



EDA/EDC – Joint Board Meeting
Thursday, November 13, 2025
7:30 A.M. to 9:00 A.M.
Rock31/BSED Building
Zoot Training & Event Space (BSED Building/2nd Level)

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.

Agenda items may be rearranged unless an item is listed as having a "time certain". Action may be taken on any item listed on the Board Agenda.

Agenda

- 7:30 A.M. Call to Order/Pledge of Allegiance/Roll Call – Nick Pancheau, EDC Chair**
- 7:32 A.M. Public Comment/Introductions & Special Guest Presentations**
- APEX Announcement—Brandon
- 7:40 A.M. Changes to Today's Agenda**
- 7:42 A.M. Consent Items for Board Action** (Action)
- EDA/EDC Joint meeting Minutes- October 9, 2025 (Attachment A) (EDA & EDC)
 - Board Resolution- Bank Signer Updates (Attachment B) (EDA & EDC)
- 7:50 A.M. Executive Director Report – Brandon**
- Beartooth RC&D MOU (Attachment C) (EDA & EDC)
 - Nominating Committee Recommendation - EDC (Attachment D) (EDC Only)
 - Nominating Committee Recommendation - Exec. Committee (Handout) (EDA & EDC)
 - Big Sky Finance– Underwriting Contract (Attachment E) (EDC Only)
 - Staffing Update (Info)
- 8:20 A.M. Program Action Items/Reports**
- Business Development & Communications – Marcell (Info)
 - Member Investor – Tyler (Info)
 - Search Committee – Debbie (Attachment F) (Info)
- 8:35 A.M. Adjourn**

Next EDA/EDC Joint Board Meeting – December 11, 2025 (7:30 A.M. to 9:00 A.M.) Location-Zoot Training & Event Space, BSED Building, 2nd Floor. 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 email Reann Keller, reann@bigskyeda.org, or call Big Sky Economic Development at 406-256-6871.

ATTACHMENT A

Big Sky EDA/EDC Joint Board Meeting Minutes
October 9th, 2025 - 7:30 A.M. to 9:00 A.M.
Zoot Training & Event Space (2nd Floor)

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** – Debbie Desjarlais, Lucy Aspinwall, Bryan Wood, Riley Bennett, Kate Vogel, Zachary Dunn, Aaron Redland, Vince Mistretta, Turk Stovall, Ken Lutton, Darin Uselman

Ex-officio – Mike Waters, Dr. Erwin Garcia, Katy Schreiner, Mike Boyett, Kurt Markegard

EDC –Jennifer Kobza, Jennifer Weaver Kondracki, Andy Gott, Dr. Stefani Hicswa, Dave Ballard, DJ Clark, Cole Derks, Keagan Harsha, Kim Jakub, Nichole Mehling, Mark Morse, Michael Phillips, Molly Schwend, Jerry Simonson, Dr. Bob Wilmouth, Tyler Wiltgen

Committee Members Absent: **EDA** –

Ex-officio – John Brewer

EDC – Nick Pancheau, Spencer Frederick, Mike Marsh, Judi Powers, Matt Robertson, George Warmer

Staff and Others Present:

Chris White, Nik Pedersen, Reann Keller, Tyler Wink, Tami Fleetwood, Dianne Lehm, Brandon Berger, Marcell Bruski, Thom Maclean, Katelyn Harmon, Heith Hart, Heather Kirpach, Rick Brown, Jeana Lervick

Call to Order:

Debbie Desjarlais, EDA Chair, called the meeting to order at 7:31 A.M.

Public Comment/Introductions & Special Guest Presentation:

- Statement provided by Board Chair, Debbie Desjarlais- Paul Green has resigned his position effective October 17th, he will be working remotely to complete final responsibilities. The Senior Directors continue to lead the staff to ensure program services are not interrupted. As a Board, interim coverage needs to be discussed, plan on going into executive session at the end of the meeting after the regular agenda.
- Introduction- Jeana Lervick, BSED's legal counsel with Crowley and Fleck. Jeana will be present during executive session later in the meeting.

Agenda Changes for Today's Meeting:

- Consideration of Executive Session to follow APEX program update
- Move SBA 504 Reinvestment topic from consent section to be included as part of the FY'26 Budget discussion under Program Action Items/Reports
- Move Brownfields topic from consent section to Program Action Items/Reports section

REGULAR AGENDA

Approval to September 11, 2025 EDA/EDC- Joint Board Meeting Minutes and Approval to EDA/EDC FY '26 July and August Financial Statements

Motion: **Andy Gott** to approve both the September 11th, 2025, EDA/EDC Joint Board Meeting minutes and FY'26 July and August Financial Statements as presented to the Board.

Second: **Mark Morse**

Discussion: None

Motion: Carried

Program Updates/Action

SBA 504 Reinvestment

Brandon provided an overview of SBA 504 requirements. He explained that SBA 504 loan program is part of our organizational budget. SBA requires that we show how excess funds that are generated through 504 income (net income) are reinvested into economic development.

Motion: **Mark Morse** to approve the SBA 504 projected budget as presented to the Board.

Second: **DJ Clark**

Discussion: None

Motion: Carried

Brownfield Program Recommendation

Thom shared information regarding the funding of the Brownfield program which consists of two separate grants, an assessment grant and a revolving loan fund grant. The assessment grant that we had previously has run out and BSED applied for a new grant in November 2024 which was awarded in May 2025. This grant was recently funded on October 1, 2025. A RFQ was completed for a qualified economic professional and 4 responses were received and evaluated by the Brownfield Committee. Granite Peak was selected as the top choice. They are the qualified economic professional on both the current assessment grant and revolving loan fund grant so there are some efficiencies in selecting them. Recommendation to contract with Granite Peak.

Motion: **Mark Morse** to approve the Brownfield Committee recommendation as presented to the Board.

Second: **Ken Lutton**

Discussion: None

Motion: Carried

DJ Clark recuses himself from the vote.

Executive Director Update

Debbie addressed the Board to share a statement regarding BSED staffing, having received multiple resignations and the Executive Committee's focus on updating bylaws and employee policy to ensure the organization has a strong foundation as they start their search for a new Executive Director.

FY'26 Budget

Tami highlighted the changes to the FY'26 budget since the preliminary budget that was presented to the Board last May 2025, as our overall budget for the organization did decrease substantially. EDA is in a net loss position of approximately \$68,000. EDA revenues received from Yellowstone County decreased and BSED moved from County Mills to a contract (MOU). With this change, entitlement also went away. SBDC cooperative agreement was also amended due to the loss of one of the SBDC Advisors, decreasing our revenue by \$34,000. BSED has focused on reducing expenses where able, specifically salary expenses which lead to the layoff of five staff members in June. EDC's budget has remained similar to what was initially presented in the preliminary budget. Tami shared that she is comfortable with the current cash flow position and noted that BSED also has operating reserves. Noted that SBA 504 Investment is part of the FY'26 budget.

Motion: **Andy Gott** to approve the FY'26 Budget as presented to the Board.

Second: **Lucy Aspinwall**

Discussion: None

Motion: Carried

MT APEX

Brandon provided an update on the changes with the APEX program including the resignation of Deanna Langman, Statewide Director. Tereza Brownell has moved into the Interim Statewide Director position. BSED is in a cooperative agreement with the Department of Defense (DoD) so they dictate a lot of what can be done with the APEX program. This means the recommendation of Tereza as Statewide Director does have to be presented to them for approval. The APEX Statewide Director oversees 7 advisors, two of whom are direct employees of BSED (Lynnette Engelhardt and Tereza Brownell), and the other 5 are subrecipients. Although the subrecipients are not directly employed by BSED, the Statewide Director is responsible for overseeing them. Brandon currently oversees the APEX Program along with SBDC, VBOC, and Big Sky Finance. Brandon has been working closely with Tereza with the help of Lynnette and Tami to put together an application to DoD for next budget year. Another focus has been collecting invoices from each subrecipient so that they can be sent to DoD for reimbursement (70%). Brandon shared the importance of keeping and strengthening relationships with subrecipients. Due to the government shutdown, the approval of Tereza's Statewide Director role is currently delayed. BSED will be working on hiring a new advisor, the other subcenters are helping with Yellowstone County clients at this time.

Consideration of Executive Session

Question was raised whether the proposed topic of discussion for executive session qualified for executive session under Montana's open meeting laws. Jeana, BSED's legal counsel, did indicate that due to the discussion revolving around current employees potentially stepping into the Interim Executive Director role, this qualified for executive session due to personal privacy concerns.

Motion: **Mark Morse** to enter Executive Session due to personal privacy concerns.

Second: **Stefani Hicswa**

Discussion: None

Motion: Carried

The meeting entered Executive Session at 8:00 P.M. on October 9, 2025.

The meeting returned to Open Session at 8:40 P.M. on October 9, 2025.

Motion: **Kate Vogel** to return to Open Session

Second: **Vince Mistretta**

Summary of Executive Session was provided by Debbie Desjarlais: Full Board discussed Interim Executive Director and agreed on the recommendation. The Executive Committee will meet to appoint the Interim Executive Director by October 17th, 2025.

Adjourn

Motion: **Ken Lutton** to adjourn the meeting.

Second: **Molly Schwend**

Discussion: None

Motion: Carried

Debbie Desjarlais adjourned the meeting at 8:45 A.M.

Next Meeting – November 13, 2025

Respectfully submitted,

Bryan Wood, EDA Secretary/Treasurer

Jennifer Weaver Kondracki, EDC Secretary/Treasurer



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT B

Resolution of Board of Directors:

The Big Sky EDA/EDC Board of Directors hereby authorizes Brandon Berger (Interim Executive Director) and Tami Fleetwood (Senior Director of Finance) to manage all financial accounts. This authorization includes but is not limited to the removal of Paul Green, and the addition of Brandon Berger to the signature cards on file at First Interstate Bank where Big Sky EDA/EDC holds main operating checking accounts. With this change, signers on the three main operating accounts at First Interstate Bank will include Brandon Berger, Nick Pancheau, Debbie Desjarlais, Jen Kobza, Lucy Aspinwall, Jennifer Weaver Kondracki and Bryan Wood. Signers on the other eleven accounts at First Interstate Bank will include Brandon Berger, Nick Pancheau, Debbie Desjarlais, Jennifer Weaver Kondracki and Bryan Wood. For all other financial institutions in which Big Sky EDA/EDC has checking/savings/money market accounts and CDs, the Board authorizes the removal of Paul Green and the addition of Brandon Berger. Tami Fleetwood and Brandon Berger will be listed as signers on these accounts. All changes are authorized to become effective immediately.

Dated this ____ day of _____, 2025

Debbie Desjarlais, EDA Chair

Nick Pancheau, EDC Chair

Attested By:

Bryan Wood, EDA Secretary/Treasurer

Jennifer Weaver Kondracki, EDC Secretary/Treasurer

ATTACHMENT C

MEMORANDUM OF UNDERSTANDING
between
Yellowstone County Commissioners, Big Sky Economic Development Authority,
City of Billings, City of Laurel,
and
Beartooth Resource Conservation & Development Area, Inc.

THIS MEMORANDUM OF UNDERSTANDING is made and entered into this ____ day of _____, 202_, by and between **Beartooth Resource Conservation & Development Area, Inc.**, whose principal business address is P.O. Box 180, Joliet, Montana 59041, hereinafter referred to as “Beartooth RC&D” and **Yellowstone County Commissioners (in cooperation with the City of Billings, City of Laurel, and Big Sky EDA)**, and hereinafter referred to as “**the Entity.**”

WHEREAS, The Beartooth RC&D has been formally recognized by the U.S. Department of Commerce, Economic Development Administration (EDA) as a designated Economic Development District (EDD), and as a District, the Beartooth RC&D has been awarded funding to carry out its Comprehensive Economic Development Strategy (CEDS). This funding will provide a staff person, administrative support, and operating costs. This is a continual grant, renewable based on successful program operation and availability of federal funds. Local match is required.

WHEREAS, Each entity participating in the District will designate a representative and an alternate to the regional Beartooth RC&D Board. This individual will convey the needs and economic development goals of the community to the Beartooth RC&D board meetings. Regular board meetings will be held every two months to assess project status and evaluate regional economic development needs.

NOW THEREFORE IT IS UNDERSTOOD AS FOLLOWS:

ARTICLE 1: SCOPE OF WORK:

Beartooth RC&D employs an Economic Development Director to assist in the completion of the Comprehensive Economic Development Strategy for the five-county region. The Director’s time will be allocated consistent with the goals in the CEDS by the Beartooth RC&D board of directors. The board is composed of one representative and an alternate from business partners, county and local elected officials, and local economic development partners from our five-county region. Input from this board is essential for meeting the needs of the communities in our region.

Priority will be assigned projects of regional scope or projects with strong local leadership. Grant funding for this position is from EDA; therefore, emphasis will be on regional economic development planning and projects which have a correlation to job creation, economic diversification, and increased tax base. Matching funds are from participating entities, and emphasis will be placed on their specified projects.

Annual Evaluation:

The performance of the Economic Development District will be evaluated annually by local entities participating on the regional Beartooth RC&D Board. Progress and/or accomplishments on each program/project will be reported and evaluated to ensure resources are being utilized in the most effective and efficient manner possible. Annual Comprehensive Economic Development Strategy updates and an annual plan of work will be developed with input from the Beartooth RC&D staff and board. Annual reports on projects and economic development activities will be provided to the board and participating entities along with the renewal of the Memorandum of Understanding.

ARTICLE 2: PERIOD OF PERFORMANCE

The term of this Memorandum of Understanding shall be from the date it is signed through **June 30, 2026**, unless extended by mutual agreement by both parties. Such extension must be in writing, signed by authorized representatives of both parties, and made a part of the original Memorandum of Understanding by modification reference. This Memorandum of Understanding supersedes the prior Memorandum for participation in the Economic Development District.

ARTICLE 3: PAYMENT

The Entity's annual contribution will be **\$4,500.00** as a "Membership" fee plus a per capita assessment of **.19** cents per person. These funds will provide the necessary match to obtain the \$70,000.00 in federal funds. Entities who do not participate financially in the match requirement will not receive services from the Economic Development Director. The calculated fee for **Yellowstone County** is **\$36,960.17**. This figure is a total of the **\$4,500.00** county fee plus **\$32,460.17** per capita formula using a population of **170,843 x (.19)** as per the 2023 Census data. Yellowstone County's full payment will be separated into a four-way payment system. Each entity within the county will pay a percentage (%) similar to the previous year. Big Sky EDA- 34% or **\$12,566.46**, City of Billings- 36% or **\$13,505.66**, City of Laurel- 6% or **\$2,217.61** and Yellowstone County- 24% or **\$8,870.44**.

Annually, the Beartooth RC&D/EDD staff will provide a comprehensive report of the past year's activity. A new Memorandum of Understanding will be prepared and a request submitted for the next year's match. Entities will be billed for match funds after January 1, 2025, for the current year's assessment.

Payment as provided in this section shall be full compensation for work performed, services rendered, and for all materials, supplies, equipment, and incidentals necessary to complete the work.

ARTICLE 4: EXAMINATION OF BEARTOOTH RC&D RECORDS

The County or its representatives shall have the right to examine any books, records, or other documents of the Beartooth RC&D directly relating to costs when such costs are the basis of compensation hereunder.

ARTICLE 5: OWNERSHIP AND USE OF DOCUMENTS

Reproducible copies of all documents and other materials produced by the Beartooth RC&D in connection with the services rendered under this memorandum of understanding shall be provided to the County for the County's use whether the project for which they are made is executed or not. Beartooth RC&D shall be permitted to retain originals, including reproducible originals, of drawings and specifications for information, reference and use in connection with Beartooth RC&D's endeavors.

ARTICLE 6: WARRANTY

Beartooth RC&D warrants that all services performed herein shall be performed using that degree of skill and care ordinarily exercised in and consistent with generally accepted practices for the nature of the services and shall conform to all requirements of this Memorandum of Understanding.

ARTICLE 7: SAFETY

Beartooth RC&D agrees to fully comply with the Occupational Safety and Health Act of 1970, all regulations issued thereunder, and all state laws and regulations enacted and adopted pursuant thereto. The Beartooth RC&D shall take all necessary precautions in performing the services hereunder to prevent injury to persons or damage to property.

ARTICLE 8: CONFIDENTIALITY AND CONFLICTS OF INTEREST

Beartooth RC&D agrees to hold in strict confidence any proprietary or other data, findings, results, or recommendations deemed to be confidential by the County and obtained or developed by Beartooth RC&D in connection with the work under this memorandum of understanding. Beartooth RC&D warrants and agrees they do not and will not have any conflicts of interest regarding the performance of services hereunder.

ARTICLE 9: APPLICABLE LAW

This Memorandum of Understanding shall be governed in all respects by the laws of the State of Montana. No changes, amendments or modifications of any of the terms and conditions hereof shall be valid unless agreed to in writing. Venue of any proceeding arising hereunder shall be the Twenty-second Judicial District.

ARTICLE 10: COMPLIANCE WITH LAWS

Beartooth RC&D shall in performing the services contemplated by this Memorandum of Understanding faithfully observe and comply with all federal, state, and local laws, ordinances and regulations applicable to the services to be rendered under this Memorandum of Understanding.

ARTICLE 11: CHANGES

The parties, by mutual agreement, may at any time during the term of this Memorandum of Understanding and without invalidating the Memorandum of Understanding, make changes within the general scope of the Memorandum of Understanding. The Beartooth RC&D agrees to perform such changed services.

ARTICLE 12: TERMINATION

This Memorandum of Understanding may be terminated in whole or in part, in writing, by either party in the event of substantial failure by the other party to fulfill its obligations under this Memorandum of Understanding through no fault of the terminating party, provided that no termination may be effected unless the other party is given: (1) not less than ten (10) days written notice (delivered by certified mail, return receipt requested) of intent to terminate; and (2) an opportunity for consultation with the terminating party prior to termination.

Upon such termination the County shall pay the Beartooth RC&D amounts due and unpaid for services rendered as of the effective date of termination, and the Beartooth RC&D shall provide to the County all materials, surveys, reports, data, and other information performed or prepared as of such date.

ARTICLE 13: INDEMNIFICATION

Beartooth RC&D agrees to and does hereby indemnify and save the Entity, its officers, officials and employees, harmless against and from:

1. Any and all claims and liabilities, including but not limited to costs, expenses, and attorney fees arising from injury to, or death of, persons (including claims and liabilities for care or loss of services in connection with any bodily injury or death) and including injuries, sickness, disease, or death to Beartooth RC&D employees occasioned by a negligent act, omission, or failure of the Beartooth RC&D;
2. Any and all claims and liabilities, including costs and expenses, for loss or destruction of or damage to any property belonging to the Beartooth RC&D or the County caused by a negligent act, omission, or failure of the Beartooth RC&D; and
3. Any fines, penalties, or other amounts assessed against the County by reason of the Beartooth RC&D's failure to comply with all health, safety, and environmental laws and regulations applicable to the services, resulting directly or indirectly from, or occurring in the course of, the Beartooth RC&D's performance of the services. However, this indemnity shall not extend to claims and liabilities for (i) injury or death to persons or (ii) loss of or damage to property to the extent that these claims and liabilities result directly from the County's negligence or willful misconduct.

ARTICLE 14: INSURANCE

Beartooth RC&D shall maintain and demonstrate the following types of insurance:

1. Beartooth RC&D agrees that its employees and particularly the employees designated to work on this memorandum of understanding are covered by applicable Worker's Compensation provisions. The Beartooth RC&D further agrees that if the County should legally incur any costs whatsoever under the Worker's Compensation laws by reason of the Beartooth RC&D employees' injury or death while engaged in the contract work, the Beartooth RC&D will indemnify and hold harmless the County for such costs which the County may legally be required to pay to employees of the Beartooth RC&D.

2. Comprehensive general liability insurance for bodily injury, death, or loss of or damage to property of third persons or other liability due to the negligent acts of the Beartooth RC&D in the minimum amounts of \$500,000 per occurrence and \$1,000,000 aggregate for personal injury; and \$500,000 per occurrence/aggregate for property damage. Proof of coverage as required by this section shall be delivered to the Entity within fifteen (15) days of execution of this Agreement.

3. Professional liability errors and omissions insurance in a minimum amount of \$500,000.00.

ARTICLE 15: NONDISCRIMINATION

Beartooth RC&D will not discriminate against any employee or applicant for employment relating to this project on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental handicap or national origin. All hiring associated with any project shall be on the basis of merit and qualifications related to the requirements of the particular position being filled.

ARTICLE 16: INDEPENDENT CONTRACTOR

Beartooth RC&D and the County agree that the Beartooth RC&D is an independent contractor with respect to the services provided pursuant to this Memorandum of Understanding. Nothing in this Memorandum of Understanding shall be considered to create the relationship of employer and employee between the parties hereto. Neither the Beartooth RC&D nor any employee of the Beartooth RC&D shall be entitled to any benefits accorded County employees by virtue of the services provided under this Memorandum of Understanding. The County shall not be responsible for withholding or otherwise deducting federal income tax or social security or for contributing to the state Worker's Compensation program, nor shall the County be deemed in any way to assume the duties of an employer with respect to the Beartooth RC&D or any employee of the Beartooth RC&D.

ARTICLE 17: ASSIGNMENT

Beartooth RC&D shall not sublet or assign any of the services covered by this Memorandum of Understanding without the express written consent of the County.

ARTICLE 18: NON-WAIVER

Waiver by the County of any provision of this memorandum of understanding or any time limitation provided for in this memorandum of understanding shall not constitute a waiver of any other provision.

ARTICLE 19: NOTICES

Any Notice to be served hereunder may be served upon the parties personally or served by certified mail, return receipt. Notice served by mail shall be deemed complete upon deposit of said notice in any United States Post Office, postage prepaid, directed to the party to be served, at the following addresses:

COUNTY: **Big Sky EDA**
 201 N. Broadway
 Billings, MT 59101

RC&D: **Beartooth RC&D**
 P.O. Box 180
 Joliet, MT 59041

ARTICLE 20: INTEGRATED AGREEMENT

This Memorandum of Understanding together with attachments or addenda represents the entire and integrated Agreement between the Entity and the Beartooth RC&D and supersedes all prior negotiations, representations, or agreements, written or oral. This Memorandum of Understanding may be amended only by written instrument signed by both the Entity and the Beartooth RC&D.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals to this Memorandum of Understanding the day and year in this instrument first above written.

BIG SKY ECONOMIC DEVELOPMENT

BEARTOOTH RC&D/EDD

Brandon Berger, Interim Executive Director

Ryan VanBallegooyen, Chairman

ATTEST: _____

Date: _____

ATTACHMENT D



**Big Sky Economic Development
EDA-EDC Joint Nominating Committee Recommendation
2026 EDC Board of Directors**

The Nominating Committee offers the following recommendation concerning the EDC Board positions that will open January 2026. The terms of Dr. Bob Wilmouth, Andy Gott, Jen Kobza, Michael Phillips and Mike Marsh expire December 2025. Jen Kobza and Michael Phillips would like to be considered for a second term, leaving three vacancies on the EDC Board.

Having reviewed the Board representation by business category, and considered Board leadership succession, the Committee offers this recommendation for Executive Committee and Board consideration:

- 1. Debbie Desjarlais-** Current EDA Board Chair, Owner of Keya Advertising (Member Investor) – to serve a 3-year term beginning January 2026. This would allow Debbie the opportunity to remain on the Executive Committee and help maintain continuity.
- 2. Shannon Christensen-** Principle at Cushing Terrell (Member Investor), FAIA, NCARB, LEED AP BD+C – to serve a 5-year term beginning January 2026.
- 3. John Pearson-** Director of Development at Rocky Mountain College (Member Investor) – to serve a 5-year term beginning January 2026.
- 4. Michael Phillips-** to serve a second 3-year term beginning January 2026.
- 5. Jen Kobza-** to serve a second 3-year term beginning January 2026.

ATTACHMENT E

PROFESSIONAL SERVICES CONTRACT

THIS CONTRACT ("Contract") is effective on November 13, 2025 ("Effective Date") and is by and between KaPOUW, LLC, a California limited liability company ("Contractor"), and Big Sky Economic Development Corporation ("CDC"), a Montana non-profit corporation.

WITNESSETH

WHEREAS, CDC desires to contract with Contractor for the performance of services related to CDC's portfolio of SBA 504 Loans which are governed by the Small Business Investment Act of 1958, as amended (15 U.S.C. 687), and Section 120 of the Rules and Regulations issued thereunder; and

WHEREAS, CDC specifically acknowledges that, notwithstanding any other provision of this Agreement seemingly to the contrary, CDC shall at all times during the term of this Agreement, and after the expiration or earlier termination thereof, have (i) day-to-day responsibility for evaluating, processing, closing, disbursing, servicing, liquidating and litigating its SBA loan portfolio, (ii) ultimate responsibility for all loan decisions, including approvals, underwriting, closings, disbursements, due diligence and loan servicing and liquidation actions, as required by SBA policy, and that such responsibility must be carried out independently of any control by Contractor, and (iii) full responsibility for all entries and certifications made by Contractor on CDC's behalf into the SBA's E-Tran system.

WHEREAS, this Contract does not, in any manner, alter or diminish the responsibility of the CDC's Board of Directors for the operations of the CDC; and

WHEREAS, Contractor agrees to assist the CDC in connection with the underwriting of SBA 504 Loans.

SECTION 1. REPRESENTATIONS AND WARRANTIES.

- (a) CDC and Contractor represent and warrant that this Contract is subject to all applicable laws, regulations and policies, including all SBA Loan Program Requirements now in effect and as amended.
- (b) CDC and Contractor represent and warrant that they have no prior or existing relationship other than the contractual one created by this Contract and that neither the Contractor nor any associate of the Contractor is or will be a voting or non-voting member of the CDC's Board of Directors during the term of this Contract.
- (c) This Contract shall be binding on the affiliates, independent contractors, and successors of Contractor and CDC. Contractor warrants and represents that there are independent contractors of Contractor.
- (d) CDC and Contractor represent and warrant that additional compensation from CDC fee income, such as multipliers or bonuses, will not be permitted nor paid to Contractor, and Contractor expressly waives any such additional compensation.

- (e) CDC represents and warrants to Contractor that:
- (i) CDC has been duly organized and validly exists as a corporation in good standing under the laws of the State of Montana and is in good standing with the Small Business Administration.
 - (ii) CDC has all power, authority, approvals, orders, licenses, certificates, and approvals and has taken all corporate action necessary to execute, deliver, and perform this Contract and the transactions contemplated hereunder; and this Contract has been duly executed by and is a valid and binding agreement of CDC, enforceable in accordance with its terms.
 - (iii) The execution, delivery and performance of the consummation of the actions contemplated herein will not conflict with nor constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of CDC, nor will such action result in any violation of the charter or bylaws of CDC or any applicable law, administrative regulation or administrative or court decree.
 - (iv) CDC is not in violation of any directive from the Small Business Administration to make any material change in the method of conducting its business, and CDC has conducted and is conducting its business so as to comply in all material respects with all applicable statutes and regulations including, without limitations, all regulations, decisions, directives and orders of the Small Business Administration.
 - (v) CDC shall indemnify, defend, and hold harmless Contractor from any and all claims against CDC arising out of CDC's failure to perform its obligations under this Agreement, including CDC's failure to comply with SBA rules and regulations, when such failure is due to the gross negligence or intentional misconduct of CDC. CDC acknowledges that its failure to provide the material information to Contractor shall relieve Contractor of any liability with respect to any inaccuracies or errors in fulfilling Contractor's obligations hereunder in connection therewith.
- (f) Contractor represents and warrants to CDC that:
- (i) Contractor has been duly organized and validly exists as a California limited liability company in good standing under the laws of the State of California.
 - (ii) Contractor has taken all action necessary to execute, deliver, and perform this Contract, and this Contract has been duly executed by and is the valid and binding Contract of Contractor, enforceable in accordance with its terms.
 - (iii) The execution, delivery and performance of this Contract and the actions contemplated hereunder, and compliance with the terms hereof, will not result in a breach of, or constitute a default under, any agreement or instrument to which Contractor is bound, or the charter documents or bylaws of Contractor, which breach, violation or default

would materially adversely affect Contractor or the transactions contemplated by the Contract.

- (iv) Contractor will utilize its own employees and/or independent contractors and will choose and control the methods and procedures to be used in the performance of Contractor's obligations pursuant to the terms and provisions of this Contract.
- (v) Contractor shall indemnify, defend, and hold harmless CDC from any and all claims arising out of Contractor's conduct, when such conduct is the negligent or intentional misconduct of Contractor. Contractor acknowledges that its failure to provide material information to CDC shall relieve CDC of any liability with respect to any inaccuracies or errors in fulfilling CDC's obligations hereunder in connection therewith.

SECTION 2. SERVICES TO BE PERFORMED.

- (a) CDC and Contractor agree that Contractor will perform the following consulting services:
 - (i) Review and assist CDC in the preparation of its credit analysis, including review of all SBA requirements;
 - (ii) Spread financial statements for the Operating Company(s), affiliates and personal guarantors;
 - (iii) Prepare the SLPC credit memorandum and move the file through CDC's internal credit review.
- (b) Contractor shall reserve the right to determine which loans it will provide underwriting services for on a case-by-case basis.

SECTION 3. CONTRACTOR COMPENSATION AND FEES.

- (a) In full consideration for the performance of the services hereunder, and for any rights granted or relinquished by Contractor under this Contract, the CDC shall pay Contractor a fee of \$199 per hour charged on an hourly basis for services actually performed. If, for any subject month, Contractor had invoiced CDC not less than \$2,500.00 in the immediately preceding month, the hourly rate reduces to \$179 for the subject month only. The hourly rate will be increased by 5% at each 1-year anniversary of the Effective Date of this Contract.
- (b) For the first 90 days following the Effective Date of this Contract, a fee of \$159 per hour will be charged for services actually performed after which the pricing noted in Section 3.(a) will apply.

The parties acknowledge and agree that the fees charged are reasonable and customary for the market area based on discussions with SBA officials, lenders and service providers. The services provided are necessary to comply with SBA requirements. The fee, as evidenced by an invoice from Contractor, will be payable within thirty (30) days of CDC's receipt thereof, and will be submitted to CDC upon completion of the services provided or, if ongoing, then on a periodic basis to be determined.

- (c) All compensation paid to the Contractor will be paid by the CDC. Contractor is prohibited from charging the 504 loan applicant or borrower for the same services.
- (d) CDC will fund the payment for services rendered from processing and servicing income or, where services relate to a specific loan closing, from permissible fee income earned in connection with that loan closing.
- (e) Contractor and CDC acknowledge that they are familiar with SBA guidelines on Contractors and Disclosure of Fees as described in the current SOP.

SECTION 4. EXPENSES.

All expenses incurred in the daily operation of Contractor in connection with consulting services for SBA 504 Loans subject to this Contract shall be paid by Contractor. All expenses that Contractor wishes CDC to pay must be approved by CDC in writing prior to incurring such expenses. Any such expenses that are not pre-approved by CDC will be incurred by Contractor at Contractor's sole expense.

SECTION 5. TERM.

The term of this Contract shall commence as of the Effective Date and shall continue for a period of four (4) years ("Term") unless terminated earlier as provided herein.

SECTION 6. TERMINATION.

Either CDC or Contractor may terminate this Contract upon not less than 30 days' written notice by certified mail to the other party at the addresses set forth below. Termination of this Contract shall not affect the obligations of either CDC or Contractor with respect to any SBA 504 Loans subject to this Contract.

SECTION 7. MISCELLANEOUS.

- (a) Contractor is prohibited from requiring a 504 applicant or borrower to purchase other services from Contractor as a condition of the Contractor's performing CDC staff or management functions
- (b) Contractor acknowledges that it must disclose to CDC and SBA if it is, has, or will be involved in any current, past or known future relationship with the applicant as there are potential conflicts of interest if the Contractor is employed by both the CDC and the applicant.
- (c) No Provisions Outside this Written Contract. CDC and Contractor agree that there are no other promises, terms or agreements (oral or written) outside this Contract, except as an SBA approved amendment, and that this written Contract controls over any such terms, promises or agreements whether or not they are conflicting, additional or consistent.
- (d) Amendments. This Contract may be changed or waived only by an instrument in writing signed by CDC and Contractor and approved by SBA.

- (e) Headings. The headings in this Contract are for convenience of reference only and shall not affect the meaning hereof.
- (f) Governing Law. This Contract shall be governed by and construed under federal law including SBA regulations. In the absence of any controlling federal law, the Laws of the State of Montana shall apply.
- (g) Severability. Should any provision of this Contract be determined to be unenforceable or invalid, such determination shall not affect any other provision hereof, all provisions of this Contract shall be severable.
- (h) Signatures. CDC and Contractor certify that the person(s) signing on behalf of their respective organizations are fully authorized to do so by said organization.
- (i) Notices. All notices and other communication hereunder shall be in writing and delivered, telecopied or mailed, addressed:

If to CDC:

Name of CDC:	Big Sky Economic Development Corporation
Address:	201 North Broadway
City, State and ZIP Code:	Billings, MT 59101
Attn:	Brandon Berger
Phone number:	(406) 869-8403
Email Address:	brandon@bigskyeda.org

If to Contractor:

Name of Contractor:	KaPOUW, LLC
Address:	1171 Hyde Park Drive
City, State and ZIP Code:	Santa Ana, CA 92705
Attn:	Matthew J. Taylor, Managing Member
Phone number:	(949) 836-1373
Email Address:	matt@kapouw.com

- (j) Counterparts. This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.
- (k) Assignments. The covenants and agreements in this Contract may be assigned only with the written consent of CDC, Contractor, and SBA. If assigned, this Contract shall inure to the benefit of and be binding upon the parties hereto and their respective successor and assigns.
- (l) Independent Contractor. It is expressly agreed that Contractor is an independent contractor and that the relationship between the parties shall not constitute a partnership, joint venture, or other agency relationship. Neither party shall have the authority to make any statements,

representations or commitments of any kind, or to take any action, which shall be binding on the other party without the prior consent of such other party.

- (m) Confidentiality. In connection with this Contract and the providing of the Services by Contractor to CDC, Contractor recognizes that certain non-public, confidential, proprietary information ("Confidential Information") may be furnished to Contractor.

Contractor agrees not to disclose any Confidential Information to any party that is not an officer or employee of CDC, or to CDC's professional consultants (e.g., attorneys, accountants, or insurance brokers), in performance of the Services hereunder, use the Confidential information in any way other than in performances of the Services hereunder without the prior written consent of CDC, unless pursuant to a subpoena or order issued by a competent jurisdiction or by a judicial or administrative or legislative committee. Contractor represents that each of its members, employees or contractors is formally apprised of its obligations concerning the confidential information of all of CDC's affairs and information.

In the event that Contractor receives a request to disclose any Confidential Information under a subpoena or an order, Contractor will promptly notify CDC. Contractor will cooperate with CDC in any attempt that CDC may make to resist or narrow such request and if disclosure is required, to obtain an order or other reliable assurance that confidential treatment will be accorded to designated portions of the Confidential Information. Contractor is entitled to reimbursement for its expenses, including the fees and expenses of its counsel, in connection with action taken pursuant to this paragraph.

Information of the CDC will not be deemed Confidential Information if it is information in the possession of Contractor prior to the date of this Contract, is available in the public domain, or is not acquired from entities or persons known by Contractor to be in breach of an obligation of secrecy to the CDC.

All written information supplied by CDC to Contractor in connection with this Contract and the Services and designated by CDC as confidential, and all copies or documents incorporating any Confidential Information will be returned to CDC at the termination of this engagement, upon the written request of CDC.

- (n) Indemnity. Each party agrees to indemnify each other party, and hold it harmless for, from and against all claims, damages, costs and expenses (including attorney's fees) attributable, directly or indirectly, to the breach by such indemnifying party of any obligation hereunder or the inaccuracy of any representation or warranty made by such indemnifying party herein or in connection with the transactions contemplated hereby.
- (o) Any disputes arising out of or related to the terms and conditions of this Agreement, including the interpretation and validity of the terms thereof and the respective rights and obligations of the Parties, will first be addressed through the parties' good faith engagement in mediation through a mutually agreeable mediator. Failing resolution by such mediator, any disputes related to this Agreement will have sole and exclusive jurisdiction in the state or federal courts located in

Montana. The parties irrevocably consent to the exercise of personal (and any other form of) jurisdiction over them by such courts related to any such dispute.

IN WITNESS WHEREOF, CDC and Contractor have caused this Contract to be duly executed as of the Effective Date.

CDC

Big Sky Economic Development Corporation

By: _____
Brandon Berger
Interim Executive Director / Director of Business Finance

CONTRACTOR

KaPOUW, LLC

By: _____
Matthew J. Taylor
Managing Member

ATTACHMENT F



**Big Sky Economic Development
Joint EDA/EDC Board of Directors
Approving formation of a Search Committee**

November 13, 2025

The Board of Directors of Big Sky Economic Development recognizes the need to initiate a search for a qualified candidate to fill the position of Executive Director and hereby establishes a Search Committee to manage and coordinate the search process.

The following individuals are appointed to serve as members of the Search Committee:

Nichole Mehling, Chair
Lucy Aspinwall, Member
Debbie Desjarlais, Member
Jennifer Weaver Kondracki, Member
Tyler Wiltgen, Member
Riley Bennett, Member
Vince Mistretta, Member