

**Minutes
of the
Regular Meeting of Board of Directors of
The Industrial Development Authority of the County of Gila
(the “IDA”)**

Date: Monday, October 30, 2017 at 10:00 a.m.

Place: Gila County Courthouse
Supervisors’ Hearing Room
1400 E. Ash Street
Globe, AZ

Presiding: Mac Feezor

Present: Mac Feezor, Fred Barcon, Bob Pastor, Stan Gibson, Trena Grantham, Bill Bennett, Tim Grier, Cliff Potts

Absent: Lisa Brazil

Administrative Manager: Sandy Palmer

Guest Present: Linda Gross, Globe-Miami Times Media; Mario Juarez-Infante, Wilson & Company

Mac Feezor called the Regular Meeting of the Board of Directors of the Authority to order at 10:01 a.m., noting the presence of a quorum.

ADMINISTRATIVE REPORTS

1. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF THE BOARD HELD ON JULY 17, 2017.

On motion made by Stan Gibson and seconded by Bob Pastor, the minutes of the Regular Meeting held on July 17, 2017, were approved as submitted.

2. APPROVAL OF THE TREASURER’S REPORT FOR SECOND QUARTER 2017.

On motion made by Bob Pastor and seconded by Stan Gibson, motion to approve Second Quarter Treasurer’s report passed by a vote of (8-0).

ITEMS FOR DISCUSSION

I. INFORMATION/DISCUSSION/ACTION AS DETERMINED RELATING TO A COUNTYWIDE WEBSITE AS PRESENTED BY LINDA GROSS.

Linda Gross provided an overview of the My Gila County website, pointing out the features and benefits of having a countywide website.

Linda Gross discussed creating a brand that is engaging and appealing to a wide audience, site selectors, Google-friendly URL, mobile compatible. Linda updated the IDA's logo to read well in black and white and color, as well as vertically and horizontally.

Linda Gross provided a tour of the website including tabs for housing (infographic convey information in a snapshot verses paragraphs of verbiage) ranching, mining, utilities, education, and transportation. The website can become a hub of information for the county. Lifestyle stories, business stories, etc., will help keep the site engaging and add value to a static site.

Discussion ensued.

Managing the site does require the time and expertise of specific fields: graphic design, writers, photographers, website management. Linda Gross proposed a three-year contract to manage and build the site to the degree that it can continually invite engagement and provide a valuable resource, as well as being an income-generating project.

Discussion ensued.

Cliff Potts left the meeting.

Bob Pastor asked who would own the website, and for specifics on how the website would generate income.

Linda Gross responded the IDA would own the website and hire a manager to develop and manage the website and sell advertising.

The IDA Board discussed forming a Website Committee to review the proposal and discuss the project in more detail.

Tim Grier asked for clarification regarding management costs and the power of the committee to negotiate a contract.

Linda Gross proposed \$65,000 per year fee for management, plus sub-contracting costs for graphic designers, writers, etc. All funds generated through advertising revenue. If there's no profit, there is no management fee. Linda Gross said she'd not asking the IDA to fund anything

out-of-pocket, her only request is permission to develop the website and launch a powerful countywide resource—that the IDA would own.

Tim Grier underscored that Linda would be taking on all the risk, while the IDA receives the benefit of the site.

Linda Gross agreed, stating she feels confident the website presents well, and we will be able to generate buy-in and offer much-needed services.

The IDA Board discussed benchmarks and periodic updates and review.

On motion made by Fred Barcon and seconded by Stan Gibson, the motion to form a Website Committee (Cliff Potts, Bob Pastor, and Trena Grantham) to review proposals, discuss the project's direction, and report the findings back to the IDA Board passed by a vote of (7-0).

II. INFORMATION/DISCUSSION/ACTION AS DETERMINED RELATING TO SERVICES OFFERED BY WILSON & COMPANY AS PRESENTED BY MARIO JUAREZ-INFANTE.

Mario Juarez-Infante provided an overview of Wilson & Company. The firm has around 450 employees; their specialty is transportation, infrastructure projects, flood control, trails, etc. Wilson & Company's scope of services includes engineering, architecture, project management, and grant writing.

Mario Juarez-Infante stated rural areas have challenges recruiting businesses and growing and often the reason is that rural communities are underserved. Mario proposed a mutually beneficial relationship between the IDA and Wilson & Company. Working with IDA to identify the needs of the communities and develop a strategy to move forward. Look at funding opportunities, planning phase, pursue funding, implement projects, close it out and do the next project.

Discussion ensued.

Wilson & Company proposed entering into an MOU with the IDA. The IDA will be compensated for administrative costs. MOUs in place for every project the IDA wants to take on, or an umbrella MOU for specific projects.

Example: The Tri-City wastewater project. The published rates for the USDA loan is huge- 60+ million dollars on a 50% loan-grant project. Sewer rates in Tri-City would be approximately \$200 per household per month. Can the residents afford that? The PER has gone through 6 or 7 generations—why? Why is the proposed plan to build and maintain three separate wastewater facilities? USDA will not fund a third wastewater facility when the Town of Miami and City of Globe have stated they're interested in pursuing regional options. At this point, there are more

questions than answers. Tri-City is a desperately needed project, yet there may be a more efficient and cost-effective way to go about it.

Wilson & Company would charge approximately \$10,000 for a peer review of the project to date and present technical findings.

Projects that Wilson & Company could help pursue Tri-City wastewater, Tonto Basin bridge, San Carlos infrastructure.

Discussion regarding regional planning and priorities ensued.

The first step, enter into an MOU with the IDA to engage in services, then identify projects and move forward.

On motion made by Fred Barcon and seconded by Bob Pastor, motion to table the item until the next IDA Board meeting to allow IDA attorney, Joe Albo, time to review Wilson & Company's MOU passed by a vote of (7-0).

III. INFORMATION/DISCUSSION/ACTION AS DETERMINED RELATING TO BROADBAND ISSUES IN THE RIM COUNTRY AS PRESENTED BY MAC FEEZOR.

Mac Feezor provided an overview of the broadband issues in the Rim Country; current and potential players, and the broadband consortium's efforts to date, and meetings with other groups who are interested in bringing quality product. Broadband is a countywide issue that is also an economic development issue.

A sub-committee, comprised of technical experts, has been meeting to identify issues and potential solutions.

Discussion ensued.

Tim Grier mentioned the Town of Payson and Town of Star Valley had both passed a Resolution in favor of a redundant system. He suggested the IDA do the same at a future meeting.

On motion made by Mac Feezor and seconded by Bob Pastor, motion to add an item to an upcoming IDA meeting to pass a Resolution in favor of redundant internet in Rim Country passed by a vote of (7-0).

IV. INFORMATION/DISCUSSION/ACTION AS DETERMINED RELATING TO HIRING DEBRA DANIELS, CPA, FOR A COMPILATION AND REVIEW OF the FISCAL YEAR 2016.

Sandy Palmer briefed the IDA Board on her meeting with Debra Daniels. Based on Debra Daniels' review of the IDA's books, she recommended a compilation and review instead of an audit. Audits typically run between \$10,000- \$20,000. Debra said she didn't see anything in her review of the IDA's books that would cause her to recommend an audit. A compilation and review would be approximately \$2,500- \$3,000 per fiscal year. To keep the price that low, the IDA would need to hire Mitiz Lopez to do the annual profit & loss and expense reports for 2016. Mitiz Lopez charges \$700 for annual financial reports.

Discussion ensued.

On motion made by Bob Pastor and seconded by Fred Barcon, motion to hold off on the CPA compilation and review for the time being passed by a vote of (7-0).

V. INFORMATION/DISCUSSION/ACTION AS DETERMINED RELATING TO THE IDA'S INSURANCE POLICY COVERAGE.

The IDA's officers' policy coverage is set at \$5 million, which is quite high. A lesser amount would still offer adequate coverage.

Discussion ensued.

Tim Grier suggested speaking with Ed Bannon of Southwest Risk. The Town of Star Valley's premium is not as high as the IDA's current premium.

On motion made by Stan Gibson and seconded by Bob Pastor, motion to table the item for the next IDA Quarterly Board meeting passed by a vote of (7-0).

VI. INFORMATION/DISCUSSION/ACTION AS DETERMINED RELATING TO THE TASK LIST UPDATE.

The IDA reviewed the Task List update as presented.

COMMUNICATION TO AND FROM THE BOARD

VII. CURRENT EVENTS

VIII. CALL TO THE PUBLIC

Tim Humphrey shared his perspective on the Tri-City wastewater issues. Some of the added expense is running lines to every house. The cost is going to be there no matter who does the work. Even if portions of Tri-City are directed to the other wastewater plants, the lines are still old; the equipment is still old. That will stress the current lines and equipment, and they will need to be upgraded. To grow and facilitate growth in the area, we need to invest in the infrastructure.

IX. ADJOURNMENT meeting adjourned at 12: 10 p.m.

During the IDA Quarterly Board meeting of January 26, 2018, on motion made by Stan Gibson and seconded by Cliff Potts, motion to accept the October 30, 2017 meeting minutes as submitted was approved unanimously by a vote of (7-0) with two members absent.

Fred Barcon, President

Date