

BOULDER COUNTY ^{\$1} BUSINESS REPORT

BIZWEST
MEDIA



**REAL ESTATE/
CONSTRUCTION**
Lower lease rates lure
some from downtown
13A

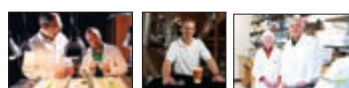


HEALTH CARE
Reform will take some
revolutionary thinking
21A

Volume 32 | Issue 25 | Nov. 22 - Dec. 5, 2013

Inside

DISCOVERIES ²⁰¹³



**Universities, labs
& the economy**



Discoveries

Federal laboratories and research universities have a \$3 billion impact on the region's economy. Learn about some of the researchers, their discoveries and innovation in this annual special section produced by the Boulder County Business Report, Northern Colorado Business Report and Wyoming Business Report.



Giving Guide

The Boulder Valley is home to hundreds of nonprofit organizations that through donations and volunteers are having a positive impact on the lives of those in need. In addition to stories, this annual special section includes a directory of nonprofits in Boulder and Broomfield counties.

Boulder appeals PUC's ruling

Condemnation to form municipal electric utility at issue

BY JOSHUA LINDENSTEIN

jilindenstein@bcbr.com

BOULDER – The city of Boulder wants the state Public Utilities Commission to reconsider a ruling it made Oct. 29 regarding electric-utility municipalization. The city argues that the ruling was over-reaching.

In an appeal made to the PUC on Nov. 18, the city took issue with two portions of the ruling – that the PUC has the authority to determine what facilities Boulder may acquire by condemnation from Xcel Energy Inc. in the city's quest to form a municipal electric utility, and that such a determination by the PUC must be made before Boul-

der could initiate condemnation action.

"Boulder has no objection to, and in fact is eager to work with, commission staff to prepare the various plans necessary to make Boulder's acquisition of the (Xcel) system that serves Boulder as cost-effective as possible and to ensure that the electric system,

► See **PUC, 31A**

Kickstart for robots

Crowdfunding fuels launch of Boulder company's kits



JONATHAN CASTNER

Raziel Sher, left, and Grant Carson work on robotics kits at Boulder-based Modular Robotics Inc. The company used a Kickstarter.com crowdfunding campaign to spur interest in its Moss robot-construction kits. **See story, 9A.**

**Serving Boulder & Broomfield Counties
Boulder County's Business Journal**

CONTENTS

Awards	26A	For the Record	23A
BCBRdaily	2A	High-Tech Marketplace	6A
Bank Notes	8A	Nonprofit Network	27A
Business Digest	26A	Observations	30A
Calendar	26A	On the Job	27A
CEO Roundtable	4A	Product Update	26A
Discoveries	11A	Real Estate	28A
Editorial	30A	Sales Smarts	10A
Eye	3A		

LISTS

General Contractors	14A	Mortgage Lenders	16A
---------------------------	-----	------------------------	-----



SCL plans 4 small community hospitals

Editor's note: The following is a wrap-up of breaking local business stories published daily on the Boulder County Business Report's website. Sign up for our free BCBrdaily, an all local e-news report sent to your email each weekday. Just click on "Register for E-Newsletters" at www.BCbr.com.

BY BUSINESS REPORT STAFF

news@bcbr.com

DENVER – SCL Health System Inc., a faith-based, nonprofit organization, plans to build and operate four small community hospitals throughout the Denver metro area.

Building costs and other financial details of the hospitals were not immediately available.

SCL Health System is partnering with Emerus Hospital Partners LLC on the project, an emergency and acute health-care provider based in The Woodlands, Texas, according to Cheston Turbyfill, a spokesman for SCL Health System in Denver.

The first new hospital will be built in Westminster, Turbyfill said. The building's location and size were not immediately available. The hospital is expected to open in the fourth quarter of 2014, SCL said in a press statement. Final sites have not been selected for the other three hospital locations, Turbyfill said. However,

in October 2012, Exempla Healthcare bought 48.9 acres of land at the northwest corner of Interstate 25 and Colorado Highway 52 in Frederick for an undisclosed price with plans to build a future medical campus. Exempla Healthcare is part of SCL Health System, which has more than 1,100 workers at offices in Broomfield, Denver and Lakewood.

Posted Nov. 13.

BCBR DAILY

Layoffs hit ad agency Trada

BOULDER – The online pay-per-click advertising agency Trada Inc. in Boulder appears to have laid off staff in a restructuring that was confirmed by Niel Robertson, the company's chief executive.

"We did some restructuring. We are profitable. We continue to provide awesome service to existing and new customers," Robertson wrote in response to an emailed question about layoffs. Robertson declined to share any details about how many people were let go from the Boulder-based online company. Trada does advertising campaigns for its customers on websites such as Google, Yahoo!, Bing and Facebook.

It appears that dozens of people were laid off from Trada on Nov. 15,

based on multiple Twitter postings from staffers and others in the industry.

Trada received \$1 million from Boulder-based Foundry Group Inc. in the third quarter, according to the quarterly PriceWaterhouse Coopers/National Venture Capital Association MoneyTree Report, which uses data from Thomson Reuters. The company previously raised \$5.75 million from Google Ventures and Foundry Group in 2010. In all, Trada has raised about \$17 million to date.

Posted Nov. 19.

Wind-turbine test site opens

LOUISVILLE – A \$20 million wind-turbine testing facility opened Nov. 19 at the National Renewable Energy Laboratory's National Wind Technology Center at 18299 W. 120th Ave. in Louisville.

The site, on the south side of 120th Avenue east of Colorado Highway 93, was chosen as a good place to test wind-turbine equipment because it's an "excellent wind resource" of winds that come from the mouth of Eldorado Canyon to the west, said David Glickson, a spokesman for Golden-based NREL. A U.S. Department of Energy grant and funds from the American Recovery and Reinvestment Act were used to build the new facility, Glickson said.

The testing facility features one of

the world's largest dynamometers – a machine that can test mechanical and electrical power-producing systems of a wind turbine of up to 5 megawatts of power. Dynamometers give companies the chance to test the performance and reliability of a wind-turbine prototype before it is put into operation, NREL said in a press statement.

The dynamometer also is connected to an electricity grid system, according to the press statement. The system can help system engineers better understand how wind turbines react to disturbances in the power grid, according to the press statement.

Posted Nov. 18.

Fiber-loop bonds OK'd

LONGMONT – A high-speed Internet network is expected to be built to all areas of Longmont in the next three years, after voters approved a \$45.3 million bond issue on Nov. 5.

Longmont city officials can issue bonds to complete the city's 17-mile, fiber-optic network following the vote. The bonds are to be paid back with rate and fee revenue from the city's electric and broadband utility enterprise fund, according to Longmont Power and Communications, the city department that oversees the Internet infrastructure. The bonds would not increase taxes or affect

► See **BCBRdaily, 31A**



Joe Nugent, President
Mistene Nugent, CEO
Workspace Innovations

Keeping businesses moving for over 50 years.

Guaranty Bank and Trust solves everyday financial needs so businesses like Workspace Innovations can focus on planning, designing and innovating workplace environments. A Colorado bank for over 50 years, Guaranty Bank is the financial partner that's here to invest in you and our community.

GuarantyBankCO.com | 970.454.4220

G GUARANTY BANK AND TRUST COMPANYSM
Member FDIC

\$2 million terminal planned at Vance Brand

BY BETH POTTER
bpotter@bcbr.com

LONGMONT — Chippewa Aerospace Group plans to build a \$2 million terminal at Vance Brand Municipal Airport before June 2015.

A 4,000- to 5,000-square-foot terminal, along with a planned 10,000- to 15,000-square-foot airplane maintenance hangar, will help woo more business travelers and aviators to the airport, said Julie Myers, president of Chippewa. The Conway, South Carolina-based company is the parent of Fly Elite Aviation Inc., the new

fixed-base operations company that sells fuel at Vance Brand.

Chippewa already has spent \$35,000 on upgrades to the Air West Flight Center building at the airport.

"Our goal is to make sure our processes and protocols are in place, so that customers flying into Longmont know that we're glad they're there," Myers said. "Aviation is a small community, and we like to build those relationships."

Chippewa plans to tear down the existing Air West building and build the new terminal in its place, Myers said. The goal is to have the terminal

open in time for an air expo planned to be held at the airport in June 2015, Myers said. The new hangar nearby will be able to accommodate larger planes for maintenance than what's currently available, Myers said. The specific location of the hangar is expected to be decided after meeting with engineers and city officials, she said.

"We're looking to grow the business and the airport in Longmont to bring more people in who will spend money in Longmont," Myers said. "We're excited to be in Longmont. It's a great community."

At the same time, Flight Deck Grill

food truck owner Diann Rennie has plans to open a restaurant at the airport in 2014. No further details were immediately available. Rennie currently operates the food truck on the north side of the airport, which is located at 229 Airport Road in Longmont.

Fly Elite expects to generate \$3 million in revenue in 2014 from its operations in Longmont, Myers said. Fly Elite has added five jobs in recent months and plans to double that number in 2014 as it expands, Myers said. Chippewa has about \$6 million in annual revenue and additional operations in Hopkinsville, Kentucky.

My Mom's Pie

Fans love it so much they want to invest

BY BETH POTTER
bpotter@bcbr.com

NIWOT — Pie makes everything better.

The maxim behind the My Mom's Pie wholesale pie company in Niwot may help generate the investors needed to grow the company into a series of pie and coffee shops around the nation.

At least that's what customer Jim McGugan thinks.

"Rhu-ras Jim" — as he has been dubbed by company co-owner and "pie goddess" Kini Christie — likes the rhubarb-raspberry pie he buys every week so much that he wants to invest. Christie created the custom-flavored pie especially for McGugan, based on his request for something a little less sweet than the typical fruit and crème pie flavors on the My Mom's Pie menu.

McGugan's favorite is a "tart-sweet" mix of rhubarb and raspberry fruit, Christie said — and cut the sugar, please.

McGugan was a regular My Mom's Pie customer at Niwot Market, the first retail outlet to carry Christie's pies in December 2008, before he took a walk around Niwot and discovered the pie-making operation himself, at 201 Murray St., Unit C. He now buys a pie or more per week (retail: \$20), usually sticking to a custom rhubarb-raspberry flavor.

"I'm no expert, but I enjoy a good slice of pie," McGugan said, almost salivating over the phone at the thought of it. "They really make as good a pie as you could make for yourself, and maybe better."

McGugan is ready to put his money where his mouth is, offering to go in with other investors for an



JONATHAN CASTNER

Each product from Niwot-based My Mom's Pie is made from scratch. Co-owner and "pie goddess" Kini Christie said, "We don't skimp on anything, and we put a lot of love into it."

undisclosed amount ranging in the tens of thousands of dollars.

Attorney Berkley Freeman also wants to invest in My Mom's Pie.

Freeman likes to say he met Christie and co-owner/husband Jeff Ballard when they asked him for help on a lawsuit a couple of years ago, but was "retained by a blueberry pie" made by Christie.

Freeman helped Christie and Ballard fight an almost two-year battle against people he called "unscrupulous lenders" who tried to take over the company. He said Christie and

Ballard couldn't afford to pay for his services, so he took the case "on the strength of their pie."

"I knew they knew what they were doing after tasting it," Freeman said. "The proof was in the pie."

After five years of steady growth, with revenues of more than \$250,000 in 2012, the couple wants to open a retail pie shop. Customers could come in for pie and coffee or a savory lunch made up of a slice of Christie's amazing quiche or meat pie, Ballard said.

Christie fantasizes about open-

► See **Pie**, 29A

Don't mess with dojo's teenage ninja

Like many martial-arts training centers around the nation, the 9-year-old Boulder Quest Center has found that its classes are most popular with adult women. The need for self-defense — evening the odds against a stronger attacker — is a powerful motivator to lure women to a dojo.

But leave it to the young to add a little zip.

Zippora Abraham "Zippy" Paiss, who has attended classes at the center for seven of her 14 years, recently earned a second-degree youth black belt in To-Shin Do, a Japanese ninja martial art form. She's the first youth in Colorado, second in the nation and third in the world to reach that status, known as "Nidan" at her age.

BCBR EYE

Abraham Paiss tested for her Nidan degree at the 33rd annual Ninja Festival in Dayton, Ohio, at the home dojo of Black Belt Hall of Fame member Stephen Hayes. A former head of security for the Dalai Lama, Hayes brought the To-Shin Do form to the United States.

The Boulder Quest Center, 1501 Lee Hill Drive, Suite 18, in North Boulder, offers 33 classes six days a week including youth and adult self-defense, Ninja fitness, cardio kickboxing, Ninja meditation and Ninja weapons. Free introductory classes are offered.

Local businesses and other organizations can take group self-defense classes and team-building exercises at the center.

Instructors at the center include owners Mary Casey III, a fourth-degree Black Belt, and her husband, Kevin.

The center's website, boulderquest.com, includes a page to register for a \$40 "Day Before Thanksgiving Camp" at the center for children ages 4 through 12 on Wednesday, Nov. 27. "Ninja games" are included, and who knows? The Caseys might discover the next Zippy.

You are
way
beyond
a white
picket
fence.

Our home loans
are as bold as you.

Elevations has all kinds of home loans for all kinds of locals—with all kinds of needs. Whether you're looking to purchase or refinance your home, at a fixed or adjustable rate, we have options that are perfect for you.

Visit us to learn more.



If you love where you live,
it matters where you bank.

800.429.7626 | elevationscu.com/COhome



Credit qualifications and membership required. Mortgage loans are only available on Colorado properties.

Creative ideas spur natural/organic sales

Area industry's leaders 'think outside box'

BY BETH POTTER

bpotter@bcbr.com

BOULDER — Some business mavericks with nontraditional ideas are helping the natural and organic foods and products industry thrive in Boulder County.

For example, Pangea Organics now sells skin-care products at home parties rather than in retail stores, according to Joshua Onysko, company president. Boulder Homemade Inc., makers of Boulder Ice Cream and Figo Organic Gelato, has a small cadre of investors willing to write checks for thousands of dollars on the strength of a phone call from Scott Roy, company president.



Workers at Organic Food Brokers LLC in Boulder vote on the firms with whom the company could form partnerships, said Mark Dusza, chief executive of the company.

Natural and organic product industry leaders shared those ideas and others at a CEO Roundtable organized by the Boulder County Business Report on Tuesday morning.

Nontraditional business ideas also have led directly to growth, those at the roundtable said.

Pangea's new customer loyalty program and online ordering - on top of its new direct-to-consumer sales model - has led to sales "growing geometrically" Onysko said. He did not discuss specific financial revenues. Pangea has found that online customers are buying \$75 worth of products or more per month, however, he said.

Boulder Homemade Inc. has had 30 percent growth overall in the past year after rolling out Figo Organic

PARTICIPANTS

Chad Arnold, chief executive, Door to Door Organics; Doug Brent, CEO, Made in Nature LLC; Mark Dusza, CEO, Organic Food Brokers, Joshua Onysko, president, Pangea Organics; Brian Ross, CEO, Cheribundi; Scott Roy, president, Boulder Homemade Inc. Hosts: Hy Harris and Bob Bond, EKS&H; Mark Changaris, Berg Hill Greenleaf & Ruscitti. Moderator: Christopher Wood, publisher, Boulder County Business Report.

Gelato in spring 2013, Roy said. With just months on the market, Figo flavors are selling at a rate that's 80 percent of Boulder Ice Cream's sales, Roy said. In response to the growth, the company has decided to convert all Boulder Ice Cream flavors to 100 percent organic ingredients in 2014, he said.

Made in Nature LLC, an organic dried fruit company, wants to take advantage of the Boulder Valley's entrepreneurial spirit to help grow its business, said Doug Brent, chief executive of the company. Made in Nature will move its corporate headquarters to 1708 13th St. in Boulder from Wellington, Florida, after the building is remodeled. Brent pointed to the vibrancy of the Naturally Boulder trade industry group as a reason for Made in Nature's move. Naturally Boulder is supported financially by the city of Boulder and numerous natural product companies in Boulder including Celestial Seasonings, which is owned by The Hain Celestial Group Inc. (Nasdaq: HAIN) in Melville, New York.

"People here are more focused on 'How can I do this' than why I can't," Brent said. "They think outside the box. This community does a really good job of that."

Cheribundi Inc., a maker of tart cherry juice, has grown rapidly by

► See **Natural/organic, 5A**

BOULDER COUNTY BUSINESS REPORT

Volume 32 : Issue 25
Nov. 22 - Dec. 5, 2013

Copyright 2013. BizWest Media LLC.

Reproduction or use of editorial or graphic content without written permission is prohibited.

The Boulder County Business Report (USPS 018-522, ISSN 1528-6320)

Is published biweekly, with an extra issue in December, by BizWest Media LLC, a Colorado corporation, 3180 Sterling Circle, Suite 201, Boulder Colorado, 80301-2338.

Periodical Postage Paid at Boulder, CO and at additional mailing offices.

Subscriptions are \$49.97. International subscriptions are \$180.00.

POSTMASTER; Send change of address notices to:

The Boulder County Business Report, P.O. Box 270810, Fort Collins, CO 80527.

(303) 440-4950 Fax: (303) 440-8954 E-mail: cwood@bcbr.com Web: www.BCBBR.com

NATURAL/ORGANIC from 4A

marketing its juice to athletes for its anti-inflammatory properties. Athletes at CU-Boulder started drinking the juice in 2012; it's also used by top university football programs nationally, including Alabama, Louisiana State, Florida State, Oregon and Southern California, according to Brian Ross, chief executive of the company.

Cheribundi's latest product is a packaged drink smoothie sold in Whole Foods Market grocery stores, Ross said. Cheribundi juices are in more than 3,000 retail outlets across the nation.

Some strong angel investment and venture capital financing also exists in the region for natural and organic companies, said Chad Arnold, chief executive of Door to Door Organics Inc. in Louisville. Companies looking to grow past a certain size generally need to look elsewhere for funding, though, Arnold said. Door to Door may be looking to raise as much as \$14 million soon, Arnold said.

"We're going to be fairly capital intensive if we continue to grow, and we don't expect our next capital to come from Colorado," Arnold said.

The region has investors in the natural and organic products industry who can help companies for smaller amounts of funding, though, Roy said. Boulder Homemade was not big enough to get bank financing until the



Brian Ross, left, chief executive of Cheribundi, listens as Doug Brent, CEO of Made in Nature LLC, makes a point during the Boulder County Business Report's CEO Roundtable on Nov. 19 at the offices of EKS&H in Boulder.

last three years or so, he said. So the company went to "believer investors" for quick cash infusions of \$50,000 to \$100,000 at various times, he said.

Boulder Homemade expects to post about \$3 million in revenue this year, Roy said.

The Business Report's CEO

Roundtable series is co-sponsored and co-hosted by audit and tax consulting firm EKS&H and law firm Berg, Hill, Greenleaf & Ruscitti LLP.

YOU MAY NOT RECOGNIZE OUR NAME, BUT YOU'VE KNOWN US FOR YEARS...

First Mainstreet Insurance is excited to announce their partnership with TrueNorth® - an Iowa-based full service insurance & financial strategies firm.

This merger unites the expertise of more than 150 insurance specialists, providing a single source for the nation's most comprehensive collection of insurance and financial services for businesses & individuals.

Pictured from left to right: Tom Chapman, Brian O'Hanlon and Kurt Mann.

TrueNorth's specialized divisions include: Risk Management, Employee Benefits, Financial Strategies and Transportation. For more information, visit www.truenorthcompanies.com.

LIFE
 HEALTH
 HOME
 AUTO
 BUSINESS

TRUENORTH
Insurance and Financial Strategies

275 South Main St. Longmont, CO 80502
303.776.5122 | 800.728.2102

We found the perfect shade of GREEN for our new branches in Colby, KS and North Platte, NE...

ADAMS BANK & TRUST 7800 S Hwy 287 Fort Collins, Co

2.00% APY*

Certificate of Deposit

60 month term with \$2,500 minimum

Hurry in! This offer ends January 9, 2014

*Annual Percentage Yield (APY) effective November 8, 2013. There is a penalty for early withdrawal. Certificate will automatically renew after term. You have twenty (20) days after maturity to redeem the account without penalty. Offer valid on consumer accounts only.

\$100 bonus

with your new PREMIUM* CHECKING ACCOUNT

*GoSmart, GoSmart 50 and SuperSmart e-Checking

To Receive Your \$100 Bonus You Must Complete the Following Items Within 60 Days of Account Opening:

1. Have \$1,000 or more transferred into your account via direct deposit(s)
2. Make at least one payment via online bill pay

YOU'LL RECEIVE A \$100 BONUS, DEPOSITED INTO YOUR ACCOUNT ON DAY 75.

Offer valid November 8, 2013 through December 12, 2013. Minimum opening deposit of \$100.00 required. NEW CONSUMER CHECKING ACCOUNT CUSTOMERS ONLY.

enter offer code 84CR13 during account opening at abbank.com or your local branch

FC-0000376373

Inovonics' device helps keep hospital staff safe



PETER WAYNE

Eric Banghart, senior business development manager for health care at Louisville-based Inovonics Wireless Corp., displays a number of mobile duress transmitter products.

Exempla-St. Joseph a local proving ground

BY JOSHUA LINDENSTEIN

jlindenstein@bcbr.com

LOUISVILLE – When an emergency room patient at Exempla St. Joseph Hospital in Denver grabbed a cord in the room and tried to strangle himself recently, the security officer monitoring the patient couldn't get her radio to work to call for assistance.

The security officer was, however, able to push the button on an Enterprise Mobile Duress pendant. The wireless signal from the pendant alerted other security and nursing staff that immediate help was necessary to subdue the patient. It also identified which hospital employee needed help and the precise location in the 854,000-square-foot hospital.

"That would have been a bad day for a lot of people," said Eric Smith, the HSS Inc. security director at St. Joe's who recounted the incident. "It just highlights how useful it is for nursing staff. They don't have the radios anyway, so it gives them a tool they can use to call for help immediately."

St. Joe's has had the Radius EMD system produced by Louisville-based Inovonics Wireless Corp. installed for about three months, and already has reaped the rewards of employee safety on multiple occasions. For Inovonics,

meanwhile, the installation at St. Joe's could prove equally beneficial. With its Radius EMD already deployed at about 25 hospitals nationwide, St. Joe's marks the first in Colorado, giving Inovonics a local proving ground to research and develop future generations of the product, according to Eric Banghart, Inovonics' senior business development manager for health care.

"This gives us a great local partner to work with," Banghart said.

HIGH-TECH MARKETPLACE

The Radius system is one Inovonics has been selling for about two years. The wireless sensor network provider has deployed duress networks in various venues, from banking to government to industrial warehouses. But the greatest concentration of the Radius version of the EMD, with location capabilities, has been in hospitals.

An Inovonics white paper cited statistics from a 2010 report by the Center for Personal Protection and Safety that said roughly a half million nurses are the victims of violent crimes every year in the United States. Emergency departments are

► See **Inovonics**, 10A

BUILDING FOUNDATIONS

You're trying to create communities that endure. We feel the same way about our client relationships. Work with a bank that will grow with you with unparalleled service every step of the way and certainty of execution. The Corporate Real Estate Lenders at Vectra Bank have a proficiency in the complexities of the deal, and the resources and tenacity to make it happen. The right balance. That's what you'll come to expect from Proactive Relationship Banking at Vectra Bank.

- Loans* up to \$50,000,000
- Competitive pricing and advance rates
- Homebuilder lines including vertical construction and lot financing
- Commercial loans including multi-family, office, hospitality, industrial and retail



Vectra Bank's Corporate Real Estate Team
Shaw Thomas, Paul Bodek, Phillip Trujillo, Ted Trask,
Allison Recker and John Pike

*Subject to credit approval. Fees and restrictions may apply. See banker for details.

vectrabank.com
720-947-7707

Proactive Relationship Banking

VECTRA BANK
COLORADO

Member FDIC

Outdoor-apparel fabric maker changes brand — to a degree

BY BETH POTTER
bpotter@bcbr.com

BOULDER – Those who like to exercise outdoors probably have heard of a high-performance fabric that has coconut-husk fibers that help keep their bodies warm and dry when they're sweating.

Sports brands such as Adidas, Pearl Izumi, The North Face and Under Armour sold \$125 million worth of retail apparel in 2012 with trademarked fabric from Boulder-based Cocona Inc. This year's retail sales are on track to be about \$250 million worth of retail apparel and other items, said Jeff Bowman, the company's new chief executive.

But while the fabric is popular with major industry sports brands, the Cocona brand name was not, said John Mitchell, the company's senior vice president for American sales.

Bicycle and bike-apparel company Pearl Izumi in Louisville went as far as to use its own brand name of "Minerale" for Cocona-made fabric. The Cocona name comes from the coconut husks used in the trademarked technology, Mitchell said.

So Bowman decided this fall to rebrand the Cocona name into a number: 37.5. The "provocative" number is the Celsius measure of the human body's core temperature of 98.6 degrees Fahrenheit, Mitchell said. The number captured the imaginations of sports companies and consumers, and is more descriptive of what the fabric technology does, which is to convert sweat into vapor as well as to absorb odors, Mitchell said.

The new name conveys the brand's value, Bowman said, predicting that the names Minerale from Pearl Izumi and Flash Dry from The North Face will go away.

"Even people who were putting it on their garments, like Adidas, were struggling to convey the value of the technology," Bowman said. "This makes it easier for people to explain its value."

In September, Cocona started rolling out 37.5-branded products



PETER WAYNE

Greg Haggquist, chief technical officer of Boulder-based Cocona Inc., uses a device that compares the water permeability of two fabrics.

– including the fabric used on some Bauer Hockey apparel and hockey pads and fabric used in waterproof Redington Super Dry Fly zip-front fly-fishing waders.

In 2014, Eddie Bauer and Adidas Outdoor-brand products that use the fabric will feature the 37.5 logo, Mitchell said. Later in 2014 and into 2015, rebranded Obermeyer ski wear also will be out on store shelves. Timing for the 37.5 rebrand is staggered because of the way outdoor products and gear are manufactured up to 18 months before they hit retail store shelves, Mitchell said.

With the rebrand has come a company foray into bedding and other lifestyle and sportswear products that Mitchell declined to disclose. Branded 37.5 bedding should be in Bed, Bath and Beyond stores around the nation in 2014, Mitchell said.

In addition, the outdoor and work clothing brand Carhartt is making a flannel shirt with 37.5 fabric that will be for sale next fall, Mitchell said.

"We've had a really good reaction

► See **Outdoor, 10A**



PETER WAYNE

Alan Lekan, vice president for product innovation at Boulder-based Cocona Inc., shows some products that contain 37.5-branded fabric with coconut-husk fibers.

Get to know the bank that
gets to know you

The kind of personal service you just don't get anywhere else!

At Summit Bank & Trust we believe when a community bank gets to know you, great things happen; like quick and easy loan approvals, and products and services that make banking more enjoyable. Our wide variety of accounts and loans are backed by experienced, knowledgeable professionals ready to help with all of your business and personal banking needs. So come on in or log on to www.summitbt.com, and get to know the bank that gets to know you.

**Forbes 2013
BEST BANKS
IN AMERICA**

Summit Bank & Trust a subsidiary of Heartland Financial, USA, Inc. "A Forbes Best Bank 2013." From Forbes.com December 18, 2012 © 2012 Forbes. All rights reserved. Used by permission and protected by the Copyright Laws of the United States. The printing, copying, redistribution, or retransmission of this Content without express written permission is prohibited.



SUMMIT
BANK & TRUST

Broomfield | 303.460.4700
www.summitbt.com



CHRISTOPHER COMBS
Business Banking

DREW SAUER
Treasury Management

sblf small business lending fund

MEMBER
FDIC

EQUAL HOUSING LENDER

Brewers join firms tapping SBA for loans

Two new Boulder brewers were among the more than 1,000 companies that benefitted from a record Small Business Administration lending spree in Colorado this year.

Fate Ale House & Brewing and Sanitas Brewing Co. LLC received SBA loans for undisclosed amounts through Colorado Lending Source. The Denver-based nonprofit group focuses on small businesses and economic development.

In all, the federal SBA approved a record \$622.5 million in loans in Colorado for fiscal year 2013, an 11.5 percent increase over fiscal year 2012.

Fate Ale House and Sanitas Brewing received funds through the SBA's 7(a) loan program, which mostly is used to help new companies open their doors. The 7(a) loan program made up the bulk of the SBA lending in the Boulder Valley and in Colorado.

Sanitas opened a tap room and patio at the end of August at 3550 Frontier Ave. The brewer partners with McDevitt Taco Supply – the Pearl Street taco cart folks – to offer up taco menu offerings with their beer. Fate opened back in January with food and beer in the remodeled restaurant space at 1600 38th St. just east of the Lofts at Pelaton in Boulder.

Colorado Lending Source funded 25 loan projects in Boulder and Broomfield counties in fiscal year 2013. The \$30.3 million lent to those projects created an

estimated 218 jobs in the region.

Juniper Books LLC in Boulder was another SBA loan beneficiary, a company that creates custom book bindings.

Colorado's economy is doing so well that the SBA plans to lend a similar amount of money to new companies in fiscal year 2014, according to Greg Lopez, Colorado district director of the Small Business Administration office in Denver.



BANK NOTES

Beth Potter

In honor of the recently celebrated Veteran's Day, Colorado Lending Source said it approved \$37.7 million in loans to veteran-owned small businesses in Colorado through the SBA 504 loan-refinancing program. In all, veteran-owned businesses across the state received a record \$79 million in SBA funding.

Another rebound sign

Mile High Banks continues to do well since being bought and recapitalized in 2012 by parent Strategic Growth Bancorp in El Paso, Texas.

The Longmont-based bank reported net income of \$5.2 million from January to September of this year, according to its Uniform Bank Performance

Report, a regulatory report used by the Federal Financial Institutions Examinations Council to help monitor stability of banks across the nation.

Mile High Banks' positive income for the first nine months is a 658 percent increase from the net loss of \$940,000 that it posted for the same period in 2012.

Mile High Banks president Ken McCormick wasn't immediately available for comment about the bank's continued growth. However, McCormick said a couple of months ago that the bank has grown to more than 100 employees from about 80 and plans to open new branches in Colorado in early 2014. The bank has about \$763 million in assets.

Mile High Banks' former parent Big Sandy Holding Co. filed for Chapter 11 bankruptcy in 2012, opening the door to Strategic Growth, which bought the bank's stock for \$5.5 million and recapitalized it for \$90 million, according to bankruptcy reports filed at the time.

Just in time for holidays

Wells Fargo Bank economists are predicting that consumer spending will increase 3.7 percent this holiday season compared with holiday spending in 2012 – solid but not enough to light Rudolph's red nose.

San Francisco-based Wells Fargo & Co. (NYSE: WFC) has 14 branches in

Boulder and Broomfield counties. Economists made the prediction in a 2013 holiday outlook report released Nov. 18. Senior economist Eugenio Aleman suggested that national trends would affect communities similarly around the United States, including those in Boulder and Broomfield counties.

Consumers will remain hesitant to increase their credit card debt this holiday season, Wells Fargo said in the report. Savvy shoppers will look for deals, including online deals, before making purchases.

The average holiday shopper will spend \$737.95 this holiday season. The prediction is about 2 percent lower than last year's average spend of \$752.24.

Wells Fargo economists' predictions are in line with the National Retail Federation, which is projecting a 3.9 percent increase in consumer spending, with 39.5 percent of those purchases expected to be made online. An estimated 38.8 percent of all consumer holiday shopping was done online in 2012.

So if you're the type of person who runs out to shop right after eating the Thanksgiving turkey, you probably can relax a little bit. Fire up the iPad or the computer and browse to your heart's content.

Beth Potter can be reached at 303-630-1944 or bpotter@bcbr.com.



**BUY TODAY
BE COVERED
IN JANUARY**

Join the Thousands Who Have Already Signed Up

Across the state, thousands have already enrolled for 2014 coverage at Colorado's own health insurance marketplace. At Connect for Health Colorado, businesses can offer their employees a broader choice of plans. To set up your group plan today, call or go online to find local assistance.

1-855-PLANS-4-YOU • ConnectforHealthCO.com
(1-855-752-6749)

CONNECT for **HEALTH**
COLORADO™



Mod Robotics creates buzz on Kickstarter

BY JOSHUA LINDENSTEIN
jlindenstein@bcbcr.com

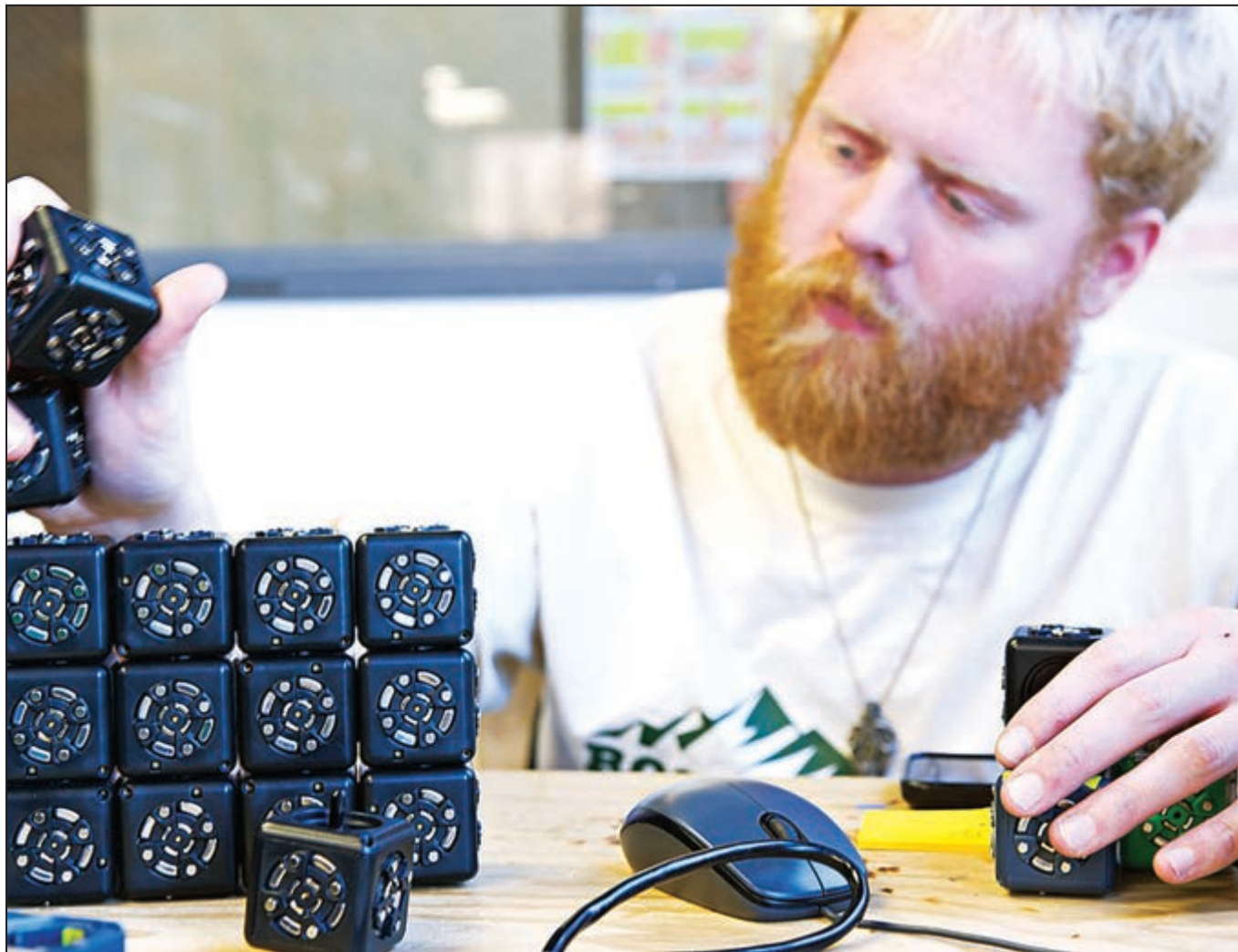
BOULDER – Modular Robotics Inc. would have launched its new Moss robot-construction kits with or without a Kickstarter.com crowd-funding campaign. The four-year-old company already had landed \$3 million in Foundry Group venture funding last summer, so raising startup funds wasn't the issue.

The Kickstarter campaign launched Nov. 7 was all about generating buzz. And that it did, drawing in more than \$77,000 in pledges in the first seven and one-half hours. As of Nov. 19, the campaign had received more than \$245,000 in pledges.

"We just wanted to launch on Kickstarter because it's a great way to reach lots of people without spending a lot of money on advertising," said Eric Schweikardt, Modular Robotics co-founder, chief executive and design director.

Schweikardt noted that the early infusion of cash obviously doesn't hurt. He said \$100,000 was chosen as the Kickstarter goal for Moss because it was a number the company felt could be reached in 24 hours and grab attention. Internally, the company is hoping to see \$1 million in pledges before the five-week campaign ends.

➤ See **Buzz, 27A**



JONATHAN CASTNER

Chris Cerjak of Boulder-based Modular Robotics Inc. checks robot kits for quality. Users snap the modules together however they wish, not only to configure the physical body of the robot but also to program its behavior.

HAZEL's
BEVERAGE WORLD

May your Spirits be Bright
Gift Sets, Gift Cards, Beer of the Month
Club Certificates

28th Street and Pearl, Boulder
www.HazelsBoulder.com

Rehearse less, listen more for better presentations

Salespeople invest time developing their “pitch,” formulating questions and preparing responses to expected questions and objections from the prospect. They rehearse, refine and rehearse some more.

Unfortunately, for some salespeople, the preparation becomes a roadblock to their success. How? The salesperson meets with the prospect and delivers his well-crafted well-rehearsed message. But, instead of paying attention to the prospect’s reactions, he’s running through a mental checklist of important points to cover. He misses the look of puzzlement on the prospect’s face. He doesn’t notice the prospect casually glancing at phone messages.

At a strategic point in the presentation, the salesperson asks one of the preplanned “commitment” questions. Again, instead of focusing all his attention on the prospect’s answer, he is thinking about his response to an anticipated stall or objection. The meeting ends with the prospect promising to give the presentation some thought.

The salesperson deems the meeting a waste of time and blames the prospect for not paying attention and not recognizing the obvious value he presented. He was so concerned about delivering his message as he rehearsed it that he missed the expression of skepticism on the prospect’s face. He never recognized the

point when the prospect lost interest. He never had a chance to recover.

This example illustrates several problems with a “script-based” sales training and approach for selling. It puts all of the emphasis and pressure on the salesperson. Many salespeople have heard of the “70-30 rule,” yet too few salespeople practice it. The 70-30



SALES SMARTS

Bob Bolak

rule states that a salesperson should only be talking 70 percent of the time but be listening 30 percent of the time – a task made difficult when the salesperson is so concerned with getting a pre-planned presentation out.

We coach our client’s salespeople to be mindful of the indicators that they may be talking too much and not listening enough (and listening intently enough) to what the prospect is sharing. One of the telltale signs of poor listening is when a salesperson is thinking about what they’re going to say next while the prospect is talking.

Another sure sign of poor listening is when the salesperson misses opportunities to connect with the prospect by using an active listening techniques like: “Jim, let me see if I have this straight. You’re willing

SALES CALLS RARELY

go as imagined. After all, the prospect isn’t working from a script ... and neither should you. If you’ve thoroughly internalized your information, you won’t have to worry about delivering it in a structured manner.

to change software vendors if your new vendor is willing to take care all of the data conversion from the previous database and provide live training and support for your staff until the new software is functioning well. Do I have it right?”

This isn’t to say that pre-call planning is unimportant, but a better method for planning a sales call is to prepare only an outline of the flow of the sales call, beginning with an Up Front Agreement with the prospect about what is going to take place on the call. Next, the salesperson may want to bring out any potential issues or landmines into the light. We teach the salespeople we train that if there’s a bomb in the room, you should be the one to light the fuse. After all,

when would you like to deal with potential problems – right there in front of the prospect or after you’ve parted and are now forced to communicate through short email messages devoid of context?

The next important compartment of the sales call outline is a list of tailored questions for the prospect based on the salesperson’s pre-call research and general understanding of industry needs, challenges, or what we would call the prospect’s reasons for doing business.

Last but not least, the prospects outline will include several different outcomes at which they and/or the prospect may arrive at the end of the call. In this way, there can be no mutual mystification about what will happen next, follow-up steps and/or a mutual agreement to end the process and close the prospects file.

Sales calls rarely go as imagined. After all, the prospect isn’t working from a script ... and neither should you. If you’ve thoroughly internalized your information, you won’t have to worry about delivering it in a structured manner. You can direct your attention to listening intently to your prospect and let the information flow based on the prospect’s interest and reactions.

Bob Bolak, president of Sandler Training in Boulder, can be reached at 303-376-6165 or bbolak@sandler.com.

INOVONICS from 6A

at particularly high risk. The reasons vary, but Smith said recreational drugs play a part. Banghart added that hospitals’ 24-hour public access and high-emotion setting – where violence sometimes spills over from the streets – also are factors.

“Unfortunately, this is a really prevalent problem,” Banghart said.

Radius works through a central server that communicates with the pendants worn by hospital employees. Repeaters can be deployed throughout a facility to help extend the system’s range. There are various types of pendants, from one-button to four-button models. The various pendants can be programmed to send out messages that range from a basic call for help from a specific person in a specific location to more specific messages that give an indication of how serious a situation is and what level of help is required.

“This empowers your people to have a say in how they’re seeking help,” Banghart said. “It’s an easier way for them to request assistance that they need.”

Before Radius, Smith, said, duress technology at St. Joe’s consisted of fixed hard-wired buttons at central locations such as nurses stations. An employee would have to get to a button just to summon help, which isn’t always feasible.

“What we were getting back from staff is that they wanted something

THE COST OF THE RADIUS SYSTEMS VARIES WIDELY depending on the layout of a facility and the amount of coverage required. In general, Banghart said, a system similar to the one at St. Joe’s would cost in the \$50,000 to \$100,000 range.

they had with them in the rooms,” Smith said.

The Radius EMD marks an evolution of sorts for Inovonics. Founded in 1986, the company traditionally has been a component-based business with a platform used to extend existing duress systems. Lately, the company has shifted to more of a systems-based model where it develops the software, hardware and applications such as EMD.

Another major draw of the Radius EMD is its customization and scalability. At St. Joe’s, the system was installed in the 46,000-square-foot emergency department on the first floor, the 7,500-square-foot behavioral health area on the fourth floor and the 17,000-square-foot intensive care unit and family waiting area on the sixth floor – three of the areas where incidents are most frequent. In addition to the server, the hospital had 12 repeaters installed, and purchased 45 mobile pendants that are checked out by employees each day.

The cost of the Radius systems varies widely depending on the layout

of a facility and the amount of coverage required. In general, Banghart said, a system similar to the one at St. Joe’s would cost in the \$50,000 to \$100,000 range. As budgets allow, the addition of repeaters and pendants can expand the systems. St. Joe’s is building a new hospital across the street from its current location, and the hope, Banghart said, is that the Radius system will be more widespread there.

“This really offers us a lot of flexibility in how we roll out the system,” Smith said. “It’s much simpler to expand or add onto this than the old or traditional formats.”

Inovonics is based entirely in Louisville. The company – a subsidiary of Roper Industries Inc. (NYSE: ROP), which posted third-quarter revenue of \$828 million – does not disclose its own financials or employee figures. Inovonics changed locations within the Colorado Technology Center in 2011, and had 70 employees at that time. That is a third of what the company had in 2008 before it outsourced manufacturing.

OUTDOOR from 7A

to the whole thing, and other end uses outside of apparel or bedding or footwear,” Mitchell said, declining to give details about other potential uses. “Cocona technology can go into other industries, too.”

Along with the brand-name change came a consolidation of two main offices in Boulder and Longmont into a new office with laboratory space at 5480 Valmont Road in Boulder. The company also has a Zurich, Switzerland, office with four employees.

Bowman also changed the company’s business model to one that cuts out the middleman. Textile mills in the United States, Central America and Asia must be licensed to purchase the company’s proprietary yarn to produce the material. Sports companies sign contracts with the company to buy fabric directly from the mills. Bowman said 37.5 is aggressively monitoring quality control at the mills.

Previously, Cocona would buy fabric from the mills and sell it to sports companies, Mitchell said. He declined to discuss financial details of licenses or contracts. Privately held Cocona has grown every year that it’s been in business, he said.

The company in January raised \$15 million in capital from H.I.G. Growth Partners private equity firm, which has offices around the globe. In return, H.I.G. took a 34 percent stake in the company.

Studies may enable longer-term heat-wave forecasts

SPECIAL TO THE BUSINESS REPORT
news@bcbr.com

BOULDER — Scientists have fingerprinted a distinctive atmospheric wave pattern high above the Northern Hemisphere that can foreshadow the emergence of summertime heat waves in the United States more than two weeks in advance.

The new research, led by scientists at the National Center for Atmo-



spheric Research, potentially could enable forecasts of the likelihood of U.S. heat waves 15 to 20 days out, giving society more time to prepare for these often-deadly events.

The research team discerned the pattern by analyzing a 12,000-year simulation of the atmosphere over the Northern Hemisphere. During those times when a distinctive “wavenumber-5” pattern emerged, a major summertime heat wave became more likely to subsequently build over the United States.

“It may be useful to monitor the atmosphere, looking for this pattern, if we find that it precedes heat waves in a predictable way,” said NCAR scientist Haiyan Teng, the lead author.

“This gives us a potential source to predict heat waves beyond the typical range of weather forecasts.”

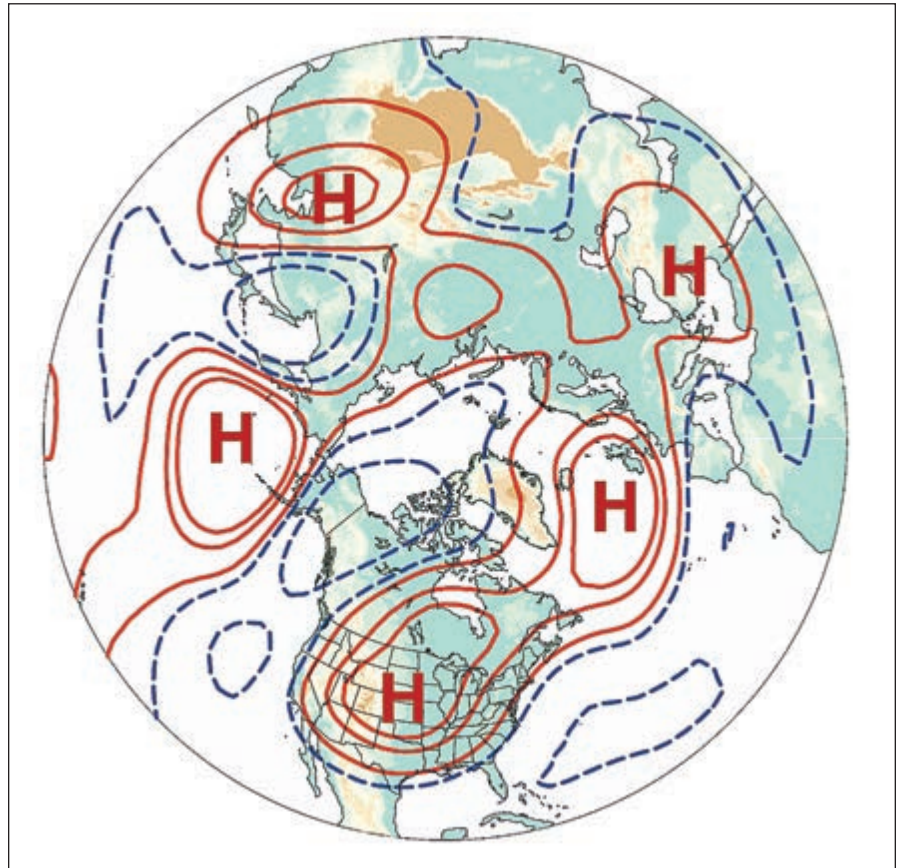
The wavenumber-5 pattern refers to a sequence of alternating high- and low-pressure systems (five of each) that form a ring circling the northern mid-latitudes, several miles above the planet’s surface. This pattern can lend itself to slow-moving weather features, raising the odds for stagnant conditions often associated with prolonged heat spells.

The study, published in *Nature Geoscience*, was funded by the U.S. Department of Energy, NASA, and the National Science Foundation, which is NCAR’s sponsor. NASA scientists helped guide the project and are involved in broader research in this area.

Heat waves are among the most deadly weather phenomena on Earth. A 2006 heat wave across much of the United States and Canada was blamed for more than 600 deaths in California alone, and a prolonged heat wave in Europe in 2003 may have killed more than 50,000 people.

To see if heat waves can be triggered by certain large-scale atmospheric circulation patterns, the scientists looked at data from relatively modern records dating back to 1948.

► See **Forecasts, 12A**



COURTESY UNIVERSITY CENTER FOR ATMOSPHERIC RESEARCH

A map of air flow a few miles above ground level in the Northern Hemisphere shows the type of wavenumber-5 pattern associated with U.S. drought. This pattern includes alternating troughs (blue contours) and ridges (red contours), with an “H” symbol for high pressure shown at the center of each of the five ridges. High pressure tends to cause sinking air and suppresses precipitation, which can allow a heat wave to develop and intensify over land areas.

The ROI on innovation has never been stronger.

The Power of Partnership

The University of Colorado Denver | Anschutz Medical Campus has established a national leadership position in transforming university innovations into real-world medicines.

We are a catalyst—bringing faculty inventors and researchers together with biotechnology, pharmaceutical, device and information technology companies—to translate ideas into products that make a difference.

It’s a partnership that provides seamless collaboration between our researchers and clinicians, and your company—supported by our broad range of research labs, affiliated hospitals and bio-specimen facilities. We offer the kind of connections and services that ensure ideas are leveraged to their greatest potential and improve clinical outcomes.

To learn how your company can take advantage of our fresh thinking, research expertise and partnership approach, visit ucdenver.edu/PartnerNow.

www.ucdenver.edu/PartnerNow

University of Colorado
Denver | Anschutz Medical Campus

CU research partnerships with national laboratories deliver new knowledge and learning opportunities, a surging entrepreneurial environment, and a positive impact on our economy and quality of life.

University of Colorado
Boulder

CenturyLink upgrading 'Net service in Lyons

BY JOSHUA LINDENSTEIN
jlindenstein@bcbr.com

LYONS — CenturyLink Inc. is upgrading its broadband network in Lyons – offering download speeds up to three times faster – in the wake of the September flooding that ravaged the town.

CenturyLink's network was just one aspect of the town's infrastructure that was damaged in the flood, along with gas and sewer lines and electricity service as rain pummeled the area for more than a week.

CenturyLink expects to complete its construction by the end of February.

"From the moment the flooding began, CenturyLink has been on the front line working shoulder to shoulder with communities to restore and

rebuild, and we have seen firsthand the devastation from this historic disaster," said Scott Russell, CenturyLink vice president and general manager for Denver and Northern Colorado, in a press release. "When we finally were able to access Lyons, it became clear that the damage was extensive, and it presented an opportunity to rebuild our network and offer upgraded services to the Lyons community."

CenturyLink previously offered download speeds of up to 12 megabits per second in Lyons. With the reconstruction, available speeds will reach 40 megabits per second, the fastest residential speeds CenturyLink offers in Colorado. The new service comes with a promotional price of \$29.99 per month for 12 months depending on what bundles a customer might have

or what other promotions are available at the time.

Lyons Chamber of Commerce managing administrator Tamara Vega Haddad said the only other Internet provider for the town is Lyons Communications LLC, noting that the two providers worked well together in the wake of the flooding to get services restored. Lyons Communications offers 20 megabytes-per-second Internet service for \$66 per month.

Lyons isn't the only flood-damaged area along the Front Range where CenturyLink is upgrading. The company placed two miles of advanced fiber-optic cable through rough terrain to provide Jamestown residents with 40-Mbps speeds. Estes Park and Glen Haven also are getting upgrades, along with a stretch of cable along U.S. High-

way 34 between Greeley and Kersey that was washed away.

In all, CenturyLink is replacing 37 miles of damaged cable to reconnect flooded communities. The company declined to disclose the cost of the reconstruction and upgrades, although a press release noted that it would reach into the millions of dollars. A company spokesman added that the upgrades, in general, aren't likely ones that would have come any time soon for the affected areas had it not been for the flood damage.

"This work by CenturyLink demonstrates how communities and businesses are working together to rebuild to improved standards, said Jerre Stead, Colorado's chief recovery officer. "As a result, Lyons and other communities affected by the flooding are going to be even stronger than before."

FORECASTS from 11A

They focused on summertime events in the United States in which daily temperatures reached the top 2.5 percent of weather readings for that date across roughly 10 percent or more of the contiguous United States. However, since such extremes are rare by definition, the researchers could identify only 17 events that met such criteria – not enough to tease out a reliable signal amid the noise of other atmospheric behavior.

The group then turned to an ide-

alized simulation of the atmosphere spanning 12,000 years. The simulation had been created a couple of years before with a version of the NCAR-based Community Earth System Model, which is funded by NSF and the Department of Energy.

By analyzing more than 5,900 U.S. heat waves simulated in the computer model, they determined that the heat waves tended to be preceded by a wavenumber-5 pattern. This pattern is not caused by particular oceanic

conditions or heating of Earth's surface, but instead arises from naturally varying conditions of the atmosphere. It was associated with an atmospheric phenomenon known as a Rossby wave train that encircles the Northern Hemisphere along the jet stream.

During the 20 days leading up to a heat wave in the model results, the five ridges and five troughs that make up a wavenumber-5 pattern tended to propagate very slowly westward around the globe, moving against the flow of the jet stream itself. Eventually, a high-pressure ridge moved from the North Atlantic into the United States, shutting down rainfall and setting the stage for a heat wave to emerge.

When wavenumber-5 patterns in the model were more amplified, U.S. heat waves became more likely to form 15 days later. In some cases, the probability of a heat wave was more than quadruple what would be expected by chance.

In follow-up work, the research team turned again to actual U.S. heat waves since 1948. They recognized that some historical heat wave events are indeed characterized by a large-scale circulation pattern that indicated a wavenumber-5 event.

The research finding suggests that


scientists are making progress on a key meteorological goal: forecasting the likelihood of extreme events more than 10 days in advance. At present, there is very limited skill in such long-term forecasts.

Previous research on extending weather forecasts has focused on conditions in the tropics. For example, scientists have found that El Niño and La Niña, the periodic warming and cooling of surface waters in the central and eastern tropical Pacific Ocean, are correlated with a higher probability of wet or dry conditions in different regions around the globe. In contrast, the wavenumber-5 pattern does not rely on conditions in the tropics. However, the study does not exclude the possibility that tropical rainfall could act to stimulate or strengthen the pattern.

Now that the new study has connected a planetary wave pattern to a particular type of extreme weather event, Teng and her colleagues will continue searching for other circulation patterns that may presage extreme weather events.

"There may be sources of predictability that we are not yet aware of," she said. "This brings us hope that the likelihood of extreme weather events that are damaging to society can be predicted further in advance."

 <p>Material Handling Solutions</p>			
ALBUQUERQUE 505-884-2700	CASPER 307-995-4623	DENVER 303-292-5438	EL PASO 915-778-8368
www.FMHSolutions.com			
<p>HAND PALLET TRUCK SPECIAL</p> <p>CLARK CJ55 \$299 Plus applicable taxes</p> <ul style="list-style-type: none"> • 5,500 Lbs. capacity • Closed loop control handle • 3-position control: raise, neutral, lower • Pallet entry and exit rollers • 7" steer wheels • Black polyurethane wheels/rollers • Forks: 48" long x 27" O.W.A. • 2.9" lowered height • 7.8" raised height <p>FOB FMH IN STOCK Offer Expires 12/31/2013</p>			
<p>HELI</p> <p>CALL AND ORDER TODAY!</p> <p>\$299/month* Expires December 31, 2013</p> <p>CPYD25 5,000 lbs. base capacity</p> <p>Solid Pneumatic Tires LPG Fuel 185" Triplex Mast GM 3.0L Engine</p> <p><small>*Fair Market Value Lease. 60 month term, with credit approval. Plus local delivery, applicable taxes, maintenance and insurance. No down or advanced payments. 1,500 hrs. max./year. Restricted to normal clean application. FOB: FMH. Call for more details.</small></p>			



MEISSNER ASSOCIATES
Real Estate Tax Reductions • Brokerage

Proudly serving Dean Callan & Co. and the Boulder commercial property owner community for the past 26 years.

Pay only your "Fair Share" of real estate property tax dollars.

Ray and Dave Meissner
303-649-9550 Meissners@comcast.net

Home State Bank is proud to introduce Lisa Evans, Investment Executive with Investment Centers of America, located at our newest Home State Bank location in Lafayette.

Lisa has gained the trust and respect of her clients in Boulder County by providing financial solutions to help meet their life-stage needs for over 23 years.

Investment Centers of America, Inc. offers personalized financial strategies because it is IMPORTANT to get to KNOW YOU AND YOUR NEEDS before any suggestions are made.

Call Lisa today to schedule a no-obligation financial consultation.

565 W South Boulder Rd | Lafayette, CO 80026 | **303-682-7095**



Lisa Evans
Investment Executive
lisa.evans@investmentcenters.com

Located at:



INVESTMENT CENTERS OF AMERICA, INC.
We know the territory.

Investment Centers of America, Inc. (ICA), member FINRA/SIPC, is not affiliated with Home State Bank. Securities and insurance products are offered through ICA and affiliated insurance agencies and are *not insured by the FDIC *not a deposit or other obligation of, or guaranteed by Home State Bank *subject to risks including possible loss of principal amount invested.

REAL ESTATE & CONSTRUCTION

14A | General Contractors

16A | Mortgage Lenders

18A | Top Leases

Boulder firms look east for savings

Downtown has cachet, but also higher rents

BY JOSHUA LINDENSTEIN

jlindenstein@bcbr.com

BOULDER — Orbotix Inc. chief executive Paul Berberian is like a lot of company leaders who are matter-of-fact about why they have located or moved their businesses to east Boulder:

“If it was the same price, I’d rather be downtown.”

With ample places for employees to walk to lunch, proximity to all kinds of startups and professional services, and the ambience of the Pearl Street Mall, downtown has plenty of advantages in drawing companies. But with better pricing and more space providing other opportunities, there has been no shortage lately of growing companies deciding that east Boulder can make a nice home as well.

Orbotix, a tech startup with about 34 employees, is planning a Thanksgiving weekend move from 6,800 square feet at 1155 Canyon Blvd. to 16,374 square feet at 4772 Walnut St. in the Tierra Center Business Park. All of the extra elbow room will provide a nice shift from the company’s current space, where two to three people are in each office and there’s “lots of make-shift stuff,” Berberian said.

The new location “will be more purpose-built for our particular needs,” said Berberian, who noted that the company is doing an extensive build-out at the new space. “So



JONATHAN CASTNER

Brandon Van Pelt, left, and Jah Hasangjekaj work at CampMinder LLC’s office in Flatiron Park in east Boulder. The growing company offers more perks than its chief executive says it could have had it stayed in more expensive downtown Boulder.

I’m really looking forward to it.”

According to third-quarter analysis of Boulder office submarkets conducted by real estate firm Newmark Grubb Knight Frank, downtown Boulder base rents range from \$17 to \$34 per square foot. The range is \$12 to \$20 for central Boulder and \$8 to \$14 for east Boulder, generally the area east of Foothills Parkway but not including Gunbarrel. That’s not taking into account that operating costs such as taxes, insurance and common area maintenance can add an addi-

tional \$14 per square foot downtown versus roughly half that out east.

East has the inventory, too, with 19 percent vacancy in an area with a total of nearly 1.9 million total square feet of office space, according to the same set of statistics. Only 5.6 percent of the total 1.6 million square feet is available downtown – and for anyone looking for 10,000 square feet or more, there just aren’t a lot of options.

Both Berberian and Simplified Inc. chief executive Shayne Higdon said they evaluated large options

downtown before deciding to move, but those options were mostly older buildings that required major refinishing on top of the already high downtown prices.

Dean Callan and Co. president Becky Gamble, whose company partners with Newmark Grubb Knight Frank on the leasing for Flatiron Park on the east side of 55th Street, admitted east Boulder doesn’t have the same cachet as downtown.

However, she added, “the more

► See **East, 19A**



COURTESY SHEARS ADKINS ROCKMORE, ARCHITECTS

Plans for the proposed Baseline Zero project include a four-story building with Class A office space and a 100-room hotel on 3.1 acres along the south side of Baseline Road in Boulder.

Plans call for hotel, offices on Baseline

BY JOSHUA LINDENSTEIN

jlindenstein@bcbr.com

BOULDER – A group of local developers has submitted concept plans to the city of Boulder for a redevelopment project that would bring 180,000 square feet of Class A office space and a 100-room hotel to the intersection of Baseline Road and 27th Way.

Dubbed Baseline Zero, the

development covers five parcels that total 3.1 acres. The area is bounded by Baseline to the north, Moorhead Avenue to the south, 27th Way to the west and the Boulder Turnpike and the Martin Acres neighborhood to the east and southeast.

The plans tout the proposed four-story, 55-foot-tall office building on the west side of the property as “the greenest office building in

► See **Baseline, 20A**

BUSINESS REPORT LIST GENERAL CONTRACTORS

(General contractors ranked by billings in Boulder and Broomfield counties.)*

RANK	Company	Billings 2011 Billings 2010	No. of employees in region	Dollar value of contracts under construction in region In state	Value of largest project in counties 2013 Project name	Products/Services	Year Founded Web site
1	KRISCHE CONSTRUCTION INC. 605 Weaver Park Road Longmont, CO 80502/303-776-7643 303-776-9598	\$18,970,000 \$19,571,413	39	\$18,432,000 \$18,432,000	\$2,050,999 CU CHEM 4th Floor Atmospheric Lab	New office and retail construction, restaurants, historical renovations and educational/governmental facilities.	V. Mark Pilkington, owner/president 1987 www.krischeconstruction.com
2	SUN CONSTRUCTION & DESIGN SERVICES INC. 1232 Boston Ave. Longmont, CO 80501/303-444-4780 303-444-6774	\$13,209,626 \$12,124,161	128	\$9,870,605 \$9,870,605	\$2,923,313 N/A	General contractor, tenant finish, clean rooms and shielded rooms.	Stephen Strong, CEO Andrew Welch, president 1985 www.sunconstruction.com
3	MELTON DESIGN BUILD 3082 Sterling Circle Boulder, CO 80301/303-473-9542 303-516-4008	\$5,369,064 \$4,470,182	36	\$3,900,000 \$3,900,000	\$862,000 Canyon Residence	Design-build remodeling company with residential, commercial and small- projects divisions.	Ty Melton, president 1993 www.meltondesignbuild.com
4	VAN MATRE CONSTRUCTION 104 E. Simpson St. Lafayette, CO 80026/303-668-2222 303-379-8419	\$3,500,000 \$1,500,000	9	N/A N/A	N/A N/A	Full-service general contractors specializing in large remodels, new custom homes and light commercial construction.	Brady Van Matre, owner 2001 www.vanmatreconstruction.com
5	WHITESTONE CONSTRUCTION SERVICES INC. 1930 Central Ave., Unit C Boulder, CO 80301/303-661-0613 303-661-0895	\$3,390,000 \$3,534,962	15	\$1,200,000 \$1,450,000	\$800,000 JUWI Solar - Office Tenant finish	Commercial renovation and tenant-finish projects. Specializing in projects in occupied facilities: laboratories, offices, retail, restaurants.	Bob Bosshart, president 1994 www.whitestone-construction.com
6	SKYCASTLE CONSTRUCTION 1245 Pearl St., Suite 202 Boulder, CO 80302/303-413-8556 303-413-8557	\$3,000,000 \$2,400,000	14	\$3,000,000 \$3,000,000	\$1,300,000 Terpenning Residence	Architect led, award-winning, green design/build for custom homes and commercial projects in Boulder County. Design services include architecture, interiors, energy and landscape.	Scott Rodwin, president 2001 www.skycastleconstruction.com
7	PARRISH CONSTRUCTION CO. 4770 Pearl St. Boulder, CO 80301-2434/303-444-0033 303-444-0047	\$2,500,000 \$1,993,500	8	N/A N/A	N/A N/A	Remodeling, general construction, design-build, certified kitchen/bath design. Custom cabinet shop, home theater design/installation, window installation, certified aging-in-place specialist.	Larry Parrish, CR, CGR, CAPS 1969 www.ParrishBuilt.com
8	ROSEWOOD CONSTRUCTION INC. 5690 Valmont Road Boulder, CO 80301/303-443-6022 303-413-8348	\$2,450,000 \$2,180,000	8	\$287,000 \$287,000	\$2,200,000 N/A	Home builders/general contractors specializing in custom homes; revitalization of existing homes; remodeling using green building products.	John Shively, president David Rose, secretary/treasurer 1980 www.rosewoodconstruction.com
9	BUCKNER CONSTRUCTION INC. 4700 Sterling Drive, Suite E Boulder, CO 80301/303-440-0763 303-440-8036	\$1,629,000 \$900,000	8	\$650,000 \$650,000	\$350,000 N/A	Sustainable design and construction management services for residential and commercial new construction, remodeling and additions.	Matt Buckner, president 2004 www.bucknerdesignbuild.com
10	BLUE SPRUCE DESIGN & CONSTRUCTION CO. 8854 Pinecone Lane Niwot, CO 80503/303-652-1150 303-652-1149	\$1,290,000 \$1,200,000	4	\$1,590,000 \$1,590,000	\$1,495,000 Boulder Brands Tenant Finish	General contracting firm focusing on large residential renovations with an emphasis on green building; commercial tenant finish and restaurants.	Sandra Weeks, president 1997 www.bluespruceconst.com
11	ELLIS CONSTRUCTION INC. 1037 Diamond Court Boulder, CO 80303/303-818-0241 303-666-6939	\$975,000 \$975,000	1	N/A N/A	N/A N/A	Ground-up construction of new custom homes and renovation and remodeling of existing homes.	David Ellis, owner 2002 www.ellisbuilds.com
12	ERC INSULATION 2907 55th St., No. 7B Boulder, CO 80301/303-455-9778 N/A	\$964,750 \$400,000	20	N/A N/A	N/A N/A	Sprayfoam, cellulose and wet spray insulation, energy audits and small construction projects.	Christine Randall, co-owner, president Elton Randall, co-owner 2009 www.ercinsulation.com
13	BATCO HOMES INC. 7279 Arapahoe Road Boulder, CO 80303/303-442-8668 303-939-8268	\$760,000 \$690,000	1	N/A N/A	N/A N/A	New home construction, historical renovations, additions and remodels.	Bruce Alan Tenenbaum, president 1985 N/A
14	WILDWOOD JOINERY & DESIGN INC. 9635 Schlagel St. Longmont, CO 80503-8556/303-684-6604 303-684-9212	\$450,000 \$385,000	2	\$90,000 \$90,000	\$200,000 Souther whole house remodel	Remodeling and new construction; sustainable, energy-efficient building practices, doing both residential and light commercial construction.	W. Michael Shuster, president 1985 N/A
15	KOGLIN GROUP LLC 133 S. Fillmore Ave. Louisville, CO 80027/303-551-3073 N/A	\$436,000 \$193,000	24	N/A N/A	N/A N/A	Project planning, construction management, full service software, hardware, and cabling and electric to point of sales systems.	Lynn Christopher Koglin, owner 2009 www.koglingroupllc.com
16	BEEHIVE CONSTRUCTION CO. 1256 Hover Road Longmont, CO 80501/303-447-8866 303-651-3285	\$274,000 \$212,000	N/A	\$90,000 N/A	\$86,000 N/A	Remodeling, design-build of kitchens, baths, structural additions; whole house renovation.	Ray Kutash, president 1977 N/A
17	ENVIRONMENTAL SYSTEMS DESIGN LLC 6897 Paiute Ave., Suite 2A Longmont, CO 80503/303-652-2572 303-652-2510	\$210,000 \$198,600	1	N/A N/A	N/A N/A	Design, drafting and general contracting, specializing in turn key design/build service for commercial and residential new, additions, remodels, basements, window replacements and outdoor living.	Paul G. Zopff Jr., lead designer/ construction projects coordinator 1974 www.esddesignbuild.com
18	ADVANCED AIR LLC 1347 Carnation Circle Longmont, CO 80503/303-587-9493 N/A	\$201,786 \$204,356	2	N/A N/A	\$135,000 Smiley Court	Commercial Building Tune Up, Commercial Retrocommissioning & Commissioning, ESCO Energy Modeling, energy audits for residential properties, property condition assessments for commercial real estate	Stephen F Walker, principal 2006 www.thisairsealedhome.com
19	JUNIPER ASSOCIATES HOMEBUILDING & REMODELING P.O. Box 381 Nederland, CO 80466/303-258-3588 303-258-3588	\$197,000 \$375,000	3	N/A N/A	N/A N/A	Building, remodels, additions, tenant finish, project management.	Jacob Gaventa, co-owner Andrew Dewart, co-owner 2004 www.juniperassociates.com
20	ROY'S ELECTRIC INC. 1610 Pace St., Unit 900-439 Longmont, CO 80504/303-772-7771 303-651-3656	\$195,000 \$190,000	5	N/A N/A	N/A N/A	Electrical installation and repair services; residential and commercial; 24-7 emergency work and Saturday appointments. Provider of solar and generator power alternatives.	Kimberly Forsgren, owner Roy Forsgren, owner 1994 www.mrelectric.com
21	GOLDEN TRIANGLE CONSTRUCTION INC. 700 Weaver Park Road Longmont, CO 80501/303-772-4051 303-776-6525	\$15,625 \$25,830,000	87	\$86,645,000 \$86,645,000	\$16,398,700 Eastbridge Elementary School	Commercial construction, general contractor, including office, medical facilities, retail, educational, parks and warehouse construction.	Brian Laartz, president 1977 www.gtc1.net

Researched by Mariah Tauer

N/A: Not available. *Second ranking criterion is number of employees. If your company should be on this list, please request a survey by e-mail from research@bcbr.com or call our research department at 303-440-4950.

Source: Business Report Survey

Foothills lots may be offered soon

BY CLAYTON MOORE
news@bcbr.com

BOULDER – After a long gestation period, a new exclusive enclave at the foot of Mount Sanitas could begin selling high-end home sites as soon as 2014.

Design guidelines for the Trailhead project are posted online by Surround Architecture, the firm that has stewarded the project through the city of Boulder's planning process, as well as a promotional site hosted by real estate developer Moonbeam Boulder LLC.

The guidelines show the detail of 23 lots ranging in size from slightly more than 6,000 square feet to one that totals nearly 27,000 square feet. Tentative architectural drawings reveal plans for smaller "cottage" homes and larger "carriage" houses that appear to match the historic content of the adjacent Mapleton and Newlands neighborhoods, where many homes fall under the purview of Boulder's Landmarks Board.

While the purchase of a Trailhead lot does not mandate the use of a design by Surround Architecture, the development's design guidelines parallel those of the city that are set forth in the area plan that governs the neighborhood.

"The point was to have a development that feels effectively like an extension of the Mapleton and Newlands developments with smaller lot sizes and a lot of front porches facing

the street," said Karl Geiler, the case manager assigned to the Trailhead development by the city's Planning and Development Services Department.

Despite a bulletin that reads "Now selling!" on the Moonbeam web page, its developers have declined to broadcast the availability of the lots to the general public until the site's infrastructure is closer to completion. Despite that hesitation, interested clients already are negotiating contracts and one building permit already is in review at the city's planning division.

Project developer Moonbeam is owned by Boulder-based real estate developer Christopher Foreman. Foreman is also listed as president of Moonbeam Investment Corp., a Chicago-based operating entity of multiple LLCs and corporations. He could not be reached for comment.

Contrary to a traditional real estate development, the Trailhead project will sell home sites, leading eventually to a small developed neighborhood in the heart of the foothills, with walkable proximity to downtown Boulder and adjacent open space. Prices for the lots are anticipated to range from \$500,000 to \$1.2 million.

One of the major advantages of the development to consumers is the ability to custom build a new, energy-efficient home on the west side of Boulder. Its development as a high-end

neighborhood ensures that residents will be near homes with similar value and design aesthetics.

Moonbeam purchased the 5.84-acre parcel for \$4.6 million three years ago. The property was home to Boulder Junior Academy, a school run by the Seventh-day Adventists. The school was demolished in 2008 and the Junior Academy Area Plan was approved by the city in 2009.

The initial timeline for the project, posted on Moonbeam's community board, initially indicated that all infrastructure improvements would be finished by the end of December. However, historic flooding in Boulder this fall is likely to cause setbacks.

Advocates from the nonprofit organization Friends of Mount Sanitas voiced concerns about the Trailhead development including site density, traffic circulation, the construction schedule, and parking. However, the concerns largely have been mitigated in the approved site review.

"There were definitely people that were against the process but there have been more controversial projects on this site in the past," Geiler said. "Following the adoption of the area plan, it helped to inform how this site would get developed. While there were people that were against it, I would say that it was actually less controversial because the density had actually been lowered compared to previous plans."

Provenance OK'd after controversial plan changes

BY CLAYTON MOORE
news@bcbr.com

LONGMONT – Despite significant opposition by neighbors in Longmont, it appears that a planned neighborhood there is moving forward after the city council approved a development plan in late October for a heavily revised version of Provenance, a 226-home neighborhood at Colorado Highway 66 and Sundance Drive.

The original plan approved six years ago identified Provenance as a "New Urbanist" development with features such as walkable neighborhoods, extensive parks and open space, and novel community features including a swimming pool and amphitheater.

Bosch Land Group originally acquired the land in 2001 and announced the genesis of Provenance in 2007, with infrastruc-

► See **Provenance**, 20A

Community Solar Gives Renters A Renewable Energy Option

Renting a home no longer precludes residents from owning a solar system.

by Rich Benson

John DeFilippi loves the environment. The owner and general manager of Boulder-based ecological Lawn & Tree Care designed his business as an eco-friendly alternative to traditional lawn care, using zero or low-emissions equipment, the highest quality organic products instead of toxic pesticides and synthetic fertilizers, and irrigation methods to reduce water consumption. His business is even powered by a rooftop solar system.

Yet, at home—as a renter—John found shifting to clean energy more of a challenge. Since he doesn't own the roof or property where he lives, installing on-site solar wasn't an option. Then John learned about how he could purchase solar panels in a community-owned solar project by Clean Energy Collective (CEC).



ABOVE: ecological Lawn & Tree Care

"Renting my home is a better option at this point," said the north Boulder resident. "I was thrilled to learn that with community solar I could still switch to using local renewable energy, and know that when the time comes the energy credits will simply move with me," said DeFilippi.

"Looking at all the benefits, it was an easy decision."

John DeFilippi, ecological Lawn & Tree Care

Community Solar Delivers Accessibility and Affordability "At work, a commitment to sustainability and caring for the environment is our mission, so it was not a hard leap for me to investigate using solar to power my home."

But, DeFilippi admitted, even if he owned his home, he might be reluctant to consider a roof-top system. Researching all the options, paying the full cost of an inverter, installing the structure, permitting, etc. required a large investment in time and money that was out of reach.

"Besides, why would I pay tens of thousands of dollars to improve someone else's property," says DeFilippi.

John is not alone. According to the National Renewable Energy Lab (NREL) in Golden, Colo., while nine out of 10 people in the U.S. population say they want to take advantage of solar energy, only about 20% really can with home-sited systems. The remaining 80% face unworkable barriers like shady roofs, they are renters, or they lack the financial capability.

Community solar removes these barriers to solar purchase. Economies of scale make shared arrays easier and less expensive to build than most other solar sources, they are sited and professionally maintained to maximize energy production, and offer owners a greater savings. Through CEC's community-owned solar model, any Xcel Energy customer can purchase solar panels in a shared array.

For De Filippi, being able to leverage community solar as a renter and with clear budget parameters was a big plus. By securing a limited number of panels in CEC's community array to start, DeFilippi is able to power more than half of his single-family home with locally-made, clean energy, and he has the option to add more at a later date. "Looking at all the benefits, it was an easy decision."

Community-Owned Solar Is Here!

Nothing On Your Roof! | Savings On Your Electric Bill!



Sign Up Today!
Space is Limited!

500 kW
Boulder Cowdery Meadows
Xcel Energy

See How Much You Can Save
Visit

ColoradoCommunitySolar.com



Call Now For A FREE Quote! 800.646.0323

BUSINESS REPORT LIST MORTGAGE LENDERS

(Ranked by dollar volume of loans originated in Boulder and Broomfield counties.)

RANK	Company	Dollar volume of loans 2012 2011	No. of loans 2012 2011	Avg. local loan size 2012	Percent of loans refinanced 2012 2011	Percent of loans conventional Percent of loans government	Headquarters Phone Website	Headquarters Parent company
1	PREMIER MORTGAGE GROUP 1844 Folsom St. Boulder, CO 80302	\$920,293,773 \$407,240,028	3,290 1,442	\$279,725	59% 51%	85% 15%	Greenwood Village, Colorado 303-449-8855 www.pmg lending.com	Ariel Solomon, branch manager 1997
2	WELLS FARGO 1790 38th St. Boulder, CO 80301	\$788,302,000 \$612,192,000	2,674 2,235	\$294,800	76% N/A	N/A N/A	San Francisco, California 970-686-7728 www.wellsfargo.com	Kelly Chacon, area sales manager 1852
3	ELEVATIONS CREDIT UNION 2960 Diagonal Hwy. Boulder, CO 80301	\$761,720,374 \$260,613,285	3,226 1,137	\$236,119	71% 60%	100% 0%	Boulder 303-443-4672 www.elevationscu.com	Gerry Agnes, CEO/ president 1952
4	COMMERCE MORTGAGE 1637 Pearl St., Suite 203 Boulder, CO 80302	\$174,621,152 \$140,299,966	565 516	\$306,064	60% 50%	92% 8%	Walnut Creek, California 303-544-0600 www.commercemortgage.com	Calvin Cox, partner 2000
5	SWBC MORTGAGE 1470 Walnut St., Suite 100 Boulder, CO 80302	\$160,109,727 \$98,510,294	563 375	\$284,386	59% 53%	91% 9%	San Antonio, Texas 303-545-9600 www.swbc.com	Amanda Sessa, senior loan officer 1976
6	COLORADO WESTERN MORTGAGE CORP. 1919 Seventh St. Boulder, CO 80302	\$65,000,000 \$45,000,000	82 60	\$725,000	75% 75%	100% N/A	Boulder 303-786-7575 www.denverlending.com	Robert Jon Emrick, president 1991
7	PEOPLES MORTGAGE 825 Delaware Ave., Suite 100 Longmont, CO 80501	\$62,000,000 \$60,000,000	310 334	\$200,000	30% 30%	40% 60%	Kansas 303-772-4400 www.mpeoples.com	John B. Arnold, branch manager 2000
8	INSIGHT FINANCIAL 3025 47th St., Suite D-1 Boulder, CO 80301	\$100,000 \$81,040,225	320 273	\$332,000	70% 70%	98% 2%	Boulder 303-444-2885 www.insightfinancial.net	Dave Schell, owner 1999

Researched by Mariah Tauer

N/A: Not available.

Source: Business Report Survey



Call for Nominations

Boulder County Business Hall of Fame

Recognizing Business at its Best

The Boulder County Business Hall of Fame recognizes outstanding business leaders from the present and past. Inductees honored have been instrumental, through business-related efforts, in providing direction, energy and support to the shaping of Boulder County since its inception.

The Boulder County Business Hall of Fame is a nonprofit corporation, with all proceeds supporting the Hall of Fame and its programs. Every year, the Hall of Fame donates scholarships to deserving students at the University of Colorado Leeds School of Business. In both 2012 and 2013, four scholarships totaling \$10,000 were presented.

Inductee and Alumni Reception
(open only to inductees, alumni and sponsors)
March 19, 2014

Induction Luncheon
April 23, 2014
11:30-1:30 p.m.
Plaza Conference Center
1850 Industrial Circle,
Longmont, CO 80501






Submit nominations for the 2014 class at www.halloffamebiz.com

Contact Chris Wood at 303-630-1942 or cwood@bcbr.com, for nomination or sponsorship information.



Commercial Vacancy Rates

Tracked by Xceligent Inc.
Third quarter 2013

Type	Total (sq. ft.)	Vacant (sq. ft.)	Vacancy Rate
Boulder			
Office	8,034,192	534,173	6.7%
Flex	10,580,719	379,794	3.6%
Industrial	3,199,385	123,638	3.9%
Broomfield			
Office	2,898,760	559,032	19.3%
Flex	1,586,863	112,119	7.1%
Industrial	2,975,908	139,383	4.7%
Erie			
Flex	19,420	0	0.0%
Lafayette			
Office	231,204	21,505	9.3%
Flex	907,851	96,103	10.6%
Industrial	703,553	23,000	3.3%
Longmont			
Office	1,267,756	69,863	5.5%
Flex	4,470,501	438,669	9.8%
Industrial	4,582,119	1,098,402	24.0%
Louisville			
Office	889,971	74,055	8.3%
Flex	2,765,072	679,037	24.6%
Industrial	685,600	0	0.0%
Superior			
Office	184,009	23,354	12.7%
Total			
Office	13,505,892	1,281,982	9.5%
Flex	20,330,426	1,705,772	8.4%
Industrial	12,146,565	1,384,423	11.4%

Xceligent tracks occupancy of buildings greater than 10,000 square feet and does not track medical office buildings. Definitions of each category are set by Xceligent.

Tracked by CB Richard Ellis
Third quarter 2013

Type	Total (sq. ft.)	Vacant (sq. ft.)	Vacancy Rate
Boulder			
Office	5,768,757	490,3	8.5%
Industrial	14,213,699	755,308	5.3%
Longmont			
Office	974,909	81,893	8.4%
Industrial	6,028,875	678,510	11.3%

Buildings larger than 10,000 square feet, excluding government, medical and single-tenant owner buildings

Tracked by economic developers
Third quarter 2013

Type	Total (sq. ft.)	Vacant (sq. ft.)	Vacancy Rate
Broomfield			
Office	7,509,450	872,895	11.6%
Industrial	3,789,160	187,288	4.9%
Longmont			
Office, flex and industrial	8,606,485	1,303,610	15.1%

City of Broomfield economic development office.

Source: Longmont Area Economic Council (includes city of Longmont plus surrounding unincorporated areas of Boulder and Weld counties).

TOP COMMERCIAL PROPERTY SALES IN BOULDER COUNTY

July 1 - Sept. 30, 2013

Buyer	Address	Type	Price
1 Pearl Place Associates LLC	2095 and 2111 30th St., Boulder	Retail and office buildings	\$6,900,000
2 Walnut Offices LLC	2501, 2503, 2505 Walnut St., Boulder	Office buildings	\$5,640,000
3 Premier Members Federal Credit Union	5495 Arapahoe Ave., Boulder	Office building	\$4,500,000
4 *14th Street Element LLC	*1750 14th St., Boulder	Office building	\$3,700,000
5 1500 Kansas Ave. Industrial Property LLC	1500 Kansas Ave., Longmont	Office and light industrial business park	\$3,550,000
6 Pearl Place Associates LLC	2930 Pearl St., Boulder	Industrial and office space	\$3,200,000
7 ABRE LLC	1799 Exposition Dr., Boulder	Audi car dealership	\$3,100,000
8 *B&H LLC	*1750 14th St., Boulder	Office building	\$2,600,000
9 J2P Management Co. LLC	2555 30th St., Boulder	Hyundai car dealership	\$2,400,000
10 Sunflower Bank National Association	25 Ken Pratt Blvd., Longmont	Bank and office building	\$2,350,000

* 14th St. Element LLC purchased the building and parking lot at 1750 14th St. in Boulder, then sold the building only to B&H LLC.

Source: Boulder County public recordsSource: SKLD. Data is based on date transactions were recorded by the Boulder County Clerk and Recorder's Office.



Find your Green Building Professional

COLORADO
GREEN BUILDING GUILD

Working on a Building Project? ...

The Guild is the "go-to-place" to find your professional and get your questions answered.

Resources for Home & Business Owners

- * Find a local green building professional in our online directory
- * Ask our members questions about your project on our online "Ask an Expert forum"
- * Find out how to save energy and money
- * Make sure you know about current rebates and incentives

Tap Our Local Expertise

- * Realtors
- * Contractors
- * Architects
- * Landscapers
- * Renewable Energy Experts
- * Energy Auditors
- * Suppliers & More

info@bgbg.org
303 447 0901

www.ColoradoGreenBuildingGuild.org



Prudential
Rocky Mountain, REALTORS®

NUMBER ONE OFFICE FOR LONGMONT AREA COMMERCIAL REAL ESTATE NEEDS

Local representation for commercial sales and leasing providing quick response time to service and show your properties.



Keith Kanemoto



Bayne Gibson, CCIM



Don Rulle, CCIM



Mike McDonough



Ken Kanemoto, CCIM



Ed Kanemoto, CCIM



John Marlin



Jerry Schlager



Aaron Grant



Ken Voss

- 10 Dedicated commercial brokers
- 4 CCIM members
- Available 7 days per week
- Tenant and Landlord Representation
- Land Sales/Development
- Commercial Sales
- Asset/Property Management
- Market, Site and Financial Analysis

PRUDENTIAL ROCKY MOUNTAIN REALTORS NAMED TOP 50 IN NATION

Independently owned and operated.
275 S. Main St., Suite 109, Longmont, CO 80501

303-772-2222 • www.prudentialrockymountain.com



Your Vision.
Our Craft.



Locally owned & operated since 1969



Your Ideas in Glass

- Shower Enclosures
- Glass Handrails
- Curved Glass
- Back Painted Glass
- Custom Mirrors
- Glass Shelves
- Table Tops
- Marker Boards

504 Fourth Avenue
Longmont, CO

303-776-9511
www.hillcrest-glass.com

Stop by our showroom to see
custom solutions for your project.

As always, we provide complimentary
design consultations and quotations.

Craft Banking
- Since 1908 -



HIGH PLAINS BANK
An Authentic Community Bank

Give us a call: 303-776-BANK



600 Kimbark Street, Longmont, CO

HighPlainsBank.com

TOP 10 OFFICE LEASES IN BOULDER AND BROOMFIELD COUNTIES

July 1 - Sept. 30, 2013

Tenant	Square Footage	Address	Listing / Selling Agency - Broker(s)
1 Sandoz Inc.	41,800	2655 Midway Blvd., Broomfield	Keys Commercial Real Estate LLC
2 Product Architects Inc.	34,133	4601 Nautilus Court, Boulder	Doug Haffnieter, Flagstaff Properties; Valerie Johnson Susan Chrisman, The Colorado Group Inc.; Steve Chrisman, Chrisman Commercial
3 Boulder County	25,072	1921 Corporate Circle, Unit 3F, Longmont	Scot Smith, Wade Arnold, Steve Johnson, The Colorado Group Inc.; Jenn Thomas, Colliers International
4 Esource Companies LLC	24,916	1965 N. 57th St., Boulder	Gary Aboussie, The Colorado Group Inc.
5 National Ecological Observatory Network	17,680	1715 38th St., Boulder	Becky Callan Gamble, Hunter Barto, Dean Callan & Co.; Ronan Truesdale, Keys Commercial RealEstate LLC
6 RGN Boulder LLC	13,775	1434 Spruce St., Boulder	Unico Properties LLC; Doug Bakke, Ty Ritchie, Todd Papazian, Lee Diamond, CBRE
7 Market Force Information Inc..	10,797	371 Centennial Parkway, Louisville	Becky Callan Gamble, Brit Banks, Dean Callan & Co.; Alex Hammerstein, Marty Knappe, CBRE
8 Hybris Software	10,367	3005 Center Green, Suite 100, Boulder	Chris Boston, Lynda Gibbons, Gibbons-White Inc.; Ken Gooden, Jones Lang LaSalle
9 Galvanize LLC	10,000	1035 Pearl St., 500 Boulder	Lynda Gibbons, Steve Sims, Gibbons-White Inc.
10 InTheTelling.com Inc.	9,700	3004 Arapahoe Ave., Boulder	Keys Commercial Real Estate LLC

Source: Survey of commercial real estate firms

TOP 10 INDUSTRIAL LEASES IN BOULDER AND BROOMFIELD COUNTIES

July 1 - Sept. 30, 2013

Tenant	Square Footage	Address	Listing / Selling Agency- Broker(s)
1 Circle Graphics Inc.	38,453	4051 Camelot Circle, Boulder	Prudential Rocky Mountain Realtors; Doug Viseur, Todd Witty, CBRE
2 Rocky Mountain Joinery Center LLC	23,000	1005 S. 120th St., Suite 1, Lafayette	Dan Ferrick, Angela Topel, Gibbons-White Inc.
3 Skinny Pineapple Inc.	20,345	1265 Rock Creek Circle, Lafayette	Chris Ball, Cassidy Turley; Angela Topel, Patrick Weeks, Gibbons-White Inc.
4 The Allen Company Inc.	20,000	555 Aspen Ridge, Lafayette	Tebo Properties
5 Micron Technology Inc.	15,083	1900 Pike Road, Longmont	Longmont Diagonal Investments LP
6 Abel Corp.	13,072	455 Weaver Park, No. 600, Longmont	Tebo Properties
7 Funovation	11,377	410 S. Sunset St., Longmont	Todd Witty, CBRE; Todd Walsh, The Colorado Group Inc.
8 Northridge 4x4 LLC	10,000	4107 S. Valley Drive, Longmont	Canaday Real Estate; Steve Sims, Gibbons - White Inc.
9 Third Street Inc.	10,000	587 S. Taylor Ave., Louisville	Brit Banks, Dean Callan & Co.; Jeremy Kroner, Erik Abrahamson, CBRE
10 Micro Motion Inc.	9,480	6899 Winchester Circle, Boulder	Audrey Berne, Steve Johnson, The Colorado Group Inc.; Chris Nordling, Newmark Grubb Knight Frank

Source: Survey of commercial real estate firms

TOP 10 RETAIL LEASES IN BOULDER AND BROOMFIELD COUNTIES

July 1 - Sept. 30, 2013

Tenant	Square Footage	Address	Listing / Selling Agency- Broker(s)
1 Standard Bar & Grill	5,540	637 Ken Pratt Blvd., Longmont	Tebo Properties
2 HB Woodsongs	2,919	3101 28th St., Boulder	Tebo Properties
3 Doug's Diner	2,084	1619 Coalton Road, Superior	Becky Callan Gamble, Dean Callan & Co.
4 Forgotten Ink LLC	1,839	1075 S. Boulder Road, Louisville	Tebo Properties
5 Woodsong's Lutherie	1,595	3070 28th St., Unit 3, Boulder	Michael-Ryan McCarty, Angela Topel, Lynda Gibbons, Gibbons-White Inc.; Hill, Wright Kingdom
6 State Farm	1,416	1660 30th St., Boulder	Chad Henry, Nate Litsey, W.W. Reynolds Co.; Jennifer Chavez, Newmark Grubb Knight Frank
7 BoCo Fitness LLC	1,400	21 Pearl St., Unit C, Boulder	Tebo Properties
8 90 Monkeys LLC	1,303	2516 Broadway, Boulder	Becky Callan Gamble, Dryden Dunsmore, Dean Callan & Co.
9 Papa John's	1,267	3054 28th St., Boulder	Tebo Properties
10 Pizza Hut	1,265	1624 Coalton Road, Superior	Becky Callan Gamble, Dean Callan & Co.; Jim Hoffman, SRSRE

Source: Survey of commercial real estate firms

EAST from 13A

companies we see going out there and updating the tenant finish level, it's going to slowly change the culture collectively in those east Boulder parks."

The pricing downtown can be volatile. Broker Chad Henry of W.W. Reynolds Cos. — which owns Pearl East Business Park and Tierra Centre — said rates downtown just four or five years ago were 20 percent to 30 percent less than they are now that the economy is recovering from the recession. Companies that signed leases then and are looking to renew might be in for some sticker shock.

"It ebbs and flows," Henry said. "It goes in cycles."

Price and space might be the big factors in companies locating in east Boulder, but they certainly aren't the only perks. Ample free parking is another. Simplified, which moved from 1600 Pearl St. to the Pearl East Business Park at 4900 Pearl East Circle in late October, was subsidizing parking for employees downtown, Higdon said.

Easing commutes for workers who often are coming to work from surrounding communities also makes east Boulder a draw, given traffic congestion in central and downtown Boulder during the day. TapInfluence Inc. co-founder and chief marketing officer Holly Hamann said her company's decision to locate in Flatiron Park was a conscious choice about affordability and where the company



JONATHAN CASTNER

Javascript designer Kenneth Talley works at the Pearl East headquarters of Simplified Inc. The company's new spot includes showers for those who want to exercise midday or commute on the nearby bike path.

could find a spot that could accommodate growth for a few years. But it's also provided a source of convenience for an employee base that is primarily from outlying communities.

"From a commuting perspective," Hamann said, "people can get in and out of east Boulder really fast."

Landlords are trying to add to the lures of east Boulder with attractive pricing and perks. In 2011, Goff Capital Partners bought much of Flatiron Park, where many of the buildings were built in the late 1970s, '80s and '90s. Goff vice president Steve Eaton said his company has been working to upgrade lob-

bies and common areas in buildings and tries to have employee-friendly policies such as allowing dogs. The company also is working to bring in amenities. Upslope Brewing Co. located its new brewery and taproom in Flatiron Park last year, and Ozo Coffee Co. opened a retail location there this month.

"I think what we're really trying to do is just upgrade the whole image of Flatiron Park," Eaton said.

While startups, attorney groups and other professional services continue to flock to the smaller spaces and the vibe of downtown, companies that have put down eastern roots say some aspects of

downtown working can be recreated. As companies grow, Berberian said, they develop their own cultures and don't necessarily need the downtown atmosphere to maintain them.

Some east Boulder companies dedicate a portion of their savings on lease prices toward trying to offer added amenities for employees. Simplified has lunch delivered for employees two days per week, and TapInfluence does the same every Wednesday. CampMinder LLC founder and CEO Dan Konigsberg said his company offers a better health plan than it otherwise might be able to and is adding a 401(k) as it grows. Both CampMinder and TapInfluence also pay for periodic company outings, from renting boats on Horsetooth Reservoir to skeet shooting and brewery tours.

CampMinder, at 5766 Central Ave. in Flatiron Park, is on its second east Boulder location after having early roots near downtown Boulder. In its new spot, where it moved over the summer, the company was able to start with a gutted space and finance much of the tenant finish through its rent.

Many of the companies have gone with large collaborative spaces in the center with glass-walled offices and boardrooms around the outside geared toward individual meeting or quiet spaces, Konigsberg said.

"Why would you not want to have a built-out custom space for you?"



COLORADO
GREEN BUILDING GUILD

Making Green Building Common Practice

For More information, or to join the Colorado Green Building Guild, please visit bgbg.org



bldg.collective
architecture : design
303.357.1364 www.bldgcollective.com

Upgrading Facilities with the **FUTURE** in Mind

WHITESTONE
CONSTRUCTION SERVICES, INC.
(303) 661-0613
www.whitestone-construction.com

Full Service Mechanical, Plumbing and Electrical Engineering and Design

Geothermal
Solar Thermal
Solar PV
Energy Star for Buildings
Energy Analysis
Lifecycle Cost Analysis

DMA
ENGINEERING
Efficient Systems for Buildings
303-732-5559 | info@dma-eng.com
www.dma-eng.com

BOULDER ZED
DESIGN + BUILD

Homes for the new millenium.
Near net zero energy use
Exceptional indoor air quality
Abudant daylighting

fuentesdesign.com



BASELINE from 13A

Boulder,” complete with large rooftop solar arrays and a vegetated roof. That’s in addition to carbon-absorbing wood framing, laminated high-density wood beams and other ventilation and lighting aspects geared toward energy efficiency.

“We’re looking to push the envelope and do something that would really set a whole new benchmark for Boulder,” said developer Bruce Dierking, who noted that LEED certification would likely be sought for the buildings, which also will come with a goal of carbon neutrality by 2030.

West Baseline Investors LLC, led by Dierking and Jim Loftus, purchased the five parcels of land for \$6.6 million in 2008. The same group, under the name East Baseline Investors LLC, at the same time bought three parcels east of the Boulder Turnpike along Baseline. The latter were since redeveloped into the 16,000-square-foot Baseline Crossing, which is a mix of restaurants and retail. Scott Reichenberg and Neil Littman are also partners in both redevelopments.

Dierking said it’s too early to place an estimated price tag on the Baseline Zero project.

The Baseline Zero site currently is home to a Boulder Gas station, Grease Monkey, Baseline Liquor Store, Nick’s Auto Repair and a former Wendy’s building that now is shuttered.

The development sits in an area zoned Business-Community 2, defined as “business areas containing retail centers serving a number



COURTESY SHEARS ADKINS ROCKMORE, ARCHITECTS

A Skunk Creek wetlands and buffer area will separate the office building from a four-story hotel in the Baseline Zero project. Each building will include two levels of underground parking. The developers are seeking an exception for the 55-foot building heights in an area where 35 feet is allowed.

of neighborhoods, where retail-type stores predominate.” Chandler Van Schaack, a planner with the city of Boulder, said the office building and hotel are allowed uses for areas zoned BC 2 in some instances through the use-review process despite the narrow definition.

Van Schaack said the project looks promising overall so far, but he noted that there is plenty of room for varying opinions. He said that the nature of the project ultimately will come down to how the planning board and neighbors feel, and whether the developers can prove there won’t be any undue impacts to the surrounding area.

“They’re trying really hard to

address the impacts and make it an appropriate use,” Van Schaack said. “I think it could work.”

East of the office building, across a Skunk Creek wetlands and buffer area, will sit the four-story hotel. Each building will include two levels of underground parking. The developers are seeking an exception for the 55-foot building heights in an area where 35 feet is allowed. Some setback variance and parking reduction also is being requested.

The developers will go before the planning board Jan. 16 for concept review, and Dierking said there likely would be a neighborhood meeting before that. Concept review is a period for comment by the public

and planning board meant to address concerns before developers return to the board for the more formal and binding site review process.

“We don’t really see a lot of push-back” on the height, Dierking said. With the highway to the east, “we’re not going to block anybody’s view.”

The plans note that Element by Westin is a possible hotel brand for the site and represents the basis of the design. Plans note that the hotel would be an “ecologically focused, extended-stay, lifestyle brand targeting 30- to 45-year-old professionals and frequent travelers.”

Dierking said current tenants of the site have known that redevelopment is coming for a while, and said their leases have been honored. He said part of the delay in developing this site versus Baseline Crossing was that there was some environmental cleanup that had to be done at the Nick’s Auto site because of a former gas station there. There was also cleanup that had to be done by a former tenant at the Boulder Gas site.

Dierking said he expects site review before the board sometime late next year, and hopes to break ground sometime in 2015 if things go according to plan.

He said he expects the office space to fetch similar prices to downtown, somewhere north of \$30 per square foot plus operating expenses. However, he noted that the energy efficiency aspects of the new building likely would mean lower operating expenses than those for comparable buildings.

PROVENANCE from 15A

ture improvements to begin in 2008. However, the economic turndown quickly derailed the project, which languished for more years than the original development timeline would have required.

The project now is in the hands of Oread Capital, the company that partnered with Wheelock Street Capital to acquire the Anthem Colorado development in Broomfield in 2011 and also recently acquired Somerset Meadows in Longmont. Oread Capital’s president, Jeff Handlin, declined to comment on the company’s progress on the Provenance project.

The design approved by city council this year little resembles much of the original plans from 2007. While the number of homes remains the same, the development now mimics the suburban footprint of similar developments up and down the U.S. 36 corridor and extending onto the eastern plains. The far more traditional subdivision layout features a narrower range of home types, front-oriented garages and fewer amenities, while the average lot sizes have been increased to 7,400 square feet.

More than 200 residents of the adjoining Sundance and Fairways neighborhoods submitted a petition recommending rejection of the revised plan. Comments from residents and the leadership of local homeowners’ associations that appear in the public record are vociferous and pointed.

Among issues raised by residents are the volume of traffic upon completion of the project, a reduction in the quality of parkland in the plan, the lack of diversity of housing, and the apparent removal of a sound barrier along Highway 66.

Local resident Warren Wang wrote

AMONG ISSUES RAISED BY RESIDENTS

are the volume of traffic upon completion of the project, a reduction in the quality of parkland in the plan, the lack of diversity of housing, and the apparent removal of a sound barrier along Highway 66.

to senior planner Don Burchett, “Longmont has a history of quality development and smart planning. The original Provenance plan has a lot of potential in being a place of value for the city of Longmont. Approval of the new plan will seal Longmont’s fate as being just another part of bland suburbia.”

With an anticipated increase in traffic levels of more than 2,000 trips per day, the level of traffic-calming devices such as roundabouts was of particular concern to many residents. Many neighbors believe the structure of the Provenance project with its three roundabouts will turn Sundance Drive into a virtual thoroughfare. The original plans contained a host of measures such as a landscaped center median, bike lanes, and detailed landscaping plans. Another controversial change appears to be a significant increase in the number of

homes facing Sundance Drive.

Resident Richard Quiqly, who lives near the controversial area, wrote, “The recently revised traffic-calming plans appear to contain none of these important features. Needless to say, based on the drawings and narrative that I have received, I don’t think much of the revised traffic-calming plans submitted by Provenance 66. Quite frankly, they would appear to be an attempt to just reduce costs associated with the traffic-calming construction.”

The changes to the proposed development were passed by a 5-1 vote of the Longmont City Council on Oct. 22. Statements by council members indicated that they believed the original Provenance plan, which was also opposed by local residents when it was made public, is no longer economically viable in the wake of the country’s economic downturn.

**#1 BROKER ASSOCIATE
AT GIBBONS-WHITE, INC.
SINCE 2005**



CHRIS BOSTON, CCIM, MBA
Vice President
of Brokerage Services
D-303-586-5930
O-303-442-1040

GIBBONS WHITE
COMMERCIAL REAL ESTATE
Investment Property – Landlord & Tenant Representation



PULSE

New thinking urged for health reform

BY BETH POTTER

bpotter@bcbcr.com

LONGMONT – If you want to change a health-care system, revolutionary thinking and behavior is imperative.

That was the word from Mike Slubowski, president and chief executive of Denver-based SCL Health System, who was the keynote speaker at “Pulse: What’s Next with Health-Care Reform?” The forum was presented Nov. 12 by the Boulder County Business Report at the Plaza Convention Center in Longmont.

SCL Health System is a \$2.7 billion nonprofit, faith-based organization operating 11 hospitals and more than 100 ambulatory centers in four states, including Exempla Good Samaritan Medical Center in Lafayette.

SCL plans to spend \$4 billion to \$5 billion in care management to meet changing needs in the industry, Slubowski said. Health-system executives are focused on partnerships with



JONATHAN CASTNER

Michael Slubowski, president and chief executive of Denver-based SCL Health System, said health-system executives are focused on partnerships with select health-care industry companies as well as mergers and acquisitions.

select health-care industry companies as well as mergers and acquisitions, he said.

“I truly believe in the environment of health reform,” Slubowski said. “The incumbent will not be able to

survive in the future.”

For example, SCL Health System in February said it would partner with Lumeris Inc. on accountable-care services – things such as electronic medical-records data, medical claims

and lab and pharmacy data, Slubowski said. The strategy is to improve the quality of patient care and to lower costs at SCL’s hospitals and clinics, the health system said at the time. Financial details of the partnership with Lumeris, based in St. Louis, were not made public.

In March, SCL said it would form a home-care partnership with Univita Health in Scottsdale, Arizona. As hospitals face pressure to lower costs, getting patients into home recovery can help, Slubowski said.

Health-reform changes sweeping the industry put a focus on people-centered care, Slubowski said. For health-care providers, that means treating patients as members and participants rather than as passive bystanders, he said. The word “patient” means to wait, and health-care consumers are anything but patient, he said.

“It’s understanding the health needs and the costs,” Slubowski said. “Quality and the care experience are Job One. It’s the price of admission.”



JONATHAN CASTNER

Participants on a panel about the impacts of the Affordable Care Act on health-care providers were, from left, Nancy Wollen, senior vice president of operations for Kaiser Permanente Colorado; David Hamm, chief executive of Exempla Good Samaritan Medical Center in Lafayette, and Mitch Carson, chief executive of Longmont United Hospital.

No quick fixes seen for lowering costs

BY JOSHUA LINDENSTEIN

jlindenstein@bcbcr.com

LONGMONT — Keeping patients well and beefing up their electronic medical records are two major focuses for local health-care providers as the Affordable Care Act is set to become law.

Longmont United Hospital’s chief executive, Mitchell Carson, believes health care has been costing the nation far too much money long before the Affordable Care Act became a topic of discussion.

Carson spoke on a panel about the impacts of the ACA on health-care providers at “Pulse: What’s Next for Health-Care Reform?”

Carson said LUH has taken a strong stance on the wellness of its employees, decreasing the cost of their health care by more than 16 percent over the

past couple of years and preventing an insurance premium cost increase this year as a result. That type of shift, he said, is one that the hospital is striving to take to the community.

“The emphasis has to be on trying to keep people healthy,” Carson said. “Quite frankly – and this will sound weird since I’m in hospitals – we have to decrease the utilization of hospitals.”

Carson was joined on the panel by Dave Hamm, chief executive of Exempla Good Samaritan Medical Center in Lafayette, and Nancy Wollen, senior vice president of operations for Kaiser Permanente Colorado.

With many looking at the Kaiser Permanente model as possibly being the future of the health-care system overall, Wollen said the lessons that can be learned from Kaiser echo the

sentiments of Carson. For too long, she said, health care has been a fee-based model that encourages providers to do more rather than keeping patients well so that they require fewer services.

Instead, Wollen said of Kaiser, “I think our model has been based in that conviction that we really want to keep our members well.”

Electronic medical-records systems will play a big role in reducing costs, panel members said, helping providers have a patient’s full history so they know what tests, vaccinations, etcetera, are needed and what might be duplication of service or overkill based on a patient’s history.

“We’re getting there, but we’re a long ways away from really being able to share information across the system,” Hamm said.

Early renewal can save money on premiums

BY BETH POTTER

bpotter@bcbcr.com

LONGMONT – Companies are finding that it’s less expensive to renew health-insurance plans now rather than wait until 2014, as federal health-care reform rules go into effect.

Panelists discussed the trend in the panel, “Will there be rate shock? What business needs to know” at “Pulse: What’s Next with Health-Care Reform?”

For his top 40 small-business clients, average premiums would go up by 30 percent to 40 percent if they renewed their health-insurance policies in the first quarter of 2014, said Clair Volk, president of Volk & Bell Benefits LLC, which has offices along the Front Range.

If those same companies renew before 2014, the average premium increase is 7 percent, Volk said. Companies also are worried about additional costs they may incur to comply with the federal Affordable Care Act, Volk said. The health-care reform rules go into effect Jan. 1.

Not all small-business groups will see rate increases, however, depending on a variety of calculations, said Mike Ranking, director of business development and broker rela-

► See **Renewal, 22A**

PULSE

States learning labs for health exchanges

BY BETH POTTER

bpotter@bcbr.com

LONGMONT — Federal health-care reform rules may go into effect Jan. 1, but their effect really won't be felt for decades, said Jandel Allen-Davis, the lunch keynote speaker at "Pulse: What's Next with Health-Care Reform?" The Nov. 12 event was presented by the Boulder County Business Report at the Plaza Convention Center in Longmont.

Because Jan. 1 marks the "end of the beginning" of federal health-care reform rules, Allen-Davis said, industry predictions are important.

Allen-Davis is vice president for government and external relations at Kaiser Permanente Colorado in Denver. The Affordable Care Act was passed by Congress and signed into law in 2010. All uninsured Americans must buy health insurance that goes into effect by Jan. 1 or pay tax penalties, under new federal rules.

In the future, insurance brokers will play an even bigger role in how health insurance is sold, Allen-Davis said. Consumers who have never had insurance in the past are making "an



JONATHAN CASTNER

Jandel Allen-Davis, vice president for government and external relations at Kaiser Permanente Colorado in Denver, predicted there will be more delays in implementing Affordable Care Act rules.

important and confusing purchase for the first time in their lives" and need help navigating their coverage options, Allen-Davis said. An estimated 700,000 Coloradans are uninsured, according to statistics from the state's Connect for Health Colorado online insurance marketplace, which is designed to help those people com-

pare their health insurance options and buy health insurance plans that are eligible for federal tax credits.

There will be more delays in implementing Affordable Care Act rules, Allen-Davis said. President Obama recently said he would extend the deadline by a year for small businesses to comply with the rules. The federal

marketplace website, healthcare.gov, has been plagued with problems since it was rolled out in October.

States will continue to be the "learning labs" for the online insurance exchanges, Allen-Davis said. She called on business leaders and others in the community to get involved in the national conversation about health-insurance policy.

"We did have 50 million people who didn't have insurance, and all of us in this room in one way or another are paying for that," Allen-Davis said. "As consumers of health care, keep reading, keep learning and bring up issues that you're seeing."

At the same time, health-care reform changes are happening rapidly, Allen-Davis said. Payment reform that ties payments to outcomes rather than volume is one such change, she said. Changes in population health are expected to affect reform as well, Allen-Davis said. A rapid rise in obesity has analysts predicting that this generation of children may be the first to have shorter life spans than their parents, she said. As the population ages, she said, providers continue to discuss expensive end-of-life options.

No guarantee ACA is the answer

BY JOSHUA LINDENSTEIN

jlindenstein@bcbr.com

LONGMONT — The Affordable Care Act does not fix everything.

That was the message Nov. 12 from Susan Levy, executive director of the Boulder Valley Women's Health Center, as she spoke as part of a panel on the impact of the ACA on insurers, providers and people.

The expansion of Medicaid is important, Levy said, but there still will be reasons some Americans don't have insurance. People in the country illegally won't be eligible for subsidies on the health-care marketplace.

While it's generally considered a positive that parents can keep their dependent children on their insurance plans until age 26, that can cause some privacy issues. Some low-income people may be caught in a situation where their turbulent job status might leave them bouncing back and forth between Medicaid and private health insurance.

"What do we do with those people who are in the gap?" Levy asked. "Those are important issues we need to keep in mind as we go forward and think about what our whole health-care marketplace needs to be like."

Levy was joined on the panel by Julia Hutchins, chief executive of Colorado HealthOp, and Sharon Caulfield, an attorney for Caplan and Earnest LLC, at "Pulse: What's Next for Health-Care Reform?" The event was presented by the Boulder County Business Report at the Plaza Conven-



JONATHAN CASTNER

Susan Levy, executive director of the Boulder Valley Women's Health Center, said some low-income people may be caught in a situation where their turbulent job status might leave them bouncing back and forth between Medicaid and private health insurance.

tion Center in Longmont.

Perhaps the biggest refrain from the trio was that patience is needed to see how the Affordable Care Act shakes out. The underpinnings of the ACA, Caulfield said, are a triple aim that includes better care for individuals, better care for populations and lower per-capita cost.

While economic impacts of the

ACA and how costs affect consumers should become apparent relatively quickly, Caulfield said, it could be eight to 10 years before there is reliable data about health outcomes.

"There is going to be a need for patience and persistence in moving forward," Caulfield said.

There are multiple insurance-reform aspects of the ACA that will affect consumers, providers and insurance companies alike and already are taking shape, Caulfield said. Those include insurance companies not being able to deny coverage because of pre-existing conditions, adult dependent coverage to age 26, an insurance plan appeals process, and a minimum level of benefits. That final aspect is the reason many people have learned recently that they'll be dropped from their plans, because the plans they were on didn't meet the minimum standards.

The aspect of nearly everyone having access to preventive services, Levy said, also will be critical to the overall success of the ACA. That's because people who don't have insurance typically wait longer to seek care, thus leading to more costly care when they do seek it, not to mention worse health outcomes. Levy said that providing everyone with health-care access cuts overall costs in the long run.

All of the panelists said the act will place more responsibility with consumers to be active in their health-care decisions, and that includes their own lifestyles and taking charge of their own preventive care.

RENEWAL from 21A

tions at Kaiser Permanente Colorado. Some may be eligible for discounts, Ranking said.

Renewing health-insurance policies in 2013 basically allows a small business to wait a year to comply with the federal Affordable Care Act, now commonly called Obamacare. It was approved by Congress and signed into law by President Obama in 2010. Obama said recently that small businesses can have a one-year extension to comply with the health-care reform plan, which requires uninsured people to be insured. Uninsured people must select a plan by Dec. 15 to be insured by Jan. 1 or they will face tax penalties. Uninsured people who buy insurance through Connect for Health Colorado can receive tax subsidies, depending on their income levels.

As small businesses try to figure out how to comply with new federal rules, more are turning to self-funded health-care plans, said Kendra Johnson, a benefits consultant with the Flood and Peterson insurance company in Fort Collins. What that means is that an employer acts as the insurer rather than hiring an outside insurance company. A health-insurance provider fee of 2.2 percent can be avoided if a company decides to go the self-insurance route, Peterson said.

An "eligibility calculator" on the Connect for Health Colorado website, www.connectforhealthco.com, can help consumers figure out if they're available for a federal tax credit to help offset the cost of insurance.

BUSINESS DIGEST

OPENINGS

Tiffany Tompkins and Alissa Peterson launched **Celebrate American Made**, a Boulder-based marketing firm built around a monthly subscription box service. The company sends to subscribers each month a box of food and hand-crafted items made from a particular state that reflect the state's culinary and artistic tastes. Subscriptions range in price from \$33.95 per month to \$39.95 per month depending on the length of the subscription. They can be purchased at www.celebrateamericanmade.com.

A **Snarfburger** has opened at 985 S. Public Road in Lafayette.

Veronica Pedro opened **Craft Talk, a consignment store**, at 340 Lashley St., No. 100, in Longmont. The store will feature arts, crafts and hobby related items. It will offer classes and talks on sewing, knitting, crocheting, jewelry making. Hours are 10 a.m. to 5 p.m. Tuesday through Saturday, and 10 a.m. to 3 p.m. Sunday. Phone is 303-532-5858. Website is www.crafttalk.com.

BRIEFS

Medical-device research company **Endoshape Inc.** in Boulder plans to start selling a device in 2014 that closes blood vessels to stop internal bleeding, after receiving clearance from the U.S. Food and Drug Administration. The trademarked Medusa Vascular Plug is delivered through a catheter during surgery. The device can be used after a car accident to help stop internal bleeding in a patient, for example, as well as in other surgeries.

Boulder-based **HOMER Energy LLC** has become a client of the **Innovation Center of the Rockies** in Boulder to receive guidance as the clean-tech company enters a growth stage. Financial terms of the arrangement were not disclosed. Boulder-based HOMER Energy produces software that designs and analyzes hybrid power systems. The systems may contain a mix of conventional generators, combined heat and power, wind turbines, solar photovoltaics, batteries, fuel cells, hydropower, biomass and other inputs. The center will provide HOMER with a team of software, energy, investment and Internet advisers to help the company address key issues and position the company for growth. HOMER is an acronym for hybrid optimization model for electric renewables.

EARNINGS

Longmont-based electric-motor manufacturer **UQM Technologies Inc.** (NYSE:UQM) reported revenue of \$2 million and a loss of \$400,000, or one cent per share, for its second quarter that ended Sept. 30. The revenue was an increase of 71 per cent compared with \$1.2 million for the second quarter of last year. Net loss for the same period a year ago was \$2.6 million, or 7 cents per common share. Total revenue for the six months that ended Sept. 30 was \$4 million, an increase of 11 percent compared with total revenue of \$3.6 million in the same period a year ago. Net loss for the six months was \$1.3 million, or 4 cents per common share, compared with a net loss of \$3.9 million, or 11 cents per common share, for the comparable period last year.

Broomfield-based restaurant chain **Noodles & Co.** (Nasdaq: NDLS) reported that revenue increased 15.4 percent for its third quarter that ended Oct. 1, compared with the same period a year ago, from \$77.1 million to \$88.9 million. Net income increased from \$133,000 in the third quarter of 2012 to nearly \$3.3 million this year, or 11 cents per diluted share. For the first three quarters of the year, Noodles' revenue was \$259.5 million, up from \$222.5 million for the first nine months of 2012. Net income was \$4.3 million, up from \$3.6 million last year.

Broomfield-based natural food manufacturer **WhiteWave Foods Co.** (NYSE:WWAV) reported revenue of \$639 million and a net profit of \$24 million for its third quarter that ended Sept. 30. The \$639 million in revenue reported in the third quarter was an 11 percent increase, compared with \$575 million reported in third

quarter 2012. Net profit of \$24 million reported in the third quarter was an 8 percent decrease, compared with \$26 million reported in the same quarter a year ago. For the third quarter, WhiteWave reported diluted earnings per share of 14 cents, a 21 percent decrease compared with diluted earnings per share of 18 cents reported in the third quarter of 2012.

Louisville-based lifestyle media and fitness company **Gaiam Inc.** (Nasdaq: GAIA) reported revenue of \$52.8 million and profit of \$28.7 million for its third quarter that ended Sept. 30. Revenue was 22.8 percent increase from the \$43 million in revenue reported for the same quarter a year earlier. Profit in the third quarter was a 19.1 percent increase compared with profit of \$24.1 million for the same period a year earlier. Gaiam's third-quarter earnings translated to 1 cent per diluted share.

Louisville-based solar energy company **Real Goods Solar Inc.** (Nasdaq: RSOL) reported revenue of \$34 million and a net loss of \$2.1 million for its third quarter ending Sept. 30. Revenue marked a 64 percent increase compared with the second quarter and a 29 percent jump compared with the third quarter of 2012. The net loss amounted to 7 cents per share and was an improvement compared with the \$39 million loss for the same quarter last year, reflecting higher revenue and lowered operating expenses.

Boulder-based telecommunications company **Zayo Group** reported revenue of \$264.3 million for the fiscal quarter ending Sept. 30, along with a net loss of \$27.9 million. Revenue marked an increase of \$32.8 million over the same period a year ago and a jump of \$6.1 million over the previous quarter. Net loss was down from a loss \$65.6 million for the same period a year ago, though it was an increase from the loss of \$24.4 million last quarter. The increase in net loss from last quarter was due to an increase in interest expense during the most recent quarter.

Broomfield-based medical-device company **Corgenix Medical Corp.**, (OTCBB: CONX.OB) reported revenue of \$2.9 million for its first quarter that ended Sept. 30, a 2 percent increase from the \$2.8 million for the same period a year ago. Despite the boost in sales, net profit dropped from \$195,200 a year ago to \$84,000, or less than 1 cent per share, for the most recent quarter because of a 23-percent increase in operating expenses.

Longmont-based data-storage firm **Dot Hill Systems Corp.** (Nasdaq: HILL) reported revenue of \$48.2 million and a loss of \$3 million, or 5 cents per share, for its quarter ending Sept. 30. Revenue declined \$4.4 million compared with \$50.7 million for same period a year ago. Loss increased \$1.2 million compared with \$1.8 for the same period a year ago.

CONTRACTS

Louisville-based **Real Goods Solar Inc.** (Nasdaq: RSOL) was selected by **Home Service Oil Co.** to deploy solar power systems at eight gas stations and convenience stores, and its headquarters in St. Louis. Real Goods will design, install, monitor and maintain the systems that are expected to generate 478,000 kilowatt hours annually.

Longmont-based **MobileCanning Systems LLC**, which brings a canning line to a brewery when the beer is ready for canning, certified three companies to its stable of affiliates. The three affiliates are **Toucan Mobile Canning** in Chattanooga, Tennessee; **Land of the Sky Mobile Canning** in Asheville, North Carolina; and **Mid West Mobile Canning** in Crystal Lake, Illinois.

Deadline to submit items for Business Digest is three weeks prior to publication of each bi-weekly issue. Mail to Editor, Boulder County Business Report, 3180 Sterling Circle, Suite 201, Boulder, CO 80301-2338; fax to 303-440-8954; or email to news@bcbr.com with Business Digest in the subject line. Photos submitted will not be returned.

AWARDS

Boulder-based **Ajubeo LLC**, a provider of virtual data centers and cloud infrastructure-as-a-service, received the 2013 XaaS of the Year award from the Communications Technology Professionals and The Indus Entrepreneurs. The award is given to the firm that best represents the Colorado spirit of innovation, growth and drive in technology delivered "as-a-service" and is poised to make a near-term impact on the industry.



Games

Heather Games with Re/Max Alliance Boulder received the Re/Max Executive Club Award that honors highly successful real estate agents nationwide within the RE/MAX network. Games has been working in the real estate industry for more than 10

years and has experience in the Boulder and surrounding areas.

Nonprofit **Thistle Communities** and for-profit developer **Allison Management** received the 2013 Jack Kemp Workforce Housing Models of Excellence Award from the Urban Land Institute. They won for **Yarmouth Way**, a mixed-income residential development in the southern end of the Holiday Neighborhood in Boulder. It has 25 single-family units on 1.82 acres — located in a city with one of the highest housing costs per capita in the United States. Yarmouth Way offers three- and four-bedroom family-oriented workforce units in a city where most permanently affordable units are only one- or two-bedrooms. Ten of the townhomes and single-family homes at Yarmouth Way are affordable to families earning between 69 percent to 109 percent of the area median income.

Law firm **Cooley LLP** was named Law Firm of the Year for Technology and Venture Capital by U.S. News - Best Lawyers. Cooley is based in Palo Alto, California, and has an office in Broomfield that serves emerging technology and high-growth companies, venture funds and investment banks.

CALENDAR

DECEMBER

3 The National Renewable Energy Laboratory presents its annual **Industry Growth Forum** Tuesday and Wednesday, Dec. 3-4, at the Grand Hyatt, Denver. Keynote speakers, panel discussions, presentations from clean-energy companies and opportunities for one-on-one 10-minute meetings with 50 leading investors, corporations, government agencies and industry experts. More information at www.industrygrowthforum.org/.

9 The University of Colorado-Boulder's Leeds School of Business presents the **2014 Colorado Business Economic Outlook Forum** from 1 to 6 p.m., Monday, Dec. 9, at the Denver Marriott City Center, 1701 California St., Denver. For more information, contact Brian Lewandowski at 303-492-3307 or brian.lewandowski@colorado.edu.

PRODUCT UPDATE

Longmont-based Dot Hill Systems Corp. (Nasdaq:HILL) announced the availability of its **AssuredSAN 4004** storage models, based on the company's ninth-generation RAID architecture. The products offer data security, faster throughput and business benefits for markets that demand high-bandwidth performance, such as cloud-service providers, media and entertainment, oil and gas, telecommunications, big data analytics and digital image archiving.

Lisa Calkins, chief executive of Boulder-based Amadeus Consulting Inc., won the Bronze Stevie Award in the Mentor or Coach of the Year category in the 10th annual Stevie Awards for Women in Business. Calkins was recognized for her mentorship efforts in the workplace and community involvement centered on female-focused professional development and leadership. Spending more than 30 percent of her time mentoring her employees, she was honored for her dedication to coaching fellow women in business who desire to grow professionally, especially within the technology sector.

The Boulder-based **Outdoor Industry Association's Sustainability Working Group** received the 2013 Green Supply Chain Award from Supply & Demand Chain Executive magazine. The award recognizes companies making green or sustainability a core part of their supply chain strategy.



Pollock

University of Colorado-Boulder physics professor **Steven Pollock** was named a 2013 U.S. Professor of the Year by the Carnegie Foundation for the Advancement of Teaching and the Council for Advancement and Support of Education. The U.S. Professor of the Year

award recognizes the most outstanding undergraduate instructors in the country. Pollock, who was honored in the category of doctoral and research universities, was chosen from a field of more than 350 nominees from across the country. Pollock is the second CU-Boulder faculty member to win a national Professor of the Year award. Nobel laureate Carl Wieman, also a physics professor, was honored with the designation in 2004.

The **city of Boulder** received a Pinnacle Award and a Members' Choice Award for its web redesign and its commitment to using technology to promote transparency, collaboration and effective governance from the National Association of Government Web Professions.

13 Sandler Training in Boulder will present a **Goals Setting Workshop** from 9 a.m. to 4 p.m., Friday, Dec. 13, at 357 S. McCaslin Blvd., Suite 200, Louisville. Bob Bolak will focus on the 10 steps of effective goal-setting. SMART goals are specific, measurable, actionable, realistic and time-bound. Learn how to create a balanced and successful life by goal-setting in daily, short- and long-term increments. For cost and to R.S.V.P. contact Alison.Schneider@sandler.com or call 303-928-0932.

Deadline for Calendar items is three weeks prior to publication. The weekly events calendar alternates with the monthly events calendars; each appears once every other issue. Mail Calendar items to Calendar, Boulder County Business Report, 3180 Sterling Circle, Suite 201, Boulder, CO 80301-2338 or news@bcbr.com with Calendar as subject.

Boulder-based **Seamless Toy Co. Inc.** launched its Atoms line of smart building blocks that allow kids to bring to life their regular toys like Legos, Barbie dolls and Nerf guns. The company, founded by former Apple new technology team leader Michael Rosenblatt, has raised \$2.1 million of a \$2.6 million seed-funding round, with major investors including U2 lead singer Bono, former Apple chief technology officer Avie Tevanian and former Apple chief financial officer Fred Anderson.

NONPROFIT NETWORK

BRIEFS

Via, a Boulder-based nonprofit, received a Colorado Transit Award for a collaborative project with RTD that has increased ridership and efficiency of service for Via's paratransit riders and RTD's Call-n-Ride customers in the city of Longmont. Presented by the Colorado Association of Transit Agencies, the award recognized the role of Via's Director of Operations, Rich Burns, and j Hastain, mobility manager, in coordinating the integrated use of Via's paratransit vehicles and RTD's Call-n-Ride vehicles to improve ridership and productivity by 25 to 30-percent while reducing the duplication of vehicle use. In early October, the coordination project added RTD's Access-a-Ride vehicles in Longmont in an effort to achieve even greater productivity. The pilot project is funded by an FTA grant secured by Via, RTD and the city of Longmont Transportation Department.

The nonprofit group **Boulder County CareConnect** received a \$119,000 grant from The Corporation for National and Community Service nonprofit group in New York to create

a program so senior volunteers can conduct flood-recovery projects in the county. Proposed volunteer projects include home repair, food distribution, disaster preparedness kit assembly and distribution, transportation, financial counseling and education, Boulder County CareConnect said in a press statement. The program will run for two years.

A new volunteer group tied to **Foothills United Way** will decide how to spend more than \$2.7 million in funds that were donated to help residents impacted by devastating floods in September. Rob Katz, chairman and chief executive of Vail Resorts Inc. (NYSE: MTN) in Broomfield, and David Friedman, founder of Sandy River Co. in Portland, Maine, will head the Long-Term Flood Recovery Group. Foothills United Way representatives will administer the funds, which will come from the Foothills Flood Relief Fund, said Heather Jones, a United Way spokeswoman. The group's mission is to "address the unmet needs of Boulder residents impacted by the flood. The Foothills Flood Relief Fund is administered in partner-

ship with the Community Foundation Serving Boulder County.

GOOD DEEDS

Hunter Douglas, a manufacturer and marketer of custom window fashions with operations in Broomfield, donated a total of \$350,000 to two nonprofits – the Foothills Flood Relief Fund, initiated by Foothills United Way, and Team Rubicon, a veteran service organization – to aid the recovery of those most in need following the sustained and historic catastrophic flooding in Colorado due to record amounts of rainfall. A number of the 880 employees at the Hunter Douglas Window Fashions Division based in Broomfield were affected by the flooding. Hunter Douglas matched donations from its employees on a two for one basis; for every dollar donated, the company added another \$2. In less than three weeks, the company received \$115,000 in contributions to its Hunter Douglas Colorado Flood Relief Fund and added another \$235,000 for a total of \$350,000.

Oskar Blues Brewery's CAN'd Aid Founda-

tion raised nearly \$250,000 and paid out close to \$200,000 in cash to families and businesses for food, clothing, shelter or rebuilding caused by flood damage. The intent is to provide immediate cash assistance before other sources of aid such as the American Red Cross or the Federal Emergency Management Agency become available. More information on the foundation can be found online at www.foundation.oskarblues.com.

Wells Fargo & Co.'s employees donated a record \$1.48 million, a 14 percent increase compared with 2012, to nonprofit organizations and schools across Colorado as part of the company's annual Community Support and United Way Campaign.

WOW! Children's Museum in Lafayette received a \$3,000 donation from **Micro Motion**, a division of **Emerson Process Management**. The donation will be used for 2013 general operating support, which helps the museum maintain exhibits and the facility as well as pay for staff.

ON THE JOB

CONSULTING

Boulder-based Transformance Advisors Inc. hired **Ally Conrad** as events manager. Conrad will manage the scheduling, promotion, partner collaboration and overall coordination for all educational events, and will manage social media



Conrad

activities, website content, and editing of the Transformance Communiqué, a newsletter designed for those crafting sustainable lean organizations. Originally from Overland Park, Kansas, Conrad graduated from Colorado State University in Fort Collins in 2012 with a bachelor of science in psychology.

Lockhart will serve as an assistant vice president and will be based out of Stoller's corporate headquarters in Broomfield. He will focus on planning and execution of market strategies in the DoD and DOE markets. S.M. Stoller Corp. performs environmental services for a variety of other private and public clients.

GOVERNMENT

Jonathan Barton, Jeannie Hulse, Sandy Hutzley and **James Sites** were elected to the Erie Chamber of Commerce's board of directors.

HIGH TECH

Boulder-based **Spectralink Corp.**, a provider of wireless solutions for the workplace, hired Dave Furtado as vice president of Americas sales. Furtado has more than 30 years experience in the telecommunications industry, Furtado's background includes more than two decades with Alcatel-Lucent, and has held global vice president of sales positions at Ascom, SpinVox and Amdocs.

INSURANCE

Philip B. Kalin was named president and chief executive of Pinnacle Assurance, a provider of workers compensation insurance in Colorado. Previously, Kalin was president and CEO of the Center for Improving Value in Health Care, a nonprofit in Colorado created to advance statewide initiatives to improve health-care equality and contain costs.

NONPROFIT

Via, a private nonprofit based in Boulder that provides transportation and mobility options to older adults and people with disabilities, hired **Bob D'Alessandro** as director of customer and community service. D'Alessandro, formerly executive director of the Boulder County Farmers Market, will oversee Via's quality assurance program, safety, customer service, client advocacy, service development and mobility management. Prior to his time at the Farmers Market, D'Alessandro, a native of New York City, worked as executive director of the Colorado Chautauqua Association as well as in executive management at several youth-related nonprofits in Denver and New York.



D'Alessandro

Deadline to submit items for On the Job is three weeks prior to publication of each biweekly issue. Mail to Editor, Boulder County Business Report, 3180 Sterling Circle, Suite 201, Boulder, CO 80301; fax to 303-440-8954; or email to news@bcbcr.com with On the Job in the subject line. Photos submitted will not be returned.

BUZZ from 9A

Those who donate to the campaign get the first crack at owning Moss kits. A donation level of \$59, for instance, gets donors a simple starter kit, while an advanced kit can be had for \$379, \$20 below what retail price will be once the product starts shipping in January or February.

The Moss kits include a variety of plastic modules with magnets embedded in the corners for connection points. There are a variety of module types, such as sensors and motors. The faces are color-coded to indicate their function: blue for data output, green for data input, etc. Users snap the modules together however they wish, not only to configure the physical body of the robot but also to program its behavior.

Some of the Moss kits are Bluetooth-enabled so that the robots can interact with mobile devices. Different apps can make a smartphone a robot remote control or allow it to reprogram the Moss – so named in homage to the way individual moss varieties in the forests of British Columbia combined to create many textures and colors, impressing Schweikardt while there on a mountain biking trip last summer.

"It's unique right now because it lets you build robots without programming and without wiring," Schweikardt said. "The design possibilities are infinite."

Moss isn't Modular Robotics' first product.

Founded in 2009, Modular Robotics has sold Cubelets, a different type of robot construction kit, for a couple of

years now. The company will do about \$1 million in revenue this year strictly from Cubelets sales.

Modular Robotics and its 40 employees are based at 3085 Bluff St. in Boulder. All design and manufacturing are done in-house.

Modular Robotics is a spinoff from Schweikardt's Ph.D. work in computational design at Carnegie Mellon University. He and former adviser Mark D. Gross co-founded the company. Both had ties to Boulder, with Schweikardt earning his bachelor's degree in architecture at the University of Colorado and Gross being a former professor at CU. Much of the company's early funding came from National Science Foundation grants that allowed Schweikardt and Gross to hire staff and make prototypes.

Schweikardt said Moss components for mass production will arrive at the Modular Robotics facility in mid-December. The company will fulfill its Kickstarter pledges first before beginning direct sales on the company's website.

Schweikardt said Moss will be in stores sometime in the second quarter of next year with hopes of a big 2014 holiday season. But the first day of the Kickstarter campaign in some ways already felt like Christmas.

"It's pretty fun watching the numbers tick by," Schweikardt said. "We're all kind of excited and responding to a lot of information requests and interests."



Stewart



Wojcicki



Jordan



Rundle

ENGINEERING

Boulder-based JVA Inc. hired civil engineers **Darren Stewart, John Wojcicki, Marc Rundle** and **John Jordan**. Stewart will work in the civil department as a project manager. Wojcicki will work in the civil department as a design engineer. Rundle will work in the civil site department as a design engineer. Jordan joined the firm as a senior civil designer. Stewart and Wojcicki will work in JVA's office in Boulder. JVA is a structural, civil and environmental consulting engineering firm with offices in Boulder, Winter Park and Fort Collins.

ENVIRONMENT

Frazer Lockhart will join Broomfield-based S.M. Stoller Corp. upon retiring from the U.S. Department of Energy in January. Lockhart currently serves as the DOE HQ Technical Oversight for the Idaho Tank Waste Program.

DataStore

**Withdraw as much
as you want any
time you want.**

DataStore

Lists & Directories
Available in Excel

www.BCBR.com

BOULDER COUNTY
**BUSINESS
REPORT**

EXISTING HOME SALES

October 2013 Statistics

Year-to-Year Comparison

Location	Total# Sold	Inventory	Avg. Sales Price	Avg. Days to Contract	Median Sales Price	Total # Sold			Average Sales Price			Average Days to Contract			Median Sales Price		
						10/01/11 - 09/30/12	10/01/12 - 09/30/13	%chg	10/01/11 - 09/30/12	10/01/12 - 09/30/13	%chg	10/01/11 - 09/30/12	10/01/12 - 09/30/13	%chg	10/01/11 - 09/30/12	10/01/12 - 09/30/13	%chg
Boulder	68	187	\$790,920	38	\$615,000	741	834	12.6	\$667,588	\$729,977	9.3	76	44	(42.1)	\$570,000	\$629,857	10.5
Broomfield	32	88	\$368,603	30	\$305,750	384	409	6.5	\$359,466	\$392,100	9.1	75	38	(49.3)	\$326,400	\$349,000	6.9
Erie	35	102	\$462,560	52	\$380,000	282	402	42.6	\$346,850	\$369,640	6.6	71	47	(33.8)	\$328,836	\$338,975	3.1
Lafayette	28	72	\$406,526	38	\$339,000	292	324	11.0	\$380,121	\$408,833	7.6	68	40	(41.2)	\$353,231	\$378,450	7.1
Longmont	88	276	\$281,782	38	\$262,500	942	1144	21.4	\$257,532	\$277,916	7.9	64	44	(31.3)	\$231,000	\$257,000	11.3
Louisville	20	42	\$475,274	32	\$432,000	231	243	5.2	\$422,858	\$486,312	15.0	63	34	(46.0)	\$385,000	\$449,900	16.9
Superior	11	25	\$450,882	32	\$449,000	153	143	(6.5)	\$421,254	\$463,170	10.0	44	30	(31.8)	\$398,000	\$437,000	9.8
Mountains	27	225	\$389,857	72	\$344,800	293	323	10.2	\$409,195	\$457,787	11.9	126	122	(3.2)	\$343,000	\$375,000	9.3
Plains	23	184	\$750,522	67	\$590,000	396	426	7.6	\$598,420	\$682,503	14.1	92	66	(28.3)	\$470,000	\$525,000	11.7
Total	332	1,201				Total	3,714	4,248									

EXISTING CONDO SALES

October 2013 Statistics

Year-to-Year Comparison

Location	Total# Sold	Inventory	Avg. Sales Price	Avg. Days to Contract	Median Sales Price	Total # Sold			Average Sales Price			Average Days to Contract			Median Sales Price		
						10/01/11 - 09/30/12	10/01/12 - 09/30/13	%chg	10/01/11 - 09/30/12	10/01/12 - 09/30/13	%chg	10/01/11 - 09/30/12	10/01/12 - 09/30/13	%chg	10/01/11 - 09/30/12	10/01/12 - 09/30/13	%chg
Boulder	40	160	\$321,646	49	\$271,500	645	747	15.8	\$308,265	\$317,989	3.2	134	52	(61.2)	\$252,000	\$264,000	4.8
Broomfield	6	13	\$254,833	33	\$269,250	72	112	55.6	\$226,797	\$222,603	(1.8)	134	57	(57.5)	\$224,750	\$214,000	(4.8)
Erie	5	8	\$154,180	26	\$156,000	24	36	50.0	\$183,187	\$168,486	(8.0)	70	59	(15.7)	\$147,750	\$151,500	2.5
Lafayette	10	28	\$229,548	32	\$246,500	100	126	26.0	\$193,281	\$212,812	10.1	73	40	(45.2)	\$195,450	\$218,750	11.9
Longmont	20	48	\$198,199	34	\$187,350	218	251	15.1	\$180,307	\$191,597	6.3	82	47	(42.7)	\$162,950	\$183,500	12.6
Louisville	6	9	\$229,389	22	\$216,250	39	60	53.8	\$223,583	\$258,634	15.7	66	38	(42.4)	\$200,000	\$223,950	12.0
Superior	4	2	\$227,600	49	\$193,450	28	42	50.0	\$209,174	\$213,464	2.1	54	28	(48.1)	\$182,000	\$194,250	6.7
Mountains	0	1	0	0	0	2	3	50.0	\$340,450	\$293,167	(13.9)	65	78	20.0	\$340,450	\$260,000	(23.6)
Plains	6	9	\$265,583	24	\$276,500	85	95	11.8	\$193,802	\$214,252	10.6	66	57	(13.6)	\$166,750	\$172,500	3.4
Total	97	278				Total	1,213	1,472									

For more information contact: Kenneth Hotard 303.442.3585 • khotard@barastaff.com Datasource: IRES-Information Real Estate Services

Art Underground building Arts Hub in Louisville

LOUISVILLE – The Art Underground, a nonprofit organization that runs classes and arts-related programming for all ages, is planning a June 1 move-in to its new community arts center and theater in the Steel Ranch neighborhood in Louisville.

Groundbreaking for the \$2.5 million, 11,345-square-foot Arts Hub was planned for Nov. 20. The Art Underground has operated at 901 Front St. in downtown Louisville for the past six years.



REAL ESTATE
Joshua Lindenstein

The center will feature a 194-seat theater in addition to a gallery hall for art exhibits and events. There will be two dance rooms, art and music studio rooms, a set shop and an outdoor pedestrian plaza with tables, and room for small outdoor performances.

R4 Architects Inc. is the project architect, while the builder is Elder Construction Inc.

Art Underground executive director Lori Jones said the new venue will allow the organization to expand its adult offerings in particular. Gallery exhibits, art film events, music events, literary talks and other community events are slated to be among its uses.

The Arts Hub has been nearly two years in the making. It is located near



COURTESY R4 ARCHITECTS INC.

The rendering above shows the Arts Hub building scheduled to be completed by spring in the Steel Ranch neighborhood in Louisville. The Art Underground, a nonprofit organization, is scheduled to move from downtown Louisville to its new digs by June. The rendering below depicts a plaza that is planned outside the building.



COURTESY R4 ARCHITECTS INC.

the intersection of Colorado Highway 42 and Paschal Drive in the commercial district of Steel Ranch, a primarily residential development.

“We had some bumps along the way trying to get it all ironed out, but we are ready to roll,” Jones said.

Jones said Steel Ranch developer RMCS LLC has contributed significantly to the project. She said The Art Underground has the financing in place to fund the building, but the nonprofit still is trying to raise another

\$50,000 to \$70,000 for theater seats and extra amenities to both the theater and other aspects of the facility.

AMTERRE ADDS ON: Amterre Pine II LLC – an entity formed by Boulder-based property management and development company Amterre Property Group LLC – paid \$630,000 recently to purchase the former home of Umberto’s Auto Sales Inc. at 1100 Pine St. just east of downtown Louisville.

Mike Kranzdorf, whose family owns Amterre Property Group, said plans are to lease the 4,600-square-foot building at 1100 Pine, which sits on a half acre, for at least the near term. However, it also could become part of a larger redevelopment someday as Amterre has now amassed five contiguous properties at the southwest corner of Pine Street and Colorado Highway 42.

The sellers of 1100 Pine were Umberto and Vera Toscano, who ran Umberto’s Auto Sales from 1980 until they closed shop and retired in October.

In addition to 1100 Pine, Amterre owns 1120 Pine St., a vacant half-acre lot to the south. To the east, the company owns the L-shaped shopping center at 1130 and 1140 Pine, which houses Mountain High Appliance, Down Under Wine and Spirits and the Little Groomer pet store.

Amterre also recently acquired a deed through the court system for an abandoned half-acre former railroad right of way that cut diagonally between 1100 Pine and 1130 Pine. The five parcels give Amterre about 2.5 acres at the site.

“I’m kind of playing it by ear now,” Kranzdorf said. “It’s all a good long-term hold. A lot of it will depend on whether I get a long-term user for the Umberto’s building.”

BOULDER

NEWLANDS MANSION: Newlands House LLC recently paid \$1.9 million for the Newlands Mansion

► See **Real Estate, 29A**

REAL ESTATE from 28A

office building at 3011 Broadway in Boulder.

Documents from the Colorado secretary of state show that Newlands House is an entity formed last month by Caroline Pfohl, founder of the Hemera Foundation, a Bermuda-based philanthropic organization operated in Boulder as Hemera Regnant LLC. Hemera Regnant chief financial officer Rob Kaufold said Hemera would be locating in the 4,900-square-foot building on Broadway.

The building has been home to insurance agency CBIZ Meyers-Dining. Newlands LLC, the 3011 Broadway seller, was formed by Gary Meyers and Elizabeth Dining, who merged their firms in 2005 before the company joined CBIZ in 2009.

Geoffrey Keys of Keys Commercial represented the seller in the transaction, and Angela Topel of Gibbons-White represented the buyer.

Keys said CBIZ Meyers-Dining would move to another Boulder location by the end of the year.

BERKSHIRE REBRANDING: A pair of area Prudential real estate brokerages are rebranding to become affiliates of Berkshire Hathaway HomeServices.

Denver-based Prudential Real Estate of the Rockies, which has an office of about 20 brokers in downtown Boulder, made the switch Nov. 19. Prudential Rocky Mountain Realtors, with offices along the Front Range including Boulder and Longmont, will change over in early 2014, swapping everything from yard signs to websites.

The moves are part of a nationwide transition that began this year after Berkshire Hathaway's 2012 purchase of Prudential's real estate division from Brookfield Asset Management.

David Binkowski, owner of Prudential Real Estate of the Rockies with his wife Aggie, said he didn't hesitate when the decision arose over whether to remain a Prudential affiliate or join the Berkshire Hathaway HomeServices network.

Binkowski's firm will become Berkshire Hathaway HomeServices

Real Estate of the Rockies. Prudential Rocky Mountain Realtors, meanwhile, will become Berkshire Hathaway HomeServices Rocky Mountain Realtors.

Not all Prudential affiliates have to make the branding switch immediately if their contracts have time left on them. As those contracts expire, however, everyone will be either rolled into the Berkshire Hathaway family or forced to find other affiliations.

"We really believe in our office that Berkshire Hathaway will be a really strong brand," said Chris Jungman, one of three partners in the Prudential Rocky Mountain Realtors office in Boulder.

BREWERS ASSOCIATION: The Brewers Association announced plans to purchase the building at 1327 Spruce St. in downtown Boulder for \$4 million and move its headquarters there next year.

The Brewers Association, the non-profit trade association dedicated to the booming American craft-beer industry, has leased space at 736 Pearl St. for nearly three decades.

The 11,600-square-foot building on Spruce Street will give the association almost double the space it has now. The association has the building under contract and expects to close on the purchase April 1. Pease said the anticipated move-in date is May 1.

Pease said Boulder-based Rodwin Architecture Inc. has been hired to redesign and "BA-ify" the three-story building.

COACH NETS TOP SALE: The most expensive home sale in the Denver metropolitan area in October went to University of Colorado Buffaloes men's basketball coach Tad Boyle. That's according to the latest luxury homes report by Coldwell Banker Residential Brokerage as well as Boulder County public records.

Coldwell Banker's luxury-homes report compiles Multiple Listing Service data on all homes sold for \$1 million or more in the region. According to the report, the home

at 3639 21st St. in North Boulder – a six-bedroom, six-bath, 7,400-square-foot home on two-thirds of an acre – was the area's most expensive last month. County records show that Boyle and his wife, Ann, paid Howard Karawan \$3.4 million for the home. The Boyles moved from Niwot, where county records show they sold their former home in early October for \$1.375 million.

The home sale highlighted a strong month overall for luxury homes. Ninety-three million-dollar-plus homes sold in the metro area in October, up from 73 in September and up the same amount from October 2012. Boulder boasted 15 luxury sales for the month, second only to Denver's 27.

BOULDER COUNTY

FORECLOSURES DIP: Boulder County posted the lowest third-quarter foreclosure rate of Colorado's 12 metropolitan counties just as the state as a whole is on pace to hit a 10-year low for foreclosures for the year.

The data comes from a report released by the Colorado Division of Housing.

Boulder County had just 32 foreclosure sales in the third quarter, or one for every 3,853 households. Only six mostly rural counties could claim better. Broomfield County wasn't far down the list, with 17 sales, or one for every 1,315 households.

Colorado has seen 12,341 foreclosure filings so far in 2013, down from 22,894 for the first nine months of 2012. Sales for the same periods decreased from 12,143 to 7,667. If current trends continue, the report stated, Colorado's year-end foreclosure totals will be similar to what was reported in 2004, which saw about 18,000 filings and 10,500 sales.

BROOMFIELD

FREEMAN LEADS PURCHASE: A Boulder real estate investment group recently paid slightly more than \$3.99 million to purchase the 76,000-square-foot industrial

building at 226 Commerce St. in Broomfield.

Flagstaff Holdings 224 LLC bought the property from 226 Commerce LLC, an entity based in Greenwood Village, according to documents from the Colorado secretary of state's office.

Andrew Freeman, managing broker at Freeman Myre Inc., is the managing member of Flagstaff Holdings 224 LLC. The same group purchased neighboring 224 Commerce St., occupied by national printing company Signature Offset, for \$2.61 million in January.

Freeman said 226 Commerce is fully leased by a trio of tenants: Puregas LLC, Lafuma America Inc, and Carts of Colorado Inc.

Freeman Myre will manage both 224 and 226 Commerce, which sit just northeast of the junction of U.S. Highway 36 and Wadsworth Parkway. All of the tenants are on three- to five-year leases, and Freeman said the property was bought as a long-term hold.

Jeremy Kroner of CBRE represented the seller in the 226 Commerce deal.

NEDERLAND

COUNTY PURCHASE: Boulder County commissioners on Nov. 12 approved the county purchase of 58 acres in the Sherwood Gulch area northwest of Nederland for \$330,000.

Much of the land would be preserved as open space, although the motion by the commissioners also approved the division of the property into eastern and western parcels separated by the Switzerland Trail. The western portion could be sold for the development of one residence that would be restricted in size by a conservation easement.

The eastern portion, which would be preserved as open space, is adjacent to nearly 200 acres that the county bought for \$2 million in May.

Joshua Lindenstein can be reached at 303-630-1943 or jlindenstein@bcbr.com.

PIE from 3A

ing a shop where she can offer a pie-tasting menu of six to 12 favorites, similar to beer-flight tastings found at area microbreweries.

From there, the company pie shops will expand around the nation, sticking with handmade goodness and local ingredients wherever possible, Christie said. The idea is to find the perfect price customers are willing to pay, she said. Currently, 9-inch pies cost \$20 for most flavors.

"As my daughter (Erica Anderson) says, we'd be educating the pie palate of America," Christie said.

Cream pies are \$22. Pies with gluten-free crusts or made without sugar are \$2 extra. There's a \$5 surcharge for pies delivered anywhere in

Boulder County. For \$21, the company will FedEx a pie anywhere in the United States; it's \$11 if the destination is within 500 miles of Niwot.

So what's the secret to My Mom's Pie's success since it opened in 2008?

Is it the flaky crust, made with ice water just as your grandma taught you? Is it the friendliness of the 15 employees who make the pies, virtually all by hand? Is it secret ingredients that Christie declines to disclose?

Christie believes the success mostly comes from the nostalgia her customers have for family recipes they remember. Everything is made from scratch, including a prized family recipe crust that was tweaked slightly by Christie and Ballard to go into a

food processor or mixer.

"We don't skimp on anything," Christie said, "and we put a lot of love into it."

Christie's son Jim Scherrer came up with the name during a family brainstorming session around the kitchen table. The reasoning: Customers remember their mothers' pies, and Christie is the fourth generation of pie-makers in her family, learning tricks from her grandmother such as knowing she must handle the crust as little as possible for the best flavor.

"People say, 'My mom never made it as good as this, but I wish she would have,'" Christie said. "The name is a good association for them. It gets people in a visceral way that reaches down and gets them emotionally engaged."

Freeman is helping the company get its business plan ready, with plans to raise \$500,000 to \$750,000 to be able to deliver pies on a greater scale to grocery stores regionally, including Whole Foods Market Inc. (Nasdaq: WFMI) and Lucky's Market, he said. You may recognize the pies from local farmers' markets, too, Christie said. She makes two smaller sizes in addition to the traditional 9-inch, and recently held a kids' birthday party at the shop.

My Mom's Pie also has restaurant customers in the region.

"People ask us, are you tired of pie yet?" Christie said, laughing. "We say no. We're passionate about it. Customer response is great. They love it so much. It makes them so happy."

Be thankful, business community

It's been a difficult year for many along the Front Range, with September floods devastating communities in Boulder County and Northern Colorado. Couple that experience with wildfires that threaten forests, homes, livelihoods and lives on almost an annual basis. Add the not-forgotten Great Recession and still-tepid recovery in many areas, and one might become inured to disaster, both natural and financial.

EDITORIAL

But as we approach the Thanksgiving holiday, we at the Boulder County Business Report believe that we have plenty to be thankful for, especially in Boulder and Broomfield counties. Here are a few things that spring to mind:

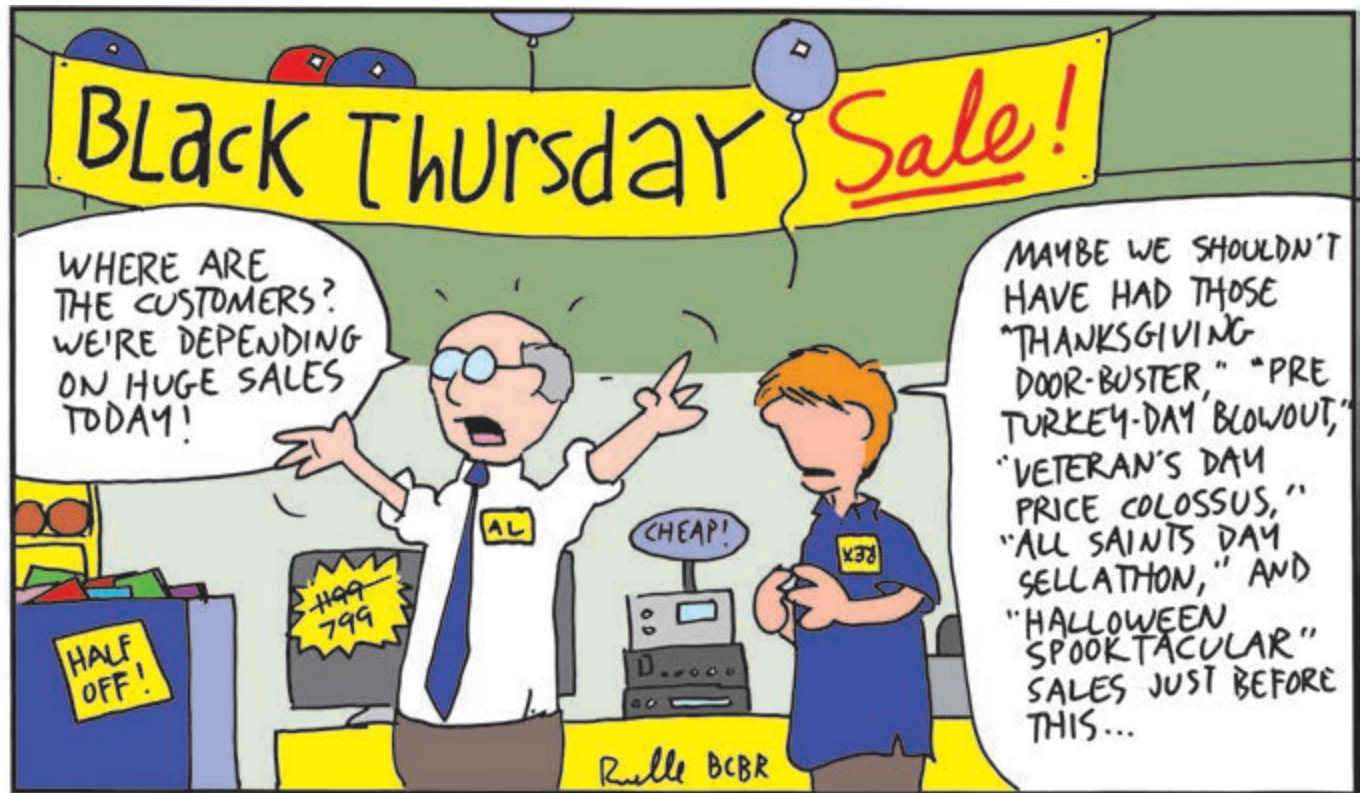
- Relief workers, nonprofits and donors: It's a cliché that disaster brings out the best in people, but we've certainly seen that to be true, with relief workers who toiled to rescue people, animals and property. Nonprofits and the essential donors give us another reason to say "thank you."

- The business community: Business owners, executives and employees were on the front lines of helping the community through a difficult time. They did this either through volunteer hours or contributing financially.

- Our local economy: We're fortunate in the Boulder Valley that our economy is diverse enough to weather many a storm. This region recovered faster than most from the Great Recession, and it's shown the same resilience after fires and floods.

- Government officials: Sure, it's fun to pick on governmental bureaucracy once in awhile, but too often government officials don't get credit where credit is due. We're thankful for government workers in the Boulder Valley, who performed masterfully in our recent crisis. Many continue to do so through recovery efforts.

Many more examples exist, but we just wanted to say "thank you" to all those who work day in and day out to make the Boulder Valley a special place.



UQM helps juice Young's LincVolt

Electric-motor maker in Longmont put charge in Lincoln Continental

The LincVolt is one of Canadian singer-songwriter Neil Young's pet projects, started years ago.

It's a 1959 Lincoln Continental Mark IV convertible that a team of smart people Young assembled converted to a plug-in electric hybrid. Young is using the LincVolt and his notoriety to raise awareness about what he perceives as dangers the world faces if alternative fuels aren't adopted more widely.

The project has had its fits and starts, including a fire in 2010 caused by a faulty charging system that Young said "burned it to the ground." But after several years of intense design, sweat labor and a lot of money, the boat is roadworthy.

Earlier this month, the LincVolt was on display at the Specialty Equipment Market Association Show, an automotive aftermarket event held annually in Las Vegas.

Young presented a keynote address, Repowering the American Dream, extolling the virtues of plug-ins and the need to get off fossil fuels. He challenged American

car manufacturers to go electric, and tipped his Panama hat to all the people and companies who played

a part in transforming his Lincoln from gas-guzzler to green lightning bolt.



OBSERVATIONS
Doug Storum

On the list of contributors to the regeneration of the LincVolt is UQM Technologies Inc. in Longmont. The

electric-motor manufacturer's PowerPhase motor and controller system is part of the system that powers the 2.5-ton LincVolt down the road.

"We didn't give up any speed," said Young at the show. "This car goes like a bat out of hell. ... It cruises at 80 miles per hour. It's faster than any other car its size."

Over the years, Young has amassed a sizeable collection of big-finned gas-guzzlers.

"I like the way they look, and I like the way they sound, and I like their speed, but I don't like their CO₂," he said.

So, in his eccentric way, Young is on the electric-car bandwagon. He admits that electric cars are costly. He said \$10,000 worth of batteries

power the LincVolt, but he hopes to see the day when his grandchildren can drive an affordable electric car.

"We are delighted that Neil Young once again chose UQM for the electric motor and controller for this second-generation LincVolt," said Eric Ridenour, UQM's president and chief executive. "We commend him for using his considerable fame to reach an extremely diverse audience with positive messages about the benefits of vehicle electrification."

Aside from the LincVolt sideshow, UQM has been supplying systems for more practical efforts. Its systems are used in Audi A1 e-tron series plug-in hybrid, Hino all-electric city buses, Proterra all-electric composite transit buses, Boulder EV all-electric delivery vans, Electric Vehicles International all-electric medium-duty trucks and delivery vans and Zenith Motors all-electric shuttle vans.

Reports indicate that Young's newest ride can go up to 50 miles on electric power when fully charged; with a full tank of gas, the car can go a reported 400 miles with both power sources for an estimated 24 miles per gallon.

I'd say Young is rockin' in the free world.

Doug Storum can be reached at 303-630-1959 or dstorum@bcbr.com.

BOULDER COUNTY
**BUSINESS
REPORT**

VOLUME 32, ISSUE 25

**BIZWEST
MEDIA** LLC

**BOULDER COUNTY
BUSINESS REPORT**

3180 Sterling Circle, Suite 201,
Boulder, Colo. 80301-2338, is
published biweekly by BizWest
Media LLC a Colorado corporation,
in Boulder, Colo.

To advertise or subscribe:
303-440-4950
Fax: 303-440-8954

Online edition: www.BCBBR.com

The entire contents of this newspaper
are copyrighted by BizWest Media with
all rights reserved. Reproduction or use,
without permission, of editorial or graphic
content in any manner is prohibited.

PUBLISHER

Christopher Wood cwood@bcbr.com

EDITOR

Doug Storum dstorum@bcbr.com

COPY EDITOR

Dallas Heltzell dheltzell@bcbr.com

WRITERS

Joshua Lindenstein jlindenstein@bcbr.com
Beth Potter bpotter@bcbr.com

RESEARCH DIRECTOR

Mariah Tauer research@bcbr.com

PRODUCTION DIRECTOR

Dave Thompson dthompson@bcbr.com

WEB DIRECTOR

Chase Miller cmiller@bcbr.com

WEB DESIGNER

Denise Schwartz dschwartz@bcbr.com

VICE PRESIDENT OF SALES

Myles Fuchs mfuchs@bcbr.com

DIRECTOR OF BUSINESS DEVELOPMENT

Kevin Loewen kloewen@bcbr.com

ACCOUNT EXECUTIVES

Storm Hostetter shostetter@bcbr.com
Scott Haniszewski shaniszewski@bcbr.com

CIRCULATION MANAGER

Janet Hatfield jhatfield@bcbr.com

OFFICE MANAGER

Tiffany Moore frontdesk@ncbr.com

CARTOONIST

Ron Ruelle

CONTRIBUTING PHOTOGRAPHERS

Jonathan Castner, Peter Wayne

CONTRIBUTING WRITER

Clayton Moore

PUC from 1A

both inside and outside Boulder, is at least as safe and reliable as the current (Xcel) system," Boulder senior assistant city attorney Debra Kalish wrote in the city's filing. "However, Boulder has the constitutional and statutory right to determine which assets it will acquire and the timing of any condemnation action that may be filed."

PUC spokeswoman Becky Quintana said PUC commissioners are scheduled to issue an oral decision at their Dec. 11 meeting. The commission has until Dec. 18 to issue a written decision.

Quintana said commissioners generally would deny or uphold an appeal such as Boulder's at the Dec. 11 meeting based on the information they have. However, she said it is possible that the commissioners could request further written arguments from the involved parties or schedule an oral hearing for the parties to state their cases. In that case, she said, a final decision from the PUC would likely be pushed beyond Dec. 18.

Quintana added that Xcel would not be allowed to reply to Boulder's filing without first filing a motion with the PUC seeking permission to do so.

Xcel in May filed a request with the PUC for five declaratory orders regarding Boulder's proposed plans to serve customers outside its city limits as part of its municipalization efforts. The PUC affirmed three of those requests, but for the other two it issued its own decision instead that included asserting its authority over what equipment Boulder could condemn and the timing of such actions.

“It's not a surprise to us. As we had mentioned when the original ruling had come out, we agree with the PUC on its ruling.”

Michelle Aguayo

SPOKESWOMAN,
XCEL ENERGY INC.

Xcel spokeswoman Michelle Aguayo said the company's main motivation in filing the request for declaratory orders was that it wanted clarification on who was deciding what as it related to service of customers in unincorporated Boulder County who are caught in the middle of the potential municipalization efforts by Boulder. She said Xcel officials feel they got that determination from the PUC ruling.

"It's not a surprise to us," Aguayo said of Boulder's appeal. "As we had mentioned when the original ruling had come out, we agree with the PUC on its ruling."

In its Nov. 18 filing, the city argued that Xcel had acknowledged in its request for declaratory orders that the question of what facilities Boulder has the legal authority to acquire was an issue to be determined in condemnation court. Boulder argued that the state constitution and legal precedent in Colorado affirm the right of home-

rule cities to condemn electric facilities and to decide what facilities to acquire.

Boulder argued that the "proper order of proceedings is the city's initial filing of the eminent-domain proceeding in district court, followed by its filing of appropriate applications with the commission to address issues affecting out-of-city customers."

The city states that it does not intend to seek immediate possession of Xcel's assets upon filing for condemnation but rather would wait until the completion of eminent domain proceedings to acquire possession. Because an eminent domain case could take 18 months to two years to complete, the city argued that there will be plenty of time for it and Xcel to work with the PUC to ensure that electric customers outside Boulder's city limits are ensured safe and reliable service upon the separation of Boulder from Xcel's system.

Boulder states that through the discovery and disclosure stages of a condemnation proceeding it would be able to use information from that process to "refine the scope of the taking."

"By requiring that the commission proceedings 'are to be completed before Boulder initiates a condemnation action,' the commission's decision denies Boulder its right to take discovery in the eminent-domain case," Kalish wrote.

Aguayo said Xcel still is reviewing Boulder's arguments, and hasn't yet decided whether it will request from the PUC a chance to respond to the appeal.

"Once we take a look at (Boulder's filing), we'll make a decision on that point," Aguayo said.

Boulder's efforts to break away from Xcel and create its own municipal electric utility scored a victory Nov. 5 when voters rejected an Xcel-backed ballot measure and approved a competing one. Issue 2E passed with two-thirds of the vote, while Issue 310 was shot down by nearly 69 percent of voters.

Issue 2E sets a limit of \$214 million on the amount the city is allowed to pay for the Xcel assets needed to set up its own utility, as well as stranded costs owed to Xcel to compensate for investments it had made in serving Boulder customers for some future period. Issue 310 would have required voter approval for any debt issued in relation to a municipal utility. It also would have required that any potential nonresident customers of the utility be allowed to vote in such elections and that those elections be held only in odd-numbered years at the time of general elections. The combination of terms is one that municipalization supporters argued would have killed the efforts to create the utility.

Issue 2E provides that customers of the new utility who live outside city limits will be allowed to serve on the utility's advisory board. It facilitates utility choice on a neighborhood-by-neighborhood basis to nonresident customers. It requires nonresident customers to be treated the same as residents as it relates to rates, and limits brokerage fees associated with acquiring debt to purchase the utility.

BCBRDAILY from 2A

other city services, Longmont Power and Communications officials have said.

Sixty-six percent of the Longmont residents who voted approved the bond issue measure. If the bond issue had not passed, city officials had planned to expand the existing network as it generated revenue from existing customers. However, officials had estimated that it could take as long as 40 years to generate enough money to pay for the build-out.

Longmont currently provides high-speed Internet to a few customer companies and residents located close to the existing network. The city plans to offer 1 gigabit-per-second download and upload speeds to residential customers for \$49.95 per month in the future, according to Longmont Power and Communications. That download speed is nearly 10 times faster than the highest speed of 105 megabits per second offered in Longmont by cable company Comcast Corp. CenturyLink offers download speeds of 40 megabits per second.

Posted Nov. 9.

Gift aids Longmont Museum

LONGMONT – The Longmont Museum received a \$214,483 gift to its capital campaign from the estate of

Lyle H. Cone.

The museum launched a \$4.2 million capital campaign in 2012 for an expansion that will include a 250-seat state-of-the-art auditorium, expanded education space and an atrium lobby for social events. The gift from the Cone estate increases the total amount raised to \$4.076 million, with \$124,000 left to raise.

The auditorium stage, which is part of the museum's expansion, will be named the Cone Shortall Stage in memory of Cone and his mother, Eva Shortall.

Posted Nov. 6.

Trader Joe's to open Feb. 14

BOULDER – A Trader Joe's grocery store is slated to open at the Twenty Ninth Street retail district in Boulder at 8 a.m. on Valentine's Day, Feb. 14.

The 14,000-square-foot store is slated to open at 1906 28th St., the site of a former Applebee's restaurant. The restaurant has been demolished and construction work is going on at the site.

Trader Joe's officials also plan to open two other grocery stores in Colorado on the same day, at Eighth Avenue and Colorado Boulevard in Denver and at the Cherry Hills Mar-

ketplace at 5901 S. University Blvd. in Greenwood Village.

Trader Joe's has plans to open five stores in Colorado in 2014, including a 12,000-square-foot store in Fort Collins at the northeast corner of College Avenue and Horsetooth Road.

Posted Nov. 7.

Good Sam achieves Level II

LAFAYETTE – Exempla Good Samaritan Medical Center has achieved a Level II trauma center designation, a status that may mean that the hospital treats more emergency patients annually in the future than it did before receiving the designation.

An emergency-department doctor and an anesthesiologist are available at the Lafayette hospital around the clock as part of the Level II trauma center requirements, Exempla said in a press release. In addition, two trauma surgeons, a neurosurgeon, an orthopedic surgeon and a spine surgeon are on call around the clock.

Representatives from the American College of Surgeons and the Colorado Department of Public Health and Environment surveyed the hospital to make sure it met Level II trauma center requirements set by those groups. The designation comes from the Colorado State Emergency Medi-

cal and Trauma Advisory Council.

Posted Nov. 8.

Boulder Brands eyes Suja

BOULDER – Boulder Brands Investment Group LLC, took a minority stake in Suja Juice Inc., a San Diego juice maker that sells its products in Whole Foods and Sprouts grocery stores.

Boulder Brands Investment Group is the investment arm of Boulder Brands Inc. (Nasdaq: BDBD) natural food product company in Boulder. Company spokeswoman Carole Buyers declined to discuss financial terms of the transaction, Suja's possible growth plans or any other investment details.

However, BBIG made \$6.68 million in investments in the three months ending Sept. 30, according to a Boulder Brands earnings statement. In addition to serving as a spokeswoman for Boulder Brands, Buyers is one of three managers of the BBIG investment fund.

Suja's cold-pressed juices are made from organic fruits and vegetables, and they're pasteurized, according to information on the company's website. The private company is on track to post sales of \$17 million in 2013, according to media reports.

Posted Nov. 11.



strategy control justice
 consider policy right
 information disclosure morality
 standards money legal conduct
 honor money legal conduct
 industries philosophy
 responsive
 time nice control
 relations
 people
 transparency
 ethics
 reporting informed
 life open issues
 integrity informed
 marketing truthful customers fair
 goals industries helpful available
 code
 privacy
 transparency
 reporting informed
 life open issues
 cooperation
 honesty
 companies
 priorities
 integrity informed
 marketing truthful customers fair

powerful
 clients
 management
 TRUST
 daily
 promise
 results
 marketplace

We Can Help Grow Your Business

Serving Nearly 8,000 BBB Accredited Businesses and Charities
 Throughout 12 Counties in the Greater Denver/Boulder Area



Become BBB Accredited Today!
 becomeaccredited.org • denver.bbb.org • 303.996.3645

