

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

Date: Tuesday, September 22, 2015 at 10:00 a.m.

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

Presiding: Cliff Potts

Present: Cliff Potts, Mac Feezor, Tim Grier, Tim Humphrey, Bob Pastor, Trena Grantham, Bill Bennett, Stan Gibson (arrived at 10:12 a.m.)

Absent: Fred Barcón

Administrative Manager: Sandy Palmer

Guest Present: Miguel Olivas, Olivas Group

Cliff Potts called the Regular Meeting of the Board of Directors of the Authority to order at 10:02 a.m., noting the presence of a quorum.

**1. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF
THE BOARD HELD ON June 1, 2015.**

On motion made by Bob Pastor and seconded by Mac Feezor, the minutes of the Regular Meeting held on June 1, 2015 were approved as submitted.

**2. APPROVAL OF THE TREASURER’S REPORT FOR SECOND
QUARTER, 2015.**

Cliff Potts noted that the IDA is on spend down mode and the best way to overcome is by pursuing revenue producing projects.

Motion to accept second quarter Treasurer's report made by Stan Gibson, and seconded by Bob Pastor. Motion passed unanimously by a vote of (8-0).

**3. INFORMATION/DISCUSSION/ACTION AS DETERMINED
REGARDING THE STRATEGIC PLAN CREATED AND PRESENTED
BY MIGUEL OLIVAS OF THE OLIVAS GROUP.**

Miguel Olivas provided an overview of the strategic plan: infrastructure, broadband, water and waste water, education, and job creation were highlighted as challenges in Gila County. The strategic plan was developed through interviews with each IDA Board Member and meetings with the Gila County Board of Supervisors.

Broadband: The Olivas Group identified over 28 grant sources for broadband infrastructure/resiliency. Miguel said each state receives block grants for broadband infrastructure, CAG would partner with IDA to establish broadband resiliency in Gila County. Miguel highlighted Homeland Security, Federal Communications Commissions, and Arizona Department of Administration as the primary broadband grant sources.

Tim Grier stated that CAG charges a percentage for grant administration, which reduces funds allocated to the project.

Miguel explained the reason why much of Gila County is limited is the lack of coordination and collaboration between all levels of government—local, state, and federal. This is a challenge the Olivas Group could mitigate, if given the opportunity. The Olivas Group proposed extending their contract with the IDA to continue working on the implementation of the Strategic Plan. Cliff Potts asked Miguel to expound on the viable grant sources and implementation strategy found in the Strategic Plan that the IDA could move forward with.

Miguel explained that the best course of action would be to retain a professional to serve as a liaison between elected officials and to help navigate the state and federal programs. The Olivas Group would be willing to work at the discounted rate of \$10,000 for three months. Discussion ensued.

The IDA Board noted current staffing and budgetary restrictions would prohibit retaining a professional at this time, and discussed the need to draft an IDA one year/ three year/ five year plan that would detail staffing needs, budgetary requirements and revenue streams that would chart the course of the IDA for the next several years.

The IDA Board thanked Miguel for his work and offered to stay in touch.

4. INFORMATION/DISCUSSION/ACTION AS DETERMINED REGARDING THE SGCEDC'S INITIATIVE TO ADDRESS THE IMPACT OF LOW WATER PRESSURE ON ECONOMIC DEVELOPMENT IN SOUTHERN GILA COUNTY.

Stan Gibson explained the impact low water pressure is having on economic development in portions of Globe, and suggested the IDA approve drafting a letter to support SGCEDC's efforts in resolving issues with Arizona Water Company.

Mac Feezor asked what steps need to be taken to improve water pressure.

The system needs to be updated, Stan replied.

Cliff Potts and Tim Grier briefed the Board on past issues in Rim Country and proposed a possible solution (although challenging) for Southern Gila County, if issues with Arizona Water Company persist.

On motion made by Stan Gibson and approved by Tim Humphrey, motion to draft a positive letter encouraging Arizona Water Company to upgrade infrastructure to aid economic development efforts passed unanimously by a vote of (8-0).

5. INFORMATION/DISCUSSION/ACTION AS DETERMINED REGARDING THE APPOINTMENT OF A DIRECTOR FOR THE PROMISE ZONE INITIATIVE.

Sandy Palmer shared an overview of the Promise Zone Initiative and highlighted the duties of the Promise Zone Director. The Promise Zone Initiative application must include a Resolution by the Lead Applicant (IDA) appointing a Promise Zone Director.

Discussion ensued. The IDA Board acknowledged the Promise Zone application must meet the deadline; further discussion can be had if a Promise Zone Designation is awarded.

On motion made by Tim Humphrey and seconded by Bob Pastor, motion to appoint Sandy Palmer as Director of the Promise Zone passed unanimously by a vote of (8-0).

6. INFORMATION/DISCUSSION/ACTION AS DETERMINED REGARDING TASK LIST UPDATE.

Brownfield Community Meeting

Tim Humphrey provided an overview of the Brownfields community meeting and Brownfields assessment grant being the first step in the trio of Brownfields grants.

Tim pointed to the success of a Brownfields property in Tempe: Tempe Market Place.

Trena Grantham said Tod Whitwer made it abundantly clear at the Brownfields community meeting that commercial properties must have a phase one environmental assessment prior to bank approval. Having a phase one environmental study will demystify speculation and typically increases property value.

Discussion ensued.

Website

The Board asked to run analytics on the website.

7. EXECUTIVE SESSION TO DISCUSS PERSONEL ISSUES

Tim Grier stated the importance of staff being issued proper notification and being offered the option to sit in on the discussion prior to the Board entering Executive Session to discuss personal issues.

Sandy Palmer acknowledged having proper notification and opted to leave the room prior to the Board entering into Executive Session to discuss personal issues.

On motion made by Stan Gibson and seconded by Bob Pastor, the IDA Board entered into Executive Session at 11:44 a.m.

On motion made by Tim Grier and seconded by Bob Pastor, the IDA Board reconvened in Open Session at 11:58 a.m.

On motion made by Tim Grier and seconded by Bob Pastor, President Cliff Potts was authorized to discuss and negotiate employment compensation, followed by scheduling a special meeting with the IDA Board to brief the Board on changes in employment compensation.

8. INFORMATION/DISCUSSION/ACTION AS DETERMINED REGARDING ANNUAL OFFICER ELECETIONS FOR 2015-2016.

Cliff Potts opened the floor for nominations for the position of President. Bob Pastor nominated Cliff Potts for a third term as President. Stan Gibson seconded the nomination.

Cliff Potts acknowledged the nomination and said having a great Board of Directors makes the role of President enjoyable. On motion to close the nomination made by Stan Gibson and seconded by Bob Pastor, motion to appoint Cliff Potts as IDA President passed unanimously by a vote of (8-0).

Tim Humphrey nominated Fred Barcón for a third term as Vice President. Tim Grier seconded the nomination. On motion made to close the nomination made by Stan Gibson and seconded by Tim Humphrey, motion to appoint Fred Barcón as IDA Vice President passed unanimously by a vote of (8-0).

Tim Grier nominated Stan Gibson for a third term as Secretary/Treasurer. Bob Pastor seconded the nomination. On motion made by Tim Grier and seconded by Bob Pastor, motion to close the nomination and appoint Stan Gibson as IDA Secretary/Treasurer passed unanimously by a vote of (8-0).

9. CURRENT EVENTS

Tim Humphrey provided an update on the apartment project and said it wouldn't have happened without the IDA's Workforce Survey Study-- great feather in the IDA's cap.

Bob Pastor mentioned that he is retiring from FMI in November, and looks forward to being more involved with the IDA.

10. CALL TO THE PUBLIC

11. ADJORNMENT

With no further items to come before the board and upon motion made and duly seconded, the Regular Meeting of the IDA adjourned at 12:09 p.m.

The meeting minutes of September 22, 2015, were approved as submitted on December 8, 2015 by a unanimous decision of the IDA Board.

Fred Barcón, Vice President