

**Meeting Minutes
Triumph Gulf Coast, Inc.
Port St. Joe City Commission Chambers
2775 Garrison Avenue
Port St. Joe, Florida
January 31, 2023
1:00 p.m. ET**

Members Present:

David Bear, Chair
Bryan Corr, Sr.
Reynolds Henderson, Treasurer
David Humphreys
Collier Merrill, Vice-Chair
Jay Trumbull, Sr.
Leslie Weiss

Chair David Bear called the meeting to order at 1:00 p.m., ET.
Executive Director Susan Skelton called roll and announced the presence of a quorum.

On a motion by Reynolds Henderson, seconded by Leslie Weiss, the December 15, 2022 Meeting Minutes as circulated were approved without objection.

On a motion by Mr. Henderson and seconded by Jay Trumbull, Sr., the December 15, 2022 Workshop Meeting Minutes as circulated were approved without objection.

Treasurer's Report

Mr. Henderson turned the floor over to Mrs. Jennifer Davidson, CPA, to provide the months and twelve-months end statement for December 31, 2022. She noted this report shows Triumph having \$544 million in assets. She directed attention to the report showing funds distributed by county and noted that the total distribution for 2022 was \$35 million. Budget to actual shows administrative costs were under by \$66,000 dollars. She also provided a schedule of funding report for the year. Mr. Henderson noted that interest rates are rising meaning that more funds are being paid to the State. **Mr. Henderson made a motion to approve the December 2022 Financial Statement as presented. The motion was seconded by Mrs. Weiss and approved without objection.**

Staff Report

Ms. Skelton noted that the Legislature was not having committee meetings but members are filing bills daily. She reported that there has been more conversation about drones at the State level with approximately \$112 million worth of equipment that has been grounded. Dr. Frank Fuller, Education Advisor, and Ms. Cori Henderson, Program Administrator, will report more on that later in the meeting.

The Auditor General has completed its audit with no findings. The next audit will begin in June 2023.

Ms. Skelton mentioned that Chair Bear wanted to have a discussion on proposed requirements for written disclosure of transfer of jobs from one Triumph county to another by applicants. Triumph must be cautious with following statute in this regard to ensure that there are net new jobs are counted. Staff recommends that future applicants provide letters from both counties stating that all parties are aware of what is happening with each project. Ms. Henderson provided some background on Enterprise Florida's process for such projects, recognizing that everyone wants to keep the jobs within Florida.

Chair Bear stated that he feels there should be some notification of this type of activity. Dr. Rick Harper, Economic Advisor, stated staff's position is to not incentivize jobs transferred from one county to another unless the only alternative is to leave the region. He also noted that staff only counts net new jobs in the region per Triumph's clawback policy.

Mrs. Weiss asked if counties were allowed to submit a joint proposal to Triumph; staff noted it is allowable. Mrs. Weiss asked if anyone has ever submitted a joint proposal; staff has noted that there are some under discussion. Mr. Henderson asked how the money is allocated for a multi-county project. Ms. Henderson noted that the Board can designate a specific pot of money toward a project, not to be counted as part of the per county allotment.

Chair Bear requested that staff come back with a recommendation for handling moves between counties with either a separate form, checkbox, or some way to acknowledge the situation. Ms. Skelton recommended that Triumph follow Enterprise Florida's guidelines as much as possible.

Mr. Trumbull made a motion to formalize requiring letters from the county receiving new jobs as well as the county losing the job. The motion was seconded by Mr. Bryan Corr and approved unanimously on a roll call vote (7-0.)

Legal Report

Mr. Alan Manning, Legal Counsel, provided a review of **Grant Award Negotiations for Proposal #48 – Wakulla County Board of County Commissioners – First Response Communications System for up to \$11,038,669** to replace the failing emergency system for the county which will be used by many departments throughout the county. The Grant Award is consistent with the Term Sheet that the Board approved. Wakulla County Commissioner Ralph Thomas and Ms. Michelle Metcalf, Wakulla County Grants Administrator, provided an update on the project progress to date. Commissioner Thomas noted that the county has completed the process of the award of the system itself with Motorola as the chosen awardee. Contract negotiations are underway, and the county would like to ask Mr. Corr to be involved with the contract development. The County Commission hopes to approve a contract by Feb 21. The county has started process to hire construction engineering oversight company. With four bids received, the county decided to work with TUSA Consulting. The county has requested \$4 million in matching funds from the Legislature. Commissioner Thomas noted that they are humbled by the opportunity provided by Triumph.

Mr. Collier Merrill made a motion to approve the Grant Award Agreement as presented. The motion was seconded by Mr. Henderson. Mr. Corr asked for clarification on the ability to rent or lease space on the towers. Mr. Manning provided the clarification. Chair Bear asked if anyone from the public wished to be heard on the proposal. **The motion passed unanimously on a roll call vote (7-0.)**

Mr. Manning gave a review of **Grant Award Negotiations for Proposal #244 – Bay District Schools – Thunderbird Tech Program for \$147,900** to support a technology certificate

program for K-8 students at the Tyndall Academy located on Tyndall Air Force Base. The Grant Award is consistent with the Term Sheet that the Board approved.

Ms. Beth Patterson, Bay County School District Career and Technical Education Supervisor appeared and thanked Triumph Gulf Coast for consideration of the program. The parents want to see drones, engineering and any other programs that will allow their children to become really engaged in technology and in the jobs that technology will create for their futures. She said that once the first set of students discover what the possibilities are for learning, and the parents get to see that learning environment through a student skills demonstration event she expects to see a lot of interest in growing this program.

Mr. Humphreys made a motion to direct staff to move to Grant Award negotiations with the school district. The motion was seconded by Mr. Trumbull. Chair Bear asked if anyone from the public wished to be heard on the proposal. **The motion passed on a unanimous roll call vote (7-0.)**

Chair Bear asked Ms. Henderson and Dr. Fuller to provide an update on the status of the projects with drones. He also asked Mr. Manning if all the proposed amendments can be handled at one time since they all pertain to the same change. Ms. Henderson noted that the grants have slightly different funding needs based on the specific programs for each. She noted that currently there is a short list of approved drones, but it is anticipated that there will be more statutes and regulations in place – as well as a larger list of acceptable drones to purchase.

Staff is recommending that the districts purchase one to three drones to carry them through the spring until the regulations are established. These drones will also standardize the training. Dr. Fuller reminded that drones are part of the FAA platform and are here to stay. The market growth is huge. Mr. Henderson asked if we are better off to let them use the old drones for A&P training or to sell them. Dr. Fuller and Ms. Skelton stated that it is too soon to make any determination until the legislature passes a bill. Since students are currently in the program, staff has recommended purchasing some to keep the programs going. Mr. Merrill asked about the pending rules. Ms. Skelton stated that there are different tiers but there will still a restriction against Chinese-made drones. Mr. Humphreys asked if there is concern with supply. Ms. Henderson noted that staff is recommending that grantees only purchase one type of drone to standardize the drones and programs. Dr. Fuller noted that the chosen provider works on a global platform so it is likely that they will be able to meet demand.

Mr. Manning gave a review of **Proposed First Amendment to #153 – Gulf County School District – Unmanned Systems - Replacement of Training Drones (2 schools) - \$60,000 and Proposed Third Amendment to #198 – Wakulla County School Board – UAS/VSO Certification Program - Replacement of Training Drones - \$50,000 and Proposed Second Amendment to #200 – Franklin County School Board – Career and Technical Training - Replacement of Training Drones - \$50,000 and Proposed First Amendment to #206 – AMIKids Panama City (PCMI Properties, Inc.) – STEM and Business Entrepreneurship – Replacement of Training Drones - \$10,000.**

Mrs. Weiss made a motion to approve the Proposed Amendments for drone programs. The motion was seconded by Mr. Henderson. Chair Bear asked if anyone from the public wished to be heard on the proposal. **The motion passed on a unanimous roll call vote (7-0.)**

Mr. Manning gave a review of **Term Sheet Negotiations for Proposal #276 – Bay District Schools – Triumph Training Center - \$8,075,000** for a certificate program in construction and

health science at the JR Arnold High School. It would provide for 3,200 industry-recognized certificates. Ms. Beth Patterson, Bay County School District Career and Technical Education Supervisor appeared and thanked Triumph Gulf Coast for consideration of the program. She noted that Bay County School District is excited for the opportunity between the new hospital and the ongoing construction. It provides an opportunity for students that are on that side of the bridge. It is an active program but needs to expand. **Mr. Henderson made a motion to direct staff to move to Term Sheet negotiations with the school district. The motion was seconded by Mr. Humphreys.** Chair Bear asked if anyone from the public wished to be heard on the proposal. **The motion passed on a unanimous roll call vote (7-0.)**

Mr. Manning provided a review of **Term Sheet Negotiations for Proposal #290 - Escambia County Board of County Commissioners – OLF-8 Phase 1 Infrastructure – up to \$14,200,000.** The project will be to install a roadway, water, sewer, and drainage improvements to the Outlying Field – 8 (OLF-8) industrial / mixed use site in northern Escambia County. **Mr. Merrill made a motion to direct staff to move to Term Sheet negotiations with the county. The motion was seconded by Mr. Henderson.** Chair Bear asked if anyone from the public wished to be heard on the proposal. Mr. Luth, with FloridaWest and PEDC, stated that on behalf of the county and the PEDC, we support this application and are happy to see it moving forward. He noted that one of the problems that Escambia County has faced is the lack of available land. Mr. Corr asked if the county has already purchased the land. Mr. Luth stated that the county does own after a 20-year process. **The motion passed on a unanimous roll call vote (7-0.)**

Program Administration

Program Administrator's Report

Ms. Henderson thanked the Board members who have participated in the recent ribbon-cuttings and those that have plans to attend future ones. There has been a lot of activity with Triumph-related projects lately. Staff continues regular work with grantees on the implementation of 45 active projects, with an additional eight projects completed, totaling over \$389,000,000. As of January 25, 2023, Triumph Gulf Coast had received 294 Pre-Applications totaling over \$2,330,722,000 in requests. As of Wednesday, January 25, 2023 Triumph Gulf Coast had received 121 Applications totaling over \$997,842,000 in requests. Pre-applications 292,293, 295 and 296 are recommended as statutorily eligible. Staff is currently working with eleven active applications and seven pre-applications, along with many more entities that haven't submitted pre-applications yet. Ms. Henderson stated that there are two projects, numbers 65 and 261, for which staff is recommending the funds be de-obligated. One was funded through other sources and one requested to withdraw from the process. Both were in the Term Sheet phase and had not entered into Grant Agreements. Ms. Henderson also noted that the Program Administrator's report includes the project tracking as well as the Construction reporting.

Mr. Corr noted that the financial statements reflect Designated Funds. He asked at what point the funds become designated. Mrs. Davidson stated that funds are designated once the Term Sheets are approved. Ms. Henderson stated that her report should then state that staff is asking for the funds to be undesignated.

Mr. Henderson asked if any pre-applications are with some of the smaller counties like Franklin, Gulf and Wakulla. Ms. Henderson and Dr. Fuller stated that there are some opportunities that are being worked through. This could also include some of those multi-county applications too. Ms. Skelton noted that Franklin is still behind with funding opportunities. Ms. Henderson noted

that she has been working with some partners on potential projects. Mr. Henderson asked if there has been any efforts around hospitality. Ms. Henderson noted that staff has been gathering data from CareerSource and other sources. Dr. Fuller noted that the Franklin County Airport has previously received great interest which should improve again as Tyndall comes back online. Chair Bear invited Mayor Brenda Ash of Apalachicola to speak. She noted that there has been much discussion about ways that they could partner with Triumph. Mrs. Weiss offered her assistance to speak with city and staff about possible opportunities.

Ms. Henderson noted that she has been speaking with Enterprise Florida and FL Department of Economic Opportunity for more tools in the toolbox to help with match on some of the projects, big and small. Mr. Henderson noted a potential Rural Area of Economic Opportunity bill that could help with the rural counties. Ms. Skelton noted that staff is following House Bill 413 by Representative Shane Abbott.

Mrs. Weiss made a motion to approve the Program Administrator's Report. The motion was seconded by Mr. Trumbull and passed without objection.

Economic Advisor's Report

Chair Bear called on Dr. Harper to represent the Economic Advisor's Report. Dr. Harper stated that staff is recommending moving to **Term Sheet negotiations on Proposal #291 – Escambia PEDC - Project LASER - \$6,000,000** in partnership with Pensacola State College and Space Florida which will provide partial funding for a new \$21 million 39,000 sq ft building to house LIFT Technologies, which is a research and development revenue conduit for Department of Defense. LIFT projects that the average wage of the 36 employees in the Pensacola facility will be \$113,083 per year.

The proposal identifies three key metrics, each of which will be attained during the specified period:

- Performance Metric #1: Successful award of a minimum of \$32 Million in competitively awarded research grant proposals focused on the broader objectives of the Center to be conducted within the Triumph region within five years of the completion of the facility.
- Performance Metric #2: Providing substantive collaborative assistance and mentoring in local entrepreneurial outreach and support to at least 100 different businesses in the impacted counties within five years of the completion of the facility.
- Performance Metric #3. Hiring of 36 key permanent personnel to be based in the region within five years of the completion of the facility.

By staff's calculations, the total impact on the region measured is expected to be \$14.4 of increased personal income (in constant dollars) per dollar of Triumph expenditures. For these reasons, Triumph staff rate the project as an "A."

Dr. Harper noted the Mr. Luth was in attendance for any further questions.

Mr. Luth pointed out that we have a familiarity with the education partners with a proven track record of producing certificates. He equates the LIFT project as a transformational project to the region, much like IHMC. He noted that IHMC is more theoretical in nature

while LIFT is more applied research, working directly with the companies to come up with new technologies to implement in the manufacturing process. LIFT has a large presence in Detroit and now seeks to bring some of the larger companies to the south.

Mr. Trumbull asked what type of companies would be targeted. Mr. Luth stated the facility is outfitted with equipment that allows companies to develop prototyping or develop new parts. LIFT will also visit manufacturers to analyze ways to automate their processes. Mr. Luth noted that twenty percent is piloting and developing curriculum for new manufacturing processes. These programs will be delivered to K-12 as well as the current workforce.

Mrs. Weiss noted that she was impressed that there will be specialized equipment that companies can come in to use in cases where they would never be able to afford the equipment.

Mr. Corr asked about Pensacola State College's student count and whether this project would be an educational program or a manufacturing support project. Mr. Luth stated that it would be both. The metrics are developed more around the manufacturing components, but LIFT is working with Pensacola State College to develop curriculum and provide training opportunities that aren't available in other places.

Chair Bear asked if there would be opportunities for dual enrollment with this project. Mr. Luth stated that there are conversations with the PSC. He noted that LIFT is not in the training business so once the curriculum is developed, it plans to outsource this component which is where PSC comes in. He noted that there could be a second phase that would more fully develop the educational and training aspects.

Mr. Corr asked about enrollment at Pensacola State College. Mr. Luth noted that he did not have firm numbers but estimated 12,000-14,000. Mr. Corr noted that the score sheet doesn't indicate a county for the jobs. Mr. Luth noted that the companies that LIFT works with could be across the region.

Mr. Henderson made a motion to direct staff to begin term sheet negotiations with the applicant. The motion was seconded by Mr. Trumbull. Chair Bear asked if anyone from the public wished to be heard on the proposal. **The motion passed on a roll call vote (7-0.)**

Public Comment

Chair Bear asked if any member of the public wished to address the Triumph Gulf Coast Board on any subject. No one came forward to speak.

Closing Remarks

Mr. Trumbull stated that it was a great meeting, and he is fascinated by the impact of drones on the future will be. He noted that LIFT is a unique project, and he is excited to see it come to be.

Mrs. Weiss thanked Port St. Joe for hosting and said she looks forward to see the projects move to term sheets and grant agreements. She can't wait to see the eleven active projects move forward.

Mr. Corr said that he is continually amazed by how many smart people are in the region! He thanked those in attendance and staff for all their hard work.

Mr. Henderson stated that he encourages Franklin and other counties to come to staff and Board members with ideas and ways that we can help.

Mr. Merrill said that as was discussed with the Committee of the Whole, don't let the match requirement scare counties too much. We want to get the funds in use so that they can multiply.

Mr. Humphreys said that the drone issue is disappointing that so many will be going to waste. He wishes there was a way to re-engineer the Chinese-made version. He was pleased that Mayor Ash spoke. He hopes that we can find a way to help the smaller cities and counties, not that the larger projects are worthy as well, but lifting up small communities would be great.

Chair Bear said that he really appreciated everyone being at the meeting. He really enjoys the dialogue had during these meetings. He thanked staff for the great work that they have done to get ready for this meeting. He noted that he enjoys learning about the different projects and the opportunities within the counties, cities and education institutions that are being brought forward. He agreed that the Board wants to see these projects come forward and the monies allocated. He noted that the goal is to spend the money on diversification of the economy.

Ms. Skelton noted that the next meeting will likely be March 31 and will be announced when confirmed. Due to scheduling conflicts the Committee of the Whole Meeting will likely take place in March in conjunction with the Board meeting. More to come on these as schedules are confirmed.

There being no further business, the meeting was adjourned at 2:33 p.m. ET.