



## **REAL AZ Development Council Meeting Minutes September 20, 2012**

**12 PM**

**Heritage Hall**

**123 North Main Street, Snowflake**

### **1. Welcome / Introductions:**

David Tenney called the meeting to order at 12:27 welcoming the attendees. Introductions were made.

**Attendees:** Paul Ferris, Jeff McCormick, David M. Newlin, Bonnie Stallings, Ed Ulrich, J.R. DeSpain, Naomi Hatch, JoAnne Guderian, Craig Guderian, David Tenney, Eric Duthie, Lori Martinek, Tracy Mancuso, Elizabeth Flake, Paul Ramsey, Bill Greenwood, Dayl Seigfried Buchanan Davis, Hunter Moore, Nolan Larson, Teri Walker, Paul Watson, Steve North, Ken Wilk, Royce Kincanon, Jeremy Raiser, Judy Bratcher, Kelly Jones

### **2. Approval of August 9, 2012 minutes:**

**A motion was made by Tracy Mancuso, seconded by Paul Ramsey  
To approve the minutes of August 9, 2012 Real AZ Development Council meeting minutes  
as written**

**The vote was unanimous**

### **3. Governors ED Conference report:**

Eric Duthie reported on the Governors Economic Development Conference he attended stating this gave an opportunity to make contacts and find out what is going on around the State. Steve North said it offered good educational sessions and there was a lot of talk about the Real AZ Corridor so word is getting out. Nolan Larson said Eric did a good job representing Apache and Navajo Counties and the Real AZ Corridor.

Eric said one point made by the Arizona Commerce Authority (ACA) was that the State is trying to get a program to show sights around the State providing information on property size, zoning, and infrastructure. When this is finalized we will need to appoint a subcommittee to get our area certified and to make sure we meet the required standards.

#### **4. EPA Regional Haze rule update:**

Eric said that after the hearings in Holbrook and Benson regarding the EPA Regional Haze issue the Court of Appeals in District 4 made a ruling against the EPA in a similar case. He noted that this was the 13<sup>th</sup> ruling and if a Court of Appeals gives a verdict we will need to adjust things. We sent 884 individually signed letters to the EPA in opposition of the ruling. These letters, a lot of which are from our region, are helping to make a legal record. Eric said we continue to build on the networking of this issue.

#### **5. Catalyst Paper Mill closure update:**

J.R. DeSpain reported on the latest information on the official closure notice for Catalyst Paper Mill in Snowflake. He reviewed procedures that are out to sell the mill and acknowledgment of those who may want to purchase it.

J.R. said the Job Fair held on the 14<sup>th</sup> at Catalyst was very successful and 153 employees attended the fair which had representation from 45 companies. Applications for employment were available with one company receiving 2 applications.

Ed Ulrich with Snowflake Power reported on the history of the company which went on line in 2008. Their plant generates 27 megawatts of electricity they sell to both Arizona Public Service and Salt River Project. The shut-down of the paper mill affects them significantly since they get certain amenities from the mill. The closure will reduce their ability to generate the same amount so they will likely end up with around 24 megawatts. They are talking to Catalyst about purchasing some of their property. They have an agreement with Catalyst to be able to run until June 2013 and they are also working on other water sources. Mr. Ulrich said they currently have 40 – 50 full time employees and will be hiring 10 to 15 more from Catalyst. Their system has to be restructured, reorganized and a series of systems need to be re-piped. Therefore, they will have some down time but this usually happens in October. They burn 600 tons of biomass daily and are testing paper sludge to see if it can be used, if so they would mine that field. Now.

Hunter Moore stated that interested buyers of Catalyst must return a bid on assets by October 1<sup>st</sup>. They will be notified within 3 days if they qualify and all applications will be reviewed by November 1<sup>st</sup>, then buyers will be selected to take over assets. Since the last announcement there are at least 4 interested buyers but there may also others.

Hunter said that last week there was a lot of activity at the State level. The Attorney General's office and the Governor's office tried to get standing as a creditor for Catalyst. He went on to say that for the foreseeable future the rail road will remain active so at this point Apache Railway jobs are secure and in the future the Potash Mines may be interested in the rail way.

Eric said the Corridor is coordinating with Arizona Public Service officials. They have volunteered to pay their consultant to assist in finding answers to frequently asked questions including what the impact of the mill closure will be on communities and the region. Hopefully we will have some data within a few months.

## **6. ACA Vision grant timeline and actions:**

Eric reported that there were 5 organizations including the Real AZ Corridor that received \$50,000 each with the awarding of the ACA Grant. The committee said our package which was written by Lori Martinek was very impressive.

Lori reported there is a lot we need to do to move forward to use the funds and achieve our goals. She will do the paperwork and will be filing monthly progress reports and submit to the ACA for reimbursement. She said we need to immediately start talking about the two target sectors, 4FRI and potash. We need to use the tools we have and she will continue to build the data base, the first issue of the newsletter will be in November. We may want to establish a committee to help determine our goals to achieve short term and long term jobs that will be permanent. Lori went on to say that we have a marketing strategy and to we need to address areas that will create jobs. We need to be proactive to attract other companies we can impact immediately with short term success to get things happening and find people who want to get involved. There will also be indirect jobs that will be needed to accommodate businesses already here. This will make it possible for people who live here to get jobs to be able to stay here. Lori will have more research on this by the meeting next month. The time line is aggressive and she will have the website updated by January on what the Corridor has to offer. Lori asked for input and will use email for responses.

## **7. Site Certification subcommittee updates:**

Eric Duthie reported he will be meeting with the subcommittees to move forward on using the grant money we were awarded. The ACA will be putting this on their website and we need to get on track and work toward this.

Judy Bratcher with the Workforce Investment Act (WIA) reported on the job fair held last Friday at Catalyst Paper Mill and what they are trying to accomplish. Catalyst held 7 meetings with over 150 staff to give an overview of WIA services. They worked with 45 companies, some from out of the State who attended the event. Freeport MacMoran received 112 applications for employees with their company while Navajo County and Purina in Flagstaff hired at least two. The fair was very successful and all who participated were grateful. Catalyst staff has been thankful for the resources brought to them. Several different entities in the area offered help and Northland Pioneer College has seminars to help with employment. They had a computer bank available and held mock interviews to help individuals with the interviewing process. Judy said WIA is continuing to work with Catalyst employees and will work very closely with new business in the area to hire locally. They also have a computer program is capable of checking real-time jobs available in our community. It also creates reports and gives job history which is a great tool for case managers.

Northland Pioneer College is offering a safety class if anyone is interest please let contact them.

Nolan Larson reported that Dave Ramsey will provide a good leadership training program tomorrow in Show Low from 8 - 4. Tracy Mancuso said anyone can sign up through their website and they still have plenty of room.

Northland Pioneer College Career and Technical Services division work with the Corridor and Chambers of Commerce to establish classes for industries as they are introduced to the area.

Dayl Sigfried with Euro Fresh said they have been doing some testing on their water and have cucumber waste they are willing to donate a rancher in the area. They want to support the local community.

**8. Next meeting:** October 11, 2012 @ 12pm @ Heritage Hall – St. Johns will host lunch

**9. Adjourn:** The meeting adjourned at 1:43

Minutes taken by:

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Kelly Jones  
Town Clerk  
Town of Taylor

