

Missoula Board of County Commissioners

PUBLIC MEETING MINUTES COVER SHEET



THURSDAY, FEBRUARY 06, 2025 – 2 PM

**Hybrid meeting – Missoula County Courthouse Annex Sophie Moiese
Room/Microsoft Teams**

[Click here to view the meeting recording.](#)

Time stamps (in green) correspond to meeting recording above. Please click to
the time stamps listed to view a particular item in the meeting.

ATTENDANCE:

Commissioners Present:

Chair Juanita Vero
Commissioner David Strohmaier
Commissioner Josh Slotnick

Staff Present:

Cheryl Hartman, Administrative Assistant, Commissioners' Office
Flanna McLarty, Development Specialist, Community and Economic Development
Andrew Hagemeier, Director, Community and Economic Development
Samuel Scott, Assistant Recording Director, Clerk and Recorders' Office
Nicholas Zanetos, Manager, Parks, Trails, and Recreation
John Hart, Lead Civil Attorney, County Attorneys' Office
Christina Dewar, Administrative Assistant, Commissioners' Office
Tim Worley, Senior Planner, Planning, Development, and Sustainability
Melissa Fisher, Strategic Initiatives Manager, Commissioners' Office
Brenna Davis, Community Engagement Coordinator, Communications
John Wilke, Housing Specialist, Community and Economic Development
Mattie Scott, Administrative Assistant, Commissioners' Office
Chris Lounsbury, Chief Administrative Officer, Missoula County
Vincent Pavlish, Civil County Attorney, County Attorneys' Office
Allison Franz, Manager, Communications
Lauren Ryan, Planner, Planning, Development, and Sustainability

1. **CALL TO ORDER** *[Time stamp – 0:01]*
2. **PLEDGE OF ALLEGIANCE** *[Time stamp – 0:03]*
3. **LAND ACKNOWLEDGEMENT** *[Time stamp – 0:15]*
Missoula County acknowledges that this event takes place in the aboriginal territories of the
Salish and Kalispel people.
4. **PUBLIC ANNOUNCEMENTS** *[Time stamp – 0:27]*

- a. Closed Captioning
- b. Proclamation- Black History Month
 - i) University of Montana- Jericho Brown

5. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA [Time stamp – 4:11]

6. CURRENT CLAIMS LIST [Time stamp – 04:15]

Claims received as of December 31, 2024 to January 28, 2025 by the Commissioners' Office total \$7,580,924.57.

7. HEARINGS

a. Resolution- Missoula County Annexations Seeley Lake Refuse District [Time stamp – 04:39]

Samuel Scott, Assistant Recording Director, Clerk and Records' Office

Commissioner Slotnick made the motion that the Board of County Commissioners of Missoula County hereby approve the resolution to annex property into the Seeley Lake Refuse District as presented by staff.

Commissioner Strohmaier seconded.

[Motion Passed 3-0.]

[Resolution 2025-012 Book: 1109 Page:226]

b. Resolution- Engineering Package Trails Bond Project [Time stamp – 06:06]

Nicholas Zanetos, Manager, Parks, Trails and Open Lands

Commissioner Strohmaier made the motion that the Missoula Board of County Commissioners approve the resolution for the Engineering Package Trails Bond Project with the expenditure of up to \$100,000 of the 2014 County Parks and Trail Bond fund the Blue Mountain Connector Trail.

Commissioner Slotnick seconded.

[Motion Passed 3-0.]

[Resolution 2025-013 Book:1109 Page:227]

c. TIF Funds Proposal for the Wye Water System [Time stamp – 09:36]

Andrew Hagemeyer, Director, Community and Economic Development

Commissioner Strohmaier made the motion that the Missoula Board of County Commissioners approve the use of \$5,282,264 to be used for the purchase of a public water system in the Wye I TEDD as proposed and presented by staff

Commissioner Slotnick seconded.

[Motion Passed 3-0.]

[Signed RCA returned to Andrew Hagemeyer]

d. Resolution- Wye Water System Development Agreement [Time stamp – 49:26]

Flanna McLarty, Development Specialist, Community and Economic Development
Andrew Hagemeyer, Director, Community and Economic Development

Commissioner Slotnick made the motion that the Missoula Board of County Commissioners approve the Resolution relating to a project in the Wye Targeted Economic Development District, approving the use tax increment financing with respect into the related Development Agreement as presented and proposed by staff.

Commissioner Strohmaier seconded.

[Motion Passed 3-0.]

[Resolution 2025-014 Book:1109 Page:295]

- e. Resolution- Intent to Create a Special District for the Wye Water System** [Time stamp – 55:40]

Andrew Hagemeyer, Director, Community and Economic Development

Commissioner Strohmaier made the motion that the Missoula Board of County Commissioners approve the Resolution relating to a Wye Local Improvements District, declaring of creating a Special District for the purpose of acquiring, operating and maintaining a public water system as presented and proposed by staff.

Commissioner Slotnick seconded.

[Motion Passed 3-0.]

[Resolution 2025-015 Book:1109 Page:231]

- f. Grass Valley Industrial Subdivision Approval Agreement** [Time stamp – 1:01:20]

John Hart, Lead Civil Attorney, County Attorneys' Office

Commissioner Strohmaier made the motion that the Missoula Board of County Commissioners approve the Grass Valley Industrial Park Subdivision Agreement provided that certain improvements are completed and provides security for that agreement.

Commissioner Slotnick seconded.

[Motion Passed 3-0.]

[Electronically sent to John Hart. Will be recorded with completed plat]

- a. TIF Funds Proposal for Missoula County Comprehensive Plan Update/Industrial Land Study**

[Time stamp – 1:13:27]

Andrew Hagemeyer, Director, Community and Economic Development

Commissioner Slotnick made the motion that the Missoula Board of County Commissioners approve the use of \$60,000 of Tax Increment Financing to include an industrial lands study as a part of the Missoula County Comprehensive Plan Update.

Commissioner Strohmaier seconded.

[Motion Passed 3-0.]

[Signed RCA sent to Andrew Hagemeyer]

8. OTHER BUSINESS

[None]

9. ADJOURN

Chair Vero – Called the meeting to adjourn at 3:19 p.m.

BCC Public Meeting February 06, 2025 – Transcription

This transcription was produced by transcription software. There may be discrepancies between this transcription and meeting dialogue. You can view the recording of the meeting on the county's YouTube channel: <https://www.youtube.com/c/missoulacounty> or contact the commissioners' office to obtain a copy.

Dialogue in the transcription attributed to "Sophie Moiese Room" is for all speakers that attended the meeting in person. Attendees that participated virtually are labeled individually.

0:03

I pledge allegiance to the flag of the United States of America, to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

0:15

Missoula County acknowledges that this event takes place the Aboriginal territories of the Sailors and Cleese Bay people and public announcements for closed captioning.

0:27

Hello everyone.

0:27

If you're joining us for this meeting virtually today, instructions for turning on closed captioning are on your screen.

0:34

If you're joining us in person, we'll have closed captioning on all the screens here in the Soapy movies room.

0:40

There will be an opportunity to speak during the meeting for public comment virtually and in person.

0:45

We ask that all speakers today speak slowly and clearly.

0:48

This helps with the accuracy of the closed captioning.

0:51

If you're on Microsoft Teams, if you'd like to speak when discussion has been open for public comment, we ask that you use the Raise Hand feature.

0:58

This is the small hand button.

1:00

If you're calling in on the phone, you'll need to hit *5 to raise your hand.

1:06

Once called upon, you need to hit *6 to unmute.

1:10

If you have any questions, please find me during the meeting and let me know.

1:14

Thank you.

1:15

Thanks, Cheryl.

1:16

We have one proclamation and Commissioner Slotlick.

1:21

All right, so I gotta just say something ahead of time on this.

1:27

So this is a proclamation about Black History Month.

1:30

And though it seems that it is in fashion nationally right now to brag about excluding people and engage in rewriting of American history, we here at Missoula County are not doing that.

1:42

I also wanted to note that this evening, this great writer, Pulitzer Prize winning writer named Jericho Brown, is speaking on these issues on campus tonight.

1:51

OK.

1:52

WHEREAS in 1926, the Association for the Study of African American Life and History started a National ***** History Week in the second week of February, intentionally chosen because it fell between the birthdays of Frederick Douglass and Abraham Lincoln.

2:07

And whereas following the Civil Rights movement and a growing awareness of Black identity, in 1976, President Gerald Ford officially recognized Black History Month, urging the public to seize the opportunity to honor the too often neglected accomplishments Black Americans in every area of endeavour throughout our history.

2:26

And whereas, well, African American people never have totaled more than 1% of the state's population, they have been in the place that would become Montana since the earliest days of non indigenous presence and contribute greatly to Montana's culture, economy, and religious life.

2:42

And WHEREAS Missoula County and the City of Missoula recognize Black History Month, spanning from the first documented arrival of enslaved Africans in 1805 as part of Lewis and Clark Expedition into the aboriginal territories of the Salish and Kalispe people, elected legislature in 1974 and the election of the state's first Black mayor, Wilmot Collins, in 2017.

3:14

And WHEREAS Montana's Black history is reflected in Missoula throughout through the bravery and valor displayed by the 25th Infantry Bicycle Corps, the United States first unit of Black soldiers formed in 1896 to test the combat viability of bicycles, including an over 1900 mile ride from Fort Missoula to St.

3:33

Louis, MO.

3:35

And WHEREAS, Missoula County and the City of Missoula are proud to join the State of Montana in recognizing the accomplishments and contributions of Black Americans who are part of the fabric of our nation, both in Montana, throughout American history and today.

3:49

NOW, therefore, we, the Missoula Board of County Commissioners and the Mayor of the City of Missoula, do hereby proclaim the month of February 2025 as Black History Month.

3:58

Dated this 6th day of February, 2025.

4:01

Signed.

4:01

Andrea Davis, Mayor of the City of Missoula, and your Missoula County Commissioners, Juanita Vero, Josh Slonic and Dave Strohmeyer.

4:09

Thank you so much.

4:11

Is there any public comment on items not on the agenda?

4:15

OK, we're moving on to the claims list and claims received as of December 31st, 2024 to January 28th, 2025 by the Commissioner's Office.

4:26

Total of \$7,850,924.57.

4:31

We have, goodness, 6-7 hearings.

4:36

We're gonna begin with resolution.

4:39

Sam Scott Hi there, Sam Scott With the Clerk and Recorder's Office, we have received 2 petitions to annex land into the Seeley Lake Refuse District.

4:52

The petitions were signed by all owners of the properties.

4:54

Those owners have been notified notified of this hearing and the notice was also published twice in the Missouri and the properties to be annexed are track 4B of Cos 1692 located in the northeast quarter of section 21, Township 19 N, range 16 W.

5:10

That's Tax ID 5859870 located at 622 Old Barn Road and that parcel described in Book 648, page 324 of Micro Records located in Government Lot 3, Section 9, Township 15 N Ranch, 14 W Tax ID 1902403 located at 211 Bus Richards Lane in Seeley.

5:34

The petitions are now presented to you for your decision.

5:38

Thank you.

5:38

Is there anyone would like to speak to this?

5:45

OK, I would move.

5:49

Well, I gotta get the language right.

5:52

You would I move that we approve the petitions.

5:55

Great.

5:56
Thanks.

5:57
I'll second that.

5:58
OK.

5:59
Any further discussion all in favor, Aye, Thanks, Sam.

6:06
Next, we have Nick Zanettis with Parks and Trails and another resolution.

6:11
Thank you, commissioners.

6:12
Let me get this slideshow rolling here.

6:17
So quick background before we get to the requested motion.

6:21
So this is an internal trust bond request that we are calling the engineering package project.

6:27
Just to give a little overview, the goal of this project is to bring 2 segments of trail up to 95% engineering and lead up to the transition alternative grant cycle that opens up this April.

6:37
The two trail segments that we are focusing on is the Blue Mountain Connector Trail as well as an extension of the Mullen Rd.

6:43
trail, which currently ends at Cody Lane and this project would design it to end at Dayshaw.

6:50
Both trail segments already have engineering at 30% and are both highlighted in the 2022 Muscle County Pathways and Trails Plan, making them a natural natural trail segments to to highlight and to move forward with.

7:07
Just a quick overview of the trails again.

7:08
So the Blue Mountain Rd.

7:10

Shared Use Path is a .6 mile shared use path that would extend from the existing Bedroot Trail and then connect to the highly used Front Country Recreation site, which is the Blue Mountain Rec area.

7:23

And this would provide both recreational opportunities to safely access the site as well as would expand commuting opportunities as well for the residential area that is expanding in that corner of Missoula as well.

7:39

And you can just see the pros start and end of the trail here with the green, green X and the red X.

7:46

So this trail would run on the South side of Blue Mountain Rd.

7:50

The other trails segment is the is an extension of the Mullen Rd.

7:53

trail.

7:54

Our Pathways and Trails plan calls for this to extend 17 miles to the French town.

8:01

We are going to break this trail up into segments to make it more manageable and also to kind of highlight work that MDT plans to do on this corridor as well.

8:12

So for this segment, it would be a 2.5 mile segment that would go from Cody Lane to Daeshaw.

8:17

It would start on the South side Mullen Road and then would end on the north side of Deshaw Lane.

8:22

Where does it crossover?

8:24

Sorry, around the Kona Ranch Rd.

8:26

section I believe.

8:28

I can't remember the exact location.

8:29

Part of the engineering package will be kind of confirming the exact points that we have.

8:36

Then the proposed contract with DJ and A would cover both engineering packages and the trust.

8:43

One request would also allow for a small project, a contingency of approximately 5%.

9:02

Any other questions on this for Nick, either online or in the room?

9:09

OK, All right.

9:10

This has been in the works for quite a while.

9:12

I'm really excited to get to this point.

9:13

Thanks for all you put into it.

9:16

I would request the Board approve the expenditure of up to \$100,000 of the 2014 County Parks and Trails bond funds for the purpose of funding an engineering package for the Blue Mountain Connector Trail and an extension of the Mullen Rd.

9:27

Trail.

9:28

Second that.

9:30

Any further discussion?

9:31

All in favor?

9:33

Aye, thanks.

9:36

Next we have a TIF funds proposal with Andrew Hegemeyer L and Flanimaclarty.

9:44

Sorry.

9:55

Are you guys talking?

9:55

It's all right.

10:07

Give us just one SEC to get situated here.

10:19

So we actually have a series of hearings that you're going to deal with here related all related to the same project, the next 4 on the agenda.

10:30

So this water system, the OR the TIF funding the development agreement, the special district and then a subdivision improvements agreement.

10:41

So what we're gonna do is do a longer presentation on the 1st item and then not do long presentations for the next 3.

11:26

Hey, Chair Vero, members of the Commission, my name is Andrew Hagemeyer and we have our first hearing regarding the white water system today.

11:44

So the first item will be a request for \$5.3 million in the use of tax increment finance from the Y1 tax targeted Economic development district out at the Y.

11:58

To work through that hearing and give you a big picture of what's going on.

12:02

I'm going to give an overview of everything.

12:06

I'll talk about the background of the proposal.

12:10

We'll get into the actual proposal itself, like what are we actually constructing?

12:15

We'll do.

12:16

We'll get in the details of the request for the TIF funding and then we have a recommendation from the MDA board that we'll share.

12:24

So overview, what we have here is a public private proposal to build a publicly owned water system at the Y.

12:33

This will be owned by the city or the Missoula County.

12:38

It will be constructed by the private sector.

12:41

We'll use tax increment financing to reimburse the private sector after they construct the system once the water is turned on.

12:52

This piece of infrastructure is critically important in the Y.

12:56

We're considering it to be a catalyst infrastructure S at the YS of the Interstate.

13:04

We have all the aspects that we need to support growth and development to support the county's vision for growth there, except public waters.

13:12

We have a sewer system, we have water, we have roads, there's a rail line, but we're missing water.

13:21

And you need all three things, transportation, sewer and water to really maximize your development potential in the area.

13:29

The system would be able to be expanded, so it's not just serving this initial area, but it will easily be expandable into the adjacent areas.

13:37

And one day it will likely serve most of the Y1 Ted and beyond.

13:43

The request asks for bonding for five, it's a little, it's closer to \$5.3 million from the Y1 Ted.

13:51

There is also about \$800,000 in private investment as a part of this proposal.

13:58

So background.

14:11

So we have an issue at the Y as I just touched on and that is development is constrained for industrial uses.

14:19

And this isn't an industrial area that we're talking about where this water system will go.

14:25

There is an actual hard constraint on industrial uses because of fire suppression.

14:31

You cannot build a building larger than 12,000 square feet without having this fire suppression system.

14:41

So to order to have this pressurized fire suppression system, you need to have a pretty large volume of water stored or you need to have this really high pressure water supply.

14:54

So a well that you might typically find in your backyard isn't going to cut it.

14:59

So that would be what's called an exempt well.

15:02

They're exempt from water rights, right?

15:05

So the, the, a landowner out at the Y wanting to do a industrial project that doesn't have access to a water right or a public water system and they only have this exempt well.

15:16

They have one option to build anything larger than 12,000 square feet and it's building a very large storage tank for water and pump to be able to supply the pressure and quantity of water that's necessary to meet the fire suppression needs of a building.

15:34

So therefore, what we're seeing right now out of the Y is underdevelopment of the area.

15:42

People are building these 12,000 square foot buildings that does 2 that does two things.

15:48

You can't fit many jobs in a 12,000 square foot building.

15:51

So we're not maximizing the job potential of the area.

15:54

The second thing it does is it doesn't generate a ton of tax revenue compared to a a much larger building.

16:00

So we're the, the community is missing out on two things there.

16:05

We do see, we have seen I should say some private sector developments able to do this.

16:11

They're they have the backing and the financial backing to put in a pressurized system, a water tank and everything like that.

16:19

But that's getting more and more expensive, and it's becoming harder and harder for the private sector to act to actually achieve.

16:27

So this lack of a water system is really restricting the number of jobs that we have in Missoula County and our tax base.

16:39

So knowing that when I first started working here for Missoula County, it's gosh, like 8 years ago or something now, I was charged with drafting the Missoula area land use element.

16:54

It was a vision for growth and development for how the county was going to manage growth and development in, in the Missoula Valley.

17:05

We, it was a, if you recall, it was, we did 2 plus years of public, outrageous, huge public outreach process.

17:12

We, we, we received around 3000 comments, if I recall correctly.

17:19

And we crafted this vision and people talked about what values that were really important to him on land use in Missoula.

17:24

And, and three things really stuck out was the preservation of agricultural lands, the protection of wildlife habitat and the need for housing.

17:36

So these three things often can conflict.

17:41

However, through this extensive public process, we've we were able to identify some areas within the county that we could, that these values don't conflict.

17:53

the Y was one of those areas where when we were doing this outreach and we asked people to circle on the map where it made sense to grow.

18:01

the Y was one of those areas.

18:03

It isn't prime agricultural land.

18:05

It also doesn't have these high wildlife values like they are in other places in the valley in.

18:11

But in order to do this, to order to provide the housing, provide the jobs, protect our agricultural lands, protect our wildlife habitat, we need to build at certain levels of intensity and we need infrastructure to do that.

18:27

So we need to have the roads, we need to have the sewer systems and we need to have the water systems.

18:32

Without one of those things, we end up building at low density.

18:38

So this plan that the Commission adopted in 2019, a statement of our policy, this is a, this is adopted policy, specifically identified the need to have a public water system South of the Y or South of an I-90 at the Y.

18:57

It specifically identified the creation of a tax increment finance district as a mechanism to help fund that water system.

19:06

The third thing it did was it recognized that the tax increment finance district probably wasn't going to be able to pay entirely for the water system.

19:14

And so it called out the need to make public private partnerships with between the county and the development community to to achieve these goals.

19:23

So that was all policy that was adopted by the county commissioners.

19:30

So then we went through, you know, after that land use element we adopted, we went through a series of steps to implement that vision that we created for the while.

19:40

So we adopted the Y1 Ted.

19:42

The Y1 Ted was specifically created to help fund a water system at the Y.

19:49

And then in 2022, we adopted the zoning regulations for the Y that that took that vision of land use in the area and it put it into code.

20:02

So it's implementing that land use vision.

20:04

So we have these very intentional planning steps that the the county has made.

20:10

So the outcome of this very intentional planning that we've done these strategic decisions that we've been making at the Y is, is intentional development.

20:20

So what we've done by having this vision, having these policies in place.

20:27

And following through with these policies with specific actions is actually, it's like a bat signal to the development community.

20:34

They're they understand that investing in the why is a good bet that the county is following through with their vision.

20:43

And that they're sharing with this vision that they understand that this vision that the community has created, the county has adopted, is filling a need in the development community for industrial lands, for potentially housing in the future.

21:02

So on to what we're talking about now that we've covered the background, I think the last thing I would mention that I maybe forgot is that whether it seems like this water system maybe came out of the blue, we've actually been talking about it since 2017.

21:18

Eighteen in these planning documents.

21:22

So as I mentioned this is a public private partnership.

21:25

So what we mean by that is we actually see this as a joint application between the county and Grass Valley Industrial.

21:33

There is also a second company involved named Montana Knife Company who is also a part of this it.

21:42

It will initially serve around 20 industrial users.

21:45

However, the system, the water system is designed to to serve many more.

21:55

The main, it's really expensive to start up a water system.

21:58

The the well, the water rights there you got to have a big storage tank.

22:02

You have to have these generators, you have to have these pumps.

22:06

So there's a large cost upfront, but after that we're just extending pipe and pipe.

22:11

Why expensive?

22:12

It's not nearly as expensive as that initial kick up cost.

22:17

So once we've got the system in place, we'll be able to expand it to other areas of Y1 and perhaps even in the future outside of Y1 into Y2.

22:29

So this is roughly an example of what it looks like.

22:33

The core system is in green, that the red dot is where the utility lot is, that the county would purchase that that will house the pumps, the storage tanks, etcetera.

22:44

There's an initial green line that will be these main lines that will serve the Grass Valley Industrial subdivision.

22:52

There's a yellow extension that goes N.

22:54

This is all part of the initial proposal that is within the Y1 Ted until it gets to that blue line and that blue lines outside of the Y1 Ted and that serves the Mont goes up all the way to the Montana Knife Company.

23:07

Now Montana Knife Company once they get some domestic supply water that allows them the potential they they well with fire suppression, they can complete their manufacturing facility there, which is going to be fairly significant.

23:23

And then they also with domestic supply, they'll also have the ability to do more industrial development there because they own a fairly substantial piece of property there.

23:36

So as I kind of already hit on it's wells, pumps, tanks initially, the system's gonna serve fire suppression.

23:45

We are also purchasing in this proposal what's called a mitigation share.

23:51

And I am not a water rights attorney and this is very, very complex stuff.

23:56

I may be screwing this up a little bit, but this mitigation share gives us, it's we, we're getting a water right that we have to convert to a domestic use through the DNR CS prop process, which takes about a year and a year and a half.

24:10

But once that occurs, then this water system would be also available to domestic users.

24:17

So in industrial use, if they want to use it for drinking water, that's considered domestic use, right?

24:26

So right now it's just fire suppression, but it's easily it, it will be converted to a domestic system in the future.

24:34

It's, it's a design build project.

24:35

The private sector will design and build the project.

24:37

It's the county will provide oversight.

24:40

They'll build it to this municipal standard.

24:42

And when I say municipal standard, it's just a term for a specific level, but it is compatible with the City of Missoula's water system using the same standards.

24:55

The county would provide oversight of this of the private sectors bill.

25:02

Once the system is built, Missoula County has capacity within the Public Works department to provide the operation and maintenance of the system.

25:11

The operation and maintenance will be collected through the creation of a special district and they'll be assessed fees for use.

25:20

Only people who want water will be a part of the special district.

25:25

So if you if you are not accessing this water system, you do not, you are not going to be a part of the special district.

25:32

However, if you want to get access to this water system, you have to join the special district.

25:37

So it is a optional system for people to join.

25:41

In timing, it's already in design.

25:45

It will be complete.

25:46

The design will be complete this winter.

25:49

They'll start construction spring, fall, spring, I should say as soon as the ground allows for construction.

25:56

And it should be complete this fall.

25:58

When I say complete, I mean the water will be turned on.

26:04

This project will cost a total about \$6 million.

26:08

Our operation and maintenance costs are still to be determined.

26:12

We'll figure that out over the course of, you know the summer when we as we're going to the engineering process.

26:17

But it typically costs 60 to \$80.00 a month to run a county or to be a part of a county owned water system.

26:26

So it it that's a ballpark, but it's still to do to be determined.

26:33

So on to the specific tax increment finance request.

26:38

As I said, the six, the system will cost about \$6 million that the request for tax increment financing is a little under a little over 5 point, just about \$5.3 million.

26:50

The private sector is making almost a \$800,000 contribution that's not going to be reimbursed.

26:56

So that it's the private sector does have skin in this game.

27:02

The request for tax increment finance, how it work was once the system is done, we will we will issue a bond and reimburse the development team for the work that they did and take ownership.

27:15

The annual bond payment was roughly about \$400,000.

27:18

Right now that Whitehead district has about \$700,000 of annual revenue.

27:23

So it's well within our financial capacity to afford this.

27:29

The reimbursement as I mentioned happens when the system is done.

27:34

It's a 25 year bond which is typical for these large public work type infrastructure projects.

27:40

The, the terms of the bond of like how the, how the deal is laid out is laid out in a development agreement that you'll be hearing if you approve this request immediately following this by Flannel.

27:54

And I would note that the bond when it does come to bond that that that does require a public hearing.

27:59

So we'll be back one more time for the bond.

28:03

Part of what we're supposed to do when we improve tax increment finance requests is make sure that it complies with the, the development plan, the comprehensive development plan for that district.

28:14

Klana did a really good job here going through that development plan, identifying the goals.

28:19

And as you can see there, one of the goals is build a community water system.

28:23

Another goal is leverage public and private investments.

28:28

There's another goal about levels of efficiency and and scaling.

28:33

And of course it's an industrial area, so it's supporting that secondary valued commerce.

28:40

So in terms of process wrapping up here, the MDA, the Missoula Development Authority, which provides recommendations to the county commissioners on these types of TIF requests recommended approval on January 22nd.

28:53

So a couple of weeks ago, you're hearing the TIF request right now.

28:59

Immediately following you would hear the development agreement.

29:02

After that, today you would hear the notice of intent to create a special district that would pay for the operation of maintenance.

29:09

There's a 60 day comment period on that.

29:11

So your decision point would be on that April 24th.

29:15

This decision for bonding would be in the future at some point and the count, the date that the county of would acquire the system would be in the future at some point.

29:22

And the public can keep track of this project as it advances on Missoula County voice.

29:29

So with that, we're ready for questions, comments.

29:31

And then I as you see here, I do have a motion prepared so I will stop sharing my screen until you're ready for that.

29:37

Thanks, Andrew.

29:40
You will.

29:41
Yeah.

29:42
Anybody want to talk?

29:44
We're going to.

29:44
I see someone online.

29:45
Jerry Dallas.

29:46
But anyone in the room like to speak?

29:51
I have questions.

29:53
OK, Going online, Jerry Dallas.

29:57
Yeah.

29:57
I could have missed it, but could you tell me who the development team is?

30:04
You're still muted, Jerry.

30:09
Sorry, I could have missed it, but could you tell me who the development team is?

30:13
OK, she's texting us or in the chat, she said.

30:19
Who's the development team?

30:25
Go ahead.

30:26

Yeah, it's two companies.

30:28

Grass Valley Industrial, which is a subdivision that was approved in September of 2024.

30:35

There are representatives from Grass Valley Industrial here.

30:38

So if you would like to ask some questions, you're more than free to and Montana Knife Company is the other and we also have the representative from Montana Knife Company here.

30:47

So if you're interested in comp questions from either, feel free.

30:52

Thanks, Andrew.

30:55

Thanks, Jerry.

30:57

Did that answer your question?

31:00

Yes, still see your hand up, but we says you're still muted.

31:15

OK, hand down.

31:18

OK, Commissioner Slotnick.

31:19

Sure.

31:20

Thanks.

31:20

Just for some comments on for thanks for super thorough presentation.

31:25

I really appreciate Andrew that you took the time to talk about the history on how we got here and it was more than six years ago, roughly six years ago we did the land use element, which I remember you were a key partner in when we did hundreds if not thousands of hours of public engagement.

31:40

And one of the things that came clear through all that public engagement was that the why was the right place for development.

31:46

We took that message and turned it into zoning again, the why being the right place for development and then went through an infrastructure deficiency study to make sure we knew what was what, learned that this area indeed was deficient in water and took yet another step involving even more public engagement and created the the Teds.

32:08

So this is not something new or actually my mind following through on promises we made based on public input.

32:15

It's the first thing I wanted to say.

32:16

Next thing I wanted to say was often the schedules of of government in terms of creating infrastructure and the schedules in the private sector of terms of making use of that infrastructure and developing are not always in line.

32:31

And I feel like we ran into that in this situation where the private sector, it's no surprise it's moving faster than the public sector.

32:38

And you saw by statute, it's going to take us, what, 90 days to create this special district, which feels like, well, there's an obstacle.

32:45

It's not going to work.

32:46

Instead, we had people like Mr.

32:48

Milat and Mr.

32:49

Smith exercise great flexibility, all kinds of creativity, working closely with our staff to dream up this situation where they could come up with money upfront.

32:59

We'd create a special district and turn a private system into a public system, facilitate not just their development, but the rest of the development in this area, because no developments going to happen without water.

33:10

So I wanted to add a bit of applause and thanks to the creativity and flexibility of everybody involved.

33:17

Thank you, Mr.

33:20
Strobeiner.

33:21
Yeah, I just want to make sure we have an opportunity.

33:22
Josh Smith, do you do you want to say anything?

33:25
Love to love to hear from you and how this will specifically help your business.

33:30
If you wouldn't mind coming on up to the microphone.

33:33
Microphone hidden behind this pillar.

33:34
Sorry to put you on the spot, but you can't see it unless you can see through the pillar.

33:39
And if you could, you got to push the green button.

33:49
Their audio's not working.

33:50
OK, Maybe we can get them to talk.

33:52
OK Has something to say so people get that.

33:56
Yeah.

33:56
No, I appreciate the chance to speak and appreciate.

34:00
I think Mr.

34:01
Hegemeyer laid out really well, kind of the the history here, a little bit of the process we've gone through.

34:08
I think this is really.

34:09

Josh, can you can you state your name again for the Rep?

34:12

Oh, yeah.

34:12

Josh Smith, CEO of Montana Knife Company.

34:16

I live out in Frenchtown and I have for the last 20 years.

34:22

I think this is a really great example of how the private sector and local government can work together to accomplish, I think really great things that frankly will go what will benefit this valley in our communities long after we're all even around.

34:38

And I really think this is also an example of what American manufacturing can also provide to our country as a whole, frankly, and the opportunity to help give back to our community and help and help develop this to where our kids can actually stay here.

34:54

You know, I have 4 kids, they all graduated from Frenchtown High School.

34:58

And the only way our kids here in this valley are going to be able to stay here is if they have good jobs to work and to provide for their families in the future.

35:07

You know, I'm proud we've, we've created 80 jobs so far in just the last four years in the Frenchtown Valley.

35:13

But we're, we're maxed out and the only way that we're going to be able to grow is to have a facility to grow in.

35:20

And quite frankly, I looked in the beginning of trying to build the next building site actually out in Frenchtown.

35:26

But once I learned of the of the different regulations and what not behind sewer, fire suppression, all that stuff, we had to be in closer to Missoula.

35:35

And this site proved to be a really good spot, except for the fact that it didn't have water.

35:41

We have very little ground available in our community in this valley frankly at all to develop.

35:47

And the the ground rate in that area of the Y is really some of the most valuable ground that and the most productive in the way of manufacturing, in the way of job creation, commercial, commercial space for the future.

36:02

And if we don't do something like this and we don't allow buildings to be built over 12,000 square feet, we're just not going to create many jobs and we're not going to have the tax bases to help improve our fire districts or schools, stuff like that.

36:14

So by doing this, it allows large buildings to be built, which then in in turn creates a lot of jobs and a lot of economic opportunity.

36:23

So you know, and I appreciate, you know, this also shows how working together with other developers with what Milat's group is doing.

36:32

And I think eventually what this is going to show is that other people will come in and want to work together and then add on to the system.

36:39

And eventually, you know, the system will grow.

36:42

It'll provide the spark that we kind of need to develop that area.

36:45

So appreciate you guys considering this.

36:48

And I appreciate, you know, the conversations we've had to try to make this happen.

36:53

And ultimately, the conversations have always been around the benefit of the community and job creation.

37:01

And so, yeah, appreciate the chance to talk.

37:05

Thank you.

37:05

Thank you.

37:05

And Commissioner Stromer.

37:07

Yeah, thank you, Josh.

37:09

And building on what Commissioner Slotnick said earlier, government often times gets rightfully criticized for creating plans that sit on shelves and don't get implemented.

37:26

And I think what we're seeing today is hopefully just the opposite in that this is the outgrowth of a long period of intensive planning and intentionality to determine what a specific place in Missoula County will look like in the future to set us up for success for job growth, business development, housing, all of what Andrew mentioned earlier.

37:50

So I'm, I'm delighted to see this coming to fruition and also seeing some creativity and, and seeing how partnerships can help solve solutions and get over hurdles rather than what again, the government is sometimes rightfully criticized for is defaulting to no rather than figuring out how to get to yes.

38:11

So thank you, Andrew, for the great presentation.

38:15

And I, I must add, I think you uttered the words bat signal.

38:20

I think that's the first time that phrase has ever been used in this chamber.

38:24

I'm not so sure everyone knows what that is.

38:27

But I dare me said pay your 5 bucks if you say bat.

38:32

You did.

38:32

Thank you.

38:37

Anything Matt Mullat with Grass Valley Industrial Park LLC Thanks for the opportunity to present just very briefly or to discuss this.

38:49

But I think, you know, following and and agreeing obviously with everything that Andrew had said earlier, but one of the things that we noticed my day job is in commercial real estate.

39:00

And so we end up being a kind of private sector version of economic development because we end up talking to employers often including, you know, Montana Knife Company and things like that.

39:11

And one of the, the thing that we hear over and over and over again is if they're going to, if a, if these companies manufacturing logistics, those sorts of things are going to come in and land here in, in Missoula County or expand here, they, they have to have this fire flow.

39:27

So that's, you know, basically fire hydrants to connect for fire department to connect to.

39:32

And then also to be able to provide these systems called an ESFR system.

39:36

So it's a basically a, a fast response sprinkler system inside, inside of buildings.

39:42

And so you can't do that unless you have adequate fire pressure.

39:45

And then the reserve as as Andrea mentioned earlier and I think just as a way of example, we'd worked with a, you know, very large, a publicly traded company was looking to land here and the requirement was have to have the ability to have an ESFR fire spring quarter and we have to have fire flow.

40:03

And so they specifically wanted to be close to the Y because of I-90 and 93 and the accessibility of that because it's already job center there.

40:11

And then you're able to get to a lot of places relatively quickly from that.

40:15

And so he said OK.

40:17

That really narrows down what you can do because you only have, you have a private water system north of the Y And so we that's where they ended up going.

40:26

So that private water system I think was built in 2003, but there's no extension of that to the South.

40:31

And so I think from a, a, the job side of it is it is very much a job, job growth generator or precursor to job growth in the area by having access to a fire flow capacity.

40:47

And then second to that is you can look at this project north of the Y that before it was developed, it was about a 7.7 acre parcel.

40:55

It was generating about \$1200 a year per acre in tax revenue.

41:01

After the building was complete, because you have access to this water, you're able to build a 32 foot tall building, which is much more intensive, 32 feet tall, 72,000 square feet, very large, very intense building.

41:14

And so now that same parcel is generating about \$16,300 per acre per year.

41:20

So that that gives you an, an example of going from, you know, minimally developed to higher development because you have the water system north of Y, but South of the Y where there has not been a water system.

41:31

If you look at several of the existing industrial properties are along Highway 10, you'll see that the tax value per acre is between \$3500 per acre per year and about \$5000 per acre per year even on brand new buildings, because you're capped on what you can actually do with the water system.

41:51

So when you bring these water systems in, in rough terms, it's three to five times you have the ability to build buildings that would generate three to five times the amount of tax value per acre as you would without the water system.

42:03

So there's a very quantifiable I think benefit to the to the you know, taxing jurisdictions by investing in this infrastructure because of what it will do to the tax value per acre.

42:14

So I thought I'd add that that's all I have.

42:17

Thank you.

42:17

Thank you.

42:21

Yes, and I think can we check online?

42:23

Is there Wanda?

42:27

Is there is there a way maybe Jerry could type?

42:28

Because I bet she has more to say.

42:31

Is Jerry, would you able to type your questions or comments into the chat?

42:43
OK.

42:45
The chat commissioner.

42:47
Oh, so there we go.

42:48
We can see you.

42:49
We can see you.

42:50
Fantastic.

42:51
Can't hear you, though.

42:52
I can't hear you.

42:53
Sorry.

42:53
It looks like the chat is turned off.

42:57
Oh, she's working on it.

43:02
Chris Loundsbury.

43:04
Hey, commissioners.

43:05
So also can't hear you.

43:07
Yeah, it's Sophie Moise, meeting room issue.

43:12
Can you guys see the chat?

43:15

Is, is Jerry typing into the chat?

43:17

It's turned off while they're working on that.

43:21

Can I ask a question?

43:22

Yes, Andrew, question for you.

43:24

While we're working on technical difficulties here, so you mentioned the fairly significant private sector investment into the project.

43:33

Is there a reason why?

43:36

And I that's a great thing and I, I, I applaud the private sector for doing that.

43:40

Is, is that's something that's looked highly upon by MDA in terms of use of TIF dollars, because my question was why don't we just bond for the full \$6 million?

43:51

There's two reasons, yes.

43:52

I mean, first of all, it's more favorable with the MDA board if they do see that there is some private investment in a project.

44:00

The the other reason is actually because the Montana Knife portion of of this project is outside the Y1 Ted and is therefore not eligible.

44:10

And so the, the private sector investment ensures that we're staying within the boundaries of the statute.

44:18

So it, it, it more than covers the proportionality of what's in and what's out of the Y1 Ted.

44:25

Great.

44:25

Thank you.

44:27

I'm sorry, Cheryl, I got it.

44:29

The the chat seems to be turned off.

44:33

Oh, OK, I have one.

44:43

I forgot one thing to mention in my presentation.

44:46

Do you mind if I cover that real quick?

44:48

Go ahead.

44:49

I, we did receive a public comment at the MDA board that I'd forgot to pass along.

44:54

And that was from the Missoula Economic Partnership.

44:56

And they, they came in strong support of this project.

44:59

I just wanted to get that on the record today.

45:02

Thank you Joe, can you see the chat?

45:25

Chris says it's apparently a room audio issue.

45:46

Do we want to take a 5 minute break while we figure this out?

45:50

Sure, that would be good.

45:52

It's 5 minutes long enough.

45:53

Like I'm certain Jerry has something to say and we should make every effort to make sure she's heard.

45:59

It's 5 minutes long enough for.

46:00

Do you guys think we should go to the top of the hour?

46:08

OK, 3:00 sounds good.

46:11

Let's do what we can.

46:12

So we are going to take Atlanta's taken on 12 minute break while we try to figure out this technology.

46:17

We'll be back at 3:00.

46:29

OK, it's 3:00.

46:30

We're back.

46:33

Chris, can you Lounsberry?

46:35

Can you do a little test?

46:36

Can you hear us?

46:39

I just do.

46:40

Yes.

46:40

Commissioners, I can hear you and hopefully you can hear me.

46:43

Wonderful.

46:44

We can hear you and see you.

46:46
Great.

46:48
OK.

46:48
I believe.

46:49
Jerry Dallas, are you able to?

46:56
Can you hear me?

46:57
Yes.

46:58
Thank you.

46:58
We're just going to work on volume.

47:00
Hold on.

47:05
How's that?

47:07
OK, go ahead, Jerry.

47:10
Sure.

47:11
So I guess we've had some correspondence regarding this area and it's tricky because it's not really Frenchtown and it's not really Missoula.

47:23
And as it kind of progresses into becoming its own, whatever you want to call it, and kind of getting its own identity, I just hope that we can keep the lines of communication open and so that we can continue to keep people apprised and informed of developments in this area.

47:48
And I just think that that would be really appreciated by lots of folks out this way.

47:53

And I appreciate the efforts.

47:56

Thank you.

47:58

Yes, absolutely.

48:04

And I, I Cheryl, I can't see if there's other folks online.

48:10

OK, thank you.

48:15

Anyone else have comments?

48:20

OK, we'll, we'll Are you ready for a motion?

48:25

Sure.

48:25

If there's a motion to be had on the screen here, which is coming.

48:38

There it is.

48:39

This will work one once I get it here.

48:44

Do I see that recommended motion?

48:45

Awesome.

48:45

OK, I move that we approve using \$5,282,264 in TIF funds to purchase a public water system in the Y1.

48:58

Ted, I'll second that.

49:01

Thank you.

49:01

Any further discussion and again, as everyone has said, I really we all appreciate everyone's courage and perseverance and creativity and patience.

49:11

Thanks for hanging in there on this.

49:14

OK, all in favor aye, I wish we had a confetti gone.

49:26

OK Flanna, is this next piece yours?

49:30

OK yes.

49:31

So as part of this project, the the next step since you have now approved use of TIF funds to purchase the system is the development agreement.

49:45

Let me get this presentation going.

50:11

OK, So thank you.

50:16

The the Board of County Commissioners and the Missoula Development Authority Board have approved use of tax increment funds to purchase the public water system, which is the first step.

50:26

The next step is that we have an agreement that is between the developer Grass Valley Industrial Park and Missoula County and this development agreement outlines the terms and conditions of construction and then the transfer of ownership of the water system.

50:46

In this agreement some of the developer responsibilities and these are kind of standard terms for use of the expenditure of public funds.

50:57

They must comply with all laws and regulations, including non discrimination.

51:03

All of their contractors have to pay the prevailing wage rates for the State of Montana.

51:09

All of the contractors must be covered by workers comp insurance.

51:13

They must maintain general liability insurance with Missoula County listed as additionally insured and all of their subcontractors must go through a competitively competitive bid process.

51:30

The developers responsibilities that are particular to this project is that they must complete construction of the system within one year is the time frame they have to give updates to county staff at a monthly progress report meetings.

51:48

The construction of the water system, as Andrew kind of said earlier, has to be to municipal standards and prior to transferring the ownership, the county will submit a final punch list for the project and they have to have those completed and then they have to obtain all of the required permits and approvals and comply with environmental laws.

52:16

The county's responsibilities in this agreement are that we will endeavor to create a special district which you will hear about next to own and maintain the public water system.

52:28

We will have the utility lot that will be part of the purchase appraised to make sure we agree on a purchase price of that parcel and we will issue bonds to pay the purchase price of the public water system included in the purchase of the system.

52:49

So there is the actual real property, the utility lot, the groundwater well which is permitted as public water supply system by DEQ, there's a 5500 thousand gallon storage tank with booster pumps etcetera.

53:08

All of the buildings and improvements on this utility lot, all of the easements and rights of way that are related to the water system, the water mitigation shares and, or if those are converted to water rights before we take over ownership.

53:27

But all of the water connected to the public water system as well as fire hydrants related to the system.

53:39

And so then the transfer of ownership.

53:43

So 60 days prior to completion of the system, title will be conveyed to the title company.

53:50

The county will issue the tax increment bonds for the purchase price and an asset purchase agreement will be signed.

53:57

So we will be back here 60 days prior to taking over ownership.

54:02

And then at closing we will receive fee, title deed and possession of the water system that will be overseen by the special district.

54:17

And then I have a motion.

54:20

Thanks.

54:23

OK.

54:23

Any any questions about this or clarifications?

54:28

Anyone in the room or online?

54:33

OK.

54:36

Lana, maybe you mentioned this already and I missed it, but does the utility lot already exist or does that need to be created through subdivision or a boundary line relocation?

54:46

So that will be the 4th item that you hear today, which will be the final plat of the subdivision, correct?

54:55

Kind of, yes, it does not exist yet, but it will exist to an existence shortly.

55:02

OK, thank you.

55:05

All right.

55:05

I would move to approve a resolution relating to a project in the Y targeted economic development district approving the use of tax increment financing with respect thereto and a related development agreement.

55:16

Second, any further discussion all in favor.

55:20

Aye, thank you.

55:30

OK, moving on to the intent.

55:40

So Andrew Hegemeyer, again, we need to create a special district to operate and maintain this system.

55:51

So under statute, what we do is you hold a public hearing, you know, you're declaring your intent to create this special district.

56:00

This special district is going to charge fees that will be assessed the property that will be no more than \$1200 a year for the first year.

56:12

We expect that to be lower.

56:15

We actually haven't done the analysis to determine how much it's going to cost to maintain the system.

56:19

So we can assess higher or we can start mention higher in the in the in the resolution, but we'll actually assess what it costs.

56:27

So it'll be lower than that.

56:29

We just don't know how much lower.

56:33

So you you'll approve a resolution of intent today and then that opens up a 60 day public comment protest.

56:42

Where we mail out a form letter to the property owners and the people under contract to buy and they have the ability to protest.

56:53

They have to return that protest on or before April 24th when we'll have a second hearing where you decide to create the district or not.

57:03

And if you decide to create the district, it is created.

57:08

So the district will only be two properties initially, which is Grass Valley Industrial, that's the property one on this map and Montana Knife Company, which is property 2 on this map.

57:21

As it matures, it's surely going to expand as neighbors who people who live along or have property along this wanted to tap into the system.

57:29

Every time someone taps in the system, I'll bring them into the special district.

57:33

The special district sets this resolution, will set the the purpose of the special district and the the amount that we assessed for year one and then every year we have to pass a budget after that that will make new assessments.

57:51

I think that's hitting everything.

57:53

Courtney Ellis is here.

57:54

And if I missed anything that might need legally need to cover, she's going to cover me there.

57:59

So no pressure.

58:02

Courtney, I do have a motion after you ask Courtney if I missed anything.

58:09

Courtney, has Andrew missed anything?

58:16

Hi there, I'm Courtney Ellis.

58:18

Andrew, you did a great job.

58:20

The the reason to create this special district, as he mentioned is really just to provide this kind of flexible, you know, statutory mechanism for owning and operating a utility which the county doesn't just on its own have that statutory authority.

58:40

You know, one other thing that will be, you know, before you as part of this process at some point will be that the special district will want to adopt some kind of, you know, fee ordinance that would look a lot like a typical utility fee type ordinance and would set out just fees and charges so that all of that can be set in a fair and equitable manner.

59:07

Sorry, when, when does that happen?

59:10

You know, there's no, there's no particular urgency to it.

59:13

I think that the the public works people will need to do some analysis about actual costs of, you know, owning and operating the system once it's a little bit further along.

59:23

So it'll take a little bit of time to develop, but you know, that will be in the future and it will be, you know, part of the budgeting.

59:32

And OK, so there's nothing statutorily set that has to be, we have to figure those fees out at a certain number of months or days after that.

59:42

Yes, I just wanted to flag it as a future action, but that's all from me, I think.

59:48

Thank you.

59:49

And for the for the record Courtney is our bond council that helped us with the special district and the development agreement and that negotiations any further questions, discussions, motion?

1:00:08

OK.

1:00:09

If nobody has any comment, I will move that we approve a resolution of intent relating to the Why Local Improvements District declaring it to be the intention of the Board of County Commissioners.

1:00:18

To create a special district for the purpose of acquiring, operating, and maintaining a public water system in the Y area.

1:00:22

I'll second that.

1:00:25

Any further discussion?

1:00:27

Yes.

1:00:27

Public comment.

1:00:28

Oh, excuse me.

1:00:28
Or public comment.

1:00:32
I could just hear Vinny yelling at me.

1:00:34
Not not seeing any.

1:00:36
OK, All in favor, aye.

1:00:39
Thank you.

1:00:45
Is John Hart in the room he's on?

1:00:47
He is, he got sick.

1:00:49
So he's a oh, OK, I'm online.

1:00:52
I, I really wish I was there in person, but no, I, I'm not feeling well and I don't think my voice is as deep as James Earl Jones, but it's pretty close.

1:01:05
So, so bear, bear with me.

1:01:08
What I have for you, commissioners, is a subdivision improvement agreement for the Grass Valley Industrial Subdivision.

1:01:20
I bring improvements agreements to you with some regularity.

1:01:24
You're familiar with them.

1:01:26
But I want to, I want to talk, I want to lay this one out a little bit different because there are some unique features.

1:01:34
And, and so first I want to talk about the Montana Subdivision and Platting Act.

1:01:41

SO76-3-507 states that states that accept as in provided in subsections 2 and 4, the governing body shall require the subdivider to complete required improvements within the proposed subdivision prior to the approval of the final plat.

1:02:06

The second part of that statute is states in lieu of the completion of the construction of any public improvements prior to the approval of a final plat, the governing body shall, at the subdividers option, allow the subdivider to provide or cause to be provided a bond or other reasonable security in an amount and with surety and conditions satisfactory to the governing body that provides for and secures the construction and installation of the improvements within a period specified by the governing body and expressed in the bonds or other security.

1:02:52

And again, we see these with some regularity and and this Grass Valley industrial subdivision is is no different.

1:03:04

The, the developer is ready to file the final plat, but there is public infrastructure that hasn't been completed.

1:03:14

So because they, they, the subdivider has the option of of asking the governing body to consider an improvements agreement.

1:03:23

That's what we have here today.

1:03:27

Now I want to, I want to draw your attention to one of the clauses in that statute that I just read.

1:03:33

And it is the governing body shall let the subdividers option allow the subdivider to provide or cause to be provided a bond or other reasonable security.

1:03:48

So as it stands today, the subdivider and the entity that it's going to sign the final plat and submit the final plat for the approval of Missoula County is Wilson Holdings LLC.

1:04:06

However, the plan is that as soon as that plat is is recorded that all of the lots in Grass Valley Industrial Subdivision will then be transferred to Grass Valley Industrial Park LLC.

1:04:23

And you heard Matt Mallot talk earlier this afternoon.

1:04:28

That is along with his brother Don is, is the, is the entity that that will then own the lots and sell them and do the development.

1:04:39

They're the ones that are signing the development agreement, etcetera.

1:04:44

So this is a little, that's the first unique thing about this improvements agreement is that the developer who files the final plat is not the one who has submitted this improvements agreement.

1:04:59

That's before you for consideration today.

1:05:03

However, I feel comfortable still recommending this improvements agreement because the statute specifically provides that that the developer can cause to be provided and as I read that Wilson Holdings can cause to be provided a bond or other security in this case from Grass Valley Industrial Park.

1:05:29

The the improvements that are covered by this particular improvements agreement include most if not all of the roads in the subdivision.

1:05:42

It includes water and sewer distribution lines and other distribution systems, bringing the water from the water system to the lots and then handling the the sanitary sewer from the lots to take that wherever that goes.

1:06:04

It also this improvements agreement also includes some infrastructure related to storm drainage.

1:06:14

So the estimated cost of the remaining improvements is \$2,810,624.00.

1:06:26

And what I have showing that that surety is adequate is a letter from Philadelphia Indemnity Insurance stating that after this improvements agreement, if it's if it's if it's entered into by the governing body that Philadelphia Indemnity Insurance will issue that bond in an amount of 2.8 million plus change.

1:06:58

And a bond, a surety bond is the second thing that is a little bit different about this improvements agreement then we generally see.

1:07:09

Normally we see letters of credit from a financial institution.

1:07:13

However, Philadelphia Indemnity is a reputable insurer and issuer of of surety bonds and they have a underwriting limitation of 382, almost \$383,000,000.

1:07:36

So I feel like they're adequately they, they, they've shown that they have the financial wherewithal to issue this surety bond.

1:07:47

They promise that they'll do it and after after the meeting today and sometime in the next couple of weeks, Missoula County will have the actual bond language that will be, I trust be well.

1:08:08

It's going to jive with the bond letter that I've just discussed.

1:08:14

The other thing that this improvements agreement is guaranteeing is one year of maintenance on the roads and the storm drainage system.

1:08:27

And Public Works approved the estimate of of that \$25,000 for that amount.

1:08:35

So \$25,000 is included in that \$2.81 million figure.

1:08:40

That is the bond.

1:08:42

And I should mention that Missoula County Public Works reviewed the the estimate of probable cost from the engineering firm that put together the estimates for for this remaining infrastructure and public Works approved of that estimate as being appropriate and reasonable.

1:09:05

So wrapping this up, we have heard about a water system and we've heard about how this water system is going to be built by private developers and then Missoula County will purchase it using TIF funds and then operate the water system.

1:09:23

So I want to make it clear that the this improvements agreement, it does not include any of the costs related to the water tank, the pumps, the generators and other, you know, the the other close to \$6 million that that Andrew talked about that will, that will be spent in order to, to build the water system.

1:09:53

It just, it does include the distribution lines to individual lots in Grass Valley Industrial Park.

1:10:01

And finally, the the Grass Valley Industrial Park is promising to complete all of the remaining improvements on or before December 31st, 2026.

1:10:19

I think that I've covered those things that are pertinent for you and the public to consider this improvements agreement.

1:10:28

I've, I've of course reviewed it, I've approved it and I recommend that that you also approve the subdivision improvements agreement with Grass Valley Industrial for the Grass Valley Industrial subdivision.

1:10:44

I'm happy to answer any questions that you have about this.

1:10:48
Thank you.

1:10:50
Thank you.

1:10:51
John, did you have something?

1:10:56
Go ahead.

1:10:58
Thanks, John for highlighting the pieces of this that are a little unusual.

1:11:02
But at the end of the day, as you noted, the dollars are secured, which is good enough for me.

1:11:11
Sir.

1:11:12
Any other questions or comments online or in the room, come on up.

1:11:19
Thanks, Jamie.

1:11:25
Sure, Thank you, commissioners.

1:11:26
Thank you.

1:11:26
John Hart, I just one item for clarification and the flurry of emails.

1:11:30
John, I may have missed updating you on this, but Grass Valley Industrial Park is actually going to take title to the land February 12th.

1:11:39
And so when the commissioners and County Attorney and other staff go to sign that plat, it will be in the name of Grass Valley Industrial Park.

1:11:48
It will not be Wilson Holdings.

1:11:49
So just clarification.

1:11:51
Thank you.

1:11:52
Thanks, Jamie.

1:11:56
Any other questions or public comment?

1:11:59
Not seeing any online.

1:12:01
OK, OK.

1:12:05
I would move that we approve the subdivision improvements agreement and guarantee for Grass Valley Industrial subdivision.

1:12:11
I'll second that.

1:12:13
All in favor, aye, Thank you.

1:12:17
Thank you.

1:12:19
Feel better, John, I'm going to try.

1:12:22
OK, our last one, our last one here.

1:12:32
Funds proposal.

1:12:33
All right, all right.

1:12:34
It's got the whammy.

1:12:36
My bad.

1:12:39

Took myself off mute there.

1:12:40

I, this is Andrew Hagemeyer again.

1:12:41

I still work for community economic development.

1:12:43

That hasn't changed.

1:12:45

I want everyone to forget everything they know about the Y water system because we are not going to talk about that for this last hearing.

1:12:55

So clear your mind.

1:12:57

Why I share my screen.

1:13:00

Clear, clean, clean minds.

1:13:20

All right.

1:13:20

We were actually talking about an industrial land study, very different from water systems.

1:13:27

Our request is for \$60,000 in tax increment finance to fund an industrial land study as a part of the upcoming Missoula County growth policy update.

1:13:35

A little background, we did a industrial land study in 2014.

1:13:39

It talked about the location type, quantity, industrial lands trends and it talked about how much industrial lands we capacity we really had.

1:13:48

Ten years later a lot has changed.

1:13:51

We've had significant growth.

1:13:52

The D park was annexed by the city of Missoula.

1:13:55

We had two major mill closures and industrial lands trends from industrial land.

1:14:01

The use of industrial lands is changing really quickly right now.

1:14:05

So it's we have a great opportunity to update or redo that industrial land study.

1:14:15

The planning department is kicking off the growth policy.

1:14:17

They're updating their comprehensive plan from Missoula County.

1:14:20

So this they're going to be digging into demographics, economic information, land use, they're going to be doing mapping, they're going to be doing all this background work that we need to do for this industrial land study.

1:14:31

So the opportunity to do these together creates a bunch of efficiencies.

1:14:35

So we're not paying two consultants to do this stuff.

1:14:38

We're paying one consultant to do it once rather than two consultants to do it twice.

1:14:42

So big efficiency there and it ties with that planning effort really well.

1:14:47

And it also it ties in because this industrial land study actually might find that we need to do things like update our land uses or update our zoning related to our tax increment finance district.

1:15:01

So this is, it's perfect timing.

1:15:06

The planning department is doing what we're calling the phase one conditions analysis.

1:15:10

That's their first phase of the growth policy, which will this will be a part of.

1:15:13

It's going to be done a lot.

1:15:15

A lot of the works can be done in house by by the planning team.

1:15:19

They have also secured a grant and they've got some other funding for about \$100,000 that will go to help pay the consultant to do a lot of this work.

1:15:27

And so we're proposing adding on \$60,000 to really beef up the economic and industrial component of that project.

1:15:35

What will this \$60,000 fund, a broad analysis of our industrial lands across Missoula County or a broad analysis of, I guess, industrial trends?

1:15:45

It will look at our economic footprint here.

1:15:48

So most of our industrial lands are pretty close to the Missoula Valley or in the Missoula Valley.

1:15:54

So what is our economic footprint?

1:15:56

I know we have people coming in from Hamilton, Stevensville, Mineral County, Sanders County to work here at our industrial properties.

1:16:06

Also look at the future.

1:16:08

What are the trends, you know, and what, how is AI going to affect industrial use?

1:16:11

What, what, what sort of infrastructure do industrial users of the future needs so we can plan for them?

1:16:20

So how is this going to benefit our tax increment finance districts?

1:16:23

Well, it's going to have a, we're going to have a better understanding of where we sit as an industrial player in the in the region.

1:16:31

We're going to have a better ability to attract businesses to Missoula to our our Ted districts.

1:16:36

And we're going to have a better understanding of the employment needs of our tenants, right, and our industrial users.

1:16:42

And we're also going to be ahead of or at least understand and to be able to identify these new and emerging trends.

1:16:49

So here the basics of our request is we're asking for \$12,000 from the five tax increment finance districts that have money right now.

1:16:56

So that's Y1Y2, Bonner West Bog Yard, the Bonner Mill site and the Technology District Grant Creek Crossing doesn't have any money.

1:17:06

So we did take this to the MDA board and on January 22nd they recommended approval.

1:17:13

So with that there's a motion.

1:17:19

Thank you.

1:17:23

Just I had a couple things I was, since I'm on the MDA board, I got to hear this discussion.

1:17:28

There was broad support for this and a real appreciation that this study two ways.

1:17:33

Here's 2, two types of appreciation on this study.

1:17:36

One, that it'll give us a bit of a road map for the future in terms of what, what kind of projects we want to do at our, at our Teds.

1:17:42

And two, there's a economy here based on shared use and that we can fold this into the work that our planning department's doing.

1:17:50

So timing is just right on both pieces on saving money and giving our giving some guidance to how we use our Teds.

1:17:58

So I'm really excited about this.

1:17:59

Thanks for that.

1:18:02

Any other comments or discussion in the room?

1:18:04

We're online.

1:18:07

OK, All right.

1:18:09

I would.

1:18:10

Sure.

1:18:11

Thanks.

1:18:11

I would move to support using \$60,000 in TIF funds to conduct an industrial land study as part of the Missoula County growth policy update.

1:18:20

Second all in favor, Aye.

1:18:24

So the other business, but were we supposed to be talking about utility lot not today, no, no, the the utility lot is where the water system right will go and that will be created when Grass Valley industrial files the final plat.

1:18:42

OK, Yep.

1:18:43

So we've I mean in way we've already it's been so it's been preliminary plat preliminarily platted.

1:18:50

Yes, you they received entitlements to as long as they met their conditions of approval back in in September of 2024.

1:18:57

I normally retain such details of of the lines on the the plan, but yeah, OK, thanks.

1:19:04

And Andrew and Flannah, thanks again for all this really hard work.

1:19:07

We're seeing the culmination of so much effort.

1:19:09

Thank you.

1:19:10

Thank you.

1:19:10

Yeah, thank you.

1:19:12

OK.

1:19:12

Have a good afternoon all.