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THE BUSINESS JOURNAL OF THE BOULDER VALLEY AND NORTHERN COLORADO

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“And if you look closely at the selfie I was taking, you can see someone turning on the crusher I shouldn't have been inside.”

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Jan. 27 | The Ranch, Loveland

■ Boulder Valley Forty Under 40

Coming in February

QUOTABLE

“I think we're seeing some slowdown in Weld in the last half of 2015 ... Weld is doing well enough on some other things that have helped insulate the shock a little bit.”

Martin Shields, Colorado State University. Page 10

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BIZWEST PHOTO

Good Day Pharmacy operates nine locations in Boulder, Larimer and Weld counties.

A Good Day's work

Local pharmacy chain prescribes niche services to ward off competition

By Curt MacDougall
news@bizwestmedia.com

LOVELAND — There are a number of colorful quotes about what it takes to run with the “big dogs.” But one local business already seems to have found the inside track.

Good Day Pharmacy has been on an upward trend for three decades, ever since owners David and Nancy Lamb bought their first drug store in Loveland in 1985. And despite fierce national competition, it remains a thriving family business.

Good Day president and chief operating officer Vicki Einhellig admitted, “It does seem like there are pharmacies on every corner. Pretty much everything is the same price. Everyone takes the same insurance, so the nature of having that many competitors in the community gives people lots of options to get what’s really just a commodity.”

So Good Day’s staff focuses on the things they can control. “It’s all about the customer experience and what happens when you come in the door,” Einhellig said. “Whether you’re selling prescriptions or coffee or jeans, you really want to make a connection with that customer or that patient.”

And in order to strengthen that



COURTESY GOOD DAY PHARMACY

Nancy Lamb, Vicki Einhellig and David Lamb lead Good Day Pharmacy, a Loveland-based chain of pharmacies.

connection, Good Day Pharmacy works hard to separate itself from the chain stores. “We’re small enough to be able to customize our services. I think we do things that other, bigger companies don’t have time to do — maybe they have more layers than we do, or their corporate offices aren’t in Colorado, so maybe they are slower to respond, whereas we empower our team to be able to do whatever it takes and really make a difference for the patient.”

For example, all Good Day locations — in Eaton, Fort Collins (2), Greeley, Johnstown (2), Longmont, Loveland and Wellington — offer delivery service. They can also provide customized medications through a service called “compounding.”

“That means if there’s nothing commercially available or if there’s another form of a drug that’s more optimal for the patient, we can work with the prescriber and come up

The Lesson

■ **The problem:** How to stand out in a sea of national competitors.

■ **The solution:** Focus on customer satisfaction and niche services.

with solutions,” Einhellig said.

For Jean Cannon, executive director of Aspen House Memory Care Assisted Living in Loveland, the personal touches make all the difference. “They know the meaning of ‘customer service.’ They take such good care of us that it makes me feel like I’m their only customer,” she said. “And I don’t know where they find their employees, but every single one of them is kind and respectful and friendly and they show up with a smile on their face.”

Cannon pointed to several instances where she says Good Day went above and beyond the call to get residents at her facility the medications they needed. And when Aspen House required special deliveries to accommodate patients’ early bedtimes, “... we discussed it with Good Day, and they changed their delivery route so they could meet the unique needs of our residents. Who does that?” she asked, then added,

Please see **Good Day**, page 4

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Good Day, from 3

“They’re just wonderful.”

Einhellig is David Lamb’s cousin, and joined the firm in 1992. Since then, Good Day has been on a slow but steady growth track, much of which was accomplished by purchasing established pharmacies in surrounding communities. Then, in an effort to eliminate confusion, the names of all the businesses were changed to Good Day Pharmacy in 2002. The company peaked with 14 locations across Northern Colorado, but has since cut back to nine stores.

“We were in County Market here in Loveland, and also at a location in Boulder, and those two sites were purchased by Albertsons,” Einhellig said. But three other locations, all connected to Poudre Valley Health System campuses, were closed after they were deemed to be under-performing. Einhellig puts some of the blame for the closings on the rise of mail-order pharmacies, what she sees as Good Day’s largest competitor.

Even so, the company’s overall performance remains solid. “Each current store has had good growth from year to year. We’ve been fortunate in that area, and we are approaching \$30 million in sales this year, which is pretty exciting,” Einhellig said, noting that the staff has surpassed 130 employees.

Brad Young, government affairs director at RxPlus, an organization that advocates for independent pharmacies, said Good Day’s success

Good Day Pharmacy

- 3780 E. 15th St., Suite 102
Loveland, CO 80538
- www.gooddaypharmacy.com
- 970-461-1975
- Persons in charge: David Lamb, CEO; Vicki Einhellig, president and COO; Nancy Lamb, consultant pharmacist
- Employees: 130
- Revenue: \$30 million

is a matter of diligence. “They’ve always been forward-looking in terms of where there are possibilities to do things, and I think they pay a lot of attention to their pricing and look at ways they can cut costs.” Mentioning that Einhellig is on the Colorado State Board of Pharmacy and Lamb serves on a Medicaid rate review committee, Young also noted, “They take a lot of extra time to do the kinds of public service things that help the community and their patients and are beneficial to the industry as a whole.”

“We really just try to fill the niches that are needed,” Einhellig explained. “I’ve always said that our niche in independent pharmacy is every niche, because you need to be able to respond to the rapidly changing environment in healthcare and provide what the patient needs, whether that means they need delivery or a piece of medical equipment or you need to special order something for them.”

The big dogs better take notice.



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Biz leaders' confidence ticks upward for 2016

What follows is a compilation of recent news reported online by BizWest.com. Find the full stories using the search window at the top of the homepage.

BOULDER — Colorado business leaders have caught a dose of optimism entering the new year, although their outlooks still aren't as rosy as they were one year ago. The University of Colorado Boulder business school's quarterly measure of business leaders' confidence shows a slight increase over the fourth quarter but a decrease from a year ago. The Leeds Business Confidence Index registered 55.4 entering the first quarter of 2016, up from 53.5 last quarter but down significantly from the 60.8 logged entering the first quarter last year. Business leaders' expectations measure positive at 50 or higher on the index.

Posted Jan. 5.

Reuters: New Belgium Brewery seeking buyer

FORT COLLINS — Employee-owned New Belgium Brewing Co., the 24-year-old Fort Collins-based company known for its Fat Tire craft beer brand and its Tour de Fat benefit bicycle and entertainment events, is looking for a buyer, according to the Reuters news service. New Belgium,

NEWS DIGEST

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the United States' third-largest craft brewery and eighth-largest brewery of any kind, is seeking an entity that could purchase the company for more than \$1 billion, according to Reuters' sources. New Belgium employs 500 people at its headquarters at 500 Linden St. in Fort Collins. The company in May completed construction of a brewery and distribution center in North Carolina.

Posted Dec. 18.

Whole Foods delay to cost Longmont \$1M in tax revenue

LONGMONT — Natural-foods grocer Whole Foods Market is delaying the opening of its under-construction Longmont store by 11 months to December 2016, a move city officials expect will cost the city about \$1.04 million in sales-tax revenue. The store had originally been planning a January opening

at Longmont's Village at the Peaks shopping center, the \$90 million, 490,000-square-foot redevelopment of the former Twin Peaks Mall site.

Posted Dec. 18.

Longmont's NextLight clings to construction timeline

LONGMONT — Despite a litany of unforeseen circumstances that have caused delays to buildout of Longmont's ultra-fast NextLight broadband Internet network, Tom Roiniotis, general manager of Longmont Power & Communications, said he feels like the buildout is staying on schedule about as well as could be expected given the high demand. Roiniotis said boring is expected to begin in some areas of Phase 5 in "the next few weeks."

Posted Dec. 15.

State Oks \$86.1M for Go NoCO tourism projects

DENVER — Northern Colorado officials walked into the Colorado Economic Development Commission meeting feeling like the conditions they faced for accepting millions of dollars in state tax incentives to help fund four tourism projects were deal-breakers. They walked away not only with the full \$86.1 million they were requesting approved by the EDC, but also


assurances from the commissioners that final conditions could still be hashed out over the coming weeks. Developers estimate that the four Northern Colorado projects — the PeliGrande Resort and Conference Center in Windsor, The Indoor Waterpark Resort of the Rockies and the U.S. Whitewater Adventure Park in Loveland, and the Stanley Hotel Auditorium and Film Center in Estes Park — will cost \$334 million to develop. Go NoCO applied for the RTA funding to try and help developers shrink an \$80.7 million funding gap.

Posted Dec. 10.


High court hears both Sides in fracking cases

DENVER — Attorneys for the cities of Longmont and Fort Collins made their pitches to the Colorado Supreme Court about why lower courts erred in striking down the cities' respective bans on fracking within their borders. The Longmont and Fort Collins cases were heard separately in back-to-back proceedings in front of a packed courtroom. But the two cases are largely regarding the same central issue: whether home-rule cities are pre-empted from prohibiting a practice that is regulated by the state.

Posted Dec. 9.



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Can the "Mega" banks in town say that?



Data driven

Spectra Logic heats up sales with ArcticBlue

By Jeff Thomas

news@bizwestmedia.com

The press always goes for the flashiest of all solutions, but in the data-storage game, that's just the tip of the iceberg.

"If you think about flash (solid state drives for storage), it is mostly used for performance solutions, as it costs as much as \$3 or \$4 per gigabyte of storage — our product is as little as 10 cents a gigabyte," said Nathan Thompson, founder and CEO of Boulder's Spectra Logic Corp. "We are often secondary and tertiary solutions, but we're where all the data ends up going."

So while data centers serving functions such as Internet transactions go for speed over cost, Thompson said most data-storage needs are not quite as in a big hurry, and the latter account for about 80 percent of the market. Serving that market niche has been the focus of Spectra Logic (founded in 1984) for last 24 years, primarily with an eye toward creating cost-efficient and accurate tape-storage solutions.

But that's not to say that Spectra Logic doesn't stay on the edge of the technology curve, as evidenced by its new ArcticBlue solution, introduced in October. Essentially, ArcticBlue creates a cloud-like interface for local, or on-premise storage, which allows access to a mix of storage media, including most tape and hard-drive solutions.

ArcticBlue actually employs flash drives to quickly cache and index data and can store on both disc and tape solutions. Essentially, it creates an S3 interface — the Simple Storage Service common to many cloud solutions — in advance of the cache, allowing tape solutions to be accessed at the speed of magnetic discs.

"We can go to tape, or we can go to an SMR disc drive, or we can go to both," Thompson said. SMR (Shingled Magnetic Recording) discs are new technology allowing for increased density writing to disc drives.

ArcticBlue by itself can access data stored deeply in tape, but uses the SMR drives for more readily accessed data. Together with the company's Black-Pearl solution, it can access almost all deeply stored data in hard drives and tape formats.

Thompson noted that the bulk of Spectra Logic's solutions are based



PHOTOS COURTESY SPECTRA LOGIC CORP

Spectra Logic CEO Nathan Thompson said the company works to ensure "absolute integrity of the data" for its clients.



ArcticBlue is one of the latest storage offerings from Spectra Logic Corp.

Spectra Logic Corp.

- 6285 Lookout Road
Boulder, CO 80301-3580
- www.spectralogic.com
- 303-449-6400
- Person in charge: Nathan Thompson, CEO
- Employees: 450 worldwide
- Revenue: \$100 million

on Web protocols, allowing for easier integration and adoption by companies that already have their own data storage. Universities, research centers and other large organizations are among the company's clients.

"We have a lot of interest because it's pretty easy to use, especially for customers already using a tape architecture," Thompson said. "A conventional strategy might take nine months to integrate, where, in our case, it might be days or weeks."

Thompson said that media companies, which have need of large data recording to accommodate digital storage, are principal clients. High-performance computing organizations are another, and one of the early adopters of the ArcticBlue solution was a California company involved in genetic sequencing.

"We have to ensure absolute integrity of the data, so we have significant error correction and detection," he said. Checksums is a principal solution

the company brings to bear, checking the files as they progress through any number of physical layers.

"The volume of data we deal with is so high, that we have to have a very small error rate," Thompson noted.

Thompson himself has been in the computer business since starting sales of computer parts from his University of Colorado dorm room in 1979. Today his company employs 450 people worldwide, earning "north of \$100 million" annually.

And while Spectra Logic may not be providing the flashiest storage system on the cloud, many cloud-storage providers might turn to them for large storage backup needs.

"It's a market segmentation strategy: We can't be all things to all people, so we're sort of designed to address this 80 percent of the market," said Thompson, noting his company's size really only trails a handful of big players, such as IBM and Oracle's tape solution that came from Storage Technology Corp.

"We do tend to have more old-line organizations (as clients) with massive storage needs — university research labs, energy exploration and genetics," Thompson said. "But that's really all over the map."

NEWS&NOTES

Dairy Center renamed as renovation continues

The Dairy Center for the Arts, still in the midst of a \$4.3 million renovation, changed its name to the Dairy Arts Center. Renovation of the center, housed in the old Watts Hardy Dairy building at 2590 Walnut St., began with a groundbreaking in late July. The center houses live theater, dance and music performances, a cinema, art galleries and classes as well as public and private events. "Over the next six weeks we'll be finishing the first phase of our renovation. That means our lobby, our three performance theaters and our three art gallery spaces will be closed," said executive director Bill Obermeier. "However, our Boedecker Theater will remain open the entire time. ... We will open again Feb. 6 with a brand new lobby, new cafe, renovated Gordon Gamm Theater, and a new terrace."

Boulder Brands-linked group registers new investment fund

The trio that managed an investment arm of Boulder Brands Inc. filed paperwork with the Securities and Exchange Commission indicating that they're launching a private-equity investment fund of their own. The SEC filing shows Bill Weiland, Duane Primozich and Carole Buyers as managing partners of Bigr Ventures LP. No money has been raised for the fund yet, according to the filing. The minimum required to invest in the fund is \$1 million. Weiland, a natural-foods veteran and chief executive of Presence Marketing, partnered with Boulder Brands (Nasdaq: BDBD) in 2013 to form Boulder Brands Investment Group LLC, a fund aimed at taking minority stakes in early-stage natural and organic foods companies. The idea was to not only give those companies cash infusions but also to help them leverage Boulder Brands' infrastructure to accelerate their growth. Boulder Brands has suffered tough times over the past 18 months, and in November reached a deal to be acquired by Pinnacle Foods Inc. (NYSE: PF) for \$710 million. That deal is expected to close in the first quarter of 2016.

CU research may lead to faster computing

Researchers at the University of Colorado Boulder are part of a team that has developed a microprocessor chip that uses light, which could pave the way for faster computing systems and network infrastructure while using less energy. Researchers at CU, the University of California Berkeley and the Massachusetts Institute of Technology developed the light-based circuits that can transfer data at rapid speeds while using minute amounts of energy. Traditional microprocessor chips — found in everything from laptops to supercomputers — use electrical circuits to communicate with one another and transfer information. In recent years, however, the sheer amount of electricity needed to power the ever-increasing speed and volume of these data transfers has proved to be a limiting factor. To overcome this obstacle, the researchers turned to photonics, or light-based, technology. Sending information using light rather than electricity reduces a microchip's energy burden because light can be sent across longer distances using the same amount of power.

Natural-foods CEOs debate return on certification

By Joshua Lindenstein

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BOULDER — To certify (organic) or not to certify?

That seems to be a major question weighing on the minds of several business leaders in Boulder County's natural and organic foods sector.

Make no mistake. The public's demand for organic foods has increased in recent years. But along with that have come higher prices for local food brands as they try to source organic ingredients. That's to comply with a certification that was already rigorous. And, while demand for organic food has increased, the industry still faces the misperception from some consumers that organic or non-GMO or gluten-free might be better for you but also inherently loses a notch in the flavor department.

That's leading some local brands that have organic certifications to consider spinning off "natural" or more mainstream lines of products, while some of those weighing whether to up their game with an organic certification question whether it's worth the costs involved. The topic was one discussed at length in BizWest's CEO Roundtable on the natural and organic food industry, a forum sponsored by the law firm of Berg Hill Greenleaf & Ruscitti and the accounting firm of

EKS&H.

JJ Rademaekers, founder and CEO of Boulder-based JJ's Sweets, said spinning off natural versions of his company's organic candies is an avenue his company has explored as it looks to entice consumers to try its products. He said that by tweaking a couple of ingredients from organic to non-organic, such as coconut milk, JJ's Sweets could reduce costs significantly, and thus the retail price, of a natural line that isn't certified organic but otherwise embodies the company's values.

"If we're positioned as super-premium and organic ... and we're expensive, there's a real sort of barrier there," Rademaekers said. "So as we transition, I could see us spinning off a natural line."

That said, Rademaekers also stressed that his company and industry still must "combat" the notion that consumers trade flavor for wholesomeness with organic or other health-category products.

Scott Roy, president of Boulder Homemade Inc., which makes Boulder Organic Ice Cream, echoed Rademaekers' sentiments and said that the flavor misconception is perhaps toughest to overcome in the indulgence category of things like ice cream and candy.

"You've already made the not healthy decision when you decide you're going to buy candy, ice cream,

etc.," Roy said, adding that the deciding factor for most people at that point is "flavor, flavor, flavor."

That can cause a lot of price pressure for indulgence brands operating in the organic space.

Mark Wood, founder of a company called ReMarkable Foods LLC that makes all-natural, gluten-free apple chips, said he's considering adding an organic line, but also questions how willing consumers are to pay for it as he notices the organic produce sections of some grocery stores shrinking.

But others said it's exactly that premium nature of organic products that draws many consumers in. The trick, said Compass Natural managing partner Steven Hoffman, is to continue to drive home the story about why organic is important. Organic, he said, can still be a major differentiator that helps consumers justify paying extra.

"If you can start telling the story better, you can start to show the true value of organic," Hoffman said.

Of course, depending on the category, there are some realms where the barriers to organic certification can't be overcome.

Marty Grosjean, founder and CEO of Only Natural Pet, said most pets eat meat. But organic meat is wildly more expensive to source than regular meat, and can lead to a 100 percent premium on the cost of say, a bag of dog food, to

consumers. That's not a leap most pet owners are ready to make yet, he said.

Seafood, meanwhile, can't be certified organic in the United States at all. For LoveTheWild CEO Jacqueline Claudia, that means trying to market a premium line of seafood meal kits without the certification even though the company touts its fish as responsibly sourced and despite its sauces including only certified organic ingredients.

Claudia said she wonders whether people care enough to look at the side of the package and see that the sauces are organic, or whether they would rather have the product for a slightly lower price when they don't see the certified organic label.

"So are we just throwing away money by buying organic ingredients for the sauce line?" she said.

Part of the issue for many producers is that the "natural" label isn't monitored by the government like organic certification is, which means it's come to mean less to consumers no matter how virtuous a product or company is. There was optimism Tuesday, however, that that could change as the FDA explores whether to define what natural must mean on food labels.

Joshua Lindenstein can be reached at 303-630-1943, 970-416-7343 or jllindenstein@bizwestmedia.com. Follow him on Twitter at @joshlindenstein.



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KAISER PERMANENTE **thrive**

Pellegrini's brings southern Italian fare home to Greeley

By Dallas Heltzell

dheltzell@bizwestmedia.com

GREELEY — Both in its previous and current incarnations, a pioneering spirit has propelled a restaurant space in the Cottonwood Square shopping center in Greeley.

For 25 years, the spot at 2400 17th St. was home to Potato Brumbaugh's, whose menu reflected the Western ranching culture and whose name was taken from a character in James Michener's 1974 novel "Centennial." According to the Colorado State Publications Library, the Brumbaugh character may have been inspired by Rufus "Potato" Clark, a prospector-turned-potato farmer who developed irrigation techniques south of Denver and who transported his produce to the city by carving out a road that became known as South Broadway.

Opened in 1981 by partners Rob Haimson, John Todd, Vic Nottingham and Charlie Rymes, Potato Brumbaugh's was a Northern Colorado staple until it was sold and closed in 2006.

Today, the restaurant touts a far different flavor — with a different type of pioneer at its helm. At Pellegrini Ristorante Italiano and Bar, Carlo Pellegrini seeks to introduce Northern Colorado to traditional fare from his native Puglia region of Italy, along the southern Adriatic Sea coast on what he described as "the heel of the boot."

Where else in the area but at Pellegrini's would you find orecchiette, the homemade pasta whose name translates to "small ear" and describes its shape? Or braciola, slices of sirloin slow-cooked in wine sauce? Or salsiccia, pork sausage sautéed in white wine with tomato, red and yellow bell peppers and capers? Or involtini di melanzana, an appetizer of mozzarella and basil leaves rolled into lightly fried eggplant and served with house tomato-basil marinara?

Puglia is known for its fruits and vegetables, but also for dishes rich in seafood such as "cozze" (mussels) and pesce spada (swordfish). They're on Pellegrini's menu as well.

Pellegrini admitted that a few concessions — only a few — have been made for American tastes. "Here we have to have more sauce — red sauce, white sauce — and make the portions bigger," he said.

He grew up in the town of Bisceglie, where his mother was a renowned cook, one uncle was a "panettiere" (breadmaker) and another produced olive oil, and his aunt owned a restaurant that Carlo Pellegrini managed.



DALLAS HELTZELL/BIZWEST

Carlo Pellegrini and Jessica Morse renovated the old Potato Brumbaugh's restaurant with both new and old elements to create a warm, relaxed atmosphere.

"My background in accounting helps me a lot," he said. "I probably understand profit and loss more than I do the recipes. You have to be creative with the plates, but with numbers there's no creativity. I had to train people to understand my menu, but now we have a manager who can pretty much take care of training them. I'm still training them in pronunciation, though.

"I started to create my wine list, but now we have others to organize that too — another Italian guy."

Pellegrini's opened in the summer of 2012. "We changed all the cosmetic parts — the walls, roof, floor, lights, all the booths," Pellegrini said. He and his wife, native Coloradan Jessica Morse, added photos they took in Puglia, an old wine press and other items they bring back from annual trips to Italy.

The restaurant boasts half-priced pizzas on Mondays, and \$5 martinis and half-price lasagna on Tuesdays. Special menu items on New Year's Eve included "antipasti de frittura mista," lightly battered and fried calamari,

shrimp, baby scallops and zucchini, and slow-cooked wild boar served over hand-cut pappardelle pasta.

Pellegrini and Morse also own O Sole Mio Trattoria Italiana, a 2,500-square-foot Italian restaurant in Fort Morgan. The couple met in Milan, Italy, moved to Greeley in 2008 and commuted to Fort Morgan to run O Sole Mio, then acquired the vacant 5,000-square-foot space in Greeley that had been Potato Brumbaugh's.

O Sole Mio, open since 2004, can seat about 60, Pellegrini said, while their Greeley restaurant can hold up to 200. Pellegrini concentrates more on the Greeley location, while Morse continues to travel to Fort Morgan — even though Pellegrini's is just as much hers.

"We're a husband-and-wife team," Morse said. "That restaurant is our life."

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NEWS&NOTES

Banner completes \$10.7M cancer center upgrade

A \$10.7 million expansion and renovation project at Banner Health's Cancer Institute in Greeley has officially been completed, Banner Health and the North Colorado Medical Center Foundation announced. The center at 1800 15th St., Suite 200, has doubled the size of its treatment space, increased the number of patient suites for infusion therapy from 10 to 18 and chemotherapy treatment rooms from one to three, added office and patient space including a pharmacy, and added technology including a second linear accelerator for radiation treatment. Providers at the Cancer Institute, which opened in August 1994, treat an average of 90 to 100 patients a day. Greeley-based Hensel Phelps Construction Co. was general contractor for the expansion, which was accomplished in five phases.

Greeley Stampede offers holiday gift card promotion

The Greeley Stampede, the world's largest Fourth of July rodeo and western celebration, offered a special pre-holiday gift-card promotion. Gift cards were available until Dec. 23, at the Stampede ticket office, 600 N. 14th Ave. People purchasing \$75 worth of gift cards for any Stampede event received two free rodeo tickets and were entered into a drawing to win the 2016 VIP Experience package, a combined value of \$330. That package includes four prime tickets to the arena event of their choice, one parking pass or shuttle ride, four tickets to the Gold Spur Hospitality Club and four beverage tickets. The Stampede has season tickets available for both its concert and rodeo events, \$100 per seat for five concerts and \$150 per seat for six rodeo performances and Xtreme Bull riding. Benefits for season ticket holders include being able to choose seats before the general public and being able to keep the same seats every year, as well as being able to purchase parking passes and selecting other event tickets before they go on sale to the general public.

City OKs rezoning for standalone ER

The Greeley City Council approved the rezoning of 1.5 acres at the southwest corner of 35th Avenue and 20th Street by a 6-0 vote, paving the way for a Texas-based health-care provider that wants to build an emergency-care center in Greeley. Pearland, Texas-based Neighbors Health Systems, which operates Neighbors Emergency Center LLC, has submitted a preliminary design to the city of Greeley's planning department for an 8,400-square-foot 24-hour emergency-care center to be built on vacant land at 2009 35th Ave. The property, which consists of two empty lots and one single-family home, was rezoned from residential to commercial, with the condition that buffers of 45 feet to the west and 35 feet to the south will be used, larger buffers than the standard 25 feet required by city codes. Single-family homes are to the left of the site and multifamily units are situated to the south. Commercial buildings exist to the northeast and southeast corners of the intersection. Houston-based Read King Commercial Real Estate is developing the site on behalf of Neighbors.

What does crystal ball show for Greeley in 2016?

Here are a few things we are seeing and hearing. The forecast for Greeley and Weld County can be described in one word: opportunity. But, can we keep pace with where we were in 2015? That is the million-dollar question. Yes, there will be challenges; however, we believe that opportunity far exceeds the challenges.



GREELEY VOICE
SARAH
MacQUIDDY

Numerous rankings and studies point to Weld County's robust economy, and the forecast for 2016 shows we will have growth in many of our industry sectors. In conducting our one-on-one investor calls, we hear "we will have more jobs. However, finding skilled workers will continue to be a challenge."

The Greeley Chamber will remain aggressive in our support of education to prepare our future workforce; we will continue to encourage the business community to offer scholarships, internships and mentorships. We will bring our businesses and educational institutions together so that there is a good understanding of what it will

take to meet skilled labor needs. Our region is no different than any other region. We all face creation of a talent pipeline that is filled with qualified workers to meet the needs of our highest-demand employers.

We hold optimism that the medical, retail, hospitality, manufacturing and energy sectors will grow or remain level from 2015. Greeley has fared fairly well, even with oil prices down, but unemployment has increased a minor amount. Many oil and gas workers have been picked up by the construction industry; with both the residential and commercial construction industry flourishing, people are finding steady employment.

While our business outlook remains positive, our region also faces several challenges. We have a great opportunity for real collaboration on some of the challenges facing Northern Colorado and Weld County with our regional work through the Northern Colorado Legislative Alliance (NCLA), a partnership with the Fort Collins and Loveland chambers of commerce.

Our transportation system is a tremendous asset, built over generations. It fuels economic growth, enhances our competitiveness, and creates a lot of jobs. If well-maintained, it will continue to deliver

The transportation system is badly in need of major investments ... The Fix North I-25 Business Alliance, established by NCLA to directly deal with the expansion of north Interstate 25, will continue to push and lead the conversation with business leaders on how to address transportation funding needs.

outstanding benefits.

However, the transportation system is badly in need of major investments to repair and augment an infrastructure that has been allowed to languish for too many years.

The Fix North I-25 Business Alliance, established by NCLA to directly deal with the expansion of north Interstate 25, will continue

to push and lead the conversation with business leaders on how to address transportation funding needs. NCLA is currently focused on identifying, researching and vetting additional funding sources to see what might resonate with legislators this year.

I hope that NCLA can urge legislators to pass a bill that provides dedicated funding to address infrastructure needs. None of us can fix the issue by ourselves — we must work together. As Northern Colorado communities grow at what some estimate to be the fastest rate in the state, I-25 will only continue to get worse. We need to take action now to accommodate this growth.

Overall, the state of the Greeley and Weld County economy is expanding toward continued success. With a careful eye on education, training, economic diversification and leadership, Greeley and Weld County can maintain their momentum.

Greeley/Weld County is a good place to do business. It's a good place to call home.

Sarah MacQuiddy is president of the Greeley Chamber of Commerce. She can be reached at 970-352-3566 or sarah@greeleychamber.com.



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An economic redux

Slightly slower — but still robust — growth anticipated for state

By Christopher Wood
cwood@bizwestmedia.com

Colorado residents seeking to predict what the economy might look like in 2016 might want to look in the rearview mirror: The road ahead will look a lot like what's already been traveled, although the trip might slow down slightly.

The state likely will pick up quite a few hitchhikers in the form of new residents, and a speed bump or two in terms of key sectors probably will slow the rate at which the economy moves forward.

"Overall, I think that there doesn't seem to be anything suggesting that next year is going to be very much different from this year," said Martin Shields, professor of economics and director of the Regional Economics Institute at Colorado State University in Fort Collins. "I think it's going to be more of the same."

The Boulder Valley and Northern Colorado represent everything that drives the state's economy overall: strong population growth, new business formation, fast-growing sectors such as technology and sectors facing a slowdown, including energy and agriculture.

Rich Wobbekind, executive director of the Business Research Division at the University of Colorado Boulder's Leeds School of Business, keeps busy this time of year, relating his organization's economic forecast to audiences across the state. Leeds produces the Colorado Business Economic Outlook, an in-depth forecast for the state's economy, now in its 51st year.

The prediction for 2016? "Slightly slower growth than 2015, but still very robust growth in any historical context," Wobbekind said.

Full employment nears

Leeds predicts job growth in Colorado of 65,100, up 2.5 percent. That's just slightly slower than what was experienced in 2015, when the state is estimated to have added 70,200 jobs, a growth rate of 2.8 percent over 2014. (Incidentally, Leeds predicted 2015 job growth of 61,300, or 2.5 percent, a year ago, meaning that the state outperformed expectations last year.)

Statewide unemployment likely will continue to fall. "The unemployment rate will drop for a sixth consecutive year, but the pace of the decline will slow in 2016, to an average of 3.8 percent as Colorado reaches full employment," the Leeds report states.

Unemployment in the Boulder Valley and Northern Colorado has been lower than the state overall. In November, Boulder County's unemployment rate stood at 2.8 percent; Broomfield, 3 percent; Larimer, 2.9 percent; and Weld, 3.4 percent.

Those low rates — the aforemen-



With major hospital and medical-related projects in the Boulder Valley and Northern Colorado, the health-care sector is predicted to continue to perform well.

"The unemployment rate in Northern Colorado and Boulder can't get any lower, really. I think that as unemployment rate continues to (remain low), we'll see some upward pressure on wages."

Martin Shields, professor of economics and director of the Regional Economics Institute, Colorado State University

tioned full employment — have led to labor shortages in a variety of industries.

"The unemployment rate in Northern Colorado and Boulder can't get any lower, really," Shields said. "I think that as unemployment rate continues to (remain low), we'll see some upward pressure on wages.

"That will be good for working families in Colorado," Shields added, noting that wages have been "stagnant for so long."

Shields said that the recent interest-rate hike by the Federal Reserve likely won't "have a significant effect on slowing down the national economy, or at least the Northern Colorado economy.

"There certainly won't be an interest-rate shock," he said, adding that the fact that there will be no federal-government shutdown in 2016 also will add to stability.

Diverse economy helps

Leeds' report predicts strong new-business formation in Colorado,



SHIELDS



WOBBEKIND

"despite contraction in the oil and gas industry, sluggish global conditions and higher housing costs."

That's because Colorado enjoys "a diverse mix of industries that are producing goods and services that are in high demand in today's economy," the Leeds report states. "This provides business creation opportunities not only from new product ideas but also by providing products and services to other expanding businesses."

Credit goes largely to a growing population, which helps grow and perpetuate a skilled and entrepreneurial workforce, according to Leeds. Constraining economic growth will be a shortage of skilled workers.

Sectors contributing to job growth include professional and business services, which Leeds projects to add 15,500 jobs. Education and health services also are expected to add more than 10,000 jobs, along with the trade, transportation and utilities sectors.

Population to hit 5.5M

Construction, meanwhile, won't be far behind, with an expected 9,700 new jobs coming on board as homebuilders try to keep up with the state's increasing population.

Colorado is expected to add 95,000 new residents in 2016, bringing the total population to 5.5 million. Northern Colorado represents one of the

fastest-growing parts of the state, with total population of Boulder, Broomfield, Larimer and Weld counties approaching a million.

That population growth has produced jobs, a demand for housing and new construction.

Construction employment increased in Greeley, Fort Collins and Boulder between November 2014 and November 2015, according to data released in December by the Associated General Contractors of America.

Colorado added 11,900 construction jobs during the period, bringing the number of construction jobs in the state to 159,000, an 8 percent increase.

Greeley added 1,600 jobs to 20,800, an 8 percent increase for the period. Fort Collins added 500 jobs to 10,300, a 5 percent increase; and Boulder added 200 jobs to 5,200, a 4 percent increase.

Such growth has been the norm for the economy in recent years. The Greeley Metropolitan Statistical Area — encompassing Weld County — grew by 9.9 percent in 2014, ranking as the fourth-fastest-growing economy in the nation, according to data compiled by the U.S. Bureau of Economic Analysis. The Greeley MSA ranked second nationwide in 2013.

The Fort Collins MSA — comprised of Larimer County — grew by 5.9 percent, ranked 18th nationwide, in 2014. The Boulder MSA — comprised of Boulder County — grew by 4.6 percent, 30th overall. The Denver-Aurora-Lakewood MSA, which includes Broomfield County, grew by 5 percent in 2014, or 27th overall.

Economists expect Agribusiness is one of the few sectors in Colorado that is expected to have a down year in 2016.



Predictions for 2016

Here are predictions for some key sectors in the Boulder Valley and Northern Colorado, derived from a variety of sources, including the Leeds report:



AGRIBUSINESS:

Leeds estimates that Colorado's net farm and ranch income will decline to \$824 million in 2015, far less than the record high of \$1.9 billion in 2009. At fault are lower cattle prices and "significant price falloffs" for commodities. This could drive down sales for suppliers such as agricultural-equipment companies, as farmers and ranchers hold off on major purchases.



CONSTRUCTION:

Chalk this sector up as a "boom." Leeds pegs the total value of construction in Colorado as growing by 17 percent in 2015, to \$15.3 billion. Look for an increase of 10 percent in 2016, to a total statewide value of \$16.8 billion.



EDUCATION AND HEALTH SERVICES:

This sector includes private-sector education, such as for-profit colleges, and all aspects of health care. While private postsecondary education faces challenges that might limit employment growth, the health-care sector is projected to continue to add jobs. In the Boulder Valley and Northern Colorado, major hospital and medical-related construction continues, with new hospitals under way in Broomfield and Longmont, along with various other expansions.



ENERGY:

Not a lot of good news exists for this sector, which will continue to shed jobs. Oil prices declined by 50 percent in 2015, resulting in state oil production value of from \$5.1 billion to \$5.6 billion, Leeds estimates. Natural-gas production is expected to range



FINANCE, INSURANCE AND REAL ESTATE:

Employment growth will be strong, at 2.6 percent in 2015, and 2016 looks to add 2,600 jobs statewide, to 159,900. Cost of housing will continue to be an issue, with low supplies of developed lots pushing residents away from cities such as Boulder and into smaller communities in Weld County, especially. Apartment vacancies, which have been at historic lows, could edge up as new supply comes on the market.



MANUFACTURING:

This sector has grown for the past five years and is expected to continue that trend in 2016, with employment expected to increase statewide by 2.7 percent, or 3,700 jobs, in 2015. Growth in 2016 should be positive, according to Leeds, with 2,200 jobs added, a 1.6 percent growth rate.



PROFESSIONAL AND BUSINESS SERVICES:

This is a broad sector that includes legal, engineering, computer and design services, advertising and many other subsectors. This is a very important sector along the Front Range, with Broomfield County recording the highest concentration of workers in the state, at 28 percent, Leeds estimates. Boulder County has 20 percent concentration in the sector. Leeds forecasts a growth rate of 3.9 percent for the sector in 2016.

Forecast, from 10

Oil slump hits Weld

But, if other statistical measures are a guide, Weld County's economic growth likely slowed in 2015, due largely to declining energy prices.

Weld County accounts for 86 percent of the state's oil production and 25 percent of its natural gas, according to Leeds. Although the region's diverse economy has helped it to absorb the impact of falling energy prices, the effect is being felt.

"I think we're seeing some slowdown in Weld in the last half of 2015," Shields said, pointing to recent Bureau of Labor Statistics data that showed Weld County ranking 243rd among 342 U.S. counties for job growth in the second quarter of 2015. That's a huge

drop from 2013 and 2014, when Weld led the nation in job growth.

Weld County's job growth increased at an annual rate of 1.1 percent in the second quarter, down from 5.2 percent in the first quarter of 2015.

Despite that decline, the economy largely has absorbed the shock, with energy-sector workers helping fill gaps in other sectors, including construction.

"Weld is doing well enough on some other things that have helped insulate the shock a little bit," Shields said.

Joshua Lindenstein and Doug Storum contributed to this report. Christopher Wood can be reached at 303-630-1942, 970-232-3133 or cwood@bizwestmedia.com.

Economic-forecast events slated for Boulder, Loveland

Two economic-forecast events will offer predictions for the Boulder Valley and Northern Colorado economies during January, with University of Colorado economist Richard Wobbekind keynoting both presentations.

Wobbekind, executive director of the Business Research Division and senior associate dean for academic programs at the University of Colorado Boulder, develops an annual consensus forecast of the Colorado

economy, performs economic-impact assessments and produces the quarterly Leeds Business Confidence Index for Colorado, in addition to being associate dean of the CU Leeds School of Business.

The Boulder Economic Council's "2016 Economic Forecast: Boulder and Beyond," to be held from 4 to 7 p.m., Wednesday, Jan. 13, at the University Center for Atmospheric Research's Center Green Auditorium, 3080 Center Green Drive in Boulder.

Wobbekind will deliver a keynote address about his outlook for the local, state and national economies. That speech will be followed by presentation of a 2016 policy forecast for Boulder.

BizWest is one of the sponsors of the event, which the economic council expects to draw more than 275 business, academic and community leaders.

Admission is \$45 for Boulder Chamber members, \$55 for the general public and \$65 at the door. Register at www.bouldereconomiccouncil.org.

Two weeks after the Boulder forecast, Wobbekind and experts in health care, banking, real estate, energy, innovation and startups will present insights for Northern Colorado's economy during BizWest's Economic Forecast luncheon in Loveland.

The luncheon will be from 11 a.m. to 1:30 p.m., Wednesday, Jan. 27, in the First National Bank Exhibition Hall at The Ranch, 5280 Arena Circle.

Special presentations include:

■ **Health Care:**

Roland Lyons, vice president – strategy, market expansion and network operations, Kaiser Permanente, Colorado;

■ **Banking:**

Jamie Hardy, senior vice president, manager – health-care banking, Guaranty Bank and Trust;

■ **Innovation and Startups:**

Kelly Peters, executive director, Warehouse Business Accelerator;

■ **Real Estate:**

Jessica Ostermick, director of research and analysis, CBRE – Colorado region; and Kyle Lundy, vice president senior adviser, CBRE – Northern Colorado.

Tickets are \$45 online through Friday, Jan. 8. \$50 beginning Jan. 9. \$55 at the door. Register at www.bizwest.com.

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Insurance can be complicated. To make the insurance buying process easier, partner with a local insurance broker or agent who specializes in commercial insurance. This should be a longer-term relationship with an insurance professional who you trust as your partner and advisor.

When partnering with an insurance broker or agent, the following insurance coverages are recommended to be included in your discussion:

- General Liability Insurance
- Property Insurance
- Workers' Compensation Insurance
- Errors and Omissions Insurance
- Automobile Insurance
- Directors and Officers Insurance
- Employment Practices Liability Insurance (EPLI)
- Disability and Health Insurance



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ACCOUNTING

Tax Planning: A Year-Round Adventure

While taxes are a hot topic at the beginning and end of the year, here are some items to consider with your qualified CPA throughout the year.

FIRST QUARTER: Quarterly estimates... should you use the safe harbor method, which piggybacks off of last year's liability? Is your income predictable enough to base your estimates off of this year's tax? Is your business cyclical and therefore the annualized income method is best?

SECOND QUARTER: Are you missing out on tax credits and deductions, such as the R&D credit, domestic production activities deduction, enterprise zone credits, work opportunity tax credits, and energy efficiency incentives, just to name a few?

THIRD QUARTER: Do you have a solid retirement plan? Are you able to defer as much taxable income as possible? When did you last explore the many different options available?

FOURTH QUARTER: Should you buy a new piece of equipment now or wait until January? Do you need a large deduction or would it be best to spread the depreciation over a number of years in anticipation of your business (and taxes) growing?



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Taking attendance

Private schools battle enrollment challenges

By Carol Wood

news@bizwestmedia.com

Independent private schools — those not operated directly by religious organizations — say they're bucking a trend seen nationally and locally of declining enrollment.

Overall private-school enrollment — measured as a percentage of the overall K-12 student population — declined throughout much of the Boulder Valley and Northern Colorado from 2009 to 2014, according to a BizWest analysis of American Community Survey data by the U.S. Census Bureau.

Boulder, Broomfield and Larimer counties all posted declines in the percentage of kindergarten-through-12th-grade students, with only Weld County recording a slight increase. In raw numbers, Weld County's private-school enrollment also declined during the period.

Broomfield County saw the largest decline in private-school enrollment — almost 5 percentage points — with a corresponding increase in public-school rolls. Boulder County posted a 1.3-percentage-point decrease in private-school attendance, while in Larimer County, it was 0.4 percentage points. In the same five-year period, however, Weld County had a half-percentage-point increase in private-school enrollment as a percentage of overall enrollment and a decrease in public-school attendance.

Lee Quinby, executive director of the Association of Colorado Independent Schools, said the 33 private schools his organization represents have not seen a decline in enrollment over the past few years. The ACIS accredits independent private schools such as Boulder Country Day School, Alexander Dawson School in Lafayette and Eagle Rock School in Estes Park. It does not include parochial schools such as those operated by the Archdiocese of Denver and other religious organizations.

"Enrollment in our independent private schools has gone up 1 to 2 percent year over year," Quinby said.

Indeed, John Suito, head of school at Boulder Country Day School, said that since the 2010-2011 school year, enrollment has climbed from 311 students to almost 350.

"A significant number of our fami-

Enrollment dips in private schools

Enrollment declined in private schools in Boulder, Broomfield and Larimer counties from 2009 to 2014 but increased in Weld County.

County	2009 total enrollment	2009 public enrollment	2009 percent in public	2009 private enrollment	2009 percent in private	2014 total enrollment	2014 public enrollment	2014 percent in public	2014 private enrollment	2014 percent in private
Boulder	45,689	41,349	90.50%	4,340	9.50%	47,374	43,489	91.80%	3,885	8.20%
Broomfield	10,060	9,104	86.50%	956	13.50%	11,335	10,406	91.40%	929	8.60%
Larimer	44,625	40,386	92.60%	4,239	7.40%	47,621	43,716	93.00%	3,905	7.00%
Weld	45,186	40,893	93.10%	4,293	6.90%	51,905	47,649	92.60%	4,256	7.40%

Source: U.S. Census Bureau, American Community Survey

"We are not only for families of wealth or means. Our goal is to make sure finances do not prevent anyone from our school."

John Suito, head of school, Boulder Country Day School

lies relocate from out of state," Suito said.

He added that parents choose independent private schools such as his because they can offer programs that public schools have difficulty funding. Also, class size and a focus on character education and development come into play.

"We are not only for families of wealth or means," Suito said. "Our goal is to make sure finances do not prevent anyone from our school."

Charter schools may be one of the biggest factors in public-school enrollment growth along the northern Front Range. Charter schools are tuition-free public schools open to all students, and while typically attached to a public school district, they have separate mandates and often focus on certain academic sectors. For example, some charter schools have an arts emphasis, and others may have a science or engineering focus.

"We're not ideologues, and have no animosity toward private schools. We just want really good schools for kids," said Nora Flood, president of the Colorado League of Charter Schools.

At ACIS, Quinby added that national data tracked by his organization shows there has been a nationwide trend in the past 10 years of a 10 percent drop in private-school enrollment and a 10 percent jump in charter-school attendance. Again, that drop appears to be primarily with private schools affiliated with religious organizations.

"In tracking the 10 percent decline, most was from Catholic and evangelical schools to charter," Quinby said. "There is a very intense movement to charter schools. Public schools have to really market themselves."

Quinby's assertions are backed up by a January 2013 analysis by the Census Bureau. "The Decline in Private School Enrollment," prepared by Stephanie Ewert of the bureau's Social, Economic and Housing Statistics Division, identified several reasons for declining private-school enrollment:

- Declining Catholic-school enrollment and school closures, brought on by changing demographics of the Catholic population and sex-abuse scandals.
- Economic conditions may have prompted some parents to shift their children from private schools to public.
- More parents are opting to homeschool their children. "If families who enroll children in private schools also seek schooling that radically differs from public schooling, then there might be underlying similarities between households that homeschool and those that send children to private schools," the report states.
- The growth of charter schools. "If parents perceive charter schools as an improvement over regular public schools, then some households that previously enrolled their children in private schools will change from private to charter schools," Ewert wrote.

Quinby noted that 40 percent of public-school students in Boulder go to non-neighborhood schools. And, he noted, some studies show that even if their child is not attending an independent private school, parents perceive those schools to be better at college prep, leadership development, and character development. Many are willing to pay for that.

While a representative was not immediately available, the Archdio-

cese of Denver has had to weather enrollment decline in some schools, leading to the pending closure of St. Louis School in Englewood at the end of the coming 2016 spring semester.

A fact sheet from the archdiocese related to the shuttering stated that the closure "has been impacted by several factors, not unlike hundreds of schools across the country that have had to close. The primary factors affecting the school's lack of viability are changing demographics, which has led to shortfalls in enrollment and the resources necessary for sustainability." Additionally, parish communities often have to make up the gap in tuition paid per student and the actual cost of educating that student. Such subsidies can run into thousands of dollars per enrollee.

However, the 2015 Financial Report from the Archdiocese of Denver shows the two high schools it runs are holding steady if not increasing in enrollment and tuition collection. That includes Holy Family High School in Broomfield.

While the private-school uptick in Weld County is difficult to account for, the county was one of the fastest-growing in the country in the past five years. That includes the surging communities of Dacono, Erie, Frederick, Firestone, Johnstown and Milliken. One theory is that families moving from larger cities to these towns may be accustomed to having their children in private schools, and continue to enroll them in the area private schools.

Nonetheless, the charter movement and strong Front Range school districts likely will continue to lure some families away from private.

"Charter schools are growing logarithmically," Colorado League of Charter Schools' Flood said. "Denver is the fastest-growing urban district in the country. Charters are helping that growth. Families know that they can demand a higher-quality school, whether it's public, charter or private."

Private schools serve parents seeking best fit for children

As parents continue to look for the right “fit” in a school for their children, they are increasingly turning to independent schools, including the 22 members of the Boulder Area Consortium of Independent Schools (BACIS). These schools are providing the right fit by providing a quality, individualized education to children of families who want more from what their current or neighborhood school can offer.

Research shows that the decision by parents as to where to send their children to school primarily is based on the perceived value they will receive. Independent School Management recently released a report that affirmed the three hallmarks that lead parents to choose a school: a safe, caring community, academic outcomes and well-defined guiding values, mission, and leadership.

Private schools enjoy independence from the highly structured curricula and extended testing found in public schools and are generally better able to challenge, support and meet the needs of each individual student. They strive to assure that each student reaches his or her own potential.

Whether you have a ‘gifted and talented’ student, a special-needs student or a student who just doesn’t thrive in a traditional setting, inde-



GUEST COLUMNISTS
MICHAEL GREENBERG AND COLLEEN KRUEGER



pendent schools such as those in BACIS are worth serious consideration. Smaller class sizes, outstanding education, strong communities and individualized approach, coupled with mission-driven educational programs, separate independent schools from public ones.

Area private schools offer a wide range of programs supporting classical, creative and differentiated learning — from experiential, expeditionary and exceptional to gifted; from Montessori to Waldorf structure; performing arts, and progressive to traditional college prep. What they all have in common is that they provide options that reflect the best fit for each student and a family’s personal values.

From preschool through high school, small class sizes assure that a student has a stronger educational experience and one that is personal within a community, and allow students the freedom to work collabora-

tively with — and care about — other students. They also allow teachers to better challenge and support children at their individual pace.

Most parents desire a school for their children that has a strong and effective curriculum, as well as committed and knowledgeable teachers. They generally prefer a school that challenges their children, inspires them to be successful, develops independent thinking and has the ability to open doors for them — whether it’s middle school, college or beyond. Most children in private schools perform above grade level.

The close friendships and strong teacher relationships that develop in most independent schools often last a lifetime, and are cited as having a significant impact on a child’s self-confidence and drive. Parents want schools that provide a safe environment, and one that builds character, teaches values, and supports children socially and emotionally as well as academically.

Individualized, or differentiated, education helps to assure that there is a plan in place to develop every aspect of each child’s needs. Individualized content or approaches help each student excel at the pace that is appropriate for them. In a smaller community, caring teachers and staff

are able to understand and support each student’s personal growth and development. No child slips through the cracks.

Parents are a child’s first teacher, and the staff at independent schools values and enhances those first lessons. Smaller school communities make it easier for staff and families to develop meaningful relationships. Independent school communities team with parents to work together to understand and to provide the best possible program for each student.

Most schools offer enrollment options throughout the year as well as competitive tuition and assistance packages. Many also offer fun educational summer programs.

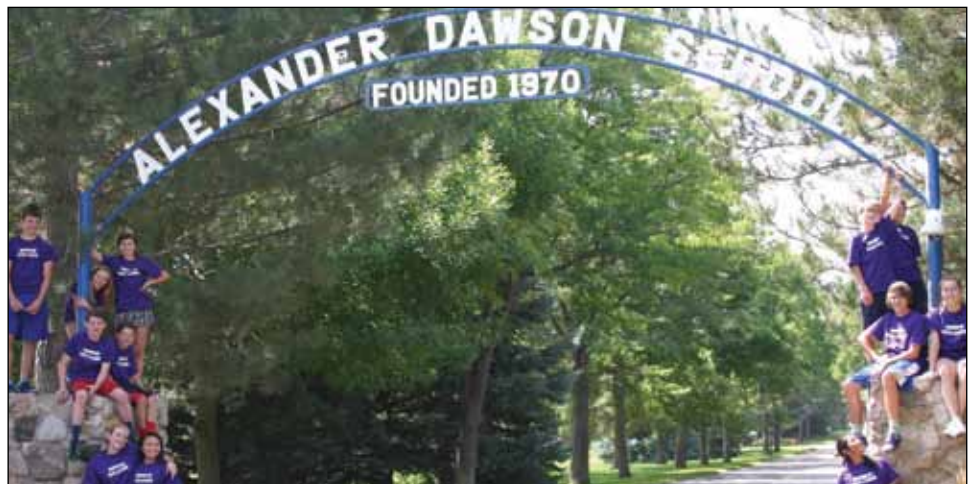
As you search for your child’s first or next school, take a look at Boulder-area private school options. Visit the BACIS website, www.bacis.org, to find a school that reflects your values, fits your child, and has a mission that speaks to you. Then schedule a visit and tour. No website or ad can reflect the character of a school more than during a one-on-one personal visit.

Colleen Krueger is director of marketing and communications at Mountain Shadows Montessori School. Michael Greenberg is director of operations at Broomfield Academy.

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Private Schools

Ranked by total enrollment 2015.

Rank	School name	Total Enrollment 2015 Preschoolers Grades taught	Teacher-student ratio Affiliation of school	Phone Website	Person in charge Title Year founded
1	Resurrection Christian School 6508 E. Crossroads Blvd Loveland, CO 80538	970 300 Preschool through 12th	1-25 Christian	970-612-0674 www.rcschool.org	Allen Howlett superintendent /pastor 1998
2	Holy Family High School 5195 W. 144th Ave. Broomfield, CO 80020	627 0 9 - 12th	20:1 Archdiocese of Denver	303-410-1411 www.holyfamilyhs.com	Matt Hauptly; Tim Gallic principals 1922
3	Dawson School 10455 Dawson Drive Lafayette, CO 80026	515 0 K-12	1:7 none	303-665-6679 www.dawsonschool.org	George Moore head of school 1970
4	Bal Swan Children's Center 1145 E. 13th Ave. Broomfield, CO 80020	474 330 Age 2 through Kindergarten, Summer to Age 12	1:4 up to age 3.5 and 1:7 age 3.5 and up Nonprofit	303-466-6308 www.balswan.org	Beverly Ferguson director of operations 1963
5	Nativity of Our Lord Catholic School 900 W. Midway Blvd. Broomfield, CO 80020	450 0 Kdg. - Eighth	1 :17 Catholic	303-466-4177 www.nool.us	Kathy Shadel principal 1963
6	Boulder Country Day School 4820 Nautilus Court Boulder, CO 80301	350 55 3 year olds - 8th grade	8:1 N/A	303-527-4931 www.bouldercountryday.org	John Sutor head of school 1988
7	Shining Mountain Waldorf School 999 Violet Ave. Boulder, CO 80304	320 35 Pre-K - 12th Grade	20:1 AWSNA, BACIS, ACIS	303-444-7697 http://shiningmountainwaldorf.org/	Jane Zeender school director 1983
8	St. Joseph Catholic School 127 N. Howes St. Fort Collins, CO 80521	236 50 Preschool - 8th Grade	1-20 Catholic Church	970-484-1171 www.stjosephschoolfortcollins.org	Sister Rose Mary Balappa principal 1926
9	Rocky Mountain Christian Academy 9447 Niwot Road Niwot, CO 80503	235 46 Preschool through 8th Grade	Preschool-1:6, K-8-1:15 Christian	303-652-9162 www.rmcaonline.org	Sylvia Robinson executive director/principal 1994
10	Primrose School of Longmont 1335 Dry Creek Drive Longmont, CO 80503	220 130 Infant-Private Kindergarten	varies by age None	303-774-1919 www.primroselongmont.com	Kim Bourgain; Jon Bourgain co-owners 2008
11	Jarrow Montessori School 3900 Orange Court Boulder, CO 80304	180 85 toddler-6th grade	1:10 American Montessori Society	303-443-0511 www.jarrow.org	Gavin Green director of admissions 1964
12	Friends' School 5465 Pennsylvania Ave. Boulder, CO 80303	172 62 Preschool-6th	1:7.5 Assoc. of Colo. Independent Schools, National Assoc. of Independent Schools	303-499-1999 www.FriendsSchoolBoulder.org	Steve de Beer head of school 1987
13	Campion Academy 300 32nd St. S.W. Loveland, CO 80537	135 0 9-12	8-1 Seventh-day Adventists	970-667-5592 www.campion.net	Donavan Reeder principal 1907
14	Bixby School 4760 Table Mesa Drive Boulder, CO 80305	105 34 PS-5	1/8 NAIS, BACIS, The Colorado Consortium of Schools for Gifted Learners	303-494-7508 www.bixbyschool.org	Nicholas Edgerton 1970
15	Mountain Shadows Montessori School 4154 63rd St. at Jay Road Boulder, CO 80301	80 45 12 Months-Sixth Grade	7:1 Association Montessori Internationale (AMI)	303-530-5353 www.mountainshadows.org	Ann Kasunich head of school 1976

Regions surveyed includes Boulder, Broomfield, Larimer and Weld counties.

Researched by Chad Collins

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BW REAL DEALS



Boulder Commons seeks net-zero status for complex

By Doug Storum

dstorum@bizwest.com

BOULDER — Developers of Boulder Commons are hoping the mixed-use project will achieve net-zero energy consumption by the time tenants start moving in during 2017.

Boulder Commons is a 100,000-square-foot mixed-use development located at 2440 and 2490 Junction Place, just north of the transit center at Boulder Junction in Boulder.

“Although this project delivers the most environmentally sustainable design in all of Boulder County, we refused to compromise on the amenities focused on comfort,” said Andrew Bush, principal with MCV Capital in Boulder, who developed the project in partnership with San Francisco-based New Island Capital. “Among other amenities, this property shall include a contemporary plaza, shared work environments, a restaurant and a 2,000-square-foot deck available to all tenants. Boulder Commons will completely redefine what it means to align commercial and community spaces.”

Shane Bohart, first vice-president at CBRE Agency Leasing Services in Boulder, who along with Lindsey McCabe and Katherine Mackintosh will be leasing agents for the property, said the project is revolutionary in design and function.

“Not only is it one of the first buildings in Colorado to try and achieve a net-zero energy consumption, but it also plans to work with tenants to reduce its demand load annually. We are right on the edge of achieving net zero and are even working with the restaurant tenant to only utilize elec-



RENDERINGS COURTESY MCV CAPITAL

Architectural renderings show Boulder Commons, a mixed-use development in Boulder slated to open in 2017. Developers are designing it to achieve net-zero energy consumption without foregoing amenities.

tric power consumption.”

Specialized solar panels will cover the roof and also line the wall of the east façade. In addition to high-efficiency electrical and plumbing systems, a variable refrigerant HVAC system will allow the building to condition based on actual needs of each space rather than heating or cooling the entire building.

The building envelope, which encompasses thermal windows, calculated window-to-glass ratios and architectural shades, is designed to reduce heat gain in the summer and prevent heat loss in the winter. The property will also include a mobility hub with designated car-share program parking spots, a bike-share program and electric-car charging stations.

The property will consist of two separate, three- to four-story buildings with ground-floor retail topped

by office space. The larger northern building will consist of 60,000 square feet and feature curated local art. Connected by a public plaza, the smaller southern building will total 40,000 square feet and include a lobby/lounge area and a classroom for training and meetings. The interior of the buildings will feature optimized natural light exposure, access to outdoor deck areas and open floor plans that can accommodate tenants up to 18,000 square feet per floor. Courtyards, a coffee shop, on-site restaurant and lobby/common areas will create spaces for tenants to gather and interact.

The first occupants will move in February 2017, with the entire project slated to be complete in summer 2017.

Doug Storum can be reached at 303-630-1959, 970-416-7369 or dstorum@bizwestmedia.com.

PROPERTY LINE

Spanos Corp. buys Interlocken land for apartments, townhomes

BROOMFIELD — Spanos Corp. has paid \$7 million for 11 acres of vacant land in the Interlocken Advanced Technology Environment, a business park in Broomfield, where it plans to build apartments and townhomes.

Spanos Corp., a subsidiary of Stockton, Calif.-based A.G. Spanos Cos., bought the land from JP Colorado Land LLLP, according to public records.

The vacant land is at the northwest corner of Interlocken and Eldorado boulevards within the 963-acre park.

The Broomfield city council in October approved plans for the Eldorado Apartments at Interlocken — a 311-unit multi-family residential development on 11.02 acres.

Lex Economou, executive vice president for Spanos Corp., said the company hopes to begin construction this summer.

The residential units would be divided between a single, four-story apartment building with 265 units stacked above a two-story common garage, and 46 rental townhomes with individual garages attached to each unit.

The family-owned A.G. Spanos Cos. is building the Gateway, a 254-unit apartment complex in the 2534 development in Johnstown, and the Enclave, a 470-unit complex in Parker. It recently completed Element 47, an apartment complex in Denver.

In 2010, the company completed the 297-unit Catania Apartments at 3585 Via Varra in Broomfield, north of Interlocken.

Capstone acquires 30 acres in Fort Collins for student housing

FORT COLLINS — Capstone Collegiate Communities LLC in December closed on the \$2.1 million purchase of approximately 30 acres of land in northeast Fort Collins, where it has plans to build housing for students.

Birmingham, Ala.-based Capstone paid \$1.4 million for three parcels totaling 14 acres along Lincoln Avenue from three sellers: Fort Collins Business Center One, Fort Collins Business Center Two and Nancy Keil in one deal, and paid \$1.8 million for another 16 acres, purchasing the property from North Valley Bank, which had owned the land for some time. Both deals closed Dec. 23.

Capstone has submitted plans to build 201 cottage-style houses on 24.8 acres of land at the northeast corner of Lincoln and Lemay avenues.

REIT pays \$84.5M for apartment complexes in Northern Colorado

LOVELAND — Steadfast Apartment REIT, an affiliate of Irvine, Calif.-based Steadfast Cos., acquired two apartment complexes in Northern Colorado during December.

Steadfast paid \$44.2 million for the 222-unit PeakView by Horseshoe Lake at 341 E. Knobcone Drive in Loveland, and \$40.3 million for the 224-unit PeakView at T-Bone Ranch apartment complex at 4750 W. 29th St. in Greeley, according to public records.

Steadfast purchased the properties from the entities BFN-Loveland LLC and BFN-Greeley LLC, both registered to John Buckley of Denver, according to the Secretary of State's office.

Both complexes were built in 2002.

2016 Boulder Valley forecast bright for home sellers

The real-estate market in 2015 was marked by tight inventory, low interest rates and price appreciation in nearly all housing segments. The final statistics are still being tallied for 2015, so let us take a look at what to expect for 2016:

Interest rates

As was widely predicted, the Federal Reserve Board did indeed raise interest rates by 0.25 percent. Somewhat surprisingly, this did not correlate into an immediate and commensurate rise in mortgage rates. Nevertheless, this move by the Fed signals its belief that the market is improving and the consensus among experts is that rates will continue to rise throughout the year.

So, what does this mean for Boulder Valley? Given the unique factors that comprise our market, rising rates will likely cut several ways. First, as rates go up, purchasing power goes down, and this will spur some home buyers to act more urgently to get into a home and lock in a mortgage before rates go



RESIDENTIAL REAL ESTATE
JAY KALINSKI

up further. Second, the decreased purchasing power may cause some home buyers to look further east and north in Boulder and Broomfield counties, where home prices are comparatively more affordable. Finally, some home buyers will likely become discouraged or simply unable to qualify to purchase a home and will be forced to continue renting. The net effect of this will likely be increased competition at the more affordable end of the market, particularly in Longmont, Lafayette, Erie, and the northern part of Broomfield.

Resale market

The resale market in 2015 was one of the strongest seller's markets we have seen this decade, with a meager 2.3 months of inventory of homes on the market at the close of November (a balanced market is five to seven months of inventory, with anything less being a seller's market). A large contributing factor to this was the extremely low inventory of homes on the market in 2015. For example, in July 2006 in Boulder County, there were more than 2,700 single-family homes for sale; in July 2015, there were fewer than 1,000. This led to strong home price appreciation throughout almost all of Boulder and Broomfield coun-

Even with interest rates rising, the overwhelming buyer demand is expected continue in Boulder Valley because of an increasing number of family formations, population increase and extremely strong job market, to name just a few.

ties and fierce competition among buyers. In the City of Boulder, from 2009 through September 2015, the average home rose from \$642,606 to a staggering \$956,807. In fact, the two least expensive single-family homes on the market in the city of Boulder are currently listed at \$599,000 and \$650,000, respectively.

For 2016, the inventory of resale homes on the market is predicted to be extremely low again, possibly even lower than 2015. There are myriad reasons for this lack of inventory, including the fact that people are staying in their homes longer on average and sellers are finding it difficult to sell and "move up" because of the robust home price appreciation our market has

experienced. Even with interest rates rising, the overwhelming buyer demand is expected continue in Boulder Valley because of an increasing number of family formations, population increase and extremely strong job market, to name just a few.

A word on new homes

A rising market like this would normally be prime time for builders and mean a fresh supply of homes for hopeful buyers. While somewhat true in our area, housing starts lag behind demand, and it can take twice as long to deliver a new home than it did before the Great Recession. This is caused by several factors, including a lack of skilled tradespeople and inadequacy of lots available for builders to begin building on.

Conclusion

When these factors are combined, it becomes evident that 2016 will be a great year to list your home if you are ready to sell, but buyers will continue to be challenged by a lack of inventory, increasing mortgage rates and strong competition from other would-be buyers.

Jay Kalinski is broker-owner of Re/Max of Boulder.

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Boulder teen launches smart-gun crowdfunding

By Joshua Lindenstein

jilindenstein@bizwestmedia.com

BOULDER — A Boulder teenager in December launched an Indiegogo crowdfunding campaign in hopes of raising the \$72,000 needed to design and build a live-firing version of his “smart-gun” prototype that he’s been developing for the past three years.

Eighteen-year-old Kai Kloepfer’s smart gun employs a fingerprint sensor and encryption technology to prevent anyone who isn’t designated as a user of that firearm from firing it. Kloepfer’s hope is to prevent accidental shootings, thefts, suicides and other wrongful uses of firearms. That includes preventing use by children who might find an unsecured gun in their home or people who simply aren’t trained to use a particular weapon.

Up to this point, Kloepfer has been developing his technology — the locking systems, user recognition and other functions — on a 3-D printed plastic model.

Kloepfer, who graduated from Fairview High School in May, first gained notoriety last year after winning a \$50,000 grant from the Smart Tech Challenges Foundation to develop his technology. He said he’s worked through most of that money and is raising the additional funds to keep the project moving forward.

Kloepfer’s crowdfunding campaign began at 7 a.m. Wednesday. As of early afternoon, five backers had contributed \$2,273 to the effort. The Smart Tech Challenges Foundation has pledged to match the first \$10,000 raised on a dollar-for-dollar basis.

On the campaign page, Kloepfer notes that \$72,000 would help him get a live-firing prototype built, working with VisionWorks Engineering in San Diego. But he also notes that \$150,000 would allow him to build and test the original prototype as well as build a second version to fix issues with the initial design. With \$5 million, the site notes, Kloepfer believes he could produce a smart gun to “manufacturable tolerances and specifications” and create the manufacturing processes needed to



KLOEPFER



COURTESY KAI KLOEPFER

Boulder 18-year-old Kai Kloepfer is developing a smart gun that includes a fingerprint sensor that prevents unauthorized users from firing the gun.

“It needs to be affordable to the point where people want the safety feature and can afford it. Otherwise, it’s a waste of time.”

Kai Kloepfer

get the guns to consumers.

When a user grips Kloepfer’s gun, the gun reads the user’s fingerprint and compares it against a list of authorized users stored inside the gun. If it matches, the gun unlocks within one second. It locks in about half that time once the grip is released so that someone else can’t use it.

Kloepfer began working on the gun as a science fair project when he was 15. Inspired initially by the Aurora theater shooting to do a project that could reduce mass shootings, Kloepfer pivoted to the idea of reducing the thousands of accidental and suicide shootings each year in the United States.

“In most situations, a gun user doesn’t want to cause harm,” he said. “That means it’s an engineering challenge.”

Kloepfer, who has spent about

\$54,000 in all on the project to date, is taking a year off from school to develop the gun before enrolling at Massachusetts Institute of Technology next fall. With full funding, he said he believes he could have the gun to market in 12 to 18 months. His target price range is around \$750, more than the average handgun but not astronomical.

“It needs to be affordable to the point where people want the safety feature and can afford it,” Kloepfer said. “Otherwise, it’s a waste of time.”

Kloepfer is starting with handguns, but said the technology would also be applicable to long guns down the road. His intent is to manufacture and sell the guns directly rather than partnering with an established manufacturer or licensing the technology.

Smart-gun technology isn’t new, but such guns aren’t yet sold in the United States due to heavy lobbying by gun-control opponents. Kloepfer said he believes firearm manufacturers are cautious about pioneering such technology due to the political risks that might be involved.

“They’re going to need to see someone prove the technology works,” Kloepfer said.

Joshua Lindenstein can be reached at 303-630-1943, 970-416-7343 or jilindenstein@bizwestmedia.com. Follow him on Twitter at @joshlindenstein

STARTINGLINE

Accelerator announces 3rd class of nonprofits

LONGMONT — Officials for the Colorado Nonprofit Social Enterprise Exchange have announced the third class of nonprofits that soon will start building businesses with assistance from the accelerator. The Exchange is a joint project run by Longmont-based interSector Partners L3C, a consulting company that works with nonprofits and socially purposed businesses, and Denver-based JVoiles Nonprofit Consulting. The Exchange operates like a startup accelerator, helping nonprofits launch businesses that create jobs for the communities that they serve and/or sustainable revenue streams to help support their missions. As an example, a nonprofit with a mission of helping homeless people might launch a coffee shop that both employs some of the people it serves as well as providing funding for the nonprofit. Rather than taking an equity stake in the companies that are formed like in a startup accelerator, charitable foundations fund roughly two-thirds of the cost of the program while the nonprofits also pay a fee to participate in The Exchange. The two-year program takes in a new class each year, helping them with business plans, strategy and fundraising. Seventeen nonprofits have taken part in the first two classes, raising \$1.5 million toward their business startup costs and creating 21 new jobs. The Exchange is run out of the Denver Community Credit Union and Mile High United Way, and so far has served nonprofits mostly in the Denver and Colorado Springs areas. The four nonprofits in the new class include Denver-based Colorado Youth Matter and Work Options for Women, Castle Rock-based The Crisis Center and Aurora-based Arc of Aurora.

Enemy Tree moves HQ to Longmont

LONGMONT — Enemy Tree LLC, a tech startup that launched its first mobile application in November, has moved its headquarters from California’s Silicon Valley to Longmont, with plans of tapping into the local talent pool to grow the business. Enemy Tree’s first product is Mosaiscope, a news aggregation app that allows users to follow any news site or blog with an RSS feed, as well as specific news topics of their choice. The app currently is free and available on iOS, although an Android version is on the way soon. Premium features will be launched in coming months with a fee-based version of the app. Enemy Tree has three employees, including founder John Rokos and a pair of developers. Rokos recently moved his family from California to Longmont, while the developers are based in Wisconsin. But Rokos said in a phone interview Tuesday that the plan is to begin hiring and building the team locally in roughly six months once the premium features are up and running and revenue starts coming in. Rokos said affordability and the outdoor lifestyle were big, as well as the talent pool and Longmont’s NextLight broadband Internet service that is in the process of bringing 1-gigabit speeds to the entire city. While he’s running the company out of his home, he said his intent is to open an office in Longmont within the next year or so. “All roads seemed to point to this area,” Rokos said. “One thing after the other makes this a really incredible place to relocate your business.”

Success and the (Legend of the) Dutch Bicyclist

The plane sped from San Francisco to Heathrow and on to Amsterdam's Schiphol airport. My luggage seemed to enjoy London — it stayed. When our work with Andersen Consulting (Accenture) ended, I still wore the slacks from the plane but sported a spiffy Andersen-logged T-shirt.

Still waiting for my luggage to arrive in Zeist, the perfectly mannered hotel clerk graciously loaned me one of the upright, fat-tire bikes to ride west about nine kilometers to the neighboring town of Utrecht. Already salivating, I pictured a luscious Dutch beer in an over-sized stein. I'd deal with the six mile return trip later.

There's wisdom in travel. A Google search can't compare to a live, insightful experience. This embarrassing situation in the Netherlands taught me how to calm down and adapt for success. Working faster or harder just won't cut it. Hard work is good; hard thinking is brilliant.

That beer and the town of Utrecht have both faded from

memory. I'll always remember the ride to get there and how it confirmed what a friend recounted years earlier. We both worked in Mountain View, California, where his firm financed companies in Silicon Valley. He smiled and shook his head at my question about hard work crowning the winners and laziness branding the losers. Working nights, weekends and skipping vacations, he said, had nothing to do with anointing eventual winners — "everyone works hard," he emphasized.

The bike bounced and bobbed on semi-inflated tires as I clutched the old-style handlebars. Like a lumbering semi-truck, my upright body caught and blocked the wind. I hunkered down and pedaled. Spotting a woman up ahead also pedaling, I recalled vague knowledge about the Dutch people — averaging six feet tall and simply monsters on the bicycle. One brow-raising tidbit reported more bicycles than people in Amsterdam. Well, I wasn't in Amsterdam, but I thought I'd test this, Legend of the Dutch bicyclist.

Wondering if I was still an athlete, I called upon my former gymnastics and cycling days as I pushed harder. The slacks moistened and clung to my straining legs as the

After paying my consulting rate, executives and top managers often miss the presentation of results or the training session on retaining their employees — too busy pedaling as fast as they can.

Andersen shirt filled with sweat. This woman was good. Her large leather coat and side bags full of groceries hardly slowed her down. She hit a red light and I began to close the gap, thinking I was still the man. Green — and she was off again — without me. Too far back to hear actual sounds, she looked like she was casually whistling a tune. My pride quickened as my body sucked up more testosterone and pedaled even harder. The pants were a mess, and the shirt was drenched. My lungs ached.

This day taught me a lesson. Every hospital, university and startup boasts that they're pedaling as fast as they can, winning awards,

updating salary packages and pitching for more money — pre-written press releases at the ready. After paying my consulting rate, executives and top managers often miss the presentation of results or the training session on retaining their employees — too busy pedaling as fast as they can. I'm guilty of the same excuse, hurriedly trying to manhandle my success — shiny pedals fly, whiz and blur, but results don't always materialize.

I never caught that woman. Another red light and a desperate, lurching sprint got me close enough to hear the rumbling, vibrating sounds of a motor echoing around her coat and groceries — the thing was gas-powered. I was racing a motorcycle in work slacks on a borrowed bicycle.

Finally, I realized that success in business would never come from mindless, fast pedaling but from finding the right engine. After the beer came a slow ride back to the Zeist hotel to return the bike, claim my luggage, and head to the next job.

Rick Griggs is the inventor of the rolestorming creativity tool and founder of the Quid Novi Innovation conference. rick@griggsachieve.com or 970-690-7327.



INNOVATION
RICK GRIGGS



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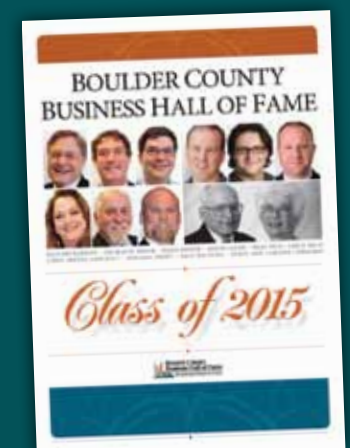
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Contact Chris Wood at 303-630-1942 or
cwood@bizwestmedia.com, for nomination or sponsorship information.

Keep best people by treating them like adults

A shift is occurring. The past paradigm of work was one in which employees were thankful to have a job at a company that would provide the basic needs for them and their families. If they were lucky, they could look forward to retirement or a pension.

It's not so simple at the modern workplace. The term work/life balance is not as relevant as the concept of work/life integration. Employees are not content to grin and bear it as they trudge to work every day to "make a living." The expectation is that the work day is

as engaging as the personal time in a day.

Here are the signs of the shift to treating staff like grownups:

Paid time off: Many companies are adopting the policy of unlimited paid time off. At first glance, this concept is frightening. Visions of two-month holidays in the Caribbean for salaried employees fill the minds of managers. The reality is



WORK/LIFE
SHAUN OSHMAN

nowhere near. If people are doing the job they truly love, they will want to be there as often as possible to grow their career. In addition, if an employee's value is being measured by performance and not physical presence, this fits.

With mobile technology, employees can be productive no matter where they are. If they take time off but do not get their jobs done, then it's time for an adult conversation about responsibility.

This also avoids the year-end rush to use up the time in the bank before it expires. Companies as

With mobile technology, employees can be productive no matter where they are. If they take time off but do not get their jobs done, then it's time for an adult conversation about responsibility.

large as GE have gone down this path. During the cold season, employees feel better about staying home to heal, resulting in less spreading of disease and quicker recovery. As an employee, it feels good to be trusted. If it is truly a hangover, be open about it. We've all been there.

Flex time: Telecommuting is not new. The mobile workforce is growing as we are gaining the skills required to be effective on the go. Some people work best at 5 a.m. Others are night owls. This allows them to work when they are most effective. Efficiency is increased if an employee can work the rest of the day in another city after a meeting to spend less time in traffic.

Food and drinks: The kegerator is an all-too-common sight in startups and now more traditional offices. Technically speaking, an employee has the power to pour a pint at 9 a.m. Is this a good idea? Will they have a job if they are drunk by noon from drinking at the work tap? Unlikely. If an employee lives off the snacks in the company office, that will also be strange. Grownups know when to drink and how to respect the office snacks. Steady blood sugar levels result in lower stress and higher energy on the team. If staff feel cared for, they will care for the business.

On the other side of this coin is the concept of responsibility. Grownups are responsible for their actions. Therefore, if action is out of line with the expectation, then the conversation is easy. Every action has a consequence and grownups understand this. As a leader, this makes those hard conversations far easier when it comes to disciplining employees.

This movement could be considered the democratization of the workplace. Gone are the days of benevolent dictatorships running offices. People need to feel appreciated, challenged and trusted. If they are not, they will find a place where they get that. Keep the best people. Treat them like grownups.

Shaun Oshman is founder and chief executive of iSupportU in Boulder. He can be reached at 303-630-9974 or shaun@isupportu.biz.

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Structure family business wisely to aid succession

Business owners have a lot to think about: product and service development, human resources, marketing, and sales. Maintaining the right business entity structure may not be high on the list and, even when it is addressed, may not be something to which business owners devote a lot of future-oriented thought. But choices business owners make about the structure of their businesses could have important consequences down the road.

In particular, when mature owners decide to retire, there could be complications as they try to pass their companies, parts of their companies, or the business value of them on to their children. All individuals impacted by a family business transition should consider the opportunities and challenges related to entity structure, how owners can overcome them, and the best ways to avoid them in the first place.

The benefit of thinking ahead

The following client example illustrates how the choice of entity structure can have a real impact on succession:

The founder of a company had two children, both of whom had aptitude for and interest in the business. Upon becoming shareholders in the company, the children, then in their early 20s, received dividends equal to those received by the founder. For the founder, the value of his dividends were needed to cover taxes, while, for the children, only half of the value was needed for taxes. Thus, the children ended up with large amounts of cash much earlier than the founder expected or would have chosen.

This situation resulted from having an S-corporation structure, which requires that distributions be paid out on a pro-rata basis. While a partnership structure would have allowed more flexibility in how distributions were paid, the founder didn't know what the future held when setting up the business. Because the business transition had been put into motion before the structure could be changed, it was critically important that the children received professional advice on wealth management to ensure they managed the distributions wisely.

Another factor strategic owners should consider ahead of time is future company control as in this example:

A couple that founded a company was ready to start thinking about retirement and wanted to transition value to their children yet continue to maintain control over the company. The solution was to set up voting and nonvoting stock; the children got the financial benefits of nonvoting stock, while the couple



THE BOTTOM LINE
MIKE GRELL AND BRENT HENDRICKS

maintained control with voting stock.

While most situations can be similarly resolved, it is ideal to initially set up a structure that covers likely future scenarios.

Advice for business owners

This means business owners are faced with a challenge not only at startup, but also at various decision points afterward. When thinking about the future of a business, owners should ask themselves some fundamental questions about their visions:

- Do I eventually want the company to go public?
- Will I be trying to raise money for the business?
- Will I want to distribute shares/ownership to family or nonfamily members?

If the answer to all of these questions is "no," then an S-corporation arrangement may be the best entity

Determination of entity structure might not be top of mind for entrepreneurs and executives with rapidly growing family businesses. However, because of possible future repercussions, it's something company leaders should take the time to consider regularly.

structure. Although it can be less flexible, it's very simple to operate tax wise, and there may be no reason for business owners to subject themselves to the potential complexities of a partnership. However, a partnership may be a better alternative and may make life easier down the road if these scenarios are likely to come up and if flexibility is important.

Once the appropriate entity structure is in place, business owners should review it upon any of the following events:

- When the company is looking for financing.
- When the company is considering acquisition to grow.
- When the company expands into a new geographic location (especially overseas).
- When the company is going through a difficult time.
- When owners want to retire or transition.

Determination of entity structure might not be top of mind for entrepreneurs and executives with rapidly growing family businesses. However, because of possible future repercussions, it's something company leaders should take the time to consider regularly. In particular, when owners plan to pass the business on to the next generation, the company's structure could limit how it gets done. There's no one right structure for every company, so business owners should think carefully about the future and examine options for the best ways to accomplish their business and personal goals.

The important thing to remember is that it's never too late to address this issue, and there are always solutions available.

Mike Grell and Brent Hendricks are partners with EKS&H. Contact Grell at 970-282-5400 or mgrell@eksh.com.

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Teach your clients how to give strong referrals

Has this ever happened to you: You or your salespeople got a referral to call someone, and when you called, that person did not know you were going to call and really had no interest? Many salespeople are confused as to what really is a referral. A referral is not a recommendation to call someone “and you can use my name” or a list of names and telephone numbers from your networking buddy. What is a real referral? It’s when someone

has referred you to someone else, and that person knows and wants you to call them. The prospect is EXPECTING your call! Anything less is just one step above a call cold.

There are essentially three levels of referrals. Level one, and the least desirable, is when your client says



SALES SMARTS
BOB BOLAK

“Anna, you should call my friend Frank, he would be a good prospect for you.” We call this a “cold referral” because it is essentially a cold call and your likelihood of having a meaningful conversation with that prospect is very low.

The next level referral is a “warm referral.” The referral warms up when your prospect says: “Anna, my friend Frank owns a widget company. I saw him at an event last week, and I told him about the great work you and your company

You can see how powerful this kind of referral meeting could be when your client is extolling the virtues of working with you and your company with her/his friend AND you sitting across the table. With a hot referral, you’ll typically see an abnormally high closing ratio and be glad you took the extra time to coach your client on how to make the referral introduction.

were doing for us and asked if he would be interested in speaking with you. He said that he would, so I’ll put the two of you together in an email. Let me know if I can help in any other way.” Notice that your client has helped to qualify interest on the part of the referral prospect and has offered to make an email introduction to confirm that the prospect will be expecting your call.

The third and highest level of referral is the “hot referral.” In this instance, the prospect will actually get together with you AND her/his referral prospect and be part of the introduction visit. Often times, this might be over lunch or even at your client’s business. You can see how powerful this kind of referral meeting could be when your client is extolling the virtues of working with you and your company with her/his friend AND you sitting across the table. With a hot referral, you’ll typically see an abnormally high closing ratio and be glad you took the extra time to coach your client on how to make the referral introduction.

Our clients train not only their salespeople, but all of their staff to teach their clients how to set up the referral properly, so you’re not met with confusion or rejection when you call.

At the end of the day, if you’re doing a great job for your customers and clients they will actually WANT to refer business to you — it makes them feel good. Unfortunately, most clients don’t have any training on how to do this in the most productive and powerful way, so it’s up to us to teach them.

Bob Bolak is president of Sandler Training. Contact him at bbolak@sandler.com.

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PAVLOVICH

Broomfield-based MWH Constructors, a wholly owned subsidiary of MWH Global, elected three employees to senior vice president and five to vice president in November. Five of the eight are based in Broomfield. **Stephen Garson**, named senior vice president and chief of staff, joined MWH in 2002 as construction segment finance director after having held varying roles in finance and accounting in the United States and United Kingdom. He has a bachelor's degree in accounting and business law from the University of Stirling. **John Cevaal**, named senior vice president and district director for special projects, has more than 32 years of experience in the design and construction of wet infrastructure projects throughout the United States. He holds a bachelor's degrees in civil engineering from the Colorado School of Mines and Calvin College. **Richard Lewis**, named senior vice president and business development director, has more than 40 years of alternative project delivery experience. He has a bachelor's degree in education from Northwestern Louisiana State University. **Michael Pavlovich**, named vice president, director of contracts and commercial risk manager, has 12



FURNISS

years of experience assisting clients with managing and mitigating risk and claims on major construction and design projects nationwide. He holds a bachelor's degree from the University of Utah and a J.D. from the Marshall-Wythe School of Law at the College of William and Mary. **Brian Furniss**, named vice president and commercial claims manager, is principal co-author of "Construction Delays: Understanding Them Clearly, Analyzing Them Correctly." He has a bachelor's degree in industrial engineering from the University of Central Florida.

BANKING, FINANCE

Marcelo Fernandez became a teller at High Plains Bank. A Chicago transplant who has lived and worked in Longmont since 2007, he owns KCP Art Gallery and Working Art Studio in downtown Longmont and serves on the board of directors for Arts Longmont and the Open Door Fund with the Community Foundation serving Boulder County.

Zachary Cole became a chartered financial analyst at Sargent Bickham Lagudis LLC in Boulder.

Sam Skipworth became a loan officer for Citywide Home Loans in Fort Collins.



COLE

ENERGY

Lynn Peterson, president of Platteville-based Synergy Resources Corp. (NYSE: SYRG), was named chief executive of the company whose oil and gas exploration and production efforts focus on the Denver-Julesburg Basin's Wattenberg field. Effective Jan. 1, Peterson replaced Synergy's co-CEOs, Ed Holloway and William Scaff, who stepped down from their executive positions on Dec. 31 but will remain on the board of directors and advise Peterson through May 31. Before joining Synergy, Peterson co-founded Kodiak Oil & Gas Corp. and served as its CEO.

GOVERNMENT

Jeff Green, Larimer County risk manager, was appointed to Gov. John Hickenlooper's Special Funds Board for Worker's Compensation Self Insurers.

FOOD AND BEVERAGE

Chea Franz will be in charge of planning and developing all marketing strategies, communications and public relations at Fort Collins Brewery.



FRANZ

HEALTH CARE

Keith Lightfoot was named director of human resources at Encompass Medical Partners in Fort Collins. He received a bachelor's degree in business administration from Kansas State University and his law degree from the University of Kansas. Lightfoot has more than 20 years of health-care human resources experience.



LIGHTFOOT

Longmont United Hospital and Centura Health Physician Group welcomed several new physicians. **Andrea Boedecker, D.O.**, is a board-eligible general surgeon with fellowship training in minimally invasive and robotic surgery. She began her medical school career at Kansas City University of Medicine and Biosciences before being accepted to her general-surgery residency at Franciscan Saint James in Illinois. She completed a fellowship in advanced gastrointestinal and minimally invasive surgery with Lifebridge Health in Baltimore. **George W. Chaus, M.D.**, is a board-eligible orthopedic surgeon who specializes primarily in orthopedic trauma and fracture care. Chaus joined Front Range Orthopedics and Spine after completing an AO orthopedic trauma fellowship at Harvard University. He previously completed his residency at the University of Colorado. **Ali Masud, M.D.**, is a board-certified physician in internal medicine and cardiology, and also holds certifications in nuclear cardiology and echocardiography. He attended medical school at King Edward Medical College in Pakistan and completed a post-doctoral research fellowship in pediatrics and immunobiology at Yale University School of Medicine before completing his residency at the University of Pittsburgh Medical Center. He then completed a clinical fellowship in cardiovascular disease at Montefiore Medical

Center and a fellowship in interventional cardiology at Westchester Medical Center in New York. **Elliott M. Morris, M.D.**, is a board-certified physician in internal medicine and gastroenterology. He completed a biomedical program at Rensselaer Polytechnic Institute and Albany Medical College, and completed his residency for internal medicine at the University of New Mexico Medical Center. He completed a fellowship at the Duke University Medical Center.

Brian J. Pottorf, M.D., is a board-certified general surgeon who received his medical training from the University Of Illinois College Of Medicine in Chicago and completed his general surgery residency at Exemplar Saint Joseph Hospital in Denver. **Gerlinde S. Tynan, M.D.**, is a board-certified general surgeon specializing in breast surgery. She attended the University of Washington School of Medicine before completing her general-surgery residency at the University of Arizona.

HIGH TECH

Jeff Anderson was named director of marketing and customer service at H&H Data Services of Fort Collins. He has nearly 30 years of experience in customer service for government agencies and private industry, as well as marketing expertise in the real estate industry. He holds a bachelor's degree in journalism and speech communications from the University of Northern Colorado.



ANDERSON

Daniel Wilbricht was named senior director of federal sales at Boulder-based LogRhythm, a security intelligence company. He previously was senior director of Department of Defense and national security programs at Dell and regional manager for intelligence programs for the public sector group at Red Hat. Wilbricht graduated from Virginia Polytechnic Institute and State University in Blacksburg, Va.

Deadline to submit items for On the Job is three weeks prior to publication of each biweekly issue. Mail to Editor, BizWest Media LLC, 1790 30th St., Suite 300, Boulder, CO 80301; or email to news@bizwestmedia.com with On the Job in the subject line.

TIME OUT



COURTESY UNITED WAY OF WELD COUNTY

Jeannine Truswell, United Way of Weld County president and chief executive, right, congratulates car voucher winner **Alicia Loschen** at Texas Roadhouse in Greeley. Eleven United Way of Weld County donors were finalists in the drawing.



COURTESY GREELEY CHAMBER OF COMMERCE

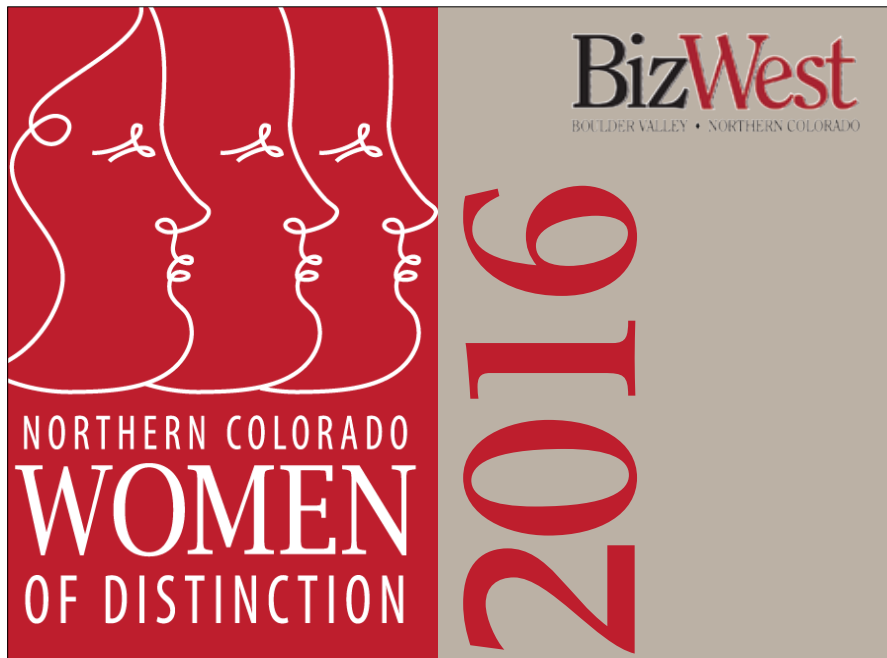
Drs. Corey Coombs and **Robert "Bert" Lamb** celebrate the opening of **Braces U Orthodontics** at 5100 W. 20th St., Suite B, in Greeley with their staff members and Greeley Chamber of Commerce ambassadors on Nov. 12.



COURTESY TOWN OF FIRESTONE

Halliburton's Fort Lupton operations present a \$10,000 check to the **Carbon Valley Santa Cops** program on Dec. 8, to be shared between the Firestone, Frederick and Dacono police departments. The program provides toys and warm winter clothing for children who may not otherwise have a gift under the tree. The funds were raised from sponsorship proceeds from the 22nd annual Halliburton Charity Golf Tournament, held in Houston in October. From left at the Dec. 8 event: **Thomas Johnson**, Halliburton district manager; **Angela Gahnstrom**, Firestone community service officer; **Lyndsey Steele**, Dacono community service officer; **Michelle Powers**, Firestone community service officer; **Amy Jimenez**, senior human resources operations partner for Halliburton; and **Brandon Baker**, Halliburton assistant district manager. , Halliburton.

Email your event photos to: Dallas Heltzell, dheltzell@bizwestmedia.com. Include complete identification of individuals.



In 2016, Northern Colorado Women of Distinction — women committed to our community and who exemplify the best of success — will be honored at a breakfast event on Wednesday, April 13, 2016.

Ten women and an outstanding mentor, who live and work in Larimer and Weld counties, will be honored for their achievements in business, philanthropic and government organizations.

Call for Nominations

Nomination forms available at WOD.bizwestmedia.com

Do you know a woman who's an exceptional business or community leader? Nominate her for the eighth annual Women of Distinction awards! Complete nominations at WOD.bizwestmedia.com, or mail them to Women of Distinction, BizWest, P.O. Box 270810, Fort Collins, CO 80527.

Nominations are due by Wednesday, February 24, 2016.

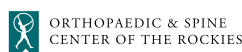
For more information about nominations please contact:
Sandy Powell | spowell@bizwestmedia.com | 970-232-3144

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BRIEF CASE

BRIEFS

Seventeen Colorado-based semifinalists have been announced for the seventh annual **Monfort College of Business Entrepreneurial Challenge** at the **University of Northern Colorado** — along with the six business leaders who will judge them. The event, sponsored by **BizWest**, **KUSA-TV Channel 9** and **Colorado Lending Source**, is an opportunity for aspiring entrepreneurs to get exposure and compete for \$50,000 in prize money to help bring their business ideas to fruition. The semifinalists will present their business concepts on Jan. 21 at the UNC University Center in Greeley. Following the semifinals, five finalists will be chosen to compete for a total of \$50,000 in prize money and the opportunity to present their business plans to a panel of judges on March 29 in a "Shark Tank" format at the KUSA-TV studios in Denver. The finals will be televised at a later date by 9News' sister station, KTVD Channel 20. The 17 semifinalists are Fort Collins-based **Aerosol Devices Inc.**, **The Food Corridor**, **IgnoreU**, **Insecticycle LLC**, **Nursly** and **Turbo Tenant**; Greeley-based **Blindside**; Denver-based **EMRG**, **Mimi**, **NerdNest** and **Vita Inclinata Technologies**; Broomfield-based **mcSquares**; Windsor-based **Official Fitness**; Masonville-based **Planting Profits**; Loveland-based **Reading Remedies** and **Vacuum Sciences**; and Boulder-based **Rebalance Factor**. Judges for the semifinals will be **Bruce Biggi**, chief marketing officer for the Northern Colorado Economic Alliance; **Charisse Bowen**, campus director of Galvanize Fort Collins; **Karol Jones**, chief financial officer of Colorado Lending Source; **Milan Larson**, associate professor of management at Monfort College of Business; **Mike O'Donnell**, executive director of Colorado Lending Source; and **Richard Pickett**, executive director of UNC BizHub.

CONTRACTS

Array BioPharma Inc. closed its deal with French drugmaker **Pierre Fabre** to globally develop and commercialize Array's cancer-fighting drugs, binimetinib and encorafenib. The deal, announced Nov. 16, cleared its final hurdle when it was approved by the European Commission on Competition. Boulder-based Array (Nasdaq: ARRY) will receive an upfront payment of \$30 million and is entitled to receive up to \$425 million if certain development and commercialization milestones are achieved. Array retains commercialization rights for the two drugs in the United States, Canada, Japan, Korea and Israel. France-based Pierre Fabre will have rights to commercialize both products in all other countries, including Europe, Asia and Latin America. Binimetinib is intended to treat ovarian and colorectal cancer, and melanoma; encorafenib would treat melanoma.

Boulder-based **Ball Aerospace and Technologies Corp.** was selected by **NASA's Science Mission Directorate** to build and test a complete radiometric instrument on a Cubesat, a class of miniature satellite, for a space mission under the In-Space Validation of Earth Science Technologies (InVEST) program. Work will begin on the Compact Infrared Radiometer in Space (CIRIS) in February, with launch anticipated early in 2018, followed by three months of operations in orbit. The radiometer developed by Ball Aerospace, a division of Broomfield-based Ball Corp. (NYSE: BLL), is one of four projects to receive funding from the latest round of the InVEST program in support of NASA's Earth Science Division. Instruments such as CIRIS aboard relatively inexpensive Cubesats could help return significant scientific research and land-use management data for NASA.

The Neenan Co., a construction firm based in Fort Collins, was selected as the design-build partner for the Colorado Department of Transportation's Region 2 office and maintenance campus. CDOT Region 2 plans to build a campus in the Pueblo area for its office, maintenance and traffic facilities that serve southeast Colorado. Terms of the contract were not available. Neenan recently designed and built CDOT's Region 4 headquarters in Greeley.

Techtonic Academy, a division of Boulder-based **Techtonic Group**, partnered with the

Creating IT Futures Foundation, the philanthropic arm of information-technology trade association **CompTIA**, to provide training and apprenticeships in software development for entry-level people who might not otherwise be able to access it. The collaboration with the Downers Grove, Ill.-based foundation will allow both groups to reach more individuals and companies across the nation. Creating IT Futures traditionally focuses on the hardware and services sector of the IT field and will now be able to expand its training and career programs into the software-development sector.

Boulder-based biotechnology company **SomaLogic Inc.** soon will deploy its SOMAscan proteomics assay at the **U.S. Food and Drug Administration's National Center for Toxicological Research** laboratories in Jefferson, Ark. The assay, which incorporates 1,310 different SOMAmer (Slow Off-rate Modified Aptamer) reagents, measures proteins across a wide range of concentrations in small volumes of multiple biological sample types. The protein-measurement technology aids in the development of new diagnostic tests that can detect diseases at their earliest stages and monitor. SomaLogic, with facilities at 2945 Wilderness Place in Boulder, specializes in biomarker discovery and clinical diagnostics, making products that quickly measure hundreds of proteins present in the body at a given moment with just a couple drops of blood or urine.

Boulder-based **Mame's Burritos** partnered with **Ignyte Lab** to take aim at expansion in 2016. Ignyte Lab, a management company for early-stage, in-revenue companies, is co-located in Boulder at the headquarters of ad agency **Crispin Porter + Bogusky**.

Colorado State University and **Philips Lighting** are partnering to install advanced LED lighting at the university's new research and training horticulture facility at its campus in Fort Collins. Workers are installing Philips Horticulture LED Solutions lighting in the CSU Horticulture Center, which is expected to be completed early this year.

KUDOS

The late **Dr. Patricia Powell** was named 2015 Physician of the Year by the Northern Colorado Medical Society. Powell, who died in August at age 69, was chief medical officer for Sunrise Community Health in Greeley.

Loveland-based **Madwire Media**, a digital marketing firm, earned the Glassdoor Employees' Choice Award as the best small business at which to work in the United States.

The Weld County Department of Public Works received the Excellence in Concrete Pavement for County Roads Silver Award from the American Concrete Paving Association for the safety-improvement project at the intersection of Weld County Roads 49 and 22 intersection Safety Improvement Project. Public Works and the contractor for the project, **Interstate Highway Constructors**, received the award Dec. 4 at the ACPA's 52nd annual meeting in Bonita Springs, Fla.

Fort Collins-based **Rosabella Consulting** announced recipients of the 2015 E+ Awards, who were chosen by an all-youth selection committee. **Zanye Hoyland** received a Youth Award for helping run the Fort Collins High School silent auction that raised more than \$9,000. **Becca Walkinshaw** won a Regional Award for creating her position as sustainability coordinator at Gallegos Sanitation. **Gabriel Lengamunyak** won a Global Award for creating the Samburu Morani Education Programme in Kenya after completing his own studies abroad on scholarship.

MERGERS & ACQUISITIONS

National Technical Systems Inc., a provider of environmental simulation testing, inspection and certification solutions based in California, acquired **EMC Integrity Inc.**, which operates out of the Vista Commercial Center east of Longmont in Weld County. Financial details of the acquisition were not disclosed. Founded in 1994, EMC Integrity, which will be renamed **NTS Longmont**, operates a 17,000-square-foot

emissions and immunity testing facility at 1736 Vista View Drive. NTS, a portfolio company of Los Angeles-based **Aurora Capital Group**, has acquired eight testing locations over the last two years as it attempts to offer testing services nationwide.

Despite its acquisition by a Silicon Valley company, all-flash storage systems maker **SolidFire** will continue its Boulder presence and its plans to move into the new, high-profile PearlWest development. Sunnyvale, Calif.-based **NetApp** (Nasdaq: NTAP) entered into a definitive agreement to acquire SolidFire for \$870 million in cash. Once the transaction closes, most likely in NetApp's fiscal fourth quarter of 2016, SolidFire chief executive David Wright, who founded the company in Atlanta in 2009 and moved it to 1600 Pearl St. in Boulder in early 2011, will lead the SolidFire product line within NetApp's operations. NetApp is a \$6 billion-per-year company with 7,000 employees worldwide that provides data management and cloud storage solutions. The company already has a presence in Boulder, with an office at 5400 Airport Blvd.

Can manufacturer **Ball Corp.** (NYSE: BLL) completed its acquisition of the remaining 39.9 percent minority interest in **Latapack-Ball Embalagens Ltda.**, which supplies beverage cans and ends to its local Brazilian market. Founded in 1995, Latapack-Ball was one of the most successful joint ventures in Ball's history. Broomfield-based Ball Corp. also received regulatory approval in Brazil for its \$6.7 billion acquisition of **Rexam PLC**. Approval came from the Conselho Administrativo de Defesa Economica, the Brazilian antitrust agency. Ball expects to attain remaining regulatory clearances during the first half of this year. Ball last month offered to sell 11 European plants to win European Union approval of the deal. Nine of the European plants manufacture cans, while two manufacture can ends. Ball also last month announced plans to raise \$2.5 billion through a public offering of senior notes to fund the cash portion of its acquisition of Rexam. Combination of Ball and Rexam would create the world's largest consumer packaging supplier, with command of more than 60 percent of the beverage-can market in North America, 69 percent in Europe and 74 percent in Brazil. The combined company would employ a workforce of about 22,500 employees across five continents and generate annual revenue of about \$15 billion.

Bandwidth infrastructure provider **Zayo Group Holdings Inc.** (NYSE: ZAYO) has closed on its \$107 million acquisition of **Viatel's** infrastructure and non-Irish enterprise business. The deal, originally announced in November, gives Boulder-based Zayo an 8,400-kilometer fiber network that is spread across eight countries, including 12 metro networks and seven data centers. It also includes two subsea cable systems that provide connectivity between London and Amsterdam and between London and Paris. Zayo bought the assets from Viatel parent **Digiweb Group**, which is based in Dublin, Ireland.

MOVES

A gym in Fort Collins that features Parkour training techniques is moving three doors down to a space more than double its current size, and has launched an Indiegogo campaign to help. **Apex Movement Fort Collins** is moving from its current space of less than 2,000 square feet in the Mulberry Commercial Park at 2649 E. Mulberry St., Suite 26, to a 4,600-square-foot space in Unit 30, the former site of a sheet-metal manufacturing company. The new location, expected to open in mid-February, will have room for competitions, special events and new equipment, including platforms, towers, vaulting boxes, gymnastics mats and enhancements to the bar structure, creating a setting that looks like an adult-sized jungle gym.

NAME CHANGES

Boulder-based tech startup **Congo.io**, an online marketplace for legal advice, rebranded as **Lawbooth** – a name that didn't come from the more than 700 contest entries it received earlier this fall. The company provides an online platform for people seeking legal advice to sched-

ule time with an attorney and connect for free via video chat. The Congo name meant Consulting on the Go. Started in 2013 as a school project in an entrepreneurial class at the University of Colorado Boulder's Leeds School of Business, Congo now has five employees and is headquartered at Galvanize's Boulder campus at 1035 Pearl St. Congo recently closed a \$250,000 seed round of funding to be used to help it expand beyond Boulder, Fort Collins and Denver into the rest of the state. The quest for a new name began because co-founders Willy Ogorzaly and Tyler Cox were faced with a difficult decision: pay \$750,000 for the Congo.com domain, which was being squatted on by domain holding company DigiMedia, or go through the process of rebranding. So Congo offered individuals the opportunity to submit name suggestions for the chance to win \$1,000. Since the new name wasn't selected from those entries, however, Ogorzaly and Cox are donating the offered \$1,000 prize to select local charities.

Commercial real estate brokerage **Sperry Van Ness International Corp.**, which has had a franchise presence in Northern Colorado since 2007, is rebranding to **SVN**.

Steve Kawulok, managing broker of SVN/Denver Commercial, started the Fort Collins Sperry Van Ness franchise in 2007. In September, the Fort Collins franchise merged with the smaller Denver franchise to form SVN/Denver Commercial. The headquarters for the combined operation is now in Denver, with the Fort Collins office serving as the Northern Colorado division.

OPENINGS

Rose Medical Center in Denver plans to make a foray into Northern Colorado, offering some of its medical services in Loveland by early spring. The hospital leased approximately 2,333 square feet in Unit 120 at 1808 Boise Ave., near Banner Health's McKee Medical Center, and plans to open a health center with five examination rooms. Aspen Medical Group formerly owned the entire building but broke it up into units. Rose is leasing its unit from PDQ Properties LLC.

Denver-based **Tech Inc Solutions**, a managed-service information technology company, plans to open a satellite office in Fort Collins early this year.

Six months after launching its own line of coffee, Longmont-based **Oskar Blues Brewery** is opening its first coffee shop. Oskar Blues officials plan to open a **Hotbox Roasters** location in May at 3490 Larimer St. in Denver, next door to a **Chuburger** hamburger restaurant that Oskar Blues plans to open early this year. The new coffee shop in Denver's trendy River North district also will sell homemade doughnuts.

An optometrist who runs a practice in Parker plans to open an office in Northern Colorado. **Dr. Louis Spinozzi**, owner of **Great Vision Eyecare and Performance Vision**, in the Parker Marketplace at 9835 S. Parker Road, signed a lease for a 575-foot space at 400 Main St., Suite C2, in Windsor, and took possession on Jan. 1.

PRODUCT UPDATE

Family members of the owners of an Argentinian restaurant in Boulder plan to turn the eatery's popular empanadas into a packaged frozen product available at grocery stores. Christian and Karly Saber opened **Rincon Argentino** three years ago at 2525 Arapahoe Ave., specializing in empanadas made with all-natural meat, vegetables, cheese and spices from Argentina, then baked inside a flaky pastry in a style common to Buenos Aires, Christian's birthplace. In 2014, Christian Saber and two more family members, Luis Gomez and Francois Saber, launched **Lazo Foods** to distribute the empanadas to a wider audience. The company has made them available through outlets including Upslope Brewing Co., Three Four Beer and The Brewing Market Coffee, as well as through its website at lazofoods.com. This year, Lazo Foods will launch its frozen empanadas into retail outlets with a presence at Natural Products Expo West in Anaheim, Calif., in March.

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KEYNOTE SPEAKER: Dr. Rich Wobbekind



Dr. Wobbekind is the Executive Director of the Business Research Division and Senior Associate Dean for Academic Programs at the University of Colorado Boulder. He develops an annual consensus forecast of the Colorado economy, performs economic impact assessments of the Colorado economy, and produces the quarterly Leeds Business Confidence Index for Colorado, in addition to being Associate Dean of the CU Leeds School of Business.



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GOOD DEEDS

JJ's Sweets in Boulder donated close to 250 pounds of its coconut milk caramels, Cocomels, to eight orphanages, spanning from California to Kentucky. Each orphanage received a total of 30 pounds — around 2,000 pieces — of vanilla and original Cocomels.

GRANTS

The Fort Collins-based **Bohemian Foundation** awarded \$500,500 to 33 local nonprofit groups in the second round of Pharos Fund grants in 2015, bringing the total to \$1,008,980 for the year. Recipients include the **Alliance for Suicide Prevention of Larimer County**, which was awarded \$15,000 for its RAPP (Raising Awareness of Personal Power) program. **Project Smile** received \$10,000 to support children's oral-health screening and follow-up treatment, and **CASA (Court-Appointed Special Advocates) of Larimer County** received \$25,000 toward its mission of providing a voice in court for abused and neglected children and a safe place in the community for conflict-free family interactions. Also receiving grants were **Book Trust**, \$30,000; **Cache la Poudre Middle School**, \$15,000; **Colorado State University's Center for Public Deliberation**, \$20,000; **Children's Speech and Reading Center**, \$7,500; **Colorado Health Network Inc.**, \$5,000 for the **Northern Colorado AIDS Project**; **Crossroads Safehouse Inc.**, \$30,000; **CSU's Department of Human Development and Family Studies**, \$10,000; **Poudre School District's Department of Student Services**, \$3,000 for

Peace Jam in PSD high schools; **Faith Family Hospitality of Fort Collins Inc.**, \$10,000; **Food Bank for Larimer County**, \$30,000; **Fort Collins Museum of Discovery**, \$25,000; **Friends of Happy Heart Farm**, \$3,000; **Friends of the Gardens on Spring Creek**, \$5,000; **HalfMoon Arts** for a youth arts apprenticeship program, \$7,000; **Healing Warriors Program**, \$5,000; **Homeless Gear**, \$10,000 for the **One Village One Family** program; **Homeless Prevention Initiative**, \$15,000 for emergency rental assistance; **Junior Achievement Rocky Mountain**, \$10,000 for a program in the Poudre School District; **Lincoln IB World Middle School**, \$15,000; **CSU's Little Shop of Physics**, \$15,000; **Live the Victory Inc. at the Matthews House**, \$25,000; **Lubick Foundation**, \$5,000; **Neighbor to Neighbor Inc.**, \$30,000; **Partners Mentoring Youth of Larimer County**, \$30,000; **Project Self-Sufficiency of Loveland-Fort Collins**, \$20,000; **Sexual Assault Victim Advocate Center**, \$15,000; **Summitstone Health Partners**, \$10,000; **The Family Center/La Familia**, \$30,000 for an after-school program; **The Growing Project**, \$5,000; and **The Kitchen Community**, \$10,000 for an educational program.

Fort Collins-based **New Belgium Brewing** joined forces with South Burlington, Vt.-based **Ben & Jerry's** to donate \$100,000 to a California-based nonprofit that works to mobilize the snow-sports community to battle climate change. The two "B-corp" companies partnered to create a special beer and ice cream, with a portion of their proceeds going to Pacific Palisades, Calif.-based **Protect Our Winters**.

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BW ECONOWATCH

Oil slump steals report's thunder

By Doug Storum

dstorum@bizwestmedia.com

DENVER — The Colorado oil and gas industry took a hit in 2015, making a report released Dec. 29 by the Colorado Oil & Gas Association characterizing 2014 as a stellar year — pumping \$31.7 billion into Colorado's economy — a bit anticlimactic.

The report, commissioned by the oil and gas association, was conducted by University of Colorado Boulder researchers Brian Lewandowski and Richard Wobbekind.

The report said that in 2014 the industry recorded \$15.8 billion in production value, accounting for 38,650 direct jobs with average annual wages in excess of \$105,000 — twice the average wage of all industries in Colorado. Oil and gas supported more than 100,000 high-paid workers and their families.

But what happened in 2015 will generate less impact, according to Wobbekind's forecast for 2016. According to CU's 2016 Colorado Business Economic Outlook, the drop of around 50 percent in spot oil prices and weaker gas prices in 2015 represents a nearly 35 percent decline in gross value from 2014.

"Assuming market conditions remain unchanged, Colorado natural gas and crude oil are expected to have a comparable valuation in 2016," Wobbekind said in the forecast.

Dan Haley, president and chief executive of COGA said about the 2014 report, "The industry's overall tax bill represents approximately \$600 of tax revenue per household in the state, and this does not include the industry's corporate tax bill. ... Every Coloradan is positively impacted by this industry, no matter where you live."

The report covering 2014 also

details the significant amount of tax revenue generated by the oil and gas industry for school districts, as well as state and local governments that is well "beyond what other industries contribute. ... Ad valorem taxes, for instance, are 3 times higher for oil and gas production than for commercial property within the state and 11 times higher than residential property."

"Clearly, even as we work through this period of lower commodity prices, the oil and gas industry's impact on Colorado's economy is significant," Haley said. "The industry continues to provide and support thousands of good-paying jobs in all corners of the state. Governments across Colorado also depend on the oil and gas industry to pay for much-needed public services. Without revenue from this industry, we would not be able to provide the necessary funding, or would have to further raise taxes, for public schools, roads, parks and many other government services that Coloradans depend on."

The study also found:

- The oil and gas industry paid more than \$434.7 million in property taxes in 2014 and accounted for \$156 million from the Colorado State Land Board School Trust distribution or 88 percent of the overall distribution of \$178 million.

- Severance-tax revenue increased 92.9 percent from 2013 to 2014, generating \$330 million in 2014 compared with \$171 million in 2013.

In total, the oil and gas industry contributed more than \$1.1 billion in revenue to state and local governments, school and special districts.

- Thirty-four counties had oil

production and 38 produced natural gas; 37 of Colorado's 64 counties recorded taxable oil and gas property.

- Ninety percent of Colorado's taxable oil and gas property is in five counties: Weld, Garfield, La Plata, Rio Blanco and Montezuma.

- Weld County produces 86 percent of the state's oil and 25 percent of its natural gas.

- Weld and Garfield alone accounted for 80 percent of drilling permits in 2014, with Weld having more than 66 percent of all active rigs in the state. While Weld and Garfield counties are the leaders in production, Denver, Weld, Mesa, Garfield and Adams counties are the "center of employment for the industry," accounting for 79 percent of the total direct jobs.

- The city and county of Denver had the most direct industry jobs in the state, with nearly 13,000, paying more than \$161,000 a year.

"This study clearly shows that cities and counties that either don't have or have limited oil and production are reliant on our positive contributions to their community," Haley said. "When any new rules or regulations are being considered that impact oil and gas production, Weld and Garfield counties' voices must be heard. We must avoid the domino effect of production in these two counties being negatively impacted and then the rest of the state's employment and revenue declining as well."

Doug Storum can be reached at 303-630-1959, 970-416-7369 or dstorum@bizwestmedia.com.

THE TICKER

Region's jobless rate inches upward in Nov.


Colorado saw a net loss of 2,100 nonfarm payroll jobs from October to November, according to figures released by the Colorado Department of Labor and Employment. But in a separate survey of households, the number of people actively participating in the labor force increased by 4,300 and total employment increased by 8,000, causing the state's November unemployment rate to decrease two-tenths of a percentage point to 3.6 percent — the fifth straight monthly decline and lowest in more than eight years. Boulder County's 2.8 percent jobless rate in November edged up from 2.7 percent in October but was down from 3.4 percent in November last year. The 3 percent unemployment rate in Broomfield County edged up from 2.9 percent in October but was down from 3.6 percent in November 2014. Larimer County's rate rose from 2.8 percent in October to 2.9 percent in November but was down from 3.5 percent in November a year ago. Weld County's rate changes were somewhat steadier year over year; its 3.4 percent jobless rate was up slightly in November from 3.2 percent in the previous month, but down slightly from 3.6 percent in October of last year.

3 area cities found least affordable for renters

Fort Collins, Boulder and Longmont were the least affordable cities along Colorado's urban corridor for apartment renters last year, according to a survey. Apartment List, a San Francisco-based apartment-rental marketplace, analyzed U.S. Census Bureau data for 454 cities and 922 counties in all 50 states to better understand how rental affordability has changed over the years. Its report for Colorado found that 51 percent of renters statewide were "cost-burdened" last year, meaning that they spent more than 30 percent of their income on rent. Fort Collins was found to be the least affordable city in the urban corridor for renters, with 61 percent of them determined to be cost-burdened. Boulder was second at 59.2 percent, and Longmont was third at 56.3 percent. The only other city in Northern Colorado or the Boulder Valley to be surveyed was Greeley, where 53.9 percent of renters were found to be cost-burdened. Colorado's most affordable cities for renters were Arvada at 45.7 percent, followed by Centennial at 47 percent and Westminster at 47.2 percent.

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BW COMMENTARY

Fracking, solar measures would further divide state

Here we go again.

Even as the University of Colorado Boulder releases a study highlighting the importance of the oil-and-gas sector to the Colorado economy, extreme new ballot measures are being proposed that would devastate the industry in Colorado.

First the numbers: The Business Research Division at CU's Leeds School of Business estimates that the oil-and-gas industry generated \$31.7 billion for Colorado's economy during 2014, including 38,650 direct jobs and an average wage of \$105,000.

Much of that impact is felt in Weld County, which produced 86 percent of the state's oil and 25 percent of natural gas, according to the report. All told, oil was produced in 34 counties, while natural gas was produced in 38 counties.

Numbers like those contribute to the state's job base, property values, construction, retail and restaurant sales and various tax revenues.

But such an impact is lost on backers of 11 anti-fracking ballot measures filed recently with the Colorado secretary of state by a Boulder-based group, Coloradans Resisting Extreme Energy Development. The proposed constitutional amendments each would require signatures from 98,492 registered Colorado voters to make it onto the ballot. They would create mandatory setbacks, grant local municipalities more control over hydraulic fracturing or even ban the practice.

But opponents of hydraulic fracturing aren't the only ones proposing ill-advised restrictions on a form of energy development. Weld County commissioners are considering restricting solar farms to land zoned industrial, not agricultural — effectively killing solar farms within the county.

This proposal is no less misguided than the proposed anti-fracking ballot measures.

We're more than a little tired and frustrated at the continued battles between traditional energy and renewables. If federal lawmakers can work out a compromise to extend renewable-energy tax credits while also removing the ban on energy exports — as happened at year-end — why can't traditional energy and clean-tech backers in Colorado come together?

Our state offers the best of both worlds: a strong traditional-energy sector that brings tens of billions of dollars into the state's economy and a booming clean-tech sector that generates jobs for the energy of the future.

Yes, more work remains to be done on regulation of fracking. But the answer is not extreme, job-killing measures. Proponents of the anti-fracking ballot issues should be forced to seek signatures at the very doors of the 38,650 people whose jobs they would eliminate.

2015's top 10 stories

What were the top BizWest stories of 2015? Ranking the top business-news stories of the year would be a largely subjective exercise, but one means of tallying the top stories is purely objective: website traffic on BizWest.com.

So, for the calendar year 2015, here are the top 10 business-news articles for the Boulder Valley and Northern Colorado, as dictated by you, our online readers:

1. "Despite retail failure, GoLite founder hoping for comeback" — Sometimes, stories have staying power. Our most-read story of 2015 actually was published Nov. 14, 2014. It chronicled the attempt of Demetri and Kim Coupounas to raise capital to keep their company going after through liquidation. Since that article, we've followed up a couple of times, including the couple's new brand, My Trail Company.

2. "Bill Gates-backed development part of Berthoud's looming I-25 boom" — This Jan. 23 story by Doug Storum reflects the power of the Gates name, and its potential impact on a proposed 1,6000-acre development along Interstate 25 in Berthoud. Storum identified a Gates-backed company as being behind the mixed-use project, known as Wilson Ranch.

3. "Companies to watch in 2015" — This Jan. 9, 2015, piece looked at companies to watch in a variety of industries.

4. "Wade Troxell to run for Fort Collins mayor" — Two-term Fort Collins city councilman Wade Troxell's announcement led to the fourth-most-read story on BizWest.com during the past year. Troxell went on to victory in the April election.

5. "Surging water prices dry up Fort Collins homebuilding" — This March 20 report described how escalating water prices were beginning to stall several new housing developments in Fort Collins, with water prices to high that hundreds of new homes



PUBLISHER'S NOTEBOOK
CHRISTOPHER WOOD

could be in jeopardy.

6. "Software firms can benefit from key tax deduction" — This sixth-most-read piece was not a news article at all, but rather a guest column by EKS&H partners Michael DePrima and Lawrence Knutson. The duo highlighted the importance of a federal tax deduction that could save software companies significant sums. Its popularity reflects the importance of the software sector to the Boulder Valley and Northern Colorado economy.

7. "Bass Pro Shops pulls plug on plans to build mega-store in Loveland" — It was big news when Bass Pro Shops announced plans to build a store in Loveland's Centerra development, but it was perhaps even bigger news when it pulled out of the project. That's what Storum reported July 16. Some speculated that the planned 117,000-square-foot store was nixed after rival Scheels announced plans to build a 225,000-square-foot store across U.S. Highway 34 in Johnstown.

8. "Hospitals view for market share with mergers, construction" — This July 24 piece by Beth Potter chronicled the wave of hospital mergers, acquisitions and construction projects, from Broomfield north to Fort Collins. We'll see much more such activity in 2016.

9. "Water prices reach historic highs" — Water remains a hot topic in the region, and this Feb. 6 piece by Steve Lynn highlighted soaring prices for Colorado-Big Thompson water, with prices tripling from two years prior.

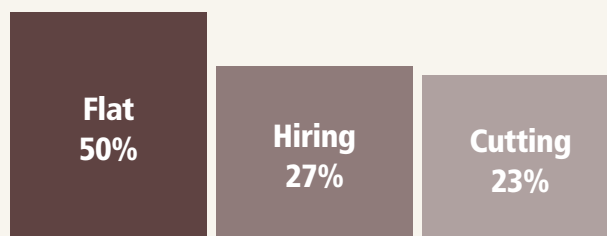
10. Zayo's Dan Caruso buys Denver metro's highest-priced home for February" — Storum's March 24 piece reported on the sale of a 7,447-square-foot home at 2300 Iris Ave. Caruso purchased the property for \$4.9 million.

What will be the most-read stories of 2016? Stay tuned. But don't be surprised if you see more Bill Gates headlines.

Christopher Wood can be reached at 303-630-1942, 970-232-2133 or via email at cwood@bizwestmedia.com.

BW POLL

What are your company's hiring plans for 2016?



Next Question:

Transfort officials soon will extend the FLEX regional bus service from Fort Collins to Boulder. Will you use this service?

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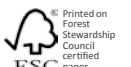
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LETTERS

State can light path to clean-energy future

A new day is dawning for Colorado's solar power. With solar installation costs falling, the efficiency of solar cells improving and the threats of air pollution and climate disruption mounting, solar power's growth could not come at a more critical time.

We are poised both globally and nationally to accelerate the development of renewable energy, and in Colorado there is an especially great opportunity to become a leader in the United States in solar power capacity per capita.

Meeting the goal laid out in the global climate commitment made in Paris earlier in the month would require that the world stop emitting greenhouse gases altogether, most of which come from the combustion of oil, coal and gas for energy. An

emissions reduction goal of this scale involves a complete transformation in how people get energy, and states like Colorado need to be leaders in meeting these goals and bringing us closer to a clean-energy future.

The U.S. positioned itself to meet the goals in the Paris agreement earlier this month when Congress agreed to extend the federal tax credit for renewable energy. The extension of this important tax credit will allow more Colorado homes, businesses and communities to go solar.

Our accelerated transition to renewable energy will also support jobs in Colorado. Gov. John Hickenlooper and Denver Mayor Michael Hancock announced Dec. 11 that Sunrun, one of the top solar installation providers in the country is opening a new corporate office in downtown Denver and plans to hire 800 people.

The new year brings optimism for solar power in Colorado. I urge city councils across

the state of Colorado to start the new year off right by making a commitment to develop solar power in their city to 20 percent by 2025. Let's ensure Colorado is lighting the way toward a clean-energy future.

Katie Otterbeck

Solar Power Campaign Organizer

Environment Colorado, Denver

FROM THE WEB

Below is a sampling of comments on recent online content at BizWest.com. To see the original comments and add your own, search for the headlines on our website.

Story: "Weld mulls law limiting solar's access to farmland," Dec. 22

Commenter: Mishelle Baun

"Are oil and gas wells on land

zoned industrial?"

Commenter: Maggie Boys
"Amazing. You can frack for oil and gas under other people's houses, but you have to zone industrial to put solar collectors on your land? I wonder who's behind this?"

Story: "Editorial: NoCo, Springs should reject competition for transportation funds," Dec. 11

Commenter: RyanH
"Or how about making growth pay its own way. You seek and applaud all this new development, but it worsens the transportation deficits. Why not collect a 'toll' for every new house and every new square foot of commercial — to pay for the transportation improvements they require?"

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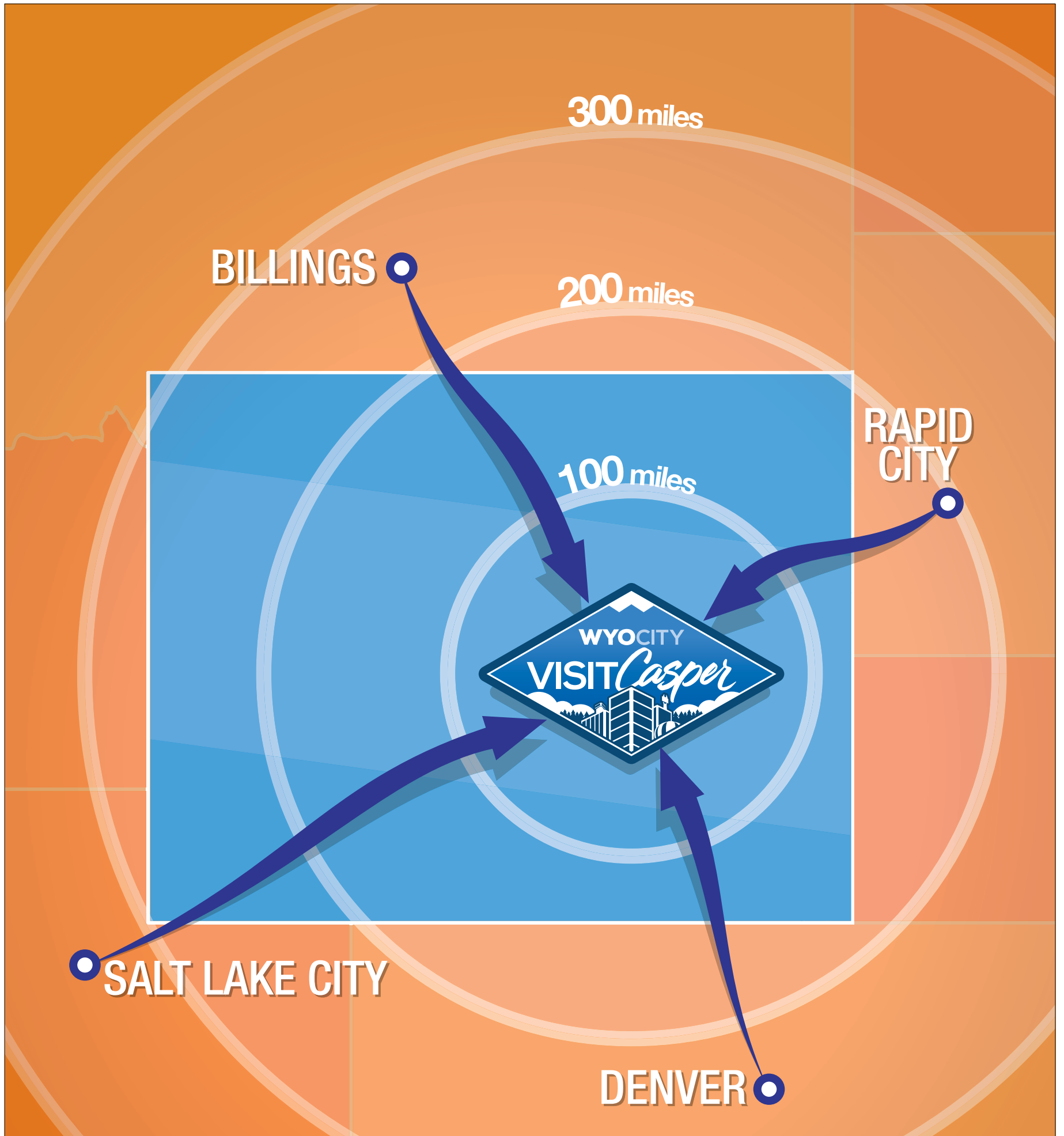
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