



Request for Services Regional Meat Processing Feasibility Study Consultant

Background:

For years, there have been conversations about the need for more local meat processing in the west ends of San Miguel and Montrose counties and how a facility would help boost the economy, support local agriculture and help create a market for local meats. In early 2000, University of Colorado conducted a feasibility study for San Miguel County to determine the County's potential for meat processing, a kitchen incubator facility and/or a commercial kitchen. At that time, it was determined that there was not sufficient demand for a USDA certified slaughter facility.

Almost 20 years later, a group of ranchers and meat producers is asking the County to explore the issue of local meat processing again. The community would benefit from having the information and data necessary to make an informed decision about the feasibility of building a local meat processing facility. Ranchers and meat producers are frustrated with the current situation of having to truck their animals long distances and having long wait times; however, without having information and data provided by an expert, the idea that a local processing facility could solve meat producer's frustration, create jobs, and help support an agricultural economy is merely speculation.

Using the 2017 USDA Agriculture Census, we estimate that there are approximately 30,000 head of cattle in the region (Ouray, San Miguel, and west Montrose counties). Current production consists of several small producers who are marketing anywhere from 5-15 head of cattle a year. Also, due to drought this past summer, every ranch has cut their numbers and will need at least 2 years to rebuild their livestock populations depending on weather conditions.

Currently, there are limited meat processors in the region: Homestead Meats in Delta; Kinikin Processing in Montrose; and Sunnyside Meats in Durango. There is one small, family-owned processing facility in Nucla, ATs Meat Block, which is not USDA certified and mostly processes wild game in season. All of the USDA certified processors have roughly the same daily processing capacity of about 10 cows, 30 lambs, or 20 pigs. They are often overbooked, and the waiting time to schedule processing can be 3 to 4 months out for beef, and even longer for pigs. Additionally, all the 'regional' facilities are located distances of a two hour or more drive for local meat producers.

There are current plans and a completed feasibility analysis to construct a beef and sheep slaughter facility near Grand Junction (this facility is being referred to as Colorado Western Slopes Region "COWSR Abattoir"). This facility could help address the shortage of processing facilities on the Western Slope of Colorado. It is targeting 200 head/day, using a co-op model. It is unknown if this facility could be a solution for western San Miguel and Montrose county ranchers. The proposed feasibility study should examine the potential for COWSR Abattoir to address local needs.



Storage and transportation are other challenges for local producers. Processors do not have the room to store meat for producers, nor do they offer delivery for processed products. Storage, including a freezer locker, and transportation challenges and solutions should also be discussed in the feasibility study.

The Telluride Foundation started its Local Food Initiative (LFI) several years ago to help build a food economy in the West End of San Miguel and Montrose counties, as well as to promote access to healthy, locally grown food. As part of the LFI, the Foundation initiated several roundtables with regional meat producers to learn their challenges as well as opportunities for growth. At the first roundtable held in March 2018, participants discussed their processing, storage, and distribution challenges, as well as their desire to create more value-added products. As a result of this roundtable, the Foundation hired a consultant to do a landscape survey of the local and grass-fed beef market in the Telluride region, as well as to research gaps in meat processing and storage.

Following the completion of this landscape survey, the Foundation held another roundtable to discuss the results as well as to hear from an SBDC business consultant on the topic of marketing and distributing local meat. The discussion led to the unanimous interest in a feasibility study to learn more about the possibility of local processing.

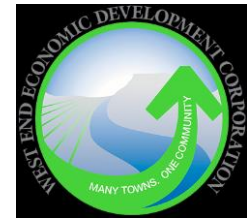
San Miguel County, in partnership with the West End Economic Development Corporation and the Telluride Foundation, received a Department of Local Affairs (DOLA) grant to conduct a feasibility study for a meat processing facility in western San Miguel or Montrose County.

Position Summary and Responsibilities:

The Regional Meat Processing Consultant will be responsible for the development of a feasibility study for a meat processing plant located in either San Miguel, Ouray or west Montrose county to provide a regional processing facility for local meat producers.

This is a unique position that involves understanding the current and planned regional and local meat processing facilities, state and federal meat processing certifications and requirements, and the necessary elements of designing and operating a facility. In addition, the position will involve direct outreach to community members and meat producers to evaluate the efficacy of a meat processing facility and/or storage facilities. The ideal candidate will have experience and familiarity with Colorado's and the Western Slope's meat processing market, project design experience, and excellent interpersonal skills. The Consultant will be an independent contractor of San Miguel County, working with support from the Telluride Foundation and WEEDC.

Consultant is encouraged to bid on this Request for Services (RFS) as a whole or to bid on specific parts of the service requirements where the consultant may have specialized expertise. Both proposals for the entire RFS and for specific projects within the Scope of Work will be considered.



In addition, the Telluride Foundation will contract with a “Local Connector” to support the consultant, make local contacts, and be a liaison to the local producers. The goal of having the Local Connector is to increase local rancher participation and community involvement.

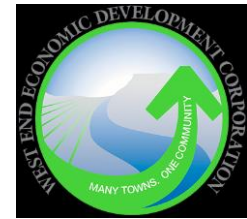
Feasibility Study Development:

The feasibility study will include, but not be limited to, the following elements:

- Conduct meetings with industry experts and regional meat producers to determine if the region can support a meat processing facility.
- Determine if there is sufficient volume to make a facility economically viable?
- Are there current or planned processing facilities, which could solve local processing needs? If so, what types of transportation and storage needs might need to be addressed?
- Examine the potential for multispecies processing.
- What are the options for expanding processing of current existing facilities – USDA, state certificates, expanding existing facilities, constructing new, mobile processing etc.?
- What are potential storage and distribution chain solutions, with or without local meat processing?
- What is the market like for local meat and likely price points?
- What are the distribution and sales solutions for local meat products?
- What value added products should be explored to increase economic viability?
- Examine relevant state, federal, and product-related regulatory processes to determine what steps would need to be taken for a meat processing facility in the West End to be able to sell in-state, out of state, and internationally.
- Identify the potential for the facility to serve as a regional producing venture beyond the boundaries of the West End (Mesa, Dolores, Montezuma, and Ouray Counties, for example)
- Identifying/addressing key competitors to a local processing facility.
- Determine most cost-efficient process for facility implementation, if applicable, including location and costs of facilities, equipment, licensing etc., and potential funding sources.
- Five-year cash flow analysis for most viable options.
- Next steps.

Relationship Management:

- Maintain relationship with San Miguel County, Telluride Foundation, and West End Economic Development Corporation staff to facilitate the development of the feasibility study.
- Work with the above parties and the Local Connector to identify local meat producers to consult with.
- Work with industry experts and other meat processing facilities to identify challenges and opportunities of a venture in the West End.



- Actively pursue new regional partnerships and opportunities to recruit new audiences from neighboring communities, including Grand Junction, Telluride, Montrose, Dolores, Ouray, and Cortez.

Required Competencies:

- Knowledge and experience with meat processing on the Western Slope; understanding of the meat processing market in rural communities on Colorado’s Western Slope.
- Knowledge and experience developing financial projections and market analysis.

Preferred Competencies:

- Local network; existing network and connections with agriculture and meat producers in southwestern Colorado.

Proposal Format & Content:

The proposal should include a description that conveys the Consultant’s understanding of the Project objectives and Feasibility Study’s content. There is no required format, but at a minimum, the Proposal should include:

- A draft Scope of Work as described above.
- Demonstrate the Consultant’s unique capabilities, innovative approaches and problem-solving abilities to accomplish the Project.
- A recommended approach to achieving the objectives of the Project.
- Identify key personnel and sub-consultants if necessary, their qualifications and areas of responsibilities.
- The approach and a description of the estimated required services to be provided.
- The anticipated schedule and a break out of costs and anticipated staff time.

Project Schedule:

Request for Proposal Issued:	September 16, 2019
Proposals Due:	October 31, 2019
Finalist Selection and Interviews:	October 31 – Nov. 22, 2019
Contract Issued to Selected Firm:	November 30, 2019
Project Completion:	May 1, 2019

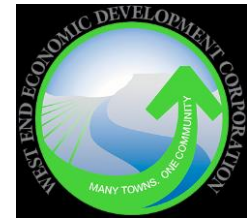
Details:

- **Location:** West End, San Miguel & Montrose counties
- **Title:** Regional Meat Processing Consultant
- **Compensation:** Grant funded project, not to exceed \$35,000.
- **Travel:** Ability to travel within Colorado (extensive regional and rural travel)

Applying: Please submit letter of interest and resume to April Montgomery, VP Programs at the Telluride Foundation:

April Montgomery

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Community Overview:

The West End of Montrose and San Miguel counties are in an exceptionally remote, rural location in Colorado, and are collectively known as the “West End.” The area is considered “frontier” due to the sparse population and distance from the nearest metropolitan city (Montrose is a 2-hour drive from the region), comprised of over 2,700 square miles with 1,700 residents. This region is best described as “an island” surrounded by high mountain deserts and deep canyons with limited access to many services.

The West End (specifically the communities of Naturita, Nucla, Bedrock, Redvale, Paradox, and Norwood) is a remote rural community in far Western Colorado. Throughout the region, rugged and varied topography creates an everchanging landscape, with slickrock canyonlands, broad fertile valleys, high plateaus of open rangeland, and jagged, snow-capped mountains reaching over 14,000 feet. It sits between high-end rural resort communities of Gateway and Telluride, with the closest “urban” community being the City of Montrose (pop. 19,611) being nearly 2 hours away. The West End offers a distinctly rural lifestyle in a beautiful, remote setting with ample access to abundant natural resources, outdoor recreation, and open spaces.

The local governments and residents in the West End have an appetite for change – demonstrated by the recent economic diversification and sustainability plan. Towns have recently become certified small business communities, invested in an airport expansion, and received grants to expand broadband and redevelop main streets; towns are investing in the infrastructure to support growth, including outdoor recreation opportunities, rodeo grounds, trails, parks, and libraries.

The region is all too familiar with difficult economic periods, given the historical boom and bust cycles associated with one of the region’s largest economic driver: mining (uranium and coal). The area was once a uranium mining and milling hub for the Atomic Energy Commission’s Manhattan Project, and later for nuclear power. Again, the West End is facing an economic crisis with the recent closure of the Nucla Tri State Power Generation facility and the recent closure (January 2019) of New Horizon Coal Mine. These jobs were and are the primary economic drivers for this region, and the economic loss could permanently affect the region in a manner that is unrecoverable.

Telluride Foundation Overview:

220 E. Colorado Avenue, Suite 106 | PO Box 4222 | Telluride, CO 81435 | 970-728-8717



The Telluride Foundation is committed to enriching the quality of life of the residents and workforce of the Telluride region. It is a nonprofit, apolitical public community foundation that makes grants and runs programs in arts, education, health and human services, community development, and social enterprise. The Foundation strives to achieve excellence for the community through its mission and core values, including promoting inclusion and maximizing benefit to all. Our work is funded through the generous support of hundreds of donors as well as grants from state and national foundations. Please visit www.telluridefoundation.org.

WEEDC Overview:

The West End Economic Development Corporation (WEEDC) was established in 2013 and is a nonprofit serving the West End with offices located in Naturita. The West End is a remote frontier rural community in the western end of Montrose and San Miguel Counties (made up of towns of Nucla, Norwood and Naturita) and is facing enormous economic upheaval with the impending closure of the Nucla Tri-State Power & Generation Station and recent closure of the New Horizon Coal Mine. By building the region's assets, fostering the growth of small businesses and creating new opportunities in agriculture and outdoor recreation, WEEDC is building a strong foundation to attract more businesses, visitors and community members. WEEDC owns and operates The Collective Mine work space and commercial kitchen in Naturita. Visit www.choosewestend.org.