

**October 16, 2018**  
**Lincoln County Port Authority (LCPA)**

The Lincoln County Board of Commissioners met for a LCPA meeting on October 16, 2018 in the Lincoln County Courthouse, Libby, Montana. Port Authority Board Members present were Commissioner Bennett, Commissioner Peck, Tony Petrusha, and Ted Werner. Commissioner Cole, Eureka via VisionNet. Also present were Tina Oliphant, Brett McCully, John Blodgett and Clerk and Recorder Robin Benson.

1:30 PM

*The following agenda was submitted by Tina Oliphant:*

**Lincoln County Port Authority**

**Meeting Agenda**

**October 10, 2018 1:00 PM**

**Commissioner Chamber; Libby, MT**

1. Call to Order and Any Additions to Agenda
2. Approval of Minutes from August 21, 2018
3. Review of Financial Statements for August 31, 2018 (2 month year to date)
4. Further Discussion on the FY 2019 Budget
  - a) Capital Improvement Projects
5. Update on Secondary Access
6. Update on Dimension Stoneworks Lease
7. Initial Discussion to Position the Port Authority to Sell Land
8. Discussion on Vacca Stone opportunity in Libby Montana
9. Review of Draft for Independent Contractor - Pest Control Services
10. Old Business

Open for Public Comments:

Adjourn meeting

1. Commissioner Bennett called the meeting to order. Tina suggested adding KLB Business Law to the agenda for discussion.
2. Tina made a correction that Jerry Bennett is Chairman of the LCPA Board (not Mike Cole as reflected in the draft minutes). **Motion** by Commissioner Peck to approve the August 21, 2018 LCPA meeting minutes with correction. Second by Tony Petrusha, motion carried unanimously.
3. Tina submitted supporting documents and discussed financials for the following:
  - Balance Sheet as of August 31, 2018: Total Assets/Liabilities \$2,607,991.37
  - LCPA Profit & Loss Budget Performance August 2018

Ted asked about production bonds within lease agreements. Brett said currently there is no production bond language in any agreements. Ted expressed it may be something the board should consider. **Motion** by Tony to accept financial statements as submitted. Second by Ted, motion carried unanimously.

**All financial documents can be obtained in their entirety from the LCPA.**

4. Tina submitted draft budget for FY 2019 and submitted Projection of Cash Flow Balance for FY 2019. The board discussed cash balances, anticipated expenditures and revenues. Commissioner Bennett suggested the board review the budget documents as submitted and to place FY 2019 budget on the next LCPA meeting agenda.
5. Commissioner Bennett said the county attorney did review and approved the MOU between LCPA, The Heritage Museum and the Koskela's regarding secondary access. The Heritage Museum and Koskela are reviewing the MOU for the land swap. Ted suggested to finalize the process and move forward expediently. Brett commented that the main gate has been ordered. Commissioner Bennett said we may wait until spring before installation. Tina suggested to include the fencing cost in the FY 2019 budget; the board members agreed.
6. Brett reminded the board that at the last LCPA meeting, it was agreed to put some money at Dimension Stoneworks building to improve the site contingent the business contributes; partner with the business to improve the site. Ted questioned the value of the building today and in the future, expressing it's an unsafe roof in poor condition. The board discussed potential costs and options for repairs and improvements. Ted suggested increasing rent to \$1,000/mo. since LCPA is putting in the improvements and investing money. Commissioner Peck questioned protocol of increasing rent for tenants that put their own money into improvements to the building site. Tina commented that it's a building with great liability. Commissioner Peck expressed that LCPA has an obligation to provide a safe environment.

KLB Business Law (*added to the agenda*): Tina said we need to set up a meeting with KLB Business Law for discussion on the Libby Groundwater Superfund Site issues. Commissioner Peck commented that we should include the county attorney in the discussion of meeting format. Tina reminded the board we will be discussing negotiating strategies with international Paper during this meeting. Tina will set up the meeting.

7. Tina submitted the statute requirements permitting the sale of property pursuant to procedures approved by the board. Tina also included documents from Flathead County outlining their Real Estate Sale and Disposition Protocol for review. Tina said we need an attorney (Dorsey and Whitney) to create language for a resolution that lays out what the LCPA does procedurally. A public hearing is required to adopt the resolution. Tina submitted a

draft LCPA Land Disposition Policy for review. Commissioner Bennett expressed that the board needs to be diligent and take our time with this.

8. Tina said she has been communicating with Vacca Stone out of Billings, a sandstone rock type business that is evaluating other sites for operation. Tina expressed that the port is not ready to sell property yet, so their request for a land purchase may not meet their timeline.
9. Brett submitted an Independent Contractor Agreement between LCPA and Bill Sonntag for pest control. Commissioner Bennett commented the agreement was vetted through the county attorney and approved. Contract is for one year. The board agreed unanimously to move forward with the agreement as submitted.
10. Commissioner Bennett commented that FWP and Glen Doubek are storing supplies and/or equipment at the port site. Commissioner Bennett expressed that times have changed, and it is time to give a timeline to move supplies and equipment or rent space.  
Brett said the SK Fingerjoint has had an inquiry about a building lease that is ending as of November 1, 2018. Commissioner Bennett expressed that we need fair sq. ft. lease agreements. Commissioner Cole commented that we need to maintain market value.

Open for public comments

- There were no comments from the public
- Commissioner Peck informed the board that Stimson purchased approximately 32,500 acres in the lower Fisher River area. Stimson currently owns approximately 120,000 acres in South Lincoln County. Commissioner Peck said Stimson is interested in a small piece of land that is landlocked and located next to LCPA to create a community park. Commissioner Bennett commented that it would be a positive thing for our community. Commissioner Peck said the county would get ownership or it goes into a land trust. Commissioner Bennett said we need to look at ongoing maintenance.

Tina will send out emails to confirm the next meeting in November.

**Meeting adjourned** at 3:00 PM

**LINCOLN COUNTY BOARD OF COMMISSIONERS**

---

Jerry Bennett, Chairman

**ATTEST:** \_\_\_\_\_  
Robin A. Benson, Clerk of the Board