

**Meeting Minutes  
Triumph Gulf Coast, Inc.  
Escambia County Commission Chambers  
221 Palafox Place  
Pensacola, Florida 32504  
October 4, 2019  
10:30 a.m. CT**

**Members Present:**

Lewis Bear, Jr.  
Allan Bense, Vice Chair  
Pam Dana, Ph. D  
Don Gaetz, Chair  
Ben Lee  
Matt Terry

**Excused Absence:**

Stephen Riggs, IV, Treasurer

Chair Don Gaetz called the meeting to order at 10:30 a.m. CT and thanked the Escambia County Board of County Commissioners for providing the meeting space. He noted that at the conclusion of this meeting, Triumph Gulf Coast may have made decisions to move forward with a total of \$83,491,000 in new projects to enhance the economic diversification of northwest Florida affecting six of the eight counties designated as disproportionately affected by the BP Oil Spill. He said that actions taken at this meeting would be historic in creating new jobs for northwest Florida.

Executive Director Susan Skelton called the roll and noted the presence of a quorum.

The meeting minutes for August 16, 2019 were reviewed and **on a motion by Vice Chair Allan Bense, seconded by Lewis Bear, Jr., were adopted as presented.**

**Treasurer's Report**

Ms. Jennifer Davidson, CPA, on behalf of Mr. Stephen Riggs, IV, Treasurer, presented the August 2019 and September 2019 Financial Statements for review and approval.

**Mr. Bear made a motion, seconded by Mr. Ben Lee, to approve the August 2019 Financial Statement. The motion was approved without objection. Dr. Pam Dana, Ph. D, made a motion to approve the September 2019 Financial Statement. Mr. Bear seconded the motion which was approved without objection.**

Ms. Skelton made a request to adjust the 2KWebgroup contract for website services to properly reflect the current workload created by Triumph Gulf Coast. She requested that the number of hours per month for the contract be increased to five hours at a rate of \$200 per hour. **On a motion by Dr. Dana, seconded by Mr. Bense, the adjustment was approved without objection.**

Chair Gaetz thanked Ms. Davidson for the financial spreadsheet developed by Tipton, Marler, Gardner and Chastain CPA Group and she noted that the current spreadsheet has been updated and provided to each member for review. Chair Gaetz noted the importance of the new spreadsheet tool to allow for everyone to be able to see what funds have been encumbered and timeframes for expenditure of those funds.

## **Staff Report**

Ms. Skelton reported that staff continues to be responsive to information requests from Auditor General's Office and said that indications are that the audit is moving along much faster this year than last year.

Mr. Lee made a Report of the Committee for Performance Evaluation of the Executive Director. He said that the committee, comprised of himself, Dr. Dana, and Mr. Bense, met with Ms. Skelton in Panama City for the required annual performance evaluation. He said that Mr. Matt Terry attended the meeting as well. He said that the committee unanimously agreed that Ms. Skelton is doing an exceptional job and rated her performance as exceeding expectations. The committee recommends that Ms. Skelton's compensation be reviewed at the conclusion of the Auditor General's Report, following precedent set by the board last year. The committee makes a unanimous recommendation that the board direct Ms. Skelton to conduct performance reviews of our professional contractors. The main goals identified for the coming year include securing continued funding from the state for the Triumph Gulf Coast mission, creation and maintenance of the grant awards compliance and tracking process and being responsive to the Auditor General and all oversight agencies as needed. Chair Gaetz asked if the committee would come back with a recommendation for adjusted compensation at the conclusion of the Auditor General's audit. Dr. Dana and Mr. Bense concurred with the report. Mr. Terry agreed that Ms. Skelton has been helpful in bringing him in to the organization. Mr. Lee asked to move the committee's report into the minutes.

## **ATTACH REPORT**

### **Legal Report**

Mr. Scott Remington, Legal Counsel, provided a review of the **Grant Award Agreement for Proposal #198 - Wakulla County School District – UAS/VSO (Drones) Certification Program for \$1,780,000**. He noted that the agreement summary had been timely publicly noticed on the website and provided an outline of the terms of the agreement. He explained the performance metrics and clawback provisions of the program. Dr. Frank Fuller, Education Subject Matter Expert, spoke to the ongoing need for training for workforce development and said that the county school system has done a good job of targeting real world needs in providing training. Dr. Rick Harper, Economic Advisor, said that the project cost per certificate will be \$5086 which is consistent with our costs in rural county programs. Chair Gaetz asked if anyone from the public wanted to comment on the proposal. He noted that there had been public comment at previous meetings. No one came forward to speak about the proposal. **Mr. Bense made a motion to approve the grant award agreement. The motion was seconded by Mr. Matt Terry. The motion was approved on a roll call vote (6-0.)**

Mr. Alan Manning, Legal Counsel, provided a review of **Term Sheet Negotiations for Proposal #46 – Okaloosa County Board of County Commissioners – Southwest Crestview Bypass for \$64,100,000**. The term sheet lays out performance metrics related to job counts. Dr. Harper

said that the job counts were developed using the value of jobs in military and military contract jobs in the county to come up with an accurate assessment of what the employment increase would be. We have agreed with Okaloosa County to use federally defined Industry Sector 901200 (Military and Defense Contracting) which has a known certain job count as of 2019 and we have then taken the projected increase as provided by its estimator as a baseline and then added an additional 1300 jobs. The cost per job for those additional jobs will be \$49,308. The Industry Sector has a high wage rate, so we believe that the job cost is appropriate. Mr. Manning noted that the match for the proposal is \$134,919,000 from other sources. Chair Gaetz asked for a review of the specific performance components agreed to by Okaloosa County. Mr. Manning said that Okaloosa County is contributing \$38,953,000 (20%), Florida Department of Transportation is contributing \$95,966,000 (48%). The Triumph portion of the project represents 32% of the cost. Triumph Gulf Coast will disburse a percentage of each draw with other funds being spent concurrently or prior to our expenditures. Mr. Bense asked if funds from other sources became unavailable would Triumph be obligated to replace any funds. Mr. Manning said that Triumph Gulf Coast would not be required to provide any additional funds beyond the agreement. Chair Gaetz noted that no funds from Triumph would be expended until the full amount have been appropriated and secured by the county. Mr. Lee said that a lot of the Triumph dollars are being expended in years three and four of the work plan and wanted to know why so many dollars were being expended in those years as opposed to being spread across the entire term of the project. Mr. Manning said that Triumph cannot expend more than 55% of any one segment of the proposal, but sometimes funding coming from different sources need to be expended in a particular order.

Mr. John Hofsted, Okaloosa County Administrator, said that the aggressive timeline is in part due to the opportunity to have Triumph participation in the funding. He said that most funding from other sources will be the "front" dollars expended and Triumph funding will come closer to the end. Mr. Terry asked about the status of Right of Way Acquisition. Mr. Hofsted said that such acquisitions through Phase IV of the proposal are complete. Chair Gaetz noted that all acquisitions must be complete prior to Triumph funding. Ms. Skelton reported that the Okaloosa County Commission has already taken up the proposed Term Sheet and voted to approve the terms under consideration today.

Mr. Kelly Windes, Chair of the Okaloosa County Commission, thanked the Triumph Gulf Coast Board for all of the flexibility offered. He said that the county commission recognizes the challenge that the aggressive timeline presents, but he said the county is up to the challenge.

Commissioner Graham Fountain, Okaloosa County BOCC, offered his thanks and thanked Representative Matt Gaetz for his assistance. He said that the problem has been thirty years in the making and the assistance is greatly appreciated. Dr. Dana noted that the project will help workers throughout the county with a smoother north-south traffic flow and that was important to the county as a whole.

Commissioner Nathan Boyles, Okaloosa County BOCC, waived his time in support of the proposal and thanked Triumph Gulf Coast.

Chair Gaetz said that the important component of this project for him is the creation of high paying new jobs coming into the county and the region. He said he appreciated Okaloosa County's willingness to step up and pull all of the parties together to work on this major job creation project. **Mr. Bense made a motion to accept the Term Sheet as presented and to direct staff to move forward with Grant Award Agreement negotiations subject to the technical scrivener's errors noted in Mr. Manning's presentation. Mr. Bear seconded the**

**motion.** Chair Gaetz asked if any members of the public wished to speak about the proposal. No one came forward to speak. **On a roll call vote, the motion was adopted (6-0.)**

Mr. Manning then provided a review of **Term Sheet Negotiations for Proposal #190 – Walton Economic Development Alliance – U.S. 331 Infrastructure for \$1,742,407.** The proposed project would extend water and sewer service along the west side of U.S. 331 south of I-10 for approximately four miles to support new job creation on county owned property. This is a joint proposal by the Walton County Board of County Commissioners, the Walton County Economic Development Alliance and the City of DeFuniak Springs. The county will be required to competitively bid the construction project. Performance metrics include the creation and maintenance of new high paying jobs. Clawbacks are included in the term sheet. Dr. Harper reported that the project will create at least 100 net new jobs in qualified target industries for the county. The cost per job is estimated to be \$17,424. The job salaries must be at least 115% of the average county wage. Dr. Dana said that she had reviewed the proposal and it looked good. Mr. Lee asked if the potential for regional impacts from this proposal are being explored. Mr. Bill Imfeld, Walton Economic Development Alliance, confirmed that Walton County is working with other counties across the region and that the ability to add water and sewer will greatly impact the success of the proposal. Chair Gaetz asked if there was anyone from the public that wished to speak about this proposal. **Mr. Lee made a motion to accept the term sheet and move to grant award negotiations on this proposal. Mr. Bear seconded the motion. On a roll call vote, the motion was approved (6-0.)**

Mr. Manning proceeded to a review of **Term Sheet Negotiations for Proposal # 200 - Franklin School District Career and Technical Training Phase II for \$1,215,000.** He explained that this proposal is to expand training opportunities to include unmanned aerial systems (drone operation) training. Dr. Fuller reported that Franklin County has had enormous success with the initial training program funded by Triumph Gulf Coast. He said that two years ago the school district reported completion of 18 industry certifications. With the approval of this proposal the district will have committed to over 800 new certifications in a very short period of time. He said that two years ago the graduation number for the district was 38 students, so these numbers are very impressive for a small school district that wants to excel in moving students into successful career pathways. Such opportunities should have a major impact on the economic well-being of the area. Dr. Harper noted that the jobs that are being trained for are for high need careers such as health care and unmanned aerial systems. The cost per certification paid for by Triumph funds is \$3037 over the next seven years. Chair Gaetz asked if anyone from the public wished to speak about the proposal. No one came forward to speak. **Mr. Bear made a motion to accept the term sheet and move to grant award negotiations on this proposal. The motion was seconded by Mr. Terry. On a roll call vote, the motion was approved (6-0.)**

Dr. Fuller explained the Hurricane Michael related Request to Adjust and Amend Contract from Bay County School District for Proposal #143 – Haney HVAC Program for \$233,955. He noted that the request was to cover additional construction costs due to higher labor and supply costs in the hurricane zone. Dr. Fuller said that staff had asked our construction consultant, Mr. Randy Lewis, to look at the proposed changes to assure that the costs were in line with the conditions in the area. He noted that Mr. Lewis had reviewed the request and indicated that it is in line with the current conditions in Bay County. Chair Gaetz said that this increase to the project cost will keep the project moving forward. He then pointed out that Mr. Lee and Mr. Bense have recused themselves from voting but asked legal counsel if they could be allowed to comment. Mr. Remington indicated that it would be appropriate for them to speak, but only as members of the

public and not in their capacity as Board Members. Chair Gaetz then asked Mr. Bense about the conditions in the county. Mr. Bense said that costs have risen considerably due to a short supply of labor and supplies. Mr. Lee agreed and commended Haney Technical Center for sticking to the mission and working to turn out the exact types of labor that are desperately needed in the building trades to get the community back to work. Dr. Harper reported that the amended cost per certification would be \$1040, well within the parameters of Triumph funded programs. Chair Gaetz asked for any public comment on the proposed amendment. Ms. Alexa Murphy, representing Haney Technical Center, came forward to thank the board for its consideration of the situation facing the facility and willingness to continue to support the previously funded program. She noted that the school has exceeded its expectations for enrollment in the program and that 193 certifications have already been completed. She said the need is great and they have adjusted their teaching schedules to be able to accommodate the increased need for training. She those earning the certifications are securing employment while in the program and moving into more advanced positions as they complete the program. Dr. Fuller reminded everyone that this is program that guarantees “retread” training if employers are not satisfied with skills learned. Mr. Lee noted that local municipalities are also taking advantage of the training and sending employees for half-day training sessions to assist them in the jobs needed in restoring the communities in the area. **Dr. Dana made a motion to amend the current grant award agreement. Mr. Terry seconded the motion. On a roll call vote, the motion was adopted (4-0) with Mr. Bense and Mr. Lee abstaining from the vote.**

## **Program Administration**

### **Program Administrator’s Report**

Ms. Cori Henderson, Program Administrator, gave her report on activities since the last Board Meeting. She said that a total of 204 Pre-applications have been received for over \$1.6 billion in funding requests. A total of 73 Applications have been received for requests of just under \$600 million for project funding. One Pre-application has been received since the August Board Meeting from AMI Kids in Panama City for an education program. Ms. Henderson noted that one application from the Gulf Coast State College for an Emergency Management Training Program focused on drone technology workforce education at the Gulf / Franklin Campus was received since the last meeting. Chair Gaetz thanked Ms. Henderson and asked if any new letters have been sent to entities that did not receive an A or B economic impact score. Ms. Skelton indicated that one such letter has been sent since the last meeting and one is pending.

Ms. Skelton explained that three of the approved Grant Award Agreements are “ahead of the curve” in the Annual Report requirements for project compliance. She said that the three projects were awarded early in our process and have an Annual Report due prior to the reports now due by other awardees on an annualized date of October 31. She asked Ms. Henderson and Ms. Davidson to review the Annual Reports for the Board’s approval for either continued funding, modified funding or no funding for the next year of the award as required by statute.

### **Annual Compliance Review of Proposals #49 (Port of Panama City), #43 (Okaloosa County Highway 90 East Water and Sewer Expansion), and #29 (Wakulla County School Board – Career and Technical Education Center)**

Ms. Henderson reported that the Wakulla County School Board – Career Technical Education Center, the Okaloosa County Highway 90 East Water and Sewer Expansion and the Port of Panama City grant awards were all due for Annual Reviews and have all complied with the

review requirements. She said that the remainder of the Annual Reviews for grant awards issued to date are due on or before October 31 and will be presented to the Board for review at an upcoming meeting.

The Okaloosa County project reports that 90% of the site readiness planning phase is complete. Mr. Lewis has reviewed the work documents and indicates that appropriate timelines and work production are occurring. Ms. Henderson noted that the Okaloosa County Economic Development Alliance has done a significant amount of outreach work, along with the local utilities, to generate prospects for the newly branded "Gigasite." She said that they have traveled across the country to generate interest and knowledge of the site in its soon to be updated configuration.

The Panama City Port Authority has recently requested adjustments to its original agreement, which the Triumph Gulf Coast Board approved, to assist with allowing Hurricane Michael related funding sources provided by the State of Florida to be used efficiently. While the Port's report to the Board at that time provided a verbal update, a written Annual Report document has been provided as well. Ms. Henderson reported that even with delays after Hurricane Michael, the Port is on track to complete the Triumph Gulf Coast funded project by the end of this year or early next year.

The Wakulla School District Career and Technical Education Center project is exceeding originally set benchmarks for performance metrics in the area of digital tools training in elementary and middle schools. Dr. Fuller reported that the project is currently three-fold ahead of schedule and well on track to meet or exceed all performance requirements for the duration of the agreement period.

Chair Gaetz asked if each of the grant recipients were on schedule or if there were any problems or concerns with any of the projects. Dr. Fuller indicated that Wakulla School District had made adjustments for any issues it faced, and those adjustments have actually put the project ahead of original expectations. He said that he would expect to see the school district come forward with additional funding requests to expand the work already being done within the next three years. He said vendors are working with the district to adapt training to the lower levels based on the success already shown.

Ms. Henderson indicated that the Okaloosa County and Port of Panama City infrastructure projects are on schedule and recommended that the Board move ahead with approving continuation of all three agreements.

**Mr. Bense made a motion to accept the Program Administrator's Report, including approval of the continuation of the grant award agreements discussed in the report. Mr. Bear seconded the motion. The motion was adopted without objection.**

### **Economic Advisor Recommendations on Pending Applications**

Dr. Fuller presented Proposal #70 – University of West Florida – Innovation Network Project requesting \$14,500,000 (38.7%) in Triumph Gulf Coast funding. He said that this proposal is a culmination of thirteen months of discussion between the University, Pensacola State College and Triumph staff. The university match is \$22,950,000. The proposal will address challenges of employers to find employees to fill critical gaps in the high tech workforce. The proposed CAPE certifications result in recognizable, transferable skills that will continue to benefit the workforce

pipeline for many years to come. The proposed program will create national and global recognition of talented and elite workers that are highly skilled. UWF will offer an array of 26 CAPE certificates over a six year period to address a need to fill 3000 in the current regional market. 450 certificates would be attained in year one with an additional 450 in year two, and 580 per year in subsequent years until a total of 3220 certificates have been completed. There will be no more that 50% of the initial 450 obtained in any one certification. Subsequent year percentages will be determined by mutual agreement with the university and Triumph Gulf Coast based on market needs. The cost of \$4503 per certification is attractive given the high level of sophistication of the training to be offered. The presences of National Security Administration (NSA) and Department of Defense (DOD) cybersecurity training at Corry Station in Pensacola suggests the possibility of developing a substantial cluster in the region to address the military and business needs in this type of security. The advanced manufacturing certification training will help prepare northwest Florida students for the future skills needed in the modern manufacturing sector. Supply Chain and Logistics certifications are targeted as high wage, high demand jobs as well.

Dr. Fuller stated that using standard Triumph Gulf Coast methods of assessing likely increases in personal income due to the additional training, the project is expected to provide an additional \$15 in personal income relative to each dollar spent by Triumph Gulf Coast. For this reason, the staff has given the proposal an economic impact score of "A."

Dr. Harper said that staff has prepared a draft motion, in consultation with university staff, and asked if this would be the appropriate time to offer that motion. Mr. Bear announced that he was recusing himself at this time from voting on this proposal as he is a member of the Board of Trustees of the University of West Florida. He said that he would like to reserve the right to speak on the proposal as a member of the public. Dr. Dana stated that while her employer, IHMC, is mentioned in the application as an entity that partners with the university on other projects, IHMC is not a partner on this proposal and so she does not intend to recuse herself from voting on this request. She then asked about what the Sea3-D Additive component of the proposal involved.

Chair Gaetz then asked Dr. Martha Saunders, President of the University of West Florida, to address the Board on the proposal. He offered complimentary comments about the work that Dr. Saunders has done during her tenure.

Dr. Saunders thanked the Triumph Board for consideration of the proposal and thanked the Triumph staff for its hard work to assist the university in developing the proposal. She then recognized Nicole Gislason, interim Assistant Vice-President, representing the Haas Center, to explain the additive manufacturing component of the proposal. She is also serving as manager of the Sea3-D additive manufacturing laboratory at the university. The lab produces prototypes of component parts needed for manufactured products. The lab is currently working with an international manufacturing firm located in Pensacola to create digital replicas of its inventory to allow the company to be able to access those parts on an as needed basis through 3-D printing rather than keeping excess inventory in storage. Ms. Gislason said that this is just one of about twenty projects currently being serviced by the lab. She said that it is very worthwhile to train to certifications in solid works and 3-D modeling as the need already exists for the capability. Dr. Dana asked about the lab's partnerships with other entities in the region. Ms. Gislason indicated that the university has a partnership with the Northwest Florida Manufacturer's Council, as well as TECMEN in Okaloosa County. She said that they work collaboratively with all of the state colleges in the region and local school districts.

Dr. Dana asked if the students targeted from these certifications are already enrolled in the university or if they would be recruited from the community at large. Ms. Gislason replied that both types of students would be encouraged to participate. She said that for the additive and advanced manufacturing training there would be outreach non-traditional learners in an effort to serve those already working in the industry, but also with educators in the region to assure that they have appropriate certifications to be able to advance educational work in the respective programs.

Dr. Dana asked which office of the university would be responsible for the project. Ms. Gislason responded that such a determination would be made by President Saunders. Dr. Dana said that she understands that funding would go to the Office of Research and Sponsored Programs and normally that office would take a percentage of funds from the grant for operations. She said that it was her understanding that such a percentage would not be taken from Triumph funding for the proposed project. Dr. Saunders confirmed that would not be the case in this instance and no funds would be withheld for administration by that office.

Dr. Dana asked if the university has discussed this proposal with the Florida Board of Governors. Dr. Ed Ranelli, Vice President of the University of West Florida and appointed point of contact for this proposal, responded that the university does have a proposal pending with the Board of Governors that contains a cybersecurity component but is a separate and distinct proposal from this proposal. He said that the university believes that, through this proposal, it has the potential to make a very transformational contribution to the economic development of the region in cybersecurity specifically primarily because of all of the military installations in the area working in the field and the talent coming out of the military complex.

Dr. Dana asked Dr. Ranelli if he would have a leadership role in this endeavor. He said that his current role is to get the proposal pulled together and to get it approved. Dr. Dana said that Dr. Ranelli's involvement in the proposal in itself gives her a great level of comfort due to his reputation and record of success in academic and business programming. She said that, just for the record, she had advocated for cybersecurity training and program development fifteen years ago when she was serving as Director of OTTED, and she is pleased to see the opportunities coming to the region now.

Mr. Lee said that this proposal is well focused on utilizing the military talent that is so vital to the region's economic engine. He asked if the Escambia County Commission has offered its support for the proposal. Dr. Ranelli indicated that the County Commission does support the proposal. Mr. Lee then asked about how the proposal will be incorporated throughout the region. Dr. Fuller said that the curriculum for the certifications is being written such that it can be exported to all eight counties for training purposes in the local school districts. He said that the project will create a "common language" in the training curricula to allow for in line training across all levels of education to keep the region current in addressing market demand. He said that the "regional effort" theme of the proposal makes it very attractive. Mr. Lee said it was important to be able to develop the workforce across the region. He asked Dr. Ranelli to discuss the private partnerships suggested in the proposed budget and said that he would like to see the participation from the private sector deepened to provide more financial assistance and also to assure career pathways for the students completing the certification training. He asked if the university would be willing to solicit more support from the private sector to guarantee success for the program. Specifically, he asked if such outreach to the private sector could generate more financial support for the program would the university be willing to reduce the amount of funding being requested from Triumph Gulf Coast to reflect additional partner support. Dr.



Ranelli said that he would not be able to answer that question at this time, but that could certainly be entertained as part of the discussion in preparing a Term Sheet. He said that at this point such funds have not been secured other than funding for a cyber range.

Vice Chair Bense commended Mr. Lee for pointing out the need to bring more funding sources into the project. He then asked about whether there was an itemized list of equipment to go along with the line item requesting \$9.5 million. Dr. Ranelli said that he was not aware if the breakdown has been provided. Ms. Henderson said that she would check the application to see if that attachment was included but needed a moment to access the internet. Vice Chair Bense then asked about the salary line in the budget and what the "University Programming and Salaries" request for \$27,450,000 covered. Dr. Ranelli said that the line item is primarily for salaries of instructors that will be teaching the courses offered in the proposal. He said that he was not prepared to offer details on the breakdown of those salaries at this time. Vice Chair Bense said that he would prefer to be able to make decisions based on objective information and that more information would be helpful.

Chair Gaetz called a short break to be able to allow staff to confer and access the internet to review documents provided in the application.

Chair Gaetz called the meeting back to order and asked Ms. Henderson if the equipment list and salaries breakdown were provided in the application. She said that there was a list of equipment provided by location, but that she would ask the university to provide more detail about what that equipment would be. Dr. Ranelli asked to speak first to the salaries first. He said that the line item was for salaries of instructors for the 27 certification programs listed over a period of seven years. He said that details about exact funding levels for salaries would depend on demand for the various courses. The costs would include instructor salaries, testing materials and curriculum materials to be expended over the seven year period with no indirect costs included. Likewise, the equipment expense would be incurred over the seven year period and that list is being developed. Chair Gaetz asked if there was a line item list for salaries and equipment. Dr. Ranelli said that such lists can be developed and brought back to the Triumph Gulf Coast Board.

Chair Gaetz indicated that there may be more questions that members have, and he directed Ms. Skelton to collect those questions and provide them to the university so that it could understand the type of information that the Triumph Board would like to have before moving forward in the process.

Vice-Chair Bense said that conceptually he really likes the program and wants to find a way to expand partnership with the education institutions in Bay County. Dr. Ranelli said that it is the intent to provide that expanse. Chair Gaetz asked if the private funding referenced in the application were already committed or funds that the university intends to seek. Dr. Ranelli indicated that they were funds that the university intends to seek. Chair Gaetz asked for clarification on whether any part of this proposal would need to be approved by the Board of Governors. Dr. Ranelli responded that there were no requirements for such approval.

Chair Gaetz asked Dr. Saunders if the University team would like to proceed given the level of questioning from the Triumph Gulf Coast Board, or if the team would like more time to prepare responses to the questions raised before proceeding to term sheet negotiations. She said that she would like to go forward with the process and that she was confident that questions could be answered between staffs.

Chair Gaetz then asked Dr. Harper to read a draft motion for members to consider and amend as needed. (Amended motion is attached here.) After some discussion by Board members, the questions and comments made by members were incorporated into the motion:

*UWF will provide 3,220 certs over six years (with a seventh year allowed if needed) from among the 26 listed in the Summative Document conveyed by Pam on September 18<sup>th</sup>. It was agreed that no one cert can account for more than 50 percent of the number of certs delivered in Year 1. The to-be-agreed-upon number of certs in subsequent years for each of the 26 rows of the Summative Document will be discussed by Triumph and UWF team members in anticipation of the second and subsequent years of the program. These discussions will include lessons learned during program ramp-up, with the intent of providing the highest value training and credentialing for students in cybersecurity, supply chain/logistics, and advanced manufacturing. It is agreed that the type of certs can be changed, including addition or deletion of certs from the list, contingent upon prior approval by Triumph. It is agreed that this will allow UWF to best meet the training and credentialing needs presented by the market. The cert subject area and level need to be to Triumph's satisfaction.*

*UWF will run the Triumph program through their Office of Research and Sponsored Programs as a performance-based contract with Triumph, with associated tracking and audit trail available on demand to TGC (including documentation to TGC's satisfaction of all Triumph monies and matching expenditures), at a zero indirect cost recovery rate.*

*The UWF President will provide an attestation every year of "no substitution of existing spending," meaning that all dollars provided by Triumph dollars are used in providing new training that would not otherwise have been envisioned in UWF's spending plans.*

*Payments by Triumph generally will be after the fact and based on measured attainment of approved certs as a result of UWF instructional programming. First-year funding of \$2,026,398 (representing 450 Year 1 certs x \$4,503.11) can be paid before certs are delivered and will count against the Triumph Year One funding allocation to this project. Beginning with Year Two, Triumph will make its reimbursement payments on a semester basis, including a summer semester, based on certificates achieved. With the exception of the first year, UWF needs to put in enough of its match every period so that TGC is never exposed to greater than our project-wide share of financial risk.*

*The trigger for payment by Triumph is not completion of academic curriculum but instead is attainment of the intended certification. This means that the efforts of students who do not attempt the cert exam, and students who attempt but do not pass the cert exam do not qualify for payment. TGC doesn't reimburse until UWF attests that a known number of students have attained a given cert (this means taken and passed the relevant test(s) and received the cert or notification from the awarding industry certification body that they have fulfilled all requirements for the cert).*

*Because TGC CTE programs are targeted at Northwest Florida family incomes, students receiving certs need to be from the 8 counties. Military separating from area bases meet this qualification, as do students who maintain domicile in the eight counties while attending UWF. Online students not domiciled in the eight counties do not meet this requirement.*

*Conceptual approval and direction to proceed to term sheet shall be subject to the presentation of a definitive project budget by the University to include delineation of the sources and uses of all funds including private donations, non-Triumph public funds and expenditures on equipment, salary allocations and other expenses. Further, a schedule of Triumph outlays to this project must be linked to the budget requirements of the project and to the availability of Triumph's funds as paid by BP and appropriated by the legislature. The University will provide documentation of which instructor salaries are for existing instructors and which would be for new staff. Additionally, the University will prepare and present a plan to substantially increase private sector partnership and funding for the project.*

*The direction to staff to proceed to term sheet negotiations shall be subject to the points enumerated above and the University's providing satisfactory answers to questions provided to the University on these and other issues from Triumph Gulf Coast Board Members by the Executive Director of Triumph between now and the time that a term sheet would come before the Triumph Board.*

Chair Gaetz asked Dr. Saunders if the motion was agreeable. She answered in the affirmative. Mr. Bear was recognized for public comment. He said that his focus on economic development across all of northwest Florida has been a lifelong commitment. He noted that there are over 4000 vacant jobs in cybersecurity that trained and skilled workers could fill now. He said that this grant would go a long way to fill those jobs and diversify the economy. Chair Gaetz said that he had an opportunity to visit with Congressman Gaetz and he confirmed the need for these jobs due to the significant role of cybersecurity in our ongoing national security and said that the military and private sector personnel have verified the need for the partnership with UWF. Chair Gaetz thanked Dr. Saunders and her team for the work that has been done, and that which remains, to get this project to the next steps.

Chair Gaetz asked if anyone else from the public wished to comment on the proposal. Ms. Dottie Dubason, citizen of Pensacola, said that she has monitored the work of Triumph Gulf Coast over the years and believes that this project is precisely the type of project that Triumph was created for. She said it is catalytic and transformational to the region's economy.

Dave Rowbau, CEO and Chief Scientist of environmental engineering company National Energy USA, noted that he was a proud graduate of UWF and extremely excited about the potential for the success of this project and not only what it can do for the university and the region but for

the defense sector as well. He said that he came from the defense sector as a scientist for Air Force Special Operations Command and that cybersecurity is national security. He said the implications of this program can have national impacts.

**On a motion by Mr. Lee, seconded by Mr. Terry, the motion was approved on a roll call vote (5-0) with Mr. Bear abstaining.**

Chair Gaetz asked if there were any members of the public wishing to speak on any issue before the Board. No one came forward to speak.

There being no further business, the meeting was adjourned at 12:48 p.m. CT.

#### **Report of Performance Evaluation Committee:**

On September 18, 2019 at 11:06 am Triumph Board Members Allan Bense, Dr. Pam Dana, Ben Lee and convened as a committee to review the annual performance of Triumph Executive Director Susan Skelton. Chaired by Mr. Lee the meeting took place in Panama City with Dr. Dana joining by phone and Triumph Board Member Matt Terry attending in person.

First the committee reviewed Ms. Skelton's work skills and unanimously agreed that they exceeded expectations. Dr. Dana noted that Ms. Skelton has no difficulty prioritizing the work of Triumph.

Next the committee reviewed Ms. Skelton's communication skills and also unanimously agreed that they exceeded expectations. Mr. Lee highlighted that Ms. Skelton's communication skills were a significant asset during the previous and current year's work with the Auditor General and during legislative Sessions.

The committee also reviewed Ms. Skelton's work ethic and unanimously agreed it exceeded expectations. Mr. Lee noted that Ms. Skelton is available early or late to answer incoming calls from Board members and to keep them up to date on time sensitive information.

When reviewing Ms. Skelton's commitment to Mission, Vision and Service Excellence Values, Mr. Bense expressed that Ms. Skelton clearly understands the mission and values of the organization and is able to communicate the Board's vision for the Triumph dollars in a thoughtful way. The committee unanimously agreed that Ms. Skelton exceeded expectations.

The committee unanimously agreed that overall Ms. Skelton exceeded expectations and met the goals set including:

1. Securing funds towards the mission of Triumph
2. Creating a grant award compliance and tracking process
3. Being responsive to the Auditor General, all oversight agencies and applicant

The committee moved to recommend that Ms. Skelton's compensation be reviewed following the conclusion of the Auditor General's report as has been previously done.

The committee also discussed and moved unanimously to recommend the full Board direct Ms. Skelton to conduct performance evaluations of Triumph's contract staff.

The meeting adjourned at 11:39am.