

BUSINESS READY COMMUNITY OVERVIEW

BRC Application and Program Summary

BRC Applications Received September 1, 2018					
Applicant	Project	Type	Request	WBC Recommendation	Page Number
Town of Alpine	Melvin Brewing	Business Committed-grant	\$ 3,000,000	\$ -	
Town of Guernsey	Bunning Transfer Rail Spur Expansion	Business Committed-grant	\$ 717,792	\$ 717,792	
Sheridan Econ.& Educ.Dev.Authority	Kennon Products	Business Committed-grant	\$ 2,850,000	\$ 2,850,000	
Sheridan Econ.& Educ.Dev.Authority	Kennon Products	Business Committed-loan	\$ 1,510,761	\$ 1,510,761	
Campbell County Public Land Board	CAM-PLEX Renovations	Comm.Dev. - Readiness	\$ 3,000,000	\$ -	
Town of Glenrock	Trail Improvements	Comm. Dev.- Enhancement	\$ 72,688	\$ 72,688	
Town of Pinedale	Events and Recreation Improvements	Comm.Dev. - Enhancement	\$ 179,062	\$ 179,062	
Total Requests			\$ 11,330,303	\$ 5,330,303	

Awards are contingent on the satisfactory execution and administration of previous grants or loans by an applicant. Other contingencies, if any, are defined in the project descriptions. The office of the Attorney General conducts a review of applications that are Business Committed, feature a loan component, or include any extenuating circumstances.

Allocation Plan Discussion:

The entire BRC fund balance is \$28,656,649. A total of \$3,100,944 has been received this fiscal year in loan payments and de-obligations. Guidance to staff in May 2016 was to add the loan payments and de-obligations annually (at the end of the fiscal year).

Staff discussed the allocation plan with the Grant and Loan Committee on Nov. 6 and the WBC Board on Dec. 6. The WBC recommends all available funds be included each quarter as opposed to once at the end of the fiscal year.

Staff provided four options for managing the BRC allocation moving forward. The WBC ultimately selected the following:

BRC Project Types	Base Quarterly Allocation	% of Allocation	Carry Forward from Previous Quarter	WBC Recommendations	Total Available
Business Committed	\$ 2,041,560	45%	\$ -	\$ 5,078,553	\$ (793,504)
Community Development	\$ 2,449,871	54%	\$ -	\$ 251,750	\$ -
Planning	\$ 45,368	1%	\$ -	\$ -	\$ -
	\$ 4,536,799	100%	\$ -	\$ 5,330,303	\$ (793,504)

Options:

Option 1: Adhere to the plan and the board could recommend the two Enhancement projects for funding, but there will be no funding for other projects.

BRC Project Types	Base Quarterly Allocation	% of Allocation	Carry Forward from Pervious Quarter	Recommendations - Enhancement Only	Total Available
Business Committed	\$ 2,297,264	45%	\$ (2,018,605)	\$ -	\$ 278,659
Community Development	\$ 2,756,716	54%	\$ (2,756,716)	\$ 251,750	\$ (251,750)
Planning	\$ 51,050	1%	\$ (51,050)	\$ -	\$ -
	\$ 5,105,030	100%	\$ (4,826,371)	\$ 251,750	\$ 26,909

Option 2: Revise the allocation plan and redistribute over the remaining seven quarters without the loan payments and de-obligations received this fiscal year.

BRC Project Types	Base Quarterly Allocation	% of Allocation	Carry Forward from Pervious Quarter	Staff Recommendations	Total Available
Business Committed	\$ 1,842,213	45%	\$ -	\$ 5,078,553	\$ (1,236,587)
Community Development	\$ 2,210,565	54%	\$ -	\$ 251,750	\$ -
Planning	\$ 40,938	1%	\$ -	\$ -	\$ -
	\$ 4,093,716	100%	\$ -	\$ 5,330,303	\$ (1,236,587)

Option 3: Revise the allocation plan to include loan payments and de-obligations received this fiscal year in the amount of \$3,100,944 and redistribute the funding over the remaining seven quarters.

BRC Project Types	Base Quarterly Allocation	% of Allocation	Carry Forward from Pervious Quarter	WBC Recommendations	Total Available
Business Committed	\$ 2,041,560	45%	\$ -	\$ 5,078,553	\$ (793,504)
Community Development	\$ 2,449,871	54%	\$ -	\$ 251,750	\$ -
Planning	\$ 45,368	1%	\$ -	\$ -	\$ -
	\$ 4,536,799	100%	\$ -	\$ 5,330,303	\$ (793,504)

Option 4: Consider total funding available including loan payments and de-obligations received this fiscal year and not by quarter.

BRC Project Types	Total Annual Funds Available at Beginning of Quarter	% of Allocation	Carry Forward from Pervious Quarter	WBC Recommendations	Total Available
Business Committed	\$ 14,290,917	45%	\$ -	\$ 5,078,553	\$ 9,212,364
Community Readiness	\$ 17,149,100	54%	\$ -	\$ 251,750	\$ 16,897,350
Planning	\$ 317,576	1%	\$ -	\$ -	\$ 317,576
	\$ 31,757,593	100%	\$ -	\$ 5,330,303	\$ 26,427,290

The Board recommends continuing with the Allocation Plan and chose Option 3.

Business Ready Community Grant and Loan Program

TOWN OF ALPINE PRE-TREATMENT FACILITY/ BREWERY EXPANSION

**\$3,000,000 Brewery Waste
Pre-treatment System/ Brewery
Expansion for Packaging and Shipping**

WBC Recommendation: Do Not Fund



Project Description

The town of Alpine requests \$3,000,000 in Business Ready Community (BRC) Business Committed grant funds for a brewery waste pre-treatment system/facility and expansion of the existing facility at Melvin Brewing Company. Melvin needs a brewery waste pre-treatment facility because of increasing volumes of wastewater with high concentrations of organic materials and solids, resulting in a nearly twenty-fold increase in the volume of residual waste solids generated by Melvin in their brewing operations. Alpine's water treatment facility is unable to handle the large volume of solids and has been forced to haul the sludge to Afton. Transportation costs are averaging \$20,000 per month. The pre-treatment facility will reduce the strength of the wastewater discharged to the Alpine treatment facility to concentration levels below conventional residential waste.

In addition, a 23,000 square-foot expansion will focus on packaging, shipping and office space. The current 20,000 square-foot facility is being overtaken by production equipment, materials storage and finished products. The expansion will free up space to expand kitchen facilities and tasting room space to allow the Melvin facility to grow into a brew pub. The Melvin tasting room has become one of the most popular attractions in Alpine.



The Business

Melvin Brewing Company, a craft brewing operation, started in Jackson in 2009. Jeremy Tofte started brewing Melvin beer in the back of his restaurant, Thai Me Up. Melvin found competition success in 2012-2014, which drove regional and national demand for Melvin beer. Melvin commenced operations in Alpine in 2015 with assistance from the town of Alpine and the Wyoming Business Council. The first grant to Alpine resulted in a 20,000 square-foot brewing facility. Melvin shipped their first product in January 2016 and have since grown to the largest craft brewery in Wyoming. In 2017, shipments grew 150% year-over-year to 20,000 barrels, a major milestone in a competitive market. Melvin has won many awards, including the 2017 Brewery Group of the Year and Great American Beer Festival's 2015 Brewpub and Brewpub Brewer of the Year.

Project Goals and Public Benefits

Project Goals include:

- Reduce residual solids volumes associated with brewery operations by a factor of five or greater.
- Create 30-35 full-time jobs with above median wage and benefit packages.
- Generate payrolls in excess of \$2.5 million annually by 2023.
- Grow Melvin production to more than 80,000 barrels annually.

Public benefits include:

- Recruit underemployed locals and relocate skilled workforce to Alpine.
- Significant reduction in cost to manage residual solids coming from Melvin.
- Eliminate the need to haul waste to Afton, therefore freeing up approximately \$20,000 per month.
- Increased exports, increasing the Wyoming GDP.
- Continued growth of the local economy.

Lease and Revenue Recapture

Melvin will pay a triple-net lease on both facilities. They have a lease with the town of Alpine on their facility. A new lease will be executed with the option to purchase after 10 years. The lease payments will be split, 75% to the Alpine economic development fund and 25% (\$925,216) recaptured to the Business Ready Community program fund.

Attorney General Opinion

Pending

Sources	
BRC amount	\$ 3,000,000
Cash Match	\$ 1,820,294
Total eligible project cost	\$ 4,820,294
BRC % of total eligible project costs	62%
Local % of total eligible project costs	38%
Uses	
Non-Construction Costs	
Architectural and Engineering fees	\$ 285,433
Other fees (surveys, tests, etc.)	\$ 5,000
Project inspection fees	\$ 62,000
Construction Costs	
Site work	\$ 201,216
<i>Building Components:</i>	
Electrical Systems	\$ 297,505
Mechanical, plumbing, HVAC systems	\$ 599,696
Landscaping	\$ 24,892
Foundation and/or Structural Framing system	\$ 1,317,812
Interior Finishes	\$ 202,965
Miscellaneous/Other (Pre-Treatment and Start-Up)	\$ 1,560,007
Contingencies (6%)	\$ 263,768
Total Uses	\$ 4,820,294

WBC Deliberation

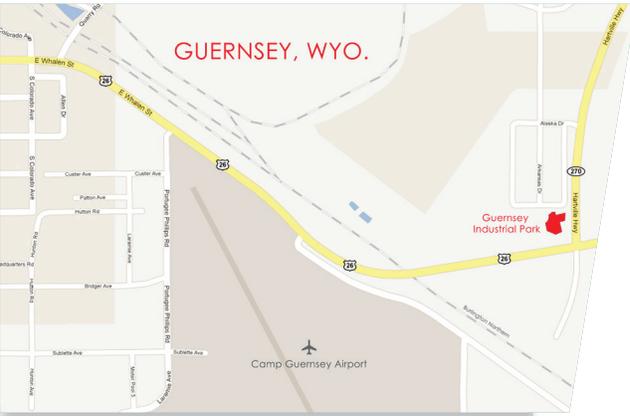
The Board heard from Kennis Lutz, mayor of Alpine; Bob Ablonde, town engineer for Alpine and Will Morrow, CFO of Melvin Brewing. Alpine officials explained that hauling brewing waste to Afton is not sustainable for Alpine or Melvin in the long term because of the cost and the burden on Afton’s systems. The board asked how other craft brewers in Wyoming dispose of their waste products. Mr. Ablondi said they use a variety of methods, but the other brewers are much smaller in terms of volume. Will Morrow shared that Melvin is the largest brewer in Wyoming in terms of barrels produced annually. Additionally, Alpine’s discharge must be clean enough to be recycled back into the Palisades Reservoir. The board commented on the expansion being an issue of bankability and this being a second request for Melvin brewing. The board also remarked on the treatment plant being located on Melvin property. Mayor Lutz stated it can still be accessed for use by other businesses. The board commented on tasting rooms being opened in other states while the waste issue was known in Wyoming – perhaps it should have been addressed before the other expansions. The board inquired whether other funding sources had been explored. One inquiry was made to the Office of State Lands and Investments. The board was interested in the thoughts of other craft brewers. Staff contacted the brewers guild, and they stated they had no opinion on the project.

WBC Recommendation

The WBC Board, with a 12-2 vote, does not recommend funding.

Project Overview

Town of Alpine																									
Purpose	The town of Alpine is requesting \$3,000,000 Business Ready Community (BRC) Business Committed grant funds for a brewery waste pre-treatment system/facility and expansion of the existing facility at Melvin Brewing Company.																								
Project Budget	Projected Grant Expenditure Schedule																								
	<table border="1"> <thead> <tr> <th>Description</th> <th>BRC</th> <th>Cash Match</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td style="text-align: center;">Cash</td> <td></td> </tr> <tr> <td>Non-Construction Costs</td> <td style="text-align: right;">\$ 219,343</td> <td style="text-align: right;">\$ 133,090</td> <td style="text-align: right;">\$ 352,433</td> </tr> <tr> <td>Construction Costs</td> <td style="text-align: right;">\$ 2,780,657</td> <td style="text-align: right;">\$ 1,687,204</td> <td style="text-align: right;">\$ 4,467,861</td> </tr> <tr> <td>Total Project Cost</td> <td style="text-align: right;">\$ 3,000,000</td> <td style="text-align: right;">\$ 1,820,294</td> <td style="text-align: right;">\$ 4,820,294</td> </tr> <tr> <td colspan="2" style="text-align: center;">Percentage BRC of all cash:</td> <td style="text-align: center;">62%</td> <td></td> </tr> </tbody> </table>	Description	BRC	Cash Match	Total			Cash		Non-Construction Costs	\$ 219,343	\$ 133,090	\$ 352,433	Construction Costs	\$ 2,780,657	\$ 1,687,204	\$ 4,467,861	Total Project Cost	\$ 3,000,000	\$ 1,820,294	\$ 4,820,294	Percentage BRC of all cash:		62%	
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Percentage BRC of all cash:		62%																							
Performance Measures	Measure	Quantity																							
	Businesses Assisted	1																							
	Revenue Recapture	\$ 925,216																							
	County Median Wage	\$ 29,700																							
	Median Wage of Jobs Created	\$ 42,400																							
	Jobs to be Created (Years 1-5)	33-35																							
	Jobs to be Retained	40																							
	Additional Investment	\$5.5 million																							
Project Infrastructure	Acres Developed	6 acres																							
	New Building Construction	23000 sq. ft.																							



Business Ready Community Grant and Loan Program

TOWN OF GUERNSEY GUERNSEY RAIL SPUR EXPANSION

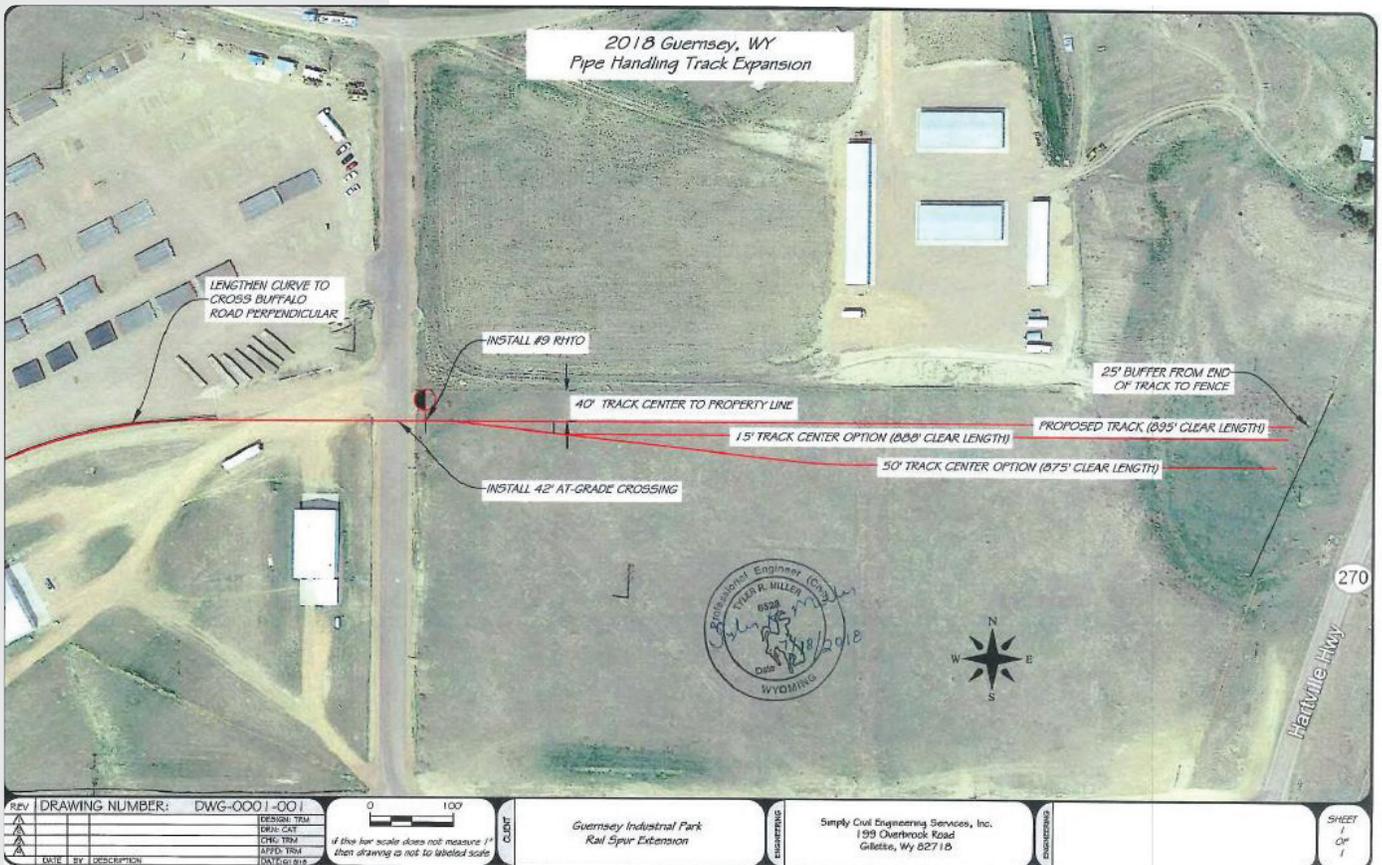
**\$717,792 BRC
Business Committed Grant**

WBC Recommendation: Fund

Project Description

The town of Guernsey is requesting a \$717,792 Business Ready Community (BRC) Business Committed grant to extend 260 feet of single-rail across Buffalo Road in the Guernsey Business Park to a switch. The switch will divide into two new 1,060-foot rail spurs and connect into an existing rail spur on three lots the John Bunning Transfer Company (JBTC) recently purchased.

The Guernsey Industrial Park is an 84-acre site been divided into 28 lots. Currently, 20 lots have been sold, leaving eight lots for future expansion. JBTC's operations and storage yards are located on four lots. With the recent purchase of three more lots, they own a total of seven lots in the park.



The Business

JBTC is a privately-owned transportation and logistics company headquartered in Rock Springs, Wyoming, with branch offices in Grand Junction, Colorado, and Guernsey, Wyoming. They have been in business for 123 years and specialize in servicing the oil and gas industries, mining and commodity industries and several other smaller, local businesses. JBTC employs more than 150 workers and owner-operators.

JBTC leases the existing rail spur from the town of Guernsey. JBTC is expanding their business within the industrial park and expects an increase in rail cargo transferred in and out of the industrial park for the next 10 to 15 years. The additional rail will allow JBTC to unload 18 rail cars at a time instead of 6. JBTC employs 19 hourly employees, three salaried employees, and eight independent contractors in their Guernsey Yard operations. JBTC expects to create 8 to 10 new jobs following the rail spur expansion.

Project Goals and Public Benefits

Project Goals include:

- Expanded rail spur will allow JBTC to grow and create eight to 10 new jobs.
- Expanded rail spur will better position the town to attract other related businesses to industrial park.
- Guernsey is in a position to benefit from growth in rail transportation with wind farm activities increasing in Converse County and more pipe being transported from North Dakota.
- Closer partnerships between the Wyoming Military Department and JBTC for off-loading of military vehicles on the expanded rail spur.

Sources	
BRC amount	\$ 717,792
Cash Match	\$ 37,798
Total eligible project cost	\$ 755,590
BRC % of total eligible project costs	95%
Local % of total eligible project costs	5%
Uses	
Non-Construction Costs	
Architectural and Engineering fees	\$ 5,500
Project inspection fees	\$ 2,800
Construction Costs	
Site work	\$ 181,500
Other - Track Work	\$ 391,700
Contingencies (30%)	\$ 174,090
Total Uses	\$ 755,590

Public Goals include:

- Additional revenues will be generated by increase in per-car fees the town will receive from more rail cars using the track.
- Attract new businesses into industrial park, which will increase jobs and revenues for the community.
- Lease income from JBTC rail lease agreement will provide additional funds to
- the town for future economic development efforts.

Lease and Revenue Recapture

The town of Guernsey and JBTC have a Rail Lease Agreement for an annual lease of \$10,000 that JBTC pays to the town, in addition to a \$100 per-rail-car fee. As of September, JBTC had 212 cars that used the rail spur this year, resulting in \$21,200 of revenue for Guernsey. The number of cars is expected to increase by 40 to 80 a month with the new rail spur and extension. The new lease for the additional rail spur and extension will increase to \$20,000 per year, with a \$100 per-rail-car-fee. 25% of revenue recaptured through annual lease payments and per-rail-car-fees will be paid back to the WBC in annual payments over a 22-year period for a total of \$721,125.28. The remaining revenue recaptured will be used for future economic development needs within the community.

Yr 1-10	Train Cars Annual Income	Annual Lease Income	Total Income	WBC 25% Recapture
2018-2019	\$ 31,250.00	\$ 20,000.00	\$ 51,250.00	\$ 12,812.50
2019-2020	\$ 39,062.50	\$ 20,000.00	\$ 59,062.50	\$ 14,765.63
2020-2021	\$ 48,828.13	\$ 20,000.00	\$ 68,828.13	\$ 17,207.03
2021-2022	\$ 61,035.16	\$ 20,000.00	\$ 81,035.16	\$ 20,258.79
2022-2023	\$ 76,293.95	\$ 20,000.00	\$ 96,293.95	\$ 24,073.49
2023-2024	\$ 91,552.73	\$ 20,000.00	\$ 111,552.73	\$ 27,888.18
2024-2025	\$ 100,708.01	\$ 20,000.00	\$ 120,708.01	\$ 30,177.00
2025-2026	\$ 110,778.81	\$ 20,000.00	\$ 130,778.81	\$ 32,694.70
2026-2027	\$ 132,934.57	\$ 20,000.00	\$ 152,934.57	\$ 38,233.64
2027-2028	\$ 159,521.48	\$ 20,000.00	\$ 179,521.48	\$ 44,880.37
TOTAL	\$ 851,965.34	\$ 200,000.00	\$ 1,051,965.34	\$ 262,991.34

Yr 11-22	Train Cars Annual Income	Annual Lease Income	Total Income	WBC 25% Recapture
2028-2029	\$ 159,521.48	\$ 20,000.00	\$ 179,521.48	\$ 44,880.37
2029-2030	\$ 159,521.48	\$ 20,000.00	\$ 179,521.48	\$ 44,880.37
2030-2031	\$ 159,521.48	\$ 20,000.00	\$ 179,521.48	\$ 44,880.37
2031-2032	\$ 151,545.41	\$ 20,000.00	\$ 171,545.41	\$ 42,886.35
2032-2033	\$ 143,968.14	\$ 20,000.00	\$ 163,968.14	\$ 40,992.04
2033-2034	\$ 141,088.78	\$ 20,000.00	\$ 161,088.78	\$ 40,272.20
2034-2035	\$ 134,034.34	\$ 20,000.00	\$ 154,034.34	\$ 38,508.59
2035-2036	\$ 127,332.62	\$ 20,000.00	\$ 147,332.62	\$ 36,833.16
2036-2037	\$ 120,965.99	\$ 20,000.00	\$ 140,965.99	\$ 35,241.50
2037-2038	\$ 108,869.39	\$ 20,000.00	\$ 128,869.39	\$ 32,217.35
2038-2039	\$ 97,982.45	\$ 20,000.00	\$ 117,982.45	\$ 29,495.61
2039-2040	\$ 88,184.21	\$ 20,000.00	\$ 108,184.21	\$ 27,046.05
TOTAL	\$ 1,592,535.77	\$ 240,000.00	\$ 1,832,535.77	\$ 458,133.94
TOTAL INCOME:				\$ 2,884,501.11
TOTAL WBC RECAPTURE:				\$ 721,125.28

Attorney General Opinion

Pending

WBC Deliberation

The board heard from Mayor Edward Delgado, Town Clerk Kate Farmer and Andy Fletcher, representing the John Bunning Transfer Company. They gave a brief history of the project and talked about future expansion plans from John Bunning Transfer and the business opportunities associated with recent wind farm developments in Converse County.

WBC Recommendation

WBC unanimously recommends funding as requested.

Project Overview

Guernsey Rail Spur Expansion			
Purpose	The town of Guernsey is requesting a \$717,792 Business Committed grant to install 260 feet of single rail across Buffalo Road, and two 1,060 foot rail spurs that will connect to an existing rail spur to two lots that John Bunning Transfer is purchasing in the Guernsey Industrial Park.		
Project Budget	Projected Grant Expenditure Schedule		
	Description	BRC	Match
			Cash
	Non-Construction Costs	\$ 7,885	\$ 415
	Construction Costs	\$ 709,907	\$ 37,383
	Total Project Cost	\$ 717,792	\$ 37,798
	Percentage BRC of all cash:		95%
Performance Measures	Measure	Quantity	Notes
	Businesses Assisted	1	John Bunning Transfer Co.
	Revenue Recapture	\$ 721,125.28	Revenue Recapture to WBC over 22 year period.
	County Median Wage	\$ 19.74	
	Median Wage of Jobs Created	\$ 20.00	
	Jobs to be Created (5 Year Projection)	8 to 10	Full Time Equivalents.
	Jobs to be Retained	30	19 hourly employees, 3 salaried employees and 8 independent contractors.
	Additional Investment	\$ 1,459,000	JBTC purchase of 3 lots, future construction of office and shop on new lots, additional equipment.
Project Infrastructure	Acres Developed	4	
	Rail Spur & Extension	2,130	lineal feet



Business Ready Community Grant and Loan Program
SHERIDAN ECONOMIC AND EDUCATIONAL DEVELOPMENT AUTHORITY (SEEDA)

KENNON HIGH TECH BUSINESS PARK PROJECT

\$2,850,000 BRC Business Committed Grant and \$1,510,761 BRC Loan

WBC Recommendation: Fund

Project Description

The Sheridan Economic and Educational Development Authority (SEEDA) Joint Powers Board requests a \$2,850,000 Business Ready Community (BRC) Business Committed grant and a \$1,510,761 BRC loan for the construction of a manufacturing facility (up to 40,000 square-feet), offices and parking lot on approximately four acres in the Sheridan High Tech Gateway Subdivision. The new facility will allow for Kennon Products, Inc. to expand and increase their capacity to deliver new products to clients and take advantage of emerging opportunities. The cost to construct the new facility is approximately \$162.87 per square-foot.

SEEDA was awarded a \$2,258,559 Economic Development Administration (EDA) grant from the U.S. Department of Commerce as match for the construction of the building's shell.

Vacutech, a commercial vacuum technology manufacturer and Weatherby, a premier firearms manufacturer, are currently located in the High-Tech business park. Of the original 43.5-acres of the park, 13.16-acres remains available. If this project is awarded, a balance of 9 acres will be available for expansion of current businesses or relocation of new companies in the park.



The Business

Kennon Products, Inc. specializes in the manufacture of protective coverings for high-value assets, ranging from aircraft to human life. The company was founded in 1984 and relocated to Sheridan in 1989. Kennon employs 39 skilled technical professionals from industrial sewing professionals to research engineers. They successfully deployed a business model combining research and development with skilled manufacturing. Kennon has achieved above-average success in gaining Small Business Innovation Research Program (SBIR) awards and developing these projects to full commercialization (Phase III).

To date Kennon has received:

- 16 Phase 0 awards totaling \$80,000;
- 6 Phase I awards totaling \$689,275;
- 3 Phase II awards totaling \$3,646,454; and
- 2 Phase III (full commercialization) awards totaling \$3,141,860.

Kennon is a multifaceted company that manufactures products and provides engineering services to markets including the Department of Defense (DoD), NASA, and behavioral healthcare. The company has strong existing product lines and strives to add one to two sustainable products each year. These additional products derived from funded engineering projects developed for customers like Original Equipment Manufacturers (OEMs) and the U.S. military. Sales to the Defense Logistics Agency (DLA) are for pre-approved products with a National Stock Number (NSN). Kennon owns 73 NSNs and continues to add to their portfolio to provide approved aircraft covers to the U.S. military.

Kennon's two main manufacturing markets include military aviation with protective aircraft coverings, and behavioral healthcare through the Soft Suicide Prevention Door (SSPD). The company has three significant engineering efforts under development; KC-46 Thermal Radiation Shields, emergency life preserver units (LPUs) for the Navy and the V-22 Composite Armor Systems. All three begin production between late 2019 and mid-2021. These products represent a 20% growth for the company and will account for \$39 million in additional revenue in the next 10 years.

The company plans to hire an additional 39 employees in the next five years to staff full production of both existing products and those under development. Kennon owns and occupies an 11,000 square-foot facility at 2071 Main Street in Sheridan. This facility served the company adequately, but the building is now at full capacity and will not accommodate further growth.

Kennon has added four storage containers (which occupy 2,000 square-feet) to store patterns, raw goods and miscellaneous production equipment. The company added a second shift in March 2018 to accommodate the increase in production demands and the lack of space to add production workstations and staffing. Kennon is also leasing 2,200 square-feet of space in a building located a block away from their main facility to house the ballistics and life preserver unit development teams. The leased space houses several pieces of equipment that could not fit at their current facility. The equipment includes a CNC laser cutting table, CNC sewing machines, hydraulic press, specialized sewing machine and custom CNC machines developed by Kennon.

Project Goals and Public Benefits

Project Goals include:

- Construction of a new manufacturing facility up to 40,000 square-feet.
- Creation of 39 full-time jobs with above median wage, benefit packages and eligibility as participants in the company's Employee Stock Ownership Program.
- Increased capacity for company competitiveness on national level contracts.
- Company's committed capital expenditures for equipment and fixtures exceeding \$1.3 million.

Public Goals include:

- Leveraging \$2,258,559 in federal EPA funding for coal-impacted communities.
- Increasing payroll 23% by year five.
- Estimated \$39 million in additional revenue over the next ten years.
- Recruitment of skilled workforce.
- Successful attraction of light manufacturing companies to Sheridan.
- Continued success promoting Sheridan and Northeast Wyoming as a viable location for targeted industries.
- Increasing the research and development sector in Wyoming through Kennon's mentoring of companies seeking to use the SBIR Program; strengthening partnerships with Sheridan/Johnson County Next Generation Sector Partnership working group. and providing resources, expertise and hands-on training in advanced manufacturing to the Northern Wyoming Community College District.

Sources	
BRC amount	\$ 2,850,000
Cash Match	\$ 3,769,320
In-Kind Match - Land Value	\$ 348,480
Total eligible project cost	\$ 6,967,800
BRC % of total eligible project costs	41%
Local % of total eligible project costs	59%
Uses	
Land Value	
Land	\$ 348,480
Non-Construction Costs	
Architectural and Engineering fees	\$ 468,675
Other fees (surveys, tests, etc.)	\$ 82,000
Construction Costs	
Site work	\$ 886,000
<i>Building Components:</i>	
Electrical Systems	\$ 690,000
Mechanical, plumbing, HVAC systems	\$ 1,125,500
Foundation and/or Structural Framing system	\$ 1,506,600
Interior Finishes	\$ 531,000
Fire Protection	\$ 155,250
Other - General Conditions/Mobilization	\$ 885,210
Contingencies (5%)	\$ 289,085
Total Uses	\$ 6,967,800

Loan Terms

Total Project: \$6,967,800

Total Loan: \$1,510,761

Total Grant: \$2,850,000

Collateral: Land value of 4-acre site \$348,480; and constructed facility

Term: 20 years

Interest Rate: 3.5%

Other fees: \$2,500 loan servicing fee (\$125 per year for a term of 20 years)

SEEDA is proposing that interest not begin to compound on the loan for the first two years of the project SEEDA will repay the loan with lease revenue received from Kennon.

Lease and Revenue Recapture

SEEDA will enter a 21-year lease with Kennon Products, Inc. Kennon will pay a monthly triple-net lease rate of \$6.00 per square-foot for the first seven years. The lease will have two seven-year renewals and the lease rate will increase to \$6.25 per-square-foot in year eight, then increase by 1.5% each year thereafter.

SEEDA will repay the BRC loan with lease revenue from Kennon Products. WBC will recapture approximately \$2.1 million in principal and interest on the loan.

SEEDA will recapture approximately \$2.5 million in lease payments minus loan repayment (75%) and will use those funds for the following economic development purposes:

- 25% of recaptured funds will be set aside for SEEDA initiatives for development of capital projects, workforce training or job creation initiatives in Sheridan County.
- 25% of recaptured funds will be committed toward the further development and maintenance of project-ready property in the High-Tech Business Park or other locations identified by the SEEDA board.
- 50% will be held in reserve for other business recruitment efforts identified by the SEEDA board.

Attorney General Opinion

Pending

WBC Deliberation

Board members Kensey and Sopko declared a conflict of interest and recused themselves from project discussion and the vote.

The board heard from Sheridan Mayor Roger Miller. He gave a brief history of the project, the development of the High-Tech Business Park and the partnerships with UW and Sheridan College.

Board member Wandler added that Kennon Products was a great company and the need for this type of company to highlight innovation and advanced manufacturing in Wyoming.

WBC Recommendation

WBC unanimously recommends funding as requested.

Project Overview

SEEDA Kennon High-Tech Business Park					
Purpose	The Sheridan Economic and Educational Development Authority Joint Powers Board requests a \$2,850,000 Business Committed grant, and a \$1,510,761 BRC loan to construct a 34,000 - 40,000 square-foot manufacturing facility on a 4-acre site located in the High-Tech Business Park for the expansion of Kennon Products, Inc.				
Project Budget	Projected Grant Expenditure Schedule				
	Description	BRC	Match		Total
			Cash	In-Kind	
	Land	\$ -	\$ -	\$ 348,480	\$ 348,480
	Non-Construction Costs	\$ 237,097	\$ 313,578	\$ -	\$ 550,675
	Construction Costs	\$ 2,612,903	\$ 3,455,742	\$ -	\$ 6,068,645
	Total Project Cost	\$ 2,850,000	\$ 3,769,320	\$ 348,480	\$ 6,967,800
	Percentage BRC of all cash:		43%		
Performance Measures	Measure	Quantity	Notes		
	Businesses Assisted	1	Kennon Products, Inc.		
	Return on Investment		**to be determined**		
	Loan Repayment	\$ 2,102,833.26	Based on 20 year term at 3.5%		
	Revenue Recapture	\$ 2,511,613.23	20 year lease payments minus loan		
	County Median Wage	\$ 21.86	Based on 2017 figures		
	Median Wage of Jobs Created	\$ 27.46	After year five		
	Jobs to be Created (5 Year Projection)	39	Full time equivalents		
	Additional Private Investment	\$ 1,340,000	Additional equipment purchase by Kennon.		
	Additional Public Investment	\$ 2,258,559	EDA Grant - awarded October 2018		
	Estimated Capital Expenditures Year One	\$ 500,000			
	Estimated Capital Expenditures Year Two	\$ 500,000			
	Estimated Capital Expenditures Year Three	\$ 150,000			
	Estimated Capital Expenditures Year Four	\$ 150,000			
	Estimated Capital Expenditures Year Five	\$ 250,000			
	Estimated Payroll Increase Year One	16%			
	Estimated Payroll Increase Year Two	9%			
	Estimated Payroll Increase Year Three	15%			
	Estimated Payroll Increase Year Four	15%			
	Estimated Payroll Increase Year Five	23%			
	Estimated Taxable Sales Year One	\$ 8,082,905			
	Estimated Taxable Sales Year Two	\$ 9,391,540			
	Estimated Taxable Sales Year Three	\$ 10,537,113			
Estimated Taxable Sales Year Four	\$ 11,665,878				
Estimated Taxable Sales Year Five	\$ 14,665,878				
Project Infrastructure	Acres Developed	4	Minimum site size.		
	New Building Construction	34,500	Square-Foot based on conceptual design.		



Business Ready Community Grant and Loan Program

CAMPBELL COUNTY PUBLIC LAND JPB BOARD

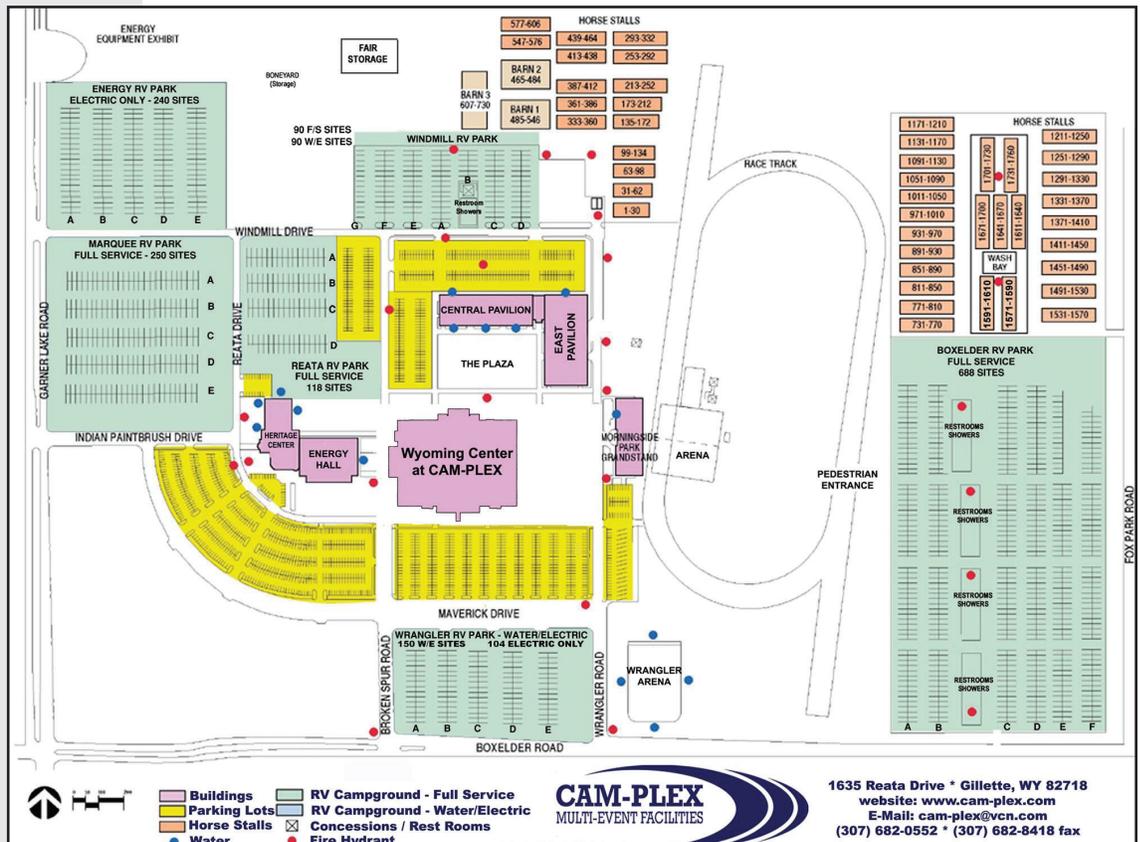
CAM-PLEX HERITAGE CENTER & ENERGY HALL RENOVATION AND REMODEL PROJECT

\$3,000,000 BRC Community Development - Readiness Grant

WBC Recommendation: Do Not Fund

Project Description

The Campbell County Public Land Joint Powers Board requests a \$3 million BRC Community Development – Readiness grant for the renovation and remodel of the Energy Hall and Heritage Center at the CAM-PLEX Multi-Events Facility in Gillette. Renovations will include replacement of flooring, skylights, wall and ceiling finishes, new doors and hardware, replacement of lighting and plumbing fixtures, ADA upgrades, mechanical system upgrades and other improvements as necessary to approximately 56,500 square-feet of the 75,000 square-foot foot-print of both facilities. The city of Gillette and Campbell County have committed to providing \$1.5 million each toward the committed match for the project.



CAM-PLEX is an 1,100-acre site featuring a fine arts theater; convention and exhibition halls; two multi-purpose pavilions; rodeo grounds; covered stadium seating; a 21-acre park and forested picnic area and 1,785 recreational vehicle (RV) sites with services. CAM-PLEX contributes significantly to the economy of Campbell County through conferences, conventions, concerts, theater and dance productions, trade shows, livestock events, rodeos, RV rallies and much more.

Since the completion of the Energy Hall and The Heritage Center Theater in the 1980s, the facility has been well maintained. However, it has not necessarily been renovated or upgraded. Years of use have left both buildings in need of updates to prevent the loss of future events. Necessary renovations include safety and accessibility upgrades like fixing uneven stairs, low balcony railings for theater stairs, steep wheelchair ramps, adding more handicap-accessible bathroom stalls and generally making the facility more handicap accessible.

Regaining and maintaining a competitive edge in the event venue industry is a subject of concern. Attendees and event organizers complain about the disrepair and outdated buildings and how these facilities are costly to decorate over the deterioration. Renovations are necessary for CAM-PLEX to win bids on national, large-scale conferences, rallies, performing arts productions and other new events, as well as for retaining events that currently use the facilities.

Project Goals and Public Benefits

Project Goals include:

- Removing barriers so CAM-PLEX Multi-Events Facilities can win bids for national and large-scale events and performing arts productions.
- Bring more visitors and outside dollars to the community.
- Increase the number of events and participants attending, which creates higher economic impact through travel spending, lodging, food services, gas stations and retail.

Public Goals include:

- Improve quality of life and generate economic benefit for the region by hosting out-of-town visitors attending events.
- Leverage additional funding from the city of Gillette and Campbell County in the amount of \$3 million.
- Increase economic development in Campbell County and surrounding areas.

Sources	
BRC amount	\$ 3,000,000
Cash Match	\$ 3,000,000
Total eligible project cost	\$ 6,000,000
BRC % of total eligible project costs	50%
Local % of total eligible project costs	50%
Uses	
Non-Construction Costs	
Architectural and Engineering fees	\$ 171,000
Other fees (surveys, tests, etc.)	\$ 35,000
Project inspection fees	\$ 4,550
Construction Costs	
Demolition and removal	\$ 245,000
<i>Building Components:</i>	
Electrical Systems	\$ 1,895,000
Mechanical, plumbing, HVAC systems	\$ 400,000
Foundation and/or Structural Framing system	\$ 50,000
Interior Finishes	\$ 2,297,000
Fire Protection	\$ 100,000
Remediation	\$ 250,000
Geotechnical recommendations, administrative costs	\$ 12,450
Contingencies (10%)	\$ 540,000
Total Uses	\$ 6,000,000

Objectives include:

- Submit 8 bid proposals a year for large-scale, national events and performing arts productions per year.
- Successfully book and host 2 large-scale, national events and performing arts productions per year.
- Increase in hotel stays.
- Increase in travel spending in Campbell County.

WBC Deliberations

The board heard from Louise Carter-King, city of Gillette mayor; City Administrator Pat Davidson; and Micky Shoher, Campbell County Commissioner. The CAM-PLEX is a premier event center hosting large events and bringing in outside dollars into the community.

Board members Easley and Wandler had both recently visited with the CAM-PLEX staff. Both agreed the CAM-PLEX facility was important to Gillette and northeast Wyoming and keeping it competitive on the national level would bring more dollars into Wyoming. This is particularly important as coal declines.

The board asked if the project could be phased. Commissioner Shoher answered yes, but phasing the project would be difficult to do because events are scheduled in advance. Phasing would add \$500,000 in costs.

WBC Recommendation

A motion was made and seconded to approve \$2 million dollars in funding. Motion failed due to a tie vote. A second motion was made and seconded to fund project as requested for \$3 million. Motion failed with a vote of 4 in favor and 10 opposed.

WBC does not recommend funding.

Project Overview

Campbell Co. Land Board CAM-PLEX Heritage Center & Energy Hall Renovations			
Purpose	The Campbell County Public Land Joint Powers Board is requesting a \$3 million BRC Community Development – Readiness grant for the renovation and remodel of the Energy Hall and Heritage Center at the CAM-PLEX Multi-Events Facility in Gillette.		
Project Budget	Projected Grant Expenditure Schedule		
	Description	BRC	Match
			Cash
	Non-Construction Costs	\$ 105,275	\$ 105,275
	Construction Costs	\$ 2,894,725	\$ 2,894,725
Total Project Cost	\$ 3,000,000	\$ 3,000,000	\$ 6,000,000
	Percentage BRC of all cash:		50%
Performance Measures	Measure	Quantity	Notes
	Businesses Assisted	Multiple	Multiple businesses located near CAM-PLEX and hotel, retail, gas stations benefiting from events held.
	Event Attraction - large-scale multi-day	5 per year	Attract 5 large reoccurring events per year.
	Event Attraction - small multi-day	8 per year	Attract 8 smaller events.
	Population Served	250,000 per year	Increase the number of people attending events.
	Lodging tax	15%	Increase in lodging tax collected for new events.
	Lodging nights	500 - 700	Increase in lodging nights for new events.
Project Infrastructure	Existing Building Construction	56,500	Total space to be renovated

Business Ready Community Grant and Loan Program

TOWN OF GLENROCK

HISTORIC GLENROCK TRAIL

\$72,687 BRC Community Development - Enhancement

WBC Recommendation: Fund



Project Description

The town of Glenrock requests \$72,687 Business Ready Community (BRC) Community Development Enhancement grant funds to expand and enhance the walking and biking trail system spanning the town of Glenrock. The trail system will encompass portions of the Mormon, California, Oregon and Pony Express trails; Deer Creek Museum and amenities in the downtown area. Enhancements will include pedestrian crosswalk striping, solar powered crosswalk lighting, landscaping, parking area, signage, benches, ADA ramps and bollards. The trail will be constructed along an old railroad right-of-way the town currently owns.

Project Goals and Public Benefits

The town of Glenrock and the residents of the area use the pathway for recreation. Walking, running and biking on the path helps residents live healthier lifestyles. The construction through town within one block of Glenrock's downtown and main street will be helpful to many small businesses, restaurants and tourist attractions.

Project Goals:

- Extend and enhance Glenrock's historic trail east and west along the railroad right-of-way.
- Create safe crossing across Birch Street (US Highway 20-26-87).
- 200-400 projected users per year within three years.

Public Benefits:

- Create a continuous path to provide and promote healthy and safe pedestrian travel through town.

- The path will pass historic sites and cross an old trestle bridge into the Town Park. The path will run through downtown Glenrock within a short distance of small businesses, restaurants and tourist attractions.
- Implement art, history and cultural walk events, promote walking tours to tourists.
- Establish sense of place and public gatherings consistent with town's Main Street Placemaking.

Sources	
BRC amount	\$ 72,687
Cash Match	\$ 516,213
In-Kind Match	\$ 37,413
Total eligible project cost	\$ 626,313
BRC % of total eligible project costs	12%
Local % of total eligible project costs	88%
Uses	
Land Value	
Right-of-ways	\$ 7,175
Non-Construction Costs	
Architectural and Engineering fees	\$ 73,613
Other fees (surveys, tests, etc.)	\$ 5,700
Construction Costs	
<i>Building Components:</i>	
Electrical Systems	\$ 56,000
Landscaping	\$ 67,000
Trails, trailheads, solar powered crosswalks, striping, ADA ramps, permanent traffic controls	\$ 362,750
Receptacles	\$ 5,000
Contingencies (9%)	\$ 49,075
Total Uses	\$ 626,313

WBC Deliberation

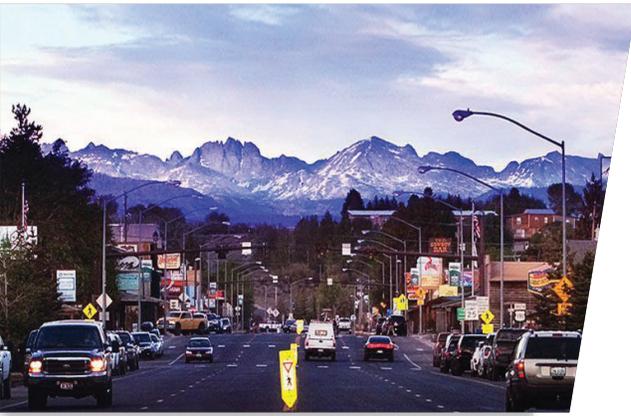
The Board heard from Tammy Taylor, clerk for the town of Glenrock. She said Glenrock is trying to set itself apart from Casper by making livability investments in the community. The board remarked on the amount of leverage and additional funding Glenrock has in place for the project.

WBC Recommendation

The WBC unanimously recommends funding as requested.

Project Overview

Glenrock - Historic Glenrock Trail				
Purpose	The town of Glenrock requests a \$72,687 Community Development Enhancement grant for the extension of bike/walking paths east and west along the old railroad right-of-way to create a continuous trail through town, encompassing portions of the Mormon, California, Oregon and Pony Express Trails. Enhancements will include pedestrian crosswalk striping, solar powered crosswalk lighting, landscaping, parking area, signage, ADA ramps and bollards.			
Project Budget	Projected Grant Expenditure Schedule			
	Description	BRC	Match	Total
			Cash	In-Kind
	Land	\$ -	\$ -	\$ 7,175
	Non-Construction Costs	\$ 6,057	\$ 43,018	\$ 30,238
	Construction Costs	\$ 66,630	\$ 473,195	\$ -
Total Project Cost	\$ 72,687	\$ 516,213	\$ 37,413	\$ 626,313
	Percentage BRC of all cash:		12%	
Performance Measures	Measure	Quantity	Notes	
	Community events	TBD	Implement art, history and cultural walk events, promote tourism walking tours.	
	Main Street Placemaking	TBD	Establish sense of place and public gatherings consistent with town's Main Street Placemaking goals.	
	Increase in individual use of trails	200 - 400	Projected users per year within three years.	
	Enhancement of blighted properties	2	Properties adjacent to trail that will be improved as a result of project.	
	Additional Investment	\$466,213 \$50,000	WYDOT TAP Grant, Converse County Commission.	
Project Infrastructure	Trail Construction West (in feet)	2,078	Construction of path west from 3rd Street to 9th Street.	
	Trail Construction East (in feet)	2,276	Construction of path east from Grant Elementary School to Colt Street.	
	Trailhead parking	4	Four-car parking spaces at trailhead entry.	
	Crosswalk signals	4	Solar powered pedestrian crosswalk flashing signals.	
	ADA Ramps	8	ADA compliant crosswalk ramps.	
	Traffic control signage	2	Pedestrian stop signs.	
	Lighting	28	Pathway bollard lighting.	
	Trees	100	New trees planted along pathway including irrigation system.	



Business Ready Community Grant and Loan Program

TOWN OF PINEDALE EVENTS AND RECREATION INFRASTRUCTURE PROJECT

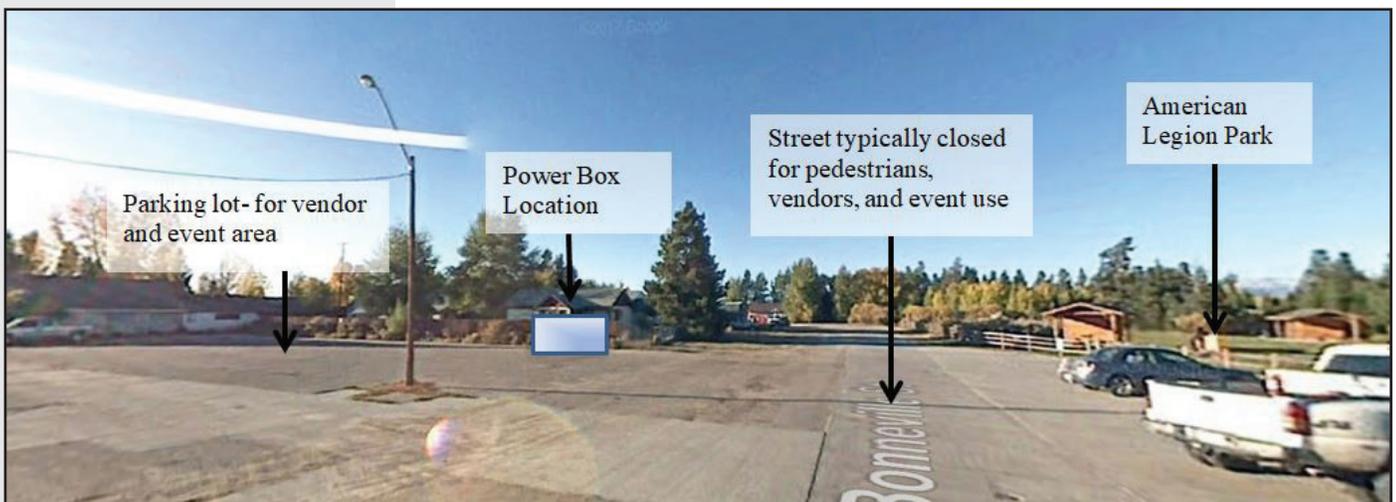
**\$179,062 Community Development -
Enhancement Request**

WBC Recommendation: Fund

Project Description

The town of Pinedale requests \$179,062 Business Ready Community (BRC) Community Development Enhancement grant funds to construct a dump and water filling station for recreational vehicles, tour buses and industrial tank trucks adjacent to the Rocky Mountain Car Wash at 957 Pine Street. This project is a public/private partnership with the owner of Rocky Mountain Car Wash. The owner gave the town a right-of-way on the northwest corner of the property to construct the dump and water filling station.

Users of the RV dump station can line up across the street from the car wash with ample space without impeding the flow of traffic. Pinedale proposes an automated system for payment of both the dump and water filling stations; users will pay with credit cards. Bulk water will be available for any user at a competitive price. The cost will be \$15 per use of the dump station, which is competitive with other dump sites located north and south of Pinedale. The location will be marketed in the way of signage throughout town and shared with major tour bus companies that travel through Pinedale on the way to Jackson and Yellowstone. Tour bus use of the site will increase tourist traffic in Pinedale and possibly spur economic growth in the immediate area to cater to travelers.



Funds will also be used to add a power box to the parking lot west of American Legion Park to replace the need for generators at park events. Pinedale's American Legion Park hosts many events during the summer months, including the Green River Rendezvous, brew fests and other community gatherings. Vendors requiring power sources have been using generators. The power box will eliminate the need for generators - and the noise and exhaust fumes that come along with them. WYDOT recently asked Pinedale to relocate their Rendezvous event to the American Legion Park. The power box will be an asset to the community, especially for that event. Pinedale will charge users \$100 per day.



Project Goals and Public Benefits

Project Goals:

- Increase RV tourist stay in Pinedale.
- Increase local business revenue.
- Provide a need desired by locals. Pinedale does not have a dump station.
- Accommodate events and provide clean energy for events at American Legion Park.

Public Benefits:

- Customers take advantage of neighboring businesses, including gas stations, repair shops and restaurants.
- Create a revenue source from users.
- Increase community events and draw more visitors to town.
- Significant decrease of noise from park events for neighbors adjacent to the park.

Sources	
BRC amount	\$ 179,062
Cash Match	\$ 71,687
Total eligible project cost	\$ 250,749
BRC % of total eligible project costs	71%
Local % of total eligible project costs	29%
Uses	
Non-Construction Costs	
Architectural and Engineering fees	\$ 12,000
Project inspection fees	\$ 7,011
Construction Costs	
Site work	\$ 56,045
Demolition and removal	\$ 3,740
<i>Building Components:</i>	
Electrical Systems	\$ 46,400
Mechanical, plumbing, HVAC systems	\$ 31,976
Foundation and/or Structural Framing system	\$ 14,065
Traffic control, mobilization and bond	\$ 17,500
Sani-Star fee, AquaFlow unit, and preparations	\$ 55,000
Contingencies (3%)	\$ 7,012
Total Uses	\$ 250,749

WBC Deliberation

The Board heard from Matt Murdoch, mayor of Pinedale. He said the overall goal of this project is to get visitors to stay longer in Pinedale. The dump station will be placed just off Pine Street (US Hwy 191) which is Pinedale's main thoroughfare through the community, with many amenities close by for visitors to enjoy.

The Board asked about utilizing the old KOA campground infrastructure to build the dump station. Mayor Murdoch said that Pinedale officials investigated the idea, but the infrastructure is old and dilapidated, and it is more cost effective to construct this project new.

WBC Recommendation

The WBC, in a 12-2 vote, recommends funding as requested.

Project Overview

Pinedale Events & Recreation Infrastructure			
Purpose	The town of Pinedale requests a \$179,062 Business Ready Community (BRC) Community Development - Enhancement grant funds to construct a dump and water filling station for recreational vehicles, tour buses and industrial tank trucks adjacent to the Rocky Mountain Car Wash at 957 Pine Street and a power box across the street from American Legion Park.		
Project Budget	Projected Grant Expenditure Schedule		
	Description	BRC	Match
			Cash
	Non-Construction Costs	\$ 13,576	\$ 5,435
	Construction Costs	\$ 165,486	\$ 66,252
	Total Project Cost	\$ 179,062	\$ 71,687
	Percentage BRC of all cash:		71%
Performance Measures	Measure	Quantity	Notes
	Dump Station Customers	300 per year	RV users of dump station for a fee of \$15 per use.
	Commercial use of water filling station	300 per year	At 1,000 gallons per commercial users for a fee of \$20 per 1,000 gallons.
	Day use of Power Box	25 days per year	Per day use of Power Box for a fee of \$100 per day.
	Return on Investment by year six	\$ 10,394.00	Cumulative total
	Return on Investment by year seven	\$ 24,923.00	Cumulative total
	Return on Investment by year eight	\$ 40,269.00	Cumulative total
	Return on Investment by year nine	\$ 56,472.00	Cumulative total
	Return on Investment by year ten	\$ 71,117.00	Cumulative total
	RV tourist length of stay	TBD	Will track users through guest book at Visitor Center.
	Increase in local business revenue	TBD	Will track revenue from RV dump and fill station.
	Increased events held at American Legion Park.	TBD	Will track events at park and energy use.