

February 24, 2020

The Lincoln County Port Authority Board met on February 24, 2020, in the Lincoln County Courthouse, Libby, Montana. Present were Commissioner Bennett, Commissioner Letcher via VisionNet, Commissioner Peck, Tony Petrusha, Brett McCully, Ted Werner and Deputy Clerk and Recorder Chris Nelson.

Tina submitted the following agenda:

Lincoln County Port Authority
Meeting Agenda
February 24, 2020 1:30 PM
Commissioner Chamber; Libby, MT

1. Approval of Minutes from December 16, 2019
2. Review of Financial Statements for January 2020
3. Addition of Bank Signature
4. Agreement to Form TEDD Advisory Board
5. Review of Evenson Engineering Evaluation of Water and Sewer Upgrades
6. Infrastructure Updates
7. Status of Dimension Stone
8. Old Business

Open for Public Comment

Adjourn Meeting

1:30 PM **Port Authority:** Present was Andy Evensen.

1. Approval of Minutes from December 16, 2019

MOTION by Ted Werner to approve the minutes of December 16, 2019 as presented. Second by Commissioner Peck, motion carried unanimously.

2. Review of Financial Statements for January 2020

Tina went over the financial statements for the Port Authority. Tina said she thinks she made an error on the Profit & Loss Budget performance sheet. The final totals match but she needs to double check and fix any errors. Ted asked about Master Touch only paying \$86 for rent. Brett said it is a portion of a building that does not include water or sewer that is only used for storage. Ted said when leases are up the board needs to get the lease amounts up to market value. **MOTION** by Ted Werner to approve the financial statements for the Port Authority. Second by Commissioner Peck, motion carried unanimously.

3. Addition of Bank Signature

MOTION by Commissioner Peck to put County Administrator Patrick McFadden on the Port Authority checking account. Second by Tony Petrusha, motion carried unanimously.

4. Agreement to form TEDD Advisory Board

Tina went over the agreement for TEDD Advisory Board. Ted asked what any downside to the Port might be. Tina said that they do not do anything without the commissioner's approval. The board will review the agreement.

5. Review of Evenson Engineering Evaluation of Water and Sewer Upgrades

Cover Summary to Evenson Engineering & Consulting Review of Water and Wastewater Upgrades

The attachment is our engineer's evaluation of alternatives for upgrading our most pressing infrastructure deficiencies (access to water and sewer) for the purpose of future development.

In simplest terms – the obvious purpose of upgrading the infrastructure is to attract business use or development and/or increase the revenue of the Port Authority with additional tenants or land sale. There is minimal availability of structures for lease. Opportunities for land sales will most likely need the infrastructure framework to be marketable, and the Port Authority will continue to have responsibility for the connecting infrastructure, utilities, water, sewer, storm. Developer's access to suitable infrastructure is even more pressing in areas where construction costs often exceed the as-completed value.

Options for Deficient Water System Upgrades:

1. Loop 1 (Phase 1) of the 2017 PER for a water system for the 400-acre property. The PER outlines 4 looped water mains extending from the City's distribution system. Loop 1 extended from US HWY 2 to the East Spruce/Industry Way. Estimated cost of \$865,000
2. Partial Loop 1 (Phase 1) - two options: a. US Hwy 2/Port Blvd extending 1300 feet to Industry Way intersection with appropriate fittings to facilitate future connections. Cost of \$452,000. The option of 2a sets up the KBP for future development and addresses deficiencies of non-compliance of the existing service (improved pressure and flow). b. Spruce Street/Industry Way extending 1900 to the Industry Way/Port Blvd and designed to facilitate future demand. Cost of \$476,000. Existing mains from SK FJ and Kootenai Tec, LLC would be connected. 3. Consequences of no action – KBP remains in the current state

Deficient Wastewater System: With the impending sanitary connection to the City's collection system, the KBP has reasonable means to connect new tenants without construction of a major sanitary improvements.

Andy Evenson from Evenson Engineering & Consulting said the Port's core infrastructure for the sewer is where it should be for future development. He also said that if the Port would like to increase revenue anyone looking to purchase land would want to make sure they have utility connections available. The partial loop option from Highway 2 (option 2b) cleans up existing problem areas with water main extension and cleans up the front entry of the park. The cost includes some paving and finishing the electrical there. Brett said this would reduce some of the water costs. Commissioner Peck said he walked down the bike path and has noticed some washout at the levy site. Commissioner Bennett said he will call the US Corps of Engineers. Commissioner Peck also wondered when they should bring on one or two more members to the board. Commissioner Bennett said they need to look at making a decision about this soon.

6. **Infrastructure Updates:** Brett submitted a handout regarding Infrastructure/Projects Overview and Update December 16, 2019 as follows (handout included pictures and other corroborating documents):

Infrastructure/Projects Overview and Update February 24, 2020

Libby Creek Bank Stabilization

- Update on status.

Berm Modifications

- Project is approved and will commence this spring. Road Department would like to coordinate rip rap transport for this project with the Libby Creek Bank project if possible.

Engineering & Project Feasibility Study of Port Infrastructure and Potential Development

- See attached report in Board Meeting Package.

Port Tenant Letter for Clean Lease Space

- LCPA hand delivered letters to each tenant. A proposed spring walkthrough with several board members was used as motivation to tenants. See attachment.

Dimension Stone Update

- I delivered the attached Memo of Understanding to Scott. I have not received document back signed. As of today, we have not been compensated as per the Memo.

Fish Pond Access Road

- According to the Memo of Understanding with the Museum and Jeff Koskela, LPCA is required to put in an automated gate east of the Museum Parking area. Several concerns have surfaced with the addition of a full tine gate. The County Sherriff Department can patrol at will but does not have ability to enforce traffic laws on a road that is not owned by the county or has a county easement. According to the Road Department, County Roads cannot be blocked. Temporary closing is ok, but a fixed permanent gate will not be compliant. The County Road Department is unwilling to allocated resources for the road unless it is a County Road or has a County easement. These resources include, paving, dust control and plowing. The Port Authority would be responsible for these items.

- The Road Department will complete construction of the road this spring. A gravel top surface will be the final surfacing at this point.

Ted told Brett that by Friday if Dimension Stone has not addressed the Ports issues to disconnect the power. Ted said unfortunately the Port does not have a choice at this point.

Commissioner Bennett said we need to honor our agreement with Jeff and the museum concerning the gate and the road. Brett said he would like to have that road paved as if it stays as gravel it will be dusty and a lot of people will complain. Commissioner Bennett said he will speak with Commissioner Peck and road foreman Marc McCully about the issue.

Brett said Levi Thompson had asked about buying some property towards the river from the Port. Commissioner Bennett said he thinks it would have to be done by a bid process.

7. **Status of Dimension Stone**

Discussed during Infrastructure Update (#6).

8. **Old Business**

Meeting adjourned at 3 PM

LINCOLN COUNTY BOARD OF COMMISSIONERS

Jerry Bennett, Chairman of the Board

ATTEST: _____
Chris Nelson, Deputy Clerk of the Board