



REAL AZ Development Council Meeting Minutes

November 8, 2012

12 PM

Heritage Hall

123 North Main Street, Snowflake

1. Welcome / Introductions:

Eric Duthie called the meeting to order at 12:16 welcoming the attendees. Introductions were made.

Attendees: Eric Duthie, Steve North, Jeff McCormick, Donna Porter, Robbie Loudon, Ben File, Bonnie Stallings, David Newlin, Karalea Cox, Rick Evans, Brenda Hazlett, Gene Hall, Sharon Adams, Elizabeth Flake, Naomi Hatch, Dustin Jones, Ken Bond, Tom Poscharsky, Hunter Moore, Katie Melser

2. Approval of September 20 and October 11, 2012 minutes:

A motion was made by Liz Flake, seconded by Gene Hall

To approve the minutes of September 20 and October 11, 2012 Real AZ Development Council meeting minutes as written

The vote was unanimous

3. Possible designation as a tax-exempt 501(c)(3) organization:

Eric mentioned that the group has been approached by several groups to move towards the 501(c)(3) status. The commerce authority is imploring us to move in this direction because a lot more grant funding opportunities would be available with the status.

David wondered if it would be better to get a 501(c)(6) because they are able to lobby for things more easily than a 501(c)(3). There is limited lobbying available with a 501(c)(3) though. The tax benefits are different. Some money can't be obtained if a 501(c)(6) is used; a 501(c)(3) has a plethora of funding opportunities. It doesn't necessarily mean you have tax exempt status either until the IRS specifically says so. The primary purpose would be gaining access to funding opportunities, not necessarily tax exempt status. This group does not involve itself in political lobbying, but there are different definitions of lobbying. National Bank will give a free checking account. The corridor can't really do

much more without taking a next step, e.g. 501(c)(3). There is not a solid funding stream, and a 501(c)(3) will allow pursuit of that funding. Without the funding and dedicated professionals the group will not grow. The number one thing for this group is to keep politics out of it. The corridor is well respected by the Commerce Authority and it is not seen as a political group. It has been established as the economic development group in the counties. We need to evolve to another level to be able to secure funding; the 501(c)(3) will enable us to try for the other revenue streams. By-laws, memberships, mission statements, values, etc., are already in place, they just need to be converted to be more formal; everything is just waiting approval. Most economic development groups are a 501(c)(3) and also have a line in their by-laws stating that they have to keep out of partisan issues.

**A motion was made by Gene Hall, seconded by David Newlin
To start the process to move the corridor to a 501(c)(3) organization.**

4. Site certification process update:

5. Workforce Sector update:

NPC, Preferred Sands, IBEW, mining; how can workforce training be implemented for it? Companies prefer to work with the local agencies for training and preparing students/employees to go into the field. Intermingling within industries and the type of employees they both want and need (energy and mining). The needs for the industry that is building here tend to be below NAU, but NAVIT and NPC trade programs are perfect for this. One of the issues within the professional level, there are not the people to draw from, they had to go out of the area to staff at that level. Unique challenges because of some locations may be because of regulations or cultural differences. The cultural aspect is probably the biggest obstacle: not understanding each other and priorities. Job descriptions have to be tightened up to be very specific about what is needed. There is a shortage of qualified mining emphasis professionals. Australia and Africa have great training for mining, it would be nice to see something like that. Industry would much rather see communities respond and provide training for the jobs they bring than have to train on the job. APS paid for and provided the results of the study on the economic impacts of the catalyst closure.

6. Grant pursuits & updates:

ACA Vision Grant report is due on the 15th, everything is on schedule. October 2012 target marketing goal setting is complete; November 2012 the e-newsletter will debut. Social media, Facebook, LinkedIn, Twitter frequency is all up, posting at least once a week on all of them and more often if there is something to report. RealAZ news debuts November 12th. The proof will go out to everyone for review. There are currently 412 contacts in the database, send any to add to Lori at ljm@edcgrow.com; the subscription is renewed in October for one year.

Other projects- EDA Economic Adjustment Assistance Grant- focuses on areas that are experiencing sudden economic loss. Lori Martinek provided a timeline for completing the

grant by the 12/15/12 submission date; it was pursued fully for at least a week before they decided there was no way to meet the December deadline because there is so much data that needs to be collected. It comes in cycles though and the next one is in February and we should be able to meet that deadline.

Next up: Identify special sector opportunities. Target Marketing Strategies, by Sector by January 2013. Target Sector Profiles by February 2013 -Future forest/forest management; potash mining, processing, distribution. Development of Target Sector webpages by March 2013.

Other projects and issues: aerial photography-find a vendor/resource for site certification. Grant timeline from start to finish is on time and is approved by the ACA.

7. Next meeting: Tentatively December 13, 2012 @ 12pm @ Heritage Hall

8. Adjourn: The meeting adjourned at 1:40

Minutes taken by:

Katie Melser
Office Assistant
Town of Snowflake

David- RCAD one of the things that is evolving is the 4FRY project. In the Apache Sitgreaves forest the contract is coming to an end. The thinning is moving along and should replace it.

On the 17th a mini conference at Eagar town hall on how to get the forest industry going. It is free, 9-3 Saturday. Flyers will be distributed, watch for an email about it.

Working with Tom Poscharsky and Steve Brophy and others. There is an active company that is working with Catalyst.

Tom- the sole reason for the Town of Snowflake acquiring the Apache Railway is for the economic value in the area. The rail is vital for this area.

Ken- there is a group that Passport has spoken with that is interested in using the Apache Railway and the facilities.

Bonnie- construction advisory meeting; topic of how to promote training- NPC has started to do some in the Snowflake/Holbrook regional areas. Open house when the new training facility opens.

Liz- NAU has career and technical education certificates that don't require a degree first.

Ken- continuing on; preliminary agreement reached with the Hopi; searching for the right partner.

Gene-his group is going to build anywhere to create jobs in the area; willing to help create jobs.

Jeff- always looking for clients

Steve-nothing

Karalea- checking off some boxes; challenge educating the communities on the time frame required; an agreement made with Chinese firm to sell 500,00 tons per year for 10 years; signed a contract with a group for funding; feasibility study out in the next 30-60 days as well as air quality and hydrology.

Brenda- supportive of RealAZ

Hunter- Nolan Larson is in the valley with his daughter going into surgery and support is appreciated.

Met with the Governor's office regarding federal sequestration, very concerned about the cuts that are coming from the federal government. Navajo County, conservatively, could lose about \$400,000; about 8% across the board.

4fry- meeting with forest supervisors re: impact.

Rick- County lost training resource when the paper mill was lost.

Eric- hosting infrastructure meeting in Taylor for Wal-Mart on Wed. the 14th.

Keep a positive outlook.

