

**Big Sky EDA/EDC  
Executive Committee Agenda  
March 6, 2024  
7:00 AM to 9:00 AM  
Venture Conference Room (Lower Level BSED Building)**

**BIG SKY ED Mission Statement:** - Focused on sustaining and growing our region's vibrant economy and outstanding quality of life, **Big Sky Economic Development** provides leadership and resources for business creation, expansion, retention, new business recruitment and community development.

**Committee Members**                      **EDC** –Andy Gott, Nick Pancheau, Jennifer Kobza, Kim Jakub, Judi Powers  
**EDA** –Riley Bennett, Debbie Desjarlais, Zach Dunn, Bryan Wood, Ken Lutton

**7:00 A.M.— Call to Order** – Andy Gott, EDC Chair

**Public Comments/Board Member and Staff Announcements**

**Agenda Changes**

**REGULAR AGENDA**

- A. Approval of EDA/EDC Minutes**  
- February 7, 2024 Ex. Committee Meeting (Attachment A) (Action)
- B. Approval of EDA/EDC Financials—Tami**  
- Approve January Financial Statements (Attachment B) (Action)
- C. Executive Director Report--Steve**  
- Staffing Update (Info)  
- Board Strategic Planning Objectives/Agenda (Handout) (Info)
- D. Program Action Items/Reports**
1. Big Sky Finance—SSBCI Loan Request--Brandon (Handout) (Action)
  2. CD/Recruitment—Brownfields RLF Service Contract--Thom (Attachment C) (Action)
  3. TrueSpace Update—Kayla (Info)
  4. Recruitment Update—Ashley (Info)

**Consideration of Executive Session** (as needed)

**Public Comment**

**Adjourn**

**Next Executive Committee Meeting – April 3 (7:00 A.M. to 9:00 A.M.) Location-Venture Conference Room, BSED Building).** *Big Sky Economic Development Board of Directors will make reasonable accommodations for known disabilities that may interfere with an individual's ability to participate. Persons requiring such accommodations should make their requests to Big Sky Economic Development as soon as possible before the meeting day. Please call Big Sky Economic Development at 256-6871.*



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# ATTACHMENT A

**Big Sky EDA/EDC Joint Executive Committee Meeting Minutes**  
**February 7, 2023 – 7:00A.M. to 9:00 A.M.**  
**Venture Conference Room (Lower Level BSED Building)**

**BIG SKY ED Mission Statement:** - Focused on sustaining and growing our region's vibrant economy and outstanding quality of life, **Big Sky Economic Development** provides leadership and resources for business creation, expansion, retention, new business recruitment and community development.

**Committee Members Present:** EDA – Riley Bennett, Debbie Desjarlais, Zach Dunn, Bryan Wood, Ken Lutton  
EDC – Andy Gott, Nick Pancheau, Jennifer Kobza, Kim Jakub, Judi Powers

**Committee Members Absent:** EDA – none  
EDC – none

**Staff and Others Present:** Brandon Berger, Jordan Wilson, Kayla Vokral, Marcell Bruski, Sarah Myhre, Steve Arveschoug, Tami Fleetwood

Call to Order:  
Riley Bennett, EDA Chair, called the meeting to order at 6:59 A.M.

**Public Comment/Introductions:**  
Kim Jakub shared the news of her recent promotion as the Senior Vice President of Rocky Mountain Refining with the responsibility of leading Par Pacific's refining assets in Newcastle Wyoming and Billings, Montana. Kim will introduce Jeff Dusch, Vice President and Refinery Manager.

**Agenda Changes for Today's Meeting:**  
None

**REGULAR AGENDA**  
**Approval of January 3, 2024, Executive Committee Meeting Minutes**

Motion: Andy Gott to approve the January 3, 2024, Executive Committee Meeting Minutes, as presented to the Executive Committee.  
Second: Judi Powers  
Discussion: None  
Motion: Carried

**Approval of EDA/EDC Financials-Tami**  
**Approval of December Financials**

Net operating revenue for EDA is approximately \$991,000 year to date. The net operating revenue exceeds the year-to-date budget by approximately \$224,000. Areas affecting operating revenue include vacancy savings. Areas to monitor on the EDA budget are the Due to/Due from EDC due to cash flow. The Due to/Due From is up to date through September, but October, November, and December need to be paid. This is a cash flow issue. Regarding EDA accounts receivable, the VBOC program was in a position that was several months behind and is now caught up through November. The EDC net operating expense is \$51,781. Factors driving this are revenue pieces coming in shorter than budget. The team has been monitoring the last few months. Tami will review budget adjustments with the committee. With interest rates and other factors, loans are not coming to fruition. Additionally, the team has been monitoring expenses and will propose adjustments to decrease expenses due to lower than anticipated revenue. Tami highlighted the following items regarding EDC expenses: 504 loan origination revenue is down; however, float income is up, event expenses are varied compared to budget, Member Investor receivables need to be collected, and the Due to EDA /Due from EDC needs to be brought to current. Tami will send second

notices/statements for Member Investor invoices that are 30 days past due and will continue to utilize available funds from EDC to bring the Due to/Due From to current. The Committee requests a Performa balance sheet for the end of the year. The Committee noted some additional expenses. Tami shared that the expenses include insurance expenses related to the EDC and the EDA reimbursement. Salaries and building expenses are part of Due to/Due from which were increased due to insurance. This is a prediction based on the trend from the last few months. Dues and Subscriptions include the addition of a CRM not included in the original budget. The Recruitment, Member Investor and Big Sky Finance Programs will be utilizing the CRM software. Steve shared that progress has been made to balance the budget. More work remains, but there is margin to complete the work that needs to be done before the end of the fiscal year. The Senior Directors have worked with Steve to eliminate expenses and increase effort to generate revenue.

Motion: Ken Lutton to approve the December financials as presented to the Executive Committee and forward to the Board for approval.

Second: Jen Kobza

Discussion: None

Motion: Carried

#### FY '23 Audit Presentation-Jordan Wilson, Pinion Global

Joran Wilson presented the FY '23 audit starting with the Big Sky Economic Development Authority Report to the Board of Directors. Regarding significant risks, Jordan highlighted the turnover in accounting functions in the past year, with the past Controller leaving the organization and Tami coming on board in addition to transactions between the authority and corporation and the introduction of GASB; however, there were no significant findings in these areas. Accounting estimates are areas reviewed in detail to ensure management's judgments are appropriate and included review of 1) capital assets-building and 2) net pension liability-PERS. Jordan reviewed the financial statement disclosures, the biggest disclosure in the financial statements are the related party transactions which include transactions between the EDA and EDC. There were no significant issues with management throughout the audit. There were no significant corrections or adjustments other than a missed accrual of expense and reclassification for depreciation expense. Neither of these items resulted in significant findings. The auditors agree with management's presentation of financial statements. A representation letter will be sent to management once the Board approves and the financial statements will be issued.

The independent auditors' report gave the EDA a clean, unmodified opinion. The financial statements and the financial team are reliable and reflect good work and internal controls. Jordan commended Tami for a smooth transition into this role and the fact that there were no findings on the audit despite a transition in accounting personnel.

The EDA was subject to a single audit for major Federal award programs and the VBOC program was selected. Regarding internal control and compliance, there were no deficiencies. The report for compliance had no areas of material non-compliance. The Independent auditors' report of compliance for VBOC found that the authority complied with all requirements. Even with turnover, good procedures were in place. There were no significant deficiencies over this program.

The comprehensive schedule of audit results issues an unmodified opinion with no material deficiencies to communicate.

Jordan then reviewed the Big Sky Economic Development Corporation Report to the Board of Directors which is essentially the same report as for the EDA. Jordan highlighted significant risks which included turnover in accounting functions, and related party transactions. Significant accounting estimates ensure that loans are reviewed each year and there is an appropriate reserve for collectability issues.

The independent auditors' reports issues a clean, unmodified opinion on the Corporation's financial statements.

Steve again credited strong management and plans during the accounting functions transition period and a great accounting team to the success of the audit.

Motion: Ken Lutton to approve the FY '23 audit presentation and forward to the Board for approval.

Second: Zach Dunn

Discussion: None

Motion: Carried

### **Executive Director Report-Steve**

#### Staffing Update

Steve shared that a Rock31 Director and Community Coordinator are in place. An offer has been extended and accepted for the VBOC Project Manager. Rock31's component of the organization will fall in the Engagement Quadrant under Marcell's leadership. Steve thanked Marcell for taking on this responsibility.

#### Board Strategic Planning Objectives

The Board planning process is approaching. This is scheduled for Thursday, March 14<sup>th</sup> from 8:30am to 4:00pm with a reception to follow. Steve shared a handout of our strategic priorities since 2019 for the Committee's review. Steve reviewed the process for the Stakeholder Survey. This will be an opportunity to take a new snapshot and create a new base year for this survey. Over the years trends will be added going forward. Steve encouraged the Committee to send the link to the survey to their network. The goal is to achieve 300 responses. The survey results will constitute the bulk of the work at Board planning, where we will dissect and start planning Strategic Priorities that are consistent with goals and the capacity of the organization where we can show actionable impact. Steve asked the Committee for any suggestions regarding additional items to cover in Board planning.

#### Succession Plan and Salary Admin Guidelines Review Team Report

##### Draft "One-Time Merit Award Guidelines"-Review

Steve reviewed the draft "One-Time Merit Award Guidelines". Merit awards are a onetime award for exceptional work that are not added to base salaries. The merit award criteria are based on budget performance for the organization and availability, program work plans, goal performance on a program-by-program basis, individual contribution to the success of the program, and execution of professional development programs. This will be used in conjunction with performance evaluations and will determine an employee's eligibility for a merit award. The One-Time Merit Award Guidelines will be brought before the Board in March.

#### Ex Director Job Description-Review and Consider

Steve reviewed the Executive Director job description and asked the Committee for feedback or edits. The Committee felt that the job description was thorough and met the key objectives and qualifications. The Executive Director job description will be presented to the Board in March.

Motion: Judi Powers to approve the Executive Director Job Description as presented to the Executive Committee and forward to the Board for approval.

Second: Jen Kobza

Discussion: None

Motion: Carried

#### Updated Succession Plan-Review and Consider

Steve reviewed the updated succession plan with the Committee in detail. Steve walked through the appointment of the Executive Director and the responsibility of the joint Board in the process. In preparation for Succession, Steve encouraged the Committee to clearly define the competencies and characteristics for the Executive Director. An Executive Search firm can guide the search, but some of the framework has already been determined by the Succession Plan Update Committee. Steve shared that in an active search process, an executive search firm will redefine and guide this process. Steve did some outreach for search firms and a proposal will be attached to the Succession Plan. This will be presented to the Board in March. The Committee and Steve discussed proposed edits to the draft.

Motion: Nick Pancheau to approve the Updated Succession Plan as presented to the Executive Committee with the noted edits referenced by Steve (appointment of search committee, strategic objectives, and section regarding annual review by Committee) and forward to the Board for approval in March.

Second: Debbie Desjarlais

Discussion: None

Motion: Carried

#### Draft Salary Administration Guidelines Review

Steve reviewed the draft Salary Administration Guidelines with the addition of references to the merit award framework.

#### **Program Action Items/Reports**

##### BillingsWorks/BOiB-Talent Attraction Project with DCI-Marcell

Last year, the Better Off in Billings website was built out and Marcell has been discussing an opportunity regarding a partnership between DCI and the BillingsWork and BetterOffinBillings programs. Within this partnership, DCI would work with the organization to define target markets in different towns, cities, and regions. DCI would then survey talent within those markets to understand the person the community would like to attract. DCI would also perform resident profiles of the community. Takeaways from the project would include target regions, understanding who to target and how to better leverage website, assets, and resources. The Committee requested postponing action on this item pending further research. The talent attraction project with DCI will be discussed further at the March Executive Committee meeting.

##### Senior Leadership-2024 Aspirational City Visit (Chamber Hosted)-Marcell

The Chamber is hosting an Aspirational City Visit to Grand Rapids, Michigan from June 11<sup>th</sup>-June 14<sup>th</sup>. Attendants will be Marcell, Patrick, Ashley, Riley, and Nick.

##### SBDC/State Contract Confirmation-Lorene/Kayla

Kayla reviewed the SBDC/State Contact. This is a five-year contract that must be approved every year.

Motion: Andy Gott to approve the SBDC Contract Confirmation as presented to the Executive Committee and forward to the Board for approval.

Second: Judi Powers

Discussion: none

Motion: Carried

#### **Executive Session:**

None

#### **Public Comment:**

None

#### **Adjourn:**

Riley Bennett adjourned the meeting at 9:14 am.

Next Meeting – March 6, 2024



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# ATTACHMENT B



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# ATTACHMENT C



Date: February 20, 2024  
Memo to: BSED Executive Committee  
From: Thom MacLean, Community Development  
RE: Qualified Environmental Professional recommendation for Brownfield Revolving Loan Fund

The Brownfield Review Committee recommends that Big Sky Economic Development contract with Granite Peak Environmental to serve as the Qualified Environmental Professional (QEP) for our Brownfield Revolving Loan Fund. The QEPs primary role is to provide environmental oversight of cleanup sites and assist in cleanup planning, community outreach, compliance, and grant administration. Our Brownfield RLF grant budget has \$42,000 for Contractual and \$887,440 for Loans and Subgrants with the remainder of the \$1,000,000 grant total for BSED staff time and fringe, travel, and supplies. Payment to the QEP may come out of either the Contractual or the Loans and Subgrants budget, depending on the nature of the work.

Brownfield Review Committee:

- DJ Clark
- Mac Fogelsong
- Jennifer Kondracki
- Wyeth Friday
- Katy Easton
- Michelle Harkins
- Zack Dunn
- Lucy Aspinwall
- Dianne Lehm
- Thom MacLean

Interview Team:

- DJ Clark
- Michelle Harkins
- Dianne Lehm
- Thom MacLean

BSED published a Request for Qualifications (RFQ) for environmental consultants in mid-December with a deadline of January 11, 2024. We received five responses – Granite Peak Environmental, Hydrometrics, WWC Engineering, Tasman, Inc., and EA Engineering. The Statements of Qualifications were sent to the Brownfield Review Committee for review and scoring. We met on February 6<sup>th</sup> to review the scores. Granite Peak was the top choice of the committee based on an average of two metrics – score and rank. Hydrometrics and WWC were second and third. Interviews were conducted for those top three firms on February 13<sup>th</sup> and 15<sup>th</sup>. In the interviews, Granite Peak displayed much more relevant experience and expertise in Brownfields and, specifically, Brownfield Revolving Loan Funds. In addition to their environmental consulting skills, they showed knowledge and experience in all aspects of setting up and running a Brownfield Revolving Loan Fund. This is important given our desire to establish procedures, guidelines, and best practices for our new program. They anticipated questions and concerns and addressed them before we had a chance to ask.

Though not a deciding factor in their selection, Granite Peak also serves as the QEP for our EPA Brownfield Assessment grant. This will provide some efficiencies in our overall Brownfield program as it is our hope that the Assessment program will feed into the RLF program and Granite Peak will be familiar with the projects in need of cleanup funding. There is also some overlap between the two programs, namely cleanup planning efforts.