

Special Meeting
Triumph Gulf Coast, Inc.
By Telephone
850-203-2100
584768#
April 7, 2020
2:30 p.m. CT

The Board of Triumph Gulf Coast, Inc., held a Special Meeting pursuant to its By-laws at 2:30 p.m., CT on Tuesday, April 7, 2020 to discuss regional impacts of the COVID-19 virus and consider staff recommendations for possible response actions.

MEMBERS PRESENT:

Lewis Bear, Jr., Vice-Chair
Allan Bense
Pam Dana, Ph. D
Don Gaetz, Chair
Ben Lee, Assistant Treasurer
Stephen Riggs, IV, Treasurer
Matt Terry

Chair Don Gaetz called the meeting to order at 2:30 pm, CT. and welcomed everyone to the conference call. He reminded everyone that staff would be recording the call and that the Florida Channel would be live streaming the call. He explained that the purpose of the call was to begin a discussion about the impacts of the Coronavirus on projects already underway and adjustments that may be needed going forward.

Executive Director Susan Skelton called the roll and noted that a quorum was present with all members on the call.

Chair Gaetz announced that the first item for discussion would be a proposed grace period on all approved grant awards. He noted that all of the Board's contracts are measured in jobs, dollars and days on the calendar as part of the statutorily required performance metrics, and failure to meet those metrics may result in clawback actions by the Board. He said that impacts of the Coronavirus have placed many of the activities of our contract partners on hold even while the calendar continues to toll. He recognized Mr. Scott Remington, Legal Counsel and Ms. Skelton to explain staff's recommendation for a remedy to this issue.

Ms. Skelton explained that staff had been working to identify impacts of the virus on the Board's activities and issues that need to be addressed by Board action. One of the impacts identified is, as the Chair indicated, the ability of our Grant Awardees to meet the terms of their agreements in a timely manner. To that end, legal counsel has prepared a resolution to address the issue that requests the Board's permission to poll all Grant Awardees to determine if an extension of certain deadlines under those agreements would be beneficial. The text of the resolution was presented by Mr. Alan Manning, Legal Counsel:

RESOLUTION RELATING TO
EXTENSIONS OF CERTAIN DEADLINES UNDER GRANT AWARD AGREEMENTS

WHEREAS, TRIUMPH GULF COAST, INC., a Florida not-for-profit corporation (“Triumph”), and various parties (individually, a “Grantee,” and collectively, the “Grantees”) have previously entered into Grant Award Agreements (individually, an “Agreement,” and collectively the “Agreements”) with respect to certain projects described in each Agreement (the “Project”), pursuant to which Triumph approved a grant described in each Agreement (the “Grant”); and

WHEREAS, each Agreement contains deadlines for both completion of the Project and the satisfaction of certain Performance Metrics described therein; and

WHEREAS, federal and state emergency declarations related to the COVID-19 pandemic have limited certain activities of individuals, businesses, and governmental entities, including some or all of the Grantees;

WHEREAS, some or all of the Grantees have requested, or may request, extensions of deadlines in their Grant Award Agreement relating to completion of the Project and the satisfaction of Performance Metrics, and Triumph is willing to grant such extensions under certain terms and conditions.

NOW, THEREFORE, BE IT RESOLVED, Triumph hereby directs Triumph Staff to (i) prior to the next Triumph Board meeting on April 30, 2020, solicit requests from Grantees for extensions not to exceed six (6) months of deadlines in their respective Grant Award Agreements for completion of the Project and the satisfaction of Performance Metrics, and (ii) evaluate such requests and make recommendations to the Board at the April 30, 2020 Board as to whether such extensions of up to six (6) months should be granted individually or in a blanket fashion to all Grantees, with the Staff having the authority to make minor adjustments and clarifications to any extension requests.

Ms. Skelton noted that if any specific amendments were necessary beyond that proposed six month extension, those would be brought to the Board on a case-by-case basis. She said that any major adjustments to extension requests would come before the Board for approval while staff would be authorized to make minor adjustments and clarifications to extension agreements with Board ratification of any staff adjustments at the Board meeting following any such changes.

Mr. Stephen Riggs said that he supported the resolution and that anything the Board could do to help out would be good at this time. Mr. Matt Terry asked for an example of a “minor adjustment.” Ms. Skelton responded that a minor adjustment might be if a project could not use all of its money

in one “bucket” or category, such as salary because a school was unable to teach a class due to school closure, but needed the funds to complete a construction activity, similar to what we have seen with Hurricane Michael adjustments, legal and CPA professional staff may recommend allowing a shift of some funds from one category to another with no increase to the overall project cost. She said that the goal would be for the Awardee to be able to complete the grant as originally intended, perhaps with an extended timeline.

Mr. Allan Bense made a motion to adopt the Resolution as presented. Dr. Pam Dana seconded the motion. On a roll call vote the motion was approved unanimously (7-0.)

Chair Gaetz introduced a proposal by staff to create an additional “Fast Track” training program for heavy equipment operators, concrete / masonry workers, CDL drivers, and aerial surveying. He noted that the Board had already created a fast track training program to assist in education of construction trades skilled workers in response to Hurricane Michael (now on hold until schools can reopen to provide the training) and that this proposed program would be similar to the original concept. He said that the purpose of the new program would be to prepare workers for the potential influx of federal and state infrastructure funding anticipated as part of a “jump start” to the economy after the current crisis has subsided. He recognized Dr. Frank Fuller, Education Advisor, to explain the proposed program.

Dr. Fuller said that the proposal would allow for the preparation of an increased workforce to meet the needs of the region as state and federal stimulus funding becomes available. He said that staff recommends investment of \$1 million in CAPE Certification funding with up to an additional \$20,000 per institution for recruiting and equipment needs. He said that for this program, staff would like to open the enrollment up to both technical colleges and state colleges serving the region. Institutions would be able to partner with third party providers such as CareerSource and private construction contractors to assist with training. He said that the initial proposal is for one year funding with training completed in a six month window.

Mr. Lewis Bear made a motion to direct staff to proceed with the development of the program. Mr. Lee seconded the motion. On a roll call vote the motion was approved unanimously (7-0.)

Chair Gaetz asked for the Board’s insights on two proposals, Proposal #202 – Gulf Coast State College – Gulf / Franklin Campus – Technology Center for Emergency Response and Communication, and Proposal #191 – Franklin County – Apalachicola Regional Airport Fuel System Upgrade. He said that the proposals had originally been sent to the State of Florida Division of Emergency Management for funding consideration prior to the legislative session when the Governor had made a request for \$25 million in funding for Hurricane Michael recovery projects which would have incorporated use of Triumph Gulf Coast interest money over the next several years. That budget request was not funded by the legislature, so in good faith, we are bringing the proposals back into our process for consideration. Staff has recommended moving forward with both proposals. Both are focused on emergency response needs in the region and are somewhat unique in that they are not “job creation” oriented. The statute allows for funding of emergency response activities in the region. Chair Gaetz noted that there would be no votes on the proposals at this meeting, but asked Ms. Skelton and staff to give the Board an overview of the proposals. With the Board’s consent, staff would bring the proposals back to the Board for consideration at a later meeting.

Dr. Fuller then explained that Proposal #202 – Gulf Coast State College – Gulf / Franklin Campus – Technology Center for Emergency Response and Communication, gives the Board the opportunity to combine an education and an emergency response program by increasing communication capacity during emergency and providing a unique opportunity to train workers to operate higher level, more sophisticated aerial vehicles that would be operational during emergencies. The true impact of this proposal would be that the equipment would not just be warehoused for use during an emergency but would be used for daily training to enhance response capabilities when needed. The proposal is to train 750 FAA certified students in ground school, level 2 thermographic imaging, GIS and other subjects over the life of the program. He noted that the cost per certification is \$5,430 with a 40% contribution from Gulf Coast State College. Ms. Skelton explained that the “communications platform” described in the proposal would actually consist of large drones capable of supporting equipment similar to a cell phone tower to provide communications immediately after a disaster and for prolonged periods. She said that the larger drones could be used for search and rescue deploying infrared technology and could be used to carry equipment and supplies to areas cut off from other modes of transportation after a disaster.

Mr. Terry said that this technology could be more beneficial than anticipated in the future as new uses for drones become apparent. Mr. Lee said that he thought this was a very worthy project, and with hurricane season looming it is a very timely topic. Mr. Bense said that he was nervous about the use of drones in general, this is a good project and he supports it.

Mr. Bear asked Dr. Fuller how long the drones could be airborne and if they operate on battery or gasoline. Dr. Fuller said that the drones would be fuel operated and could be airborne for as long as eight hours at a time before refueling. Mr. Bear asked if communications would be interrupted for refueling or if there would be multiple drones to maintain 24 hour coverage. Dr. Fuller said that it would be good to have more than one, but at the beginning the program would have just one drone that would need to take breaks for fueling.

Chair Gaetz asked if it was the consensus of the Board to have the proposal brought back for consideration at the April 30 meeting. There was no comment to the contrary, so the Chair directed staff to prepare for that presentation.

Ms. Skelton then explained that Proposal #191 – Franklin County – Apalachicola Regional Airport Fuel System Upgrade, is unique in that it is specifically tailored to emergency response in the short term but provides several opportunities for both workforce development and economic diversification in the future by enhancing the infrastructure at the public airport in Apalachicola. The proposal is to replace the fuel tanks and install a stand-by generator to operate the fueling operation. The current tanks are obsolete, over thirty years old and beyond their serviceable life span. Replacement and upgrade of the equipment will allow the airport to continue to serve as a primary response facility for the region. She said the location and infrastructure are also used for military training and operations. She said that the facility is uniquely located, providing a heavy runway in a remote location that is a half-way point between the two U.S. Coast Guard sectors serving the State of Florida in the Gulf of Mexico (Station Clearwater and Station Mobile.) Additionally, it serves as remote training facility for Hurlburt Field in its flight and special operations training. Ms. Skelton noted that during the immediate aftermath of Hurricane Michael, the Apalachicola Airport (AAF) was the only available airport in the entire region that could be used for rescue and other emergency operations. Through the foresight of the Fixed Base Operator (FBO) at the airport, fuel was available for all state, federal and military rescue aviation traffic at the facility. The airport became the hub of emergency air operations until other runways could be repaired. Generators were supplied by Duke Energy to keep the operation going.

Ms. Skelton said that the short-term benefit of the proposal would be to shore up emergency response capabilities in the region, the long-term benefits could include enhancing the training capabilities of the proposed GCSC proposal just discussed (Proposal #202) as well as possible economic development with entities that have previously expressed interest in the AAF facility. In addition, the FBO operator at the airport is qualified to offer various flight training certification programs and may choose to do so in the future.

Mr. Lee asked if there were letters of support from the Coast Guard and others that would benefit from the project. Ms. Skelton said that she was not sure if those letters were in hand currently but could be arranged. She noted that the proposal was requested by the Franklin County Board of County Commissioners as the applicant. Mr. Terry said he would like to see the project move forward, but he wants to be sure that there are potential other projects for the airport as well. Chair Gaetz directed staff to discuss the other potential projects with Mr. Terry. The Chair directed staff to bring the proposal back to the Board for consideration at the next meeting.

Chair Gaetz noted that each of the items discussed in the meeting represents a change or adjustment that Triumph Gulf Coast is making in response to the Corona Virus outbreak and response. He asked for ideas to workshop going forward to assist in the economic recovery of the region and said that just as Triumph Gulf Coast has been resilient in responding to the oil spill and Hurricane Michael, we will continue to adjust to provide support for the recovery from this disaster. He said that this event presents a whopping change to the economic environment of the region and some of the effects will take time to identify and as those effects are identified we will be able to make further adjustments as needed. He said that the mission of Triumph to create more well-paying jobs for the region is more important than ever as the recovery begins.

Chair Gaetz said that one suggestion that had been made was for direct grants to local governments due to feared loss of sales and use tax revenues. He noted that no votes or actions in this regard may be made at this special meeting due to notice requirements but asked for guidance from the Board about whether to consider these issues.

Ms. Skelton explained that the Governor initially declared a Public Health Emergency and subsequently declared a State of Emergency for the State of Florida which triggered Chapter 252, Florida Statutes, authorizing emergency powers. Chapter 252, F.S., requires the state to have a Comprehensive Emergency Management Plan (CEMP) and each county to have a CEMP for county emergency response. In the context of that action, and that every county currently has an activated CEMP, there has been some discussion about whether it would be appropriate for some amount of money to be given to any of the eight counties, at their discretion, to be used for authorized emergency expenditures pursuant to Chapter 252 and our statute, s. 288.8017, F.S. to offset any costs for overtime for personnel at local health departments, emergency medical services or law enforcement, or for purchase of personal protective equipment (PPE) such as masks and gowns, or offsetting costs of local school districts who may have had to purchase equipment for distance learning. She said that while such expenditures would, in context, be legal under both statutes, the question would be whether such expenditures would meet the goals of overall economic recovery and diversification that are inherent to the Triumph Gulf Coast mission.

Ms. Skelton said that staff had looked at, from a fairness position, the idea that since each of the counties is guaranteed 4% of annual funding from the BP Settlement for economic development, there might be some interest in taking the FY 2020-2021 portion of that funding and providing it to the counties for emergency uses. The amount of that funding would be

approximately \$3.2 million per county. She said that staff had looked at whether that would be an appropriate use of the funds and / or source of the funds for such an initiative should the Board decide to take action in that regard. She reiterated that staff has taken no position on this issue but had merely researched an idea that had been suggested by some members of the public. She said that if the Board decided to move in that direction, staff would be prepared to provide process information at the April 30 Board meeting.

Chair Gaetz asked Ms. Skelton to discuss the memo from Senate President Bill Galvano to members of the Florida Senate outlining his thoughts on the current state of Florida's economy in light of the current crisis. Ms. Skelton said that President Galvano believes that the current state reserves will be sufficient to absorb the costs associated with the emergency and that he does not see a need for a special legislative session to deal with funding issues at this time. He noted that there may be a need for a special session during the next fiscal year (after July 1) to appropriate federal stimulus and response dollars but that otherwise he believes the state to be on sound footing. He noted that the reserves in place over the years put the state in a secure financial position.

Mr. Bense said that President Galvano's memo made him feel comfortable with the current situation. He said he remembered when he was Speaker in 2005-2006 and how well the state's economy was functioning at that time. He said wise economists on his staff told him that the situation was abnormally good, and that caution needed to be taken not to overspend when times were so good. He said it was very difficult to set aside large sums of money at that time, but such planning allowed the state to weather the great recession of 2007-2008. He noted that legislative leaders have continued to follow that prudent model. Mr. Bense said in his lifetime he had seen things go bad but had never seen things go bad so quickly. He said we are in uncharted territory and it is frightening to a lot of people.

Mr. Bear said that while it was good that the state has a stockpile of funds to cover its costs but with the number of workers out of work and the uncertainty about when they can get back to work he is concerned about the economy over the next year at least and he thinks it will be a tough recovery.

Dr. Dana said that Board needs to be very mindful about how we use Triumph funds to affect the recovery from the COVID-19 crisis. She said if Triumph did not exist already existing federal and state programs would be available to provide recovery assistance. She said it is important for Triumph Gulf Coast to stay within its stated purview and not set precedents whenever possible.

Mr. Lee agreed with Dr. Dana and said that it may be too early to assess the true impacts and needs of the recovery. Mr. Riggs agreed with Mr. Lee and Dr. Dana.

Chair Gaetz said that at this time it is important to keep all of the available response tools in the tool kit, but handy, as we continue to assess the situation going forward.

Chair Gaetz asked if any members of the public wished to comment on any issues before the Board. No one spoke.

There being no further business, the meeting was adjourned at 3:20 p.m. CT.