

**Meeting Minutes
Triumph Gulf Coast, Inc.
Okaloosa County Commission Chamber
Shalimar Courthouse Annex
1250 North Eglin Parkway
Shalimar, Florida 32579
March 9, 2022
1:30 p.m. CT**

MEMBERS PRESENT:

David Bear (by phone)
Allan Bense (by phone)
Don Gaetz – Chair
Reynolds Henderson – Treasurer (by phone)
Ben Lee
Collier Merrill – Vice Chair
Matt Terry

Chair Don Gaetz called the meeting to order at 1:30 p.m. CT and thanked the Okaloosa County Board of County Commissioners for allowing Triumph Gulf Coast to meet in the Commission Chambers at the Shalimar Annex. He welcomed everyone to the meeting and noted that due to business obligations, Mr. Bear, Mr. Bense and Mr. Henderson would be joining the meeting by telephone.

Executive Director Susan Skelton called the roll and announced that a quorum consisting of all members was present.

The February 10, 2022 Meeting Minutes were approved as circulated without objection.

Treasurer's Report

Mr. Reynolds Henderson, Treasurer, called on Ms. Jennifer Davidson, CPA, to present the January 2022 Financial Report. **After the presentation Mr. Henderson made a motion to accept the report. The motion was seconded by Mr. Matt Terry and approved without objection.**

Staff Report

Ms. Skelton reported that the Legislature is finishing up budget negotiations and that the 2022 Legislative Session would be extended for the purpose of voting on the budget because the 72-hour waiting period had not been reached before March 8. Otherwise, the session was notable for the passage of an extension of VISIT Florida and proposed funding for the Jobs Growth Grant Fund.

Staff continues to work with the Auditor General's Office on the annual audit. The Auditor General's Office continues to have staffing/timing issues, so our staff is complying with requests for information as those requests are made. There is no projected time for completion of the audit at this time.

Legal Report

Mr. Scott Remington, Legal Counsel, offered a review of Grant Award Negotiations for Proposal #257 – Pensacola State College – Cyber Security and IT Programs Expansion for \$11,998,919. He noted that the grant award agreement was provided in the meeting packet, was duly published, and is consistent with the term sheet the board approved at its last meeting.

Chair Gaetz recognized Dr. Ed Meadows President of Pensacola State College, and his staff for comments on the proposed Grant Award Agreement. Dr. Meadows said that he would be glad to answer any questions and that Dr. Debbie Douma, PSC Director of Grants, and Ms. Pam Bracken, PSC Facilities Director, were also present to answer questions. Chair Gaetz asked if one matter that came up during discussion on the term sheet for which Triumph got a representation from Dr. Douma that if students go through a course and may satisfy the requirements to take an exam for a certificate but may not have the dollars to pay for the exam, to take to take the exam and obtain the certificate that the college will assist in defraying those costs is covered in the contract. Dr. Meadows responded that the cost for the exam is included in the cost for the class and that those costs are covered under the contract for any students that may not be able to afford to take the class. He said that he guaranteed that those students will be able to participate, through awards from the College Foundation and other available grants to support students in this way.

Chair Gaetz asked if any member of the public wished to comment on the proposed Grant Award Agreement. No one came forward to speak. **Mr. Collier Merrill made a motion to approve the Grant Award Agreement. The motion was seconded by Mr. David Bear and passed unanimously on a roll call vote (7-0.)**

Mr. Remington then provided a review of a requested Amendment to Proposal #259 – Pensacola Escambia Promotion and Development Commission, Inc. (PEDC) – Project Pioneer – NO ADDITIONAL FUNDING REQUESTED.

He noted that this grant award agreement was approved at the meeting in February. At that time, there was a discussion and staff indicated that it would likely come back this month for an amendment because when calculating the amount of time, it would take for the project to receive all the equipment it would need at the last minute it was discovered that they would need extra time. However, because the public notice of the award had already been published, this amendment could not be added at the last meeting. So, the decision was made to move forward with the original grant award application and to come back to the board this month for one single change. And that change would be to extend for one year, the date by which the grantee must purchase certain equipment for the property it renovates. It does not extend the time for the performance metrics, or any other aspect of the grant award agreement.

Chair Gaetz asked Mr. Scott Luth, representing FloridaWest and the PEDC, if he had any comment about the proposed amendment. Mr. Luth said that the only change to the original agreement is the extension of the timeline by which they must spend their matching money for equipment.

Chair Gaetz asked if there was any public comment on the proposed amendment. No one asked to speak. **Mr. Allan Bense made a motion to approve the amendment. The motion was seconded by Mr. Merrill and passed unanimously on a roll call vote (7-0.)**

Mr. Remington next gave a review of a requested Amendment to Proposal #187 – Northwest Florida State College – Walton Works – Additional Funding and Performance Metrics for \$92,500. He noted that the Board approved Proposal #187 in August 2019 and that this amendment will add new grant funds of \$92,500 to go along with additional matching funds of \$92,500 to add a pilot program for certificates in cloud-based computer training to the existing funded project. The amendment adds separate performance metrics based on the number of certificates issued in relation to the additional amount of money being granted by the Board.

Mr. Henderson asked to place a note on the record that he serves on the Board of Northwest Florida State College, and he has reviewed this with their counsel and with Triumph counsel that there is no conflict with participating in discussion and voting on this matter. Both counsels have affirmed that there is no conflict because there is no direct benefit to Mr. Henderson.

Chair Gaetz called on Mr. Sam Renfro, representing the Northwest Florida State College to explain the need for the request and what the benefits of expanding the project will be. Mr. Renfro said that the project is important because there's a growing need for training personnel in cybersecurity, cloud security and cloud computing. The College will focus on AWS cloud certifications to provide training for the local workforce. He said that with an upcoming expansion from Amazon to the east of Okaloosa County, there will be a growing demand in the area as whole that needs more trained personnel with the certifications. The whole purpose of this expansion is to provide training, develop a training program, provide training and certifications, free to charge for students to enhance the workforce and prepare them for these coming positions. The amendment requires at least 25 new certificates to be awarded but the plan is to continue to increase that number.

Chair Gaetz called on Dr. Frank Fuller, Education Advisor, to elaborate on the benefits of adding these certification programs to the Walton Works project. Dr. Fuller said that Amazon is entering into two contracts with the State of Florida to provide AI instruction all the way across the entire state with the University of Florida, which happens to be our partner with the Okaloosa project to develop the AI piece there. The Amazon piece included in this proposal places our students way ahead of the curve for moving this training forward. It moves these students onto a track that Amazon recognizes for employment, they have roughly 37 sequential steps in this process that a worker can get into and use for progression of employment or to attain employment, when they sit down to go interview would be a piece of place to post the certification with the employer. These classes will move the students ahead of other applicants in the hiring process. Dr. Fuller noted that Amazon has 16,000 job openings in Florida right now and that having these skills will make candidates more attractive for hiring by the company. He said that the company is very targeted on this skill set before they employ applicants. It's become a prerequisite for them. They have started looking for the skill set versus training the skill set after employment. So, this expansion is a good move for our colleges. He said that the CEO of Google just announced \$100 million that they're going to put in a certificate training program that would resemble what Amazon has in place right now. This program at NWFSC is a first step in transitioning to looking for that option for our families to train to get into the workforce in the panhandle, which is growing very rapidly right now.

Chair Gaetz asked if there was anyone from the public that wished to be heard on the proposed amendment. No one asked to speak. **Mr. Merrill made a motion to approve the amendment. The motion was seconded by Mr. Terry and passed unanimously on a roll call vote (7-0.)**

Mr. Remington then presented a review of Term Sheet Negotiations for Proposal #258 – Bay Economic Development Alliance – Project Lightning Strike for \$7,000,000. The company for this

project was recently announced as Central Maloney, a utility component manufacturing company based in Pine Bluff, Arkansas.

The proposed term sheet between Triumph Gulf Coast and the Bay County Board of County Commissioners is for Proposal #258, which would provide a grant by the Triumph Board to renovate and improve a six acre lay down facility in the Venture Crossings Enterprise Center in Panama City, Florida. That would also provide funding for an ad valorem real property tax rate reduction for the property which will be leased by the Bay County Commission to the company. Central Maloney is promising 200 new jobs in connection with the project and providing matching funds in the amount of \$14,970,000. The term sheet requires Triumph approval of the lease for the laydown yard between the county and the employer and requires the employer to guarantee the clawback amounts if it fails to perform or create the jobs promised under the grant award agreement.

Chair Gaetz called on Ms. Becca Hardin, representing the Bay EDA, and thanked her for continuing to bring projects that matter to Bay County and the region to the Triumph Board for consideration. Ms. Hardin gave a brief description of the company and noted that it has four facilities in Arkansas and little over 400 employees. She said this project is an expansion and will bring some new lines of business. The company will be going into an existing facility, which is great because that's a very nice building and we'll put people to work there again with 200 jobs and a \$21 million capital investment. She thanked the Triumph Gulf Coast staff and attorneys for working with the Bay County staff and attorneys to find a way to structure this proposed term sheet within the parameters of the Triumph statute. She pointed out that every project that Triumph looks at is different and the team must come up with different approaches to be able to make partnerships work. She said that the Triumph team was fantastic in coming up with effective solutions so that we could leverage our partnerships and bring these great jobs to Bay County.

Chair Gaetz then called on Dr. Rick Harper, Economic Advisor, to give a synopsis of the proposal and its economic impact. Dr. Harper said that with a job guarantee of 200 jobs and an award amount of up to \$7 million the cost per direct job to Triumph is \$35,000 which is well within the reasonable range for infrastructure projects among those in the Triumph portfolio. The private sector company, Central Maloney, is in the key Advanced Manufacturing sector and these sorts of inputs are very much needed here in our region. He noted that we have certainly heard over the past several months and quarters about construction projects that are being delayed because of the lack of availability of equipment exactly such as will be manufactured here. So, it's badly needed in the region and around the southeast. In terms of the calculations of return on investment, using these wages and job figures, we expect that the increment personal income in the region attributable to this project will be as much as \$153 million over a 10-year job maintenance period. I know that the job guarantee period is less than that, but these are intended to be sustainable, permanent jobs. And this return to personal income represents \$22 in additional personal income per Triumph Gulf Coast dollar requested and staff have scored the project as an A. Mr. Merrill asked if having FPL as a customer was a driving force in having the company locate a manufacturing facility in the region. Ms. Hardin replied that it certainly was, and the FPL is a very large customer of the company. Mr. Bense congratulated Ms. Hardin and Bay County for this impressive win and said that Bay County continues to push forward to rebuild in the wake of Hurricane Michael and despite COVID setbacks.

Chair Gaetz asked if any member of the public wished to be heard on this proposed term sheet. No one asked to speak. **Mr. Henderson made a motion to direct staff and counsel to move**

to Grant Award Agreement negotiations with Bay County. The motion was seconded by Mr. Ben Lee and passed unanimously on a roll call vote (7-0.)

Next, Mr. Remington offered a review of Term Sheet Negotiations for Proposal #264 – Wakulla County School Board, War Eagle Career Academy for \$20,011,606. The grant would provide partial funding for construction of a 56,000 square foot facility for the War Eagle Academy to be located at Wakulla High School, which would house classrooms, labs, and ancillary facilities that will allow it to deliver 7450 industry recognized Florida Department of Education approved Cape certificates, with particular focus on information technology and artificial intelligence. In accordance with the discussions at the board meeting last month, the term sheet has a requirement that the grantee enter a memorandum of understanding with the Franklin County School Board to provide for Franklin County students to attend the War Eagle Academy. The requirement is included in the term sheet. The memorandum of understanding shall contain, among other things, provisions for establishing transportation for students from Franklin County, to and from the academy.

Chair Gaetz asked Dr. Sunny Chancy, Assistant Superintendent of Wakulla County Schools, to address the board and explain the significance of this important project for the future of the region. Dr. Chancy thanked the Board for consideration of the proposal and said that the school district has already begun the process of mobilizing teachers, talking to principals and assistant principals, talking to the student body and parents about goals for the future. What has happened since the last Triumph board meeting is that students have already earned 10 certifications that the district doesn't even teach yet. She said she has students that are coming to her and to the principals asking to get involved in this project, and the project hasn't even begun. The enthusiasm is just amazing. To move forward with something like this, when the district has eighth graders, working on a post-secondary certification, which some have just volunteered to do, is exciting. And they will pass because they're so determined and dedicated and motivated by the momentum of a project like this and what it can mean to our area, including Franklin County students. She said it is very exciting. It's exciting for the region. It's exciting for the district. It's exciting for the community. And hopefully the district can start bridging the gap with some of its adult students. There is a large population moving into the district now from urban flight that are coming to Wakulla County, including a student population that's growing. And not only that, but there are so many certifications that are important, but binary language is important. Coding is important. It is important and it's becoming more and more important as we keep moving into the future. She said the School District appreciates the opportunity for this project and hopes that Triumph will approve it. She pledged that the School District will do its due diligence to make sure it's a success.

Dr. Harper noted that in terms of the numbers of the certifications to be produced, the project is transformational. This is an extraordinarily large number of certificates over a relatively long period, 10 years, to be granted to the students. It represents kind of a complete commitment by the school district to up to date, market relevant Career and Technical Education and makes that foundational in the program for the school district going forward. Specifically, even though it is an expensive project, the high number of certificates means that the reimbursement rate that Triumph envisions is \$2,686 per net new certificate above and beyond those that have already been offered in the excellent Wakulla program that yields a discounted total increase in household incomes expected from the program of \$31 per dollar of Triumph cost which is very competitive relative to education projects in our portfolio. And we scored that economic impact as an A.

Chair Gaetz asked if the jobs that these certificate holders will be qualified for currently existing or will they exist in our region over the next five to ten years and what effect will have

economically. Dr. Fuller replied that up until this point Triumph projects have been granted singularly. He said it is now time for the board to start looking at this proposal where we go back to third grade and start building these skill sets for these students as they work through this system, not an add on by the time they get to 11th to 12th grade. if you remember, Wakulla volunteered to move a junior high program to elementary school three years ago, and their pass rate was equivalent to the middle school pass rate, simply because of the phrases that Dr. Chancy mentioned, the teachers were excited, the kids were excited, it was innovative, it looked to the future. What will come out of this project is as you hear about companies such as Cisco, Google and Adobe moving towards a search platform, we need to be able to move our instructional piece to third grade is start tooling the kids and getting them prepared so that they get to high end certificates by the time they get to high school. And then they walk into jobs based on the certification, not start when they get out of high school to acquire the certifications. The market right now is for having the certification before employment, not getting the job, and then trying to acquire it. So, this 12-year project is almost a completely new model of how you're going to have to approach this going forward in education. Schools must restructure from third grade on, integrating this whole process into the experience of the kids so that they have a job opportunity when they graduate from high school, after community college and after university. Going forward. I think this will be an excellent extension of everything that Triumph has done for the last four years of programs by embedding them deeper into the program. And this model is very transferable. There's kind of an appetite now for moving curriculum farther down in the baseline to reach the elementary, middle school students to get into these cycles going forward.

Mr. Merrill asked how the district would handle costs for adult education programs. Dr. Chancy explained that the school district will cover costs for K-12 education and then its partnership with Lively Technical College will handle the adult programs. Lively is the technical college assigned to the region which includes Wakulla and Franklin counties under the state's public school system.

Mr. David Bear asked if the MOU between the Wakulla and Franklin School Districts would be a part of the Grant Award Agreement or a separate document. Dr. Chancy replied that Wakulla and Franklin can have the draft MOU approved and ready to be included, or as a standalone document prior to final approval of the agreement.

Mr. Lee commented that this is the largest of such projects Triumph Gulf Coast has done through K through 12 education and that he compliments the local school system and how successful they have been in innovating for the future. He said that's very impressive. The School District took on a challenge, accepted the challenge and has been very successful in moving forward with a new concept in education.

Mr. Matt Terry joined in offering his thanks to the Wakulla School District, saying that the proposed project is going to be great for the county. He said that looking at the maps of the demographics of people moving to Wakulla County, the numbers are just astronomical, and this innovative project is going to be a phenomenal asset for Wakulla. County. Mr. Henderson expressed his support for the project as well.

Chair Gaetz said that this project, if it passes, in his judgment, this will transform the Wakulla County School District into the model for technical education for the state of Florida. Every other school district in the state needs to go to school on what this district has done. He noted that Dr. Randy Hannah, Dean of FSU-Panama City, has been sitting in the back row, paying very careful attention to everything that has been said, because he needs to be assured of exactly what has been articulated in terms of the readiness, the enthusiasm, the capability of students

at the K-12 level to do this advanced work, because he is here at the meeting today to for a proposal that will bring his school into this new approach as well.

Dr. Chancy said that the children in Wakulla County are going to be ready for their futures upon graduation. She said three years ago when the district got a grant and started doing computer coding and some of the computer IT at the elementary school, it was amazing to see how the students gravitated toward it. It's like we missed the boat for so long because we hadn't been thinking in that direction. And then when it happened because of the Triumph grant that the district got it was like riding a bike. They just did it and they liked it. The district offered summer school and after school programs and we had phone calls saying we don't want the after-school program to end, we want more certifications. Those calls were generated from kids talking to their teacher and parents calling our office. On a different note, Dr. Chancy said that the High School had Eastern Shipbuilding come over just last week to recruit Wakulla students for a different project but also a certification project to go to work in Bay County because of their skill level, because now they've got the reputation of being fantastic welders, and it's a welding program, but you can see how things are starting to move back and forth along the region that Triumph Gulf Coast is supporting.

Chair Gaetz asked if anyone from the public wished to comment on the proposed term sheet, No one spoke. **Mr. Terry made a motion to direct staff and counsel to proceed to Grant Award Agreement negotiations. The motion was seconded by Mr. Bense and passed unanimously (7-0.)**

Program Administration

Program Administrator's Report

Ms. Cori Henderson, Program Administrator, noted that as of last month's meeting, Triumph Gulf Coast has executed over \$300 million in grant awards. Based on today's agenda, the Board may top \$350 million in executed grants before this June. Granting this much money in under four years with Hurricane Michael and COVID closures takes great partners such as those making presentations at this meeting today. The grantees are collaborative, creative, and their efforts are having a direct impact on increasing future household incomes across the eight-county region. Education providers and students at all levels has embraced the Triumph funded CTE programs, from drone competitions to field trips that connect students with employers to advanced coursework. The board's vision for transforming Northwest Florida is underway. As the board has seen from the stream of amendments this spring, sometimes tweaks are necessary to make the best use of Triumph and grantee funds or to address the acts of God the region has been faced with during these past few years. One such amendment that will be before the board at a meeting later this spring is with Franklin County School District on behalf of the ABC Charter School. At last meeting, Chair Gaetz asked if there were any projects that are still delayed and for an update at this meeting. Prior to Hurricane Michael, funds were granted to the Franklin County School District for the construction of a computer lab at the ABC Charter School in Apalachicola. Due to delays and cost increases caused by Hurricane Michael, COVID and a contracted services provider who provided incomplete services the cost and timeline for this project have increased. Our Construction Management Advisor, Mr. Randy Lewis, Dr. Fuller, and I have spent considerable amount of time working with the district and the charter school to have the project redesigned with proper oversight. Staff expects to bring

forward an amendment that does not increase the Triumph portion of the grant and still provides the charter school with a new modern lab classroom for the students. That is the update to the delayed projects. Chair Gaetz asked Ms. Henderson to be sure that Mr. Terry has a full briefing on the issue prior to bringing forward the amendment since he is the most proximate Board Member to the situation in Franklin County. Ms. Henderson said that she would assure that briefing is completed.

Ms. Henderson then gave her regular report as provided in written form prior to the meeting. **Mr. Merrill made a motion to approve the report. The motion was seconded by Mr. Terry and passed without objection.**

Economic Advisor's Report

Dr. Harper presented a Staff Recommendation on Proposal #265 – Florida State University – Panama City – FSU Panama City Collegiate Lab School - \$7,651,600.

FSU – Panama City is requesting funding towards creation of a new collegiate lab school, as allowed by Florida statute to serve grades 9–12. The school will immerse students in a collegiate culture with supported services and defined Curriculum Pathways, enabling students to earn dual enrollment credits towards a college or university degree and will also engage students in advanced coursework in engineering, computer science, cybersecurity, health sciences, among others, that would allow them to earn industry certs aligned with local and regional workforce demand. The school will guarantee completion of 2048 milestones. A milestone is something new for the Triumph board to consider. And in this case, a milestone is either a Triumph recognized CAPE certification, or a 15-credit hour bundle of lower division college core courses as enumerated under the Florida State University System, and the Florida College System, common course numbering system. These are college courses that students will be completing in bundles of 15 credit hours. Typically, in a university curriculum bachelor's curriculum, it's necessary to have 60 credit hours to attain Junior status and a student who could complete four of these 15 credit hour bundles as envisioned, would in fact be able to enter college or university with Junior status. The school guarantees completion of 2048 milestones. That yields a cost per milestone of \$3736. Match funding of \$10,6000,000 means that Triumph would be providing 41.9% of the total project cost and, of the match, 10 million would come from the per student FTE dollars that come from the Florida Education Funding Program. Just under \$500,000 of match will come from the CAPE per certificate funding and \$75,000 from the Florida Department of Education School Planning Grant. FSU calculates those students who complete 45 Dual Credit milestones will save approximately \$8,100 in tuition relative to a situation where they were to have paid in-state university or Florida College System tuition rates when they attend college. In total families will experience household savings estimated at \$2.47 million over the first six years of the project, with a projection of \$1 million saved each year thereafter in tuition. The school will expose students to courses in cybersecurity, engineering, IT and other high-wage, high-demand careers. The Collegiate High School will be able to maintain financial sustainability beyond the grant period with funding from the FEFP.

Staff and Board Members are well aware that concurrent with the development of the lab school, the US Air Force is undergoing a multi-billion dollar rebuild of Tyndall Air Force Base to position it as a base of the future. As part of this undertaking, Tyndall will be increasing its military personnel and bringing in new aircraft squadrons that will bring in a combined 4100 military personnel to Bay County and the Air Force projections are that about 512 school age

students each year from 2022 to 2025 will be added to the area. To assess the viability of its bases, the Air Force assesses the quality of public education offerings in the surrounding communities. The Air Force has most recently found that current public education offerings for the Tyndall area were relatively low scoring. There is a clear need to improve these metrics and Collegiate High School will help address these needs at a reimbursement rate of \$3736 per net new milestone, which again could be either an industry certification or a 15-credit hour bundle. The discounted total increase in household incomes expected from the program will be \$22.4 per dollar of Triumph cost, which is certainly acceptable relative to these programs and the Triumph education portfolio. For these reasons staff score this proposal as an A.

Dr. Frank Fuller, Education Advisor, reiterated that the economic savings to the families in the community will be significant. To be able to acquire this kind of training before the student exits high school, acquiring a degree and access to becoming a Junior at Florida State University is significant. This proposal actually starts to provide a model for post-secondary education for the high school programs that are developing in Wakulla for the other counties in our area to start moving towards. One of the big differences you'll see with this university model is in the Senior year students get a course on meeting with a college professor to work on a specific project for the entire school year, This will allow the student to take all of the prior training courses and start putting it into real life course applications before they move on towards their Junior year in college or try to pick a career field to move forward.

Chair Gaetz then addressed Dean Hanna and said that Triumph appreciates very much our relationship with him, and FSU and we appreciate this project. We know that it is a breakthrough project for the university in many ways with a new lab school focused on modern technology. The first lab school is the FSU Lab School in Tallahassee has been there for a while. The lab school proposal we are considering today was occasioned by a special act of the legislature, so this is no mean or small project. Chair Gaetz reiterated that the issue that has come up in the past of students who think they're taking dual enrollment courses and they think that by taking the dual enrollment course, they're satisfying a requirement for entry into the state university system. And after they take that dual enrollment course, be it International Baccalaureate or Advanced Placement, or be it through a dual enrollment program with a State College. Sometimes those students show up at a State University and discover that what they have is just an elective credit. They thought they were taking a course that satisfied a specific requirement for a major or for graduation and they find that the university is saying instead is what we'll give you credit for that as an elective credit, but nobody should have told you that it satisfied a requirement because it does not. We have had a robust conversation with Florida State, with your president, with you with others to make sure that in this case, where Florida State University controls the horizontal and the vertical in this school, that there is no question that a student who shows up with a completion in hand of the coursework in this in this lab school, and has satisfied the requirements for required courses will have those required courses recognized on their transcript, and that if they complete the coursework and earn the courses and earn the credits, they will truly be a Junior at Florida State University. Dr. Hanna replied that students who are dual enrolled at Florida State University will be treated just like any other student at Florida State University and there will be no difference whatsoever for matriculating students.

Chair Gaetz asked if any member of the public wished to be heard on the proposed project. No one asked to be heard. **Mr. Bense made a motion to direct staff and counsel to move to term sheet negotiations with FSU on the proposal. Mr. Lee seconded the motion which passed unanimously on a roll call vote (7-0.)**

Public Comment

Chair Gaetz asked if any member of the public wished to be heard on any topic and cautioned that Triumph Gulf Coast would not consider any proposals that had not gone through its normal intake process during the public comment period.

Mr. Nathan Sparks, representing One Okaloosa, came forward in support of a future proposal by the Hsu Foundation. He said that the Foundation is looking out on the horizon for ways to catalyze opportunity. He said that in addition to the Northwest Florida State College Aviation Center of Excellence, they now have a UAS Center of Excellence right next door to Hsu Innovation Institute North. And once again, the Hsu Educational Foundation is bringing forward a pre application for a proposal to essentially build an ecosystem focused on artificial intelligence, extended reality, and other emerging technologies. And what's interesting and exciting about this proposal is they're looking to interweave certifications with real world employment opportunities from employers who are a part of the fabric of this application.

Chair Gaetz thanked Mr. Sparks for his comment and reiterated that Triumph must do public notices before the board can consider applications or pre applications. The board can't have conversations or debates or discussions or votes on applications that we've not given public notice on. But with that said, he recognized Dr. Paul Hsu, as a citizen of Okaloosa County, for a few brief comments.

Dr. Hsu asked that the Hsu Foundation Executive Director, Amanda Negron, be recognized first. Ms. Negron then proceeded to present the proposal which is not yet before the Triumph Board for consideration. She pointed out the need for integration of artificial intelligence, extended reality, and emerging technologies training into the region's schools. She noted that the Hsu Foundation has been partnered with the Air Force for two years on an educational partnership that has brought together not only the airmen and the community, behind the gate, coming outside the gate to the Institute, but also attracted industry to work and collaborate on real world problems that has naturally led to mentorship of our young people coming through for projects where they're learning STEM, but also it has meant solving some challenges that have applications outside the government realm.

Dr. Hsu then asked one of the project partners, Scale AI, to speak.

Mr. Bobby Brunello, lead strategist for Scale AI in the southeast region, then addressed the board. He said Scale AI is an artificial intelligence company that was founded in Silicon Valley and has had tremendous success with its CEO Alex Wang and his partners, with former executives from Amazon and Apple and other large technology companies who seek to create an ecosystem and an infrastructure for artificial intelligence. The company has seen tremendous success in its commercial practice, but the real mission is building the backend infrastructure for what is needed for artificial intelligence projects. The company has raised over \$600 million in funding and current valuation of \$7 billion. That level of success doesn't come without tremendous partnerships in the technology space. Scale AI works with every autonomous vehicle company in the industry right now, as well as all top five major technology companies.

The company has solidified its commercial practice and the vision of the CEO who is a young guy, extremely talented and ambitious, and wants to bridge that technology into the government, from the federal, state, and local spaces, to take that best-in-class technology and

bring it to the government space, which he sees a tremendous need for. Scale AI has stood up its first AI Center of Excellence in St. Louis, Missouri. The company has hired 400 individuals at all various education levels, all the way from no high school degree up to advanced master's degrees in artificial intelligence and machine learning to create a beautiful ecosystem of people who come together and create a tremendous product for both commercial and the public sector. Based on that success and that demand, the vision that Scale AI has is to create a second AI Center of Excellence and due to our partnership with the Hsu Foundation, as well as our partnerships with F SOC, First Air Force, Tyndall Seventh Special Forces Group, and others in this area, we see this area as a tremendous fit for the second location.

Dr. Hsu then addressed the board. He said that he is excited about this potential project as the world becomes more and more advanced in all kinds of technologies, such as machine learning, autonomous vehicles, and UAVs, but most importantly, is the AI, the artificial intelligence. He said for the past 20 years the software industry has dominated the tech world. But in his humble opinion, for the next 20 years the AI will dominate the software industry. That is why he believes in the importance of this proposal. Dr. Hsu said as a tech entrepreneur he sees something in this particular project as the way that we're going to do our technical workforce development. Under the proposal, as the Foundation hires people as an intern level in AI there's not going to be any kind of requirement for the formal AI training or formal AI education or even past experience with AI. The foundation will train them through our certification process. And so, all the new jobs created will be net new jobs. He told the board he looked forward to working with Triumph Gulf Coast on this unique proposal.

Closing Remarks

Mr. Bear thanked staff for moving forward the projects on this agenda. He said it was exciting to see new businesses moving to the area and the educational institutions stepping up to meet the workforce training needs across the region. Mr. Merrill and Mr. Lee concurred with Mr. Bear's comments. Mr. Terry noted that thoughts and prayers are going out to Bay and Gulf Counties as they face the wildfires raging across their counties.

There being no further business, the meeting was adjourned.