



**REGIONAL COUNCIL 9
PIEDMONT OPPORTUNITY CORRIDOR
FEBRUARY 22, 2018
9:30 AM to 11:30 AM
UVA Research Park, Town Center Two, 4th Floor Conference Room
1001 Research Park Blvd, Charlottesville**

Attendees

Council Members: Brian Cole, Lexis Nexis (Chair); Tom Click, Patriot Aluminum (Vice Chair); Suzanne Brooks, Pepsi-Cola Bottling Company; Jim Cheng, Cav Angels; Bryan David, Orange County; Leigh Middleditch, McGuireWoods; Steve Ray, Piedmont Workforce Network; Ed Scott, EcoSeptix Alliance; Ed Dalrymple, Cedar Mountain Stone; Elizabeth Smith, Afton Mountain Vineyards; Andy Wade, Louisa County; Patrick Mauney, Rappahannock-Rapidan Regional Commission; Pace Lochte, University of Virginia; Frank Friedman, Piedmont Virginia Community College; Chip Boyles, Thomas Jefferson Planning District Commission; and, Miles Friedman, Fauquier County

Absent: Fitzgerald Barnes, Louisa County; Gary Deal, Culpeper County; and Steven De Jong, Lohmann Corporation David Pettit, Lenhart Pettit; Steve Carter, Nelson County; Jan Gullickson, Germanna Community College; and, Ray Knott, Union Bank & Trust

Guests: Denise A. Talley, Germanna Community College for Jan Gullickson; Katie Bush, ECS, Inc.

Staff: Helen Cauthen, Julia Skare, Shannon Holland

I. Welcome & Introductions

Brian Cole, Chair, opened the meeting at 9:34 A.M.

II. Public Comment

There were no public comments.

III. Meeting Minutes

Suzanne Brooks made a motion to approve the January 3, 2018, Minutes as provided. The motion was seconded by Ed Dalrymple. The motion carried.

IV. Financial Report

Andy Wade presented the Financials through December 2017. Andy noted that on the Statement of Income & Expense the Other Administrative costs are low at 28%. GO Virginia hasn't paid its portion of a recent audit. In addition, other expenses such as insurance come up at the end of the fiscal year. Also, Direct Salaries are at 62% and that number will accelerate because Shannon came on full time on November 1, 2017 while the report is through December

2017. Helen pointed out that DHCD has yet to transfer the \$21,554 from Type 2 Contractual to Direct Salaries, as approved by the Council and requested by staff.

Miles Friedman made a motion to approve the Financials as presented. Steve Ray seconded the motion. The motion carried.

V. GO Virginia Chair Update

Brian Cole noted that he and Tom Click participated in a GO Virginia Chair/Vice Chair conference call that included other Regions and Dubby Wynne, State Board Chair. The calls are an effort to open a feedback loop between the State Board and Region Councils. During the call a suggestion was made to allow regional representatives a window of time to speak with State project reviewers to ensure all questions are answered. The Board has since incorporated that suggestion into the review process. The next Chair/Vice Chair call is March 28 at 10 am.

Brian shared that a new State Board Policy allows Enhanced Capacity Grants to be approved by Region Councils with DHCD staff through a compressed application process. These enhanced capacity projects cannot be more than \$100,000 each and each region is limited to a total of \$250,000 in enhanced capacity grants. The 1 to 1 match is still required, but the minimum locality contribution is not.

A discussion about GO Virginia funding in the State Budget developed around advocacy for regional capacity funds. Ed Dalrymple asked whether we should support the House version or the Senate version of the GO Virginia budget before it moves into conferee stage. Shannon will forward all emails related to these topics to the Council, as they come in, and get answers for Ed.

Brian shared that DHCD staff just advised that support organizations can add up to 8% of the GO Virginia funding request to a proposal for administrative costs. Such administrative costs must be included in the match amount and be approved by Council. Due to the level of admin, reporting and oversight required, staff recommends proposals include this 8% amount. The proposal that will be reviewed today is requesting \$226,300. So, at 8%, an additional \$18,104 would be added to the request to the state. In this case, the match in place meets the required 1 to 1.

VI. Task Force Break Out Sessions

Brian asked members to break out into Task Force Groups. Talent Development and Growing Existing Businesses will meet together today to develop a recommendation for the submitted proposal for GWC Piedmont Technical Education Center.

VII. Task Force Report Out & Proposal Recommendation

Talent Development & Growing Existing Businesses: Frank Friedman, Steve Ray, Brian Cole, Ed Dalrymple, Bryan David, Ed Scott, Suzanne Brooks, and Denise Talley (for Jan Gullickson). A discussion arose regarding who and when someone should recuse themselves from voting or making a proposal recommendation to the Council. It was agreed that it is best if those without any potential conflicts should make a motion to the Council to support a project or not support a project. Andy Wade suggested that the Council seek Letters of Support or a Resolution from the remaining counties in the Region to strengthen the proposal even more. Shannon and Helen said they would work on this before the state deadline of March 12th. Ed Dalrymple said that the machine donated by DMG Mori will only be the second machine donated in the US. Miles Friedman indicated that Fauquier County was very happy about the regional partnership and

had matched with a \$15,000 commitment. Finally, Bryan David commented that he felt the project aligned well with the plan, was a tangible project with a lot of commitment from industry and demonstrated a pipeline of workers to attract industry. If project is approved at April 10th Board Meeting, it may be possible to do a GO Virginia presentation when Dr. Mori of AG Mori is in Culpeper. Ed Dalrymple will let us know the date of his visit.

Suzanne Brooks made a motion to approve the GWC Piedmont Technical Education Center proposal as submitted; and allow staff to make editorial changes that will make most of its competitive position and that do not affect proposal substance; also, allow staff to increase request by 8% for Admin. Ed Scott seconded the motion. The motion carried.

Startups/Innovations/Commercialization: Jim Cheng, Leigh Middleditch, Elizabeth Smith, Pace Lochte, Tom Click and Miles Friedman. Jim Cheng reported that he and Shannon had a meeting with a potential project lead yesterday. This project would either be Inter-Regional, Regional or Enhanced Capacity. Pace reported that UVA had recently held an Industrial Hemp meeting and that based on findings and support from Economic Developers, they may be pursuing an Enhanced Capacity Grant to research a potential new industry for Virginia. Andy Wade and Pace are attending the Industrial Hemp Summit in Danville, VA in early March.

Sites: Andy Wade, Patrick Mauney, and Chip Boyles. Andy updated the group on the Mega-Site project that has VEDP support. When VEDP provides additional data to support the project, Andy will be visiting more surrounding counties to develop a proposal. They are trying to reach the April 3rd Deadline. Bryan David noted that the project had a fantastic workforce draw, interstate access, and utilities, including gas, bookends of two state research institutions. For now the industry targets are chemical and plastic.

VIII. Per Capita Project Application Review

Brian asked for any feedback to improve the Region 9 Grant Review Process. He shared that one person had expressed a concern about being able to review many applications in a short time frame, if that might occur. No additional concerns or feedback were provided.

IX. GO Virginia Update

Shannon thanked Tom Click and Pace Lochte for hosting the Patriot Aluminum tour. Ed Dalrymple attended along with two faculty from Darden. Shannon shared a list of new State Board Deadlines and suggested a Region 9 Deadline of May 30th ahead of the newly released State Board Deadlines of July 13th.

Pace Lochte made a motion to approve the deadline of May 30. Miles Friedman seconded the motion. The motion carried.

Shannon shared clarification from DHCD that even though GO Virginia funds are in non-reverting funds, it is a best practice to spend funds down and not carry them over. Brian indicated he was clear with Dubby Wynne and others about the “cadence” of the Council’s work. Shannon then noted that waiver requirements had also been clarified. Projects can apply for a match waiver, but State Board expects that every effort to obtain a waiver had been made and documented. A discussion ensued about the perception that policies are changing mid-stream and contributing to difficulties in pulling projects together. Helen said she plans on writing a letter to the new DHCD Director, Erik Johnston, about this issues. It was also discussed that Helen would be reaching out to County Administrators to try and budget amounts for GO Virginia in the coming year so that obtaining a match is more feasible. Jim Cheng recommended we attempt to give them an estimated dollar amount to set aside. Also based on Jim’s

suggestion, Shannon will explore obtaining copies of specific proposals approved by the State through FOIA.

X. Other Business

Brian indicated that Steven de Jong has resigned from the Council for personal reasons and that the Council needs to identify a replacement, per the By Laws. He was serving a two-year term At-Large. It was suggested that David Pettit who was not present would be the best person to offer guidance on this matter, since he wrote the By Laws. So, Brian directed Helen and Shannon to reach out to David to guide how the nomination process should unfold. Miles also updated the Council to expect a Cybersecurity proposal from all community colleges in the region with Adam Hastings at PVCC taking the lead. VCCS will also be participating. Brian invited anyone who is interested to travel down to Suite #301 downstairs to see the Partnerships new offices.

XI. Next Meeting

Tuesday, March 27, 2018, 2:30 pm to 4:30 pm, Germanna Community College

XII. Adjourn

Brian Cole adjourned the meeting at 11:19 A.M.

DRAFT