

**MINUTES OF THE REGULAR MEETING OF
THE BUTTE-SILVER BOW COUNCIL OF COMMISSIONERS
FOR MARCH 1, 2017**

The Regular Meeting of the Council of Commissioners was called to order March 1, 2017 in the Council Chambers, Third Floor, Room 312, Courthouse Building, 155 West Granite Street, Butte, Montana, by Council Chair John Morgan. (Chief Executive Palmer Absent.)

ROLL CALL

Commissioner Morgan	<i>Present</i>	Commissioner Shaw	<i>Present</i>
Commissioner Callahan	<i>Present</i>	Commissioner McDonough	<i>Present</i>
Commissioner Andersen	<i>Present</i>		
Commissioner Walker	<i>Present</i>	Commissioner Fisher	<i>Present</i>
Commissioner Foley	<i>Present</i>	Commissioner Perdue-Dolan	<i>Present</i>
Commissioner Ralph	<i>Present</i>	Commissioner Sorich	<i>Present</i>

STAFF PRESENT

Eileen Joyce, Butte-Silver Bow County Attorney
Colleen Safratowich, Deputy Clerk & Recorder
Tracy Watt, Council Secretary

PRAYER AND PLEDGE

Commissioner McDonough said prayer and led pledge.

PUBLIC COMMENT ON ANY ITEMS ON THE CONSENT AGENDA

Dan O’Neal, 305 W. Mercury, Butte, Montana:

- First is on the Archibald trailers, Communication Nos. 17-116 and 17-117. Great idea. As recently as last year I spoke with Mark Thompson about starting a trailer manufacturing facility.
- So again, I support the idea, but you’re selling significant amount of land in TIFID with strings attached.
- Any form of manufacturing positive, especially trailer industry.
- But because of the amount of land and lack of public disclosure seems a little shady.
- Second, with regard to Communication No. 17-111, Copper King, I was originally against, but I’d like to change my position.



- My family owns the land a Boise developer wanted. So now Copper King wants what was to go to other developer. I question legitimacy of the unknown relationship.
- But I do support the additional \$200,000 – I drive by the Copper King daily. Support developers – shown themselves to be leaders.
- Only seen two trucks from Butte at the project – Mason Josh Salanski (sp?) and the excavator Mile High Concrete. All others from out of town.
- Copper King will be making loan payments to Rocky Mountain Bank. Maybe they'll build bank in Butte.
- Don't believe Copper King will compete on big time level, but good for state and regional businesses to hold meetings, a place for junior high school basketball tournaments, and smaller industry organizations.
- This week I will be in conversation with Karen Byrnes about the process of seeking grant money to develop my business. My experience in the past of actually getting contracts has been wishful thinking.
- I do try to call the City of Butte. Sherry Walsh is only one who returns my calls.
- If I look to get grant money for my own business by supporting this, and how the Council has supported these other projects, there'd be very little reason to deny my own request.
- I've received no financial benefit from the Leipheimer or Nistler families to speak on behalf of the project, but they clearly need to be picked up and City should support them.

Joel Worth, 2416 S. Main, Butte, Montana:

- Regarding Communication No. 17-111, I am speaking on behalf of over 100 Butte carpenters and the majority of commercial and residential contractors who have made a commitment to this community to provide a livable wage and benefits to employees.
- We ask the Council to oppose request to give 3D Development an additional \$200,000 from the Hard Rock fund. Already given \$200,000 in Hard Rock funds and also \$240,000 in tax breaks and incentives.
- That is far more of a commitment than 3D Development has made to insure the hard-working carpenters of Butte receive a livable wage and benefits. The majority of carpenters on their projects were paid sub-standard wages and no benefits.
- Seems of late the City of Butte has spent a lot of money to subsidize these new projects for out-of-town developers and contractors who pay sub-standard wages.
- We, as long-time Butte residents, would like to see that money used for projects that will benefit the hard-working families of Butte.
- Several of our members are here, too, tonight.

Maria Pochervina, Director, Chamber of Commerce Convention and Visitors Bureau:

- Support Copper King request.
- 98 jobs will be created.



- Wages – as a General Manager, employed Montana Tech students – pay provided rent and beer money. Upward mobility possible.
- Puts Butte back in the rotation for conventions.
- New life to a Butte icon.
- Extra funds in TBID “bucket.” Will be used to entice folks to Butte.

Lee Waananen, 925 S. Ophir St., Butte, Montana:

- Regarding Communication No. 17-112, Crowning of St. Urho.
- Want to give event back to entire community. So those under 21 can participate. More family friendly.
- Would like it to remain in uptown Butte.

Rich Van Halogen, 828 W. Quartz St., Butte, Montana:

- Copper King – already given \$450,000. Disagree with additional \$200,000.
- Money should be prioritized for completely new jobs. Such as manufacturers. Other future companies can use this much more.

APPROVAL OF THE MINUTES OF THE REGULAR MEETING FEBRUARY 15, 2017

It was moved by Commissioner Shaw, seconded by Commissioner Ralph, and passed by a unanimous verbal vote, to approve the minutes of the Regular meeting of February 15, 2017.

ITEMS NOT ADDRESSED ON THE AGENDA

None.

CHIEF EXECUTIVE’S REPORT

None.

SECTION 1 BID OPENINGS, PUBLIC HEARINGS, AND/OR PRESENTATIONS

1. BID OPENING, COMMUNICATION NO. 17-22

Patsy Coates, Property Specialist, Butte-Silver Bow Land Records Office, requesting Council of Commissioners authorize a Bid Opening on March 1, 2017 for the Title and Lien Search Tax Deed Process and award to lowest bidder.

[17-22.pdf](#)



County Attorney Joyce reported there is Proof of Publication which appears to be in order for Bid Opening, Communication No. 17-22.

Ms. Coates:

- Summit Valley Title, \$135 per parcel.
- Montana Abstract & Title, \$150 per parcel.

It was moved by Commissioner Shaw, seconded by Commissioner Ralph, and passed by a unanimous verbal vote, to refer the bids to Land Records and have them come back to Council with their recommendation later this evening when Commissioner Shaw will segregate Communication No. 17-22 from the Consent Agenda.

SECTION 2 CONSENT AGENDA

- A.
 - 1. COMMITTEE OF THE WHOLE MEETING REPORT
 - 2. FINANCE & BUDGET COMMITTEE MEETING REPORT
 - 3. PUBLIC WORKS COMMITTEE MEETING REPORT
 - 4. JUDICIARY COMMITTEE MEETING REPORT

- B. COMMUNICATIONS

Before entertaining a motion for approval of the Consent Agenda, Council Chair Morgan called for any friendly amendments or segregations.

Commissioner Shaw segregated Section 4 from the Committee of the Whole Report, Communication No. 17-22.

Commissioner Perdue-Dolan segregated #14, Communication No. 17-115.

It was then moved by Commissioner Shaw, seconded by Commissioner Ralph, and passed with a unanimous verbal vote to approve the Consent Agenda, Section A, Items 1 through 4, and Section B, Items 1 through 21, with exception to Section 4 from the Committee of the Whole Report, Communication No. 17-22 and #14, Communication No. 17-115.

Segregation – Section 4 from the Committee of the Whole Report, Communication No. 17-22

SECTION 4 COMMUNICATION NO. 17-22

Patsy Coates, Property Specialist, Butte-Silver Bow Land Records Office, requesting Council of Commissioners authorize a Bid Opening on March 1, 2017 for the Title and Lien Search Tax Deed Process and award to lowest bidder.



[17-22.pdf](#)

Ms. Coates:

- Please award bid to lowest bidder, Summit Valley Title for \$135 per parcel.

It was moved by Commissioner Shaw, seconded by Commissioner Ralph, and passed by a unanimous verbal vote to Concur with Communication No. 17-22, with the recommendation presented by Patsy Coates, and Place on File.

Segregation – #14, Communication No. 17-115

14. COMMUNICATION NO. 17-115

Linda Redfern, Volunteer, 1805 Meadowlark Ln., Butte, Montana, requesting Council of Commissioners authorize annual Duggan Dolan / Pat Kearney Blarney Stone Fun Run on Sunday, March 12, 2017 at the Knights of Columbus. All approvals have been received.

[17-115.pdf](#)

[17-115 Application.pdf](#)

[17-115 MDT Special Use Permit.pdf](#)

[17-115 Maps.pdf](#)

[17-115 Approvals.pdf](#)

Commissioner Perdue-Dolan:

- Abstain from vote.

It was moved by Commissioner McDonough, seconded by Commissioner Ralph, and passed by a unanimous verbal vote to Concur with Communication No. 17-115 and Place on File.

SECTION 3 COMMUNICATIONS TO BE READ AND ACTED UPON

1. COMMUNICATION NO. 17-111

Karen Byrnes, Director, Butte-Silver Bow Community Development Department, requesting Council of Commissioners authorize allocation of an additional \$200,000 from the Hard Rock Development Assistance Program to 3D Properties, LLC to assist with development expenses related to the renovation of the Copper King Inn, bringing the total allocation of Hard Rock funds to \$400,000.



[17-111.pdf](#)

[17-111 Updated Hard Rock Application.pdf](#)

Director Byrnes:

- Discussions began on this project back in 2015, and at that time, we had funds in the Hard Rock fund.
- When they eventually came to us, they were eligible for \$800,000, but we had just given substantial amount to airport, and we did not have that much.
- Project that fell through for developer, that \$200,000 came back to Hard Rock.
- So Copper King's ask is the same ask, not a new one or in addition to previous monies.
- Blown away by the property and investment. It is over the top. Proud it's here.
- Requesting concurrence. They have not drawn on funds yet.

Matt Nistler, 81 Jefferson River Rd., Three Forks, Montana:

- Really proud of our facility.
- Heart and soul for last 12 months.
- Gotten so much support.

Amanda Lease, Sales and Marketing Director:

- In past six weeks we've had sales. Already received ten signed contracts, and have six outstanding. Butte 100, Resodyn sales event in September, Metals conference, weed control, Butte High School Reunions, weddings, etc.
- Bid on Montana Governor's conference and requesting RFPs for multiple others.
- Seeing impact in our region. 98 jobs. Competing with larger Montana cities.

Mr. Nistler:

- Copper King had negative connotation. Butte's been very generous. Now, iconic name and image continues to be large part of conversations. People love to have conferences in Butte. People make it a fun environment.
- We believe in Butte and that this project is critical to Butte.
- We spent money in the right places. Will be an asset to community for decades.
- Renovations are full of surprises. Functional issues that needed to be addressed.
- Comfortable, but asking for your help.
- We're big on Butte.



Commissioner Sorich:

- Tell us about local labor. How much have you used?

Mr. Nistler:

- That's a great question. I'm glad you asked that.
- We've used a substantial amount of local labor. Great labor force and supplier force in Butte.
- A lot of things in the hospitality industry are mandated by a brand to meet certain standards. Some of those materials had to be bought out of town.
- We have a production company out of Denver that produced a lot of our case goods.
- But we are proud to use a substantial amount of both Butte labor and Butte vendors.

Commissioner Perdue-Dolan:

- Took tour yesterday, very impressive.
- Work done by Butte folks – can you name them?

Mr. Nistler:

- I'd be happy to, and thank you for that question.
- A large Union contractor, one of the major expenses on this project, was Mechanical on this facility. Beating heart of the facilities infrastructure was Lockmer Plumbing. They've been out there for six months. Also S&N Concrete, Union stone masons, Triple S. We've used Union carpenters.
- Joel Worth, up here earlier, actually introduced me to those carpenters.

Commissioner Perdue-Dolan:

- All of the calls I received in District #1, don't have problem with original amount, but 100% say no more.
- I support what you've done for community and five star facility, but will not support any more money.
- Questions for Karen [Byrnes] – Has the Hard Rock money been aggressively marketed to other businesses in community? How many did you tell?

Council Chair Morgan:

- Point of order.



County Attorney Joyce:

- It's up to you Council Chair Morgan.
- Commissioner Perdue-Dolan restate question?

Council Chair Morgan:

- Point of order – outside scope of communication.

Commissioner Perdue-Dolan:

- Karen, request initially for \$800,000 but approval is by elected officials.
- Don't you feel it's out of your hands, and this body needs to approve?

Director Byrnes:

- Agree with you. I never make approvals.

Council Chair Morgan:

- How many businesses have you talked to with regard to Hard Rock money?

Director Byrnes:

- In about six months, talked to five or six business about Hard Rock funds.

Commissioner Perdue-Dolan:

- Couple calls from folks who did not know about Hard Rock funds.
- Hard Rock tax funds, doesn't matter where they come from, still tax money.
- We have duty for fiscal responsibility and listening to constituents.

Commissioner Andersen:

- Applaud work you're doing. Did not go on tour yesterday.
- Wish you success. However, with limited money we have, I know you're eligible, but this is last sliver of pie, and we've given you half already.
- In case we have another entrepreneur, think in best interest for us to hold on to it.



Mr. Nistler:

- Great point. Hard Rock dollars come from trigger, employees laid off by mine. Best time to spend this money is right when workers are laid off. Had \$20 million.
- Maximum grant is 10%.
- Takes 25 years to absorb this money.

Commissioner Fisher:

- When they purchased the Copper King, they paid \$100,000 in back taxes.
- \$9 million private investment.
- Need reason to draw people south, which has to be developed.
- Lots of money in uptown.
- This is a good project for the Hard Rock money, SARTA.
- Hope everyone realizes in five years, they'll pay \$300,000 in taxes.
- Please, give it some thought. It's a gem in the community.

Commissioner McDonough:

- Visited yesterday, and impressed.
- Outside of tonight's conversation, I think we've overlooked other opportunities by supporting this request. Had option to possibly increase TBID funding from \$2 to \$3. Helps convention business, which we haven't been able to bid on for some 15 years. Our only convention center for Butte-Silver Bow is Fairmont Hot Springs.
- Don't see business owners in Butte clamoring about us supporting this. They understand the spin-off this brings to Butte. No one speaking against this. In fact, the Fairfield Inn project, we supported that, and it turned out to be a good project for Butte.
- TBID funding helps all of the events in town – festivals, allows us to bid on conventions.
- New airport terminal across the street.
- People that aren't here is testimony to why we should support this.
- Great economic opportunity for us.
- Additional revenue in tax coffers moving forward. Employment for people.
- Economic development is on a first come, first served basis. If people want Hard Rock funds, they should realize now we have an open door policy. If it will put money in our community, I'm willing to support. Whether it's Hard Rock money or TBID money or any economic development that Butte has – now is better than later.
- No others putting their name in front of us.
- Hope we move forward with this request.



Commissioner Andersen:

- Agree with Commissioners Fisher and McDonough.
- Caveat, Fairfield Inn, we gave \$85,000. If we didn't give them that money, that project never would have come to fruition.
- If didn't give to McKenzie River, Pizza Ranch and others, if we didn't have the incentives – it makes it a lot harder.
- Project is close to completion. Hard time giving more money when could be kept for next project.

Council Chair Morgan:

- As point of clarification, I believe it was \$65,000 to Fairfield, not \$85,000.

It was moved by Commissioner Ralph, seconded by Commissioner McDonough, to Concur with Communication No. 17-111 and Place on File.

On the Question:

Commissioner Perdue-Dolan:

- Will you be able to open the doors if you do not get the \$200,000?

Mr. Nistler:

- Thanks for that question. We will be able to open our doors.

A Substitute Motion was made by Commissioner Andersen, seconded by Commissioner Perdue-Dolan, to Deny Communication No. 17-111 and Place on File.

On the Question

Commissioner Fisher:

- The money has been sitting there for 25 years.

Commissioner McDonough:

- Request roll call vote.



Substitute Motion by Bill Andersen, seconded by Cindy Perdue-Dolan, to Deny Communication No. 17-111 and Place on File was DEFEATED by a roll call vote of 5 yea and 5 nay. Commissioners McDonough, Walker, Callahan, Fisher and Ralph voted nay.

Council Chair Morgan:

- Why would we approve taxpayer money to not go to local business?
- How do I answer when people ask me, why should we give money to a business like yours that doesn't use local labor and supplies?

Mr. Nistler:

- That's a wonderful question. I'm glad you asked it. Always look for opportunities to answer that question.
- I would tell them, Matt's got an open door policy. I am the person who wants to provide everybody the opportunity they deserve. That is the recipe for my life.

Council Chair Morgan:

- My issue with this proposal ... the project you guys are working on is going to be great.
- I have to think about the best thing for Butte. How do we move Butte forward?
- I believe in Butte. I believe in business opportunities.
- I ask you to use local labor and materials whenever possible.
- ***My vote is nay, Motion DEFEATED.***

Original Motion by Sheryl Ralph, seconded by Brendan McDonough, to Concur with Communication No. 17-111 and Place on File was DEFEATED by a roll call vote of 5 yea and 5 nay. Commissioners Shaw, Andersen, Perdue-Dolan, Foley and Sorich voted nay.

Council Chair Morgan:

- ***My vote is yea. Motion PASSES.***

SECTION 4 ORDINANCES AND RESOLUTIONS REFERRED TO JUDICIARY

1. COUNCIL RESOLUTION NO. 17-9

A RESOLUTION AUTHORIZING AND APPROVING THE SALE OF REAL PROPERTY CONSISTING OF 5,269.22 SQUARE FEET LOCATED IN THE NE ¼ OF SECTION 21, Township 3 NORTH, RANGE WEST P.M.M., TO THE CITY AND COUNTY OF BUTTE-SILVER BOW MONTANA AND LOCATED IN THE SOUTHERN PORTION OF TRACTS K AND R ON CERTIFICATE OF SURVEY __, SUCH TRACTS MORE PARTICULARLY



DESCRIBED IN EXHIBIT “A” ATTACHED HERETO, AND FURTHER AUTHORIZING AND APPROVING CORRESPONDING BOUNDARY ADJUSTMENTS AND EASEMENTS IN ACCORDANCE WITH THE PROVISIONS OF BUTTE-SILVER BOW MUNICIPAL CODE AND PROVIDING FOR AN EFFECTIVE DATE HEREIN.

[Resolution 17-9.pdf](#)

2. COUNCIL RESOLUTION NO. 17-10

A RESOLUTION AUTHORIZING AND APPROVING THE SALE OF REAL PROPERTY CONSISTING OF 1,401.86 SQUARE FEET LOCATED IN THE NE ¼ OF SECTION 21, Township 3 NORTH, RANGE WEST P.M.M., TO THE CITY AND COUNTY OF BUTTE-SILVER BOW MONTANA AND LOCATED IN THE SOUTHERN PORTION OF TRACT S ON CERTIFICATE OF SURVEY __, SUCH TRACT MORE PARTICULARLY DESCRIBED IN EXHIBIT “A” ATTACHED HERETO, AND FURTHER AUTHORIZING AND APPROVING CORRESPONDING BOUNDARY ADJUSTMENTS AND EASEMENTS IN ACCORDANCE WITH THE PROVISIONS OF BUTTE-SILVER BOW MUNICIPAL CODE AND PROVIDING FOR AN EFFECTIVE DATE HEREIN.

[Resolution 17-10.pdf](#)

3. COUNCIL RESOLUTION NO. 17-11

A RESOLUTION AUTHORIZING AND APPROVING THE SALE OF REAL PROPERTY CONSISTING OF 1,312.57 SQUARE FEET LOCATED IN THE NE ¼ OF SECTION 21, Township 3 NORTH, RANGE WEST P.M.M., TO THE CITY AND COUNTY OF BUTTE-SILVER BOW MONTANA AND LOCATED IN THE SOUTHERN PORTION OF TRACT Q ON CERTIFICATE OF SURVEY __, SUCH TRACT MORE PARTICULARLY DESCRIBED IN EXHIBIT “A” ATTACHED HERETO, AND FURTHER AUTHORIZING AND APPROVING CORRESPONDING BOUNDARY ADJUSTMENTS AND EASEMENTS IN ACCORDANCE WITH THE PROVISIONS OF BUTTE-SILVER BOW MUNICIPAL CODE AND PROVIDING FOR AN EFFECTIVE DATE HEREIN.

[Resolution 17-11.pdf](#)

SECTION 5 ORDINANCES AND RESOLUTIONS FINAL READING

1. COUNCIL RESOLUTION NO. 17-5

A RESOLUTION AMENDING THE BUDGET DURING THE FISCAL YEAR AFTER CONDUCTING A PUBLIC HEARING AT A REGULARLY SCHEDULED MEETING OF THE COUNCIL OF COMMISSIONERS IN ACCORDANCE WITH SECTION 7-6-4006,



MCA; APPROPRIATING UNANTICIPATED REVENUE TO THE BUTTE-SILVER BOW COMMUNITY FACILITIES KELLEY WAREHOUSE FUND FOR THE RELOCATION COSTS OF THE SUPERFUND PROGRAMS BASED UPON THE LEASE AGREEMENT ENTERED ON JULY 25, 2016 BETWEEN THE CITY-COUNTY OF BUTTE-SILVER BOW AND HEADFRAME DISTILLERY MANUFACTURING AND PROVIDING FOR AN EFFECTIVE DATE HEREIN.

Resolution 17-5.pdf

It was moved by Commissioner Shaw and seconded by Commissioner Ralph that Council Resolution No. 17-5 be placed on final reading and passed, having been deemed fully read at length. The motion passed by a roll call vote of 10 yea and 0 nay.

PUBLIC COMMENT ON ANY PUBLIC MATTER NOT ON THE AGENDA

R. Ed Banderob, 2601 Grand Ave., Butte, Montana:

- [R Ed Banderob handout - Matters Not on Agenda](#)

CALENDAR OF OTHER MEETINGS AND EVENTS

Commissioner Shaw:

- New carpeting in Council Chambers March 9-10.

ADJOURN

It was moved by Commissioner Shaw, seconded by Commissioner Ralph, and passed with a unanimous verbal vote, to Rise to the Call of the Chair.

The meeting adjourned at 8:45 p.m.

CHIEF EXECUTIVE DAVE PALMER

ATTEST:

CLERK & RECORDER

