

**DRAFT Meeting Minutes
Triumph Gulf Coast, Inc.
Bay County Commission Chambers
Bay County Government Center
840 West 11th Street
Panama City, Florida 32401
December 18, 2019
10:00 a.m. CT**

Members Present:

Lewis Bear, Jr.
Allan Bense – Vice Chair
Pam Dana, Ph. D (by phone)
Don. Gaetz – Chair
Ben Lee
Stephen Riggs, IV – Treasurer
Matt Terry

Chair Don Gaetz called the meeting to order at 10:00 a.m. CT and thanked the Bay County Board of County Commissioners for providing the meeting space. He announced that Dr. Pam Dana would be joining the meeting by telephone due to her not feeling well.

Executive Director Susan Skelton called the roll and announced the presence of a quorum, all members being present.

Mr. Stephen Riggs, IV made a motion to adopt the minutes from the November 20, 2019 Board Meeting as presented. The motion was seconded by Mr. Lewis Bear, Jr. The motion was adopted without objection.

Treasurer's Report

Mr. Riggs presented the Treasurer's Report for the November 2019 Financial Statement. He noted that the Board continues to operate under budget and staff continues to watch expenses and keep administrative costs low. **Mr. Riggs made a motion to adopt the November 2019 Treasurer's Report. Vice Chair Bense seconded the motion. The motion was adopted without objection.**

Staff Report

Chair Gaetz asked Mr. Scott Remington, General Counsel, to preside over the 2020 Election of Officers. Mr. Remington announced that the offices to be filled included Chair, Vice-Chair, Treasurer and Secretary. He then called for nominations for Chair. **Vice Chair Allan Bense moved that Chair Gaetz be elected to continue his role as Chair. Mr. Ben Lee seconded the nomination.** Mr. Remington asked if there were further nominations. He then asked for a motion to close nominations. Mr. Lewis Bear, Jr., made a motion to close nominations. Vice Chair Bense seconded the motion. The motion to close nominations passed. **Mr. Remington then called for a vote of all those in favor of electing Don Gaetz as Chair of the Triumph Gulf Coast Board for 2020. All members voted in the affirmative. Mr. Remington announced the election of Chair Gaetz.**

Chair Gaetz thanked the members and said that he truly appreciated the fact that every member on the board takes on leadership roles whenever called upon.

Mr. Remington called for nominations for Vice Chair. **Current Vice Chair Allan Bense nominated Lewis Bear, Jr. Chair Gaetz seconded the nomination.** Mr. Remington asked if there were further nominations. There being none, he asked for a motion to close nominations. Mr. Matt Terry made the motion and it was seconded by Vice Chair Bense. The motion to close nominations passed. **Mr. Remington then called for a vote of all those in favor of electing Lewis Bear, Jr., as Vice Chair. All members voted in the affirmative. Mr. Remington announced the election of Vice Chair Bear.**

Mr. Remington called for nominations for Treasurer. **Chair Gaetz nominated Stephen Riggs, IV. Mr. Bear seconded the nomination.** Vice Chair Bense moved that the nominations be closed. Mr. Terry seconded the motion. **Mr. Remington then called for a vote of all those in favor of electing Stephen Riggs, IV as Treasurer. All members voted in the affirmative. Mr. Remington announced the election of Treasurer Riggs.**

After some discussion about whether the Board should elect a member or continue to have Ms. Skelton serve as Secretary, **Mr. Terry nominated Ms. Skelton for the post. Vice Chair Bense seconded the nomination. Mr. Remington then called for a vote of all those in favor of electing Susan Skelton as Secretary. All members voted in the affirmative. Mr. Remington announced the election of Ms. Skelton.**

Chair Gaetz then asked Ms. Skelton to comment on the Draft Semi-Annual Report to the Governor and Legislature. Ms. Skelton told the members that the draft document was included in their meeting packets. She asked them to look at the draft and recommend any changes that needed to be made so that the final draft could be prepared and sent on the following day. She said that the draft would need to be edited to reflect any actions taken by the board at this meeting and that the goal was to have the report to the Governor and Legislature no later than December 20.

Mr. Bear made a motion to allow staff and the Chair to make final edits to the report so that it may be submitted in a timely manner. Mr. Riggs seconded the motion. The motion was adopted without objection.

Ms. Skelton reported that the Legislature had completed its 2020 Interim Committee Meeting Schedule and that the Session will commence on January 14, 2020. She said that there are no bills or amendments that have been filed that affect Triumph Gulf Coast.

Chair Gaetz commented that based on the discussion the board had at its last meeting regarding the Florida Housing Finance Corporation he had reached out to Representative Jay Trumbull who chairs the House Committee that has appropriations oversight over that entity to ask that he convene a meeting between Triumph Gulf Coast, himself and that organization to explore ways that we might be able to work together to improve the housing situation in those counties affected by Hurricane Michael. He said that Representative Trumbull had agreed to arrange the meeting and we look forward to it occurring sometime in the near future. Chair Gaetz noted that we have a strong legislative delegation that has worked hard on hurricane recovery issues and for the good of the region in general.

Mr. Ben Lee, Chair of the Performance Evaluation Committee, directed the members to the Performance Evaluation Review report in their packets and said that, based on the

recommendation of the Executive Director, **an amendment to the report should recommend an increase for Dr. Frank Fuller to receive a minimum of \$1,650 and a maximum of \$2,750 for intake reviews of proposals and an increase from \$1,000 to \$1,100 per compliance review that he performs.** Mr. Lee asked for the support of the board in making that change to the report. He then reported on each of the pay recommendations of the committee. He noted that each of the recommendations was unanimously supported by himself and the other members of the committee, Dr. Dana and Vice Chair Bense. The pay adjustment recommendations were:

- Dr. Rick Harper – 2% merit increase
- Cori Henderson – 2% merit increase and 2% workload increase
- Susan Skelton – 2% merit increase and 2% workload increase
- Dr. Frank Fuller – see above description

Mr. Lee made a motion to accept the recommendations of the Performance Evaluation Committee (as amended.) Mr. Riggs seconded the motion. The motion passed without objection. Chair Gaetz thanked the committee for its work.

Legal Report

Mr. Remington reported that conversations with the City of Panama City and the Eastern Shipbuilding Group (ESG) were ongoing relative to impacts that may occur as a result of changes to the U.S. Coast Guard agreement with Eastern Shipbuilding for the delivery of Offshore Patrol Cutters (OPC). He said that based on information received from the city and ESG he believes only technical changes will be needed to conform our agreement with the changes made by the Coast Guard. He said that ESG indicates that there should be no changes to the performance metrics that they anticipate meeting nor to the timing of those metrics assuming the Coast Guard delivery schedule stays the same. Mr. Remington said that in order to make sure that the Triumph Grant Award Agreement remains consistent in all respects with the most current Coast Guard contract, he anticipates coming back to the Triumph Board with technical changes to the contract.

Chair Gaetz recognized Mr. Joey D'Isernia and Mr. William Harrison on behalf of ESG and asked if they concurred with Mr. Remington's explanation and/or wanted to make additional comments. Mr. D'Isernia said that they concurred with the explanation and thanked the Board for its ongoing support of the project and the area's hurricane recovery. He said that the company would provide sufficient detail, updates and keep staff abreast of what is going on. Ms. Skelton reminded the Board that ESG had stepped up in the aftermath of the loss of the GKN project at the airport and has been working with the local Economic Development. Council in Bay County to help place people that were employed with GKN, and had, in fact hired some of those employees. Mr. D'Isernia said the loss of GKN was a surprise and bad for the community, but that ESG had immediately contacted the local CareerSource resource center to let them know that there were jobs available and that there had already been at least one professional employee placed with ESG that had moved to Bay County to work for GKN so that employee will be able to stay in the county. He said they would continue to work with CareerSource to place as many of those workers as possible.

Chair Gaetz asked Mr. D'Isernia to confirm that there are no changes in the performance of either the City of Panama City or ESG contemplated. Mr. D'Isernia agreed and said that ESG, and he believed, the Coast Guard, the Department of Homeland Security and the entire U.S. Government is more committed than ever to the program. He said that the hurricane relief package that was granted by the Coast Guard is an expedited timeframe that shows the commitment from all levels and underscores the importance of the program, Triumph's

investment in the program, and the ultimate return that will come to the area's economy. Chair Gaetz noted that when there was uncertainty after the hurricane Congressman Neal Dunn stepped up to advocate for this important program. Mr. D'Isernia agreed and said that the entire Florida Congressional Delegation stood behind the program in a very strong way.

Mr. Lee said that it was a testament to the commitment of the company to see how quickly after the storm they were able to get their shipyard open and make the improvements to be ready to have the Coast Guard recommit their confidence in them. Mr. D'Isernia thanked Mr. Lee and the Board.

Mr. Remington then asked Dr. Rick Harper, Economic Advisor, to report on a meeting with Triumph Gulf Coast staff and representatives of the University of West Florida relating to the pending proposal from the university. Dr. Harper reported that Dr. Ed Ranelli, serving in the capacity of Director of External Relations for the University of West Florida (UWF) reached out to our staff with the intent of addressing the issues raised in the Triumph Gulf Coast letter to UWF on October 16, 2019 regarding the need for specific detail on the costs of the proposal. Dr. Ranelli elaborated on the steps they are taking to provide line-item detail as requested by our board. Dr. Harper said that he anticipates receiving that detailed information from UWF so that the questions raised by Triumph can be resolved and the proposal can go forward. He said he expects that there will be changes to the proposal that will require action by Triumph to recognize those changes and accept them if deemed appropriate by the Board.

Chair Gaetz reminded the Board of the presentation made by UWF at a prior meeting, and that based on questions raised by members about costs of several items, staff collected those questions and provided them to the university for clarification. He noted that the project is currently being held in abeyance awaiting a response from UWF. He then called on Dr. Ranelli for comment. Dr. Ranelli said that some progress has been made and that UWF has developed a budget at a granular level to make sure that the funding is in place for the essential elements to perform the deliverables and that the university is confident that it will be able to deliver the required 3,220 certificates. He said that the university may ask to make adjustments to some of the certificates offered to provide mutual benefit to UWF and Triumph. Vice Chair Bense then congratulated UWF on winning the National Football Championship for their league.

Mr. Remington presented a review and recommendation for approval of a Grant Award Agreement for Proposal #190 – Walton County Economic Development Alliance – U.S. 331 Infrastructure for \$1,742,407. He reminded the Board that the proposal was originally before them at the November 2019 meeting but that the applicant had asked for a delay of 30 days to resolve an issue that has since been taken care of by the county. He said that the agreement language is in conformance with all other Triumph agreements. He pointed out that this agreement would be in the form of disbursement, not reimbursement of funds, but that was the only anomaly. Dr. Harper then reviewed the projected return on investment of the proposal that would create 100 jobs that would yield a return ratio of \$23 for every one Triumph dollar invested. He said that the cost per job would be \$17,424.

Chair Gaetz called on Mr. Bill Imfeld, on behalf of Walton County, to comment on the proposal. Mr. Imfeld thanked the Board for its support and for its willingness to allow the county to work through its pending issue. He assured the Board that all outstanding issues are resolved, and the county looks forward to going ahead with this important project. Chair Gaetz asked if any member of the public wished to comment on the proposal. No one came forward to speak.

Dr. Dana made a motion to approve the Grant Award Agreement for Proposal #190 – Walton Economic Development Alliance – U.S. 331 Infrastructure for \$1,742,407. Mr. Riggs seconded the motion. On a roll call vote, the motion passed unanimously (7-0.)

Program Administrator's Report

Ms. Cori Henderson, Program Administrator, gave her report on the ongoing work being done with applicants and awardees relative to both application review and compliance. He said that as of December 13, Triumph has received 212 Pre-Applications totaling requests for over \$1.6 billion and 77 Applications totaling requests for over \$616 million. She noted that three new applications, one for an economic development proposal by Santa Rosa County, one from Florida's Great Northwest for data gathering and marketing assistance to Triumph Gulf Coast, and one from Gulf Coast State College to expand nursing education in Gulf County will be discussed later in today's meeting.

Ms. Henderson presented the statutorily required annual compliance reviews for several infrastructure awards. She reminded the Board that reviews for workforce education awards had been done at the November meeting.

Proposal #43 (Okaloosa County – Highway 90 E Water and Sewer) – The County is moving ahead with the bid process and has decided to be a bidder on the project. Due to this situation the county is working through cone of silence issues amongst its staff and plans to implement those requirements appropriately. Triumph Gulf Coast staff has received information from the county and has reviewed their construction plans as well as made sure that all required information has been provided to Triumph Gulf Coast and is current. Chair Gaetz asked if the county was self-performing even after Vice Chair Bense had made a point that all such bids should be made available to the private sector. Ms. Henderson clarified that the county is going through an open bid process but has chosen to bid on the job along with private sector bidders. She noted that our construction management consultant, Mr. Randy Lewis, has been working closely with the county to assure a clean open process. Mr. Lewis then said that Triumph Gulf Coast has requested a recording of the pre-bid conference so that it may be reviewed. He said there would be a mandatory pre-bid conference. Chair Gaetz instructed Mr. Lewis to be present at any meeting that is held with bidders, or to evaluate bids to make sure this is being handled in a manner that is fully fair and open to the private sector. Mr. Riggs concurred and said that all county personnel involved should be subject to the cone of silence and that our staff should make sure in the pre-bid conference, as part of the documentation, that everyone is required to follow that cone of silence and then all bids are opened at the same time to ensure that everyone has a fair shake.

Proposal #49 (Panama City Port Authority – East Terminal Expansion) – Ms. Henderson noted that Port Panama City had updated its annual report to reflect securing of 100 jobs that have been won related to manufacturing distribution and the hiring of an additional six employees on the port. She reminded members that there has not been a lot of hiring post-hurricane but that hiring is planned as operations come back to normal. The port is running about six months behind schedule due to hurricane recovery.

#72 (Santa Rosa County – Whiting Aviation Park) – Ms. Henderson reported that this project is on schedule and expected to break ground early in 2020. She said the county's economic development team has been aggressively marketing the site and has had partial commitment from a company contingent on the company winning a contract from the Department of Defense. The company has publicly announced that they will locate at the park if they win the

contract. She reported that all of their required documentation has been received and is up to date. Mr. Shannon Ogletree, Director of Economic Development for Santa Rosa County, concurred with Ms. Henderson's report.

#120 (City of Pensacola – Commercial MRO Facility Expansion) – Ms. Henderson reported that the City of Pensacola has authorized additional borrowing capacity of up to \$20 million to meet the obligations of the project and our agreement with them. She noted that the project is on schedule and preparations are ongoing to break ground for Hangar 2 (part of the match for the Triumph portion of the project.) Once Hangar 2 is completed, the Triumph funded phases will commence. Ms. Henderson said that all of the documentation required in our agreement has been provided and is up to date.

#186 (Gulf County – Hurricane Michael Recovery) – Ms. Henderson noted that this review is not technically due until the Spring of 2020, but that Gulf County requested to go ahead and file its report at year's end. The report covers the County, Port St. Joe, Wewahitchka and the County School District. Ms. Henderson said that Dr. Harper has reviewed the required tax roll assessments and indicates that all of their documents are in order. Dr. Harper said that he had reviewed the data regarding property valuations that were submitted to the State of Florida and that they have met Triumph reporting requirements.

#185 (City of Panama City – Panama City Industrial Complex) – Ms. Henderson referenced the earlier report from Mr. Remington relative to the agreement with the City of Panama City and the Eastern Shipbuilding Group. She said that at this time staff recommends continuation of funding pending the review of information to be received from the awardee.

Chair Gaetz noted that there had been some transmission problems with Dr. Dana on the telephone and he asked her if she had any comments or questions about the compliance report. Dr. Dana replied that she did not have any comment other than that she was satisfied with the hard work of staff to monitor these programs and that she was pleased that Triumph Gulf Coast had invested in each of them. Chair Gaetz asked if there were comments from any other members. There were no additional comments. **Mr. Bear made a motion to receive and approve the Program Administrator's Report (Incorporating the Annual Compliance Reviews). Dr. Dana seconded the motion. The motion was adopted without objection.**

Economic Advisor's Report and Recommendations

Chair Gaetz called on Dr. Harper and Dr. Fuller to review pending recommendations.

Dr. Fuller described the staff's outline of a conceptual program to assist areas recovering from Hurricane Michael by providing fast track training for several skilled labor trades at the region's technical colleges. The program would be a collaborative effort between the technical colleges and the county school districts that they serve. The proposal would provide funding of up to \$1 million in the first year to train up to 220 CAPE certified skilled workers in the areas of carpentry, electrician, plumbing, HVAC and pipefitting. Up to \$4,500 per completed certificate by a RESIDENT of one of the eight disproportionately affected counties could be awarded. Students already enrolled at a college would not be eligible for the program under the area of study in which they are enrolled, but a plumbing student could qualify for pipefitting training. Funding would be available on a first come, first served basis and up to 20% of the students may complete two certifications during the accelerated training period. Technical colleges that choose to participate in the program would be eligible for up to \$20,000 per year for expenses

such as a part-time recruiter for the program. Triumph Gulf Coast would require a Letter of Intent from each participating college and school district and would provide reimbursement for qualifying CAPE certifications upon evidentiary review of submitted applications. Participating schools must agree to re-train any student who fails to meet the expected performance outcome by their employer. If the program is successful in providing an increase in the skilled labor force across the region it may be continued by a vote of the Board for 2021 and 2022. Costs per year will not exceed \$1.4 million for student certifications and other costs. Ms. Skelton noted that the first year's operation would consist of a six-month training period and then time for staff to review outcomes to determine the efficacy of the program and make a recommendation on whether to continue into the second and third year. In order to proceed, staff will need approval of the Board.

Chair Gaetz noted that the proposal had its origins in the Board's debate and discussion at the prior meeting about what Triumph Gulf Coast could do within statutory limits to try to fast track workforce competencies that would assist in rebuilding the region. He said that staff had put this proposal together in consultation with some of the technical institutions. Dr. Fuller said that if the Board approves, it would be staff's plan to go ahead and notify each training facility and answer any questions they may have, then before starting, call all of them together and announce our launch date and set a deadline for receiving their letters of intent and applications for approval. Chair Gaetz asked if there was any requirement that the certified workers would have to work in the Triumph region. Dr. Fuller said that there was not, but it could be considered. Mr. Bear lamented that many good manufacturing workers in the western counties are hired away by better paying employers in Alabama but that he doesn't know what the solution could be since we can't really hold people in place in the workforce.

Mr. Lee said that he knew that Alabama has a very strong workforce training program that seems to be able to retain workers over time. He asked Dr. Fuller if there were ways to incorporate what they do, or to learn from their experiences. Dr. Fuller replied that simple economics indicate that workers follow higher salaries and that it would be his hope that this type of training ladder would encourage workers to stay and improve their skills, and their earning power. He noted that the program allows for technical colleges to contract with employers to conduct on the job training towards CAPE certification. He said the goal is to train embedded employees, which is part of the Alabama model to train workers at their places of employment. Dr. Harper commented that there are several factors that would cause skilled labor workers to stay in the area including state licensing that is not transferable to other states, proximity to family and community ties. Additionally, if there is a large degree of out-migration that would indicate that the local labor needs are being met. Ms. Skelton noted that there would be instances where workers trained in Bay County might be employed in Calhoun, Liberty or Gadsden counties, all hard hit by Hurricane Michael. Chair Gaetz determined that his concerns had been allayed and withdrew his suggestion that students would be required to work within the eight counties.

Mr. Riggs said that it would be important to him to know what happens to the students as they leave the training program, such as how many completers find employment within six months in their field of training. Dr. Fuller replied that part of this program is to find out what the real need is because CareerSource, by virtue of its delayed reporting process, has not indicated a shortage of labor, but if we are hearing from a company that they are desperate for pipefitters this program will let us validate such needs within the first year. If students are not getting jobs after the first year, we will know there is no need for the program, but I think you will see a profound shortage of pipefitters based on interest in training. He said it would be staff's hope to

be able to provide data on how many students got placed locally and outside the region so that the Board can make a determination about whether to go forward with years two and three with a vote to continue at the end of each year. The first year's data will give members a snapshot so that a decision can be made, using actual data, on whether to proceed. Mr. Riggs reiterated that getting a certification is great, but getting a job is the ultimate goal and technical colleges should know that the responsibility does not end with completion of the certification. He said that there should not be too many conditions on the first year, and then after that, adjustments could be made to the program to account for any issues that arise in the first year.

Chair Gaetz asked if it was correct to assume that employers may be the training sites and provide training as long as the result is that the student earns the CAPE certification and that this is a breakthrough idea to involve employers and suppliers and manufacturers as trainers, not just classical education settings. Dr. Fuller responded that the model allows for in situ training by employers, either to bring in new employees to learn and perform basic functions to free up more skilled employees, or to uptrain the less skilled employees into more advanced skills training. The model works well for the technical schools because it "adds" training facilities that are not readily available on their campuses. This program is more outcome driven than the classic semester model and allows flexibility for both the school and the employer to achieve a more skilled workforce without impacting the classic model by taking assets out of the classroom.

Chair Gaetz asked if there was any public comment on the Hurricane Michael Skilled Labor Recovery program. No one came forward to speak. **Mr. Bear made a motion to approve the program as it has been described by staff. Mr. Terry seconded the motion. On a roll call vote, the motion passed (5-0) with Vice Chair Bense and Mr. Lee abstaining due to previously noticed conflicts related to Haney Technical College.** Mr. Bense does business with the HVAC program there and Mr. Lee serves on a foundation board for the college.

Dr. Fuller provided an overview of Proposal #207 – Gulf Coast State College – Gulf / Franklin Campus – Nursing Simulation Center - \$2,200,358 and noted that the proposal represents a key transition in instructional methodology that has great value. He said moving towards simulation training is a great step forward in the health field to improve the overall performance in training and get more graduates through and into the field earlier. Due to the fact that the program is to be implemented in rural counties that were heavily impacted by Hurricane Michael the higher cost per certificate at about \$7614 is justified. The healthcare technician and professional skills are ranked in the top three of Florida needs by any of the agencies following these fields as far as future employment. Gulf Coast State College is committing to 289 completers over a six year period with an additional one year grace period if needed. Dr. Fuller gave the proposal a B score, but only because of the necessarily higher cost per certificate (which he justified in his comments.) Dr. Harper concurred with Dr. Fuller's findings and recommendation.

Chair Gaetz asked Dr. John Holdnak, President of Gulf Coast State College, if he had any comments. Dr. Holdnak thanked the Board for taking up the proposal and pointed out that the per capita income in Gulf County is \$21,000 per year and in Franklin County is \$23,500 per year. The lowest level of educational certification or credential that this program would produce has a starting salary of \$25,900 per year, with registered nurses starting at \$56,480, so any participants that can be added to the employment pool in those counties will substantially increase the resources available to families and the local economies. He then recognized Mr.

Jim McKnight, the Director of the Economic Development Committee for Gulf County and Chair of the Board of Trustees for GCSC.

Mr. McKnight thanked the Board for support of this project and said that it would be a game changer for the people in those counties. He said he has attended pinning ceremonies for nursing students from the community and each time he is impressed because of the effect it has on the family of the student and the local community to have another success story. He said as one student succeeds it gives support to students coming behind her because they see that success is possible and achievable without leaving home and family. He said that use of the simulators will cut down on the needed clinical time to complete training which will allow for more nurses to be added to the workforce in a field where the America Nurses Association indicates that over 500,000 additional nurses will retire by the year 2021.

Chair Gaetz asked if any member of the public wished to comment on the proposal. No one came forward to speak.

Mr. Terry made a motion to move Proposal #207 to term sheet negotiations. Mr. Lee seconded the motion. The motion passed unanimously on a roll call vote (7-0.)

Dr. Harper gave a review of Proposal #209 – Santa Rosa County Board of County Commissioners – Project Lionheart - \$3,484,728 and said that the basics of the project are to provide infrastructure improvements, 2300 feet of roadway, a retention pond and sewer system improvements at the County's I-10 Industrial Park. The improvements are, in part, to assist the county with meeting the expansion needs of a medical device and pharmaceutical distribution company that has expressed interest in locating there. The infrastructure improvements will be maintained by the county and the county will guarantee 90 full-time jobs paying a before fringe benefits average of \$52,995 which is 150 percent of Enterprise Florida's 2019 average wage requirement for Santa Rosa County. The Triumph funding would represent 34% of the total project value at a cost of \$38,719 per job. The ROI for the project would be \$7.02 in additional earnings for every Triumph dollar of investment if the ramp up period and guaranteed job maintenance period are used to make the calculation. If the standard Enterprise Florida 10-year window is used to make the calculation, the ROI is \$11.35 per Triumph dollar. If a multiplier to account for new jobs that will be created in the supply change and the spending of those employees is applied, the true ROI is adjusted to \$17.48 in additional household income. Dr. Harper scored the proposal an A.

Chair Gaetz asked Shannon Ogletree, Director of Santa Rosa County Economic Development, how close he thought the company's decision to move forward may be and how the Triumph participation would play a role in the proposal. Mr. Ogletree said that the project is moving forward fairly quickly. The Triumph dollars would enable the County to put the project, including a 100,000 square foot facility, at the industrial park. Without the Triumph dollars the county will not be able to make the needed improvements to support the facility. He said the company would like to break ground in Spring 2020 and begin with a completion of the building in 2021 and start hiring right away. He said the county is working with the Department of Economic Opportunity to complete the QTI. The Board of County Commissioners have put in \$400,000 toward land and a cash match for QTI for the state. Chair Gaetz asked if commitments from the company would be in concrete prior to Triumph moving forward with any cash outlays. Mr. Ogletree confirmed that would be the case.

Mr. Bear asked about the capital investment of the company. Mr. Ogletree said it is between six and seven million dollars. Dr. Dana asked if the county had applied for money from the state road fund. Mr. Ogletree said that they had not applied for that money but had applied for the Governor's Job Growth Grant Fund last year. They did not receive those funds. Ms. Henderson noted that the state road fund is not currently funded.

Chair Gaetz asked if any member of the public wished to be heard on the proposal. No one came forward to speak. Mr. Bear made a motion to move Proposal #209 to term sheet negotiations. The motion was seconded by Vice Chair Bense. On a roll call vote the motion passed unanimously (7-0.)

Dr. Harper then gave a review of Proposal # 213 – Florida's Great Northwest (FGNW) – Education ROI Research and Marketing - \$440,000. He explained that the project flowed from an original idea of Mr. Bear to develop marketing materials that are appropriate for promoting Northwest Florida, both in terms of providing information on certification programs and workforce training to parents and students considering such a career path and to entities outside of the region that may be considering relocation to the area. The request from FGNW represents a Triumph participation of 48.4% of the total cost of the project. There are several phases of the project. The first phase would be for Triumph staff to work with FGNW and its subcontractor to do economic research including the assessment of supply and demand conditions for the certificate programs that Triumph funds and to suggest other certification areas of interest that should be funded to support economic diversity in the region. The research would incorporate existing data such as workforce projections provided by CareerSource, the Department of Economic Opportunity and other sources. It would consider information on supply of certificates to the labor market that come from the Federal Integrated Post-Secondary Education (IPSEDS) database as well. If we are able to work with the Florida Department of Education the project will have access to the Florida Education Data Warehouse which has complete employment and wage records from 1996 forward along with curriculum descriptions and records for every certificate completer, every student in the public education system from kindergarten through university (K-20). The computer system is currently undergoing revisions and updates and may not be immediately available, but if such access is available the research team will use the information to develop certificate specific measures of return on investment as proxied by the additional earnings as reported to DEO as part of its Social Security insurance tracking program (with appropriate de-identification.) The team would then have the information that is needed to do very thorough assessments of what certification programs bring the highest returns on investment. If these data cannot be obtained FGNW would not charge Triumph for that component of the research.

With the information collected and analyzed by the research team, FGNW will develop marketing materials that are appropriate both to use as economic development professionals around the region reach out to entities that are site location clients and would contain a set of information that would be appropriate for reaching out to families around the region to highlight the potential gains to family incomes that could be had from achieving certain types of certifications. Staff views this request as a very integrated project. While it does not have a specific job creation guarantee staff compared the proposal to reviews done by the Florida Legislative Office for Demographic Research which conducts studies of the return on investment of various state economic development initiatives such as marketing efforts by Visit Florida and EFI to attract visitors and competitive economic development projects. To that end, staff believes it is appropriate to use the return on investment on the State Quick Action Closing Fund as proxy for this proposal as the activities are similar in nature. Making necessary

calculations based on that review, the projected ROI for this proposal would be \$24.7 in net new personal income for every dollar of Triumph spending on this project. The proposal has been given a score of A based on our review.

Dr. Dana said that she trusts Dr. Harper's assessment of the value of the project and supports the effort.

Chair Gaetz recognized Ms. Kim Wilmes, Executive Director of Florida's Great Northwest and congratulated her on her new position in Oklahoma. He thanked her for her service. Ms. Wilmes thanked him and deferred comment to Ms. Scarlett Phaneuf, incoming Chair of FGNW. Ms. Phaneuf thanked the Board for its support of the project and said that as her organization speaks with companies and site selectors the question of workforce gets a lot of very focused attention from the entities. She said such detailed information has not been readily accessible in the past, but this project can provide a tool that is currently missing from the economic development toolbox and will enable northwest Florida to better tell the workforce story of the region. Chair Gaetz asked if there was any public comment on the proposal. No one came forward to speak.

Mr. Riggs pointed out that the research will assist not only in marketing but will allow Triumph Gulf Coast to make informed decisions on funding of workforce proposals in the future. He said that such information will be very beneficial to the Board because it will identify the areas where funding can best be allocated to get the biggest return. It may identify workforce training gaps that have not yet been discovered, as well. Mr. Lee concurred with Mr. Riggs comments and said that with good data the Board can become more educated to make better decisions in placing dollars within the eight county region. He said he appreciated FGNW rising to the occasion to assist Triumph in the project and asked if the information would be shared with each of the Economic Development Agencies across the region. Ms. Phaneuf assured him that the information would be made available to those agencies, and other agencies such as the Northwest Florida Manufacturers' Council and others that are working to promote manufacturing, economic development and workforce development in the region. She said that FGNW was excited for this opportunity to collaborate with Triumph Gulf Coast. Mr. Lee expressed his support for the project. Vice Chair Bense concurred.

Dr. Dana made a motion to move the proposal to term sheet negotiations. The motion was seconded by Mr. Riggs. The motion passed unanimously on a roll call vote (7-0.)

Chair Gaetz asked if any member of the public wished to comment on any issue related to Triumph Gulf Coast. No one came forward.

Mr. Bear took a moment to publicly thank Ms. Wilmes for her work with Florida's Great Northwest in bringing the organization forward to its present condition.

Mr. Riggs said that he wanted to publicly thank the Triumph staff for the hard work that they do to keep the Board informed. He said they work extremely hard, are very organized and detail oriented and help him out a lot as Treasurer and in general. Dr. Dana said that she would agree with Mr. Riggs and that she appreciated being able to participate in the meeting by phone. The Chair wished everyone a Happy Holiday.

There being no further business, the meeting was adjourned at 11:45 a.m. CT.

