

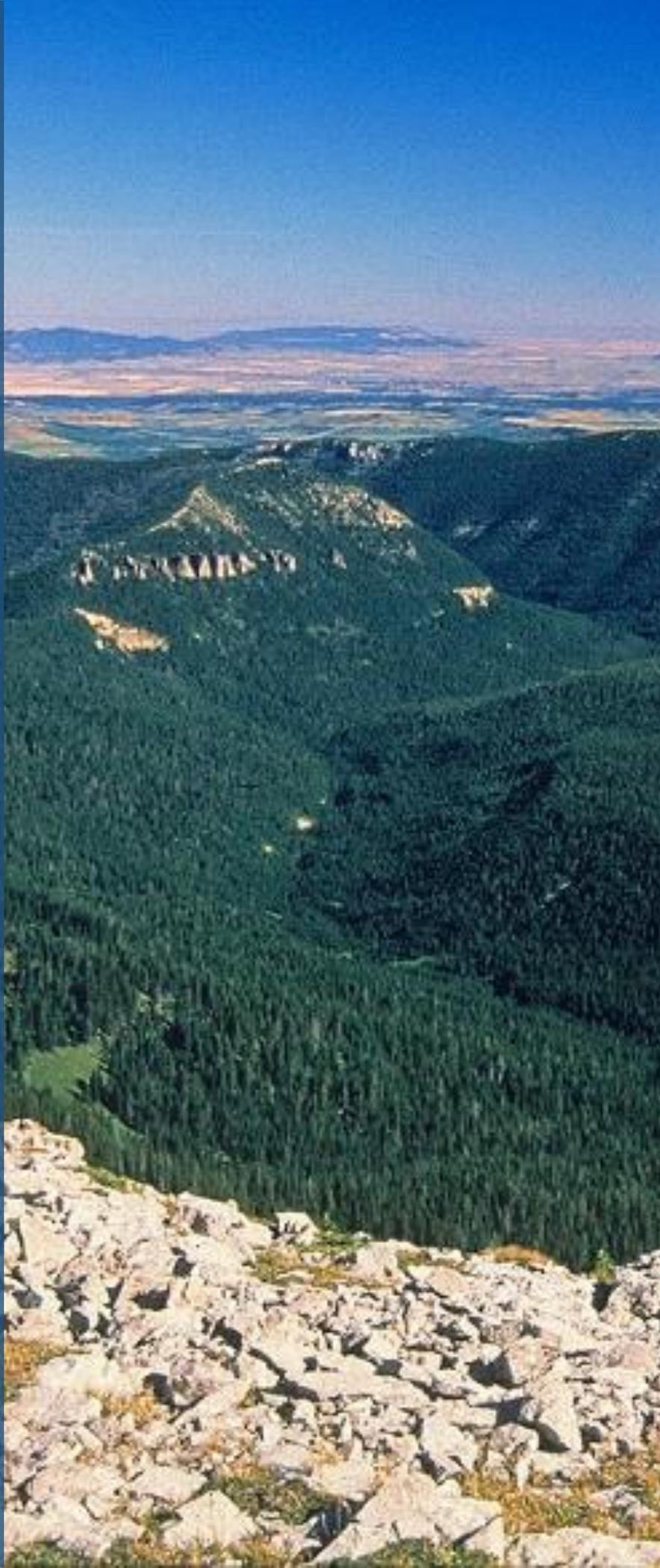


SNOWY MOUNTAIN

DEVELOPMENT CORPORATION

BOARD MINUTES

August 2019



Snowy Mountain Development Corporation
Board of Directors Meeting
Wednesday, August 21, 2019, 10:00 AM
SMDC Conference Room, Lewistown

Attendance: SMDC Board Members: Ross Butcher, Holly Phelps, Carol Schaeffer, Dean Blomquist, Leslie Burroughs, Sandra Jones and Garth French.

SMDC Staff: Kathie Bailey, Diane Pennell.

Call to Order: Chairman Ross Butcher called the meeting to order at 10:03 am and welcomed Leslie as the Golden Valley County representative.

Minutes: Minutes of the June 19, 2019 meeting were unanimously approved (Holly/Dean).

Financial Report

- **Financial Report:** Staff went through the annual audit last week with no findings. Financial report shows net income of \$34K after Brownfields and EDA RLF loan funds expended. These numbers should align with the audit. Visuals were also distributed, demonstrating again that we are driven mostly by grant income and payroll/sub-grant expense. The financial reports were unanimously approved. (Carol/Dean).

Executive Director's Report/Educational Moment:

- **Work Plan:** Kathie showed the white board completely filled with the staff work plan for the next few months which includes: writing DLA, CDBG Planning and Coal Board grant applications as well as writing applications for another EDA RLF, CDFI Certification and a Brownfields Assessment supplemental. This is on top of normal work load. Board members commented that communities don't recognize the significant amount of work going on behind the scenes at SMDC.
- **Cathy Barta** will be joining the SMDC staff, working mostly on Brownfields projects. Sara will train Cathy and continue working on Brownfields as well as higher dollar projects like CDFI and Opportunity Zones.
- **Vacations:** Kathie announced that she will be gone one week in October and one week in December, then she and Sara will be attending the OFN Conference in Washington DC later in October. Sara and Cathy will also be attending a National Brownfields Conference later this fall.
- **MEDA Conference:** The MEDA conference will be held in Lewistown September 12-13. Staff have been busy planning the conference, and Kathie is hoping for 100 to 150 attendees. Last year's 120 people attended. SMDC will also host a day-long Brownfields training on September 11th, the day prior to MEDA. Kathie invited the board to participate in any activities.
- **Opportunity Zones:** Kathie reported that there has been a flurry of interest in O.Z.'s. SMDC's role will be to help project developers and potential investors connect. Recently, SMDC has had successful clients come to the office to ask how to invest their capital gains in O.Z.'s. Due to the complexity of them, staff will be putting together a class, funded by Brownfields to educate accountants, attorneys and other professionals.
- **Consent Forms:** Kathie distributed consent forms to be signed and returned, which will allow us to use board photos and quotes for marketing.

Public Input:

- **Sandra:** Sandra would like to have a coffee to educate residents on Brownfields at the end of September.

Old Business:

- **2020 Census:** Kathie is working on making sure all our counties have groups in place to ensure an accurate count, as this can affect future funding. She's worried mostly about Musselshell County and will meet with representatives from the chamber, hospital, school, ministerial association, fire department when she goes to Roundup to do the Brownfields training at the end of September.

- **Project Updates:**
 - **806 W. Corcoran:** Staff are speaking with two interested buyers. One lien remains on the house, which has been very difficult to settle. Kathie is working with the estate attorney. House needed all the walls sheet rocked over the lathe and plaster then painted. City has fixed the street in front of the house. Agency is still living within budget and anticipates making \$10K on the sale.
 - **CDFI:** Kathie and Sara are attending the OFN conference to learn about additional funding streams from the Treasury Department. Some agencies have used these funds as match for their RLF's. Once SMDC is certified, there may be funds available for housing program such as rehabilitation.
 - **Brownfields:** Right now eighteen projects are open with sixteen active projects in five of SMDC's six counties. A supplemental of \$450K was recently awarded for hazardous clean-up projects, which has already been ear-marked! Kathie asked for approval to ask for additional funding as planning can now be part of the ask. SMDC would like to use funds for planning for re-use, which will help get redevelopment going on projects such as the Ryegate gas station. Discussion ensued regarding whether or not governmental agencies who take ownership of contaminated properties for clean-up will be protected from liability. Kathie responded that the law says so, but it has not been tested in court. Planning funds are hard to get, as BSTF does not have much and it is competitive. Board unanimously approved asking for additional RLF funds (Sandra/Holly).
 - **State DEQ:** DEQ will be putting in an application for a Brownfields RLF to use in unserved areas as well as statewide. Kathie commented that she supports the application as SMDC can not grant SMDC funds, but DEQ could. If the Century Link building becomes a possibility for SMDC offices, staff could ask DEQ for a grant. Or if the Roundup FEMA projects gets a lot bigger, SMDC could also seek funds from DEQ. Kathie asked the board to approve SMDC as a coalition partner in order to have a say in projects and to have the possibility of getting agency funding. She added that it would not impact our staff, but just require writing a letter of support. Although SMDC will compete for the same dollars as DEQ, SMDC has established a national presence and credibility. We have eight more years to ask for supplemental funds. Board unanimously approved providing a letter of support for DEQ (Holly, Carol).
 - **CJ Bailey:** The SMDC board previously approved considering a loan application from CJ Bailey as long as Kathie was not involved, the RLF committee approved the application and the board was notified. A loan was made to CJ and Diane disclosed the terms to the board.
- **BLM Fuels Mitigation Funds:** Diane has handled working with the Conservation Districts and foresters on fuels mitigation. Musselshell County has been awarded a five year grant for continuing this work, while staff wait to hear on funding for Fergus, Judith Basin and Petroleum Counties. Bob Oldenburg and Bruce Reid are SMDC's foresters with many years of experience. Cathy Barta will be taking over the program.
- **HB 52:** This bill which funds CRDC's has passed. The funding provides SMDC approximately \$34K/year to match the EDA and PTAC grants. Kathie noted that there will be many more administrative requirements including documenting every contact made and which county they are in. SMDC will need to apply for a 5-year re-certification. All local governments will need to sign resolutions indicating that they are part of our organization. Kathie will send out.

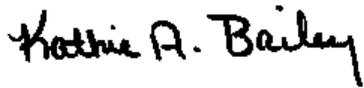
New Business:

- **Marketing:** Kathie reminded the board to check out SMDC's marketing efforts through the new website and Facebook presence! She asked the board to let staff know if they have activities or accomplishments they would like highlighted. Staff have new emails, logos and business cards.
- **SMDC Fees:** SMDC's policy is to charge a 3% fee for successful grant writing. CDBG procurement process says they can't give EDD's funds to administer a grant, unless the receiving entity has three bids. Kathie said some grant writing takes substantially more time than others and asked for board input in what our fee structure should look like. Program fees are good revenue for SMDC. Should it be a flat fee, or flat fee plus? Kathie knows the programs and the scoring and won't waste time on writing grants that won't be funded. She asked the board to bring a suggested fee schedule to the next meeting.

- **Cybersecurity:** Carly attended training in Bozeman which included cybersecurity. Federal programs are talking to staff more about protecting information. Kathie is considering moving to the cloud, but asked the board to share with her any good cybersecurity policies.
- **Board Sharing:**
 - **Sandra:** MDT is doing sidewalk repair with ADA compliance. Water project moving forward.
 - **Ian:** \$5M water project moving forward with \$2.1M grant.
 - **Nicole:** Hoping to roll Reclamation and Development \$500K grant into fairgrounds along with Mitigation grant it matches. There are 22 properties in the FEMA buyout, five or six will be cleaned up with Brownfields funds.
- **Announcements:** The next board meeting will be on Wednesday, October 30th (tentatively). It was later changed to November 6th.

Adjournment of Meeting: Chairman, Ross Butcher adjourned the meeting at 12:00.

Submitted by Diane Pennell



Reviewed by Kathie Bailey Executive Director