid petition at this time and there would be no investigation for the Commission to act on at this time.
- **Commissioner Hart** – We still need to officially appoint a Commissioner to review this property. That would take place before the public hearing. Place on agenda to assign a commissioner to review the petition and if merits . . . the street issue itself.

Place on Agenda for assignment of a Commissioner to review the Petition

Petition for the Abandonment of a small portion of Polk Street, a dead-end spur street that is adjacent to property along near Deer Lodge Drive.

Commissioner Hart – Asked Adam if it is the same circumstances with this property.

- **Adam Vauthier** – This is about 300 feet of road that travels North of Deer Lodge Drive that will be part of RV resort development. I was unclear that I needed 10 property owners to sign, there really are not 10 owners down there.
- **Commissioner Hart** – The 10 property owners is any 10 property owners (freeholders) in the road district which in this case is the entire ADLC property. They do have to be property owners.

- **County Attorney Krakowka** – That is Correct
- **Commissioner Hart**– Same circumstances that this is bordered by only local development corporation land. Is that correct?
- **Adam Vauthier** – Yes that is correct.
- **Marilyn Hagan Smith** – Have the property owners been notified and how?
- **Commissioner Hart** – In this instance some signatures are not actual property owners in Deer Lodge County . The surrounding properties are owned by the local development which is the entity petitioning for the property to be abandoned. The signatures on the petition itself must be 10 property owners within Deer Lodge County.

Place on agenda for Commissioner to be assigned for the review.

Grant of Trail Easement between Anaconda Local Development Corporation in favor of Anaconda-Deer Lodge County.

Adam Vauthier – The proposed RV resort is going on the north side of the industrial park next to the golf course. There is about 700 to 800 feet of trail that runs right over the top of our property. The rest of the trail runs around our property. That section is on local development corporation property. The potential developer would like to an easement in perpetuity for the trail so that it stays in place on the lower works that runs from the golf course down to Galen highway. He suggested that we do a trail easement in place with Deer Lodge County.

- **CEO Everett** – Best idea for all parties involved.

Place on Agenda

Washington Street Road Petition Commission Review

Commissioner Huotte – I was appointed to investigate. I started by researching the freeholders that the petitioner listed. I determined only 4 of the 12 owned any real property within the county. Asking the Commission to deem the petition invalid at next week's meeting, if we receive a valid petition we can move forward with the investigation.

- **Jim Liebetrau** – Who were the owners listed.
- **Commissioner Huotte** – There were 4 that were property owners and will be happy to email them to Mr. Liebetrau.
- **Commissioner Huotte** – Accessed his email and the names are Cody Swainston, Ramona Allick, Dan Wyant and Brian Wyant. Those are the 4 that are property owners.
- **Jim Liebetrau** – Asked if he should resubmit the petition.
- **Commissioner Hart** – Asked the county attorney if that would be a resubmit or filing an amended petition.
- **County Attorney Krakowka** – I believe it would be a resubmit all the way around including the ones from Adam. We get the petition, appoint a Commissioner to look at it, the Commissioner checks for the prerequisite number of names. A Commissioner does an examination here is way the names are coming from, here is where they live in relation to the road. They make the evaluation and come back and make a recommendation to the Commission. If there is an amended petition there will not be time to go into the meeting and talk about it. Recommend the petition be resubmitted.

- **Commissioner Hart** – For Washington Street, Polk Street and Deer Lodge Drive would be complete resubmits for those petitions. Asked the County Attorney regarding this particular one where that has already been through the review . . . should that be on next week's agenda for the Commission to take official action to reject the petition based on the finding of Commissioner Huotte.
- **County Attorney Krakowka** – That is up to the Commission or it could die right here if no one asks to place it on the agenda. It could fail here, and it could go to next week where it would fail because it was incomplete.
- **Commissioner Hart** – Recommend placing on agenda for next week to officially reject the petition based on the finding of Commissioner Huotte who was assigned to review the petition.
- **Kathie Miller, Leader** – Asked if the three roads requesting to be abandoned are all going to be rejected?
- **Commissioner Hart** – The roads for Washington street has officially been assigned a commissioner to review That will be on the agenda for next week. The other two from there will be an official assignment of a Commissioner to review, and if it comes back officially in the report that the signatures were not sufficient and should not have been included in the petition because they were not landowners, it will go to the same situation as Washington Street, and would be officially rejected.

Real Property Donation Agreement proposed by Smelter City Recreation Complex

Ed Delaney, President of SCRC - Number one, I want to impress how important this facility is to this community and of all age levels. We are proposing a complex that has an Arena, a Community center and aquatic center. We have done the background work and laid the foundation to make this happen. The architects of Seattle did conceptual drawings and preliminary cost estimates. Ballard's and Associates of Colorado did the demographic studies for the structures for the number of jobs, market study, comparison of existing facility, the need for services. We have paid a surveyor twice to do boundaries of different plats in the east yards. We have gone to planning commission and have their approval. All the Commission have signed a letter of support. Additional support letters from many organizations in this community. The Center would allow weddings, meetings, receptions and parties. We would like to include a commercial kitchen and the Job Corps has expressed interest in manning that with students. The Aquatic Center. . . feels the local pool is on its last legs. The large arena would allow car shows, gun shows, concerts, athletic events and tournaments, garage sales, seminars and conventions. Any Sport you can think of. This would be an incredible asset for the entire community. We need to move this forward. We are asking for land in the East Yards so we can start the next step and raise some money and build this.

- **Vanessa Romero, Vice President of SCRC** – Spoke of study we would like to have done. The next step is a feasibility study with the Bannack Group. The purpose of the study is to align the cost with what we are going to be able to do with potential donors and priorities of the 3 pieces of the project. Vanessa gave a presentation about the Smelter City Recreation Complex feasibility study. Briefly touched on financials, design, the plan, and the land. At the Conclusion there would be 3 questions.: 1. Can you see yourself donating to this project. 2. If so what level of donor do you think you would be and 3 What part of this project would you like to see where your money would go to. Provided some examples of potential donors and how the

different phases could work. This helps to realize where we stand budget wise but to prioritize what gets done first. Also provided hypothetical totals which would ultimately get a dollar range at the conclusion of the feasibility study. Where are people willing to give the money. Land must be finalized. Without the land we cannot launch the next step.

- **Ken Connors** – Thanked Commission for opportunity to present. Went through the way the agreement was put together and why it is put together in that way. Talked a bit about the Bannack group and learned a lot about the feasibility study. I learned they have significant success in their fundraising. They do not get involved with a project unless they think it has legs. They believe this project can be successful. The board has done the homework. One of the keys to getting donors is having something to start with. If they have the land or an agreement to get the land, donors are more likely to give. Key to start of fundraising campaign. The agreement is asking for 30 plus acres. I believe that was what was originally proposed. My understanding is the Commissioners were agreeable. Brought up the contingencies in the agreement. There is a fundraising issue, we have to do this in a way to increase odds of people to donate. We will get title insurance, SCRC will pay for that. My understanding is that there will be a Phase II on the hotel project. There will have to be some sort of a subdivision to create those lots. We feel that this could be a part of the subdivision. The restrictions of the covenant want to confirm they will not be a problem. The Easement contingency . . . there is a drainage ditch. The board is concerned about kids trying to get to this property from MT Hwy 1. We hope to get an easement to allow people to access on the south side of property. If we can get this property from the county, we want it under circumstances that everything will work for everybody. We would like to have protections in a prospective purchase agreement qualification to make sure there are no environmental contaminations that exist. These are just some of the issues. Proceeded to go over the feasibility study driving the timeline. SCRC wants to get the land under a contract, do a feasibility study and if positive . . . take the title to the property. Asking the county to sign the agreement then we would get the feasibility study done. If that was positive SCRS would notify the county that they would want to close the transaction. Important to point out in section 1.3 Mr. Everett is concerned about property being given to nonprofits and not doing anything with it. SCRC want to make sure they take it under the right circumstances; if they can't get construction started within 3-years the county would have the right to request the deed and reconveyed back. Trying to address concerns the CEO has raised. I have not been able to discuss this with an attorney. We would like the opportunity to work through any problems to make this happen.
- **CEO Everett** – Beneficial to hear from County Attorney first.
- **County Attorney Krakowka** – Went through the proposed agreement, Ms. Sievers also went through the agreement. One of the questions is about the title insurance? Looking at the proposed agreement, this is a project that the concept is good, if they can pull this off. Right now, we don't know, and I understand that is the need for the feasibility study. Support from community, but where is the financial support. Do we know where they are financially?
- **Ken Connors** – I think they have funds in account but have spent more money than they attended to on some of the planning. I have no knowledge of the finances.
- **Ed Delaney**. – I would estimate that we raised in the neighborhood about 60 to 65 thousand to date.
- **County Attorney Krakowka**– How much in the bank right now and how much will this cost to implement?
- **Ed Delaney** - I think about 10 to 15,000, in the bank. It is an ambitious project and if we go with the 3 centers it is about a 20-million-dollar facility and is probably 23 to 24 million now.

We are doing our best to raise 18 to 20 million in an endowment fund. This complex is not going to be a money maker. Trying to do this without tax money. The endowment fund would supplement the cost of running and operating the facility.

- **County Attorney Krakowka** – I don't want the County to buy another golf course. That would need to be supported by the county. I was expecting more of a Memorandum of Understanding rather than a Buy/sell agreement.
- **Ed Delaney** – We attempted to develop an MOU, but CEO Everett did not like what we brought forth at that time.
- **CEO Everett** – Never received an agreement. That has been referred to three different times. If you have a copy, I would love to see it and who prepared it? Absolutely false? I asked Mr. Grayson if he prepared one and he never did. Unless Mr. Connors prepared one there is no document.
- **Ed Delaney** – I don't know if there was a document, but it was discussed with you in your office.
- **CEO Everett** – Yes, we had verbal conversations.
- **County Attorney Krakowka** – This is the first agreement that has come through, one issue is with a warranty deed. No way to do that because we do not have a warranty deed to this property. It wasn't transferred to us from ARCO and feel uncomfortable giving a warranty deed to Smelter City Recreation. Also surprised at the size. . . . the 1st time they came I thought they wanted 5 acres, then 15 now 30 acres. Do they want to dedicate 30 acres to the project, what restrictions do they want to place on the land? This could be sold off by SMCR to finance project on a smaller parcel. I would suggest a right of first refusal for any potential property. There were a lot of references to indemnifications, my concept for the Commission is know that this is something you should not agree to. Mr. Delaney stated in a previous meeting that the property would be worth a million or 1.5 million. At that rate we are looking at 45 million dollars' worth of property. Do we want to tie up and have potential problems with indemnifications? There is no consideration being offered by Smelter City. An MOU might be more appropriate. Those are the broad concerns. The County Attorney also pointed out some Individual concerns, If the Commission is giving a large piece of land, the project should be responsible for all costs associated with surveys. On the Reacquisition option we are looking at a total of 3-years. I was coming up with 5 years.
- **Ken Connors** - Three years to complete the feasibility study, then within a year of that if they don't start construction you can request the deed back.
- **County Attorney Krakowka** – The donee who received the property would have to sign the property back. There is quite a bit that is at Smelter City's discretion. All types of opportunities for Smelter City to decide that they are not going to continue on with the project. There are not any options for the county if we don't like where buildings are going in or the style. The county has no option to say "No". I am sorry I did not sit down with Mr. Connors. Feeling gun shy because we were accused of doing things behind closed doors, it is problematic. Puts this in a situation where we try to do meetings to get things done. Could this be addressed with an MOU for a term of 2 years. How much money they would be able to raise? State goals in the agreement. We need to know what the phases are. Also bothered with "ground being broken" term. We need assurance that if something gets started, then fizzles, that it comes back to the county in substantially the same condition.
- **Ken Connors** – Title insurance, you can get a warranty deed. Indemnification was written so that neither party takes on liability that would be a superfund. SCRC would rely on this. A legally binding agreement, that is what the donors want to see. The problem is that they have to raise

- the money. Asking for 2 or 3 years to make some major headway in fundraising. Can't sort this out at a Commission work session.
- **CEO Everett** – Thanked Mr. Connors for Explaining the contract. Still confused at the 2 plus 3 this could be cleared easily. Frustrating to deal with due to the misrepresentations. It has been proposed that there has been agreements that I wouldn't put forth to the Commission. No agreements have ever presented. This is the first. Ken, I wanted to meet with you, we talked verbally and that was February 10th. Six months later I heard back from you. Not holding onto documents. Bringing this forth very publicly. This agreement is not what I imagined it to be. This is not what the Commission agreed to. I went back and read the minutes, and this is not what it was. It was supposed to be a 3-year term, if they reached a goal and we thought it was viable, then 15 acres could be transferred. Once completed then look at the second phase. Support is huge from the Community; the problem is moral and financial support. Not one letter of financial support. Everybody wants it but do not want the County to have to pay for this. You said you haven't approached the county for funds, not a true statement. Everyone of the commissioners received what was a proposal of a revenue bond coming out of county funds. Received that 2 nights before the ARCO agreement. We love the project but is it attainable. I have done a lot of fundraising. You are talking 45 million dollars and that is an incredible goal to try and attain from a small community. I have heard names of possible donors and I have talked to them. I am not as optimistic as getting funds out of them as others might be. Amazing if we could get this done. Getting the funds is a tough reach. In five years, you have a checkbook of about \$10,000.00. The amount and the time frame are big concerns. I look at the agreement as "Rights and Responsibilities". Breaking ground it is not breaking ground; we dealt with that with the Tabish agreement. One of the worst agreements ever drafted. You see what we have out there . . . a partially started project. Fought for 2 years to try to get land back to the county. County was burned bad. Also, we gave land to the Assembly of God. They were going to build. I have people reach out to them to try to purchase land, they want 1 million. They can hold onto land for a long time, they pay nothing in taxes. Pointed out the generalities of What is Phase I and breaking ground what does that refer to. If a shed is started the county would lose access. Reacquisition of lands granted have first right of refusal for a dollar. That would have to be a mandate. For the feasibility study it is determined by you if it is feasible, the Commission has no say. That is confusing. Phase I has been talked about but there is no attachment of what Phase I is. Those are just the generals. This is the only comfortable way to address this after the accusations.
 - **Ed Delaney** – Didn't not say the land was worth a million. It is unfortunate that the Shewey's made some comments and did some investigations that got confused with the Smelter City Recreation Complex and its goals. We are creating some distance and would like to move this forward. We met with the planning board and they gave us a unanimous approval to move forward with this project for 30 acres. When we brought this to the Commission CEO Everett. . . said "No", I only want to give them 15 acres'. Al Shewey negotiated a 15 plus 15 deal at that time. We have paid to have land surveyed twice. Ken Connors has supported us and has done a great job. Looking at the hotel, Mr. Grayson is being paid by the county through ARCO funds to write the agreement, to do the survey costs, and they were also given 3 years. The revenue bond that the Shewey's brought forth is the county could leverage 20 million dollars for a \$250,000 payment every year to fund this project. (Admitted he was not an investment counselor) There are ways to fund this project available. Because of decisions made behind closed doors only a small portion of the ARCO agreement is available to non-profits. That has

put a pair of handcuffs on us. This is an incredible project and would like to be given a chance to move this forward. Asking for opportunity.

- **County Attorney Krakowka** – Apologize I do believe it was Mr. Shewey about the value of the property.
- **Commissioner Hart** – It was I believe Mr. Shewey that made the comments. However, in the agreement that both the donor and donee agree that the fair market value of the property which is 31 acres is \$31,570.00 It is not millions.
- **Kathie Miller, Leader** – Asked if Donna and Al Shewey still involved?
- **Ed Delaney** – Their heart and soul is invested in the project but for the benefit of the group they are taking a step back. They will support in the best manner that they can. They are part of Smelter City Recreation whether Donna chooses to resign . . . that is her decision. Neither Donna or Al is a member of the board; Donna is currently an executive director and not a member of the board.
- **Michelle Beausoleil** – Attended the meeting last summer. Does this infringe on the 30 acres that are being given back to ARCO? The 30 Acres on the back half were given back to ARCO.
- **County Attorney Krakowka** – No answer for that. I would have to compare maps and I was focused on content of wording.
- **CEO Everett** – Believe we are fine. The acres that ARCO needs should not be an issue for what we are looking at. There is road plan to go through the middle of the property I refer to it as the Search and Rescue road.
- **Michelle Beausoleil** – I was at the meeting and the County Attorney did commit to 15 acres but no more. I believe he said “Let’s see what happens with the 15 and see maybe 15 more. Not a commitment of 30 acres.
- **Commissioner Hart** – The Letter of Support signed by Commission on Aug 6, 2019 states the county is willing to look at the donation of 15 acres of land with an additional 15 acres on contingency. The Commission is still looking at honoring the letter of support. These other things need to be taken care of.
- **Michelle Beausoleil** – Re do with the 15 acres.
- **Commissioner Hart** – Leave that to the attorney’s and the CEO. Sounds like the two attorneys have agreed to meet
- **Jim Davidson** – Complemented Ken Connors on the agreement particularly for the claw backs. The whole idea of claw backs and giving timelines and goals to get things done is a good move for the County. The County has gotten into too many agreements where land has been tied up and not used. There are deals that ALDC did that we should have had more claw backs. Land being tied up and not used. Believes that the whole agreement is premature. The details need to be worked out between the attorneys and parties before it comes to the public.
- **Rose Nyman** – Express appreciation for this being placed on the agenda. As a resident listening, I think the remark about closed doors in the hotel refers to the negotiations, the attic testing and environmental coordinator. . . all were negotiated behind closed doors. Many complained about the gag order, but no one had control over that. In the interest of fairness and equal treatment that the Commission will look at the project.
- **Ed Delaney** – Thank you, appreciate your time and effort.
- **Commissioner Vermeire** – Love the concept, but this agreement there is a lot of issues to be addressed. Saw Tom Moodry’s name in the document and the oil and gas rights. Those were not transferred to the county in the 94-conveyance document. The warranty deed also drew questions for me. More dialog needs to be done. You need to talk with the CEO. As a Commission we have been burned in giving property away. Assembly of God deed over in 98

and they have been sitting on it all this time. There is no way to get this back. Now looking at 31.5 acres and the property values could be going up with the hotel. I hope Al Shewey is right when he said 7-11 paid 2 million. Mr. Delaney has already said it is not going to be a money maker. We already know that this is a project that is not going to be sustainable. We need to go through the document.

- **Commissioner Huotte** – I would echo Commissioner Vermeire’s thoughts. We are premature on this agreement. We are looking at a group that needs to raise about 40 million dollars to get this going and they have 3 years to do this. I believe it would be a great project, but it doesn’t seem feasible for a group with \$15,000 in the bank and has raised \$65,000 over the last couple of years. I would like to see some additional language to the 36 month agreement. . . Breaking ground is not enough. They could get close to the 36 months, dig a hole, place a foundation and the agreement is void. There is a lot of work to do.
- **Commissioner Vermeire** – Even after the 3-year period, if they had 28 million in the bank . . . another agreement could be negotiated. That would be great strides if they had donations like that.
- **Commissioner Hart** – That is where a plan for phases of development would be beneficial
- **Commissioner Gates** – Agree with Chairman Hart. They are not asking for much. I ran on helping the people of the community. Hopefully we will have a beautiful hotel that we can be proud of. Now we are fighting over land like it is worth a million. They are asking for a 3-year period and if they don’t produce it is back to the county. They have put a lot into this. I fully support this.
- **Commissioner Smith** – I would love to see the Smelter City Recreation Complex work. It would be a great asset. I agree with the other Commissioners and the CEO that this agreement is premature at this time. Would like to see this go back to the table but also would like to see it go back to the 15 acres and other 15 contingent upon construction, instead of committing to the 31 and some acres.
- **Commissioner Hart** – We are all in support of this or we would not have signed the letter of support for the land done in August of last year. This does need some work. The attorneys can get this worked out and possibly bring something forward. A Major Development Process would still need to be followed. Those types of things come later. I would love to hear from someone with the Bannack group. Mr. Connors brings up a good point that their reputation is on the line for fundraising and it would be beneficial to hear from them. What are the chances of raising the funds? I think we need something in writing to the phases of the plans, goals in 3 years, amount of dollars raised in a year one etc. Need a better agreement and glad to have had this discussion. No one is against this. I know that there has been some issues come up over the funding. When this was first pitched to the Commission there was a statement that it would not include any tax dollars, no funding from the ARCO agreement it would be based on donations for the building and operations. That is where some of the conflict has come. Thanked everyone for the civility of this meeting and conversation.
- **CEO Everett** – A great idea.

Award the Willow Glenn Paving Project

Mike Johnson, Copper Environmental – We went out to bid in late July and only received 1 bid back on August 17th. We had a mandatory Prebid process. The Bid by Johnson Construction was compared to the engineers estimate and bid item appears to be in line with what we expected. They did come in about \$30,000 under the engineer estimate. Would like to move forward and ask that you put on the agenda to award the Willow Glenn Paving Project to Johnson Construction.

- **CEO Everett** – Good bid and a great project and will be funded by Mill Creek TIF. The largest taxpayer in the county is Northwest Energy. They built that tremendous plant for us and it provides a lot of funding opportunities for our community. They have a huge problem with dust control on the road and the dust clogs up the filters. The concept was to be a good neighbor and perhaps that will motivate them to look at more expansion at that site and that helps our tax base.

Place on Agenda

Request for appointment to the Housing Authority Board by Camille Erickson.(one vacancy) (Letter attached)

Place on Agenda

Request for appointment to the Local Emergency Planning Board as the Broadcast/Print Media Representative by Paul Johns. (Letter attached)

Place on Agenda

Special Event Permit –Request to Close the Alley behind Copper Village for Oktoberfest (October 10th). (Pending Certificate of Insurance)

Commissioner Hart – At the request of Lydia Janosko place this on the next work session.

Miscellaneous

Commissioner Mike Huotte: No Miscellaneous

Commissioner Steve Gates: No Miscellaneous

Commissioner Paul Smith: No Miscellaneous

Commissioner Vermeire: Received a request to be on the airport board. I believe there is vacancy. The request is from Monty Belguard of 123 Shirley Way. Letter from the airport manager saying he would be a huge asset. Will drop off to Lori in the morning.

Agenda for next week.

- **Rose Nyman** – Asked if he the address was in Butte-Silver Bow or Anaconda 132 Shirley Way.
- **Commissioner Vermeire** – Address is 132 Shirley Way, Anaconda Montana. I believe it is out by Fairmont.

- **Commissioner Hart** – Same thought, we will have to look that he is a property owner in this county. Will address next week.
- **Rose Nyman** - Property owner or resident.
- **Wayne Wendt** – Every address in Shirley way I believe is in Butte Silver Bow.

Commissioner Hart – Place on agenda for next week. Commissioner Vermeire to look at the issues.

Commissioner Hart: This will need to get on agenda: The County had received a petition with regards to Washington street, the same street that JEBCO submitted and looks like it will be deemed as not a proper petition. This petition is submitted to keep the road closed and is signed by close to 100 signatures. Landowners yet to be vetted, but it only needs to have ten. We need to get this on the agenda to bring it forth so we can have a Commissioner review as well. Can we get this on the agenda?

- **CEO Everett** – Absolutely.
Place on agenda for next week

CEO Everett: No Miscellaneous. . . Everyone is ready to go home.

County Attorney Krakowka: No Miscellaneous

Public Comment

Rose Nyman – Question about Superfund. A resident is waiting for someone to knock on their door and see if they want their attic tested. My understanding is the homeowner should contact the Superfund coordinator. What is the process?

- **CEO Everett**– The department has not been set up yet. We just received funding and then there will be training. Then there is the COVID issue with people going into homes. The goal for this operation is to take off the first of 2021 hopefully in January. We still need to build a building, hold tight till the first of 2021. It will be its own entity.

Ray Haffey – Informed the Commission that Shirley way is in Silver bow County. My purpose is to address some unfinished business, relocation of the baseball player at Kennedy Common. I was told that if the silhouette had to be moved, I would be asked to choose where to put it. I need some clarification since previously approved I should have some input of where it should be located. I would like to meet with a Commissioner or appropriate person and show the choice that most people have contacted me is to place on 4th and Main. Would like your support to move forward.

- **Commissioner Hart** – I would like to see a written proposal for that.
- **CEO Everett** – Agree, get a written proposal and let it be discussed.
- **Commissioner Hart** – Address to the CEO and he will get it on the Commission Agenda.

ADLC Public Meeting Dates

Commissioner Hart read the meeting dates and times.

Adjourn

The meeting was adjourned at 8:49 p.m.



Lori Sturm
Clerk of Commission



Kevin Hart
Commission Chair