

**Meeting Minutes
Triumph Gulf Coast, Inc.
Bay County Commission Chambers
Bay County Government Center
840 West 11th Street
Panama City, Florida 32401
November 18, 2021
1:30 p.m. CT**

MEMBERS PRESENT:

David Bear
Allan Bense
Don Gaetz, Chair
Reynolds Henderson
Ben Lee, Assistant Treasurer
Collier Merrill
Matt Terry

Chair Don Gaetz called the meeting to order at 1:30 p.m. CT and thanked the Bay County Commission for allowing the Board to meet in their chambers. He welcomed everyone to the meeting.

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

The October 18, 2021 Meeting Minutes were approved as circulated without objection on a motion by Mr. Allan Bense and seconded by Mr. Collier Merrill.

Presentations

Mr. Ron Boyce, Director of AMI Kids Panama City, gave a presentation on the programs being offered with Triumph Gulf Coast funding focused on underwater unmanned vehicle operations. The training offered by AMI Kids will be included in the FSU Underwater Crime Scene Course, and has been offered as curriculum at Summer Camps, and customized for use by the local law enforcement and fire departments. It will be a permanent course at the new academy when it opens. He noted that the program was recently featured in Florida Trend for creating a “Sub Hub” to form a cluster of industries and programs focused on underwater robotic training. Mr. Boyce credited the vision of the Triumph Gulf Coast Education Advisor, Dr. Frank Fuller, for formulation of the program at AMI Kids. He said that in order to accumulate enough training hours for CAPE Certification, the organization has partnered with Huntington Ingalls Industries to create more than the original robotics certification that will be available to students and the community in the future. The company designs, manufactures and operates unmanned underwater and surface vessels that are currently used by the U.S. Navy and commercial operations.

Mr. Boyce said that the AMI Kids Maritime Academy will focus on aerial and underwater unmanned vehicle training and other STEM areas that will allow for the growth of strong relationships with the industrial complex supporting military and maritime activities in the region.

Mr. Reynolds Henderson asked if other counties will be able to send students to the charter academy. Mr. Boyce responded that it will be a free public academy and open to any students in the region.

Ms. Cori Henderson, Program Administrator, introduced the most recent Florida's Great Northwest marketing video featuring drone training in the region. Chair Gaetz thanked Mr. Henderson and Mr. Ben Lee for participating in recent site selectors trips sponsored by FGNW and said that it was clear that the coordinated work and marketing are making a difference.

Treasurer's Report

Assistant Treasurer Ben Lee and Ms. Jennifer Davidson, CPA, presented the October 2021 Financial Report. Prior to the CPA report, Ms. Davidson introduced her staff that works on Triumph Gulf Coast accounting operations at Tipton, Marler, Gardner and Chastain CPA Group.

Ms. Davidson reported that operations were normal and within budget and track prior operations costs and expenditures. Distributions for the year-to-date total approximately \$11.7 million.

Mr. Lee said that it was important to recognize the amazing job that the accountants do to support Triumph Gulf Coast. Those accolades were echoed by Mr. Bense. Chair Gaetz said that after Mr. Henderson's suggestion at the last meeting that the Board should reach out to our smaller counties to offer assistance in working with our programs to secure funding, he wrote a letter to those counties County Commission Chairs. Staff and members stand ready to assist them and their local governments in participating.

Mr. Lee made a motion to accept the Treasurer's Report. The motion was seconded by Mr. Bense and approved without objection.

Staff Report

Ms. Skelton reported that the Legislature had completed a Special Session related to COVID issues and the Governor had signed all bills generated by that session. The 2022 Legislative Session begins in early January and staff continues to monitor committee activities.

Staff continues to work with the Auditor General's Office as requested in performance of the 2020-2021 Annual Audit.

Ms. Skelton noted that there was a need to increase allowable expenditures for Technology Services and requested permission, based on consultation with our CPA firm, to increase those expenditures up to an amount of \$1000 for technology and web services. This request is to keep from having to come back to the Board for any incidental increases in normal business operations that might occur over the course of the year. Mr. Lee said he was in support of the request. **Mr. Bear made a motion to accept the recommendation. The motion was seconded by Mr. Henderson and approved without objection.**

Mr. Lee, Chair of the Executive Director Performance Review Committee, reported on the committee's publicly noticed review meeting held earlier in the day. He noted that he, Mr. Bense, and Mr. Matt Terry were the committee members and were all in attendance at the meeting. Also attending the meeting were Mr. David Bear, Mr. Reynolds Henderson, and Mr. Collier Merrill. The committee unanimously indicated support for the work done by Ms. Skelton

in that role and voted unanimously to retain Ms. Skelton as Executive Director. **Mr. Lee made a motion to adopt the committee's recommendation. The motion was seconded by Mr. Bense and adopted without objection.**

Ms. Skelton recommended that Professional Services Contracts for Ms. Cori Henderson and Dr. Rick Harper, Economic Advisor, be continued. These contracts, as well as Ms. Skelton's contract, were approved last year and extend until December 31, 2023. Ms. Skelton recommended that Dr. Frank Fuller's annual contract be extended until December 31, 2023 based on performance evaluations. Ms. Skelton noted that as new proposals are approved by the Board, additional workload is created in managing compliance with contracts. That work is overseen by Ms. Henderson and Ms. Davidson. Due to the term limitations of the Board, there will be four new members coming onboard in June. Preparations for that transition, along with the current addition of three new members, requires staff to be available to assist with the understanding of our operations, policies, and community involvement for each member. Mr. Terry and Ms. Henderson have both indicated that it would be prudent to develop a guide, either written or video, or both, to assist with the transition as there are parts of the operation that are complicated but critical to Triumph's success. The time focused on the transition will impact the time spent on compliance, as well. She said our current new members will be very helpful in developing an "onboarding process packet" of information for future new members.

Ms. Skelton recommended that Mr. Randy Lewis' Letter of Engagement for professional services related to construction management oversight be renewed with the same terms as his current agreement, and that the two-year professional services contracts for general accounting and compliance review be continued for Tipton, Marler, Gardner and Chastain CPA Group. Ms. Skelton recommended the renewal of the Board's annual contracts for general legal services, special legal services, and litigation services with the Clark Partington Law Firm.

Mr. Lee said that the Performance Review Committee recommends support of each of Ms. Skelton's recommendations. **Mr. Bear made a motion to accept the recommendations. The motion was seconded by Mr. Henderson and passed without objection.**

Legal Report

Mr. Scott Remington, Legal Counsel, gave a review of the Grant Award Agreement for Proposal #237 - Port of Port St. Joe Port Authority – Dredging of Shipping Channel for \$15,000,000. He said the Grant Award Agreement is consistent with the Term Sheet that was approved by the Board in October 2021 and legal counsel recommends approval. He said that there are two prospective contingencies in the award agreement. The Port Authority must achieve not less than \$41 million in matching funds from other sources and must acquire governmental or private entity guarantees for clawback of the full \$15 million in Triumph funding in the event that performance metrics are not achieved. Both contingencies must be achieved no later than July 3, 2023 or the agreement will be considered vacated. Mr. Terry said that this is a great opportunity for Gulf and surrounding counties, and he hopes to be operational prior to 2023 at the port. Mr. Bense noted that four laning of Highway 71 would be a huge asset to the port. Mr. Guerry Magidson, Director of the Port Authority of Port St. Joe thanked the Board for its consideration and said that this is very important step in the process of revitalizing the economy of the areas around the port. He said there is a large company that is interested in coming to the port and that is very exciting. Chair Gaetz said that the Board is very happy to be a part of the project and will support the port in any way to bring the business to the facility. Chair Gaetz asked if any member of the public wished to be heard on the proposed agreement. No one

came forward to speak. **Mr. Henderson made a motion to approve the Grant Award Agreement. The motion was seconded by Mr. Terry and passed unanimously on a roll call vote (7-0.)**

Mr. Remington then explained the recommended First Amendment to Grant Award for Proposal #200 - Franklin County School District – Career and Technical Training - \$1,215,000 – NO ADDITIONAL FUNDS REQUESTED. The amendment extends by two years the time for completion of the number of certificates required in the original agreement. The amendment increases the total project cost by \$686,044 and correspondingly increases the grantee’s match percentage by that amount. The amendment reallocates funds within various funding categories to align with changes in types of training that may be offered in response to community needs. Triumph staff has reviewed and approved the changes being recommended. Dr. Fuller explained that there has been a change in administration in the county school district and a change in service providers and training needs. He said the focus is the same but that the new Superintendent feels that the adjustments make the proposal more feasible for the district to achieve. Ms. Henderson noted that carpentry has been added as a certification area. Mr. Terry indicated that he has met with the Superintendent several months ago and the open dialogue between the district and Triumph staff has resulted in a path forward for this proposal. Chair Gaetz asked if anyone from the public wished to speak on the proposal. No one spoke. **Mr. Henderson made a motion to approve the amendment. The motion was seconded by Mr. Bense and passed unanimously on a roll call vote (7-0.)**

Mr. Remington reported that term sheet negotiations for Proposal #251 – Santa Rosa BOCC – Milton Interchange Park - \$15,878,683 are continuing. Staff and legal counsel have met several times on some complex issues and hope to have those resolved in time for the December Board Meeting.

Mr. Remington reported that on Proposal #259 – Pensacola Escambia Economic Development Council (PEDC) – Project Pioneer - \$2,500,000, staff continues to work with PEDC after that organization needed to retain new counsel. Staff hopes to bring this proposal to the Board at the December meeting. Mr. David Bear indicated that this will be a project that is great for Pensacola considering that it will replace jobs lost when a large employer moved operations to Mexico.

Chair Gaetz recognized Bay County Commissioner Griff Griffiths and thanked him again for the use of the County Commission Chambers. Commissioner Griffiths thanked the Board for the work that it does to bring dollars and jobs to the eight-county region for economic diversification and future growth and stability.

Program Administration

Program Administrator’s Report

Ms. Henderson began her remarks by highlighting several events related to Triumph projects that have occurred recently including the Ribbon Cutting Ceremony at Haney Technical Center HVAC Classroom, the City of Pensacola Announcement of a new training partnership between ST Engineering and UPS, and the Florida’s Great Northwest Site Selectors’ Fly-In Tour. At the statewide Florida Economic Development Council conference, the FGNW Triumph Marketing Campaign was awarded the Melissa Medley Creativity Award for Innovation and Marketing and one of the FGNW team members, Shane Chadwick, won the Dan Webster Young Innovator

Scholarship Award. Ms. Henderson said that multiple competitive, confidential projects are closing on lands and buildings with the intention of making public announcements by the end of this calendar year.

Ms. Henderson then gave the regular Program Administrator's Report and moved to the statutorily required Quarterly and Annual Reports from Grantees.

Staff is requesting a policy that will allow for staff to de-obligate funds for proposals that have not reached a term sheet agreement. After some discussion, the Board asked staff to come back with a more in-depth recommendation on what steps would be necessary and who would be able to make the decision to de-obligate such funds.

Ms. Henderson gave her report and staff recommendations for the continuation of infrastructure, emergency response and promotion grants funding. She noted that education workforce grants will be brought forward for consideration of continuation at the December meeting. Ms. Henderson reported that all infrastructure, emergency response and promotion grants are on track and recommended for funding continuation.

Mr. Bense made a motion to accept the Program Administrator's Report. The motion was seconded by Mr. Collier Merrill and passed without objection.

Economic Advisor's Report

Dr. Rick Harper and Ms. Henderson reported that staff continues to work with the applicant for Proposal #258 – Bay Economic Development Alliance – Project Lightning Strike - \$7,000,000. There are several legal issues that counsel and staff are working through at this time, and we hope to bring the project back for consideration at the next meeting. Mr. Lee said that this is a wonderful opportunity for Bay County and the surrounding area, and he looks forward to progress on bringing the company to the county.

Dr. Harper gave an overview of Proposal #245 – Florida A&M University – Artificial Intelligence and Data Science Education and Training in Aquaculture for \$5,204,840 with 1600 – 1800 certifications over eight years at a cost of \$3253 per certificate at 1600 certificates. Certifications would include aquaculture training, training teachers, unmanned aerial systems safety, unmanned aerial systems visual line of sight operations, and underwater drone operations training. FAMU will develop curriculum tracks in certified finfish aquaculturists, and aquaculture business skills. Staff recommends that due to the multi-county nature of the proposal that, for accounting purposes, the project not be counted against any particular county, but instead be categorized as a regional project. Dr. Harper noted that very impressive grant match funding from national sources and said that the proposal has received an economic score of "A."

Mr. Henderson asked why this would not count against counties when it only affects four of the eight counties. Dr. Harper said that the university has strong ties across the entire region and that the impacts and benefits of the proposal could reach across all of the counties. Mr. Henderson said that he would consider regional to be all eight counties, but he would prefer to approach it as "pro-rata" by county based on benefits to each county. He said he would like for counties directly affected to bring the proposal to those counties' commissions for consideration and approval. Dr. Harper said counties named in the proposal would be Okaloosa, Gulf, Bay, Wakulla, and Franklin. Mr. Lee said that he liked the process of having county commissions approve the proposal. Chair Gaetz noted that categorizing the proposal as a regional proposal

would not disadvantage any counties and would, in fact, provide more benefit to the smaller counties that are included in the project. He said he understood Mr. Henderson's point as well.

Dr. Fuller explained that food fisheries distribution is a national security concern, and this region has already been pre-approved for the federal NOAA finfish production project. Mr. Terry asked what impacts the proposal might have on local fisheries and their ability to sell product, including any competitive impacts on those businesses. Dr. Harper said that it is clear that aquaculture will continue to expand to provide protein sources over the coming years and understanding and being able to participate in this industry will become more and more important over time, particularly in warmer climates that can assist in growing and harvesting this resource. He said that the scale of output from aquaculture may not impact the local fisheries as the product would be shipped to inland markets, not the traditional coastal markets. Mr. Terry said that he would like more information about the scope of the impacts on local fisheries before moving ahead. Mr. Lee asked for clarification that the request is for 1600 training certificates to teach students how to farm fish and whether that number of fish farmers is needed. Staff explained that training would be for more than farming, as in unmanned underwater vehicles for use in other types of industries. Chair Gaetz suggested that it would make sense to ask staff and the applicant prepare answers for questions that have come from this conversation, and any other components of the project that may arise and then bring the proposal back at a later date. He asked the Board to allow for the temporary postponement of the proposal. No one opposed that idea.

Dr. Fuller presented a brief discussion of upcoming applications related to Dual Enrollment Programs which allow students to begin their college career while still attending high school. He said that the Board will see several proposals in the next months that will provide this pathway for students and their parents to reduce costs to the family and get students into the workforce earlier.

Public Comment

Dr. Victor Ibeanusi, Dean of the Environmental School at Florida Agricultural and Mechanical University (FAMU) thanked the Board for hearing its proposal and indicated that his team would continue to work with Triumph Staff to address issues and concerns raised in today's conversation. He noted that NOAA has awarded FAMU a large grant to create the Center for Coastal and Marine Ecosystems. The grant is for \$30 million over a 15-year research project. This grant would work in tandem with the proposed Triumph grant to explore aquacultural development in the Gulf of Mexico.

Dr. Dev Satyanarayan, Associate Professor of Biological Systems Engineering, FAMU, spoke and pointed out that the NOAA Aquaculture Opportunity Areas are specifically designated outside of current fishing areas in the Gulf of Mexico. There is not geographic competition with local fisheries relative to this project. He said that currently 90% of seafood consumed in the U.S. is imported and the purpose of the FAMU project is to reduce that number and even get to the point where farm raised finfish could become a viable export resource.

There being no further business, the meeting was adjourned at 3:17 p.m.