

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

Date: Tuesday, September 23, 2014, 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, Stan Gibson, Bill Byrne, Tim Humphrey, Fred Barcon, Gerry Kohlbeck, Tim Grier

Absent: Bob Pastor

Administrative Manager: Sandy Palmer

Guest Present: Robert Blaney, SBA; Bob Davis, Economic Development Director, Payson; Clint Kaasa, USDA; Dianna Jennings, USDA.

Cliff Potts called the Regular Meeting of the Board of Directors of the Authority to order at 10:13 a.m., noting the presence of a quorum.

**1. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF THE BOARD HELD ON JUNE 18, 2014 AND THE SPECIAL TELEPHONIC MEETING OF THE BOARD HELD ON JULY 23, 2014.**

On motion made by Stan Gibson and seconded by Fred Barcon, the minutes of the Regular Meeting held on June 18, 2014 and Special Telephonic Meeting held on July 23, 2014 were approved as submitted.

**2. INFORMATION/DISCUSSION/ACTION AS DETERMINED REGARDING THE PRESENTATION OF THE IDA’S GOALS, VISION, AND MISSION AS A COUNTYWIDE ECONOMIC DEVELOPMENT ENTITY.**

Cliff Potts presented an overview of the IDA’s goals, vision, and mission statement and explained how obtaining the USDA Revolving Loan Fund grant and Technical Assistance grant will advance the IDA’s goals of creating jobs and spurring economic development.

**3. INFORMATION/DISCUSSION/ACTION AS DETERMINED REGARDING THE PRESENTATION OF THE USDA REVOLVING LOAN FUND PROGRAM AND COUNTYWIDE MARKETING EFFORTS.**

Clint Kaasa reviewed the requirements and guidelines of the Revolving Loan Fund. The IDA will utilize an October 1, 2014- October 1, 2015 grant window. The RLF is a perpetual loan fund. There is a need to establish a loan loss reserve for the occasional loan that goes bad.

Cliff Potts reviewed the insurance quotes and coverage. Cliff explained the time constraints, and asked the Board to authorize the Directors to select appropriate coverage for the USDA grant programs.

On motion made by Tim Humphrey and seconded by Mac Feezor, the IDA Board moved to allow IDA Directors to select appropriate coverage for the USDA grant programs.

**Motion passed unanimously by a vote of (8-0).**

Clint Kaasa reviewed the USDA Technical Assistance grant requirements and guidelines, and said the USDA would like to see the IDA reapply for the Technical Assistance grant on an annual basis.

Group discussion ensued regarding federal programs to promote economic development.

**4. INFORMATION/DISCUSSION/ACTION AS DETERMINED TO AUTHORIZE THE AUTHORITY TO OPEN SEPARATE CHECKING ACCOUNTS FOR THE USDA REVOLVING LOAN FUND AND USDA TECHNICAL ASSISTANCE PROGRAM.**

On motion made by Fred Barcon and seconded by Tim Humphrey, the IDA Board moved to open two separate accounts for the USDA grant programs.

**Motion passed unanimously by a vote of (8-0).**

**5. INFORMATION/DISCUSSION/ACTION AS DETERMINED REGARDING THE PROSPECT OF AN IDA CONSTRUCTION LOAN PROGRAM.**

Tim Humphrey presented the idea of utilizing private investor funds for an IDA construction loan program.

Dianna Jennings mentioned the USDA guarantee loan program.

Clint Kaasa said the borrower must be prequalified to utilize the USDA zero down loan program. The income limit is \$75,000 for a family of four on a thirty year mortgage.

Cliff Potts said the IDA construction loan program would follow the same procedure as the USDA loan program. The IDA will need to engage an attorney to draft a loan agreement with the investor, draft the construction loan application, and offer general guidance.

On motion made by Tim Humphrey and seconded by Mac Feezor, the IDA Board passed the motion to contact an attorney to establish (set-up and engage) a construction loan program.

**Motion passed unanimously by a vote of (8-0).**

**6. INFORMATION/DISCUSSION/ACTION AS DETERMINED REGARDING AN UPDATE ON THE IDA TASK LIST.**

Cliff Potts reviewed the list previously distributed.

**Website:** Mac Feezor provided an update on the IDA websites, noting that the calendar of events will need on-going attention. The IDA Board agreed to handle in-house rather than pay for outside assistance.

**E.D. Project:** Fred Barcon provided an update on Griffin Consulting's marketing survey and the economic development project. He explained the fire protection issue with Arizona Water prevented the project from being built on the proposed site. The developers are searching for another site.

**Marketing:** Cliff Potts asked to have this topic moved to the December Planning Meeting for further discussion.

**7. TREASURER'S REPORT FOR THIRD QUARTER, 2014.**

On motion made by Stan Gibson and seconded by Bill Byrne, the IDA Board passed the motion to approve the report as submitted.

**Motion passed unanimously by a vote of (8-0).**

**8. INFORMATION/DISCUSSION/ACTION AS DETERMINED REGARDING ANNUAL OFFICER ELECTIONS 2014-2015.**

Fred Barcon recommended keeping the current Directors in place. Fred stated the Board has made tremendous strides, and it would be counterproductive to change the guard at this time.

Cliff Potts thanked Fred for being instrumental in securing the USDA grants.

On motion made by Tim Grier and seconded by Bill Byrne, the IDA Board passed the motion to reelect Cliff Potts as President; Fred Barcon as Vice President; and Stan Gibson as Secretary/Treasurer.

**Motion passed unanimously by a vote of (8-0).**

**9. CURRENT EVENTS**

No current events to report.

**10. CALL TO THE PUBLIC**

No members of the public commented.

**ADJOURNMENT. With no further action to come before the Board, motion to adjourn made and dully seconded at 11:47 a.m., without objection.**

Approved on December 4, 2014

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Fred Barcon, Vice President