

CITY OF SCOTTSBLUFF
City of Scottsbluff Council Chambers
2525 Circle Drive, Scottsbluff, NE 69361
LB 840 Application Review Committee

Regular Meeting
August 10, 2018
8:00 AM

1. Roll Call
2. **For public information, a copy of the Nebraska Open Meetings Act is posted in the back of the room on the north wall.**
3. Notice of changes in the agenda by the city manager (Additions may not be made to this agenda less than 24 hours before the beginning of the meeting unless added under Item 4 of this agenda.)
4. Citizens with business not scheduled on the agenda (As required by state law, no matter may be considered under this item unless the committee determines that the matter requires emergency action.)
5. Approval of Minutes
 - a) Approval of May 10, 2018 minutes.
6. Consideration of Applications for Economic Development Assistance
 - a) Consideration of Application for Assistance from Der Topfer Studio & Gallery, Rod Clause.
 - b) Consideration of Application for Assistance from Great Plains Distillery, Phil Mitchell and Austin Propp.
 - c) Consideration of Application for Assistance from B Squared Trucking, Valerie Baker, Scott Blanton, Clifford Brabson.
7. Closed Session
 - a) Committee may consider any of the above matters, where a Closed Session is appropriate
8. Adjournment.

City of Scottsbluff, Nebraska
Friday, August 10, 2018
Regular Meeting

Item 1

Approval of May 10, 2018 minutes.

Staff Contact: Starr Lehl

City of Scottsbluff
Economic Development Application Review Committee
May 18, 2018

A meeting of the Economic Development Application Review Committee was held on May 18, 2018, at 8:00 a.m. at City Hall, 2525 Circle Drive, Scottsbluff, NE.

The meeting was convened at 8:00 a.m. Present were Committee Members, Jim Trumbull, Dennis Hadden, Marla Marx, and Lee Glenn, along with alternates Dave Schaff and Jeanne McKerrigan. In attendance on behalf of the City were Program Administrator, Nathan Johnson, Deputy City Attorney, Rick Ediger, City Economic Development Director, Starr Lehl, and City Finance Director, Liz Hilyard.

Chairman Trumbull called the meeting to order and stated that a copy of the Nebraska Open Meetings Act is located on the South wall of the Council Chamber. There were no changes in the Agenda, nor were there any citizens with business not scheduled on the Agenda.

It was moved by Glenn and seconded by Marx that the minutes of April 26, 2018 Committee Meeting be approved. Voting yes: Trumbull, Hadden, Marx, and Glenn. Voting no: None.

An Application for Assistance from Elite Urgent Care and Family Health was presented. Alicia Gonzales-Longoria appeared on behalf of the Applicant. Hadden indicated he had a conflict of interest, leaving three members able to vote. Accordingly, both alternates will participate in all decisions concerning this matter. Ms. Gonzales-Longoria indicated that she was forming a limited liability company in order to establish a full-service health clinic for urgent care and routine medical needs in the Elite Health building. The Applicant summarized her Application to include financial projections. It is expected that patients of the clinic will also come from Eastern Wyoming and Northeast Colorado. The Applicant will start with a minimum of 3 employees, with the expectation that at the end of the first year, the clinic will have 5 employees. The Applicant is requesting \$75,000 to be used in connection with the start-up expenses for the clinic. The Applicant hopes to have the clinic open by August 1, 2018. The Applicant has arranged for a loan from Bankers Health Group as the primary lender. Ms. Gonzales-Longoria then left the meeting.

An Application for Assistance from Skyview Foundation was presented. Presented on behalf of the Applicant was Dean Dragon, who is the Administrator of Skyview of Bridgeport. It was explained that Skyview of Bridgeport is a city-owned facility which is managed by Rural Health Development. Skyview Foundation, however, is a 501(c)(3) non-profit corporation which has no employees and is formed for the purpose of providing support for the facility. Its sole source of revenue is from contributions. Following that explanation, legal counsel indicated that the Applicant was not eligible since its principal source of revenue comes from contributions. Accordingly, no action was taken.

City Manager Johnson indicated there have been changes with respect to Millennium Resilient International, Inc. However, Mark & Amy Westphal continue as Guarantors. To date, the

Applicant had not received all of the funds that were previously approved. As long as the Guarantees are in place, the Committee had no objection to the Applicant requesting draws up to the maximum provided for in the EDA Agreement.

Discussion was then had concerning the use of Economic Development funds for housing projects. It was the consensus of the Committee that no applications should be considered until the Committee adopts a policy concerning housing construction incentives. It was further suggested that a joint meeting should be held with the Community Redevelopment Authority so that consideration could be given to the relationship between tax increment financing for housing and LB840 loans or grants.

The Committee then discussed the Application of Elite Urgent Care and Family Health. It was moved by Schaff and seconded by Marx that the Committee recommend that a low-interest loan be made to the Applicant in the amount of \$75,000. The loan shall be amortized over 5 equal annual payments with interest at the applicable Midterm Federal Rate in effect at the time the loan is closed. Annual Job Credits may be earned at the rate of \$2,000 per FTE. No more than an amount equal to the annual payment may be earned. The effective date for interest to run and Job Credits shall be January 1, 2019. The security shall be the personal Guaranty of Alicia Gonzales-Longoria and a second lien on the equipment used in the business. Voting yes: Marx, Glenn, Schaff and McKerrigan. Voting no: None. Abstain: Trumbull.

The meeting was then adjourned at 9:15 a.m.

Nathan Johnson, Program Administrator

City of Scottsbluff, Nebraska

Friday, August 10, 2018

Regular Meeting

Item 1

Consideration of Application for Assistance from Der Topfer Studio & Gallery, Rod Clause.

Staff Contact: Starr Lehl

**City of Scottsbluff
Economic Development Grant Application**

1. Applicant Information:

Business Name: [Der Töpfer](#) Gallery-Studio

Address: 1211 3rd Ave

Applicant Contact: Rod Clause

Business Phone: (308) 633-0429

E-mail address: Clause_7@msn.com

2. Business Information:

Structure of Business (proprietorship, partnership, LLC, corporation, etc): Sole owner

Ownership breakdown (include percentages for each Owner): 100%

General Description of Business: Manufacturing of ceramics goods, retail sale of Fine Art and ceramic and art classes made available to general public. Production of ceramic ware for local businesses using the stores logo to help promote tourism.

Products/Services: Ceramics, sculpture, blown glass, paintings, turned wooden bowls and photography. Ceramic and art classes made available.

Number of years in Business (or if a new Business, describe Owners experience in this type of business): This particular business just opened under a new name, been creating art and selling for 20 years. Opened a Gallery-Studio in Blanca Colorado, closed. Educational and professional art background.

Proposed Location Address: 1211 3rd Ave, Scottsbluff, NE
Current Zoning Classification: Commercial

3. Employment:

Base (current) number of full-time positions: 1

Full-time positions to be created: 1

Salary/Wage Range: Commission

Benefits provided to employees (include any contribution required by Employees): N/A

4. Financial Need:

Total project cost estimate: \$10,000.00

Breakdown of use of funds: Website development, marketing and bringing in Artist for workshops. Nation wide.

Date funds are needed: 30 Days

Investment to be made by Applicant (Amount & Source: See attached document

Loan(s) to be obtained (Amount & Bank Name): N/A

LB840 financial assistance amount requested for the Project: \$10,000.00

****The committee reserves the right to make part of the funds Grant (forgivable loan) and part of the funds Loan, which in non-forgivable and has repayment terms.**

Other Loans/Grants (CDBG, TIF, Re-Use, etc.):

5. Security Available:

Guarantor(s): N/A

Real Estate: N/A

Existing Liens: None

Personal Property:

Existing Liens: None

Stock / LLC Interests: N/A

Other:

6. Eligibility:

Principal Source of Income from (circle one):

- a. **Manufacturing**
- b. Research & development
- c. Processing, storage, transport or sale of goods or commodities in interstate commerce
- d. Sale of Services in interstate commerce
- e. Headquarters facilities relating to eligible activities
- f. Telecommunications activities
- g. Tourism-related activities
- h. Construction and rehabilitation of housing
- i. Retail trade where the principal source of income is from retail sales of products manufactured on the premises.
- j. Film production (Nebraska Film Office Activity Registration Form is also required).

Statement of how project is consistent with the goals of the Scottsbluff Economic Development Program: The goal for the [Der Töpfer](#) is to create local and international sales by the use of gallery availability and internet networking. Future goals include the hiring of artist from the community to teach art classes and to offer workshops conducted by local and nationwide artist.

Describe any pending legal action(s), to include the amount at risk and a summary of how ownership is reacting to the action(s): N/A

7. Additional Information to be submitted:

- a. Resumes of Owners, Management & Key Employees (include experience, training, credentials & work history). See attached resume
- b. Brief history of your business and where you see your business going in the next 5 years, with emphasis on the impact to the City of Scottsbluff. See attached Business History
- c. Personal Financial Statement of Guarantors and anyone owning 25% or more of the business. Note: documentation verifying assets and liabilities shall be made available upon request. See attached Der Topfer Gallery
- d. Income statement covering the past 2 years of business operations, if in business for that long. Copies of filed tax returns are acceptable and the most recent year's return must be included. First year, no records to show
- e. Business Plan, to include:
 - Total project costs to include itemized use of funds
 - Lender Commitments
 - Investor Commitments
 - Financial projections for the next 3 years.
 - Employment projections for the next 3 years

- Identification of jobs to be created by description, number, average wage, benefits, etc.
- Information as to suppliers, and in particular, those in the Scottsbluff area

See attached Business Plan

f. References, to include name, position, address and phone number:

Richard Bird Retired, Professor, Chadron NE 308 432-5248

Clayton Rahmig, City of Scottsbluff, Gering NE 308 631 5234

g. Any other information that you feel will assist the City in evaluating your Application. Please include any marketing or sales brochures.

If have most of the equipment needed, over 30 years' experience in creating and selling art.

h. With respect to the Business, or any persons owning 25% or more of the business and any officers, indicate if there is any past or pending litigation which either has resulted in or could result in a judgment against the Business or any such person. List the nature of the judgment or pending action, and whether any portion remains unpaid as of this date.

N/A

i. With respect to any persons owning 25% or more of the business and any officers, indicate any who have been convicted of or plead guilty to any criminal charge or violation of law, excepting minor traffic offenses. List the nature of the charge, where the charge occurred and the year and month of the conviction or plea.

DUI Colorado 2000 resolved

j. Applicant agrees to sign waiver form provided by the City of Scottsbluff for Background and Credit Check.

8. Nebraska Advantage Act:

The Applicant certifies to the city as follows (select one):

☒ The Applicant has not filed nor does it intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act with respect to this project.

☐ The Applicant has filed or intends to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act for this project. If so, indicate if such application includes or will include, as one of the tax incentives, a refund of the City's local option sales tax revenue: ____; and whether such application has been approved under the Nebraska Advantage Act: ____.

I certify that the information presented in connection with this Application for Economic Development Assistance is true and correct. Consent is given to the City of Scottsbluff to contact references, conduct one or more credit checks, criminal background checks, and to verify the information contained in this Application.

Dated: 6/5/2018

Signed: Rodney S. Clause
Title: Owner

Business Plan Der Topfer Gallery-Studio

- Funds to be used for website development, marketing, advertisement and tourism development. Cost unavailable at this time.
- Lender Commitments - \$12,000.00 Current assists listed.
- Investor Commitments - \$10,000.00
- Financial projections for the next three years \$90,000.00
\$30,000.00 a year
\$25,000.00 a year in direct and online sales (craft fairs included)
\$5,000.00 a year in teaching contracts
- Employment projection- 1 full time and 1 part time position created.
- 1 full time Art Marketing Agent – Commission work
1 part time sales associate, minimum wage, no benefits offered
Part time position may move to full time depending on demand.
- Production work for Gering Garden Center included 100 ceramic bowls and 37 custom designed uniforms for current employees.

Potential clients include local coffee shops, restaurants, breweries, garden centers and mortuaries for burial urns.

On the educational side of the business, classes and workshops will be offered to the general public. Art Gallery walks including local artist will be created.

Der Töpfer Gallery-Studio

1211 3rd Ave

Scottsbluff, NE

Business License # 13196901

Equipment List

Olympic Electric Kiln Cone 10	\$3,000.00
8 Kiln shelves and stilts	\$300.00
Skutt Raku Kiln	\$600.00
3 Ohaus Balance Beam Scales	\$350.00
2 Brent CXC Pottery Wheels	\$2,400.00
1 Shimpo Pottery Wheel	\$800.00
1 Wedging Table	\$100.00
2 4x8 Work Tables	\$200.00
5 Display Shelves	\$500.00
1 10x10 Craft Tent	\$300.00

Wood and Steel Shelves	\$100.00
300lbs Clay	\$200.00
Dry and wet glazes	\$500.00
10 Plastic Bats	\$150.00
2 Plastic Bats 14"	\$40.00
2 Plastic Bats	\$60.00
15 Wooden Bats 14"	\$150.00
1 80 Mesh Mixing Bowl	\$25.00
Ceramic Hand Tools	\$300.00
1 Gallon Wax Resist	\$30.00
1 Electric Mig Welder	\$100.00
1 Electric Drill Press	\$75.00
3/8 Electric Drill	\$60.00
Hand Tools	\$300.00
1 50 Gallon Propane Tank	\$80.00
3 25 Gallon Propane Tank	\$120.00
1 Raku Propane Torch	\$50.00
Raku Tongs	\$25.00
2 Pair Raku Gloves 1700F	\$300.00
Total	\$11,215.00

Clay and glazes amounts will change with demand.

Der Topfer Business History

“Der Töpfer” Gallery and Studio was created 2/27/2018 and has been operating as a Fine Art Gallery and working studio sense that time. Before that period of time the business was called “Rod Clause Art Works” and was in operation for 2 years operating as a working studio and trying to sell art work to the local community. For three years the business was located in Blanca CO and was called “The Drunken Potter” (2009-12). As owner and operator I have been creating and selling art for over 30 years.

The five year plan includes the hiring of employees; create an online business selling to individual and wholesale clients. Work with the city to create tourism and help open the doors for other artist that may want to move to the area and open other galleries and studios. Bring in local and international artist to conduct workshops. Community ceramic classes will be offered in the studio and will be listed with WNNC, (classes already started).

The impact on Scottsbluff and surrounding areas would result in the hiring of local residents, tax revenue created with the sale of direct and online sales and the opportunity for residents to take art classes that are not currently offered.

RODNEY S. CLAUSE

1211 3rd Ave, Scottsbluff NE (308) 633-0429 clause_7@msn.com

EDUCATION

Fort Hays State University, Hays, KS

Master of Fine Arts

1998

Three Dimensional: Sculpture and Ceramics

Chadron State College, Chadron, NE

Bachelors of Arts

1995

Composite Two and Three-Dimensional Studio Art

Chadron State College, Chadron, Chadron, NE

Bachelor of Science

2013

Art Education K-12

Nebraska Teaching Certificate

TEACHING EXPERIENCE

Chadron State College, Chadron, NE

2015-2016

Instructor

Art Education and 3D Studio

- **Art for the Elementary/Middle School Teacher**

Taught Art Education History

Lesson Plan and Unit Plan Development

Annual Budget

Art Analysis

Picture File

Student Lesson Plan Demonstration

- **Sculpture I and II (3-Dimensional Design)**

Alabaster Stone Carving

Plaster and Paper Casting

Wood Dowel Abstract Sculpture

Clay Human Head Study with Acrylic Patina Application

Welded Metal Kinetic and Stationary Sculpture (MIG and Plasma Cutter)

- **Creative Crafts**

Batik

Inkle Loom

Lamp Work (Beads and Marbles)

Tie Dye

Paper Making

- **Ceramics I and II**

Low Fire Hand Building and Glazing

High Fire Wheel Throwing and Glazing

Glaze and Clay Formulation

Electric and Gas Firing (Low and High Fire)

Raku

- **Glassblowing I and II**

Hot Glass Blowing (Paper Weights and Vessels)

Colored and Clear Glass Application

Adjunct Instructor

Art Education and 3D Studio

2014-2015

- **Art for the Elementary/Middle School Teacher**

Taught Art Education History

Lesson Plan and Unit Plan Development

Annual Budget

Art Analysis

Picture File

Student Lesson Plan Demonstration

- **Ceramics I**

Low Fire Hand Building and Glazing

High Fire Wheel Throwing and Glazing

Electric and Gas Firing (Low and High Fire)

Raku

- **Sculpture I (3-Dimensional Design)**

Clay Tile and Plaster Molding Project

Clay Animal Project

Mosaic Head Study

- **Drawing II**

Still Life and Figure Drawing

Graphite

Pen and Ink

Charcoal

Colored Pencil

Fort Hays State University Hays, KS

1996-1998

Teaching Assistant-Graduate Student

- Team taught upper and lower division classes
- Bronze casting
- Wood and stone carving
- Paper Casting
- Mixed Media Assemblages
- Instructed students on the proper use of power and hand tools

City of Loveland Loveland, CO

2001-2008

Ceramic Instructor Chilson Recreation Center

- Taught adult and youth wheel throwing and hand building techniques.
- Responsible for the firing of the kiln, clay mixing, glaze preparation and inventory control.

RELATED EXPERIENCE

Gering, NE

"Rod Clause Art Works"

2016- Present

- Open Studio and Gallery
- Specializing in Low Fire Ceramics (Raku and Horse Hair)

Chadron State College, Chadron, NE

Student, work study, contract employee and Groundskeeper

2012- 2015

- Metal fabricator for CSC Theater Department.
- Repaired and maintained 3D Art Studios and equipment.

Chadron Public Schools, Chadron, NE

Substitute Teacher

2014 - 2016

- Industrial Arts and Art

Blanca, CO

“The Drunken Potter” Art Studio and Gallery

2009 - 2012

- Working studio for wheel throwing and hand building ceramics.
- Specializing in Raku firings

City of Loveland, Loveland, CO

Logistic Specialist

2001-2009

- General warehouse duties
- Forklift Instructor
- Utility Grounds man

Loveland, CO

Multiple Foundries

2000-2001

- Bronze Foundry Technician “Rod Clause Art Works”
- Metal chaser and welder
- Mold maker (small to monumental molds)

AWARDS

“Who’s Who Among Students in American Universities and Colleges” Chadron State College

Exhibitions, Fairs and Workshops

- Raku and Horse Hair Workshop, Rod Clause Instructor, Gering, NE (2017)
- Eclipse in the Park Craft Fair, Mitchell, NE (2017)
- Western Nebraska Art Center, Golden Anniversary Exhibit, Scottsbluff, NE (2017)
- Oregon Trail Days Craft Fair, Gering, NE (2017)
- Western Nebraska Art Center, Juried Art Exhibit, Scottsbluff, NE (2017)
- “Art Infinity “Faculty Art Show, Chadron, NE (2015)
- Artist in Residence: Sheldon Art Museum Statewide Gallery Tour, Scottsbluff, NE (2014)
- “Advanced Art Studio Show” Chadron, NE (2014)
- “All Student Art Show” Chadron, NE (2013)
- “Meet the Artist” Monte Vista, CO (2010)
- “Art Walk” Alamosa, CO (2010)
- “Blanca Days” Blanca, CO (2010)
- “The Drunken Potter” One Man Show, Blanca, CO (2010)
- “3rd Annual CEC Holiday Craft Fair” Alamosa, Co (2010)
- “13th Annual Taste of Fort Collins” Fort Collins, CO (2009)
- “Dream Art Show” Poudre Arts Center, Fort Collins, Co (2009)

- “United Way Art Auction” Annual Event Loveland, CO (5 years) (2008)
- “Annual Christmas Art Sale and Demonstration” (6 years) (2008)
- “Annual Taste of Centerra” Loveland, CO (2008)
- “Art Walk and Market” Loveland Museum, Loveland, CO (2 years) (2005)
- “Sculpture in the Park” Loveland, CO (2002)
- “Loveland Art Stroll” Loveland, CO (2001)
- “Local Artist Exhibit” Grand Junction, CO (1999)
- “The Gathering” Moss-Thorne Gallery, Hays, KS (1998)
- “Russell’s Original Art Review Russell, KS (1997)
- “Alumni Show” Chadron, NE (1996)
- “Senior Exhibition” Chadron, NE (1995)
- “Student Exhibition” Chadron, NE (1995)
- “Student Exhibition” Western Nebraska Community College, Scottsbluff, NE (1993)

City of Scottsbluff, Nebraska

Friday, August 10, 2018

Regular Meeting

Item 2

Consideration of Application for Assistance from Great Plains Distillery, Phil Mitchell and Austin Propp.

Staff Contact: Starr Lehl

**City of Scottsbluff
Economic Development Grant Application**

1. Applicant Information:

Business Name: Great Plains Distillery

Address: 213 west Railway St. Scottsbluff Ne. 69361

Applicant Contact: Philip Mitchell

Business Phone: 308-672-3007 308-672-0574

E-mail address: greatplainsdistillery@gmail.com

2. Business Information:

Structure of Business (proprietorship, partnership, LLC, corporation, etc):
LLC

Ownership breakdown (include percentages for each Owner):
80% Phillip Mitchell 20% Austin Propp

General Description of Business:
Spirits manufacturer

Products/Services:
Vodka, whiskey, rum

Number of years in Business (or if a new Business, describe Owners experience in this type of business):
2 years

Proposed Location Address: 1716 Broadway Scottsbluff

Current Zoning Classification: commercial

3. Employment:

Base (current) number of full-time positions: 2

Full-time positions to be created: 5-7

Salary/Wage Range: 25,000-50,000

Benefits provided to employees (include any contribution required by Employees):
Great Plains will provide each employee with a stipend for health insurance, and pay for AFLAC. Vacation and sick leave will be provided. The number of days will depend on each employee's length of service. Profit sharing is a long term goal, but will not be available immediately.

4. Financial Need:

Total project cost estimate: \$300000.00

Breakdown of use of funds: see attachment

Date funds are needed: asap

Investment to be made by Applicant (Amount & Source): 55,000.00 personal investment See financial projections source & use statement

Loan(s) to be obtained (Amount & Bank Name): 60,000.00 western states bank

LB840 financial assistance amount requested for the Project: 185,000.00

Please note that it will take at least 6 months to remodel the building so that we can open the whiskey bar. We are requesting the payments be deferred until the opening.

****The committee reserves the right to make part of the funds Grant (forgivable loan) and part of the funds Loan, which in non-forgivable and has repayment terms.**

Other Loans/Grants (CDBG, TIF, Re-Use, etc.):

5. Security Available:

Guarantor(s): Great Plains Distillery

Real Estate: 1716 Broadway, Scottsbluff, NE

Existing Liens: TBD

Personal Property: Distillery Equipment

Existing Liens: None

Stock / LLC Interests:

Other:

6. Eligibility:

Principal Source of Income from (circle one):

- a. Manufacturing
- b. Research & development
- c. Processing, storage, transport or sale of goods or commodities in interstate commerce
- d. Sale of Services in interstate commerce
- e. Headquarters facilities relating to eligible activities
- f. Telecommunications activities
- g. Tourism-related activities
- h. Construction and rehabilitation of housing
- i. Retail trade where the principal source of income is from retail sales of products manufactured on the premises.
- j. Film production (Nebraska Film Office Activity Registration Form is also required).

Statement of how project is consistent with the goals of the Scottsbluff Economic Development Program: The expansion of Great Plains Distillery will allow the business to increase its manufacturing of products, which will grow it's interstate commerce, provide products and events that attract tourism to the community, and create jobs. All of the products sold locally and in Nebraska will be subject to sales tax, which will add revenue for the city and the state.

Describe any pending legal action(s), to include the amount at risk and a summary of how ownership is reacting to the action(s): none

7. Additional Information to be submitted:

- a. Resumes of Owners, Management & Key Employees (include experience, training, credentials & work history).
- b. Brief history of your business and where you see your business going in the next 5 years, with emphasis on the impact to the City of Scottsbluff.

- c. Personal Financial Statement of Guarantors and anyone owning 25% or more of the business. Note: documentation verifying assets and liabilities shall be made available upon request.
- d. Income statement covering the past 2 years of business operations, if in business for that long. Copies of filed tax returns are acceptable and the most recent year's return must be included.
- e. Business Plan, to include: Please see attached.
 - Total project costs to include itemized use of funds
 - Lender Commitments
 - Investor Commitments
 - Financial projections for the next 3 years.
 - Employment projections for the next 3 years
 - Identification of jobs to be created by description, number, average wage, benefits, etc.

Jobs created will be:

Owner employed full time \$50,000/year.
 2 Distillery workers \$25,000/year each.
 1 Kitchen manager \$30,000/year.
 2 Bartenders \$25,000/year each.
 2 Wait staff, \$9.00/hour (\$18720/year) plus tips

- Information as to suppliers, and in particular, those in the Scottsbluff area
 Purchase local grains from Z & M, Panhandle Coop, and Western Sugar Coop.
 Currently working with local farmers on a deal to have them grow rye.
 Wyoming producers currently supply wheat.
 Great Plains prefers to obtain its ingredients from within a 100 mile radius of the distillery.

- f. References, to include name, position, address and phone number:
- g. Any other information that you feel will assist the City in evaluating your Application. Please include any marketing or sales brochures.

- h. With respect to the Business, or any persons owning 25% or more of the business and any officers, indicate if there is any past or pending litigation which either has resulted in or could result in a judgment against the Business or any such person. List the nature of the judgment or pending action, and whether any portion remains unpaid as of this date.

- i. With respect to any persons owning 25% or more of the business and any officers, indicate any who have been convicted of or plead guilty to any criminal charge or violation of law, excepting minor traffic offenses. List the nature of the charge, where the charge occurred and the year and month of the conviction or plea.

- j. Applicant agrees to sign waiver form provided by the City of Scottsbluff for Background and Credit Check.

8. Nebraska Advantage Act:

The Applicant certifies to the city as follows (select one):

- ☒ The Applicant has not filed nor does it intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act with respect to this project.
- ☐ The Applicant has filed or intends to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act for this project. If so, indicate if such application includes or will include, as one of the tax incentives, a refund of the City's local option sales tax revenue: ____; and whether such application has been approved under the Nebraska Advantage Act: ____.

I certify that the information presented in connection with this Application for Economic Development Assistance is true and correct. Consent is given to the City of Scottsbluff to contact references, conduct one or more credit checks, criminal background checks, and to verify the information contained in this Application.

Dated:

Signed: _____
Title: _____

Great Plains Distillery Business Plan

OWNERS

Phillip Mitchell
Austin Propp

Great Plains Distillery
213 W Railway St
Scottsbluff, Ne 69361

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II. Executive Summary

Great Plains Distillery is a craft Micro-Distillery of ultra-premium and small batch spirits that will include vodka's (flavored and neutral), rums (light, dark, and spiced), and a locally themed, high quality, distilled Nebraska corn based moonshine and aged whiskey. Our primary goal will be to become a locally based leader in the rapidly growing trend of craft distilled spirits. The current trend in distiller spirits towards ultra-premium products manufactured in small batches and an increase in the number of entrepreneurs, or craft distillers and competition amongst existing companies presents an opportunity for Great Plains Distillery to penetrate the market. Our products will be of extremely high quality in order to ensure total customer satisfaction, supported by impeccable service to our customers and a marketing program that reflects the quality and image of the products. The product image of premium quality and uniqueness is an absolute requirement in order for Great Plains Distillery to be successful in this market.

Initial plans are to produce three main product lines, primarily focusing on the following, aged whiskey (distilled from local corn), a locally themed moonshine (distilled from local corn), light and dark rum, and vodkas (plain and flavored: TBD).

These products will be sold in the standard 5th sized containers of 750ml; a 1.75-liter version would be made available if requested. The immediate channels for distribution will include state-controlled beverage distribution and eventually store front sales. Quality will be Great Plains Distillery's mantra: From the selection of the finest grains to the freshness of the fruits and spices that we use for flavoring, the suppliers that we choose to conduct business with will mirror Great Plains Distillery in their dedication to providing only the finest products. This along with our superior quality still will allow us to promote the image of quality and redefine the definition of a craft distillery spirit.

Image is everything...In order to prosper there is need for Great Plains Distillery to be flexible and responsive, to delight customers by providing them with what they want, when they want it and before the competition. From product concept to goods dispatch we intend to ensure that every policy and procedure, system, and process must have the objective of improving the flexibility and response of the whole company. There is a need for interaction between all functional areas, particularly between marketing and manufacturing, if the organization is to realize its full potential, with marketing and controlled manufacturing being employed as a strategic weapon.

Our marketing strategy will be based mainly on ensuring that customers know the product is available and making the right product and information available to the right target customer. Hence, we intend to implement a market penetration strategy that will ensure that we are well known and respected in our respective industry. We will ensure that our products are competitively priced. However, our pricing strategy will also take into consideration the cost of production and distribution to ensure that we remain viable and operational. An initial goal of 100-125% gross margin is the target with distilling process improvements possibly allowing for an increase in margins from the second year.

III. Highlights and General Company Description

Great Plains Distillery is a craft distiller of fine spirits with manufacturing headquarters in Scottsbluff, Ne.

The benefits of operations based in Scottsbluff, Ne, will include

- Ability to purchase local products
- Bring more jobs to the valley
- Expose locals to craft distilling

Mission Statement

Great Plains Distillery intends to provide only the highest quality spirits that always exceed the drinker's expectations. Hence we intend to assist in the creation of a welcoming and relaxed ambiance reflective of people enjoying themselves. We are sensitive to the taste, look and feel of premium spirits, as well as affordable prices. We intend to provide the best possible value to our customers who care about quality products at affordable prices, and we want every dollar spent on our products to be well spent. We seek a fair and responsible profit, enough to keep the company financially healthy for the short and long term, and to fairly compensate owners and investors for the money and risk.

Keys to Success

The keys to Great Plains Distillery success will undoubtedly be effective market segmentation through identification of several niche markets and implementation strategies. Along these lines the company intends to implement advertising, personal selling and direct marketing strategies aimed at the target markets. Our advertising marketing strategies will rotate around. Hence our key success factors will include the following:

- **Excellence in Fulfilling the Promise:** We intend to produce and provide products of uncompromised quality to our customers. This is so as to meet the needs and high standards of our target customer segment.
- **Effective and Efficient Distribution Network:** The importance of such cannot be over emphasized in our line of business. We intend to establish an excellent distribution network that will enable us to rapidly respond to customers' orders and provide us with ample opportunities for growth.
- **Loyalty and Dedication:** The loyalty and dedication of our employees shall be essential to the prosperity of the organization. We recognize that corporate commitment to success should lead to the survival and prosperity of the products, and ultimately the organization as a whole.
- **Marketing Know-how:** In an increasingly competitive market there is need to aggressively market our business so as to be continuously at the top of our prospective and current client's minds. We intend to establish and dominate our presence on the World Wide Web, which will increase the knowledge of our products to the various market segments we shall be targeting. Web presence is a natural objective in reaching the appropriate potential customers. Well-done brochures, company profiles and business cards often have a triggering effect on clients contemplating on ordering our products. Hence this will undoubtedly generate increased sales of our products
- **Adherence to Stringent Values and Principles:** Great Plains Distillery needs to acknowledge the fact that the financial and strategic management of the business will ultimately determine its prosperity and success. Hence we intend to adhere to stringent values and principles that will enable such to be achieved.
- **Ownership:** The proposed legal form of ownership for Great Plains Distillery is an LLC Corporation.
-

IV. Products

Great Plains Distillery's initial product lines will include the following four families of craft spirits. Although we intend on producing small batches of other craft spirits, these four main product lines will be the primary focus for Great Plains Distillery due to their current popularity among our targeted customer base.

- **Vodkas** - Currently vodkas remain the number one spirit of choice in the US for the Premium cocktail. Great Plains Distillery will produce an ultra-premium neutral vodka spirit from 100% US grown corn and line of naturally and organically flavored vodkas that will utilize the neutral spirit as a base. This will be the distillery's flagship product line. The label designs will reflect a signature logo and desired marketing message within the design. Label design by Squid Kids Inc.
 - Great Plains Distillery's line of flavored vodkas will provide the drinker with subtle exotic flavors (flavors TBD). These flavors will come from only the highest quality natural and organic exotic fruits and spices from around the world. Final flavors and suppliers TBD.
- **Rums** - Following the current popularity of pirates and rums, mainly spiced, Great Plains Distillery will produce as well as import premium craft rums utilizing natural organic flavors. The initial offering for the first year will include white rum and spiced rum with aged rum to follow.
- **Moonshine** - With Great Plains Distillery, being a Nebraska based company, it would only be proper for us to offer a premium version of an American classic. Pure corn liquor and filtered with a smooth but fiery taste. This will be more than a novelty based product.
- **Aged Whiskey**- Great Plains Distillery will produce a whiskey aged in Charred American White Oak Barrels before being bottled and sold. Whiskeys are another high growth area for distilled spirits as can be seen from the number of advertisements for Jack Daniels Tennessee Whiskey . This is now, through the implementation and execution of a fantastic market program, it is now considered a premium top shelf liquor.

V. Analysis and Marketing Plan

We foresee our strengths as the ability to respond quickly to what the market dictates and to provide a craft distilled spirit in a growing market. In addition, through aggressive marketing and quality management we intend to become a well-respected and known entity in our respective industry. However we acknowledge our weakness of a small sized company without a lot of experience, and the threat of new competition taking aim at our niche. Below are the summarized strengths, weaknesses, opportunities and threats.

Strengths

- Strategic market segmentation and implementation strategies.
- Diversified market segments: ensuring the lack of dependency on one particular market.
- An aggressive and focused marketing campaign with clear goals and strategies.
- Clear-cut channels of distribution.
- A product that capitalizes on the current growing trend of craft or boutique spirits.

Weaknesses

- Lack of a reputation in comparison to our competitors.
- A limited financial base compared to the major players in the industry.

Opportunities

- The new generation of individuals and families has a far greater appreciation of attractive packaging (image conscious).
- Internet marketing and sales by finding distributors and retailers looking for new product
More women embracing spirits nationwide.
- A growing community looking to expand its horizons for tourism opportunities.

Target Market Segment Strategy

Our marketing strategy will be based mainly on making the right product available to the right target customer. We will ensure that our products' prices take into consideration our target markets' financial situations and that these people appreciate the product and know that it exists, including where to find it. The marketing will convey the sense of quality in every picture, every promotion, and every publication. There is already a sense of segment strategy in the way we define our target market. We are choosing to compete in areas that lend themselves to competition, service and channel areas that match our strengths, and avoid our weaknesses. Our strategy calls for the development of relationships with suppliers, distributors and retailers to support our business. Regular visits will be undertaken to these areas so as to ensure that we are meeting their expectations. The quality of raw materials will be evident in our products, and will serve to enhance the appearance to our customers, in turn adding to their status.

Market Trends

Our target markets are increasingly growing towards recognizing the difference between poor quality spirits and those of high quality. This development is an important trend for us as it represents our target market. We now are having an increasing number of people who appreciate the availability of craft distilled, small batch premium spirits. With this in mind we intend to ensure that our packaging is attractive to our target market consumer.

Strategy and Implementation Summary

Our marketing strategy emphasizes focus on our target consumer. This will be the key. We will be the new company and hence must focus on certain kinds of products with certain

kinds of consumers. Initially Great Plains Distillery will focus on the local markets in NE, CO, and WY. Hence the form of growth that shall be initially pursued will be local growth. The target customers will include key decision-makers in the retail and clubs and lounges who often order or recommend on behalf of the whole organization, the aim being to obtain an initial order and fully satisfy the customer from then on.

- We are currently building image and awareness through consistency and distinctiveness in our product provision.
- We intend to focus on delivering quality products that in turn produce good referrals, which can then generate revenue. We intend to always be active in personal relationships with clients and strategic allies keeping abreast of their needs and wants.
- We are focusing advertising on several key medias.

Marketing Strategy

One core element of our marketing strategy will be that of differentiation from our competitors. In terms of promotion, we intend to sell our company as a differentiated strategically, not just our products but in price, we intend to offer reasonable prices in line with the competition and we need to be able to sustain that. Market penetration through lower prices shall be undertaken where need be, while premium pricing will be the case of the upper-end of the market.

Product Marketing

Our product marketing will emphasize the image of consuming our products, including the quality and refinement of our spirits. We intend to sell the opportunity to enjoy oneself amongst friends, family and/or colleagues. This will come out in our advertising, delivery and collateral such as sales literature and business cards. Our product marketing's most important challenge will be the problem of being accepted and appreciated on the market as a provider of quality products. Hence, we intend to not only meet customers' expectations but to exceed them. We intend to focus on the individual or a group who wants to enjoy themselves through the consumption and appreciates what they're drinking says about them.

Niche Market

Great Plains Distillery will be at the forefront of the craft distillery movement, and will be the first in this group to provide a Western Nebraska line of products to the consumer on a national market. We are currently having monthly tastings in Lincoln and Omaha, as well as Wyoming with good success. We have a tasting room that we currently have open two nights a week. Future plans are to move down town Scottsbluff and be open six nights a week. This will increase awareness of our facility and products. We are working with national and international distributors to increase our market share. Currently we have a cap on ten thousand gallons per year for alcohol production. We hope to meet this limit within five years and in so doing, move to the next level of commercial manufacturer. In doing so, we intend to utilize a large commercial facility currently available in this area, for example the prior K-Mart facility.

VI. Operational Plan

Production

All distillation, bottling and storage will occur within the initial Scottsbluff, NE facility with future product possibly being produced and stored at a second facility to be named later.

Production is outlined in the Operational Handbook and will include detailed instructions for the following procedures:

- Incoming raw material quarantine for quality inspection
- FIFO (First In, First Out) inventory procedures
- Equipment inspection, sanitization and setup
- Raw materials and ingredients preparation
- Recipe procedures
- Distillation procedures and spirit testing
- Cutting, storage, blending and bottling
- Aging – and barrel rotation
- Inventory control will be handled with a limited ISO base procedure for inventory control with the use of an accounting software package TBD.
- Production control and finished product inventory will be tracked and controlled based upon Federal Government procedures for distilleries.
- Product research and development for new products will be handled on a small batch, 25 - 50 liter column/pot still – already owned. New products and recipe refinements would be ongoing to improve upon the products that we would already offer and remain inline with our consumer's requirements.
- Market research projects and marketing, including consumer polls, taste test, and ongoing surveying would provide new product direction and current product refinements.

Location

Great Plains Distillery is a craft distiller of ultra-premium spirits with manufacturing headquarters in Scottsbluff, NE.

The benefits of operations based in Scottsbluff, NE include;

- Location to major interstate – reduced transportations cost for raw materials and final product.
- Lower then national average cost for leasing and/or purchasing commercial property.
- Reduced utility cost.
- Low cost of local labor.
- Central location for immediate distribution to NE, WY, CO.
- Ease and reduced cost for obtaining state licensing to produce distilled spirits.

Inventory – Raw Materials

- All stocked inventory including both raw materials and finished goods will be stored and used based on the FIFO principal. The majority of raw materials inventory will be handled as just-in-time once vendor lead and shipping times have been established and verified.
- Some raw materials will require specialized storage including grains, potatoes, yeast, fresh fruit and juices and tanks for molasses to prevent spoilage and the infiltration of rodents and pest.

- Average value in stock of raw materials should be equal to a 30-45 day supply. Some more perishable items including fresh fruits may only equal a 2 weeks on hand supply.
- Seasonal buildups will be planned for as demand requires. Marketing plans for product releases will define timeframes where demand for products will increase.

Inventory – Finished Goods

- Finished goods inventory will be stocked for all non-aged products based upon a 30 – 45 day run rate for distribution.
- All aged rums and moonshines will be stocked based on marketing research suggestions (MRD)
- Tracking will be based upon federal requirements.

Suppliers

Key suppliers:

- TBD – currently being investigated
- Panhandle Co-op
- Western Sugar Co-op
- Z & W Mill – Torrington, WY
- Local area farmers

VII. Management and Organization

Day to day management of the organization will be handled by Austin Propp and Phillip Mitchell. Tax records and filing is performed by Dana Webber, CPA. A production manager will be brought on board and fully trained in production procedures when deemed necessary. Front of house staff will be hired and trained as required. Initial marketing materials, direct mail, and press releases will be handled by Austin Propp with certain materials (graphics, logo's, business card design) by Squid Kids Ink.

Professional and Advisory Support

ADI- American Distillers Institute

Backwards Distilling-Casper, WY

303 Distilling-Boulder, CO

Elevation 5003 distillery Ft Collins

Dick Bretthauer- Farm Bureau Financial Services

Brian Pearson -BOOFO Beverage Group

John Dietrich- Dietrich Distributing

Jerry Clemens – Chieftain Distribution

Dana Webber, CPA

Loan Amortization Table

Enter Loan Amount **\$ 85,000.00**
Enter Term in Months **60**
Enter Interest Rate **2.20%**
Payment **\$1,497.31**

Data entry is
only permitted
in yellow cells.

	Total Payment	Interest Paid	Principal Paid	Year End Balance
Year 1	\$ 17,967.70	\$ 1,706.69	\$ 16,261.02	\$ 68,738.98
Year 2	\$ 17,967.70	\$ 1,345.31	\$ 16,622.39	\$ 52,116.60
Year 3	\$ 17,967.70	\$ 975.91	\$ 16,991.79	\$ 35,124.81
Year 4	\$ 17,967.70	\$ 598.30	\$ 17,369.40	\$ 17,755.41
Year 5	\$ 17,967.70	\$ 212.30	\$ 17,755.41	\$ 0.00

Period	Payment	Interest	Principal	Balance
1	\$ 1,497.31	\$ 155.83	\$ 1,341.48	\$ 83,658.52
2	\$ 1,497.31	\$ 153.37	\$ 1,343.93	\$ 82,314.59
3	\$ 1,497.31	\$ 150.91	\$ 1,346.40	\$ 80,968.19
4	\$ 1,497.31	\$ 148.44	\$ 1,348.87	\$ 79,619.33
5	\$ 1,497.31	\$ 145.97	\$ 1,351.34	\$ 78,267.99
6	\$ 1,497.31	\$ 143.49	\$ 1,353.82	\$ 76,914.17
7	\$ 1,497.31	\$ 141.01	\$ 1,356.30	\$ 75,557.87
8	\$ 1,497.31	\$ 138.52	\$ 1,358.79	\$ 74,199.08
9	\$ 1,497.31	\$ 136.03	\$ 1,361.28	\$ 72,837.81
10	\$ 1,497.31	\$ 133.54	\$ 1,363.77	\$ 71,474.03
11	\$ 1,497.31	\$ 131.04	\$ 1,366.27	\$ 70,107.76
12	\$ 1,497.31	\$ 128.53	\$ 1,368.78	\$ 68,738.98
13	\$ 1,497.31	\$ 126.02	\$ 1,371.29	\$ 67,367.70
14	\$ 1,497.31	\$ 123.51	\$ 1,373.80	\$ 65,993.90
15	\$ 1,497.31	\$ 120.99	\$ 1,376.32	\$ 64,617.58
16	\$ 1,497.31	\$ 118.47	\$ 1,378.84	\$ 63,238.73
17	\$ 1,497.31	\$ 115.94	\$ 1,381.37	\$ 61,857.36
18	\$ 1,497.31	\$ 113.41	\$ 1,383.90	\$ 60,473.46
19	\$ 1,497.31	\$ 110.87	\$ 1,386.44	\$ 59,087.02
20	\$ 1,497.31	\$ 108.33	\$ 1,388.98	\$ 57,698.04
21	\$ 1,497.31	\$ 105.78	\$ 1,391.53	\$ 56,306.51
22	\$ 1,497.31	\$ 103.23	\$ 1,394.08	\$ 54,912.43
23	\$ 1,497.31	\$ 100.67	\$ 1,396.64	\$ 53,515.79
24	\$ 1,497.31	\$ 98.11	\$ 1,399.20	\$ 52,116.60
25	\$ 1,497.31	\$ 95.55	\$ 1,401.76	\$ 50,714.84
26	\$ 1,497.31	\$ 92.98	\$ 1,404.33	\$ 49,310.50
27	\$ 1,497.31	\$ 90.40	\$ 1,406.91	\$ 47,903.60
28	\$ 1,497.31	\$ 87.82	\$ 1,409.49	\$ 46,494.11
29	\$ 1,497.31	\$ 85.24	\$ 1,412.07	\$ 45,082.04
30	\$ 1,497.31	\$ 82.65	\$ 1,414.66	\$ 43,667.39
31	\$ 1,497.31	\$ 80.06	\$ 1,417.25	\$ 42,250.13
32	\$ 1,497.31	\$ 77.46	\$ 1,419.85	\$ 40,830.28
33	\$ 1,497.31	\$ 74.86	\$ 1,422.45	\$ 39,407.83
34	\$ 1,497.31	\$ 72.25	\$ 1,425.06	\$ 37,982.77
35	\$ 1,497.31	\$ 69.64	\$ 1,427.67	\$ 36,555.10
36	\$ 1,497.31	\$ 67.02	\$ 1,430.29	\$ 35,124.81

City of Scottsbluff, Nebraska

Friday, August 10, 2018

Regular Meeting

Item 3

Consideration of Application for Assistance from B Squared Trucking, Valerie Baker, Scott Blanton, Clifford Brabson.

Staff Contact: Starr Lehl

**City of Scottsbluff
Economic Development Grant Application**

1. Applicant Information:

Business Name: **Bsquared Farming and Trucking LLC**

Address: **220594 East Hwy 92, Gering NE 69341**

Applicant Contact: **Scott Blanton, Owner and/or Clifford Brabson, Manager**

Business Phone: **308.633.2604** Fax: **308.633.5670**

E-mail address: **Bsquared@Bsquaredtrucking.com** or **Clifford@Bsquaredtrucking.com**

2. Business Information:

Structure of Business (proprietorship, partnership, LLC, corporation, etc):
Bsquared Farming and Trucking is a Limited Liability Company

Ownership breakdown (include percentages for each Owner):
50% Scott Blanton and 50% Valerie Baker

General Description of Business: **Bsquared is an Over-the-Road, long-haul trucking and fuel/propane distribution company; we are a United States Department of Transportation Certified Interstate Carrier focused on Nebraska, Wyoming and Colorado. DUNS 04994625**

Products/Services: **Bsquared focuses on distribution of retail automotive fuel products and propane as well as other commodities such as building materials and farm supplies.**

Number of years in Business (or if a new Business, describe Owners experience in this type of business): **Bsquared was formed in 2016; Mr. Scott Blanton started in this industry in 1982 with basic trucking and progressed to the Hazmat specialty trucking and fuels delivery; Mr. Clifford Brabson started driving in 1991 and has worked local and global logistics and all aspects of long-haul and heavy-haul trucking. Mr. Brabson managed the largest trucking and excavating company in East Tennessee for over seven years.**

Proposed Location Address: **Currently operating at 220594 East Hwy 92, Gering, Nebraska**

Current Zoning Classification: **Industrial**

3. Employment:

Base (current) number of full-time positions: **We have eleven (11) employees at this time**

Full-time positions to be created: **Planning on fourteen (14) by year end and twenty-one (21) within the next 365 days. – Goal is twenty-four (24) trucks/units with drivers and all required supporting personnel, we are working on growing the company to capacity for the current and future distribution needs of Nebraska, Colorado and Wyoming communities.**

Salary/Wage Range: **Currently \$450 to \$1,500 per week not counting part time employees**

Benefits provided to employees (include any contribution required by Employees): **Above the federal and state required coverage Bsquared has a 50/50 match health care plan, once probation period is completed; paid vacations after first year whichever comes first; reliable employment with solid promotion opportunities to grow from within the company.**

4. Financial Need:

Total project cost estimate: **As mentioned above the stretch goal of Bsquared is twenty-four trucks with drivers, maintenance, office and safety personnel required. Infrastructure, pay-roll and startup will be near \$750K.**

Breakdown of use of funds: **See attached**

Date funds are needed: **as quickly as possible**

Investment to be made by Applicant (Amount & Source): **Bsquared currently holds one truck and three flatbed trailers, all others assests are leased. Owner equity shown on attached financials.**

Loan(s) to be obtained (Amount & Bank Name): **Pinnacle Bank \$25K**

LB840 financial assistance amount requested for the Project: **Bsquared is seeking \$100K in grants for startup; potentially \$70K loan for office and shop equipment.**

****The committee reserves the right to make part of the funds Grant (forgivable loan) and part of the funds Loan, which in non-forgivable and has repayment terms.**

Other Loans/Grants (CDBG, TIF, Re-Use, etc.): **No others at this time**

5. Security Available:

Guarantor(s): **Scott Blanton**

Real Estate: **220594 Hwy 92 Gering, NE. 69341**

Existing Liens: **Pinnacle Bank of Wyoming**

Personal Property: **Leasing 5 Trucks and 4 Propane and 2 Fuel Tanker Inventory to Bsquared**

Existing Liens: **Pinnacle Bank of Wyoming on trailers only.**

Guarantor(s): **Valerie Baker,**

Personal Property: **Truck and Flatbed Trailers**

Existing Liens: **BMO Harris on one truck and two trailers**

Stock / LLC Interests: **Bsquared is a privately owned [50/50 by Valerie Baker and Scott Blanton] company with no external stock**

Other: **N/A**

6. Eligibility:

Principal Source of Income from (circle one): **C and D**

- a. Manufacturing
- b. Research & development
- c. Processing, storage, transport or sale of goods or commodities in interstate commerce
- d. Sale of Services in interstate commerce
- e. Headquarters facilities relating to eligible activities
- f. Telecommunications activities
- g. Tourism-related activities
- h. Construction and rehabilitation of housing
- i. Retail trade where the principal source of income is from retail sales of products manufactured on the premises.
- j. Film production (Nebraska Film Office Activity Registration Form is also required).

Statement of how project is consistent with the goals of the Scottsbluff Economic Development Program: **Bsquared plans on reaching our goal by hiring fifteen (15) people from the local area within the first two year; providing stable wages and providing health care options from local providers. Our business is transporting goods and commodities in the United States.**

Describe any pending legal action(s), to include the amount at risk and a summary of how ownership is reacting to the action(s): **No legal actions at this time, the Bsquared ownership is excited about this growth activity and looking forward to being a big part of the greater Western Nebraska Panhandle and Scottsbluff community.**

7. Additional Information to be submitted:

- a. Resumes of Owners, Management & Key Employees (include experience, training, credentials & work history). **Lt Col Baker, Mr. Brabson and Mr. Blanton's resumes can be found attached. Lt Col Baker (ret) and Mr. Blanton are owners and Mr. Brabson is the Manager of Bsquared Farming and Trucking LLC.**
- b. Brief history of your business and where you see your business going in the next 5 years, with emphasis on the impact to the City of Scottsbluff.

Bsquared Farming and Trucking LLC was started by Lt Col Baker and her husband Clifford Brabson in 2016 as Lt Col Baker approached retirement eligibility in the United States Air Force and was looking at opportunities for her and her husband in Texas as they made plans on settling in the Scotts Bluff County area to help with the family farm. This company started with long-haul flatbed operations and has steadily grown with the focus on transporting building materials and farm supplies. Bsquared sought several business options and has now joined with Scott Blanton adding a goal to meet the communities needs in fuels and propane. The stretch goal is twenty-four trucks with tankers or flatbed trailers in one to three years. Starting with six employees in April of 2018, the company is

quickly growing and is now at eleven employees as the company continues adding the Hazmat fuels program and additional tankers. The three to five-year goal is to bring stability and continue process improvements of the various aspects of trucking. The five years and beyond goal is to reach sustainability with the business providing steady work by ensuring reliable service to the community.

- a. c. Personal Financial Statement of Guarantors and anyone owning 25% or more of the business. Note: documentation verifying assets and liabilities shall be made available upon request. **Tax Returns for both owners are available.**
- d. Income statement covering the past 2 years of business operations, if in business for that long. Copies of filed tax returns are acceptable and the most recent year's return must be included. **Bsquared two years Income Sheets as well as 2016 and 2017 Tax returns are available.**

- e. Business Plan, to include:
- Total project costs to include itemized use of funds
 - Lender Commitments
 - Investor Commitments
 - Financial projections for the next 3 years.
 - Employment projections for the next 3 years
 - Identification of jobs to be created by description, number, average wage, benefits, etc.
 - Information as to suppliers, and in particular, those in the Scottsbluff area

Bsquared Farming and Trucking LLC's current business plan is attached.

Thanks for reviewing our application, we look forward to working with the City of Scottsbluff

- f. References, to include name, position, address and phone number:
- g. Any other information that you feel will assist the City in evaluating your Application. Please include any marketing or sales brochures.
- h. With respect to the Business, or any persons owning 25% or more of the business and any officers, indicate if there is any past or pending litigation which either has resulted in or could result in a judgment against the Business or any such person. List the nature of the judgment or pending action, and whether any portion remains unpaid as of this date.
None
- i. With respect to any persons owning 25% or more of the business and any officers, indicate any who have been convicted of or plead guilty to any criminal charge or violation of law, excepting minor traffic offenses. List the nature of the charge, where the charge occurred and the year and month of the conviction or plea.
None
- j. Applicant agrees to sign waiver form provided by the City of Scottsbluff for Background and Credit Check.

8. Nebraska Advantage Act:

The Applicant certifies to the city as follows (select one):

☒ **X** The Applicant has not filed nor does it intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act with respect to this project.

☐ The Applicant has filed or intends to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act for this project. If so, indicate if such application includes or will include, as one of the tax incentives, a refund

of the City's local option sales tax revenue: ____; and whether such application has been approved under the Nebraska Advantage Act: ____.

I certify that the information presented in connection with this Application for Economic Development Assistance is true and correct. Consent is given to the City of Scottsbluff to contact references, conduct one or more credit checks, criminal background checks, and to verify the information contained in this Application.

Dated:

Signed: Scott Blount
Title: Owner

Scott Curtis Blanton

Contact Information: 308-641-2385 blantonexpress@gmail.com 1655 5th Street Gering, NE 69341

Objective:

Use my skills, communication capabilities, knowledge and organizational abilities to successfully supervise and manage my area of responsibility to ensure the success of any enterprise for which I am associated, professionally or personally.

Experience:

OWNER/PARTNER, BSQUARED FARMING AND TRUCKING, NEBRASKA –MARCH 2018-PRESENT

I provide day-to-day management of the trucks as well as safety of equipment, systems and personnel; ensuring the company meets all FMCSA, DOT, and local mandates. Meanwhile, continuing to grow the company and provide expertise, experience and insight into all aspects of the over-the-road, long haul company on the HAZMAT & REFINED PETROLUEMS side. Responsible for financial decisions along with partner and member coordinating all information and experience with financial operations.

OWNER, PLOWBOYZ SNOW REMOVAL DECEMBER 2018-PRESENT

Responsibilities include Dispatching, Scheduling, Snow Removal at Businesses in Scottsbluff County, Accounts Receivables, Accounts Payable, Maintenance, and All Financial aspects of the company.

OWNER, SC BLANTON ENTERPRISES LLC 2015-PRESENT

Responsibilities include management of Properties, and Maintenance of Properties.

OWNER, SC BLANTON EXPRESS MARCH 2000-PRESENT

Managed 8 Trucks and drivers in the transportation of Refined Petroleum. Responsible for all purchasing and financial decisions for the company. Driver performing Hazmat deliveries of Refined Petroleum.

SIMPLOT SOIL BUILDERS, APPLICATOR OF FARMING CHEMICALS TRUCK DRIVER EQUIPMENT OPERATOR AND MAINTANACE, 1986-2000

Used skills for applying farming chemicals and advising farmers which chemicals to use. Delivery of Agricultural Products Hazardous and non-Hazardous. Performed vehicle and equipment maintenance.

RONNIE HILL CUSTOM HARVESTING AND TRUCKING, BUYER AND SELLING OF AGGRICULTRAL COMMODITIES, 1982-1986

As the primary specialist concerning the purchasing selling and distribution of commodities, my duties included maintaining the Platte Valley Branch of operations while the rest of the company were out of town for harvest across the Country.

OTHER EXPERIENCE: Over-the-road truck owner and operator, HAZMAT, Land Clearing, Heavy Equipment operator and repairman, and Farm Specialist. Being in the Platte Valley for the entirety of my life and dealing with local companies and businesses in the area for most of adult life.

Sherman Clifford Brabson

Contact Information: 830.900.0209 s.c.brabson@gmail.com

310188County Road S, Minatare, NE

Objective:

Use my skills, communication capabilities, knowledge and organizational abilities to successfully supervise and manage my area of responsibility to ensure the success of any enterprise for which I am associated, professionally or personally.

Experience:

MANAGER, BSQUARED FARMING AND TRUCKING, TEXAS AND NEBRASKA – AUG 2016-PRESENT

Starting from ground-zero, built and now manage this grass roots company. I provide day-to-day management of the trucks as well as safety of equipment, systems and personnel; ensuring the company meets all FMCSA, DOT, and local mandates. Meanwhile, continuing to grow the company and provide expertise, experience and insight into all aspects of the over-the-road, long haul company. The company reported a quarter of a million in gross income its first two years.

SAFETY MANAGER, LBJ FLEET SERVICES, TEXAS XXXX – AUG 2016

Managed nine heavy-haul tractor/trucks and specialized trailers in all aspects of safety to include inspections, personnel and paperwork. Revamped entire fleet's records and passed a full DOT safety inspection in four months. Worked hands on with maintenance and repairs to ensure a continued fully operational fleet.

SERVICE WRITER, INGRAM PARK CHRYSLER JEEP DODGE, TEXAS – SEP 2014 – XXXX

My position as Service Writer is an integral part of customer satisfaction after the initial sale to the customer. I am responsible for the sale and upsell of our services as well as recognizing any needed repair or maintenance according to the manufacturer. My responsibilities include all processes involved from beginning to end concerning the vehicle and properly estimating time and cost to the customer.

ROCK CRUSHER AND SCREENER SPECIALIST, NUECES POWER EQUIPMENT, TEXAS – APR 2014 – JUL 2014

As the primary product specialist concerning the Kleeman line of crushers and screeners for all locations in South Texas and Southern New Mexico, my responsibilities included the training of sale and maintenance personnel on sales strategies and opportunities. My duties also included the management of operations and rental to current and/or potential clients.

SAFETY DIRECTOR, BROWN CONST. CONSOLIDATED, TENNESSEE –SEP 2013 – MAR 2014

As director of Safety, my responsibilities included the inspection and monitoring of local utility companies and their compliance of OSHA, TOSHA and DOT regulations while installing underground utilities.

DIVISION MANAGER, CLAIBORNE HAULING CONTRACTORS, TENNESSEE – MAY 2002 – SEP 2013

Managed over 100 employees as well as operations of 60+ trucks involved with daily functions of the Quarry and Sand mine operations. Duties included purchasing and installation of plants for crushing and screening. Monitored all activities with the company's portable track mount crushers and screeners. My duties included managing all projects the owner pursued and the teams involved with tasks from research to application. Responsibilities extend to the MSHA Health and Safety training and Air Quality, EPA and Storm Water (TDEC) reporting. My vast knowledge and experiences include; dispatch, sales, truck and equipment operator, welding, fabrication, construction regulations and safety, project management of teamsters in venues such as DOE sites in Oak Ridge and TVA sites in East Tennessee to include destruction of Nuclear contaminated facilities and haul off nuclear contaminated waste.

OTHER EXPERIENCE: Over-the-road truck owner and operator, HAZMAT, Land Clearing, Heavy Equipment operator and repairman, United States Marine.

VALEIRE K BAKER, Lt Col, USAF, (Ret)

520-678-6168

codykillgore@netzero.com

310188 County Road S

Minatare, NE 69356

Experience

Started Bsquared Farming and

Trucking with my husband in 2016,

since then I have managed all aspects of the business from setting up the Articles, Formation and establishing the Limited Liability Company, the entire tax set-up from Internal Revenue Service, International Fuel Tax, employee taxes and payroll as well as the business bank accounts. I have worked through the requirements in getting our US Department of Transportation authority and managing our business with the Federal Motor Carrier Safety Administration. Over the course of the last three years I have submitted payrolls, taxes, franchise taxes, small business applications, managed portal and email accounts and found solutions for our unique office system. I have dispatched, invoiced, maintained maintenance, office and safety records as well as worked with FMCSA on compliance for drug screening, electronic log requirements and resolved several issues concerning our authority.

Military Experience

I most recently managed a \$5M annual budget and directing a team of 24 cybersecurity analysts and specialists in 18 major cybersecurity assessment activities around the world for the Air Force, United States Pacific Command and United States Northern Command. The teams have identified and provided recommendations on more than 53 cybersecurity vulnerabilities during the 18 major assessment engagements around the globe. In the last ten years, I have been the Senior Advisor to the highest levels of combatant command and congressional leadership on solutions for secure operations of cyberspace weapons systems, employment of cyber capabilities, and manage both large and small crews responsible for cyber missions.

Over the last three years I have executed 18 cyber assessment operations and activities covering the full spectrum of mission areas within the cyberspace and cyber security domain. With restricted budgets and timeframes, planned, researched, assessed, documented and articulated identifying and working remediation of 53 critical vulnerabilities in large and small organizations, performing network defense, exploitation and attack in support of Joint, national, homeland and military objectives. Identified critical mission system vulnerabilities effecting readiness across the realm of operational networks, executing missions and controlling cyberspace operations activities. All efforts are integral to National Intelligence and Cyber's Find, Fix, Track, Target, Engage, Assess (F2T2EA) cycle (kill chain).

The past 25 years I have spent supporting hundreds of joint and service communications and information (C&I) operations across military air, space and cyberspace domains. I have conducted information operations and intelligence, reconnaissance and surveillance (ISR) operations in 12 deployed theaters around the world. I have managed all aspects of communications related to plans, acquisitions, architectures, information resources and engineering. My efforts have supported kinetic and non-kinetic force employment and combat assessment. I have managed weapon systems on Joint, Coalition and Air Force network platforms. I have provided direct support to numerous combatant commanders with full spectrum command and control communications, computer support and ISR information resources management as well as air traffic systems maintenance. I have led robust and quick-reaction life-cycle management teams and constantly assured stakeholders through timeliness, accuracy, reliability, non-reputability, verifiability and security of information while denying the adversary's ability to do the same. I have provided military commanders an integrated and interactive picture of mission areas, and have experience utilizing business process and reengineering methodologies to assess capabilities, establish priorities and formulate plans for C&I processes.

Career Highlights:

Over 25 years of leading and managing communications and cybersecurity specialist during joint and multinational operations; twelve combat deployments

Project Manager of world-wide multimillion dollar, security programs across cyber, intel, nuclear and training venues

Scott C. Blanton

Reference:

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Reference:

Dr. Larry McCulough

Chief Cyber Consultant for Aberdeen Proving Ground

300-3D Stevens Circle

Aberdeen, MD 21001

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City of Scottsbluff, Nebraska

Friday, August 10, 2018

Regular Meeting

Item 1

Committee may consider any of the above matters, where a Closed Session is appropriate

Staff Contact: Starr Lehl