

**Meeting Minutes  
Triumph Gulf Coast, Inc.  
Wakulla County School Board Chamber  
69 Arran Road  
Crawfordville, FL 32327  
April 26, 2022  
1:30 p.m. ET**

**MEMBERS PRESENT:**

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

Chair Don Gaetz called the meeting to order at 1:30 p.m. ET and thanked the Wakulla County School Board and Superintendent Bobby Pierce for allowing Triumph Gulf Coast to meet in their chambers. Chair Gaetz noted that School Board Vice Chair Joanne Daniels was in attendance. He recognized County Commission Chair Quincey Messersmith, and her husband, former Representative Frank Messersmith, and Apalachicola City Manager Travis Wade. He noted that Apalachicola Mayor Brenda Ash would be attending the meeting, as well. Also in attendance was Wakulla County Administrator David Edwards.

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

**Presentation of 2022 Triumph Gulf Coast Horizon Award**

Chair Gaetz recognized Mr. Matt Terry for the presentation of the inaugural 2022 Triumph Gulf Coast Horizon Award. The award was given to the Wakulla County School Board for “Innovation in Industry Certification Attainment” in recognition of the great success that the Wakulla County School District has had in implementing creative and innovative CAPE certification training in elementary, middle, and high school classes. Mr. Terry offered the following comments and presented the award to Wakulla County School Board Vice Chair Joanne Daniels and Superintendent Bobby Pierce:

“The Wakulla County School District has taken a pragmatic and bold approach to preparing community students for the world of work AND college/university, not just a choice between college OR workforce training. Several Triumph funded projects contain these key components:

- preparing students for immediate occupations in Automotive Repair by providing students classes resulting in Industry Certifications from ASE, the nation’s leader in automotive credentials, at the high school level.
- HVAC industry certifications for heating and cooling.

- Training in Unmanned Aerial Vehicles and added Federal Aviation Administration (FAA) certifications in Powerplant Maintenance (1235 Triumph region vacancies- average salary \$29 per hour).
- These certifications may be articulated into college credit in Florida

Wakulla made the forward-thinking commitment to move Florida's CAPE Digital Tools training (Coding, word processing, cybersecurity, multimedia) from Middle School to Elementary Schools. The School District believed their students could achieve, and teachers could teach, those skills in elementary in the Wakulla community.

To make room for more challenging IT certifications (Cisco, Adobe, Amazon, Cybersecurity) students needed to begin the path in as early as 3rd grade.

The Florida Middle school pass rate for CAPE Digital Tools was 61% when the project moved to Wakulla elementary schools (4th-5th grades) in 2018/2019. In the first year of the program, the pass rate for the elementary students in Wakulla Schools--almost all students were eligible to participate--was 81%! Great job by the teachers!!!

Those elementary students are now approaching High School, which brings us the reason we are here today- Project #264 on the agenda, which will provide those 2018 rising elementary students with those high skill IT CAPE certifications in Artificial intelligence, Amazon Logistics and Distribution, Oracle, Cisco, and more certifications.

Because of all the bold new programs that Wakulla County School District has brought to this community, Triumph Gulf Coast is awarding its very first HORIZON AWARD to the Wakulla County School Board for "Innovation in Industry Certification Attainment"

Triumph would like to recognize the Wakulla County School Board, Chair Melissa Taylor, Superintendent Bobby Pearce, Deputy Superintendent Sunny Chancy and the excellent teachers and principals of the Wakulla district schools and thank each of you for your willingness to partner with us to bring more opportunities for a strong and growing workforce to this region."

Superintendent Pearce and Vice Chair Daniels graciously thanked the Triumph Gulf Coast board and staff for their support and willingness to collaborate and partner with the school system. Vice Chair Daniels exuded pride as she spoke about her tenure with Wakulla County Schools. She recalls one of the district's first technological advancements in education as she led the charge in converting technology formats and systems over to what she saw being used by consumers and businesses throughout our community. This transformation included the installation of technology labs at our school sites. She stated, "We have a special community here where parents and kids really care about Wakulla, and I feel like they're getting the best of the best. I am very proud and grateful for this honor."

Superintendent Pearce said that this partnership with Triumph Gulf Coast is going to make a monumental difference for the students in our region and in Wakulla County for a long time to come. He further remarked that what is even more important is the groundbreaking path that Wakulla County Schools has taken that will set a model for where we head with education in the state of Florida. Through this endeavor, the WCSD will become the first of its kind as it establishes a “school within a school” CTE model. Under the helm of Assistant Superintendent Dr. Sunny Chancy and guidance of Dr. Frank Fuller, the Triumph Gulf Coast Education Advisor, and with a unanimous vote from the Triumph Gulf Coast board, the Wakulla County School District was awarded a \$20 million grant to establish the War Eagle Career Academy on the Wakulla High School campus. This academy will enable students to remain on campus allowing them to be fully immersed in the total high school experience. The academy will also provide classrooms, labs, and ancillary facilities that will enable our students to earn thousands of industry recognized DOE approved CAPE certificates.

**The minutes of the March 9, 2022 Meeting were approved as circulated without objection.**

### **Treasurer’s Report**

Mr. Reynolds Henderson, Treasurer, introduced Ms. Jennifer Davidson, CPA to present the Treasurer’s Report.

Ms. Davidson noted that a restatement of the January 2022 Financial Report was being presented to conform with a change in reporting that would move an expenditure from the January 2022 report back into the 2021 fiscal year. The change is a result of a recommendation from our financial auditors to reflect a change in reporting conventions. The change will result in approximately \$600,000 in grants payments to be moved back into 2021. **Mr. Henderson made a motion to approve the restatement. The motion was seconded by Mr. Collier Merrill and passed without objection.**

Ms. Davidson presented the February 2022 Financial Report and noted that Triumph Gulf Coast continues to come in under its operational budget each month. She said that Triumph had approximately \$492 million in its accounts and disbursed \$2.2 million in February with a total of \$3.2 million disbursed in January and February. **Mr. Henderson made a motion to approve the February 2022 Financial Report. The motion was seconded by Mr. Merrill and passed without objection.**

The March 2022 Financial Report showed a balance of \$486 million in the bank and reflects a new budget line item to reflect the change recommended by the 2021 Financial Audit. The new line, “Fund Distribution Table”, indicates that \$1.8 million in grant awards were approved by the end of March but had not yet been disbursed. This new line will appear, as needed, going forward in Triumph Financial Reports. Ms. Davidson stated that for the three-month period from January through March, Triumph Gulf Coast has distributed \$9.2 million in grant funds and is \$34,000 under its operating cost budget for the year to date. **Mr. Henderson made a motion to approve the March 2022 Financial Report. The motion was seconded by Mr. Ben Lee and passed without objection.**

At the direction of Chair Gaetz, Ms. Davidson then explained the Schedule of Available Funds spreadsheet that is provided at every meeting and available on the Triumph Gulf Coast website to outline all scheduled and completed expenditures by project and by county.

Ms. Skelton asked the Triumph Board to consider expediting the process of updating signature authorities for the organization's PRIME Account and Bank Account to reflect the upcoming, statutorily required, exit rotation of Board members who are currently serving as signators on the accounts. Chair Gaetz, Mr. Bense and Mr. Lee will reach the end of their terms by the end of June. Our bank, in particular, has a very arcane and lengthy process for updating signature authorities. To accommodate that process, and to maintain continuity in the organization's ability to operate during and after the transition of members occurs, staff is requesting that Chair Gaetz, Mr. Allan Bense and Mr. Lee be removed as signators and replaced by Mr. Merrill and Mr. David Bear in addition to Mr. Henderson who is the Triumph Gulf Coast Treasurer and currently a signator. Due to the operations of our accounts, it is required to have at least two persons available to sign checks and wire transfers for many of our transactions. Having a back-up person to be available if one of the primary signators is not available assures that operations will not be interrupted. **Mr. Lee made a motion to authorize changes, as described by staff, to the signature authority for the PRIME Account and the bank account. The motion was seconded by Mr. Bear and passed without objection.**

### **Staff Report**

Ms. Skelton reported that the 2022 annual BP Settlement funds have been transferred from the State of Florida to Triumph Gulf Coast. The transfer was completed in the prior week without any complications. Ms. Skelton thanked the Department of Economic Opportunity, the Chief Financial Officer, the Tipton, Marler CPA Firm and Mr. Lee for successfully completing the transaction in a timely manner.

Mr. Alan Manning, Triumph Gulf Coast's contract attorney and a shareholder in the Clark Partington Law Firm, has been named as the Managing Partner for the firm. He follows our General Counsel, Mr. Scott Remington, in that role. Ms. Skelton congratulated both men and indicated that both Mr. Manning and Mr. Remington will continue to serve Triumph Gulf Coast in their designated roles. She said our professional staff has worked with them to make minor adjustments to our interface with the firm that will allow those job assignments to continue without interruption.

Ms. Skelton noted that the Legislature had just completed a Special Session and that the Governor had signed bills passed during the session, including a new Congressional Reapportionment plan. She said that the budget had not yet been sent from the Legislature to the Governor for final action and that staff would continue to monitor that process.

Auditor General's Office Audit activities continue on course and staff continues to be responsive to any inquiries as they are received.

Ms. Skelton reported that Mr. Terry, Dr. Rick Harper, Ms. Cori Henderson, and she have had meetings with Franklin County and with the City of Apalachicola and that both governments continue to make progress in their efforts to have successful proposals to come before Triumph Gulf Coast. Prior to an update from Mr. Terry, Chair Gaetz recognized Mayor Brenda Ash who had arrived at the meeting earlier.

Mr. Terry said that the meeting with Franklin County Chair Ricky Jones, County Manager Michael Moron, Grants Administrator Erin Griffith and Mr. Alan Pierce was positive and that several interesting ideas for new projects were discussed. He said that the county team has already begun an outreach program in their community to determine interest in the projects in the business community. The meetings with Mayor Ash and Mr. Travis Wade in the City of Apalachicola have been productive and our team remains committed to working with them to find meaningful proposals. Ms. Skelton added that after these meetings in Franklin County, the Franklin County School Board has now reached out to our team to discuss ideas for bringing affordable housing to some property owned by the school board.

Ms. Cori Henderson, Program Administrator, announced that Eastern Shipbuilding has just been awarded the contract for construction of the fourth Offshore Patrol Cutter by the US Coast Guard. This contract is a continuation of the original contract and signals that the Coast Guard recognizes that Eastern Shipbuilding has been able to keep apace of its commitments in the wake of Hurricane Michael.

### **Legal Report**

Mr. Scott Remington, General Counsel, noted that the applicant for the **Project Lightning Strike Proposal #258, Bay Economic Development Alliance, has asked to temporarily postpone the request to review further legal issues.**

Mr. Remington offered a review of **Grant Award Negotiations for Proposal #264 – Wakulla County School Board, War Eagle Career Academy for \$20,011,606.** He said that the proposed Grant Award Agreement is consistent with the term sheet previously approved by the Triumph Gulf Coast Board and recommended for approval by legal counsel. He said that the Memorandum of Understanding to allow for Franklin County students to attend the new academy and for the Franklin and Wakulla County School Districts to arrange for transportation for those students has been completed as a condition of this agreement.

Wakulla County School Superintendent Bobby Pearce said that this proposal is the result of a vision developed by the county school district approximately six years ago to begin to address a low graduation rate. At that time, the graduation rate was at 72%. The district then brought back the automotive CAPE career training program followed by additional CAPE certification programs. The graduation rate has now grown to 96% which is directly linked to the redevelopment of the career training availability to students in Wakulla County. He said that the partnership with Triumph Gulf Coast has been an invaluable part of that success. He said that the important feature of the War Eagle Academy is that it brings the instruction capability closer to the student so that quality instruction time is maximized and not lost on trips to and from Lively Technical College in Tallahassee. The academy will be in the center of the Lively service area to reach students in Wakulla and Franklin counties. He said that this academy model will become the model for the entire state. He thanked the Board for support of the proposal.

Chair Gaetz asked if there was anyone from the public that wished to be heard on the proposed Grant Award 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 offered a review of **Proposed First Amendment to Grant Award Agreement for Proposal #243 – Okaloosa County School District – Artificial Intelligence Learning Institutes - NO ADDITIONAL FUNDS**. Mr. Remington called on Dr. Rick Harper, Economic Advisor, to provide a further explanation of the proposed amendment. Dr. Harper said that the amendment is due to changes in the county's relationship with the University of Florida that expands the curricula to be offered by the university to benefit the program. The amendment would allow for Okaloosa County Schools to shift previously budgeted Triumph funds to meet the additional \$350,000 cost to provide the additional university training while the school district meets the match with an additional \$20,000 and the guarantee to provide services for an additional 2 years. The district will now use federal Perkins Grant funds and CAPE performance funding to cover the additional university costs. Additionally, the district has been able to cut some of the costs directly related to the certificate training as the training is less expensive than originally anticipated. All these changes will allow Okaloosa County Schools to extend the relevant AI preparatory training into middle schools and to push basic computer training into the elementary level. Okaloosa has indicated existing teaching relationships with Escambia, Santa Rosa, Walton, and Bay Counties that will allow for train the trainer instruction because of this program and hope to be able to expand into Gulf, Franklin and Wakulla Counties if there is interest from those districts.

Mr. Henderson asked how the savings in CAPE costs were discovered. Dr. Harper said that upon doing research the district found that the actual cost for the curriculum tools came in approximately \$100,000 lower than expected and those cost savings were applied to the cost of instruction materials. Dr. Harper explained that under our budget requirements, Triumph operates on reimbursement of costs and that the budget reflects costs up to a certain amount. Mr. Lee asked if the University of Florida had given the school district a written quote for the material costs prior to the budget submission. Dr. Harper responded that prior to the budget submission, Okaloosa Schools did not have a written proposal. He said that at Triumph staff's request, we have now seen the written budget proposal and has identified the components that are reimbursable by Triumph and those that are not. The school district is covering the cost of disallowed components such as the University of Florida charge for overhead expenses. Mr. Terry asked if the cost savings will have any negative impact on the educational experience for the students. Dr. Harper said that the Okaloosa County Schools staff found that the benefit to the classroom instruction by the increased onsite participation of the University of Florida was substantial. Dr. Frank Fuller, Education Advisor, concurred with the comments of Dr. Harper and noted that AI is such a new field that even the universities are still in the curriculum development phase, and it is very beneficial to the region to have one of our school districts involved in bringing the development process into the K-12 educational environment. He said that flex in the development will continue over time to stay current with new research and opening of new technologies. He said that it is important for the training to stay flexible as well. The goal is the development of the core training for the career field that can be built onto over time.

Chair Gaetz asked if anyone from the public wished to be heard on the proposed amendment. **Mr. Bense made a motion to approve the amendment. The motion was seconded by Mr. Henderson and passed on a unanimous roll call vote (7-0.)**

Mr. Remington proceeded with a review of **Term Sheet Negotiations for Proposal #265 – Florida State University – Panama City – FSU Panama City Collegiate Lab School for \$7,651,600**. The new school will serve grades 9-12 and will achieve 2048 milestones which can be either CAPE certificate completions or bundles of 15 college credit hours. The match amount provided by FSU will be \$10,611,964. FSU will agree to accept the dual enrollment credits earned through the program at all its campuses. The following language has been reviewed by

Triumph and FSU as of this morning and will be included in the Grant Award Agreement should the Term Sheet be approved:

The courses offered through this Collegiate Laboratory High School project will be protected by and consistent with the State of Florida's common course numbering system. The students who take their general education courses defined and protected in the Florida Statutes and their degree and/or program prerequisites as outlined in the state's common course pre-requisite manual, shall receive credit consistent with the course numbering system. Students who achieve the required minimum grade in general education courses will receive general education credit toward degree and/or program requirements and not elective credit. Not later than forty-five (45) days following the end of each semester the University shall issue a parent transcript to the student (if over 18) or the parent of the student (if the student is under 18) evidencing the credits awarded pursuant to the common course prerequisite manual. The University shall grant degree and/or program prerequisite credit for all required core general education classes consistent with the University catalog.

Mr. Remington noted that there is a clawback provision to be included in the Grant Award Agreement whereby the failure to meet each milestone will result in \$3736 per milestone to be paid back to Triumph Gulf Coast. He said that the remaining components of the proposed Term Sheet are consistent with prior Triumph agreements and with discussions at the prior Board meeting.

Mr. Henderson asked Dr. Randy Hanna, Dean of the FSU-PC Campus, if this proposal is a continuation of the move towards implementing AS and AA degrees at the high school level. Dr. Hanna replied that most of the dual enrollment credit generated by the new school will be generated on the AA degree side but there is a recognition that not all students will be working towards that degree, so the complementary CAPE industry certifications will be a part of the curriculum mix. The goal would be for AA students to also participate in the industry certification classes to provide a balanced mix. Mr. David Bear asked if the 15-hour credit bundles and the industry certifications are mutually exclusive. Dr. Hanna replied that they were not, and students can take a mix of those types of classes throughout their high school careers.

Dr. Hanna asked to clarify that parts of the charter school may actually be located away from the campus. Mr. Bear asked for clarification that FSU-PC is the contracting party. Dr. Hanna confirmed that was the case and went on to say that students will be from Bay and other nearby counties and that there will be a preference for 50% of students to be from military families to serve military installations in the area.

Chair Gaetz asked counsel to confirm that the language read earlier in the meeting constituting a proposed agreement on credit hour language will be included in the final Grant Award Agreement with FSU. Mr. Remington confirmed that the language would be included. Chair Gaetz then asked if any member of the public wished to comment on the proposed Term Sheet. No one asked to be heard. **Mr. Bense made a motion to direct staff and counsel to begin negotiations with FSU-PC for a Grant Award Agreement to include the language discussed earlier in this meeting relative to credit hour guarantees. The motion was seconded by Mr. Merrill and passed on a unanimous roll call vote (7-0.)**

## **Program Administration**

### **Program Administrator's Report**

Ms. Henderson opened her remarks by noting that once again, the Wakulla School District has exceeded its certification training schedule with 70 students receiving Airframe and Powertrain training certificates through the county's joint program with Lively Technical College. She said that the AMIKids Panama City Charter School Unmanned Vehicle Training Program has been training students in underwater unmanned vehicle operation and the United States Naval Sea Cadet Corps has been so impressed with the project that they have asked the team in Panama City to develop the national training curriculum for the US Naval Sea Cadet Corps. She said that the IHMC Project in Pensacola, which requires that the research and development teams funded through Triumph grants be residents of the region has resulted, in part, in the IHMC's decision to expand its footprint in lab space and the announced construction of a new, approximately \$20 million facility on their existing campus in downtown Pensacola.

Ms. Henderson said that as the "flywheel" effect of Triumph's regional investments begins to pick up momentum, Triumph will be seeing applications for new and very exciting proposals soon. She said that one such pre-application is from Embry Riddle Aeronautical University for the possible expansion of a new location in Northwest Florida to serve the growing needs of the aeronautical and aerospace industry clusters beginning to emerge across the region. She noted that the placement rate for university graduates is currently 94%. The proposal represents a collaboration that will build off the programs Triumph has already funded at Northwest Florida State College.

To date, Triumph has 39 active grant award agreements with an additional eight projects completed for a total of \$316 million in active projects. As of last week, Triumph Gulf Coast had received 272 pre-applications totaling requests for over \$2 billion. As of last week, Triumph has received 110 applications totaling requests for over \$795 million. Several new pre-applications, as listed in the Program Administrator's Report, have been reviewed by staff and recommended to move forward as statutorily eligible to apply. Staff is recommending a de-obligation of funds from the Triumph ledger after the City of Apalachicola has formally withdrawn its application for \$1.1 million for an outdated proposal that was negatively affected by Hurricane Michael. The city is looking forward to bringing new proposals in the future and this older application has been lingering on our ledger for several years. By approving the de-obligation of these funds, we will be able to have those funds released for more current proposals in the county.

The report includes project progress snapshots, construction site visit reports and Q4 reports to Triumph on ongoing projects as required by various grant award agreements. Chair Gaetz asked if any pre-applicants have been deemed ineligible that have not received a letter from Triumph Gulf Coast outlining the reasons for such designation. Ms. Henderson said that there are no such designations at this meeting, but there were a handful of pre-applications that staff has not yet been able to determine their status due to a lack of information provided by the applicants. She said that there will be several of those for consideration at the next meeting if the pre-applicants provide the requested information.

**Mr. Henderson made a motion to approve the Program Administrator's Report. The motion was seconded by Mr. Bear and passed without objection.**



## Economic Advisor's Report

Dr. Rick Harper made a **recommendation on Proposal #261, a request by the Bay Economic Development Alliance on behalf of Bay County BOCC - Project Arrow for \$2,000,000** in ad valorem tax reduction to support the lease of a 200,000 square foot facility in the Venture Crossings Industrial Park adjacent to the Northwest Florida International Airport in Bay County. The proposed Triumph grant would be used to match the county's ad valorem rate reduction amount for the project. This will allow a leading national modular home manufacturer to locate in Bay County and supply its dealers in markets across the southeastern United States. More than 50% of sales driven by this facility will be in markets outside of the region. This output ensures that Triumph funds are not being used to subsidize one manufacturer in the region to the detriment of others in the Triumph counties. The Bay County investment, along with its partners, will be \$45 million with Triumph providing only 4% of the overall project funding. The project proposal is for 100 net new jobs with an average salary, excluding fringes, of \$50,000, or 119% of the current job rate for Bay County. Job saturation is expected within three years of completed construction with a guarantee of three years maintenance after the goal is met. The cost per direct job to Triumph Gulf Coast is \$20,000 which is a relatively attractive cost per job based on the Triumph portfolio. The proposed project is in a key manufacturing sector and will contribute to the growth of jobs in that sector in the Triumph region. The project represents an additional \$39.9 dollars in personal income per Triumph dollar invested over time. For these reasons, Triumph staff has scored the proposal as an "A."

Ms. Becca Hardin, CEO of Bay EDA, spoke briefly in support of the proposal and thanked the Board for its support.

Chair Gaetz asked if anyone from the public wished to be heard on the recommendation. No one came forward to comment. **Mr. Bense made a motion to direct staff and counsel to proceed to Term Sheet Negotiations on Proposal #261. The motion was seconded by Mr. Henderson and passed unanimously on a roll call vote (7-0.)**

## Public Comment

Chair Gaetz asked if there was any public comment on any topic related to Triumph Gulf Coast. No one came forward to speak.

## Closing Remarks

Mr. Bear reported that he had attended an event at the Pensacola airport and toured Hangar 2 of the ST project that has recently been completed. He said that the project is moving ahead on schedule and that great things are happening with ST and Pensacola.

Mr. Lee thanked the Chair for the Schedule of Funding spreadsheet and said that in reviewing the document he continues to see Walton County lagging in bringing economic development projects to the Board for consideration. He noted that across the southeast there is a massive amount of investment in economic development projects, particularly in logistics operations. He said that such a hub does not really currently exist in northwest Florida and perhaps this is an area on which Walton County could focus its development efforts. He said that Walton County has a huge asset in its access to I-10 and proximity to the Port of Panama City and others.

Mr. Terry thanked Wakulla County and the Triumph staff for work on trying to identify and bring forward projects for Franklin, Gulf and Wakulla Counties.

Mr. Henderson said that he appreciated Mr. Lee's comments and that he would continue to work with Walton County to find ways to get the dollars out for good projects.

Chair Gaetz asked Mr. Terry if he was ok with the status on the Franklin County School Board projects. Mr. Terry said that our staff and Franklin County's staff has been working to resolve the concerns that have been raised.

There being no further business, the meeting was adjourned at 3:05 pm ET.