

SEELEY LAKE PUBLIC MEETING FOR PYRAMID MOUNTAIN LUMBER APPLICATIONS TO COMMUNITY DEVELOPMENT BLOCK GRANT AND BIG SKY ECONOMIC DEVELOPMENT TRUST FUND – FEBRUARY 13, 2008

The Public Meeting was called to order at 7:00 p.m. by Chair Jean Curtiss. Also present were Commissioner Larry Anderson, Commissioner Bill Carey, and Office of Planning and Grants Principle Grants Administrator Planner Cindy Wulfekuhle.

Chair Curtiss opened the hearing.

...for CDBG loan for Pyramid Mountain Lumber. My name is Jean Curtiss, I'm one of your County Commissioners and we also have Larry Anderson and Bill Carey, County Commissioners; Cindy Wulfekuhle is from our Office of Planning and Grants. We have a tape recorder that we will have a secretary decipher when we get home. Therefore, if you'd like to speak, if you could please state your name and if you spell your name differently, please spell it for us. We'll begin with having Dick King from the Missoula Area Economic Development Corporation give us a brief overview of what we're applying for and why. He comes in on cue. So Dick please give us an overview of the process and what we're applying for here tonight, or what we're asking whether we should apply for.

Dick King: My name's Dick King and I work for the Missoula Area Economic Development Corporation. We work with Missoula County on economic development projects that try to create jobs and help companies stay in business, expand, develop new markets, et cetera. The purpose of tonight is a public hearing. Cindy Wulfekuhle with Office of Planning and Grants would normally be doing what I'm doing, but she's our recorder tonight. So this is an official meeting and Cindy will take the notes. The reason we're using the microphone, which shouldn't be necessary because we could hear each other, but just to make sure the recording on the tape is clear, so that the person who does the minutes can make sure they can understand everything. Again, it's a official public hearing and I want to thank the County Commissioners for coming to Seeley tonight and also want to thank everybody who showed up to be here tonight. It's a privilege to talk to you.

I'll talk a little bit about the purpose of the public hearing and then I'll introduce Chad, who's going to talk a little bit about the project that's under consideration, then Loren Rose is here as well to talk a little bit more about specifically what the project is.

What's under consideration are two applications that the county could submit to the state of Montana to assist Pyramid Mountain Lumber with a project that we'll describe here in just a minute. That project is important to the company and that will help the company retain existing employees that have been recently created with a new product. The two applications would go to the Montana Department of Commerce and one would be for the Montana Community Development Block Grant Program. I apologize for acronyms. You can apply for up to \$400,000 under that program for an economic development project. This project that we're going to describe does qualify under the guidelines of the program. The second one is called the Big Sky Economic Development Trust Fund. That's a little different. The first program, the CDBG we'll call it, is a federal program, money is granted to the state of Montana. If Missoula County decides to authorize an application, the state of Montana would make a grant to Missoula County and then those monies would be loaned to the company, so it would follow the path through there. That's federal dollars that are made available at the state level to assist local government with economic development needs.

The other program is the Big Sky Economic Development Trust Fund, those are state dollars. What the legislature did a couple sessions ago is they carved out a part of the coal tax trust and put \$20 million into that part they carved out, so interest off of that fund is used for this new program called the Big Sky Trust Fund. It's not tax dollars, its interest earnings that are available for economic development. In Missoula County for job creation, job benefit we can ask for \$7,500 per job. We think that we're looking at about \$225,000 in this case that we could apply for. Together those would help the company with working capital needs. The source of match for that money is a loan the company has received. There was a little bit of smoke in the valley here back in August and there was quite an impact on Pyramid as a result of that, so there was a disaster declaration. That loan has been approved. Loren could talk more about that if need be. The total project gives you an idea of what we're looking at so the company can secure the supply it needs for the manufacturer of the product. In addition to that, there's been substantial other sources of funding; equity, et cetera that we can recognize. It's hard to count that under the guidelines, so we've got to be very specific.

Tonight your comments regarding those proposed applications will be considered by the County Commissioners. That's the purpose of the meeting; is you've got questions about the program, Cindy's done a couple of these in the past, and I've done a couple. Chad has done a couple as well. I think we can answer questions. If the Commissioners have questions, we'll try to answer them as well. They're pretty familiar with these programs. If you have any questions, feel free to ask them and we'll do our best to answer those. That's the program that we're talking about and what is the purpose of tonight is to ascertain if there's public support for the county to authority these applications. It doesn't guarantee that the funding will be approved, but it's a necessary step for that decision to be made. Let me introduce Chad DeLong and Chad has been working--Chad's with our office and Chad has been working with Loren on the details of the project. Chad will outline a little bit about what's involved here and Loren can fill in any of the blanks that he feels are necessary. Chad?

Chad DeLong: Dick covered most of the specifics. I just wanted to say we've been working with [inaudible] for about a month here and MAEDC, Missoula Area Economic Development Corporation, has a long history and we have a very vested interest in keeping these jobs here in Seeley. We have a lot of support for--[inaudible] guys in the past and we really have a vested interest in keeping these jobs here. We realize how important these jobs are. We met with [inaudible] about a month ago and he kind of outlined all the steps they've been taking to keep full employment up here and [inaudible] new products they've identified and some of the great steps they've taken to keep the mill operating, so we've identified these two funding areas that [inaudible] work for them and [inaudible] working capital. They are loans; they aren't grants. They've put in a substantial amount of money of their own. We think the combination of what they've done and the money we can provide and just the great job they've done in providing the new products and tools and stuff they've put together and the new small [inaudible] is a good combination. I think it's going to keep the jobs here. We'd just like to have the Commissioners hear from you guys how important it is up here and I'll have Loren fill you in on the actual project.

Loren Rose: Am I describing this to the Commissioners or to the audience or who am I describing this to? Dick keeps referring to it as a project and I look at it as a 59-year old project. Roger's dad showed up here 60 years ago or so and started this project. Now this project has seen a lot of bumps in the road. We're in the middle of historic housing market slump and lumber price slump, prices that no one would have ever suspected three or four years ago and it's taken its toll on our company and it's taken its toll on the industry in Montana. We've got maybe only have the production right now online in Montana that could be online if the market was robust. That affects not only the mills and the employees, but people like Smurfit Stone Container and [inaudible]; all are affected. It's been a rough struggle, this 59-year old project.

What we're talking about in particular tonight really started last fall when we went to the bank and we said, you know, we're going to have a tough time generating enough capital to put enough logs in the yard to run hard all spring and summer and do the best we can do to get through this slump in lumber prices. We talked about different things, different opportunities, and through all that, we started talking with Missoula Area Economic Development Corp and that's how we get here. Backing up to last year, we did not have enough logs in the yard; we started running reduced shifts in April, then further reduced shifts in May, ran out of logs in June. Our sawmill production in June was less than half of what it would normally be. This is on top of an already depressed lumber market. Then the fires came in August, a further disruption that we could ill afford, and you put it all together and we're short of working capital and going to be short of logs without some additional funding. If we're short of logs, then we're short of hours for people to work, we're short of production, which makes our production cost high, we're short of revenue, and the whole cycle starts over again for another year. We are trying very hard to avoid that happening. There are timber sales available. They are of the right specie. We are one of the few mills in the state that do not produce studs or random-link, random-width dimension that go into new home manufacturing. The new small log mill that we have and the resource that's available to us allows us to run all the time on lodge pole and ponderosa pine creating 1X4 through 1X12 primarily. We're cutting a lot of timbers for guardrail stock and for log home manufacturing. In the last month--I'm getting a little ahead of myself now. I might be getting into testimony, but you know, this is a community development block grant program and you're here in a community tonight and the community's Seeley Lake.

Within the last year, we have delivered logs from Crow Agency to Idaho; that's the size of our community. In the last month, we've delivered small post and pole material to [inaudible] West here in Seeley Lake and the owners are here tonight, Leo Findler [phonetic] in Drummond, Porter Built [phonetic] in Victor, Tim Jacobson [phonetic] in Ovando, and [inaudible] Miller in Clancy. So there's five small firms relying on product that we can supply primarily from dead and dying forests around Western Montana that need to be managed. We would love to be one of the players doing that managing and we feel we're in a great position to come out of this tremendous slump in the housing market because we are not producing studs; we are not producing items that go into new

construction. We are a small family-owned company, we are thinly capitalized, and we need a capital infusion. That's really the project. But we are producing product that we haven't produced. We started putting an [inaudible] edge on our 1X4--well, all of our lodge pole products. Right now, we're cutting 75% lodge pole pine, 25% ponderosa pine. We're putting a little slight bevel on the edges of all those lodge pole pine boards. I wish I would have thought to bring a piece. You wouldn't think it would look much different, but it looks a lot different. It's got tremendous market acceptance and we've spent a lot of energy getting that produce out to various people that--so they could try it and hopefully, it will catch on and will allow us some marketing opportunity that we haven't had in the past.

Our employment dipped to about 115 in July. It's up to about 145 now, so that was the confusion of the 30 jobs. We might not create them, we already did, they're there, and we want to keep them there. Is that enough on the project?

Chair Curtiss: For our invisible secretary, that was Loren Rose. Cindy's our one secretary, but she's not going to transcribe. She's acting as a secretary tonight. It wasn't on her resume maybe. Are there folks--are there questions from the Commission first for any of the presentators? Are there comments from the public? We do need you to use the microphone. Chad can be the microphone handler. It's probably easier if you come down, Glen, thanks.

Glen Morin: My name is Glen Morin. I represent several hats, so I'll do one at a time. I'm a board member at Faith Chapel Church and we have several employees that are employed by the mill. Also, one of the members sells logs to Pyramid. Then I have a business in town here. I employ four full-time employees and four part-time employees. We rely heavily on the mill, the people that come into the shop plus work from the mill, and just people from the mill supporting the community, just a whole round circle.

I'm a board member on the water district also and the mill is probably or is the largest water user that we have. We definitely appreciate that business and it totally holds us--keeps the water district going. We couldn't--we'd have to do some real adjusting if we didn't have that.

Also, board member with the sewer and the mill has been very supportive in what we're doing. They've helped out in getting--helped getting a project started early [inaudible] several years ago. [Inaudible], four, four or five years ago. What's that?

Just that the mill has done a great deal for us. We've been in business for 23 years in Seeley Lake and we love the mill, so we'd like to see it going.

Patti Bartlett: I'm Patty Bartlett from Seeley Lake Trucking. My dad started our little project about 30 years ago. We have 17 families [inaudible] tonight, that's 46 people in Seeley Lake that our business supports. Most of our employees have been around for about 10 years, lots of them pushing the 20-year mark. Our annual payroll is about a half a million. We depend on Pyramid for half of our work. Without Pyramid, we're laying off guys; we're laying off families, and [inaudible].

Addrien Marx: My name is Addrien Marx. The business impact on this community in this valley for the mill is undescrivable. It's almost a no-brainer, so I'm not even going to go there. I was debating whether to come tonight. One of the same long ago, many, many, many years ago haunted me and it's one that Roger Johnson said when he was helping to set up the chamber of commerce. He said at that point, he said, "If you're not part of the solution, you are part of the problem." Pyramid Mountain Lumber has always been part of the solution. If you look at small mills of the past, well-run small mills, most of them are not in existence. You can even look at corporate mills and many of those are not in existence. Pyramid Mountain Lumber obviously is part of the solution and has been. Pyramid Mountain Lumber is a success story; what better place to put your money. There will be a return. It's just almost a given.

I'd also like to express the extreme pride this whole valley has in Pyramid Mountain Lumber. It takes something special that happens when we have a success story like that with the hardships that have impacted the valley and the state of Montana. You know as well as I do the domino effect of Pyramid Mountain Lumber. It's not just Seeley Lake. It's Missoula County, it's Western Montana, and it's the state. So many people are invested in this company. I just cannot let you know how very proud we are, and I'd like to say thank you.

Ray Cebulski: My name is Ray Cebulski. I'm a trustee for the Missoula Electric Coop, which has a great interest in what Pyramid is doing. I came to work here 40-some years ago for this mill and the thing I heard then for days and days was Pyramid's going broke, they won't be here tomorrow. I still hear that today and I tell them, you know, they're still here, they must be doing something right, so here we are.

[Inaudible] to talk about Missoula Electric's part in this. [Inaudible] and Pyramid have invested an awful lot of money in keeping this mill running, especially in the last few years. A part of what Coop has done is build that new substation up at Placid to help supply more power to the mill here and also take care of future growth. In these kinds of businesses, you take the lumber business, it's like I've heard about business before, it's chicken one week and feathers the next. You take the electric coop business, utility business, its power supply and cost. So you've got these entities. Now Pyramid being our biggest consumer on the Coop and our only large industrial load, they use over 13 ½ million kilowatt-hours of electricity a year. Their revenue to us is almost \$900,000 a year, so you can see where Missoula Electric wants them to stay in business. The other thing that we worry about is if Pyramid goes down, we've got all this investment. We lose all that revenue, but also all the employees that would be involved, we would lose that too, which also hurts the community, and employees spend money here. So we have great respect for this mill and we do everything we can to keep it in operation. Thank you.

Chair Curtiss: Fifty employees of the Coop.

John Mandler: I'm John Mandler; I'm a resident of Seeley Lake. I don't have a business; I'm not representing any of them, just talking about Pyramid and the community. Pyramid can be counted on to help when we have a disaster, when we have problems, oh, even, helping providing wood for a [inaudible] Eagle project or their workers and materials for a playground. I'm retired. I don't work, but of course, my income is fixed, so I certainly don't want to see water rates go up if they leave and probably electric rates go up, and of course, my taxes will go up because the school here in which you're sitting is not funded by the whole county. This is the Seeley/Swan district, so we have to support that. Teachers, if workers leave, teachers won't have jobs and it impacts me too because I volunteer at the Food Bank. I've noticed Seeley Lake here in the several years that I volunteered, the number of people, the number of clients that we have has approximately doubled. You can see that when Pyramid's employment goes up, the numbers coming to the Food Bank drop and just the reverse. We really need Pyramid. It's not only a very good member of the community, but it helps the people. We need jobs here. Seeley Lake is not known for having high paying jobs and a lot of them. When you work at the Food Bank, you see people, and it breaks your heart because they're having problems. They can't feed themselves, they don't have medical care, they don't have optical care, they don't have dental care. We can only provide the food and we do our best, but without jobs, it's going to get worse. Thank you.

Grant Parke: Thank you, my name is Grant Parke, I'm with Parke Logging. We employ about 22 people and it just doesn't affect the community of Seeley. There's a lot of families in Drummond that would be impacted by this. My wife runs a day care here. That would be affected. There's also another lady that runs a day care here. Her husband works at the mill. So there's lot of other things that would be affected. We moved up here about four years ago [inaudible] my dad Charlie Parke became partners with Pyramid and it's been a great experience to be part of this community and get to know the wonderful people here. They've been good neighbors, so I hope you guys take heart and help us out.

Suzanne Dobb: Hi, my name is Suzanne Dobb, its S-U-Z-A-N-N-E D-O-B-B. I'm the superintendent here at Seeley Lake Elementary and I've actually only been here a year and a half. It didn't take me very long to figure out what an important business Pyramid Lumber is to this community, but there's some other things that you need to know. I mean, obviously, if we lose jobs, we're going to lose students, which means we will make an economic impact on our school. As the gentleman just mentioned, Pyramid Lumber employees and owners are active participants in the community, and particularly so in the school. There's probably what, five, or six, or eight employees and owners who have served as trustees on our school board. They were active participants in our beautiful \$100,000 playground out here, out back. I've been able to see, as I said, how important they are to our community and the impact on the school both from an economic aspect, but also from the heart that they bring to the community and the support they bring to the school. We have teachers whose spouses work there; we have a high quality staff. If those jobs aren't there, we're going to lose those teachers. I just want to express my support for the company and I'd like to see them another 60 or plus years. Thank you.

Sally Johnson: My name is Sally Johnson and I'm no relation to the owners of Pyramid. I'm the business manager here at the school and so I look at numbers and Pyramid represents about 15% of our tax base in our district, in our school district. It's an important part in a fiscal sense to us as well. The other item that I'd like to

mention is that it's an important infrastructure to Western Montana and to Montana itself. One of the things that we experienced and have experienced over several years is the diminishment of mills, small family-run mills in Eureka, in Darby, and that diminishes the ability to handle some of the sustainable lumber that we have. One of the important parts of living in Western Montana is maintaining our resources and our timber resources in a manageable way. Lincoln County has 80% of its property under US Forest Service. Mineral County has 75% under US Forest Service. They have to maintain that land and we've experienced--we saw \$30 million go up in smoke this summer. It's important to have an infrastructure that can handle maintaining a healthy forest and that's why I guess we support so strongly helping Pyramid through this time.

Tom Korst: My name's Tom Korst. I'm the principal at the high school.

Chair Curtiss: Tom, could you spell your last name?

Tom Korst: K-O-R-S-T. I'm just going to be echoing a lot of the same, but the reality is if the mill loses employment, the high school enrollment will drop dramatically. I'd estimate at least 50%, somewhere in that neighborhood. It's hard to predict those numbers, but the impact would be dramatic. We would lose programs in our school that are very important for education and that would just have a reverse snowballing effect, as families have to choose between a school that's offering little programs or moving. I think that's important to note.

How much Pyramid has been a part of the community and I recognize [inaudible] time I've been here tremendous volunteerism. This community has really grown on me and I understand how it's tied together in really an intrinsically motivated fashion. People do things because they agree to do things and it's the right thing. They work together. That's something that I've really learned from living here. Without a government, they certainly do a lot of great things and get things done. I appreciate everything that Pyramid has done for us in those terms, so I hope that this group finds anyway they can continue funding Pyramid. It's a vital resource to this community and its impact--staying here is positive and leaving, it would be very devastating.

Ken Pitman: My name's Ken Pitman. I have a machine shop and fabrication shop here in town, do a lot of work for the sawmill. I have four full-time employees that--and their families are dependent on it. I have two part-time employees, just varies a little but with work, but Pyramid is the major factor in my business for sure. I wouldn't be able to employ those people and support that family and myself. I have a son that's trying to follow in my footsteps and takeover hopefully and another son that's going to college and obviously paying his way doing that, helping me so I don't have to. There's a lot of businesses in Missoula that are dependant upon Pyramid too, a lot of businesses down in Missoula. I do too, but Pyramid's got accounts all over town and a lot of those people are very dependent on Pyramid. I really urge you to support their applications. Thanks for your time.

Aaron Morris: My name is Aaron Morris and I'm retired from Bitterroot Valley Bank. They're the lead bank with Pyramid and on our side. They've been with us for some time and they're a very good customer of ours. I know their credit very well. I'm still an advisor to the bank in regards to the credit. The thing that impressed me the most about Pyramid [inaudible] when I have to look at loans in regards to collateral, cash flow, and all that, management style and everything. They've done everything they possibly can do to put themselves in the best competitive position that they can do. The only thing they have no control over is the commodities market in relation to their cash flow, but they've done everything else, utilized the logs to the tenth degree, management is one of the best I've ever seen, and most important thing when you look at a credit, the very first thing is character. The two major partners, Charlie Parkes, Roger Johnson are very strong in that area. It's the thing that's impressed me the most. Most businesses when they have problem look at other people and all that, but they look to themselves and solve things and that's one of the things that we've always been the most impressed about are what they've done in that area.

Tom Morris: My name is Tom Morris and it's M-O-R-R-I-S, no relation to Aaron, although I do bank with the same bank. I've been an employee at Pyramid Mountain Lumber for going on 27 years. That speaks a lot to the character that Aaron just talked about. We've been through a lot of rough times together, couldn't ask for a better employer, better working conditions, it's amazing, and it's a community, it's a family. It's not just work. My children were raised here in Seeley because of Pyramid Lumber. Unfortunately Roger, I don't know why my daughters didn't want to work at the mill, but hopefully someday my grandchildren might. In this community, this valley, this area needs to manage the forest in a good manner. There's dead and dying timber out there that needs to be taken care of and Pyramid is one of the best stewards that you could ask for to be here in the future to take care of that. I ask that you would kindly consider the application.

Stan Nicholson: I'm Stan Nicholson. I want to thank you for coming up and talking to us. I live on the Double Arrow Ranch and in fact, I was on the board for ten years of the association and so I just want to just second what all of these people have said. I want to add to the importance of having an infrastructure here to take care of the trees that we need to manage, not only according to the point of view of the industrial logging, but from the point of view of thinning timber at homes. There are now almost 500 homes on the Double Arrow Ranch. There are 1800 domiciles in the valley. Most of the people that live here know that they have to care of their trees and it really helps to have a mill to be able to receive them. Recently, or the last five years have had a chance to drive through Colorado three times and I have not seen a logging truck in Colorado and I don't think we want to get to that situation here, so please support this proposal. Help us keep our favorite company, Pyramid Lumber.

Charlie Parke: I'm Charlie Parke and I live in Drummond, Granite County. Anyway, I got involved with Pyramid, I think, in 2000. It's interesting as I look back one day at some of the paperwork. Since 2000, the state put up some of these funds then, Pyramid has spent over \$80 million in Western Montana. I'd like to say we've made that much, but some of that--we're further in debt that we were, but Pyramid has generated from the earth \$78 million or more of new well. It isn't recirculated; that's new money that's never been there before. As I think of the jobs we've logged, we do most of our logging for Pyramid, there have been two over in Eastern Montana where we couldn't say we improved the forest because they want grass, and we kind of annihilated the forest. Everything else we've done, the timber is in better shape afterwards than it was before. The trees that are left will probably produce more wood than the stand that was there originally. Not only is it good for the people, it's good for the trees and it's been a kind of a rough go here lately. Not just for the owners. Last March was it or--we asked the employees to take a 10% wage cut. Now we didn't do that in Parke Logging because I think most of our guys would have quit. I don't think there was over one or two that quit and went anywhere else. So the people of the 140-some employees there have quite a bit invested in this project too. You know, if you lose 10% of your wages, that's kind of fouls up your bank account. We'd hope that wouldn't be long-term, but it's dragged on almost a year now. The people in the community have really been supportive of trying to make this thing go. We can't do anything about the market, but I think we've done everything else we could and the people that work there have done everything they could do. Dick [inaudible] used to run the mill before Clarence was here, Dick retired, said he'd worked the mills all of his life and he said he had never ever worked at a mill like Pyramid. He said if something breaks down, everybody in the mill goes to fix it. He said most mills when the whistle blows to go home, you better not be in the way, or you'll get trampled. He said nobody leaves until everything's ready for morning. I've never worked at the mill; I've been a rancher and a logger all my life, but Dick said he had never seen such a crew. That's probably part of the reason we're still here. Unfortunately, most of us, if there isn't a sawmill, we're not going to be able to go to Chicago and take a job running a computer. We do what we do because we like to do it and probably we'll get a part-time job somewhere or become a ward of the state because, you know what--yeah. You know, I don't think the state of Montana, and I guess I'm not worried about the federal government the way they squander money, but I don't think they could make a better investment than--you know, in 2000, it looked kind of scary and since then, Pyramid's generated \$78 million of wealth. Loren can correct me, but I don't think we've ever been late on a payment. I don't think anybody's every lost a dime on the deal. If you get that kind of return on all the money you spent, it would be a pretty good deal. I think anything that any government agency can do to help out these people make a living here, it would be money well spent. Thank you.

Dwight Jenkins: I'm Dwight Jenkins from the Seeley/Swan Pathfinder. I'm also a trustee on the elementary school board. Thanks all for coming, especially after you see Larry's already got his checkbook out. That's a good sign. I want to say a couple of things. I totally support both applications and feel you should approve them or move them forward. Pyramid Lumber is clearly a foundational element of this community and anything that hurts them will severely damage the community and you've got people to provide the specifics of that. Then the second thing is among the average person in town, it's very clear, Pyramid is the best place to work. It's the best job you can possibly get in this community and that's because of the people who run it and the people who are there. They're critical to this community; please support them.

Chair Curtiss: Thank you, Mr. Jenkins. That means you'll take a good picture of all of us right?

Monty Bergeson: Hello, my name's Monty Bergeson.

Chair Curtiss: Monty, could you spell your last name?

Monty Bergeson: B-E-R-G-E-S-O-N. I've been employed at Pyramid Mountain Lumber now for going on 29 years. I've been through a lot of ups and downs with them. You know in down times, you can kind of tell because

people aren't all that cheerful and stuff, but you know you always see Roger and Loren and these guys that are usually in the office. They're out there busting their tail too. I mean there not afraid to work a sweat and get her done. Everybody pulls together and you know you put out the best production you can do. I really admire Roger and these guys for what they do. Like they say, I've always heard they paid there bills. I've never had a late paycheck. My family, my kids are here, my wife works there. I just--they're awesome people to work for. Like I see the President's signed a stimulus package today, so it would be kind of nice to have Pyramid get a little stimulus too. Thank you.

Chair Curtiss: Anyone else? We always enjoy coming to anything to do with Pyramid because the crowd's always in favor. We don't always get those kind of crowds. Sure.

Jan Guelff: Jan Guelff, G-U-E-L-F-F. We're--our family is Groundword West that [inaudible] was mentioning. We have really appreciated the wood that Pyramid has brought to us. In fact, sometimes they've waited for us to pay them. We're the one's that have been late. I don't know what we'd do without them. If we had to rely on the tourists, you know how that is. A whiff of smoke and they're out of here. They're the bedrock of our community and we'd like you to support them.

Wade Cebulski: My name's Wade Cebulski and you didn't ask my dad ask to spell his, so I don't expect you to ask me either, C-E-B-U-L-S-K-I. I'm a relatively new employee of Pyramid. I've been there about five and a half years, but the one thing I want to say is I've come to a lot of meetings down here and it's--you know, in 2000 when we come down, everybody was in support. It's just repeat yourself, repeat yourself, so I'm going to say that, but we also come here for a lot of fire meetings and stuff, so it would be nice to have this mill around to utilize that stuff whether it be for a state, county property, state property, school property, whatever. So anyway, I just want to say that I'm in support of this move and you know I don't think any of us like to be the [inaudible]. We'd like to live in the perfect world, so that we don't have to do this. We're a product of the times, you know. I think if the media would leave the housing market alone, it's on everybody's mind, convinced us all not to spend a nickel on building a house or remodeling. So I'm going to blame the media just like a lot of people get [inaudible], so kill the media and we'll be fine and hopefully we won't have to come to any more of these meetings. Thank you very much.

Chair Curtiss: Don't write anything about the bad housing market. We can't afford a new house, so we're all using Pyramid products to remodel. Anyone else who'd like to add to the testimony? There's a pad going around, did everybody get a chance to sign their name? It helps our secretary with spelling. If there's no more comment, then, I'll close the hearing. Did the Commissioners have any questions, comments you'd like to make?

Commissioner Anderson: I'd just like to make the comment, even though I'm new to the position in County Commissioners, in my role working with Senator Burns and Congressman Reiberg, I didn't have the opportunity to travel all over Western Montana and be involved with touring just about every mill there was in the west. Looking at how the community, even though you're all competitors here with other mills, how you've come together to try to figure out how to get more logs out of the national forests and find a way to work with your detractors as well as your competitors to get a good supply of raw product here into the mills. Pyramid's been a leader in that effort for a sustained period of time. I'm surprised at the mediocre support for this project, but it's something we can all support and we know we'll get a good return on the money that's being asked for here.

Commissioner Carey: I would just say that it really is remarkable and unusual for us to come to a public meeting and have just unanimous support for a given project. This does my heart good and, frankly, part of the reason I'm involved in public service because this is the kind of role that we, and through our governments, can make something worthwhile happen. That means jobs, that means spending in the community, that means going to schools [tape ended].

Chair Curtiss: So we have a motion to apply for both grants for the Big Sky Trust also? Okay, motion's amended to apply for both applications--both loans.

Commissioner Carey made a motion that the Board of County Commissioners approve application to the Community Development Block Grant and the Big Sky Economic Development Trust Fund for Pyramid Lumber. Commissioner Anderson seconded the motion. The motion carried on a vote of 3-0.

There being no further business to come before the Board, the Commissioners were in recess at 7:55 p.m.