



MILL CREEK TIFID BOARD

Wednesday, August 29th, 2018

ALDC 3rd Floor Conference Room

Meeting called by Jim Davison

Type of meeting Monthly Meeting

Minutes taken by Carlye Hansen

Members Present: Jim Davison, Chairman; Chas Ariss, Rich Rivers; Bill Finnegan (via telephone)

Members Absent: Terry Galle; Leonard Hoscheid

Staff: Eric Hoiland, Treasurer, ADLC; Carlye Hansen, Planning Department Secretary

AGENDA TOPICS

Call to order

Reports or Presentations

A. Review and vote on meeting minutes from June 7th, 2018

Motion was made by Rich Rivers to approve the meeting minutes from June 7, 2018; seconded by Chas Ariss. Motion passes 4-0.

Unfinished Business

A. Update on Premier Industries Subdivision Development, ADLC Subdivision Development, and any new prospects within Mill Creek TID.

According to Jim Davison, there has been no movement at all with anything in regards to the subdivision. There is a company with a basis in China looking at doing a US operation, but this is up in the air and a lot of hurdles with that.

Chas Ariss stated that Premier is still working on their air quality permit application and this got pushed back by DEQ and John Fitzpatrick weighed in on some of this. They have found power, so if the power comes to reality and the air quality permit goes through, they may be looking at moving forward. They met with Rick Tabish about a month and a half ago and he stated that they still want to go ahead with everything. He did mention that they are changing the thermal technology on the type of furnaces they will be using. Rick invited Chas to visit the plant in Butte, which Chas has not had time to do yet.

Chas did get a query from a company that does large scale solar farms, wind farms, etc. They are looking for land to buy or lease and he responded back to the gentleman with contact information to contact us to discuss exactly what they are looking for. Jim Davison stated that there is a company that is looking at building a battery factory and they are interested in what the TIFID could do. This is the company out of China that Jim referred to earlier.

Bill Finnegan questioned the editorials that Mr. Fitzpatrick has made and whether not this has an impact in the decision making by DEQ in regards to the permit. Chas feels that he has he has as he has weighed in directly to DEQ. We actually have received his formal critique of the application, but Chas has not had time to look at that.

The lease on Premier is ticking. They had a three year lease and they needed to prove certain things, however they are a year and a half into this, so things will need to start moving along her in the near future.

New Business

A. Introduce New School Board TID Member

Justin Barnes is the new superintendent of schools and he will be the new member on the TIFID Board replacing Gerry Nolan, however, Mr. Barnes was unable to attend tonight's meeting.

B. Review and Vote on the Mill Creek Distribution of Increment Revenue

Eric Hoiland reviewed the system generated report that details the breakdown by fund as to who gets what monies. This is for the year. He reviewed this and discussed several questions from members of the board and states that the tax benefits are finally starting to come around after several major projects that have been done Rich Rivers asked how much time we have left on the bond. Jim states that this is a 20-year bond. We have roughly 14-years left and TIFID lives the length of the bond. This is also a fixed rate. Rich feels that with the delay in Premier, it is probably a good idea for us to come out with a plan to get this area marketed.

Motion is made by Bill Finnegan to transfer money out of the TIFID in the amount of 2.438M into the appropriate funds as presented here today by Eric Hoiland, Treasurer; seconded by Rich Rivers. Motion passes 4-0.

C. Review Budget for Mill Creek TID and Financials of TID Board Funds

Eric Hoiland reviewed the report titled “2312 Mill Creek Tax Increment Finance Industrial District”. This is the fund that the tax revenue came in, however, we did pay two bills out of here, so will take the \$5449.69 from 2312 and when we get the taxes in the fall, that will get added to the total to distribute. This was the activity for the year.

Eric Hoiland reviewed the report titled “2313 Mill Creek TIFID Authority Board”. This is the TIFID Board’s budgeted fund. This has \$361,109.81 in it and this is where the \$5449.69 will go back to 2312. This will leave \$355,660.12. In order to get this correct, \$330,600.12, will be transferred to the reserve fund, 4013, and that will leave \$40,000.00. The TIFID Board was authorized an additional \$170,000.00, so that will leave a \$210,000.00 balance, of which \$140,000.00 will then be moved to the reserve fund, 4013. This will leave a \$70,000.00 cash balance fund by year end.

Eric Hoiland reviewed the “4013 Mill Creek TIFID Development Capital Account”. Currently there is \$40,000.00 in this fund. The first transfer of cash will be the \$330,660.12 and that will bring the balance to \$370,660.12. We will then receive this year’s money and transfer the \$140,000.00. This will leave a cash reserve of \$510,660.12.

This will leave a cash reserve of \$510,660.12 and a \$70,000 operating budget. Eric reiterated that if we don’t spend this money, there will be no more received next year.

Eric Hoiland reviewed that the next report is the expected revenue for \$4.5M to come back into fund 4312 after this year’s taxes. \$2.19M will go back to the county and \$2.3M going to the school district and some of the other agency funds. The actual budget is now where they need to look at: \$5000.00 advertising; engineer ad architect services \$60,000.00; ground improvements and maintenance \$100,000.00 (this will be transferred to the reserve, as well), and contracted services \$5000.00, leaving \$70,000 in this account.

Eric Hoiland reviewed the Certified Taxable Valuation Information for 2017 and 2018. The increment did go down by \$176,000.00. Last year we collected \$4.9M and this year we are looking at 4.522M

Motion is made by Rich Rivers to propose a budget to the County for the TIFID Board at \$170,000.00 for this year broken up as \$5000.00 advertising; engineer ad architect services \$60,000.00; ground improvements and maintenance \$100,000.00 and contracted services \$5000.00. The \$100,000.00 will be moved to the reserve. When this completed, we would have \$70,000.00 in operating funds to expand and \$510,000.00 in reserve; seconded by Chas Ariss. Motion passes 4-0.

Discussion and Vote to Access Need for Administration

Jim Davison stated that we have talked about putting \$5000.00 aside to get some administrative help to do some of the work needed by the Board so this will relieve Eric of some of the burden. He will still be there to generate reports, but really need someone to set up meeting notices, do the minutes, and all of the administrative work of the Board. Eric states that this would be highly appreciated. The URA TIF contracts with ALDC to run the TIF district. This is a little bit different due to getting into engineering and what not. At one time, Sandy Wenger was suggested as someone who would be interested. The contract would be a county contractor. This would need to be looked into regarding contracted services and the tax issues associated with this and the Montana employment laws.. We will look at various options. Jim will bring back information on the October 4th, 2018 meeting.

Miscellaneous/Announcements

None at this time.

Public Comment

None at this time

Next Meeting Date:

Thursday, October 4th, 2018 at 4 p.m.

Adjournment:

Meeting adjourned at 5:10 p.m.

Respectfully submitted,

Carlye Hansen

Carlye Hansen

Planning Department Secretary

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