

MINUTES

Delta Area Development, Inc.
Regular Board of Directors Meeting

March 5, 2009
12:00 p.m.

The regular meeting of the Board of Directors was held in Orchard City, CO and was called to order by President Brad Harding at 12:00 p.m. Those present were Board Members Rick Saxton (Office Furniture & Design Center), Matt Brezonick (JeHN Engineering), Terry Osborne (First State Bank of Delta), Tom Huerkamp (Office Furniture & Design Center, H/S Properties), Dawn Conrad (US Bank), and Marsha Bryan (RE/Max Mountain West).

Ex-Officio present were: Katie Sickles (Town of Cedaredge), David Varley (Town of Orchard City), John Jones (Delta County School District 50J), Sheryl Williams (Delta-Montrose Technical College), and Tj Davis (Delta Area Chamber of Commerce).

Also present were Deana Sheriff, Executive Director, and Kristin Amundson, Executive Assistant.

There were guests present: Kevin Keefer (Innovative Manufacturing Company), Jennifer Eiler (SOS Staffing), Dave Schism, Renee McRay (Delta Area Chamber of Commerce), Nick Streza (DeerCreek Properties, LLC), Bruce Stanley (Grand Mesa Alpacas), Bill and Amanda James (Hometown Electric), Claudia Cunningham, Doug Schaefer, and Ed Marston (DMEA).

After introductions, Brad welcomed everyone to the DADI Board Meeting.

Quorum of Board, Notice of Board Meeting

President Brad Harding declared that a quorum was present. He stated the meeting notice was distributed to the Board of Directors at least three days prior to this meeting.

Request for Changes to Agenda

Brad asked for any commentary or corrections to the minutes as set forth in the Board Packet; being none, Matt Brezonick motioned for approval; Terry Osborne seconded.

Financial Report

Deana stated that spending was minimal as always. \$750 was a one-time expense to pay the government for the 501c3 status change. The donations from the Town of Paonia and Paonia Chamber of Commerce have already been received for the Energy Expo in Las Vegas. DADI has received \$20,000 from the County and many additional investments so far this year. Deana asked if there were any questions about the financials; being none they were approved.

Old Business

Fundraising

Brad Harding stated that there is a need to set-up a fundraising committee. Deana explained to anyone who might be new, that through a feasibility study and a letter sent out to all investors regarding what methods to be used to fundraise, the majority of investors who replied back expressed that the DADI Board members need to do the fundraising themselves rather than hire an outside firm. Brad asked for nominations/volunteers to work on the fundraising committee. Tom Huerkamp, Matt Brezonick, and Brad Harding volunteered for the committee and nominated Ryan Ellington. Marsha Bryan approved this motion and Brad Harding seconded.

By-Law Committee Report

The By-laws were edited by Ryan Ellington and Tom Huerkamp. Brad asked if there are any changes or additions that need to be made to these revisions. Rick Saxton stated that since we are changing the minimum annual investment level to \$500 (for voting members) that it should read "Contributions made in the amount of \$100.00--\$499.99 annually shall be considered a non-voting associate member." The former sentence read "\$100-\$249.99." Brad Harding clarified that DADI will still be accepting contributions of other levels, however \$500 per year paid either annually, semi-annually, or quarterly will be deemed a voting member. Tom Huerkamp motioned for approval; Terry Osborne seconded.

New Business

Director's Report

Deana stated that a new company locating to Delta, SMC Electrical Products, is working on a specific development application and it will be reviewed by the county on March 12th. They are working out of an office at the Honey Bee Professional Building right now and soon will be taking applications.

DADI is helping with a patent search for a current DADI investor. The product is a device that will help shield reflections from guns etc... and can be used in the hunting industry. DADI cannot reveal any more details until the patent application is completed.

DADI is assisting with a project from Gunnison County because there is not an economic development agency present. The project is for an organic grain mill to be located in NE Delta County/Gunnison County. There is a demand for organic flour and grain and this will be located by Spring Creek. DADI assisted with a USDA grant application.

Painted Sky RC&D just received \$700,000 to rebuild the Heartland Dam. The project will start building in September and open the Chuckar Recreation area and will now help the endangered species as a fish ladder will be included. They plan to hire local construction and engineering companies.

Prospect Report

An electrical component company just located to the area. These are EMP protected data control systems working with electro-magnetic pulses, large scale solar flares and off-site data storage. This was a referral from Montrose. Likes Delta County due to the Homeland Security benefits.

A company has a new product, a revolutionary sawhorse. This is a wonderful product but they are not quite ready yet. Going through the patent process and referred him to local manufacturers. They plan on utilizing existing businesses in the area.

Working with a prospect looking to make a lodge on Grand Mesa handicap accessible. He is interested in possibly teaming up with the Veterans hospital after patients are released from Walter Reed Hospital to offer relaxing services as a retreat. Looking at grant information through the VA.

A company working with oil and gas settling ponds now has a perfect location! They will be located right off Hwy 50 on land already approved for a waste facility, has an existing gravel pit and there will be no harmful effects on wildlife. This will bring 6-10 jobs. Already zoned as a "dead zone" and BLM pre-approved.

Prospect looking at bringing family-sized greenhouses, completely energy efficient, and the goal is to be affordable for a family to operate.

Working with an existing company in Delta County that is merging with another company in Fort Collins. Trying to help retain this company in Delta County.

Papa Murphy's is still interested in locating, looking at some other locations.

Working with a plumbing service company on assistance with cash flow issues, business models etc...

Community Development

Co-gen/Bio-diesel update- There is not much to update on this project. Locations are still being identified and the goal will be to present the project at the citizens' advisory board at DMEA later this month.

Artist Incubator- The folks at the Creamery art center are interested in this project. Deana is meeting with them next week to discuss what equipment would be needed to cater to different needs such as an artist wheel, pug machine, and stained glass supplies.

Annual Meeting

The annual meeting will be held this year, Wednesday April 22nd at the Orchard City Town Hall from 5:30 to 7:00. There are 4 seats open on the board and voting will be done through mail in-ballot this year. There is 1 vote per membership regardless of investment level. Tom Huerkamp volunteered to assist with a power point and work on a committee. Brad Harding and Terry Osborne volunteered to take part in this committee as well.

Potential DADI Name Change

A letter will be sent out to all investors soon regarding the potential name change. The letter will explain a contest that is being held awarding the top 3 names selected by the board. Prizes will include dinner for four, and dinner for 2 for the 2nd and 3rd place winners. The top 3 choices will be voted upon by the members present at the annual meeting.

Change of Non-Profit Status

All the paperwork has been completed by Lewis and Company CPA's to change DADI from a 501c6 to a 501c3 status. Lesley Lewis donated all of her time as an In-kind donation! We received a letter from the IRS that the paperwork has been received but it could still be 45 days or so until the changes are official.

Budget Review

Board members received final copies of the budget and were asked to review it prior to the meeting. It was noted that it is not required in the By-laws to have at least \$40,000 in reserves at all times. This allowed for more room in the budget. Tom motioned for approval to accept the budget, Marsha seconded.

Staff Report

The new website is on the web! There are still a few little quirks involving the server and the transfer from the old site, but the site is up and running. The Commissioner's Tour will be held Friday, April 3rd.

Committee Reports

Town of Crawford—Jim Crook

Absent from this meeting

Town of Cedaredge—Katie Sickles

Absent from this portion of the meeting.

Cedaredge Chamber of Commerce—Carol Ferner

Absent from this meeting.

City of Delta—Mary Cooper

Absent from this meeting

Delta Area Chamber of Commerce—Tj Davis and Renee McRay

There are 3 open seats on the Chamber Board. They have a good variety of business representatives and would love more! The Home and Garden Show is at about 80% booth capacity already. Tj had a meeting with representatives in Montrose regarding a help clinic for businesses to offer strategic marketing, financing and planning. Working with the Spanish community on print materials etc... to reach out and expand. The Business enhancement program has all the lunch training workshops scheduled through August. Coming up is the workshop on Stress in the workplace which will be presented by Robert Lang. The morning network sessions are well attended and they will be starting women in business networking and family and business networking.

Delta County Commissioner—Bruce Hovde

Absent from this meeting.

Delta County Memorial Hospital—Tom Mingen

Absent from this meeting.

Delta County School District—John Jones

The School District is in the process of planning for the next year, and is faced with financial challenges along with everyone else. There will be some reductions from the budget that they will have to account for. Enrollment is down 25 students. The district is looking at more grant possibilities to help Cedaredge Elementary, and still waiting for guidance on possible stimulus money.

Delta/Montrose Technical College—Sheryl Williams

Absent from this portion of the meeting.

Town of Hotchkiss—Larry Jakubiak

Absent from this meeting.

Town of Paonia- Neal Schwieterman

Absent from this meeting.

Town of Orchard City—David Varley

The City submitted their GOCO Grant application. A new display case was crafted for the school house model display. Keeping fingers crossed on new revenues that could come their way.

General meeting adjourned at 1:30 p.m.

MINUTES

Delta Area Development, Inc.
Regular Board of Directors Meeting

March 5, 2009

Deana Sheriff, Executive Director called for a closed session. No minutes were taken for this meeting.

Adjourned at 2:00 p.m.

Respectfully Submitted,

Matt Brezonick, Secretary/Treasurer