



Minutes of Meeting

REAL AZ Development Council

November 10, 2011 – 12:00pm

Osmer D. Flake Heritage Hall

161 North Main

Snowflake, Arizona

Attendees: Judy Bratcher, Rosalyn Boxer, Tom Poscharsky, Aaron Adams, Nolan Larson, Larry Matyas, Todd White, John Eckersley, John Sorensen, Al Gross, Bonnie Carter, Bob Moffett, David Newlin, Jeff McCormick, Larry Stradling, Melissa Webb, Tracy Mancuso, Naomi Hatch, Hunter Moore, Larry W. Griffin, Homer Vela Elizabeth Flake, Connie Kakavas, Peggy Belknap, Steve North, Tom Doyle, Sharon Adams, Paul Ferris, Gus Lundberg, Eric Duthie, Kelly Jones, Joanne and Craig Guderian

1. Welcome / introductions / guests:

Eric Duthie called the meeting to order at 12:02 welcoming those in attendance. Introductions were made.

2. Approval of minutes from October 13, 2011:

A motion was made by Sharon Adams, seconded by Steve North

To accept the minutes of October 13, 2011 REAL AZ Development Council meeting minutes as written.

The vote was unanimous

3. Corridor orientation & membership update:

Eric Duthie, Taylor Town Manager

Eric Duthie explained what the REAL AZ Corridor is, who we are, what we are trying

to accomplish and our purpose.

The Corridor is comprised of municipalities from Winslow to Alpine, Apache and Navajo Counties and 11 governmental organizations combined in an effort for the purpose of jobs.

Eric said that as a group they followed the demise of the White Mountain Regional Development Corporation (WMRDC) which disbanded in 2006. Governmental agencies would pay a fee but there were questions regarding what each entity received for their fee. In 2007 the Navajo County Regional Economic Development Council was established. Their goals were to:

- Identify regional assets and resources;
- Develop a regional marketing strategy;
- Develop promotional introduction methods;
- and Develop a rapid response to industry inquiries.

In 2009, they were joined by Apache County but were getting nowhere so in 2009 they took remaining funds from White Mountain Regional Development Corporation and used them to hire a consultant to help develop marketing for this region to create jobs so people could sustain themselves here. The Consultant, Lori Martinek with Presentation Plus came up with the Real AZ Development Council (RADC – **Resources, Energy, Access and Lifestyle**). This region has the way to move jobs and people here with our airports, rail systems and interstate. We created an asset inventory to identify assets in each community. We opened a website and made sure all communities posted REAL AZ on their websites to direct people so we could handle inquires. We did all this without asking anyone for funds. We are dedicated to regional success and try to get the word out which is why we have been successful. When money was needed we established bylaws for membership with platinum (\$2000 fee), gold (\$1000 fee), silver (\$500 fee) and bronze (\$250 fee) levels. There are certain things attached to each level. Funds we do have are project money. We currently have each community and some private businesses pledged to be able to take that next step into marketing so people know we are here. We are on Facebook

and will be linked to Twitter. The Corridor asks for continued support to join us and to understand that our goal is regional success for building jobs. Steve North added that when companies see that we have a website, have prepared ourselves as a region and are working on a marketing strategy we will start seeing results.

4. Mining, Utility industry common workforce needs and development:

Judy Batcher, AZ Workforce Connection; Company representatives; NPC

Eric Duthie said a few weeks ago a workforce investment meeting was held. A presentation was made on how a group like this is created and how to identify workforce needs. We are here today to talk about industry issues and what we can do in our area to help create and train a workforce. We need to know what industries need and the type of training required so we can accomplish a local basis.

Judy Bratcher with the Arizona Workforce Connection (WIA) reported that the workforce development through the Arizona Department of Commerce and the State WIA are changing direction a little bit with a strategy initiative which is a way to bring businesses to the area and focus on the businesses we want to attract to help our workforce. At their board meeting they discussed the region and what we are looking to do. The State saw the data and we were able to talk about what is going on here in our area and what we would like to bring in. They were able to relate to what the REAL AZ Corridor is doing and saw that we already have things on the burner. We know potash is coming and the energy is exploding as well. Larry Stradling is here today to address what is happening in the workforce as far as education to help us know how we can bridge the gaps for the local workforce to suit the needs. Judy said WIA wants to know what they can do for training so they can start working on this now instead of when they come. We have some good facilities for training and are trying to use retirees as trainers.

Larry Stradling with Salt River Project (SRP) reported that SRP, Arizona Public Service (APS) and Tucson Electric Power (TEP) have come together and their needs are very similar in the next five to ten years. At their facility in St. Johns SRP has 200 employees. Fifteen individuals are going through training for full time jobs. Out of 200 employees 25 are over 60 and their retirement eligibility age is 55. This is a significant

amount that could be walking out the door soon. They have worked with the Northland Pioneer College (NPC) Advisory Committee to educate and pull people into the workforce and have developed curriculums to meet needs. Programs are offered to individuals who are interested and they can take five semesters to be eligible to walk into a second tier position. The classes are offered by NPC and taught by retired SRP. Mr. Stradling said that four individuals of six who were recently hired by SRP came out of this program. If they can continue to development programs through NPC it will be beneficial to all. This training helps place local people in the workforce.

John Eckersley with Passport Potash addressed the attendees about where they are with their program. He explained that at this point they are doing exploration and have finished 30 holes. They received a report identifying that there is enough potash to mine. They are not sure what type of plant they will have but believe it will be underground mining. It will be a year or so before jobs will be available. Passport Potash is working in partnership and consolidating with two other groups that are also exploring at this time which is good since the lands border. He went on to say that there are not that many potash plants in the country and he has spent lots of time in this community and is excited about the project. Mr. Eckersley Identified areas of employment stating they are looking for all trades so they will need a variety of people who will need vocational training or experience. The plan is to be up and operating within 5 years with 200 – 400 workers, until then they will need construction workers. Their approach will be to look around here first before they go out of the area for employees. The material will be processed here which means it will be granulized to a form that can be purchased. At this time they cannot say how much water will be used for the processing. Potash usually has a life of 30 to 50 years. Mr. Eckersley said progress will be monitored on their website. Thomas Doyle with the Arizona Commerce Authority (ACA) said this is how the Corridor can get information to do research for targeting strategy. The Arizona Commerce Authority will help assist and meet with communities. They are offering a grant and this is what they are looking for so this is a huge opportunity.

Hunter Moore briefly reported that the forest industry project has not yet been awarded but is progressing and should happen soon. He spoke with the White

Mountain Forest Restoration Products and they need heavy equipment operators. They would like to see Northland Pioneer College continue with their job training programs.

Eric Duthie informed Mr. Eckersley that they have support here for the long haul. To see him here today and to get his report is encouraging and this is a great project.

Peggy Belknap with NPC said they need to start with specifics and the information given today is not enough for them to take action at this time. Getting real numbers will allow them to get the information out.

5. ACA RBAC nominations:

Thomas Doyle with the Arizona Commerce Authority (ACA) reported that by State Statute the ACA Rural Advisory Council must be a 15 member voting board one from each county in the State. They let the ACA know what is happening in their county and help advocate. Proposal for the Rural Economic Development Grant are due by January 9, 2012. The grant applications will be reviewed by the Advisory Council.

Eric Duthie added that at the Real AZ meeting last month advisory council representatives for both Apache and Navajo County were discussed. Josh Hall was approached for the Navajo County appointment but has not committed. We need to get some other names and move on. Thomas said the ideal resolution is to have the representatives from a private sector. Eric said it would be good the Corridor to endorse the nominations. David Roberts with the White Mountain Independent was mentioned and he said he has been approached and would be intrigued. His name will be included with the two other names mentioned for Navajo County, John Hall and Travis Merrill. David will be approached if the other two are not interested. Hank Rogers and Bonnie Carter will go back to Apache County and get some names of interest.

6. Brownfield grant Letter of Support request: Winslow or Holbrook

Paul Ferris reported that Winslow, Holbrook, and Flagstaff along with Navajo and Coconino counties have partnered for an assessment grant opportunity offered

through the Brownfield Coalition. The one million dollar grant is available to three or more partnered communities along Historic Route 66 who have been challenged with petroleum products and hazardous substances due to the displacement of Route 66 with Interstate 40. This grant is for the assessment part and is phase one. They are asking for a letter of support from the Real AZ Corridor for forming the coalition.

A motion was made by Tom Poscharsky, seconded by Nolan Larson for the Real AZ Corridor to provide a letter of support Winslow and Holbrook in the forming of a coalition. The vote was unanimous.

7. Partner updates:

Tom Poscharsky – Snowflake: They just finished up the second field of Sorghum for the Bio Mass Plant and are waiting on yield. The company and Snowflake Power are very supportive. There is a 5.7 million dollar federal grant for bio mass plants and they are hoping more will come to this area. They are looking for more test spots for next year. If anyone knows of land or fields that are available please let them know.

Judy Bratcher – WIA: Thanked the Real AZ Corridor for allowing them to be a part of this meeting.

David Roberts - White Mountain Independent: He is working with a financial services firm. If banks are not working for a business need, then he can make this firm available. The firm has between \$500 to \$500,000,000 available for business support. They successfully completed a deal in Show Low last week. If they know of anyone who needs help let him know.

Pinetop have had discussions with the Arizona Commerce Authority

JR Despain – Navajo County: There will be a hearing on the 17th at 6:30 at the courthouse for a variance for another wind project. This will be a good project as there are no neighbors in the area but there are transmission lines for a substation to the Cholla APS plant. Navajo County is “pro energy” and he asked all to come and

support the project which can provide upgraded extra jobs for Navajo County.

Bonnie Carter – Apache County. An Apache County representative is working with the Forest Service on what to do with the burnt trees. A resolution is coming up regarding the Forest Service responsibility in the County. Hank Rogers added that December 6th there will be a board meeting in St. Johns for the upcoming grant money. Coming up to understand why we need a resolution to pass for fire.

Paul Ferris – Winslow. They have completed projects on the west side of route 66, lighting and sidewalks at the western entry and are preparing for work on the east side in middle part of town. The large 911 memorial may be moved to a more prominent location. Finishing massive add to EMS Dept. The Little Colorado Medical Center and Clinic are planning a major expansion. They are processing permits for extension for Flying J truck stop and another opened under new owner. They are waiting for a final announcement on a new prison construction project, which has been delayed until late December.

Hunter Moore – Navajo County: There will be a Lone Pine Dam grand opening on the 23rd at 10:00 a.m. The Four Forest Initiative is moving forward and they are hopeful they will hear something shortly. Steve Pearce was just appointed as the President of the State Senate and since he is from Yavapai County, this may be good news for Northern Arizona.

Hank Rogers – Apache County. The Rodeo Grounds in Springerville will display the burnt symbolic Christmas tree to send to the Capitol for a hearing on the 17th and it will then be taken to Washington as a gesture of federal failure to maintain the forests. Saturday, the Tribal Chairman will host a meeting in which it is expected that the tribe will open the 26 Bar Ranch, which was owned by John Wayne. On I-15 in the Arizona Strip (Nevada-Az-Utah) corner of Arizona 7 bridges are failing. They are talking about a toll road which will re-route a lot of traffic.

Homero Vela – Navajo County. The completion of the Lone Pine Dam project made the dam safer. The potash mining is a great opportunity would be beneficial if we can

facilitate ways to add value to it before shipping it out. He posed the question, "Is there a company willing to come in and package product? Is there another company willing to distribute to the western United States before they go out of the region"?

Nolan Larson – Larson Waste: We have an engine to link in and try to see what happens with the use of municipal solid waste (MSW) for energy production. Weekly he has individuals come in for job applications.

8. Future Agenda items:

9. Next meeting:

Will be held on Thursday December 8, 2011 Noon at the Northern Arizona Training Center in Taylor.

10. Adjourn. The meeting was adjourned at 2:53

The minutes were taken by Kelly Jones, Taylor Town Clerk