

Economic Development Council

Meeting Minutes

April 1, 2021 • 10:00 AM • Doubletree by Hilton, Flagstaff, Arizona
Zoom Virtual Meeting

Presiding Officer – Richard Bowen, Chairman

Attendees	Present/Absent	Number of Absences in 2021
Richard Bowen, Chairman	Absent	1
Paul Ramsey, Vice-Chairman	Present	0
Norman Perry, Chair-At-Large	Present	0
Paul Watson, Immediate Past Chair	Present	0
Art Babbott, Executive Member	Present	0
Steve Ayers	Present	0
Becki Christensen	Present	1
Paul Ferris	Present	0
Linda Hatch	Present	0
Jeff Hays	Present	0
John Heiney	Present	0
Peiter Hjertstedt	Present	0
Keith Johnson	Present	1
Gretchen Kitchel	Present	0
Eric Marcus	Present	0
Steve North	Present	0
Lora Lee Nye	Present	0
Chris Pasterz	Present	0
Julie Pastrick	Present	0
Kelly Patton	Absent	1
Alberto Peshlakai	Absent	1
John Saltonstall	Present	0
Alton Joe Shepherd	Absent	1
Molly Spangler	Present	0
Tim Suan	Absent	1
Maggie Tidaback	Present	1
Keith Watkins	Absent	1

Guests: Dakota King, NACOG – EWD Senior Administrative Assistant; Cindy Blackmore, Town of Chino Valley; Cindi Ptak, EDA; Chris Fetzer, NACOG Executive Director; Tony Alba, Town of Pinetop-Lakeside; Jory Wolf, Magellan Advisors, Melanie Downing, Magellan Advisors.

Staff: Teri Drew, Regional Director

Julia Sawyer, Executive Assistant

I. Call to Order, Welcome and Introductions

In Chairman Richard Bowen's absence, Immediate Past Chair Paul Watson called the meeting to order at 10:07 AM. He asked Julia Sawyer to call the roll. A quorum was present both in person and via Zoom.

II. Pledge of Allegiance

Norman Perry led in the Pledge of Allegiance.

III. Approval of Minutes – February 4, 2021

Past Chair Watson called for a **motion to approve the minutes from the February 4, 2021 meeting; so moved by Eric Marcus, seconded by Norman Perry. The motion carried unanimously.**

IV. Chairman's Update

➤ Membership Committee Appointment – Tim Suan

Past Chair Watson announced on behalf of Chairman Richard Bowen the appointment of Tim Suan to fill the Coconino County vacancy in the EDC Membership Committee.

Chairman Bowen turned the meeting over to Regional Director Teri Drew for the Director's Report.

V. Director's Report

(loss of audio)

➤ District Update

Ms. Drew reported that the primary focus since the last meeting has been on the CARES Act Scope of Work, Economic Recovery Town Halls and the Broadband Strategic Plan. She noted that there have been numerous committee meetings, including the Membership Committee, Tourism Committee and Elections Committee, all of which will be reporting during today's meeting.

Ms. Drew noted that she has received several calls related to EDA with concerns regarding accessing grant funding in the NACOG District. She reported that she has been in communication with EDA and is confident that we will have improved systems moving forward – she urged patience with the process.

Ms. Drew reported that Regional Council approved the 2021 Goals and Priorities List, noting some difficulties and a commitment to improve the process for next year. Ms. Drew noted some factors that impeded the process that will be avoided in the future, such as making sure to reach out to the EDC representation and Regional Council members simultaneously to ensure complete delivery and communication of the expectations. Also, the local elections impeded the process somewhat, with some turnover in elected official seats resulting in brief vacancies on Regional Council. Ms. Drew committed to managing the entire process at the NACOG EWD office to assist in avoiding miscommunication.

As a result of CARES Act funding competition Ms. Drew noted that some NACOG communities quickly went into action to apply for EDA and USDA funding for local community development, infrastructure and broadband projects. Ms. Drew expressed gratitude to Acting State Director for USDA Rural Development Jeff Hays for honoring the EDC's Comprehensive Economic Development Strategy (CEDS) in aligning USDA projects with District goals and objectives.

Ms. Drew noted that EDA has marked a milestone by awarding \$1 billion in CARES Act grants to assist communities and regions respond to the coronavirus pandemic (COVID-19). She reported 9 grants in Arizona, however she is unclear if that included the supplemental planning grant awards to Economic Development Districts and University Centers. The competitive CARES grants are rumored to total around \$3 million in Arizona, while other states have received as much as \$60 million.

Ms. Drew continued to report that the Biden Administration signed the American Rescue Plan (ARP) into law on March 11, which allocated \$3 billion to EDA to assist communities nationwide in advancing their COVID-19 recovery and resilience strategies. No additional EDD allocations have been identified in the Plan.

➤ **Economic Recovery Summit Update**

Ms. Drew reported that with all of the Economic Recovery Town Hall summits conducted during the month of March, the top priority that was identified was broadband. She noted that an informal request for bids went out and NACOG has contracted with Magellan Advisors for the NACOG Regional Broadband Strategic Plan. Magellan Advisors will bring a presentation following her report to lay out their Scope of Work for the Plan.

Ms. Drew stressed the need for everyone's involvement in the broadband planning process, and noted that the NACOG communities will be hearing from Magellan Advisors in an effort to get their help in understanding where we all are in our broadband capacity – please answer their calls and emails to assist in achieving the best possible outcome with the Plan.

Ms. Drew thanked Eric Marcus for his idea to engage Arizona Town Hall in the Economic Recovery and Resilience Summits. She noted that she also requested bids from three consultants for the preparation of the Recovery & Resilience Plan, and contracted with Arizona Town Hall. They conducted the initial Town Hall in September, an Emergency Management Town Hall in January, and have completed the four County Summits as well. Ms. Drew expressed her gratitude to everyone who participated in the Town Halls, which drew more than 100 participants to the table for the important discussion on Economic Recovery and Resilience. Ms. Drew noted that a Tribal Town Hall is being planned to be held within the next few weeks.

Ms. Drew reported that the Summits focused on lessons learned from past and current disasters in each County, and specific actions taken in response to economic injury and disasters were identified, as well as how we can do better in the future. Ms. Drew noted that all four areas cited communication – constant, consistent, clear and correct – needed to be strengthened with a focus on common disasters such as the pandemic, fire and flood. Also noted was the need for stronger relationships, building firm Memorandums of Understanding and community education.

Ms. Drew noted that the final draft Plan should be ready for the June meeting, at which time Tara Jackson, President of Arizona Town Hall, will make the presentation to the EDC. Ms. Drew's effort will be to get a draft out to everyone before the meeting for their review. She paused for questions and comments. Keith Johnson suggested that the Magellan Advisors emails may not be going to the correct people. Ms. Drew noted that she will be sure to provide a comprehensive list of contacts to Magellan Advisors.

➤ **EDD Assessment Schedule Review/Approval**

Ms. Drew introduced the 2021 Economic Development District Assessment Schedule, which identifies the local investment in the District planning process. Ms. Drew noted that she had a conversation with Chairman Bowen regarding this year's Assessment Schedule, and agreed that it would not be prudent to attempt to change the current schedule, which is based on 2010 Census data, at least until the 2020 Census data is released. Ms. Drew recommended the current assessment methodology of \$.09 per capita for each assessed community, with a minimum assessment of \$500. Ms. Drew paused for questions and requested a vote.

Past Chair Watson called for discussion – hearing none, he called for a **motion to approve the 2021 EDD Assessment Schedule; so moved by Norman Perry, seconded by Steve Ayers. The motion carried unanimously.**

With that, Ms. Drew concluded her report. Brief discussion followed regarding when the 2020 Census data will be released, to which Past Chair Watson replied that it is expected in the third quarter of the year.

VI. NACOG EWD-Magellan Advisors Broadband Strategic Planning

Past Chair Watson introduced Magellan Advisors Vice President of Digital Innovation, Jory Wolf, to bring an update on the Scope of Work for NACOG's Broadband Strategic Plan. Mr. Watson noted that Navajo County has also entered into a contract with Magellan Advisors and has begun sending out communications to the Navajo County communities and business sectors. He noted that Magellan Advisors are a nation-wide company, advocating for funding in rural areas for broadband expansion. With that he turned the meeting over to Mr. Wolf.

Mr. Wolf introduced Melanie Downing, Project Manager for the Navajo County as well as NACOG. He shared a power point with a brief overview of their work and the scope of work for the NACOG region. Mr. Wolf emphasized the fact that broadband is a new utility, bearing the same importance as electricity and water for the function of business and the growth of communities. Key stakeholders in broadband expansion include home-based employment and economic development, education/virtual learning, healthcare/telemedicine, public safety/first responders, and digital equity & literacy. None of these would be possible without fast, reliable broadband services.

Mr. Wolf noted the value of broadband for building a "smart" community for emergency management, healthcare, law enforcement, transportation, e-governance and more. The needs assessment of the NACOG region identified the following key conclusions and recommendations toward developing a smart region:

- Aging population
 - Broadband solutions: telemedicine, aging in place, online access to government services.
- Employment, Education & Job Training
 - Broadband solutions: online learning, remote work, economic development.
- Transportation & Mobility
 - Broadband solutions: telemedicine, online learning, remote work, home delivery of goods and services via online retailers.
- Healthcare/Health Insurance
 - Broadband solutions: telemedicine, online access to government services including insurance exchanges.
- Food & Nutrition
 - Broadband solutions: Home delivery of goods & services, online access to government services, telemedicine.

Mr. Wolf demonstrated a map of existing fiber, which goes all around the region, with very little access within the region. He noted the goals of this project to partner with the entities that are providing fiber and to partner with grant agencies in attaining the funding to build in and with others within the region. He noted that there are several providers and electric co-ops within the region that are now looking at the region for opportunities to expand services.

Mr. Wolf noted the broadband planning best practices, which included regionalism for a unilateral planning effort, needs assessment, key partnerships and opportunities, pursuit of funding options and shovel-ready engineering and grant readiness.

Mr. Wolf shared the next steps in the NACOG process, such as the broadband survey for data gathering from businesses and residents to assess the current state of broadband and future needs, stakeholder workshops (including businesses, chambers, associations and land owners, community anchors, local governments and the various services, tribal governments, developers, public safety, transportation, utilities and broadband providers), data gathering about abandoned, existing and planned assets, and grant funding analysis. Mr. Wolf emphasized the need for the assistance of the members of the EDC to gather this data and promote the survey to as many stakeholders as possible. The ask is to:

- Inform Town Halls that Magellan will be reaching out to
- Update Economic Development groups
- Share project information with city and county managers
- Survey promotion – includes a speed test imbedded in the survey to evaluate current broadband speeds
- Project initiation packet – data request distribution
- Local knowledge: economic trends, major developments, issues, challenges, opportunities
- Planning activities: roads, housing, re-zoning, industrial parks, tourism
- Regional and emergency communications
- Contacts: EDC, Regional Council, Broadband Consultants, IT, Public Works, Schools, libraries, fire/EMS, police/911/Sheriffs, transportation agencies
- Who should we be sure to talk to
- Other ongoing broadband initiatives
- Anything else we should know.

With that, Mr. Wolf concluded his presentation and asked for questions and suggestions for further outreach opportunities. Discussion followed regarding the definition of “high speed” internet. Mr. Wolf noted that the average home can get by with 100 megabits for download speeds, however upload speeds are just as important as download, this is where fiber is important to enable better speeds for residents and businesses. Other discussion followed regarding outreach to tribal areas, funding analyses and grant opportunities, county and community engagement and how best to accomplish this task.

Past Chair Watson thanked Mr. Wolf and Ms. Downing for their presentation and introduced the next agenda item.

VII. Elections Committee Report/Recommendations

Past Chair Watson called for Chris Pasterz to bring the report of the Elections Committee. Mr. Pasterz reported that the Elections Committee met, recommended and unanimously approved the slate of Officers for the Program Year 2021-2022. He reported the slate of Officers as:

- Chairman – Richard Bowen
- Vice Chairman – Paul Watson
- Chair-At-Large – Norman Perry
- Art Babbott – Executive Member

Mr. Pasterz recommended the EDC approve the recommendations of the EDC Elections Committee. Past Chair Watson thanked Mr. Pasterz for his report and offered a correction of Paul Ramsey is the proposed Vice Chairman rather than himself. For clarity purposes, Past Chair Watson read the recommendations as corrected – Officer Elections will included Chair, Vice Chair and Chair-At-Large only; Richard Bowen, Paul Ramsey and Norman Perry, respectively. Past Chair Watson opened the floor for nominations – there were none. Past Chair Watson called for a **motion to approve the Slate of Officers as presented by the Elections Committee; so moved by Paul Ferris, seconded by Linda Hatch. The motion carried unanimously.**

VIII. Membership Committee Report

Past Chair Watson called for the report of the Membership Committee, turning the floor over to Paul Ferris, Chairman of the Membership Committee. Mr. Ferris reported a meeting of the Membership Committee on March 23, 2021, to review Membership Considerations. He made the following recommendations on behalf of the Committee, recommending two separate votes:

- **Membership Renewal – Norman Perry.** Mr. Perry is a private sector representative of Yavapai County since 2009 and a member in good standing. He is on the Yavapai County Industrial Development Authority Board of Directors and serves as a member of the Executive Committee. The Membership Committee recommends the renewal of Mr. Perry’s membership for another three year term until April 2024. Mr. Ferris requested a motion to approve. Past Chair Watson called for discussion and **a motion to approve the membership renewal of Norman Perry; so moved by Eric Marcus, seconded by Lora Lee Nye. The motion carried unanimously.**
- **New Membership Applications** – Mr. Ferris reported three new membership applications for two open positions – one for Apache County Private Sector and one for Coconino County Elected Official. The Membership Committee reviewed the three applications received and made the following recommendations for EDC consideration:
 - Coconino County Elected Official – Craig Fritsinger, City of Williams Council Member. Mr. Fritsinger has been recommended by Regional Council member Mayor John Moore of the City of Williams. Mr. Ferris reported that Mr. Fritsinger has extensive economic development experience as a private sector real estate professional. The Membership Committee recommends Mr. Fritsinger to assume the vacancy left by former Flagstaff Vice Mayor Jamie Whelan, whose term expires in August 2021, at which time Mr. Fritsinger may request a renewal.
 - Apache County Private Sector – James Brimhall. Mr. Brimhall is the Operations Manager for Excelligent, LLC – a project management company that supports Department of Energy and nuclear weapons programs. His responsibilities included business growth and marketing, serving the Apache County area. He lives in Navajo County, and was recently appointed to Regional Council as a private sector member. Mr. Ferris noted that Mr. Brimhall’s knowledge and experience of labor market and economic development is extensive, and the Membership Committee recommends him for appointment to the EDC.

Past Chair Watson called for a **motion to approve the membership recommendations of the EDC Membership Committee for Councilman Craig Fritsinger as the Coconino County Elected Official and James Brimhall as the Apache County Private Sector representatives; so moved by Linda Hatch, seconded by Norman Perry.** With no further discussion, Past Chair Watson called for a vote; **the motion carried unanimously.** Past Chairman Watson thanked the Membership Committee for their work on behalf of the EDC.

IX. Tourism Committee Report

Past Chair Watson called on Tony Alba, Chairman of the Tourism Committee, to bring a report on the activities of the Tourism Committee. Mr. Alba reported that the Tourism Committee continues to meet bi-monthly via Zoom. The March meeting focused on two areas – 1) maintaining the Tourism page of the NACOG website; and 2) the next Lunch & Learn opportunity.

Regarding the website, Mr. Alba noted that a working group has met and are developing some ideas for updates, creating a beta page for working the ideas for internal review prior to going live. Mr. Alba noted the goal of the updates is to make a more robust presence for the Tourism Committee with resources and ideas focused on COVID-19 recovery.

The Lunch & Learn session planning for the May 20th target date is focused on fire season and Leave No Trace, responsible tourism. He noted that a working group will meet next week and will begin planning for that Lunch & Learn opportunity. With that, Mr. Alba concluded his report. Past Chair Watson thanked him for the report.

X. Member Comments

Chairman Watson moved to Member Comments, inviting the Zoom participants to report on their community updates first. He noted that in-person Member Comments will be done during lunch. There were no updates from the Zoom members.

XI. Public Comments

Past Chairman Watson called for Public Comments – there were no public comments given. He thanked those who joined via Zoom, and noted that the meeting would be adjourned briefly for lunch.

Following the brief break, Past Chair Watson opened the floor for in-person Member Comments.

Maggie Tidaback began by introducing the new Town Manager for the Town of Chino Valley, Cindy Blackmore. Ms. Blackmore gave a brief overview of her experiences and her 2-month tenure as Town Manager, noting that she will stay apprised of the work of the EDC through Maggie Tidaback. Ms. Blackmore closed by noting that we are all successful together and thanked the EDC for the opportunity to attend.

Lora Lee Nye reported on behalf of the Town of Prescott Valley, noting several projects in the Town. She noted much progress, including sports activities. She noted talks of new businesses going into vacant sites, such as the Sam's Club building.

Jeff Hays gave an update on USDA Rural Development projects and funding opportunities.

Keith Johnson provided a brief update on the Town of Pinetop-Lakeside's efforts during the COVID-19 pandemic to provide outlets for residents to enjoy some of the events, such as the Balloon Festival and Easter festivities within social distancing guidelines.

Linda Hatch provided insights to the Town of Chino Valley Old Home Manor project.

Paul Ramsey reported on the status of the City of St. Johns broadband development project.

Paul Watson reported that he will be finishing up his contract with Navajo County and has been working with his replacement, Rochele Lacapa, formerly of Congressman O'Halleran's office. He reported that the County has seen a significant increase in sales tax, indicating recovery activities as an outcome of the pandemic as well as increases in population.

Teri Drew introduced Dakota King as her new Senior Administrative Assistant and invited him to share briefly about himself. Mr. King expressed appreciation for the opportunity to be in the meeting today and gave an overview of his background.

XII. Adjournment

Past Chair Watson **adjourned the meeting at 12:25 PM.**