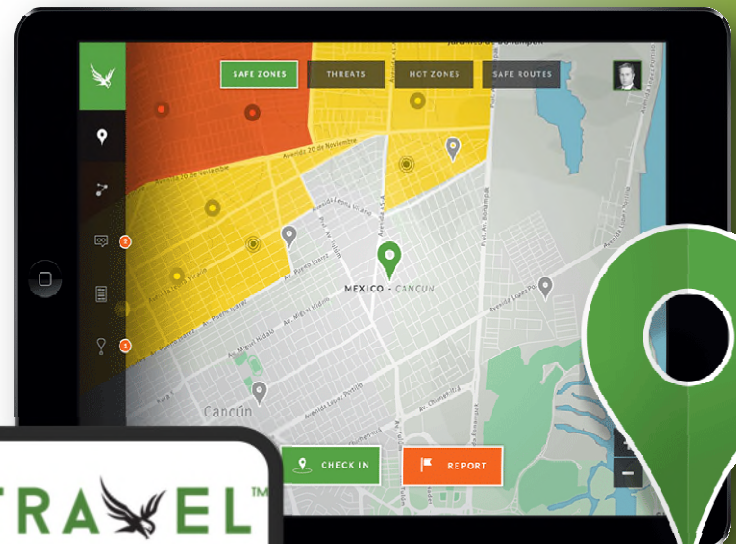


2016 ANNUAL REPORT

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2016 MEDC Annual Meeting Agenda

February 19, 2016

Holiday Inn Express: Jordan Room

1. Registration and Networking 11:30 a.m.
2. Welcome and Call to Order: 12:30 p.m.
★ Secretary verifies quorum
Buck Miller, Chair
3. Recognition of Guests
Buck Miller, Chair
4. President's Report
Sandy Head, Executive Director
5. President's Award
Sandy Head, Executive Director
6. **Keynote Speakers: 1:00 p.m.**
Travel Recon:
Toby Houchens, CEO &
Gary Grappo, Advisor
7. Comments from the Chair
Buck Miller, Chair
8. Election Results
Buck Miller, Chair
9. 2016 Board of Directors
Buck Miller, Chair
10. Adjournment:
Buck Miller, Chair

2015 MEDC Board of Directors

EXECUTIVE COMMITTEE



Buck Miller
Dalby, Wendland & Company
Chair



Tyler Dahl
Alpine Bank
Vice Chair



Norm Birtcher
Montrose Forest Products
Secretary



Steve Stevenson
Del-Mont Consultants
Treasurer

ELECTED MEMBERS



Jay Austin
Retired Radio Manager



Paul Bony
Bony Family Farms



Eric Feely
The Bridges Country Club &
Golf Course



Jim Plumhoff
Devor & Plumhoff, LLC

ELECTED MEMBERS



Corri Schmidt
3M Abrasives



Doug Seacat
Deeply Digital/Cleametworks



Scott Locke
Manufacturing Assoc. Rep.
Gordon Composites



Martin Lutz
Montrose Memorial Hospital

APPOINTED MEMBERS



Joey Montoya-Boese
Colorado Mesa University



Marc Catlin
Agriculture Representative
Montrose County



Ken Norris
Montrose County



Stephen Schiell
RE1-J School District

APPOINTED MEMBERS



Rob Smith
Town of Olathe



David White
Montrose County Alternate



Our Mission

The Montrose Economic Development Corporation (MEDC) is a non-profit organization governed by a volunteer Board of Directors, comprised of community business members and elected officials. Our organization represents the communities of Montrose, Olathe, Nucla, Naturita, and Montrose County. Operating funds are provided by MEDC memberships from businesses, local government, and individuals, who are united in their support of the future economic strength and diversity of our community.

Montrose Economic Development Corporation's focus areas include; Retention/Expansion of Existing Companies; Attraction of Targeted Companies; Entrepreneurial Job Development; Agricultural Development; and Work Force Enhancement.

The Mission of MEDC is to strengthen Montrose County's economic base and increase the standard of living for all of its residents through the retention, expansion, attraction and development of primary jobs and capital investments. This Mission includes the promotion of workforce enhancement, agriculture advancement and other business development that provides economic diversification and stabilization.

THE PURPOSE OF ECONOMIC DEVELOPMENT

"To Positively Influence Economic Change"

- **Wealth Generation**
- **Economic Diversification**
- **Job Growth & Preservation**
- **Building the Local Tax Base**



*"Quality of Life Begins
with a Good Job"*

Comments from Our Chair



Buck Miller, Chair
MEDC Board of Directors

To Our Investors:

Another year has flown by, and as usual, it has been busy and productive at MEDC.

On the new business front, we continued the efforts begun in 2014 to assist Mayfly Outdoors to move its headquarters to Montrose. This is a total team effort involving the City, the County, the State and MEDC, and will result in preserving Ross Reels in Montrose as well as bringing in other Mayfly companies. That joint effort has taken cooperation and coordination and is very close to completion. In addition, we facilitated the incentives for Travel Recon, a new business startup that is totally of our new digital age. It is exciting be part of generating job growth for our Montrose community!

We say goodbye this year to Joey Montoya-Boese and Jay Austin. Joey is the liaison for MEDC with CMU and has been an integral part of MEDC's efforts to facilitate CMU's presence in our community. Joey is moving on into a new arena, and we wish her luck, but will miss her. Jay has been a big contributor to MEDC for the past 5 years. He and his wife are expecting their first grandchild, and like all grandparents, plan to visit and spoil the new addition on a regular basis.

Our slate of candidates for 2016 includes four incumbents who have agreed to run for reelection: Martin Lutz, Montrose Memorial Hospital; Norm Bircher of Montrose Forest Products; Steve Stevenson of Del-Mont Consultants; and Eric Feely of The Bridges Golf Course Community. In addition, Katee McCollum of Ridgway Valley Enterprises and Dan Sites of Wells Fargo have agreed to run. We are indeed fortunate to have such a strong slate of candidates who are willing to join us and help us achieve our mission.

Speaking of our mission, I am always surprised to find that there are those in our community that don't share my enthusiasm for economic development. Both the County and the City have been advised by concerned citizens that providing incentives to attract new business and jobs to our area is not warranted and an unacceptable use of tax revenue. Fortunately for our community, our elected officials have not listened to this counsel. I clearly disagree with that view, and have a hard time understanding that thought process. It is my opinion that the purpose of local government is to provide for the safety and wellbeing of the citizens of our community. Thus we have police and sheriff and infrastructure and services. But wellbeing goes beyond those: wellbeing means planning and providing for the future of a community, which requires growth. Communities that don't grow wither and die. We drive through these communities any time we travel to visit friends and see the sights. Growth requires jobs. We get reminded of the importance of jobs every time we have an economic crash. It wasn't that long ago that we had unemployment at a 10% rate and higher. So utilizing tax revenue to incentivize businesses to locate in our community and bring their jobs and growth is absolutely an important use of tax revenues.

Let's review some facts. In 2008, MEDC surveyed 23 companies that have received assistance from MEDC with 18 companies responding. Those companies provide 1,250 direct jobs and \$33.5 million in direct payroll each year. Those direct jobs and payroll generate 1,550 indirect jobs and \$26.5 million indirect payroll. These companies received a onetime incentive of \$1.6 million. So a \$1.6 million dollar one time incentive yields 2,800 jobs and \$60 million in annual payroll in our community. Based on Montrose County Employment by Industry in 2007, according to the Colorado Department of Labor statistics, this represents over 18% of the total jobs in the County and over 12% of the total payroll. So without MEDC and its partners in economic development, roughly 1 in 5 jobs in the County would not be here. And since most of those jobs are in the Montrose area, that impact would be even greater here. If you assume that each of those jobs supports a family of four, the population of Montrose County would be 10,000 less than it is today. We'd be shrinking, not growing.

The importance of economic development in a community is so obvious that most of us assume that everybody knows that. Not so. And so those of us who get it need to go forth and share the story. We need to make sure everybody knows how important economic development is to our community, and that it is absolutely ok for the City and the County and the State to expend funds to support economic development. And it's totally important for all of us to continue to support MEDC and our absolutely critical role as facilitator and coordinator of the process. **We appreciate your support!**

Annual President's Report

We are pleased to present the MEDC annual report to our investors and our community. This report highlights projects MEDC has been involved with during 2015 as well as other business activities that have contributed to the economic growth of our community. We have included articles from our educational institutions as well as demographics and information that encompass our entire county. We hope you will find our report interesting and informative.

New Start-Up: Travel Recon

The Telluride Venture Accelerator (TVA) is our newest economic development partner. The TVA invests resources in entrepreneurs with innovative high growth businesses. They provide a 5 month mentorship program to qualifying companies that includes startup funding. The companies that graduate from this program could provide exciting opportunities for Montrose if we can make it attractive for them to relocate to our community. Travel Recon is a 2015 graduate of the TVA program.

Thea Chase, the Director for TVA, reached out to our office regarding Travel Recon and the potential for Montrose. MEDC put together a proposal outlining the advantages of locating in Montrose along with possible incentives. A key advantage for Montrose is the fact we are located in an "Enhanced Rural Enterprise Zone". This designation provides businesses in our county with certain State income tax credits. The investors for Travel Recon qualified for a credit called the Enterprise Zone Advanced Industry Investment Tax Credit. This program allows investors for a certified company to receive a 30% State income tax credit on the money they provide to the company. Michelle Haynes with Region 10 worked with MEDC to ensure the proper applications were in place. MEDC assisted both Travel Recon and their individual investors in working through the process. MEDC provided resources to help them secure office space and found a rental home that would be available when they arrived in Montrose.



Sandy Head
MEDC Executive Director

Montrose Board of County Commissioners provided funding to cover the cost of the hardware and installation required to bring increased broadband fiber to their office space. Additionally, MEDC provided funding for their business signage. Travel Recon plans to create 28 jobs by 2017. As of this report they have 14 employees.

As a community we seek to increase the number of lone eagles who live in our community. Lone eagles are individuals who live here and work for a company outside of our area. Travel Recon is a company that is just the opposite. They will have their corporate headquarters in Montrose while employing lone eagles throughout the world.

Montrose Proximity Space

The Montrose Proximity Space, which was created by Josh Freed and Dennis Lankes of Abrams Strategic Group, and funded in part by the City of Montrose, provides a perfect co-working environment for lone eagles. It is an innovative way to attract additional entrepreneurial activities to our community and can be a tool to attract TVA launch companies to Montrose. The City of Montrose provided the 2015 TVA companies with a tour of Montrose and the Proximity Space. Each company was offered one year of free space in the Proximity Space if they located their company in Montrose. Dennis Lankes was one of the mentors to Travel Recon when they were in the TVA program. Both Dennis and Josh play a key role as one of our economic development partners.



More about the TVA... The Telluride Venture Accelerator (TVA), a program of the Telluride Foundation (a 501(c)(3) community foundation), invests human and financial capital in innovative enterprises with the aim of building and strengthening the entrepreneurial community in the Telluride region to create a self-sustaining entrepreneurial ecosystem bringing innovation, jobs, ideas and a renewed dynamism to the region. Now in its fourth year, TVA has supported 23 companies, logging over 1,000

hours in volunteer mentor time in 2015. TVA graduates have raised over \$12 million in investment capital, created 75+ jobs with over 60% staying in Colorado.

TVA will soon be expanding its programs and collaborating with other regional business development organizations to create a "Southwest Innovation Corridor," as a result of two new grant awards from the U.S. Economic Development Administration (EDA) and the Colorado Office of Economic Development and International Trade (OEDIT). Along with the Telluride Foundation, the EDA and Colorado OEDIT, TVA is supported by individual donors, foundations, governments and corporate sponsors – notably the Blackstone Charitable Foundation, Johnson Family Foundation, The Town of Mountain Village, Cooley LLP, IBM and Softlayer, ASAP Payroll, Colorado Impact Fund and the Kauffman Foundation. For more information on TVA, visit www.tellurideva.com

Retention & Expansion 2014-2016: Mayfly Outdoors

Mayfly Outdoors has been a project of MEDC, the State of Colorado and our local government partners since August of 2014. Mayfly Outdoors purchased Ross Reels, a company located in Montrose, in December of 2013. In addition to Ross Reels, Mayfly Outdoors is the holding company for Able Reels and Charlton Reels. The company goal was to consolidate the three companies. In October of 2014, after several months of negotiations, Mayfly agreed to accept the offer made by our team. On October 12, 2014 Governor Hickenlooper made the official announcement that Mayfly Outdoors would be expanding their headquarters to Montrose CO.

Economic Development can take a long time especially when working with many entities to put a project together. As of February 2, 2016 all contracts were agreed upon. Since September 2014, when the project was introduced to the State EDC, Mayfly has increased their employment level by 9 jobs bringing their total employment up to 28. To date they have brought \$500,000 worth of equipment into their plant with plans to add another \$400,000 in equipment in 2016. We appreciate the hard work done by our economic partners and the patience and persistence of the Mayfly Group. Together we made it happen!

Expansion: Best Sign Systems giving back to Montrose since 1984:

Best Sign Systems relocated to Montrose from Kansas City MO in 1984 through the efforts of MEDC. Best Signs is a custom interior sign manufacturer specializing in ADA compliant signs. Best's products can be found in hospitals, school and industrial buildings though out all fifty states, Canada and Puerto Rico.

Steve Savoy, the current owner, purchased the company in 2003. Steve brought new energy to the company and expanded the business in 2007 through the purchase of Tactile Graphics out of Raleigh North Carolina. MEDC provided Best Signs funding to offset the cost of moving Tactile Graphics to Montrose based on the creation of additional jobs. In 2013 Steve expanded his company again through the purchase and relocation of Garnet Sign Studio in San Francisco. To accommodate these acquisitions, Steve expanded their existing plant with a 6,000 square foot addition. Within the new facility a clean room was built to create a dust free environment for a new printer that creates environmental graphics and signs with 2 1/2 D printing capabilities. Steve injected \$750,000 in capital improvements into the Montrose economy through his expansion. Best Signs was nominated by MEDC and was chosen as one of "Colorado's 50 Companies to Watch" in 2010. This award is given by the State of Colorado recognizing our top growth companies. Steve's entrepreneurial spirit demonstrates the fact that our investment in primary companies and the jobs they provide have a payback to the community much greater than the incentives first provided to attract them to Montrose.



Prospects:

MEDC worked with the State Office of Economic Development on 4 statewide prospects throughout the year. When we submit a proposal, we are required to identify specific properties and the ownership of those properties. If we cannot match the criteria our proposals are not considered. Our real estate investors are a valuable tool for us when these opportunities arise.

In addition to State prospects, we worked with 9 other companies 4 of which are start-ups. It takes a lot of time and resources to work through the viability of a startup. Many times you find they have great ideas with very few resources to back their plan. Such was the case with 3 of the startups. One of these companies is still in the process of putting their plans together and we are supplying them with connections to the resources they need. We are working with three companies who would like to expand to our area. Expansions are expensive and there are a lot of pieces to put together. Just as with Mayfly Outdoors, these things do not happen overnight. Confidentiality is a key element in what we do. Prospective companies expect and deserve to have their information held in strict confidence. Unlike government agencies, MEDC has the ability to work under these circumstances. We will continue our efforts and will work within in a confidential arena with our economic partners.

Manufacturer's Edge / Manufacturers Connect

Manufacturer's Edge is a statewide assistance center dedicated to strengthening and growing the Colorado manufacturing community. Manufacturer's Connect is managed by MFG Edge in partnership with Colorado State University. It is a type of search engine focused specifically on the manufacturing industry in Colorado. Information is gathered from websites, industry databases and from companies that submit content directly. The goal is to have all companies in the database. MEDC invited Monty Rutherford, from MFG Edge, to come to Montrose and lead a lab at CMU for our manufacturing companies. Two labs were held and more than twenty companies came and loaded their information into the site. We will continue to meet with our local companies and work with them to get their information into the data base. Companies will be able to discover suppliers close to their facility to find out what other manufacturers need and uncover product or capability gaps that might exist. Information can be found at www.manufacturersedge.com

Broadband: 1 Gigabit and Beyond



The conversation began to gain momentum in September 2011 when a group of individuals traveled to Silverton to learn about Eagle Net and their grant to build a fiber loop around the State of Colorado bringing redundancy to our anchor institutions. After that meeting, our group decided to form a Local Technology Planning Team (LTPT). Sandy Head from MEDC and Peter Crowell, a board member of Region 10, agreed to serve as co-chairs for the LTPT. Additional core team members were; Virgil Turner- City of Montrose; Jason Cook – One Track Communication; and Chuck Vanderwist, a local provider. We were later joined by Steve Metheny with DMEA and other interested individuals, and key organizations. Our group reached out

to all communities within Region 10. The LTPT was able to bring providers and government representatives together to sit at the table and learn about what was currently available, what the needs were and to gain a better understand of fiber and the different stages necessary to bring it to end users. The realization was that lighting up the world in fiber would be a monumental project that would take millions of dollars and a lot of collaboration to make things happen. Since those first meetings in 2011 a great deal of progress has been made.

In April 2014, the citizens of the City of Montrose voted to allow the City to opt out of Senate Bill 152 which prohibited governments from providing telecommunication services. This opened the door for the City to assist in the advancement of broadband fiber in the city limits. Since 2014 the City has extended the main fiber line (middle mile) into key areas of our community that has benefited a number of our primary employers and other businesses though out the city.

In 2015, Region 10, through the leadership of Michelle Haynes secured grants from the Colorado Department of Local Affairs, (DOLA) for \$5.2M and a \$1.2M grant from the Partnerships for Opportunity, Workforce, and Economic Revitalization (POWER) to jump start a region wide effort to bring increased broadband to our area.

Delta-Montrose Electric Association, (DMEA) furthered the advancement of broadband to our communities in December of 2015 when the board of directors voted to approve a fiber-to-the-premise (FTTP) business plan to bring reliable broadband internet service to citizens of Montrose and Delta Counties.

All of these initiatives will take time and a lot of resources. Our hope is that our local companies who provide various services will benefit with additional business as these entities move forward. Montrose has 1 Gb service available in many places throughout the community. We look forward to the day when it reaches every business and every home.

Agriculture in Montrose County

Food and Agriculture is the largest industry in Montrose County. The market value of products sold in 2012 totaled \$103,221,000. According to the US Department of Agriculture this figure is up 54% over the 2007 total of \$67,160,000. The figure includes both crop and livestock sales.

We are pleased to include an article in our report on South River Aquaponics. South River Aquaponics will not only be growing organic food, they will be growing jobs and the Montrose economy at the same time. See their story in this report.

In 2015 MEDC began working with two separate companies to explore the possibility of introducing new crops to our valley and increasing production on various crops that are currently grown here. Both projects would include processing. These companies have a market for the crops that would be grown here. Additionally, they believe our soil and weather conditions will reap profitable production levels which will benefit our growers. Attrition in every industry is a reality; therefore prospects such as these are important to pursue. The MEDC Board of Directors has voted to make Ag projects a priority for 2016.



Sadly, Montrose will lose one of its major agriculture entities this year: **Whitfield Dairy**, the largest dairy in Montrose County, will cease its milking operation by mid-summer 2016. Ryan and Rick Whitfield will continue feeding the younger cattle in their operation for the next six to twelve months as they work to prepare their dairy land for sale. The closing of this dairy will have a negative impact on our Ag community in multiple areas.

Whitfield dairy employs 30 individuals. Once the milking operation ceases, the number of jobs will be reduced to 6-8. These individuals will help with the farming side of their operation. There are a number of farms in the community who have grown feed solely for the dairy. Approximately 3,500-5,000 acres of corn and feed that was being grown to supply the dairy now has to be shipped out of the area and sold. The Whitfield brothers own a large amount of farm ground throughout Montrose County. Even though the dairy will be closing, Ryan and Rick plan on remaining in agriculture.

Every industry sector evolves in some fashion throughout time and it is no different for the agriculture sector. We need to continually look for ways to improve processes and increase profitability for our agriculture community. It is our open vistas and agriculture lands that make our area a place people want to call home.

Tidbits and Highlights

Each spring the Economic Development Council of Colorado, (EDCC) gives awards to communities, companies and legislators on behalf of the State of Colorado Economic Development group. Montrose Forest Products received the **"Company of the Year"** for 2015. This was the first time a Montrose Company has received this recognition.

In June the MEDC Board of Directors held a planning retreat. They reviewed what had been done in the past and discussed how the organization should move forward. The Board decided to focus on 3 initiatives: 1) Business Recruitment; 2) Workforce Enhancement and Development; 3) Investor Relations - recruiting and community awareness. The Board will develop these 3 initiatives by implementing 3 strategies: 1) Reestablishing MEDC's role as Economic Development Leader in the county. 2) Addressing organizational sustainability (long /short term) and 3) Recruitment and support of businesses.

We work with the West End EDC as they strive to increase their economic development opportunities. We also focus on growth opportunities for the Town of Olathe. Rob Smith, Mayor for the Town of Olathe serves on our Board and we work one on one with Patty Gabriel, Town Manager.

The Maker Space that was launched in 2014 ran into rough circumstances and the concept did not come to fruition. The board had obtained a 501C-3 status and rather than terminate the organization it has been restructured. We have a strong group of community leaders who have pledged to make the concept a reality. Individuals who have stepped up to serve are: Chuck Vanderwist, Chair; Josh Freed, Proximity Space; Vince Fandel, Region 10; Virgil Turner, City of Montrose; Joe Rocchia, Swiss O Matic; Jenni Sopsic, Chamber of Commerce; Bill Green, 3G Manufacturing; Steve Schiell, RE1-J, Joey Boese, CMU, Jim Austin, and Sandy Head, MEDC. Our group will meet monthly to devise a plan to move the concept forward. (Note: Joey Boese has been instrumental in our process, however, she is no longer at CMU)

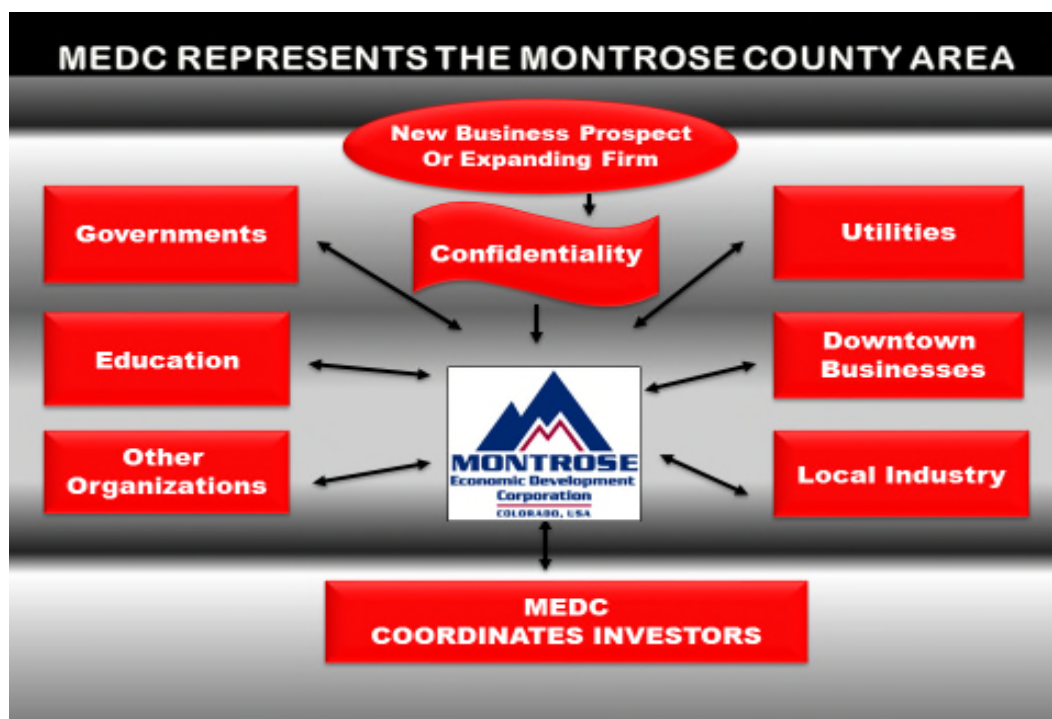
Many activities that we deal with daily may never hit anyone's radar nor do they make headlines. We continue to write letters of support for initiatives that will build a better economy and that will protect the assets and jobs we have. For example: MEDC supplied letters of support for Delta Montrose Electric Association, Montrose Forest Products, Tri-State GTE, Montrose Recreation District and Montrose County. We help entrepreneurs of all types regardless of the numbers of jobs they plan to create or the type of business. People need a place to go for help and we strive to become their first stop. We direct them as to their next steps and connect them to individuals and organizations they need to meet with.

The work that we do would not be possible without our economic development partners who help turn projects into realities. Our investors are the fuel for our economic engine. Private funds make up 99% of our budget. Unfortunately we are at a point in time when government funding has greatly decreased. We are grateful for Montrose County and the Town of Olathe for the financial support they do provide. It is essential that we increase our funding base in order to continue our efforts. We appreciate the support we have and hope that those who believe in our mission will continue to invest in us and our community.

I want to thank my dedicated Board of Directors, who take time out of their busy schedules to provide strong leadership to our organization. The work that they do is critical to our success. I want to give a special thanks to Buck Miller who serves as our Chair. Buck is a native to Montrose and his knowledge of our community is a tremendous asset to our organization.

I also want to acknowledge and thank Patricia Cummings my assistant and partner in the day to day activities of MEDC. Patricia is a priceless part of MEDC. She is dedicated to our organization and our mission.

Lastly I want to express extreme gratitude to our investors. Because of the financial support you provide, MEDC will continue its mission to build a stronger economy for Montrose.





Toby Houchens

Founder and CEO of Travel Recon, LLC

Toby Houchens is the Founder and CEO of Travel Recon, located in Montrose, Colorado, a travel and risk management company providing destination intelligence for individuals, companies, and organizations traveling and conducting business abroad.

Graduating from the University of California, San Diego with a Bachelor of Science Degree in Neuroscience and a Master of Science in Biology, Toby joined the U.S. Army where he became a medic in the Army's Special Forces Regiment, more commonly known as the Green Berets. Serving in the Army for over 10 years, Toby was stationed around the world in high threat areas advising senior military and U.S. government officials, dignitaries, and engaging with the locals gaining first-hand experience on security in complex environments, strategy, and unconventional warfare. During this time, Toby became an expert in risk management and mitigation in potentially hostile environments.

After leaving the Army, Toby received his Master's degree in International Relations. Combined with his professional experiences, Toby brings with him dedication to unconventional techniques, a proven leadership presence, and a capability to empower travelers and companies with high-quality special operations-grade destination intelligence and professional risk management services.

Gary Grappo

Advisor, Travel Recon

Former Ambassador Grappo was a former U.S. Ambassador to Oman, the Minister Counselor for Political Affairs at the American Embassy in Baghdad, Iraq, and the Head of Mission of the Office of the Quartet Representative, the Honorable Tony Blair, in Jerusalem. He built a career of over 20 years around public service with the U.S. Department of State posted around the world. His diplomatic postings are marked by some of the late 20th and early 21st centuries' most difficult foreign policy challenges, from Nicaragua and the "Contra" War to the fall of the Soviet Union, and the many crises of the Middle East.



During his Foreign Service career, former Ambassador Grappo received numerous awards including the Secretary's Career Achievement Award; the State Department Superior Honor Awards; and the Senior Foreign Service Presidential Award for his ambassadorship in Oman.

Former Ambassador Grappo is currently a Distinguished Fellow at the Center for Middle East Studies at the University of Denver's Josef Korbel School of International Studies. He earned his Bachelor of Science degree from the U.S. Air Force Academy, Master of Science degree from Purdue University, and MBA from Stanford University's Graduate School of Business.

Travel Recon, LLC continued ...

Travel Recon is a veteran-owned company providing individuals, businesses, and organizations with special operations-grade destination intelligence on cities around the world through an easy-to-use mobile and web platform.

By providing them with the necessary intelligence tools to proactively respond to, or mitigate against, potential threats they may encounter, individuals are empowered to make better informed decisions about their travel arrangements, and businesses and organizations can provide a higher level of duty-of-care for employees and clients while ensuring a safe and productive trip.

Travel Recon offers several affordable and customizable travel risk management solutions to any individual's, business's, or organization's needs.



- ★ **GoRecon** is a free crowd-sourced mobile app providing allowing our Scouts to experience "Safety in Numbers" and the power of real-time community reporting of events going on around them.



- ★ **Travel Recon Basic** is our subscription-based platform for the savvy traveler looking for an additional layer of intelligence to help them make informed decisions, and businesses and organizations **looking** to provide the initial level of duty-of-care for employees and clients.



- ★ **Travel Recon Pro** is our premium solution for businesses and organizations interested in creating an advanced level of corporate compliance and duty-of-care for their employees.

www.TravelRecon.com www.GoReconApp.com





Montrose Regional Airport

Annual Economic Impact on the Local Economy

The economic impact of Montrose Regional Airport (MTJ) on its local economy was estimated as a part of CDOT's statewide study. The economic contributions of Montrose Regional Airport stem from on-airport activities and off-airport spending by visitors who arrive in Colorado via the airport. The economic contributions of these activities are measured through jobs, associated payroll, and economic output.

On-Airport Impacts

On-airport activities considered in this study include the administration, operation and maintenance of Montrose Regional Airport as well as the activities of airport tenants that provide aviation services or support the airport's customers. Airport operators routinely undertake improvement projects to maintain or expand infrastructure. The study also identified the economic impact of capital investment spending which supports jobs and payroll in the local economy over each project's duration.

Annual Airport, Tenant and Capital Improvement Economic Impact for Montrose Regional Airport

	Initial	Multiplier Effect	Total
Jobs	318	236	554
Payroll	\$22,195,000	\$9,644,000	\$31,839,000
Output	\$58,150,000	\$29,839,000	\$87,988,000

Visitor Impacts

Visitors travel to Colorado on commercial airline flights and general aviation aircraft to conduct business or vacation in the state. Annually, 75,000 visitors arrive in Colorado via Montrose Regional Airport. Some stay only for the day, but others stay longer and have higher spending rates. Air visitors spend money locally on food, lodging, transportation, entertainment and retail purchases. Visitor spending in turn supports jobs and payroll while producing additional economic impacts through multiplier effects.

Annual Visitor Economic Impact for Montrose Regional Airport

	Initial	Multiplier Effect	Total
Commercial Airline Visitor Impacts			
Jobs	962	338	1,300
Payroll	\$27,636,000	\$12,415,000	\$40,051,000
Output	\$77,694,000	\$39,918,000	\$117,612,000
General Aviation Visitor Impacts			
Jobs	134 47	181	
Payroll	\$3,819,000	\$1,716,000	\$5,535,000
Output	\$10,644,000	\$5,516,000	\$16,160,000

Annual Tax Impacts

The economic activities related to the airport and visitors using the airport generate significant local and state tax revenues. Visitors pay taxes on lodging, rental cars, restaurant meals, and other purchases. Workers whose jobs are supported by airports and visitor spending also pay sales tax and state income taxes. Annual local and state taxes linked to the operation of Montrose Regional Airport total \$9.5 million.

Total Economic Impact of Montrose Regional Airport

Over the past five years, the aviation industry has been impacted by increased fuel costs and a lagging U.S. economy. This has resulted in consolidation in the airline industry, fewer new general aviation aircraft being manufactured in the U.S., and an overall reduction in flights. For some Colorado airports, the contraction in aviation demand over the past five years translated into lower economic impacts. In other instances, demand and economic impacts may have increased or remained constant, despite downturns.

Together, airport, tenant, capital improvement and visitor impacts, along with multiplier effects, represent the total economic contribution of Montrose Regional Airport. The airport's economic contribution to the communities it serves is \$221.8 million in output and 2,035 jobs, with an annual payroll of \$77.4 million.

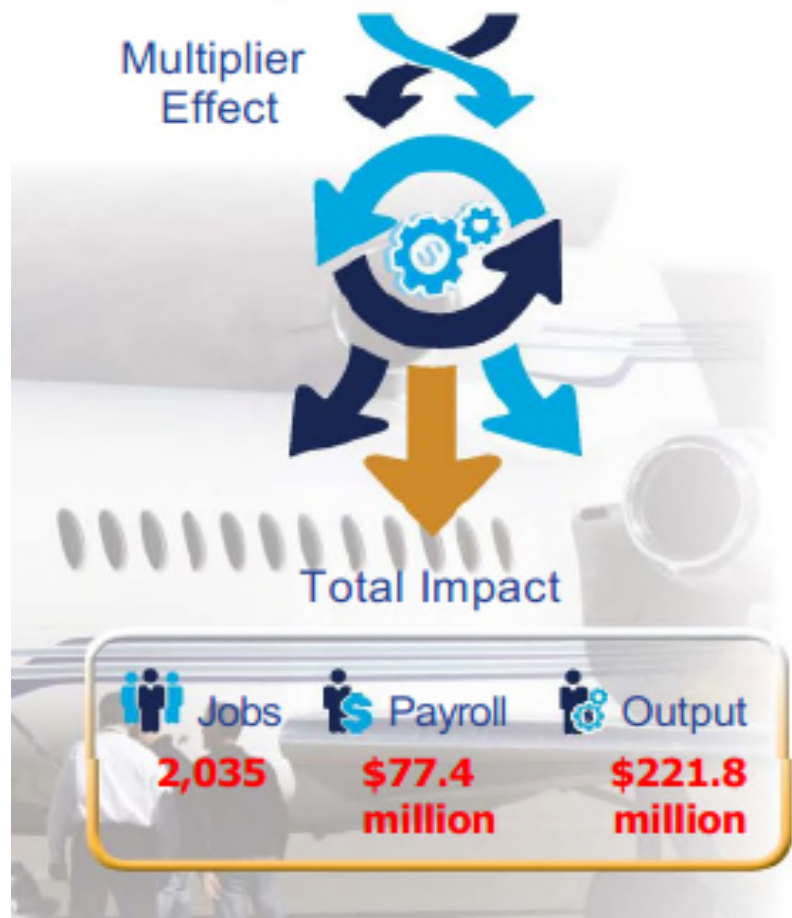


How the Economic Impact of Montrose Regional Airport was Calculated

Initial Impact



Multiplier Effect



Total Impact

 Jobs	 Payroll	 Output
2,035	\$77.4 million	\$221.8 million



The Colorado Mesa University Montrose Campus continues to be a thriving part of the university. Serving over 300 students on campus and online, the Montrose Campus provides access to associate of art (AA) degree completion tracks, general education classes and selected upper division classes leading to baccalaureate degrees. CMU Montrose is the primary higher education access point for citizens in Montrose County and the surrounding region.

With significant growth over the last several years, CMU Montrose has become a robust satellite campus. In order to meet the existing and future higher education demands in southwestern Colorado, CMU Montrose is focused on enhancing the education experience for students through improved facilities, enhanced services and availability of financial aid and scholarships.



In partnership with Montrose County and City of Montrose, CMU Montrose recently acquired the property at 336 South Third Street in an effort to expand the campus and enhance student services. With a lot of hard work and a team of dedicated officials and volunteers, the Colorado Mesa University Montrose Campus is on the move. To learn more about the campus and all of its offerings, please visit: www.coloradomesa.edu/montrose.

Programs Offered At CMU Montrose

Business Administration

- A.A., Liberal Arts
 - Business Administration Emphasis
- Technical Certificate, Supervision

Early Childhood Education

(blended: face-to-face and online)

- A.A., Liberal Arts
 - Early Childhood Education

Liberal Arts

- A.A., Liberal Arts
 - Humanities Emphasis
 - Social Science Emphasis

Medical Office Assistant

- A.A.S., Medical Office Assistant
- Technical Certificate, Medical Office Assistant

Nursing

- A.A.S., Registered Nurse

Sport Management

(blended: face-to-face and online)

- A.S., Sport Management Emphasis

Teacher Education

(blended: face-to-face and online)

- B.A., Liberal Arts, Elementary Education (Initial Licensure)
 - English Concentration
 - Social Science Concentration

Montrose County REJ School District



Stephen Schiell, Superintendent

The Montrose County School District is comprised of six elementary schools, three middle schools, two high schools, one blended learning center that supports online learning and face to face instruction, and two charter schools. The Montrose County School District has positioned itself to become the leader on the western slope of Colorado by collaborating with Colorado Mesa University in STEM, Technology, and the Arts! The School Board and the Instructional Staff are ready to meet this challenge! Two strategies that the School District will implement for 2016-17 are: One to One and STEM!

Providing one to one technology to each student is more than just giving students a device. The key to providing this tool is to increase student engagement! Our students do not learn as prior generations using traditional teaching and learning methods. Acquiring information quickly and efficiently that is empowering for our students is vital to the success of our school district. Students will be able to learn and to explore with limited guidance from their teacher. Our students will learn that making an attempt to solve a problem doesn't mean you have to have the correct answer the first time! Our students will be able to find the correct answer by using trial and learning strategies rather than trial and error. These transformative

concepts will allow students to seek out the many possible solutions to a problem, thus increasing student achievement and engagement!

With each student having his or her own technology device to use, textbook purchasing will become a distant memory of the past. Our teachers will receive professional development on how to utilize online materials and how to teach with the new digital technology. A system will be put in place to ensure that our teachers throughout the school district are utilizing consistent curriculum in our school district. This system will eliminate the "popcorn" effect that could occur, which results in fragmentation of the curriculum and lowering student engagement and creating flat student achievement across the school district.

The next initiative that I would like to discuss is STEM (Science, Technology, Engineering, and Math). Implementing new technology devices to students and STEM go hand in hand. STEM is more than Science, Technology, Engineering, and Math. STEM is a proven research-based model of how a teacher educates students for the academic rigors of higher education and workforce readiness. The teacher becomes more of a facilitator for the student vs. the traditional, "teacher centered classroom." In time STEM will transcend over all curriculum, including the arts, and grade levels in the school district! STEM is Problem-Based Learning! Students will be given problems to solve, many of these activities will have more than one solution. Isn't this the way it is for the adult worker today? The answer is yes! Real life learning so our students will be better prepared for life and work! STEM will not replace in totality what occurs in our schools. STEM will be a process over the next three to five years that will change how our teachers will engage and prepare students in the classroom!

The school district has had teachers visit STEM schools on the Front Range of Colorado during the past month. The primary observation that has come back from staff is: Why can't our students have these same opportunities? The Montrose County School District School Board believes that our students should have these same opportunities! From conversations that I have had with local businesses, our business leaders also believe in what STEM can do for our students, making better adult entrepreneurs, businesses owners, and employees. Colorado is one of the top 14 states in our country with STEM related careers. It is time to prepare our students for these STEM employment opportunities.

As a school district and community we can provide the same opportunities to our students as any other school district in Colorado. It is time for a transformation. Our students must be ready for the jobs that will exist when they graduate from our high schools!

3M Company

\$56,000 in Contributions to Montrose including Support of STEM Projects

3M Montrose Employees Serve the World

3M values its relationships in the Montrose area, which span nearly 10 years. 3M's Montrose presence began in 2006, with its acquisition of General Industrial Diamond Company. (General Industrial Diamond located to Montrose in 1989 through the efforts of MEDC) This acquisition became part of 3M's Abrasive Systems Division, a leading manufacturer of superabrasive grinding wheels, dressing tools and machines used to dimension and finish hard-to-grind materials in industrial and commercial markets.

3M currently has 34 employees at its Montrose facility. They manufacture thousands of fully customized grinding wheels that are shipped to customers around the world in more than 20 different countries. The company has 170 employees and retirees statewide. Additionally, 3M does business with more than 300 suppliers in Colorado.

Over the years, 3M innovations have improved daily life for hundreds of millions of people all over the world. We have made driving at night easier, made buildings safer, and made consumer electronics lighter, less energy-intensive and less harmful to the environment. Some of the 3M brands you may recognize are Scotch®, Post-it®, Scotch-Brite®, Command™, Filtrete™, Nexcare™, and ScotchBlue™. To learn more about 3M and its products, visit 3M.com.



3M in the Community

The company invests in the community through its 3Mgives (<http://www.3Mgives.com>) community giving program, with contributions of cash and 3M products. These contributions are leveraged through 3M employees and retirees giving of their time.

3M was one of the first companies to establish a foundation. That was in 1953, and more than \$1.4 billion in cash and in-kind gifts to nonprofit organizations have since been donated by 3M and the 3M Foundation.

3Mgives helps build sustainable communities through innovative giving to education, communities and the environment. This includes more than \$56,000 in gifts supporting education and the community in Montrose in 2015. Education gifts aim to drive equity and access to education. They also focus on increasing student interest in Science, Technology, Engineering and Math (STEM) and business curriculum. Gifts to the community support economic development initiatives and increase access to the arts. They also prepare underserved youth for success through youth development programs. In 2015, giving in the Montrose area included:

- A grant of \$5,000 to the capital campaign for the new Montrose Community Recreation Center through the Montrose Rotary Club Youth Foundation.
- \$10,823 to Montrose and Olathe high schools through the Spring Supplies 4 Schools program.
- \$11,649 to Cottonwood, Johnson and Columbine schools through the Fall Supplies 4 Schools program.
- Nearly \$19,000 to Montrose Community Foundation, CASA of the 7th Judicial District, Welcome Home Montrose, and Haven House of Montrose, Inc. through the Supplies 4 Nonprofits program.
- \$7,000 through the 3M Ingenuity Grant program through DonorsChoose.org to support 10 STEM education projects in classrooms at Centennial, Columbine, Cottonwood, Johnson, Olathe Elementary, and Pomona schools.
- 3M Montrose employees also gave more than \$2,817 to local organizations through the annual United Way campaign.

Additionally, many 3M Montrose employees give of their time to local organizations, including youth sports, area churches and other nonprofit organizations.

Montrose Community Recreation Center



Pool



Gym

A state of the art new Community Recreation Center (CRC) was approved by Montrose voters on April 1, 2014. Within two months, the necessary financing was in place. Baker- Rinker- Seacat, one of the nation's leading recreation center architecture and engineering firms, was hired for the design and engineering work. Haydon Building Corporation was hired as Construction Manager due in part because of their excellent track record of overseeing successful recreation projects.

Together, the architects, engineers and Montrose Recreation District (MRD), guided by community input, have designed a facility that will effectively build our community and contribute to the quality of life in Montrose. The Recreation Center will meet the needs of citizens of Montrose and our region for all ages and for generations to come. It will also provide great activities for visitors to our area.

Ground was broken April 24, 2015. MRD secured a Guaranteed Maximum Price (GMP) from Haydon Building Corp. in May of 2015. This means, Haydon Building Corp, promises to deliver the 82,000 SQ FT CRC and renovate the current Aquatic Center into the Field House, at or below the GMP, which is within the budget MDR has secured.



As of mid-January 2016, two thirds of the tilt up concrete walls had been erected and the project was 21% complete with just over \$5M of the budget expended. From a local contractor standpoint, out of the 60 subcontracts, 14 were bid by local contractors out of which 11 were awarded. 28 Western Slope companies are currently working on the project (including those 11 from Montrose).



Front View

This \$28 million project will become a reality due to our community's vision that helped pass a successful sales tax increase as well as generous local contributions from foundations and individuals.

Currently, the MRD is pursuing a grant from Great Outdoors Colorado (GOCO) to provide additional outdoor facilities including trails, pickleball courts, a youth play area and playing fields. The grant decision is due in March 2016.

A 3-D virtual tour may be viewed at www.montroserec.com. The site also has a live view construction camera so you can watch the actual progress unfold in real time.

The Montrose Community Recreation Center is slated to be completed at the end of this year and the Field House will be a reality by early in 2017.



West End Economic Development Corporation (WEEDC)

Small Wins, Successes and What is Ahead!

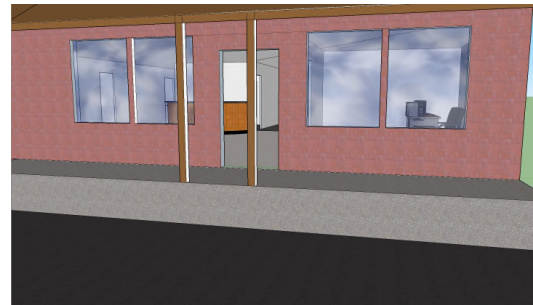
If you have been following our progress, then you know what a busy year it has been for us here at WEEDC. A rollercoaster...no, more like a road trip through the mountains of a year, with many ups and downs, twist and turns.

Growing pains are to be expected, however, for an economic development organization in its infancy, who embraced the responsibility of bringing employers and new jobs to our area. Amid the ups and downs, and the twists and turns, WEEDC has achieved small wins and successes developing us into a self-sufficient organization and the West End into an economically sound region.

Small wins, such as securing the funding we need to open our coworking space and community kitchen this spring, which would not have been possible if not for the support of Montrose County, Telluride Foundation and San Miguel Power Association.

Successes, such as getting Hopkins Field Airport designated as an Aviation Development Zone (ADZ), adding to the West End's favorability to the aerospace and aviation industry, as the ADZ designation will provide state tax incentives to any industry related company that locates within the airport's business development area.

Additionally, we began initiatives to address local issues such as housing, neighborhood improvement and workforce development.



Future Coworking Space



This road trip is not over yet. We anticipate the road of 2016 ahead to be another great adventure.

Partnering with Montrose Workforce Center, we have launched a series of workshops for employers and jobseekers.

Our coworking space opens in March. This will be an affordable, flexible and collaborative workspace with amenities for entrepreneurs, remote workers, artists, government and non-profit workers.

The community kitchen will soon follow, providing a commercial facility for food based businesses to produce products not allowed under the Colorado Cottage Foods Act and a low or no cost space for local organizations to conduct cooking and eating well classes.

We formed the West End Collaborative for Neighborhood Improvement, which includes the towns of Nucla and Naturita to pursue resources and lead projects to clean-up and improve the neighborhoods where we work and live.

Looking back on how far we have come in the past year and all of the support we have had from the community, we are very optimistic about the upcoming year.

We appreciate the support of MEDC and the entire West End Community. We cannot do it without you!

South River Aquaponics

Summer 2013 in Mesa, Arizona it is 116 degrees outside and the ambient heat off the concrete is much closer to 145. You have just walked into the backyard of a new acquaintance to see his garden, almost certain there will be little to view... To your surprise you see vibrant green wall of basil growing in vertical shipping pallets, huge heads of cauliflower and broccoli growing in garden beds at ground level. Pots hanging and dripping from one potted set of plants to the next to maximize the efficient use of vertical space. This garden strikes you immediately as different.

It was designed by three roommates. They had constructed growing walls by standing up recycled shipping pallets and lining them with garden fabric. By filling these growing walls with media they were able to grow plants between the slats, 64 basil plants in one pallet to be exact. Each pallet able to grow either 36 tomato plants or bean plants. Some pallets had summer squash, some others had snow peas. This was not the only unique growing method being displayed in this not-so-ordinary backyard garden. They were raising 1,000 Tilapia in a 275 gallon reservoir as well. This tank was being run separately from the garden as an experiment, however, the waste water from the fish was being poured onto the garden with great success! The three roommates embarked on a journey to start a fertilizer company using the fish waste as the base of their recipe for a nutrient line.



Adam Burgess is the founding father of this backyard garden business. His roommates and he had a plan for brewing the Tilapia waste water to sell in Hydroponic stores as a plant nutrient line. They created a three part plant nutrient line (A base for the duration of a plants life, a vegetative booster and a flowering booster), each product using the fish waste sludge at the base of its brew, each completely organic. These products are unique in that they can be used in hydroponics as well as in soil growing. They hoped this new fertilizer line would revolutionize an industry.

Now Imagine walking through the same scenario and you are a professionally trained chef who has just left a 4 star kitchen to start

your own business. That's exactly what happened to Peter Ullman. Having gained much respect for organically grown food while training as a cook at Le Cordon Bleu as well as a 4 star restaurant in Scottsdale, Peter knew there was something special about Adam and his roommates. Most folks in Arizona that summer had had varied difficulties growing anything at all in that kind of heat. What struck Peter as odd was that the roommates were growing perfect looking, smelling & tasting plants without any shade cloth at all! And these plants were hearty! Feeling the corporate world was not for him Peter aimed at starting a food truck. While the food truck business was booming, Peter's business plan was not coming together well. Meanwhile Adam and his roommates were discussing buying an aquaponics system and so were looking for investors. This is when Peter suggested using his family's estate/property to move the business to Western Colorado.

The Ullman's have been vacationing in western Colorado since 1989 when Peter was 9 years old. After falling in love with the beauty of Western Colorado the Ullmans have owned homes, at different times, in Cimarron Valley, Montrose and in Telluride. Currently owning a farm in Montrose Colorado offered an excellent choice for location as Peter rewrote his business plan which geared towards growing healthy organic food, not cooking it! The plan called for buying Adam and his roommates business and moving to the western slope.

South River Aquaponics continued...



In December 2013 Adam and Peter moved to Montrose Colorado and began designing a greenhouse around an aquaponics system they bought from a company in WI. They purchased a 14,040 square foot greenhouse and filled their 55,000 gal state of the art aquaponics system with water, fish and plants. The greenhouse is capable of growing 34,768 plants in just 1/3 of an acre while using only 10% of the water consumption used in traditional agriculture.

What is Aquaponics you might ask? This is a sustainable growing system that is circulatory and uses less than 10% of the water that traditional agriculture would use. In SRA's facility there are 6 – 1,200 gallon tanks that can be called home to 3,600 fish. South River Aquaponics raises Barramundi, which is an Asian Sea Bass. These fish tanks are flowing connected to filtration tanks filled with netting and other media. This media catches the fish waste and gives it time to decompose into plant food. So properly feeding the fish a balanced and organic diet is mission critical for SRA or else the plants will not have the correct nutrients to uptake. The filtration tanks are flowing and connected to four large raft tanks (or hydroponic tanks where the plants sit on food grade Styrofoam allowing their roots to thrive in nutrient rich water). These raft tanks are 100 feet long and can grow 10,752 plants at one time. SRA will also be the growing red claw lobster in these tanks underneath the plants as well! The benefit to doing so is that the lobster have a bacteria on their shell called "chiton" (ki-ton) which is tricks the plants into thinking they are being attacked. This makes the plants boost production so that leaves are bigger and oil production of the plant is increased. Of course being able to sell fresh water lobster is not a bad byproduct either! After the water leaves these raft tanks it is sent back to the fish tanks closing the loop. By up taking the nutrients in the water the plants are in effect cleaning the water for the fish. Also, weekly purging of the filtration tanks helps to remove excess fish waste solids in the overall system. This excess is the sludge needed to produce Adam's nutrient line giving us yet another usable byproduct!

Having purchased a system they believed needed improving, Adam and Peter began focusing on plant count and growing up not just out. They designed a state-of-the-art NFT Rack System able to grow 8,640 plants. NFT stands for Nutrient Film Technique and is when you have a gutter system with constant flow of nutrient rich water from one end which is positioned higher than the other end. The gutter has a lid which has holes drilled in the top allowing 30 plant plugs to be inserted vertically so they are touching and absorbing the nutrient rich water flowing below. In SRA's system we have tapped into the aquaponics water and use that as the source of nutrients.

SRA has also designed Grow Towers based around the prototype shipping pallet wall from the garden in Arizona. They constructed 24 towers able to grow 224 plants each in the walls around the tower as well as extra production space in the top of each tower. These towers are wrapped in garden fabric and filled with a Batch 64 blend of organic soilless media. Each tower has a 6" PVC pipe running down the center with holes drilled in them for watering. This again is attached to the Aquaponics water so the towers always have a source of nutrients. These 24 towers can collectively grow 5,376 plants and will be focused at start on peppers, beans, etc. This water is flushed under each tower and not returned to the system. This is a healthy flush for the overall system.

Lastly the guys are in the process of building a 20 by 40 foot mushroom den inside the greenhouse! This area will be used to produce 10,000 lbs. of Shiitake and Miatake mushroom each fruiting. Also the mushrooms put off CO₂ that is beneficial to all the plants in the greenhouse! The bags used to grow the mushrooms can be re-bagged and sold as CO₂ bags for tent growers. As of January 2016 Adam and Peter have been building their greenhouse for 24 months. They are just beginning sales and working on opening a retail store for hydroponics and aquaponics supplies in Montrose, Colorado.

Montrose County Demographics

People QuickFacts	City of Montrose	Montrose County	Colorado
Population			
Population estimates, July 1, 2015 (V2015)	NA	NA	5,456,574
Population estimates, July 1, 2014 (V2014)	19,045	40,873	5,355,866
Population estimates base, April 1, 2010 (V2015)	NA	NA	5,029,324
Population estimates base, April 1, 2010 (V2014)	19,143	41,278	5,029,324
Population, % change, April 1, 2010 (estimates base) to July 1, 2015 (V2015)	NA	NA	8.5
Population, % change, April 1, 2010 (estimates base) to July 1, 2014 (V2014)	-0.5%	-1.0%	6.5%
Population, Census, April 1, 2010	19,132	41,276	5,029,196
Age and Sex			
Persons under 5 years, percent, July 1, 2014, (V2014)	X	5.6%	6.3%
Persons under 5 years, percent, April 1, 2010	7.0%	6.4%	6.8%
Persons under 18 years, percent, July 1, 2014, (V2014)	X	22.5%	23.3%
Persons under 18 years, percent, April 1, 2010	24.5%	24.7%	24.4%
Persons 65 years and over, percent, July 1, 2014, (V2014)	X	21.3%	12.7%
Persons 65 years and over, percent, April 1, 2010	19.5%	17.8%	10.9%
Female persons, percent, July 1, 2014, (V2014)	X	50.8%	49.8%
Female persons, percent, April 1, 2010	51.9%	50.8%	49.9%
Race and Hispanic Origin			
White alone, percent, July 1, 2014, (V2014) (a)	X	94.3%	87.7%
White alone, percent, April 1, 2010 (a)	86.3%	86.7%	81.3%
Black or African American alone, percent, July 1, 2014, (V2014) (a)	X	0.7%	4.5%
Black or African American alone, percent, April 1, 2010 (a)	0.5%	0.4%	4.0%
American Indian and Alaska Native alone, percent, July 1, 2014, (V2014) (a)	X	1.8%	1.6%
American Indian and Alaska Native alone, percent, April 1, 2010 (a)	1.2%	1.1%	1.1%
Asian alone, percent, July 1, 2014, (V2014) (a)	X	0.8%	3.1%
Asian alone, percent, April 1, 2010 (a)	0.7%	0.6%	2.8%
Native Hawaiian and Other Pacific Islander alone, %, July 1, 2014, (V2014) (a)	X	0.3%	0.2%
Native Hawaiian and Other Pacific Islander alone, percent, April 1, 2010 (a)	0.1%	0.1%	0.1%
Two or More Races, percent, July 1, 2014, (V2014)	X	2.0%	2.9%
Two or more races, percent, April 1, 2010	2.7%	2.4%	3.4%
Hispanic or Latino, percent, July 1, 2014, (V2014) (b)	X	20.2%	21.2%
Hispanic or Latino, percent, April 1, 2010 (b)	21.6%	19.7%	20.7%
White alone, not Hispanic or Latino, percent, July 1, 2014, (V2014)	X	76.5%	69.0%
White alone, not Hispanic or Latino, percent, April 1, 2010	75.2%	77.5%	70.0%
Population Characteristics			
Veterans, 2010-2014	1,792	3,316	395,007
Foreign born persons, percent, 2010-2014	7.5%	6.9%	9.8%
Housing			
Housing units, July 1, 2014, (V2014)	X	18,338	2,276,184
Housing units, April 1, 2010	8,621	18,250	2,212,898
Owner-occupied housing unit rate, 2010-2014	62.0%	70.1%	64.8%
Median value of owner-occupied housing units, 2010-2014	\$179,000	\$194,600	\$239,400
Median selected monthly owner costs-with a mortgage, 2010-2014	1,322	1,341	1,609
Median selected monthly owner costs-without a mortgage, 2010-2014	\$363	\$347	\$417
Median gross rent, 2010-2014	\$825	\$829	\$969
Building permits, 2014	X	89	28,686

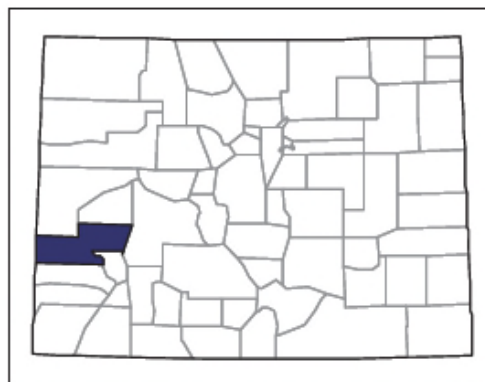
Montrose County Demographics, continued...

People QuickFacts	City of Montrose	Montrose County	Colorado
Families and Living Arrangements			
Households, 2010-2014	8,267	16,815	1,998,314
Persons per household, 2010-2014	2.25	2.40	2.54
Living in same house 1 year ago, percent of persons age 1 year+, 2010-2014	77.6%	82.0%	80.6%
Language other than English spoken at home, % of persons age 5 yrs+, 2010-2014	16.2%	13.9%	16.9%
Education			
High school graduate or higher, percent of persons age 25 years+, 2010-2014	86.4%	86.9%	90.4%
Bachelor's degree or higher, percent of persons age 25 years+, 2010-2014	27.3%	24.6%	37.5%
Health			
With a disability, under age 65 years, percent, 2010-2014	11.3%	10.1%	7.2%
Persons without health insurance, under age 65 years, percent	26.0%	22.5%	11.6%
Economy			
In civilian labor force, total, percent of population age 16 years+, 2010-2014	57.7%	59.7%	67.9%
In civilian labor force, female, percent of population age 16 years+, 2010-2014	52.6%	54.5%	62.9%
Total accommodation and food services sales, 2007 (\$1,000) (c)	47,991	51,053	11,440,395
Total health care and social assistance receipts/revenue, 2007 (\$1,000) (c)	157,618	164,619	24,328,426
Total manufacturers shipment, 2007 (\$1,000) (c)	165,982	218,197	46,331,953
Total merchant wholesaler sales, 2007 (\$1,000) (c)	150,906	D	53,598,986
Total retail sales, 2007(\$1,000) (c)	537,028	610,875	65,896,788
Total retail sales per capita, 2007 (c)	\$31,237	\$15,484	\$13,609
Transportation			
Mean travel time to work (minutes), workers age 16 years+, 2010-2014	19.3	20.3	24.6
Income and Poverty			
Median household income, (in 2014 dollars), 2010-2014	\$43,281	\$44,885	\$59,448
Per capita money income in past 12 months (in 2014 dollars), 2010-2014	\$22,602	\$23,408	\$31,674
Persons in poverty, percent	20.1%	15.5%	12.0%
Businesses			
Total employer establishments, 2013	X	1,270	154,875 (1)
Total employment, 2013	X	11,253	2,090,975 (1)
Total annual payroll, 2013	X	382,841	102,236,869 (1)
Total employment, percent change, 2012-2013	X	5.8%	2.7% (1)
Total non-employer establishments, 2013	X	3,557	447,586
All firms, 2007	2,921	5,538	547,770
Men-owned firms, 2007	1,203	2,549	264,270
Women-owned firms, 2007	991	1,646	160,102
Minority-owned firms, 2007	226	364	59,647
Nonminority-owned firms, 2007	2,484	4,823	455,065
Veteran-owned firms, 2007	S	467	48,822
Nonveteran-owned firms, 2007	2,394	4,532	452,490
Geography			
Population per square mile, 2010	1,075	18.4	48.5
Land area in square miles, 2010	17.80	2,240.7	103,641.89
FIPS Code	0851745	08085	08

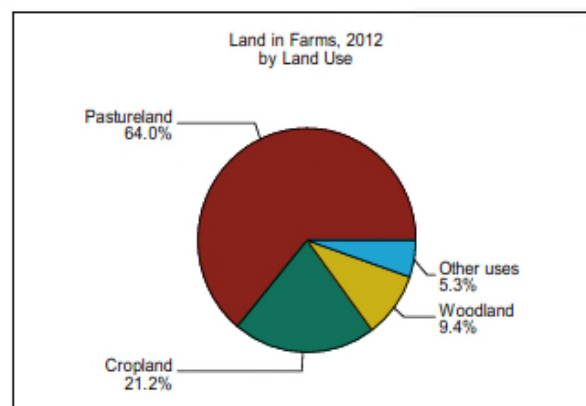
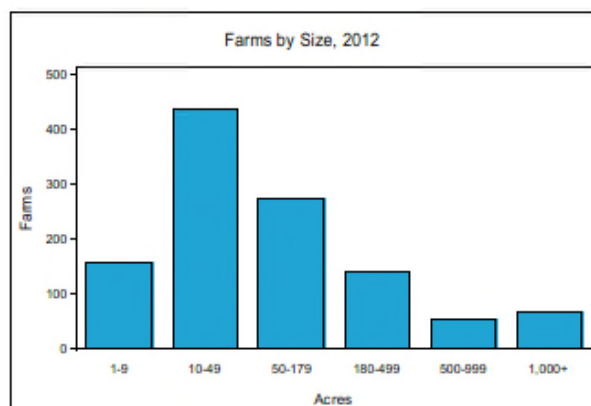
2012 CENSUS OF AGRICULTURE

COUNTY PROFILE

Montrose County Colorado



	2012	2007	% change
Number of Farms	1,128	1,045	+ 8
Land in Farms	329,653 acres	321,056 acres	+ 3
Average Size of Farm	292 acres	307 acres	- 5
Market Value of Products Sold	\$103,221,000	\$67,160,000	+ 54
Crop Sales \$33,700,000 (33 percent)			
Livestock Sales \$69,521,000 (67 percent)			
Average Per Farm	\$91,508	\$64,268	+ 42
Government Payments	\$930,000	\$1,059,000	- 12
Average Per Farm Receiving Payments	\$4,651	\$5,603	- 17



US Department of Agriculture
National Agricultural Statistics Service

www.agcensus.usda.gov

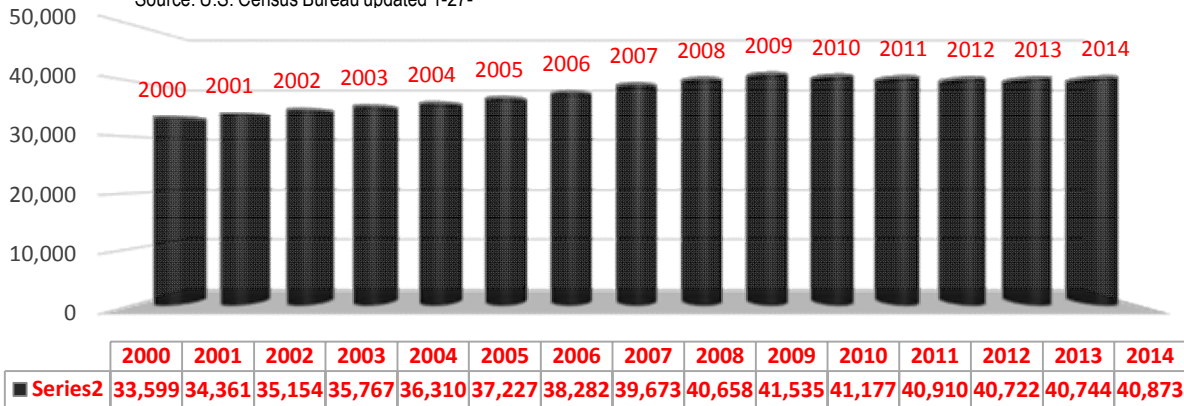
Population Data

Montrose County

Annual Historical Population

Information Provided by: Montrose Economic Development Corporation

Source: U.S. Census Bureau updated 1-27-

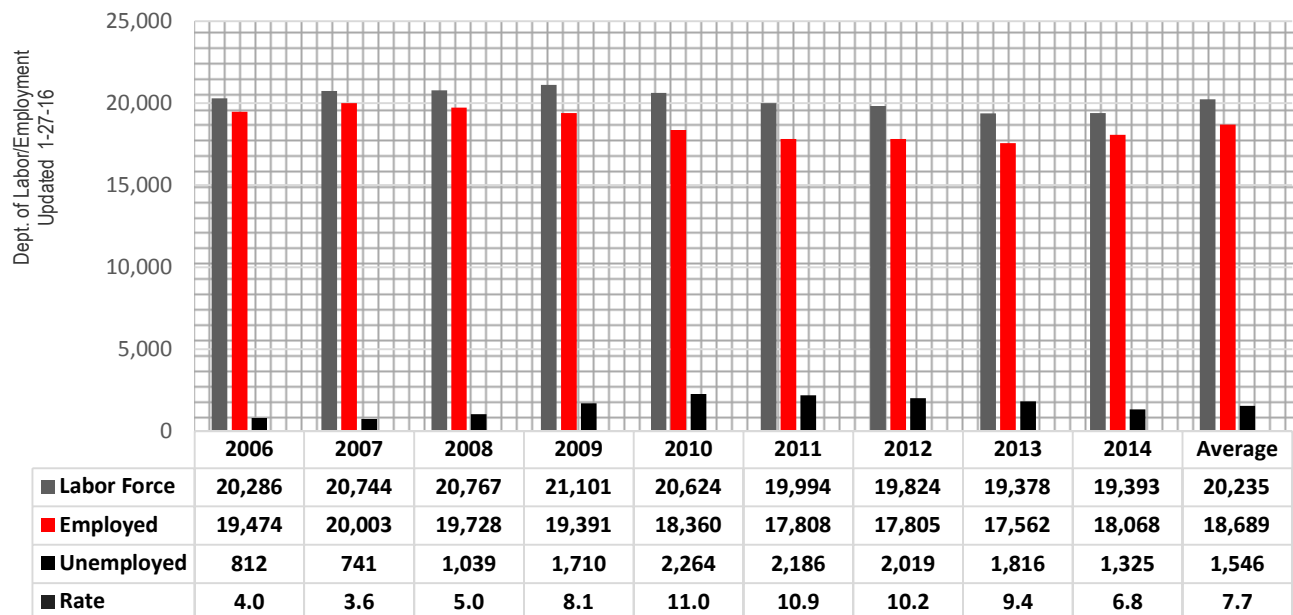


Labor Force Data

Montrose County Labor Force

Historical Annual Average: 2006-2014

Information Provided by: Montrose Economic Development Corporation



Industry Base Data - Montrose County

Industry Sector	Average Establishments	Average Employment	Total Wage	Average Weekly Wage
Accommodation & Food Services	79	1,208	\$4,833,166	\$308
Administrative & Waste Services	66	429	\$2,627,974	\$471
Agriculture, Forestry Fishing & Hunting	43	238	\$1,753,968	\$567
Arts, Entertainment & Recreation	22	292	\$1,138,152	\$300
Construction	195	988	\$10,330,524	\$804
Educational Services	7	Confidential	Confidential	Confidential
Finance & Insurance	55	306	\$3,470,029	\$872
Health Care & Social Assistance	142	2,555	\$24,490,285	\$737
Information	18	201	\$1,572,349	\$602
Management of Companies & Enterprises	9	93	\$1,615,269	\$1,336
Manufacturing	70	1,263	\$10,499,190	\$639
Mining	9	74	\$1,361,570	\$1,415
Other Services, Ex. Public Admin	84	345	\$3,104,973	\$692
Professional & Technical Services	123	428	\$5,674,666	\$1,020
Public Administration	34	1,040	\$12,883,527	\$953
Real Estate & Rental & Leasing	53	290	\$2,397,287	\$636
Retail Trade	173	2,069	\$13,689,507	\$509
Transportation & Warehousing	60	472	\$4,061,078	\$662
Unclassified	2	Confidential	Confidential	Confidential
Utilities	15	281	\$4,800,438	\$1,314
Wholesale Trade	71	425	\$3,963,794	\$717
Total All Industries	1,330	14,001	\$123,204,314	\$677

Source: Colorado Dept. of Labor, Quarterly Census of Employment and Wages 2ndQ 2015

updated: 1-27-16

Major Employers

Employers	# of Employees	Employers	# of Employees
Montrose County School District	948	Gordon Composites	84
Montrose Memorial Hospital	622	JC Penney	80
Volunteers of America	500	Center for Mental Health	79
Russell Stover Candies	400	West End School District	65
Montrose County	397	Safeway	63
Wal-Mart Supercenter	284	Tri State Generation - Nucla	60
City Market	265	Wells Fargo Bank	53
Community Options	207	Western Skyways, Inc	49
City of Montrose	170	TEI Rock Drills	40
Home Depot	145	3M Abrasives	37
AeroCare	96	Best Sign Systems	36
Delta-Montrose Electrical Association	93	Rocky Mountain Steel	35
Target	85		

2016 MEDC Economic Development Award

Presented to:

Montrose County



Montrose County Commissioners:
Ron Henderson, Glen Davis & David White

Since 2005, MEDC has given an annual economic development award to individuals who have made a significant impact on our community, companies who have created primary jobs and invested in our community and economic development partners who have participated in the efforts of MEDC.

This year MEDC is pleased to award the Annual Economic Development award to one of our partners who have played a vital role in our team process: Montrose County. We chose to recognize Montrose County because of their strategic governmental partnership with MEDC and their efforts to help local businesses grow jobs.

All communities have many different entities that are part of an economic development process such as cities, counties, planning commissions, schools, and economic development corporations. As such, the economic development activity for any community requires teamwork to achieve success with economic development efforts.

One such success story is the economic powerhouse of Montrose Forest Products. The family company, owned by Jim Neiman, invested in the mill and (by extension) the community with over \$10 million of capital since 2013. In recognition of that investment, Montrose County elected officials and staff worked collaboratively with the mill to take advantage of a business-personal property tax credit as allowed by statute. This 15 year agreement is estimated to return over \$30,000 in the first year to the company. Montrose County continues to demonstrate to this company that the jobs they provide and their decision to invest in Montrose is valued. In addition, Montrose County continues to take action to help ensure a growing timber supply to the mill by advocating in U.S. Forest Service actions and federal processes.

Another such example of the county's dedication to attracting and retaining businesses is that of Travel Recon, a budding technology start-up. MEDC began working with Travel Recon in 2015. Through the discussions held in our meetings, the county became aware of the need for funds to bring broadband fiber to the office space Travel Recon wanted to occupy. The Board of County Commissioners (BOCC) stepped up to provide the funding necessary to complete the task and did so in such a way that neighboring businesses would also see a benefit. The county was at the table, as part of the team, and they partnered to make it happen with economic development dollars that brought the capacity for one gigabyte of bandwidth for that business park.



In addition, the teamwork demonstrated by MEDC, the county and the city helped secure Montrose as a home for Mayfly Outdoors. Montrose County was an integral and essential part of the Mayfly process offering not only a \$50,000 marketing and advertising incentive, but also offering business personal property tax credit similar to that provided to Montrose Forest Products.

Montrose County is an active member of the MEDC Board of Directors. County Manager Ken Norris and Commissioner David White sit on the board and take an active role in the process of promoting and supporting MEDC's economic development

Montrose County Award continued

efforts. Jon Waschbusch is the Government Affairs Director for the county, and he works closely with the MEDC staff to assist with prospects and existing companies who are expanding.

Jon encourages MEDC to bring projects to the county, as well as researches and administers incentive agreements. Together they embody a renewed commitment to economic development in Montrose and to bringing jobs to our community.

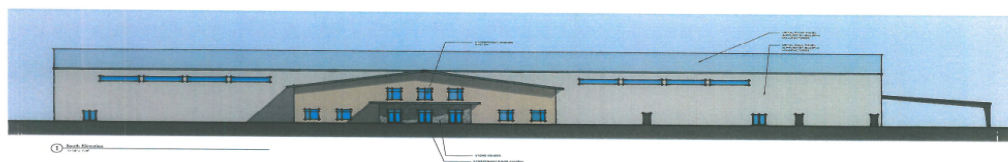
In 2014 MEDC had to change the method under which we title our investment land. Montrose County stepped-up in a creative way to help us handle the necessary changes. They also assist MEDC with our website fees, and offer assistance with the cost of attending conferences and trade shows. Montrose County acknowledges MEDC as the economic development arm of Montrose County and they treat us as a valued partner.

Montrose County owns and operates our airport which is the largest economic driver in our region totaling over \$325M per year. The improvements to our airport have totaled \$48M over the last 8 years. The investment in our airport and these improvements enhance our ability to handle the air service we are fortunate to have through the partnership with Telluride and the Colorado Flights Alliance.



Finally, the BOCC has demonstrated a commitment to the local communities they serve with over \$750,000 of funding to community organizations such as the Basin Clinic, Montrose Regional Crime Stoppers, CASA, Dolphin House, Partners, CMU Montrose, Museum of the Mountain West and the Ute Indian Museum. Specifically, the BOCC have dedicated funds over the past several years to help stimulate the economy on the west end of the county in the communities of Nucla and Naturita. They have provided funding for the West End Economic Development Corporation that was used to purchase a building on Main Street that will be refurbished to create a business incubator and a co-working space with Wi-Fi service, as well as a commercial kitchen for community use.

MEDC is proud to partner with the county to help create tangible economic development in our local communities and work to grow the employment base in Montrose County.



Montrose County Arena/Event Center – Coming Soon!

Past Economic Development Award Recipients:

2015	Recla Metals LLLP	2009	City of Montrose
2014	Montrose Forest Products	2008	Delta-Montrose Electrical Assoc.
2013	Russell Stover Candies	2007	Montrose Memorial Hospital
2012	3M Abrasives	2006	Montrose Daily Press
2011	Mary Watt	2005	Gordon Composites
2010	Leadership Circle, LLC		



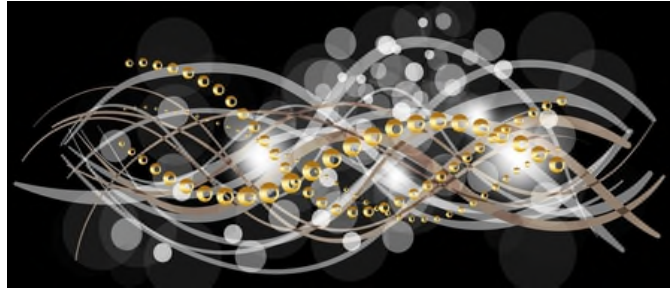
Thank you!

2015 MEDC INVESTORS

**Our success is due to
the support of the following investors!**

Investor	Investor	Investor
20 Sleeps West Real Estate	Edward Jones-Jeri Mattics Omernik	Norris-Snell Real Estate, LLC
3M	Edward Jones--Mike King	Nucla Naturita Area Chamber
Alexander, Charles DDS, MSD	Edward Jones--Ron Smith	OneTrack Communications, Inc.
Alpine Bank	ElderAdo Financial Inc.	Oxbow Crossing Properties, Inc.
Alpine Lumber	Farmers Insurance-Howard Davidson	Parish Oil Co.
Alpine Optical of Western CO	Flairmont Furniture & Carpet	Pepsi Bottling Group
Austin, Jay	Four Seasons Investment Advisors	Performance Muffler & Auto Repair
Bank of Colorado	Glasmann Family Partnership	Re/Max Alpine: Carol Crawford
Best Sign Systems, Inc.	Gordon Composites, Inc.	Recla Metals
Bony Family Farm	Groskopf & Groskopf, LLP	Reed, J. David PC
Bridges Golf Course Community	GVA Management	Region 10
Brown Property Dev. Co LLC	Habitat for Humanity of the San Juan's	Ridgway Valley Enterprises
Business Options	Hampton Inn	Robinson, Curt
Camelot Gardens	Hendrix and Associates	Scott's Printing & Graphic Design
Camp Robber	High Mesa Communications	Source Gas
Campbell, Teresa CPA	Holiday Inn Express	State Farm - Tim Tinaza
Carpetrends, Inc.	Home Loan State Bank - Montrose	Stone House Restaurant
Cedar Creek Development Co.	HopeWest Colorado	Stryker & Company
Cherry Creek Radio	Intermountain Pathology	Sue Hansen Speaks
Club 20	Jay, Michael MD	Swiss-O-Matic
Colorado Lending Source	Lambert & Associates	The Co.r.e. Team at Keller Williams
Colorado Scenes	Law Office of Mindi L. Conerly	Town of Olathe
Colorado West Investment, Inc.	Merrill Lynch - Sean C. Byers	Townsend, Kenneth & Marlene
Colorado Yurt Company	Merrill Lynch - James R. Young III	Tri-River Appliance
Colorow Care Center	Milestone Building	Turner Automotive, Inc.
Community Staffing Services, Inc.	Miller, Buck-Dalby, Wendland & Co.	Tuxedo Corn
Comparable Sales Research	Montrose Association of Realtors	United Companies
Computer Business Solutions	Montrose Chamber of Commerce	US Bank
Consolidated Electrical Distrib.	Montrose County	Vectra Bank
Crippin Funeral Home	Montrose Daily Press	Watson Insurance/Financial Group
Davis Service Center	Montrose Forest Products	Webb Dairy
Days Inn	Montrose Memorial Hospital	Wells Fargo Bank
Deeply Digital, LLC	Montrose Real Estate Group - Jeff Keehfus	West End Economic Development
Del-Mont Consultants, Inc.	Montrose Recreation District	Western CO Contractors Assoc.
Delta-Montrose Electric Assn.	Mountain Quality Marketing, LLC	Western Skyways, Inc.
Devor & Plumhoff, LLC	Mountain West Insurance	Wollert Automotive

Special Thanks!



Platinum Investor



Gold Investors



*Dalby, Wendland and Company
Delta Montrose Electric Association
Montrose Memorial Hospital
Ridgway Valley Enterprises, Inc
Kenneth and Marlene Townsend
Wells Fargo Bank*

Silver Investors



*Alpine Bank Pepsi Bottling Group
Best Sign Systems Town of Olathe
Flairmont Furniture US Bank
Montrose Forest Products Western Skyways, Inc.*

MEDC - Building a Strong Economy!

www.MontroseEDC.org



The Montrose Economic Development Corporation Website Provides:

- *Demographic Information for Montrose County.*
- *Investor Directory for contact information for businesses and services in the Montrose area.*
- *Current MEDC News and Projects.*
- *Real Estate listings and contact information for Investor Real Estate Agents.*
- *MEDC's Investor Application – Become a part of job retention & creation efforts in Montrose.*
- *Benefits of investing in MEDC include qualifying for Enhanced Rural Enterprise Zone Tax Credits.*



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