

DRAFT Meeting Minutes
Triumph Gulf Coast, Inc.
Bay County Commission Chambers
840 West 11th Street
Panama City, FL 32401
August 17, 2023
11:00 a.m. CT

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 11:02 a.m., CT.
Executive Director Susan Skelton called roll and announced the presence of a quorum.

On a motion by Mr. Collier Merrill, and seconded by Mr. Reynolds Henderson, the June 22, 2023, Meeting Minutes as circulated were approved without objection.

Project Highlights

Chair Bear introduced Dr. Randy Hanna, Dean of FSU PC, to provide project highlights on the FSU Ascent and Collegiate High School projects. Dr Hanna noted that FSU has three projects funded through Triumph Gulf Coast. He introduced Dr Larry Dennis, and Dr Suzanne Remedies, who will talk about Ascent, and Dr Elizabeth Crowe and Debbie Whitaker, Director of the Collegiate School.

Dr. Remedies provided some highlights of the Ascent Grant. It is a \$23M grant with Triumph providing up to \$11.5M and FSU to match \$11.5M. FSU has matched nearly \$2M to date. FSU has secured several partnerships or teaming agreements with some of the local areas – Bay County, Franklin County, North Bay Haven Charter Academy, as well as Destin High School. One of the other exciting partnerships is with Gulf Coast State College to assist them in accomplishing its industry certifications. The program has some homeschool components and they have reached out to the public library so outreach in the last 12 months has been expansive.

Some other highlights include the T-3 Academy that was started last summer. It is a paid professional development called Teaching Technology Together. Last year, it had 20 teachers; fast forward to this past summer, enrollment doubled to 40. From the initiative, the program created the Integrated Technology Club. There are 20 clubs in 15 different schools from Bay and Walton Counties. From the combination of those efforts, 145 industry certifications have been earned over the summer. There are seven outreach initiatives from Apalachicola to Escambia. The first summer camp was held at Dean Bozeman. They had 23 students participating with a 100% certification pass rate. FSU has done a lot of outreach, but the one thing they are very proud of is the Home School Coalition initiative. They used supplemental income from a USF grant that helped to do five extra initiatives on top of the T3 and

Integrated Technology Club activities this summer. From that, they did a 90-day home school initiative that is still in progress and will end at the end of the month.

Dr. Larry Dennis noted one of the challenges for this grant is to find the \$11.5 million matching funds. They received some from Florida State initially and they have been devoting effort of personnel to that. He noted that they are writing more grants. They are continually in the process of looking for funding opportunities, going after them, and getting them. The largest one is an NSF Nexus Grant. If received, it would start out for two years at \$700,000 a year. It eventually would go to a 10-year program worth probably about \$20 million to the Ascent effort and help bring that forward. The program is looking at foundations and is talking again to the St Joe Foundation and to the Florida Power and Light Foundation. For some of the grants that they didn't get, there is an opportunity to reapply and get some of that money. This is the end of the first official year, and there are a lot of key goals coming up. First, with the small team at Florida State the goal is to use the community to teach a lot of the cybersecurity and IT courses. They have started with training teachers so they can go back to their schools and start clubs or summer camps. They worked with the libraries and community groups. A lot of that is focused now on homeschoolers and adult education and again partnering with CareerSource. There are a lot of things CareerSource does, but they have some gaps in their funding that FSU Ascent can help fill and expand to get more people into those programs. They need to strengthen and build standard operating procedures for the Integrated Technology camps, T3 academies, student leadership camps and the technology showcase and starting again with the Technology Invitational. They are beginning to make some progress with outreach to the military that will hopefully amount to certification training for contractors and members of the military or their family members.

Dr. Elizabeth Crowe, Assistant Dean at FSU in Panama City, and Debbie Whittaker, Director of the Collegiate School, provided an update on their progress. The Collegiate School opened on August 10, 2023, with 100 students. The school has been met with great excitement from students and parents in the local area. They anticipate that will continue, especially as they see military students moving in. The Collegiate School was the recipient of a Triumph grant in 2022 with the purpose of serving the military populations that would be moving to the area and providing advanced course work opportunities and CTE training opportunities early and often in high school. The Florida Department of Education has awarded the school its own district, District 82 FSU Bay. The school is operating in association with the Florida State College of Education and Florida State University - Panama City. The main framework of the Collegiate School is to help students see themselves with the potential to earn certifications and become post-secondary ready early in high school and to help them see their pathway. The school has a diverse population of students. Students who do not necessarily come from homes where our post-secondary degree is already present in that home. The school wants to help them on the way with immersion in the collegiate culture. Students are on the school campus for four days a week, starting in 9th grade, and they're on the FSU Panama City campus for one day a week. They get the feeling of what it is like to be in a collegiate environment. Experiential learning allows them to work with people from the community and at FSU, people who are experts in the fields that they're interested in. And of course, serving the military population. Military students can enroll year-round. They do not have to wait on a seat or wait for the lottery to open again to join the school.

The projected growth is to start with 100 9th graders this year, adding 100 to 125 students every year, leaving space for those military students who come in throughout the year and adding a grade each year. The first year was a planning year to get everything up and going, become its own district, and set up the school. Students will be in two locations. They'll be at the TCS location, which is on the corner of 23rd St. and 390 or St Andrews in the NorthStar complex, for four days out of the week in 9th grade and then on Fridays they'll be at FSU Panama City. Starting in 9th grade, students, if they meet qualifications, can dual-enroll in classes in both fall and spring. Every single student at the school is enrolled in a CTE course and will be taking CTE exams in 9th grade. We have some students who are

in multiple courses because they came in with high school credits already accomplished and they have more room in their schedule. Every year that trend continues with CTE being a requirement for all students every year. Also, students will be able to dual enroll and those dual enrollment courses continue to increase through 10th, 11th, and 12th grade. By 11th grade, students would be spending most of their time at FSU or at Gulf Coast or at Haney doing whichever pathway that they're interested in and that will leave room for 9th and 10th graders to be getting their core academics completed at the TCS location.

FSU did a survey and a focus group with students early on before the school opened back in March to figure out what students were interested in. Biomedical Sciences came up as one of the key interests of 8th graders in our area, which is great because we need people in that field and information technology, and computer science. Those are the three pathways that the school has starting in 9th grade, and they are planning to add engineering next year. They will have a diverse array of CTE options for them to choose. Every student is in a leadership class learning the skills that they need to be leaders in their school and in their communities, and in a research class so they understand the basics of how the scientific method works and what they need to do to be able to do research in any of their core subjects and areas. There are clubs, activities, and honor societies. All of that is part of the programming for students, even in 9th grade. Finally, the school has an amazing staff of teachers and administrators and support staff. Schools are about teachers. The quality of our teachers is going to greatly impact what happens at the school. The administration feels like they have assembled a great team of very talented people and they have all good things to say in the first days of school.

Ms. Whitaker said that since the Triumph Board does not see the kids as they get to school every day, you do not necessarily get to see the results of the monies that you have given them. She not only gets to see the givers, which is this group, but she also gets to see the receivers and the smiles and the pride and the honor that these kids and their families have as they come to a school that has been so heavily supported by you. She said it is greatly rewarding for her, and so if she could tell you anything it would be thank you, not only for now, but for the change that you're making in the trajectory of these students and not only their lives, but their families' lives. Thank you to Triumph Gulf Coast for that.

Dr. Hanna stated that he has loved his job from day one, but the last couple of years with these two projects has been fabulous. The reach that Florida State has been able to make across the Panhandle with Triumph's help has been tremendous and FSU is appreciative of the partnership, and they look forward to continuing the strong relationship.

Chair Bear stated that the Board appreciates the work that FSU-PC doing to help continue to educate our citizens and prepare them for the workforce.

Mr. Henderson stated that this is awesome. He asked how the future enrollment looks. He asked if there is a waiting list for next year. Dr. Hanna noted that they have not opened it up for next year and that immediately as they opened this year, they started having folks calling wanting to know how to register for next year. Being a charter school and lab school, they have a lottery with a priority for military. During the fall, they will be working on it and then right after the first of the year, they will open the lottery. Mr. Henderson stated that he loves how the school has every student in a CTE course.

Mr. Merrill commended Dr. Hanna and said if anybody knows higher education, it is Dr. Hanna. He appreciates everything you've done for higher education.

Mrs. Leslie Weiss stated that she is on the FSU Civil Engineering Board, and she is excited to hear that engineering may be one of the upcoming additions. She did note that Wakulla County is not involved in this program and asked if it is because it is too far away from the military bases. Dr. Hanna noted that it

is too far away for students to drive from Wakulla every day. He said they would be happy to take students from Wakulla if they wanted to come and had a place to stay. He said engineering is a critical part of the FSU-PC campus - civil and environmental, electrical and computer, mechanical, and FSU runs the graduate program in Systems Engineering from Panama City. It will clearly be part of the collegiate school.

Mr. David Humphreys asked whether with the CTE programs, once you get your certification in one of these programs then does that transfer as a college credit or are you leaving with just the certification. Dr. Hanna noted that with the CTE, some of the state colleges and the vocational and technical colleges, it will transfer to credit for an AS degree or for certificate or AAS degree. It will not transfer for an AA degree or a bachelor's degree, so it is a different route with the CTE. It is beneficial even if it doesn't transfer for those students. Mr. Humphreys also noted the great job that FSU is doing.

Dr. Hanna wanted to thank the four people that joined him for the presentation. Dr. Larry Dennis was for many years the Dean of the College of Communication and Information and he retired. Then, in his first year of retirement, he took on this project and has been fabulous. Dr. Remedies has worked with him as has Mr. Ebe Randeree, associate Dean of the College of Communication Information from Tallahassee. Dr. Crowe and Ms. Whittaker were both heavily involved in the creation and the growth of University Academy. When FSU talked about setting up the Collegiate School in May 2022, when this Board finally approved the award, and they opened classes in August 2023, so it is very impressive what they have done.

Treasurer's Report

Chair Bear called on Mr. Henderson for the Treasurer's Report. Mr. Henderson noted that Triumph has started receiving the interest earned on the Triumph funds that the Legislature generously let us receive to continue with good projects. He wanted to say thanks to the Legislature. He then turned it over to Mrs. Jennifer Davidson, CPA, to review the June Financial Statement. Mrs. Davidson noted the bank account is at \$613 million. The funds distributed in June were approximately \$2.4 million. The June Budget to Actual reflects being over budget by \$18,000 due to the timing of some of the grant evaluation costs and software purchase. The Year-to-Date budget shows that we are under budget by \$20,000. **Mr. Henderson made a motion to approve the June 2023 Financial Statement as presented. The motion was seconded by Mr. Jay Trumbull and approved without objection.**

Mrs. Davidson then presented the July 2023 Financial Statement and noted that cash in the bank is approximately \$613 million. She pointed out that the interest payable line is 0 and will remain 0 for the next year. The Statement of Activity shows Interest Income of \$2.8 million. The Budget to Actual shows us being under budget for July by \$18,000. The Budget to Actual for the seven months ended July 31, 2023, which shows us under budget for administrative costs by \$38,000 and shows the \$11.6 million in funds distributed through the month of July. She also noted that yesterday Triumph wired out \$10.9 million in additional grant funds. **Mr. Merrill made a motion to approve the July 2023 Financial Statement as presented. The motion was seconded by Mr. Henderson and approved without objection.**

Mrs. Davidson directed attention to the Systems Documentation form provided. She explained this is the list of our accounting related processes, of which a couple of things needed to be updated. The items that we updated under accounts maintained are the two new Centennial Bank accounts which replaced the old accounts previously shown in this document. A section called accrual of disbursements payable was added based on the note from Warren Averett during the financial statement audit for last year. They had brought up the need for us to start accruing payables for items that our grantees have spent as of the end of the year. The new document reads that all requests for

funding by grantees that have been received as of the end of February the following year will be reviewed for the need to accrue a payable as of the end of the prior calendar year. We will go through any request that we have in hand at the beginning of March and determine what our grantees have spent as of the end of the prior calendar year, and we will have to record those as payable to our grantees.

The next section that is new is when interest is directed by the Legislature to remain with Triumph. In that instance, the interest will remain in the account recorded as undesignated funds based on the language that the Legislature has given us until such time that the Board designates the income to a specific purpose, so that money will be kept separate until the Board has voted on how to expend the funds. The next section that was added was the \$5,000,000 appropriation. Mrs. Davidson's recommendation is that beginning September of 2023, Triumph will begin releasing from restrictions funds equal to the amount of the monthly grant evaluation expense. On the financial statements, the line item for grants evaluation cost is where compliance expenses are reported. In each month, we will start to reduce that \$5,000,000 appropriation by the amount in that line item. It also allows the Board to add any additional administrative compliance cost to that allocation each month at your discretion.

Chair Bear asked if there were any questions related to the System Documentation Form. Mr. Bryan Corr asked Mrs. Davidson for confirmation that the interest income is going to be kept in a separate account until it is designated to be spent on something. She replied that the funds would not be in a separate bank account but would be shown as a separate line item on the financial statements. As a follow-up question, Mr. Corr asked if the Board would have to allocate expenditures out of interest separately from other funding. Mrs. Davidson noted that the Board will have to decide what the funds are used for, whether for a specific project, administrative costs, or other expenses allowed by statute.

Chair Bear noted that prior to this year, Triumph had two revenue sources. We had the funding of .75% of the settlement amount through the statute and then the Legislature a few years ago gave us an additional \$5,000,000 that was restricted for administration. This past year when the Legislature allowed Triumph to retain the interest income earned for this fiscal year, it was to be used for program support and/or administration, which is basically everything we do, so it is unrestricted funds. Rather than placing it into one of the other funds, it is being kept a separate line item until we, as the Board, decide how we will be spending these funds. Ms. Skelton added that the only limitation that the Legislature put on the funds is that it be used for grants or administration so those are the two things that it can be used for. We placed the other \$5M in restricted funds at the suggestion of our financial auditors. At this point, we do not know what the financial auditors will say about restricting the interest money, but the Legislature did not put any restrictions other than what it could be used for.

Mrs. Davidson stated the majority of the funds are in the Florida Prime account with a small amount being in Centennial. Mr. Merrill noted that we are now earning interest on our interest and that we have gone 50 times what we were making two years ago—from 10 basis points to 500 basis points. Chair Bear asked what the current interest rate is on the funds. Mrs. Davidson stated that it was 5.39% in July. **Mr. Merrill made a motion to approve the Updated Systems Document as presented. The motion was seconded by Mr. Henderson and approved without objection.**

Ms. Skelton noted that the Schedule of Funding shows the interest expended in the out years but there is a footnote that states that it is at the discretion of the Board. Mrs. Davidson added that it shows the amount available for administration specifically and grants specifically. The new interest will be shown separately until the Board decides on how to use the funds; at that point, the funds will be allocated appropriately. Mrs. Weiss requested that the use of the funds be a discussion item on the next Board meeting agenda.

Staff Report

Ms. Skelton reported that the staff continues to work with the Auditor General to answer questions and requests for information. She noted that we are honored this morning to have our audit team here with us. They were accommodating enough to come over today to do the required annual fraud interviews with the Board and staff members, so we didn't have to travel somewhere to meet with them. We appreciate that courtesy.

Chair Bear informed the Board that every year we are tasked with reviewing our Executive Director and she performs her review of our staff members and the other contracts. To accomplish this, appointed members to the Performance Review Committee. He asked Mr. Merrill to chair the committee and Mr. Jay Trumbull and Mrs. Weiss to serve on the committee. The chosen Board members agreed to serve. He invited other Board members to observe as it is a great way to learn the process.

Ms. Skelton noted that we continue to bump up against the top threshold of hours with our Administrative Specialist, Ms. Therese Baker. She is doing an incredible job of assisting not only our program administration and administrative side, but she's also working very closely with our accounting team. She is helping to reduce the number of touches on a project when it gets to the accounting side. We are finding that as we continue to grow and add new projects, the volume of work increases and continues to hit the limit with Ms. Baker. She asked the Board to consider a motion to increase the threshold to what would effectively be 30 hours a week, but in order to provide the flexibility we need with some of the larger projects, she asked that it be in the form of increasing her workload approval to 120 hours per month. We would also like at some point to be able to have her do some of the administrative task work that we need to do in coordination with Clark Partington as well to ensure that some of the check offs and tasks are happening timely.

Mr. Merrill asked what the current contract states. Ms. Skelton noted that it is capped at 20 hours a week, which is 80 hours a month, and we hit that limit every week. **Mr. Merrill made a motion to approve the increase in hours of work and additional assistance with the legal compliance for Administrative Specialist as presented. The motion was seconded by Mrs. Weiss and approved without objection.**

Mr. Humphreys noted that in the past we had some constraints on staff funding and asked if that is over now that we have this interest windfall. Ms. Skelton noted that most of the work that Ms. Baker will be doing, if the Board approves the next agenda item, will be in compliance. As such it will qualify to come out of that \$5,000,000 or potentially out of the interest income at a later point. We want to expend those funds in a way that makes sense as we go forward, but the majority of the work that she's doing now and the majority even more so, assuming that we move on the next item will be working in the compliance component and so effectively that money could be paid for out of the \$5 million.

Mr. Humphreys asked if the interest income, in addition to the \$5 million that we have set aside already, is available for all kinds of additional staffing or research. Ms. Skelton noted that we do not anticipate adding all kinds of additional staffing, but we are going to need to add some compliance assistance related to performance metrics review when we get into the professional review of the job performance for these different projects and particularly now that we are upwards of over 40,000 certificates that are required to be met by the different projects, we are going to have to have some help to review the compliance with those certificates. In the coming months, we will bring you more on those two positions that we see that we may still need to fill. But for now, we are just working on the administrative side and Ms. Baker will move more towards full-time compliance as opposed to administrative if that is the will of the Board.

Mr. Merrill noted that the workload is getting bigger and bigger. And we will be back here again, increasing hours again for people just to keep up with the massive work to keep up with the auditors. It is a huge relief that we have the additional funds.

Ms. Skelton noted that we are starting with a crawl, walk, run, perspective here. Most of you were not part of this when we were building the airplane, but we are still flying while building the airplane here. This is the minimal assistance that we think we need currently. We will continue to be very conservative when we come to ask you and we will make sure that we are able to explain to you the need. Ms. Henderson and Mrs. Davidson can both talk about the work that Ms. Baker is doing now if you want to have that conversation. Mr. Merrill noted that he is not sure how the staff is doing what it does now. At least we have more runway now, which is great because there is going to be a lot of compliance work. Mr. Henderson stated that the \$5 million if you spread it out over the whole term is not like we are digging into that interest right now. Like Mrs. Weiss said, we may want to put some policy ideas together on that interest and what we want to spend that on. He believes that the \$5 million will get us through without having to spend the interest money right now. Ms. Skelton noted that at this point in the process, we think that \$5 million is going to be at least enough for a while. There will be a time, and that is the reason why the Legislature put the interest money in place for us, as we continue to grow and the compliance component continues to grow, that we are going to have to expend some of that interest money. Our goal is to keep that amount as minimal as possible while still performing the tasks that must be done.

Chair Bear pointed out that we will continue to receive the funding until 2034, but we will have funds to continue to spend with compliance ten years afterwards. We are going to have compliance requirements and staffing needs for much longer than the funding will come in. This program is going to exist for many, many more years and the interest is definitely helpful. As we continue to get more and more fund requests, more and more applications, more programs, there's just a lot more compliance. There are all the new CTEs that must be verified, and all the compliance is falling on the staff's back and is just becoming overwhelming. I believe when I talk to them. Hopefully the work that Ms. Baker is going to be doing can offset some of the requirements that we have been putting on Mrs. Davidson. It should ultimately reduce the amount of work that Mrs. Davidson must do because when she gets the information from us, it is in better order.

Ms. Skelton stated that it is more appropriate to say that it will allow the CPAs and the accountants to focus on the more complex issues because there will be a comfort level that the check offs have been done on the more elementary and the intake issues. When a grantee sends in a request for funds, if they have missed numbers or they do not fill out the form right, somebody must go back and have that conversation with them, and Ms. Baker has been excellent in helping us with that liaison position between the grantees requesting money and the CPA's office. Mr. Merrill stated that the staff is doing a great job, but that runway will run out and they will have to add as this gets bigger.

Mrs. Davidson provided some numbers to address Mr. Humphrey's question. With the allocation we get each year already, Triumph gets about \$600,000 out of the settlement allotment that can be used on administrative expenses. The administrative budget currently is about \$1 million a year. The grants evaluation line is about \$250,000 a year right now. It will increase a little bit with this ask, but that \$250,000 will reduce that \$5 million. That gives you some numbers of where we are. Ms. Skelton notes that it gives breathing room for the other administrative funds, the statutory limited administrative funds.

Ms. Skelton noted that the next item on the agenda is a follow-on to the previous item and that in order to allow Ms. Baker to maximize her time working on the compliance component, we would like to add an administrative assistant position at 40 hours a month. This would only be 10 hours a week. This

would be to help truly with the administrative work and assist Ms. Skelton with the minutes, any intake of pre-applications and applications getting them prepared for the staff reviews. It is strictly an administrative position, and we would like to ask for that at a range of \$18 to \$22 hours not to exceed 40 hours a month at this point. If we find that there is more work to be done and we need to come back to that, we will do that.

Mr. Trumbull commented that he is surprised you can find people that are willing to work 40 hours a month. Ms. Skelton noted that there are people who will. It could be a second job for them, or if an executive assistant had retired from a law firm or somewhere and just wanted to pick up some extra money. Mrs. Weiss mentioned that she was contacted by Wakulla High School for an OJT job for a student. They are looking for an employer that can do 10 hours a week. Ms. Skelton asked Mrs. Weiss to make that connection. **Mr. Merrill made a motion to approve the staff request to hire a part-time Administrative Assistant for up to 40 hours per month as presented. The motion was seconded by Mrs. Weiss and approved without objection.**

Legal Report

Chair Bear called on Mr. Alan Manning, Legal Counsel, to present the legal report. Mr. Manning first presented the **Proposed Grant Award Agreement for Proposal #315 – City of Pensacola – American Magic at Port of Pensacola - \$8,500,000**. This is the City of Pensacola American Magic project and the Grant Award Agreement before you is consistent with the Term Sheet that was approved at the last meeting and staff recommends approval.

Ms. Erica Grancagnolo thanked the Board for its support of the project that will literally transform the Pensacola waterfront. She said that since the last Triumph meeting the city was awarded the final piece of the funding puzzle. This is an award for the dock and the boat ramp that was from FSTED award related to port infrastructure. All the building blocks are in place with Triumph and the Governor's Job Grant Fund. They have started the procurement process and are trying to move this forward as quickly as possible so that the new facility is ready to accommodate the team when they return from Barcelona. She shared that in addition to the obvious economic impact that this project will have on Northwest Florida, she cannot talk enough about the buzz in the community related to this project. She has worked in local government long enough to know that no matter what you do, there are always naysayers out there and she has not heard one individual in Pensacola that is not thrilled with this project. Anytime they do community outreach events with the Council Members or the Mayor in the community, it is nothing but questions from the audience about American Magic. Thank you for creating that sense of community. She also noted that the City has incorporated in its interlocal agreement and are working on the lease agreement with American Magic right now. They understand they will have to provide auditor-approved documentation of their expenses. She noted that she had the privilege of going through one of the first project audits, so she is very aware of what that entails, and the level of documentation is needed related to matching funds and has relayed that to the company.

Chair Bear asked if anyone from the public wished to be heard on the Grant Award Agreement. No one came forward to speak. **Mr. Merrill made a motion to approve the Proposed Grant Award Agreement as presented. The motion was seconded by Mr. Henderson. The motion passed unanimously on a roll call vote (7-0.)**

Mr. Manning presented the **Proposed Third Amendment to Grant Award Agreement #120 – City of Pensacola Airport, MRO ST Engineering Project**. There are no additional grant funds requested and no changes to the job performance metrics. The amendment relates to revising the project description to give more flexibility into the design of the project, extending the deadline for the execution of the

design/build contract by one year, extending the completion date deadline by one year and revising some of the funding procedures to be more consistent with what they are running into on the ground and then revising and updating the budget. Staff recommends approval of this amendment.

Ms. Grancagnolo noted that this project was approved in 2019 and while Triumph staff was certainly a part of that, this is an entirely new Board. She extended the invitation to tour the two existing hangars at the airport. The City of Pensacola is working with ST to make sure that they are increasing the training pipeline and getting those Pensacola youth into ST jobs and with ST Certifications so they can make those high wages and bring high wages back to Pensacola. She also acknowledged the work that Scott Luth did on this project. It took many years' effort to bring this project to Pensacola.

Mr. Matt Coughlin, Airport Director, thanked the Board for this opportunity. Regarding Project Titan, Element One, which was the first hangar, is complete and occupied. There is a lot of activity ongoing at the facility. There are two major companies that ST has agreements with working out of the hangar currently. The airport did run into a delay due to the RFP for Element Two, which is hangars three and four. The turmoil in the marketplace played into this delay. The bids that came back to build those hangars came in about 20% higher than expected. However, the city reattacked it such that they reassessed the design criteria package and split the project up a little more along the line of specialty. For example, the site preparation work was designed by the City and that is going in front of City Council. For the ramp and taxiways, the final selection committee for the design will meet this week. That component is well on the path. Finally for the RFP for the hangars themselves, the city expects to go out for applicants at the end of this month. They are well on their way and are seeing indications they will be able to save some monies that they didn't see the first time around. They look forward to moving out with the project and setting times ahead, not only for the airport itself, but the City of Pensacola and Northwest Florida.

Ms. Laura Amentler, Assistant Airport Director, thanked the Board and especially Triumph's Program Administrator, Ms. Cori Henderson. Ms. Amentler joined Pensacola Airport about 9 months ago, and Ms. Henderson has been very helpful with getting this project amendment in order.

Ms. Skelton asked if the hangars are inside or outside of the fence for purposes of a public meeting. Mr. Coughlin replied that the hangars are inside the fence, but the airport could make things work for a meeting.

Ms. Weiss asked if the primary delay was because they got the bids back on the whole project and it came in high. Now they are reallocating it to divisions basically. Are they redesigning it at this point or just splitting the design up and then advertising it? Mr. Coughlin stated that they basically split it up into those sections mentioned earlier. For the design bid itself, the bids are going to be for one main hanger with a bid alternate for a second hanger. The design itself should not change in any of that, it is just how it is packaged.

Ms. Grancagnolo added this project was approved pre-COVID, so this budget is a pre-COVID budget. Mr. Coughlin and his team have spent hundreds of hours working with ST and design professionals to keep this project within that 2019 budget. Everyone is aware how construction costs have ballooned over the last couple of years. She said she worked at the airport during Hangar 2 construction and witnessed how hard it was to get an electric panel for Hanger 2 as just one example of supply challenges.

Chair Bear asked if anyone from the public wished to be heard on the proposed amendment. No one came forward to speak. **Mr. Merrill made a motion to approve the Proposed Third Amendment as presented. The motion was seconded by Mr. Henderson and Mr. Corr. The motion passed**

unanimously on roll call vote (7-0.)

Mr. Manning presented the **Proposed Second Amendment to Grant Award Agreement #209 – Santa Rosa County Board of County Commissioners – Project Lionheart – Increase Grant Amount by \$1,917,913, Increase Matching Funds by \$4,000,000 to \$9,185,586 and total Project Cost to \$16,234,642. Extend Completion Date from June 30, 2023, to December 31, 2025, Extend “Ramp-Up” date by two years, Increase number of required jobs by 74 to 174. Add a semi-annual reporting requirement for matching funds. Change the referencename of the project from Project Lionheart to “I-10 Industrial Park.” Update Budget to reflect new timelines and grant amendment** for consideration. Mr. Manning said that there is a technical correction that needs to be made on the budget that was attached to the proposed amendment. There was a \$400,000 line item for the purchase of some additional property that was shown in the wrong category and so in the motion to approve this amendment, he would ask that the motion include that the budget be corrected to reflect the proper line item.

Santa Rosa County Commissioner Colton Wright, Chairman on the Santa Rosa Board of Commissioners, thanked the Triumph Board for its generous support of Santa Rosa County and their projects in the past and hopefully a continued partnership in the future. Santa Rosa County has been very judicious with the Triumph Funds over the years and has been very successful in their attempts, with much thanks to Shannon Ogletree, to continue to drive economic development in Santa Rosa County. The county is now out of industrial park inventory and is currently trying to find new ways to acquire additional lands for economic development. He wanted to make sure the Board understands how much they appreciate Triumph support in Santa Rosa County and the continued partnership.

Mr. Shannon Ogletree provided the Board with a map showing the 13 acres that the county is acquiring for the industrial park and the industrial area that is surrounding it. Damion’s, Hershey Ice Cream, Lovelle, and Buffalo Rock are all moving to the I-10 industrial park. If not for the initial grant for this project, none of these projects would have been able to land at this site. The initial funding was to build the storm water retention and to build the road. This additional funding for the property will build extra roads. He pointed out that just north of this site is where the Milton Interchange Park is located. That is another Triumph Grant project that the county has been working with a company called Project Runner, that is still committed to the site where basically 90% of the design of the park is complete and hopefully by the end of this calendar year contracts will be going out for construction for this site.

Just two weeks ago, Mr. Merrill spoke at the groundbreaking for Leonardo Helicopters. That was one of the first Triumph grants that was awarded to anyone in the region. It was an \$8.5 million grant that without Triumph, there was no way that this project could have been completed. With that \$8.5 million ask, Leonardo Helicopters is building a 130,000 square foot facility, investing \$60 million in this area because of Triumph. Santa Rosa County wants to continue to grow projects like this. Recently the Commissioner and Shannon were in Philadelphia speaking with companies like Leonardo and ST as defense is a big target industry for the county.

Mr. Ogletree also mentioned that the Santa Rosa School District folks are in attendance. The School District is preparing its first Triumph grant for education and hopes to present it within the next month or so.

Chair Bear asked if anyone from the public wished to be heard on the proposed amendment. No one came forward to speak. **Mr. Merrill made a motion to approve the Proposed Second Amendment and Mr. Trumbull seconded the motion which passed without objection. The motion passed unanimously on roll call vote (7-0.)**

Mr. Manning presented the **Proposed First Amendment to Grant Award Agreement #257 – Pensacola State College– No Additional Funds Requested**. There are no additional funds involved, and no additional changes to performance metrics. It is simply reallocating some dollars among the different line items in the budget.

Chair Bear asked if anyone from the public wished to be heard on the proposal. No one came forward to speak. **Mr. Merrill made a motion to approve the Proposed First Amendment as presented. The motion was seconded by Mrs. Weiss. The motion passed unanimously on a roll call vote (7-0.)**

Mr. Manning presented the **Proposed Term Sheet for Proposal #293 – University of West Florida – Nursing and Respiratory Therapy - \$6,685,757**. The term sheet is consistent with the recommendation approved by the Board at the last meeting.

University of West Florida Dean David Bellar noted that UWF is extremely excited about this project. There are groups of students on their campus who will benefit from this for many, many years to come. It addresses some of the greatest shortages in the healthcare industry in the area and in areas beyond that, especially as UWF has looked at opportunities on the Emerald Coast campus in Fort Walton to expand this program. UWF is very excited to be here, and very appreciative of the work of the Triumph staff to help get to this point and for the support for this program going forward. Associate Vice President Matt Schwartz echoed the excitement to work with the staff. It is helping to move it through in a timely manner. He thanked the Board for all its help with that and for the support of the Board to this point.

Chair Bear asked if anyone from the public wished to be heard on the proposal. No one came forward to speak. **Mr. Henderson made a motion to approve the Term Sheet as presented. The motion was seconded by Mr. Humphreys. The motion passed unanimously on a roll call vote (7-0.)**

Program Administration

Program Administrator's Report

Chair Bear called on Ms. Henderson to provide the Program Administrator Report. Ms. Henderson noted that this summer has been one of the busiest summers for Triumph and highlighted some activities and the changes happening with economic development at the state level. She thanked Mr. Merrill for representing Triumph at the groundbreaking of Leonardo's new facility at Whiting Aviation Park, one of Triumph's early grants executed back in January of 2019. And congratulations to the Santa Rosa Economic Development team for reaching this exciting project milestone. Thank you also to Mr. Corr for his continued work with Walton County's Sheriff in anticipation of the County's Triumph application for Emergency Communication Radios and Equipment. Congratulations are also extended to Okaloosa County and the One Okaloosa team on announcing the first job creation project at the Shoal River Ranch giga site. Central Moloney plans to invest approximately \$50 million and create 350 new high wage manufacturing jobs, that when hired, will satisfy the Triumph August 2018 grant for site readiness improvements.

As the job announcements continue to roll out from Triumph's first phase of site readiness investments, staff has been focusing on the next phase of investments through outreach activities and by working with future grantees on their applications while still assisting existing grantees with the implementation of their projects.

Our grantees are seeing a lot of retirements and staff turnover. Therese Baker and Randy Lewis, our Construction Management Advisor, have spent this summer helping to bring our new points of contact up to speed on the requirements of their grants. Following the Committee of the Whole workshop, Dr. Harper and I hosted a small conference call with a few of our rural, urban, and utility economic development partners to talk through the bones of a possible Triumph funded spec building program. Both Duke Energy and PowerSouth have experience and funds that can be brought to the table. We are continuing our informal conversations and research with the goal of bringing you a spec building program outline for feedback.

In Wakulla County, we have stayed in close communication with leadership as they have been evaluating cost saving options for the new emergency radio communication system that Triumph recently funded.

Earlier this summer, Mrs. Weiss, Ms. Skelton, Dr. Harper, and I traveled to Apalachicola for a meeting with Franklin County and both local cities to brainstorm future Triumph proposals. Susan and Dr. Frank Fuller, our Education Advisor, met with the EDCorps High School of the Forgotten Coast in Franklin County, a private high school operated in conjunction with US AmeriCorps and the Conservation Corp, who are now developing a Triumph proposal. Dr. Harper and I recently spoke with a new Apalachicola Airport Authority Board Member about opportunities to partner with Triumph at the airport.

In Walton County we participated in a call with Seacoast High School and NWFSC to discuss a possible future Collegiate High School, Dr. Fuller has been meeting with the Walton School District about their new CTE proposal and staff continues to work with DeFuniak Springs on their request for a grant for airport improvements.

We also continue to support the region's economic development teams and grant project points of contact in each of our rural and urban counties with regular check-in calls and participation in confidential project site visits and on recruitment calls.

At the state level there has been a lot of activity this summer with the merger of EFI into the newly named FloridaCommerce. Last week, the Florida Economic Development Council (FEDC) hosted a webinar for Economic Developers across Florida with Alex Kelly, the Secretary of FloridaCommerce and his Economic Development leadership team. TJ Villamil, who led international efforts at EFI has been promoted to Deputy Secretary for Economic Development at FloridaCommerce and he will also serve as the leader of the newly created Select Florida International marketing organization. Laura DiBella was named President of Economic Development at FloridaCommerce and is continuing her efforts to recruit companies to Florida. It was also shared that approximately 80% of EFI's staff are now employed in various roles at FloridaCommerce.

What does this mean for Triumph and our Economic Development partners? According to Secretary Kelly and Deputy Secretary Villamil, most things related to Florida's business development efforts will stay the same. But one of the changes they are excited about is the expanded ability to bring more of the state's economic development tools together to meet job creation and community site readiness needs. In the meeting packet is a 9-page list of the State of Florida's existing economic tools. We look forward to continuing to partner with the communities across the Triumph region to maximize their ability to utilize these state's tools in conjunction with the Triumph funds.

Ms. Henderson moved to her formal report and noted that currently there are 48 active projects with an additional eight projects that are completed for a total of over \$410 million. As of August 9, the Board had received 319 pre-applications totaling over \$2.67 billion. Staff recommends that pre-application 320 be recommended as statutorily eligible; pre-application 281 is not recommended as statutorily eligible,

and 321 is still under review.

As of August 9, the Board had received 126 applications totaling over \$1.1 billion. There is one new application. The seven applications still eligible to come before you that are not on the agenda today are listed in the report.

The project snapshot showing the status of Triumph projects has been provided. Also noted are the staff-approved budget changes. Project #180, Gulf School District Welding, moved funds from the Construction category to the Equipment, and Materials and Supplies categories; the request was under 5% which staff is eligible to approve. Project #211, Pensacola State College CDL, moved funds from the Equipment and Construction budget category to Salaries for Triumph compliance costs; the requested change was also under 5%. The report also includes Construction Advisor, Mr. Randy Lewis' report on the construction reviews that he has done. Also included is a list of the Quarter 2, 2023 reports completed. Based on Mr. Lewis' review and recommendations, construction projects are all on track and he does not have any significant concerns about the construction projects that are underway at this time. Dr. Fuller has reviewed the workforce education projects which are in their first year of creating industry certifications; he is comfortable with where they are and has communicated on the components of any project that he felt needed a little additional work.

Mrs. Weiss asked if the applications available for staff review means that they are in the stage where you will be scoring them. Ms. Henderson noted that these are ones that have not yet received a score. Chair Bear noted that the staff is discussing the applications with the applicants. Ms. Henderson added that except for the newest application, applicants are in some level of communication with Triumph. **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 recognized Mr. Humphreys for a comment. Mr. Humphreys declared that he is recusing from participation in the debate and voting on the issue being presented.

Chair Bear then called on Dr. Rick Harper, Economic Advisor, to present his report. Dr. Harper said that staff recommends **Project #313 – Bay Economic Development Alliance – Project Stamper - \$90,000,000** and is asking the Board to direct staff to move to a term sheet negotiation with the Bay County Airport and Industrial District, better known as the Northwest Florida Beaches International Airport. They have worked to recruit a major aviation and aerospace manufacturing company we refer to as Project Stamper, the name of the company involved has not been publicly revealed at this point, and staff would ask that Board members adhere to that protocol of referring to this as Project Stamper.

Triumph funds are proposed to help construct a 600,000 square foot manufacturing facility with access to the runway. The project will guarantee to create 1,824 net new jobs and have total capital investment of \$407.5 million, establishing Bay County and Project Stamper as leaders in the manufacturing of electric aircraft. The Triumph staff analysis is based on the proposed grant award amount of \$90 million to fund the majority of the \$95 million construction project with the company spending an additional \$300 million on equipment to be installed at the facility. Financing is to be provided by Space Florida, and the proposed Triumph investment would represent 22.1% of the total project cost of \$407.5 million. The airport and Space Florida will build the manufacturing facility and lease it to Project Stamper. The building is proposed for completion within three years of the Triumph Award approval, with job ramp up of managerial and senior staff to commence prior to completion.

The company intends to have hired 367 FTE staff within two years of commencing hiring and to reach

the total of 1,824 by the end of the ramp-up period. These jobs will be at the average wage rate of \$68,705 or more, which exceeds the Panama City MSA wage rate by 27%. As per the application Space Florida will obtain conduit financing of the value of the project for construction of the hangar and acquisition of the equipment and will then lease to the company. At the end of the lease, the building and its fixed improvements will revert to the Airport Authority.

For the purpose of calculating the impact score, staff uses the company's estimated wage bill for the guaranteed number of jobs and award amount. The cost to Triumph per direct job is \$49,342 per job. That is at the higher end of cost per job, but that transformational project will be the cornerstone in the key aviation manufacturing business sector and will certainly attract other businesses in the supply chain to support this key cluster. It is expected that the increment to personal income in the region will be approximately \$2.1 billion over a 10-year job maintenance period following completion of the improvements in ramp up. This represents \$22.22 in additional personal income per Triumph Gulf Coast dollar requested. For these reasons, staff score the program as an A.

Chair Bear invited Ms. Becca Hardin, Bay EDA President, Mr. Parker McClellan, Airport Director, and their teams to provide an update. Ms. Hardin stated that it goes without saying that this is a transformational project. She said they have had a lot of people working on this project for almost a year. It started with the internal site selection team with the company looking at 130 communities throughout the United States. This project could have gone anywhere. Bay County actually made several cuts and the company made visits until we are now one of two that are that are in the final running. It also goes without saying that they would not be in this position if it were not for the Triumph Fund and our competitive proposal. Working with our State partners, Space Florida, and university partners we have assembled one of the largest value proposition packages that the State of Florida has offered in the history of the State. We are aggressive and we really are working hard to get this project. We have developed excellent relationships with the management team of this company. We have visited them multiple times; they have visited here multiple times.

To put it in perspective, when you bring a mega project, this is an original equipment manufacturer, just compare it to an automotive OEM's that we have seen in other states. For example, when Georgia worked Kia Motors and recruited their manufacturing, their core employee count was 3,000 jobs to include the supplier network that were generated in Georgia and Alabama over a five-year period. There were more than 10,000 jobs created with that one original equipment manufacturer. You can use this aviation project and use those same statistics as we bring in supply chain networks that will go to Walton County, or Okaloosa County, or even go to Santa Rosa County, or Pensacola and even to the east towards Tallahassee. This is, without a doubt, a game-changing project. We appreciate your help because we could not do it without you. The staff has really been very instrumental. We have some secret admirers watching on the Florida Channel so say hey to our friends and thanks for hanging in there with us and hopefully we will be able to push this across the finish line.

Ms. Holly Melzer, Chair of the Airport Authority, thanked the Board for considering this application. It is game changing for the county and for the airport and goes a long way to achieve the goal to build the Airport Center of Excellence.

Mr. Parker McClellan, Airport Director, noted they have focused on three things as they opened the airport May 23rd, 2010, the first International Airport built after 9/11. Passenger traffic went from 312,000 to over 1.6 million total passengers this year. They have the educational component of a three-legged stool that they have been working on with education, passengers and business. And this project brings the business component into focus. This has been a team effort and Triumph's inclusion is very, very important.

Mr. Henderson asked when we might know which location the project will select. Ms. Hardin stated that they were hoping to find out this month in August. We had a call with the project management team last Thursday. The CEO is traveling internationally for the next two weeks so they will hopefully regroup and decide in the first or second week of September.

Mr. Corr asked if someone could walk through the timing of how this is going to happen, and how the funds are going to be expended. The write-up says that the Triumph money will be used to spend \$90 million of the \$95 million for the building. Then it says that Space Florida is going to do conduit financing for the project. If the building gets finished and this company goes under the next day, what money is going to be spent up to that point? Would it just be the Triumph money? Ms. Henderson stated that there are additional partners in the project. We do not want to discuss too many of the details publicly because we are in competition with another site, but there are funds from the airport, FDOT, and other sources that will go into the ground. The company will begin buying their equipment and they will provide the same level of proof of payment and invoices that we get from all our project partners along the way that they are investing in their equipment and spending those dollars.

Mr. Corr noted that typically you require matching funds to be spent as we go. In this case, will Triumph money be out front? Ms. Henderson noted that they will be spent at the same time as well. Mr. Corr confirmed that they would be ordering long lead time equipment or other purchases. Ms. Henderson noted that the financing will be used for construction and equipment. Ms. Henderson confirmed that Triumph funds will only be used for construction and will not be used for equipment.

Mr. Corr confirmed that the airport will own the hangar at the end of the lease. Ms. Hardin noted that Space Florida will own the assets so that they can reap the tax advantage from the building and all their equipment. They will enter into an agreement like a 30-year lease with the company. She also added to help address the equipment question, they actually have shown the company an existing advanced manufacturing building that is available and it is quite possible that they will lease that on a short-term basis so they can bring their equipment to the area while they are building the building and can get some of those lines up and running and transition easily into the new building. She noted that the existing building is in Bay County.

Mr. McClellan added that one of the challenges with the equipment is the lead time. It is all high technology equipment, so it has a very long lead time. There is some equipment that is available now, which is the part that Ms. Hardin referenced. There is also lead time on building some of this technological equipment, which is part of what must be determined. As Ms. Henderson said, this is a participatory effort by a lot of different agencies, so that if something does happen, there is also a big demand for hangars. These are the kind of things that are all working in the background that we are looking at the big picture. Mr. Corr asked which side of the runway the project would be on. Mr. McClellan noted that it would be in the infield and provided some reference points.

Ms. Skelton thanked the Board members for understanding the blanket of confidentiality on this project and the cooperative effort that Triumph has made to make sure that the company has had an opportunity to visit with our Board members individually. We appreciate the hard work that staff has done to make sure that we have maintained that confidentiality as we have gone forward. We are just very excited at the prospect of something of this magnitude coming into the region.

Chair Bear echoed that and thanked everyone involved in this project for their hard work and the company who has shown interest in our area. It is going to be transformational, and economically it is a huge impact creating many, many jobs. Triumph is very glad to be part of it and to be able to help make something this transformational happen. Mr. Trumbull wanted to reiterate what we have been saying.

This is an amazing opportunity, and they have all worked very hard. Usually when you work hard on something, good things happen.

Chair Bear asked if anyone from the public wished to be heard on the proposal. No one came forward to speak. **Mr. Henderson made a motion to direct staff to begin term sheet negotiations with the applicant. The motion was seconded by Mr. Merrill. The motion passed on a roll call vote (6-0 with Mr. Humphreys recused.)**

Member Requested Item for Action and Discussion

Chair Bear turned the floor over to Mr. Henderson to discuss his Proposed Policies and Priorities.

Mr. Henderson reminded the Board of the Committee of the Whole meetings and said there has been a lot of good discussion on ways we think we can enhance what is going on and add to the great things that staff and this Board are doing. He thought they might come up with some policies at those meetings, but as Ms. Skelton pointed out, no members made motions to make any changes. He said he is bringing forth some proposed policies and priorities for discussion. He has put a lot of thought into them, but his feelings will not be hurt if the Board does not like them. This is in no way reflecting bad on our staff or our Board or anything Triumph has done. It is more a way to check if we can do things a little better; that is always the goal to do the best you can. He asked Chair Bear to open the floor for any comments or questions related to the proposed policies and priorities.

Mrs. Weiss noted that one of the priorities that the Board has talked about was tourism. She noted that Wakulla County does not have an airport or any military bases, so tourism is an important part of its economy. She asked whether the statute or guidelines limits Triumph's ability to fund tourism. Chair Bear responded that one of the priorities listed in the statute is for regional tourism. The statute is very specific in that projects must ultimately go through Visit Florida. Triumph has one application right now that meets the statutory requirement.

Ms. Weiss asked for an example of a tourism project that has been approved in the past. Ms. Skelton said that at this point, there have not been any tourism projects approved. The statute specifically says that the recipient of a tourism marketing project must be Visit Florida. It does not allow for individual county projects for tourism marketing. Visit Florida has reached out and they have formulated, with the cooperation of the Northwest Florida Beaches Council, an application for tourism marketing. The staff is exploring that with them at this time because it would cover all eight counties. There has been outreach from at least one county that was unaware of the proposal so there is still some footwork that needs to be done so that all counties understand what they are being asked to do, if they have any financial obligations, or if Visit Florida is going to pay for this and just gift this to the individual counties in the region. It cannot include just one county. In other words, it could not just be a Visit Florida/Wakulla County. The statute says it must be a Visit Florida regional marketing project. So that is the limitation in statute.

Previous Boards have had discussions about the importance of the three legs of our economy in Northwest Florida, which include tourism, military, and then economic development. It was clear that the earlier Board did not want to forget the importance of tourism and the military to our economy and to be supportive where we can within the parameters of the Statute and that is why we have really focused on the workforce. We have not reached down into culinary or hospitality and that is partially limited by some of the language in EFI statute that transferred over to the new Department of Commerce language.

Mr. Henderson asked if we could get Mr. Remington to chime in as Mr. Henderson presented this proposal to him before he wrote it. Mr. Remington stated that it is not entirely crystal clear from the statute that money could not be spent on tourism infrastructure or workforce skills. He thinks what Ms. Skelton says is correct that prior Boards have not had any tourism-related applications that would meet the legislative priorities of increasing wages and diversifying the economy. Now we must look at the statute for what the priorities identified by the Legislature are. The Legislature gives the Board some discretion to identify new priorities, but the Board must tread very carefully because as we have seen, for instance, affordable housing was something the Board had some discussions about, which is a need across the region. The Legislature said pretty emphatically they did not want Triumph dollars going to affordable housing. He cautioned the Board if it wants to get into funding tourism projects, it will need some more guidance from the Legislature on whether that is an area they want Triumph to delve into.

Mr. Henderson stated that there are four items on the list which the Board could act on today. Then the others are discussion items and tourism are one of the discussion items. He stated to Mr. Remington that one of his comments to Mr. Henderson was to see how the Legislature would view this. Mr. Henderson thinks that the Board should ask the Legislature if this is something they would like to look at. He stated that this is more of a discussion on these items. Mr. Remington stated that first, what we talked about is the need to get the Board's temperature and the Board does not have an opportunity to discuss these matters as a group outside of this meeting. When you talk about tourism and whether that is something that this Board wants to make a priority, some sort of spending, we need to first know is that something the board is interested in doing. Secondly, determine if there is a statutory way to do it. And third, if there is or is not, determine the legislative temperature on it.

Ms. Skelton noted that marketing is specific in the statute, so we know what the parameters are for it. The Legislature spelled that out in the statute, and that is the regional marketing as opposed to individual county marketing. The application that is pending now with staff is from Visit Florida and to our knowledge this is the first time that Visit Florida has been active as it relates to regional marketing in Northwest Florida. Ms. Skelton watched a meeting recently of the Visit Florida Rural Economic Development Committee, and one of the things they talked about was the importance of collaboration and working with the regions and doing their marketing. This is somewhat of a new thing for Northwest Florida and a new thing for Visit Florida to partner. We are excited to hear more about it.

Mr. Remington stated that what Ms. Skelton is saying is correct. We have very good guidance on what we can do with Visit Florida. He noted that the specific discussion item was educational hospitality projects. Mr. Henderson stated there is a big need in many of these counties for qualified people to serve in these positions, which as we talked about with Dr. Harper, are above what you would look at in other areas, where they may be below median, are above median, for jobs with this annual pay. He would welcome discussion on whether it is something we could do if the Legislature approves. We would like to have that extra leg on the stool.

Mr. Corr asked about the status of the FSU PC hospitality school as he assumes this program is something we could fund, and it is hospitality related. Dr. Hanna noted that the university started a hospitality program four years ago at FSU Panama City. He said it has struggled a little bit with the enrollment in the program. Some of that struggle has been COVID-related but they have seen growth recently. All State colleges in the area have at least culinary programs and several of them have hospitality programs also. FSU PC has started a hospitality program connected with the Dedman school. It is a partnership between our two campuses.

Chair Bear asked if the program is designed to train and develop management positions. Dr. Hanna stated frankly that one of the issues that they found during COVID is that the salaries were at such a

level that people were moving into the service industry. And not understanding the difference between management positions and service positions and not seeing the ROI on investing a couple of years in a management position. There is plenty of work to be done here. When FSU talks to the hotel owners, the restaurant owners, and the condominium owners, they are yelling for management positions. Mr. Henderson stated that he hears it too and that is why he put it on the proposal list. There are a lot of people in these industries that just say we need qualified people that can run our restaurants, and our hotels. He thought having that option would be something that could enhance what the Board is doing.

Mr. Corr stated he brought it up because he knew that FSU was already a trusted partner with Triumph in other areas and he assumed there are certifications that come out of the programs. Dr. Hanna confirmed that they do offer credentials, but he went on to say that it is one area that, coming after the hurricane and then in the middle of COVID, it is one program that they have started at FSU PC that still needs some work and which they are planning to do. Mr. Corr asked if they had already figured out a curriculum and had measured the demand. Dr. Hanna confirmed that it is the same curriculum as the Dedman school.

Mr. Merrill noted that it was at the last Board meeting that we had the tourism silos in each county trying to get together. He noted that to answer Mrs. Weiss' question, we are hopefully about to do a big tourism thing. We told the guy to go bigger than he was going. Each of the eight counties has its little silos they are trying to protect it. This project will still protect their little silos but will cover the whole Panhandle. Ms. Skelton noted that he is working with the Visit Florida team to put together the coalition of the eight counties. As mentioned earlier, there is a little bit more footwork that still needs to be done because some of the counties were not looped in yet.

Mr. Merrill noted that the tourism part is there on Mr. Henderson's list. He noted that he fights this on that side of his business too. Usually, you promote from within, and he believes that is what Dr. Hanna was saying. Some of it comes from it being hard to get a guy off the bar making \$100K and bring him down to start him at \$60K. They like making those tips a lot more. As for the hoteliers, that could be a whole different ball game of things they need to learn. Restaurants bring in managers who must be nice to customers when they walk in and are qualified. There are other things that they just learn on the job training. His businesses are having trouble too, but noted it is just a matter of paying more. For the hoteliers and condominium management associations, he is not sure if they are looking for certified employees and whether that helps or does not help. This is an age-old problem of getting someone off that tip side over to the salary side. Eventually they want to be a 70-year-old bartender, but it is hard to move them off that when they are 35 and making it.

This is a fight that he thinks a lot of restaurants have. He does not know if producing more of those on that side would help in the restaurant side of it. He does not know what the hotels are looking for in management. There are degrees you can get for hotel or condominium management as well. He noted that the Dedman school at FSU PC is a great program. Mr. Corr stated that he guesses we are missing an application to consider. He went on to state that if the Board made the first change that Mr. Henderson mentioned – having a 120-day deadline to present something might get some applications to discuss at least that the Board would not have gotten through the staff process.

Mr. Corr requested more information on determining when the 120-day clock starts. Mr. Henderson stated that pre application does not apply. Mr. Henderson suggested that it should start when the application is received. Mr. Corr stated that he supports tourism too but has not heard of a project that really fits, but there may be some out there that we never see. Mr. Henderson stated that the reason he wanted to put that on here is just because he hears people saying that Triumph cannot do a tourism project. If we found out the legislature was OK with that because it is tourism, then maybe that is something we can consider. He is not aware of any such projects now and noted that it might be five

years down the line, but if we have said this would be acceptable, then we would look at those instead of saying we absolutely will not look at them because the last Board absolutely would not. At least we would be getting more applications for consideration like Mr. Corr said.

Ms. Skelton noted that this is good conversation as it goes back to prior Boards who were very clear to staff that the high wage issue is the top priority; to bring in the high wage jobs that will replace or help stabilize the economy in the event of another Hurricane Michael or Hurricane Sally where the tourism goes away. The whole purpose of Triumph was to build that resilient, stable economy across the board that didn't just depend on the two legs of the economy - tourism and military. She noted that she does not think anybody was ever down on tourism. It was just that it did not meet what the purpose of what Triumph was created to do, and so that was the thinking of the prior Boards. As the Board's historian, she provided the information. She noted that it is up to the Board to decide if you want to take a different approach to what economic diversification means.

Mr. Henderson stated that he thinks the issue is that some counties are going to be able to build a diversified economy - Escambia, Bay, Santa Rosa, Okaloosa, Wakulla, Gulf, Franklin, and Walton are the smaller counties, it is hard to entice people to come when you do not have this infrastructure. Some are natural fits, and some are not natural fits. He likes the idea of having more avenues for people to go down in the event somebody wants to apply. Mrs. Weiss added to go along with that train of thought of if they do not apply, we cannot do anything about it. How do we go about encouraging more applications? It has been mentioned to consider having some quarterly meetings or something like that with the counties or some way to encourage more applications to come in. To perhaps brainstorm with those counties of what options there are and what other counties have used as applications so that maybe they would get an idea of what is working in other counties. She added that the staff has probably done a lot of that already. Perhaps if it is more publicized like at a County Commissioner meeting at Wakulla County, we give a presentation so more folks know what projects we have done in the past, so that maybe other counties will have ideas that they can come in. She noted that we need to get more applications but isn't sure how to do that. She does think that quarterly meetings or something like that would be a good way of encouraging more applications.

Mr. Humphreys asked is this discussion about a marketing push or is this a statute double check? He further asked if the Board is just trying to get the word out there or whether we need to research whether we can do these things before we get the word out there. Mr. Henderson stated that it is his understanding, and asked Mr. Remington to correct him if he is wrong, but the only item that may need clarification from the Legislature would be the educational hospitality project. All the others would be more like Mr. Humphreys is saying a marketing or just a mindset that the Board is going in this direction, this Board's policy, and this Board's stamp. Mr. Remington concurred.

Mr. Merrill asked, looking at the top items on the list leaving hospitality off for now, Mr. Henderson to explain where you are trying to go with it. Mr. Henderson stated that we would recognize that if the project is in an opportunity zone, which is an impoverished area that is a federal through the 2017 tax legislation that created 8,700 opportunity zones. That is a tool in the toolbox for economic development. If recognized, more people will come forward with projects that are going to be doing things within the opportunity zone. The Rural Area of Economic Opportunity (RAO) That is a fast track permitting process from the State. He stated that as a Board member, he would like to see some of these areas that are not doing that good get better. Mr. Henderson's view of this is that we can impact some of these areas such as the northern sectors that do not have the coast to depend on, the areas that do not have the military in their backyard, and that we can enhance those areas and build ourselves as a strong, more resilient area.

Mr. Merrill asked about his recommendation that this should be described in the score sheet. Mr. Henderson replied that Dr Harper would just basically say in the score sheet that this is in an opportunity zone, and that it is in a RAO. Ms. Skelton stated that we used to do that, but the Members all knew where the RAOs were, so we quit putting them in there. She stated that we can put them back in there if that is what is requested. The opportunity zones are a little different because they are basically individual census tracts within a county. She provided a list of the census tracts in members' packets so you can see there are some counties that have more - Bay and Escambia County-, but the staff can ask the applicant if they are in the census tract, but the census tracts are obscure. There is a map on the FloridaCommerce website that shows them, and we would ask applicants if they were within that census tract and that would certainly be something we could add.

Chair Bear asked if the counties are aware of where these opportunity zones are. Ms. Skelton noted that the economic development officers and the counties are all very much aware of where the opportunity zones are and where the RAOs are. Mr. Henderson stated that his point is sometimes when you talk about things a little more, people start recognizing them a little more. Then people start doing more stuff in there instead of staying out of there and going to the shining star elsewhere. When we can redevelop those areas, we are helping the blighted part of Pensacola, or the blighted part of whatever county you pick.

Mr. Merrill, skipping the second bullet, asked about the third one as he would think that the staff is already looking for stuff in the small counties. Mr. Henderson said he wanted to try to get staff to figure out how to get all the counties that are underfunded statutorily up to par, and everybody is back up to more of a level playing. Some counties are way over, and some are way under so it would just be getting us to baseline. Mr. Merrill said that he would go to the staff as he would think that if we are getting qualified projects from those areas, the staff is right there to respond. Ms. Skelton noted that they are the first thing we try to get to when we get them in. She noted that in some rural counties, we reach out and talk to these folks all the time. She spoke to City of Apalachicola as recently as this morning. She added that what we are hearing from the smaller counties is that they are so swamped with everything else they are doing that they do not have time to worry about Triumph right now. She is not sure how we as staff can overcome that.

Mr. Merrill confirmed with Mr. Henderson that he is asking the staff to, once these counties submit a project, that they become priority. He added that he would think that this is the first thing that staff are already looking for. He then asked Dr Harper for confirmation. Dr. Harper added that this is certainly a straightforward matter to put those qualifying zones and income levels in the scoring process explicitly. Chair Bear then confirmed that this is an effort that is already in practice. Dr. Harper stated that staff already bends over backwards to try and place projects in the rural counties. We certainly are receptive to all conversations to be had about possible projects in the rural counties and we recognize and respect the disadvantage that the rural counties have in terms of lack of assets that promote economic development and encourage businesses to locate such as distance from markets, distance from transportation asset, the lack of available labor pool and those sorts of things. Dr. Harper noted that the staff are constantly discussing ways in which we can kind of grease the skids so that projects that might be appropriate for rural counties can come to the attention of the Board.

Mr. Henderson said that the spec building program is a great idea for certain counties. He noted that it may work for Walton or Gulf, but it may not work for Franklin or Wakulla. He added that it would be a tool in the toolbox. He noted that the more we can show people what we are doing for every county, this is going to be better. He stated that he is not saying that the staff is doing anything wrong, but some people take an extra push. He asked Ms. Skelton as she talked with the City of Apalachicola, who say that they do not have time to apply for Triumph, what can we do to help them apply. He asked how can we help them to help themselves?

Ms. Skelton noted that is what staff tries to do. When they call and say we have an idea, we are on the road headed down to talk to them about the idea as soon as they call us. We cannot force feed money to a county. But for example, when Ms. Skelton was talking with David Edwards, from Wakulla County, we were talking about the radio project, and he expressed interest in the spec building program. With that, we told them that we had a team working to try to put something together to bring back to the Board. When we hear the interest, when we hear a spark of enthusiasm, when we hear anything that could ignite a fire in a county, we are following up on it.

With Walton County, there have been lots of ideas and things we are talking with them about. Mr. Corr has volunteered his time to collaborate with the Sheriff's Department to come up with an application that makes sense as it relates to emergency communications in that county. The Walton County School District has an idea for a CTE training facility that our staff is working on and may have a meeting with them next week about their proposal.

Anytime we have any outreach from a county that expresses interest, we take them up on that. When we went to Franklin County, it was at the invitation of the County Commission chair, but we went there because we wanted to do exactly what we are talking about, lay out our catalog of ideas that we can help them with and let them pick what they wanted to come back with. And as of right now, we have not gotten anything back from them. When I spoke with the County Administrator in Franklin County a couple of weeks ago, he said the whole Board had been sick and fell behind. She stated that it is not for lack of trying. It is just a matter of circumstances. They cannot see what we can do because they are so busy doing everything else in their county.

Mr. Merrill stated that he must be misreading item three. He sees item three as if somebody turns in an application and is qualified, and is from one of these counties, we are getting them to the top. He stated that he thinks we are already doing that. He added that now you are talking about more of an outreach program. He asked if that was the intent of item three. Ms. Henderson provided an example stating that a week ago Sunday, Triumph received a pre-application from Walton County School District. We had a lot of questions and immediately started going back and forth with them. She noted that next Tuesday the staff will have a phone call with them. This all starts as soon as they submit the pre-application so that we can make sure we understand the pre-application request. Mr. Henderson stated that there are two different things on the list. Mr. Merrill confirmed that once one of the underserved counties submit, they are prioritized.

Mr. Henderson stated an example would be the DeFuniak Springs Airport application that has been on the list for a time now. If it is going to be rejected, reject it, and let them come back with something else. He stated that it would be nice to know this stuff instead of seeing these things just sit on the list. He stated that he wants to see the money get out to these small counties as soon as possible so that everybody is at least at that statutory amount. Mr. Remington stated that he has taken a special interest in DeFuniak Springs Airport to try to work with them. As soon as they are qualified, they are a priority, and they are really a priority to try to get qualified. But if an application is turned in and is not qualified, staff will do everything we can to get it qualified to get it to a positive vote, so we do not have to turn things down. Mr. Henderson said that he would rather have staff say this application is unqualified in the administrator report, so you know that instead of just seeing some applications in there months and months just hanging around.

Chair Bear noted his personal opinion is that we do not try to embarrass our applicants, who possibly have applied and cannot get to the qualified yet. He added that it is for our staff to work with these applicant organizations to try to get them to a qualified so that they can come to us, and we can pass them through for funding so we can get the money out. But it is dependent on both sides of that

discussion in bringing us items that would be qualified, that meet the statutory requirement, that have the measurable results that we are expecting for the return on the investment so that we can get the money out. He stated that as we are talking about this 120-day item, which applies to that as well, especially talking specifically about the DeFuniak airport. He noted that they applied about a year ago and he knows that our staff, from his conversations with them, that they have had many, many conversations with those folks to try to get them to a qualified application to put on the agenda for us and we just haven't been able to get there. He also noted that staff drafted an application for the city to help them to do an educational program that they wanted. The staff put it on paper for them and then they changed their mind and went back to something else. The airport has gone back and forth, and we just cannot get them on the qualified list yet.

Mr. Henderson noted another application is the Gulf County Floating Drydock which has been on the report since he joined the Board. Ms. Henderson noted that the staff checks in regularly with Mr. McKnight about this project. At this time, they would like to leave it on the list. They are discussing putting it on hold, but they would like it left in the posture that it is. Mr. Henderson said that his point about the 120-day is that if it is on the list and has been applied for, we should vote within 120 days either yes or not. It does not mean that the opportunity is gone forever but it may be that they redo it in a way that comes back and gets approved.

Ms. Skelton noted again that the staff will follow whatever the Board decides. But in the past, the Board made a very specific decision not to embarrass applicants who have not provided the information that staff needs to score the project or allowed the applicant to make the decision as to when to bring the project forward. As, for example, the Gulf Coast dry dock or floating dock, that was something that the county did. They were doing it sort of in conjunction with Eastern Shipbuilding. Eastern Shipbuilding has not indicated that they have an interest in going forward. The county has asked us to leave it on our books, but they have not asked us to take any action. The prior way that we would approach that is when the county decides that they want us to act, we will take action. But if the Board wants us to force projects forward in a certain period of time and score them and tell you that the project doesn't score out, the staff can do it. She noted that it is very different than what the former Board has done because the former Board did not want to put applicants that we are trying to be collaborative with in a negative light.

Mr. Henderson stated that he is not trying to do anything that would be negative or rude. He is trying to get along with our business so we can deploy this money because we have a big task ahead of us and a lot of money that needs to be spent. He stated that he is not running for politics and does not want to hurt anybody's feelings, but at the same time, sometimes you must tell people no to get to a yes.

Mr. Merrill noted that some of the projects like the P.R.I.D.E thing that just got back on the list. It was voted to move that forward and it goes to term sheet, and we start working with them. Ms. Henderson noted that this application has just come in. Mr. Merrill suggested that perhaps the staff could provide a status report. He noted on projects like the dry dock that if they are not moving it forward, we are obviously not going to move it forward. Of the seven that are applicants, if you are not actually working all of them, provide notes so the Board knows which are in waiting. He suggested that there be a little footnote indicating where some of these projects stand. If you didn't know, P.R.I.D.E could have been sitting there for a year or two, but it has not been as we approved it last meeting and now you are going forward and next Board meeting or something we might have a term sheet. Ms. Henderson noted that the economic staff summary comes first.

Chair Bear noted that there may be a misunderstanding, but he does not think our staff is trying to delay any of these projects. He thinks they are all trying to move them forward. Mr. Henderson stated that he is not accusing anybody of holding up any project. He is saying that if we're seeing these on

here for an extended amount of time, why do we not put these in the archives on the website. He added that the Board should not even look at it because they are not even something we are going to act on. He just wants to see what the Board is acting on. He does not want to see something that may or may not happen for two years.

Chair Bear stated that some of them have communicated to us, like Ms. Skelton just said, they are interested in us keeping it in the active, not in the archive because they want to move forward, but just not right now. And some of the others that the staff were working with have not gotten moved to the qualified because staff is trying to get them to qualify. The negotiations just have not gotten there yet.

Mr. Henderson stated that this is his point; that in 120 days vote yes or no. Getting a no vote does not mean they are killed forever. They can come back at any time and submit a new application. Chair Bear stated that in his opinion, he does not know how we bring it to this board, and they are still at a no because staff has not been able to negotiate to get them qualified yet, so they put them on our agenda but not recommended for approval because they are not qualified yet. We then vote no, and they are back out negotiating in the exact same position they would have been had it not come to our Board for a no vote, he is not sure how it changes things by forcing the 120-day timeline.

Mr. Henderson stated that he thinks it should be a cultural change of this Board that we are going to act on things that are in front of us. If the applicant wants to hold on and wait for a year, then just pull back the application and the applicant can reapply by going to the pre-app and reapply anytime. To him, there is no reason to keep things on a sheet when you know you are not going to vote on it.

Mrs. Weiss said that she feels that the 120 days would be arbitrary as each project has different challenges and we have just discussed some of the challenges. She would rather know that we have the application in and know the staff is working through them. Whenever she first read that bullet on the 120 days, she thought that was for us to respond or that we have not been responding. Instead, we have responded to each of these projects that are on here with each having different challenges. It is up to the applicant to make the application where the staff can score it for us to look at it. If we look at it before they have even scored it, we do not know the challenges of this project and do not have the full picture of the project. The staff cannot score it until they have all the information necessary to score it. She thinks forcing us to vote is premature until all these applications on the list have been fully vetted and scored by staff before it comes to us.

Mr. Henderson said that is exactly what he is saying. He suggested that there be an archive category for all the projects that are on hold. And have the ones that we see on this list be ones that we are going to act on or about to take action.

Mr. Remington added a comment to be sure that everyone is talking about the same thing. Every project goes through a qualification review to determine if it is qualified under the Statute. It does not get submitted to the Board to the vote until it is graded, so you're qualified if you meet the statutory minimums. We then work with the applicants to try to get them to a grade that will allow that project to come to the Board with a staff recommendation to go forward. The policy that the prior Board adopted was that projects that graded out B or better come to the Board for vote with a staff recommendation to adopt. Projects that do not grade out at a B or better can be brought to the Board for a vote by any Board member by stating that even though the project did not score out, he or she wants it brought to the Board. Likewise, any applicant can ask to be scored and sent to the Board. The staff will then score the application and send it to the Board for a vote, regardless of what their grade is. In most cases, when we are working with an applicant, the discussion with them is not them asking for a score. Instead, it is the applicant asking how to get a good score and recommendation and know it a good project. That process takes different amounts of time. Qualified projects do not necessarily score out.

But that doesn't mean regardless of whether you adopt a 120-day rule or not, any applicant can say send me to the Board and we will send them to the Board, or any Board member can say pick this one out of the pile and we want to vote on it regardless of if it is great. This has happened in the past, projects have been voted on that did not get a B because the Board member said they wanted it voted on and the project passed. Mr. Merrill confirmed that when Mr. Remington stated qualified, he was referencing the project being statutorily qualified.

Ms. Skelton mentioned that there is one thing that we could think about as it relates to the archiving process. The prior Board instructed staff that if a project if a pre-application had been on the list for more than a year and there had not been an application, then we could move that to the archives. The other ways that something gets to the archives is if the applicant asks to have it withdrawn from consideration, or if the applicant asks to put the project on hold. So, we have that one-year threshold for pre applications that came in with no application following. If we get to a one-year mark on a project, you could direct the staff to automatically score that project, or the Board could determine whatever number of days the threshold would be. From a staff perspective, she does not think 120 days is enough time to give the applicant the ability to maneuver themselves to get to the point where they get to that B score. But if the Board says that after one year, an applicant has not made forward progress on their application, the staff will score it. The staff can do that, but it is up to the Board to direct us to do that.

Ms. Henderson noted that the score is used in the semi-annual report to the Legislature and the Governor, and so all those scores are listed on a public website, not just on our website. Ms. Skelton added that Statute requires us to score the project, so at whatever time the Board tells us we must score a project, it has to be scored and reported to the Board. If there is a situation where, for example, there's a project with FAMU that we've been waiting on the project director to give us more information on that project, we cannot close the project until we either get something back from FAMU or they tell us to move the project off the list. We could go ahead and score it and it would not probably score out because it doesn't have all the components that we need from the applicant, but we could score it if the Board directed us to do that. Mr. Merrill clarified that FAMU has not asked the staff to move it for a vote. Ms. Skelton noted that it will remain on the list until we get the information we need, or somebody tells us to score the project.

Mrs. Weiss noted that whenever she submits permits to the state for construction or things like that, there is a certain time frame such as 30 days for them to respond and 30 days for me to respond. She would say on our applications that if we ask for additional information to get them through the process and we give them a specific time frame is and there is no response at that point from whenever we ask for additional information, then that would be a time to archive it. Because we have asked for that additional information and given them ample time to respond to that additional information then maybe that is when we archive it. The State does it all the time. When applying for a permit, if you do not respond in a certain time frame, you can resubmit it later whenever you have everything ready to go for it.

Mr. Henderson stated that perhaps once a time limit is decided on, the staff gives the applicant the option of going before the Board or archiving the project. With this, the applicant would know that the project would be scored on the information available and likely score an F and get turned down. He noted that he knows the goal is to get more things approved, not to get less things approved. He personally, as a Board member, would like to see, and this is nothing against staff as they are doing a great job - if there is a way with a policy that we can push this thing to be more expeditious and let people change what they need to change to get it right. Ms. Skelton noted that sometimes if we say we need more information on this application, and we give them 120 days to give us the more information and then they bring us back the information that totally changes the complexion of the application.

There must be time built in every time that the applicant gives us information that doesn't match up. To say that a process could be completed in 120 days is difficult because we are going to vote against a lot that should not be rejected simply because we do not have the information that we need to complete the process. She added that the staff is open to whatever the Board wills us to do, but we just need to make sure you understand that when you do those things, you're going to get more no's than yeses because the time is going to run out before staff and the applicant have the time to finish the conversation. An example would be DeFuniak Springs Airport which Mr. Remington can speak to the back and forth that has gone on there for months and months and months, and we were talking to different parties from the City, including the consultant and the City Attorney. The staff is just trying to follow the bouncing ball to get the information that we need to put forward a project that scores an A or a B. The staff is trying to do that as hard as we can, but again, information changes the projects. The complexion of the project changes as we go along. We must have the time to build in to make those changes and the review time that it takes to do that.

Mr. Merrill added that his takeaway here is if it is a qualified project, meet statute and they request to go forward regardless of where they are, the staff will push it forward. Ms. Skelton stated that this is what we currently do. Her question is what the Board wants staff to do when they are collaborating with an applicant and get into a time crunch, and we cannot finish the process causing the project to be scored as an F. Does the Board want us to score that project as an F and if so, do you want us to bring that project to you in that form? Or should staff continue what we are doing now, which is if a project scores less than a B, a Board member can request to bring the project forward for a vote. Mr. Henderson stated that he liked the idea of giving them the option by stating that staff do not think the project is ready but if the applicant chooses, the project can be scored and brought before the Board. Whatever happens, happens and if they do not want it scored and presented, the application would go in the archive. He likes the archive as the project is still hanging out there, but he does not want to see it on this list. Ms. Skelton stated that the statute requires us to score every project. Mr. Henderson stated that staff should still score it even if it scores an F. Ms. Skelton confirmed that the project would then be in archive as an F. Mr. Henderson stated that staff should give them the option to go to archive and sit there or come before the Board but an action is going to happen at some point, whether it is in 120 days, six months or a year. He wants to see the Board take some action within some time period, so these things aren't floating around for years.

Chair Bear asked what the Board's policy is if were to score it C or lower or an F as an example, and we do not approve moving the project forward for funding. He asked what would happen to that project. He is not sure that we have had this experience before. Ms. Skelton stated the direction that staff have now is to score the project. If it is less than a B, it goes to the archives with that score attached, and any Board member can bring a project forward out of the archives at a score of less than a B and ask that it be heard in front of the of the Board. Chair Bear noted that the practice now is to, if qualified, negotiate to continue to get them to a B or better before it is scored as the former Board's interest in not trying to embarrass them with a lower than B score. Dr. Harper noted that we could ask Dean Hanna for comments on this, but one well established practice would be to score a project with incomplete information as an "I." He could see a framework where after 120 days of receiving an application, the Board wanted input as to where that project is. If it does not have sufficient information to be scored as an A, B, C, D, or an F, it could be scored as an I, meaning it needs more information. Then the protocol could be to report back on that 120 days later to see if it was still an I, or if it had progressed to where it could be scored in a way that assesses the economic value of the project. Mr. Henderson stated that he liked the I grade. He asked if we grade it out as an I, then you specify that this is just not enough information. He likes it because then at least everybody knows where it is going; whether they need to amend the application or go on to something else.

Chair Bear noted that the Board had a lot of conversation about these policies, and we've been in this meeting for 2 1/2 hours, so we need to either act or move it. He then asked Mr. Henderson, who brought these to the Board's attention, what is his desire. Mr. Henderson replied that he would like is, between now and the next Board meeting, to talk to staff and come up with more refinement. He would like to move towards approving some policies for this Board because he thinks it is important for any Board to have their own policies in place. He would like some time with staff to talk about the realities of it and welcomes any other Board member to talk to them too. Chair Bear asked Mr. Henderson to discuss this with the staff and see what can be done with this before our next meeting. He added that at the next meeting, Mr. Henderson and the staff can report the status and if there is something that is ready for action, then we will take that action then. If not, then we will send it to a committee to help try to move it along. Chair Bear agreed that we all need to have policies in place to help guide us in our actions. He doesn't think we need it for policy's sake, but it would certainly be helpful to have guides. Ms. Skelton added that for the record, the staff loves the I, which would be a huge help.

Chair Bear thanked the Board and the staff for the active discussion. He noted that it was very healthy, and he thanked the audience for sticking with us.

Public Comment

Dr. Farrukh Alvi, Associate Provost at FSU Innovation Research and Entrepreneurship stated that he was formerly a Senior Associate Dean for Research and Graduate Programs at the Joint FAMU – FSU College of Engineering. He is trained in mechanical and aerospace engineering. He stated that FSU plans to present a proposal to set up a center that is going to focus on applied R&D, test and evaluation and workforce training. It will be a magnet to attract industry here as it will have the capabilities in terms of facilities and expertise that the industry needs. Complementing that is the workforce training that FSU will provide from K-20. In this case, these are going to be very technologically savvy and leading-edge companies that we want to attract and because they can get the workforce training, we know there is a lot of desire for these kinds of jobs.

There are a lot of students who wanted to come and pursue advanced degrees, but they could not if they had to drive to Tallahassee or somewhere else. So, this is going to really provide comprehensive educational opportunities from K-20 here in the region. The initial focus is going to be on aerospace, aviation with the focus on defense because FSU has very strong relationships with the bases already. He has heard from some of his colleagues that Eglin is perhaps more excited about this proposal than we are. FSU proposes to also do additive advanced manufacturing. They are building for capacity to grow because no one can envision everything for the future today. This is going to be a generational center that is going to exist beyond our careers and hopefully our lives. He also sees immediately that there is tremendous potential to work with and support some of the investments that Triumph has already made, things such as American Magic and Project Stamper.

Ms. Skelton noted that the staff has a meeting scheduled with FSU next week to discuss the proposal. Dr. Alvi added that his team is the only team to compete for the \$160 million NSF engines award. The team won the planning grant, and they are hosting a workshop on October 2nd and 3rd at Panama City. FSU would like to give Triumph an opportunity to talk at this form about what Triumph Gulf Coast is doing across the region.

Mr. Dan Rowe, Executive Director, Bay County TDC, wanted to discuss a couple of points. He appreciated the discussion the Board had earlier as it helped to frame his project. They have the only tourism project that has been out there for a long time, but they have been listening and working with staff. The discussion helped to really hone it in so we can start showing them metrics in ways that you typically will fund projects. So, from a tourism perspective, the project would return \$25.13 over a 10-

year period for every dollar that Triumph would invest, which is a great ROI. They were headed down that road until HB 5 came along. They are now looking at it and have been talking about military readiness because of the ability to create classified space, using what Triumph did at the Crestview Bypass project on how you evaluated those net new jobs. They have also been working very closely with the new director at the technical and career education for Bay District schools about providing certificates for middle school students. He thinks he will be able to get a tourism project to the finish line using your additional criteria or your existing criteria.

A couple other points from a tourism marketing perspective, the information that you received was correct. The only way you can do tourism marketing is through Visit Florida. The Northwest Florida Tourism Council has been in existence for decades. It did a lot of work in the immediate aftermath of the BP oil spill, and the counties have been collaborating ever since. They are finally to the point where Visit Florida and the Council has figured out a marketing plan that truly does address all the issues. He believes that they will be able to market all eight counties in a very comprehensive way. They have a meeting with the Triumph staff next Tuesday to go through that along with Visit Florida. The other point about tourism projects in general not being allowable, he would challenge that because there is one line in the legislation that says preference will be given to tourist development councils and CVB's. There is that one line that says that there is a priority for tourism projects. How that has come to pass has never come out, but it does say that. His approach has been if we are diversifying the tourism industry to make it more resilient and more year-round, that addresses a lot of the issues and some of the issues we have had over time is not being able to cross the rubric of getting above 115% wage rate. It is out there and if there is a tourism project that comes to you that is able to pay 115% wage rate, the staff should really look at that seriously because it is allowed in the legislation.

Closing Remarks

Mrs. Weiss enjoyed the conversations that we had about the last agenda item. She also liked hearing from the audience on potential projects that may come forth.

Mr. Corr stated that he had a cautionary thought. He does not look forward to voting against a proposal from his home county, but, if necessary, he would. He added that we are all residents of our home counties, and we need to keep that in mind. It can be an unpleasant thing to do. If we have a project that is not qualified and we must vote against it, that would not be fun for us. It is a little more pleasant for the staff to block those.

Mr. Merrill said that he had learned some things in this meeting. He was unaware that the applicant can request the application be brought to the Board if they choose. He agrees with Mr. Corr and hopes that the applicants will walk through the steps with staff trying to help them before they come forward.

Mr. Henderson stated that in any of this, we must be considerate of others at all times. His goal is not to come in with a hatchet and chop everything up. At the same time, he believes the Board has been tasked with getting good projects approved to deploy money. If a bad project comes up in our county, the members will have to vote no – it is what it is. He likes the idea of voting on something at the appropriate time – maybe 120 days is too quick. He thanked Chair Bear for allowing them to have this discussion. He does think that getting these things in a position where people either go back and they revise them, or they get approved is going to get us where we want to be faster.

Mr. Humphreys noted that the interest rate is great. It is nice that we have the extra money available so that if we do want to go out for a marketing push, we have the funds to add administrative assistance and whomever else is needed. As far as the proposed policies we reviewed, it was interesting that after

a year, Board members can do the assessment on staff. He noted that he has only been on the Board for a year, so he does not know all the history. It seems like the Boards before him and the way the policies were arranged kind of hit on a lot of the points that were brought up. To learn that every applicant has the right to have the Board vote on its application and to know that every Board member has the right to pull a poorly graded proposal out for a vote, it seems like a lot of the action items are already in the plan and policy. He noted that sometimes adding restrictions or adding deadlines could do the opposite of where we are trying to do. If we try to push people through, they might get to the point after a certain time of having to stop, reapply, and then having this red mark against them by having a failing grade. He thought the I was a good suggestion as it prevents having a kind of stigma attached to their project. At a minimum, it reinvigorates everyone to push to get things moving forward but from what he sees, a lot of the proposed policies are already in place.

Mr. Trumbull noted that it was a great meeting with a lot of positive things moving forward. He appreciated Mr. Henderson putting the proposed policies together. He thinks that the spirit of what you are doing is really good as you want to see money deployed and projects approved. He noted that there are some cool projects on the horizon. If we can bring them in for a landing, it will be fun to see that happen and be beneficial to all the counties.

Chair Bear also thanked the Board for the lively discussion. He thanked Mr. Henderson for putting the effort into the proposed policies and priorities. He thinks it is important for us, as Mr. Henderson said, to have some guidelines and he appreciates all the hard work put into it. He also thanked the staff for all the work on the big agenda that we have today and thanked Mrs. Davidson for all of her work. He also thanked The Florida Channel for sticking around and Bay County for hosting.

There being no further business, the meeting was adjourned at 1:53 p.m. CT.