

Anaconda Deer Lodge County

Economic Development Board Meeting Minutes **DRAFT**

March 31, 2021 5:30 PM

Community Service Center, 3<sup>rd</sup> floor Conference Room

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**Chairman will call for public comment following board discussion of each agenda item.**

**I. Call to Order:**

Chairman John Stoppler called the meeting of the Economic Development Board (EDB) to order at 5:31 PM.

**Roll Call**

Members Present: District 1 Commissioner Terry Vermeire, District 3 Commissioner Kevin Hart, Anaconda Local Development Executive Director Adam Vauthier, Anaconda Deer Lodge County CEO Bill Everett, Anaconda Deer Lodge County Planning Director Carl Hamming, Pat Gallagher, Colleen Riley and John Stoppler

Members Absent: Kristy McKay

Members of the Public: Rose Nyman, Alex Newman, Karen Faag, Tammy Mattson, George Mattson, Dave Beck, Diane Beck.

**II. Approval of Minutes from January 6, 2021**

Motion made by: Pat Gallagher Seconded by Adam Vauthier

Motion passed 8-0

**III. Unfinished Business**

**a. At this time, the board could act on changes to the BYLAWS of the Anaconda-Deer Lodge County Economic Development Advisory Board.**

Motion made by Adam Vauthier to table item at this time. Seconded by Carl Hamming.

Motion Passed 8-0

Adam Vauthier: Application received from Jenarie's Bakery did not meet criteria. Therefore, it is not on the EDB agenda at this time.

**IV. New Business**

**a. At this time, the board could act or make requests to the developer on the Notice of Intent submitted by: Steelhead Doors.**

Chairman Stoppler: CEO, would you introduce the first notice on Steelhead Doors?

CEO Everett: I met Alex Newman last summer. He discussed his company with me and made some inquiries about our community. I made some calls about him and his company and all comments were positive. I would like Alex to provide some information about the Notice of Intent., including the building.

Alex Newman: We are one of very few garage door manufacturers in our region. We make sheet metal garage doors for modern style and rustic homes. We put doors on a property at Georgetown Lake that has a rustic look. We plan on added powder coating to our product line. The construction industry is going great. Our initial market is all of Montana, Washington, and Idaho. Anaconda is a great location for us and a good fit. We pay \$20-25 per hour. We have an employee moving to Anaconda soon and initially will have 5 employees. 30-40 employees are our goal. We plan to have about 8,000 square feet and projected to start construction in June. The initial cost will be approximately \$300,000. The building itself will be approximately \$128,000. Most of the structure is manufacturing space.

CEO Everett: You are adding a solid structure that will increase our tax base. The county put an RFP out on 5 acres of land. The only company that submitted was this garage door company. Alex wants highway frontage and will have a showroom which will be good for our community. Alex, are you interested in a line of credit, grant or both?

Alex Newman: We would be interested in both.

CEO Everett: Great. I want to go forward with this. It provides a hard asset for our community.

Commissioner Hart: I think it is important to note that if there is expansion to this facility, we will need to go through this process again for expansion.

Pat Gallagher: How long have you been in business Alex?

Alex Newman: 20 years. My partner Nathan has been in the steel trade business. We are childhood friends, raised in Boise. We started this business 1 ½ years ago. We have quite a bit of industry background, but we are a start-up company with this business. : Because we have a relationship in the steel trade business, there is a potential for us to sell sheet metal in the future.

**Public Comment:**

Rose Nyman: Mr. Chairman, I am excited about this project.

Motion made by Colleen Riley. CEO Everett seconded the motion.

Motion carried 8-0

**b. At this time, the board could act or make requests to the developer on the Notice of Intent submitted by Barclay II.**

Tammy Mattson: Thank you for inviting us here tonight to talk about our application. This is my brother, George Mattson. Our family business will celebrate 40 years on May 14th. My brother, sister and I are the 3<sup>rd</sup> generation to invest in our community and like our grandparents, we believe in our community. There are many good things going on in Anaconda which is why we are ready to move to a new location with our current business. We are looking at just over \$1.9 million, which is up from our initial application of \$1.6 million. We will be bringing to the table approximately \$145,000 which includes the liquor license and equipment we have been purchasing to get ready for this move. This business is debt free currently, and we have 19 employees. We plan on going up to at least 30 employees because we will have the convention center.

Colleen Riley: What is the reason for the increase from \$1.6 to \$1.9?

Karen Faag: Prices associated construction as well as adding additional features account for the increase.

CEO Everett: For some historical perspective, we reached out to numerous entities for a hotel, we had one Mike Johnson. Mike had one requirement. He wanted a nice restaurant. We have beautiful restaurants in our community and wanted to give those in our community a chance at this. Barclays was willing. They wanted to be associated with the hotel but own their own building. Both these will help each other. Construction costs are up over 30%. We can make something good in Anaconda, even better. I love that Barclays is taking a leap of faith. We are looking at grant and an operating line of credit.

Tammy Mattson: we are using as many local companies for the construction as possible, products are being purchased in Anaconda when feasible. We will have the convention center.

Pat Gallagher: Barclay's has been in this community for a long time. They are not only quality people; they are very good at business too.

Carl Hamming: Can you provide clarification of the business that was spotlighted in the paper and connected with Barclay's?

Tammy Mattson: Yes, we have two bartenders who will be doing the in-house baking for us. The paper spotlighted them recently.

**Public Comment:**

Dave Beck: I am familiar with Best Western Plus is fantastic. They do breakfast. Will you be tied into serving breakfast, lunch, and dinner?

Tammy Mattson: The hotel will provide breakfast as part of their hotel services. Barclay II will have our bar area open earlier in the day than we do now for appetizers and will serve dinner. We will not be in the breakfast and lunch business.

Rose Nyman: I admire your courage. Can you explain the items in the maintenance agreement?

Tammy Mattson: We had to do an MOU that states all of the shared items such as the snow removal.

Karen Faag: The maintenance agreement is for sharing of costs for common areas like Tammy mentioned, snow removal, parking and landscaping for example.

Rose Nyman: Thank you. On pages 2 and 4 you refer to the Anaconda Local Development Corporation, I assume it would be Anaconda Deer Lodge County.

Tammy Mattson: Yes, I can make those changes.

Chairman Stoppler: Any further comment?

Motion made by Pat Gallagher to move this item to the Commissioner's for review and approval. Commissioner Hart seconded the motion.

Motion passed 8-0

**c. At this time, the board could act or make request to the developer on the Notice of Intent submitted by: KB Enterprises.**

Dave Beck: My wife Diane and I are native Anacondan's, and we have never seen Anaconda looking better. Our business plan is to construct a building for our insulated pipe supports. We have already purchased four acres located near the landfill. We have good proximity to water, sewer, and electricity. We want to secure a grant to help us create a full pipe insulation jacket in one location. Currently we go between here and Salem, Oregon. This has worked very well except for the miles between here and Salem. Currently, we go to either Indianapolis, IN or Salem, OR for the raw materials needed. We initially started our operation in Seattle but have always wanted to be here in Anaconda. We have assembly workers at \$16 per hours with benefits. We would construct a building and employ 6-8 employees. I am very enthused about Anaconda and the county.

CEO Everett: I was in Dave's operation about two years ago. At that time, we talked about the Salem Company. He wanted to expand their current land use in Anaconda Deer Lodge County. Dave, I want to narrow down some items with you. What is your timeframe? What is the size of the building? What are the total costs? Our goal is to build our tax base here in the county so please understand that building will be taxed. Would you be interested in the line of credit? What are you asking for?

Dave Beck: We would like to get a steel building in by next winter. The building would be approximately 7000 square feet costing \$242,000 to be move-in ready. We would like \$250,000 and we will solid secure. Previously, we have used the ALDC block grants, mostly on inventory and receivables.

CEO Everett: Our goal with the economic development is to build our tax base. 10%, \$24,000 grant then the rest at 1% interest line of credit.

Dave Beck: I was under the impression that Atlantic Richfield was going to funnel the money into grants for the county to use.

CEO Everett: I apologize for the misunderstanding. Our discussions with ARCO and with interested businesses is that the first money is from them, then we will do 10% grant and 1% interest on a line of credit.

Commissioner Hart: There has been a lot of discussion with ARCO that the county would do 10% as grant, and this would never be the first money in. The developer puts in money first with the idea to increase the tax base.

Dave Beck: A loan is not something I would be interested in at this time.

**Public Comment:**

Rose Nyman: Perhaps there is a better way to communication as there is a reason that Dave misunderstood. I sympathize, however the agreement is grant.

Motion made by Adam Vauthier to table the application from KB Enterprises at this time.  
Carl Hamming seconded the motion.

Motion passed 8-0

**V. Miscellaneous**

CEO Everett: we have cool stuff in the pipeline. We use to have two furniture and appliance stores in Anaconda. I have been reaching out to several current businesses in our region. These will be brought to the table soon.

**VI. Public Comment:** This is the time for the public to comment on items NOT appearing on the agenda that fall within the board's jurisdiction.

Rose Nyman: Are there any other applications and Is there money left on the table at this time?

CEO Everett: We have had people calling expressing interest, but as of yet, they don't meet the requirements. If you hear that there is interest, please encourage them to call my office. That allows me to explain the process. I also want to help people with the process so they understand the requirements before coming before this committee. Yes, there is about \$580,000 left to utilize.

**VII. Next Meeting:** TBD

**VIII. Adjournment** Motion made by Adam Vauthier. Seconded by CEO Everett.

Meeting adjourned at 6:09 PM.

Colleen Riley, Secretary to the EDB