



## REGIONAL COUNCIL 9 – EXECUTIVE COMMITTEE

DECEMBER 12, 2019

3:00 pm to 4:30 pm

UVA Research Park, 1001 Research Park Boulevard, Suite #301 Conference Room  
Charlottesville

### MINUTES

#### **Attendees**

**Members:** Jim Cheng (Chair), Ed Scott (Vice Chair); Andy Wade, Pace Lochte

**Absent:** David Pettit, Felix Sarfo-Kantanka, Tom Click

**Staff:** Shannon Holland, Helen Cauthen

#### **1. Welcome**

Jim Cheng called the meeting to order at 3:03 pm.

#### **2. Public Comment**

There were no members of the public present.

#### **3. Approve Meeting Minutes July 22, 2019 Meeting**

***Ed Scott made a motion to approve the Meeting Minutes, as presented. Pace Lochte seconded the motion. The motion carried.***

#### **4. Financials**

Andy Wade reminded the members that the Council budgets the Capacity Building dollars on a fiscal year basis but must spend the full amount down to zero before the Partnership can access the next year of funding. As a result, each year of the program thus far, Capacity Building dollars carry forward to the next fiscal year. He added that this year to close FY 2019 Capacity Building dollars in November.

Referring to the Statement of Income and Expense, Andy Wade noted that expenses are shown as running at 45.25% of budget which is ahead of an expected 33% but that these expenses are still drawing from FY 2019 Capacity Building funding. He noted that though employee expenses are shown a little over 40% of budget the number is misleading because there was a payroll correction of about \$6,000 in July for salaries from previous fiscal year. Excluding that number payroll is running at 31.4%. He also noted that Venture Hub planning grant was paid in this reporting period but is from FY2019 budget. Without that \$48,893 expense, he noted, the reporting period is closer to 26% of budget instead of 45.25%.

Referring to the Balance Sheet, Andy Wade pointed out that the Council owes the Partnership over \$140,000. Shannon Holland clarified that this number indicates that expenses have been paid by the Partnership as the support organization, however, because the accountant has been behind the internal transaction needed to reimburse the Partnership have not been done. Helen Cauthen indicated that she was aware of this situation and it is expected to be addressed soon.

Referring to the project budgets, Andy Wade noted that only projects that have requested reimbursements are presented.

Referring to the proposed budget recast, Andy Wade explained that the FY 19 Capacity Building funding will be fully expended in November and in order to gain access to the FY20 Capacity Building dollars, the Executive Committee needs to approve a budget revision in the DHCD CAMS system. Andy Wade referred to page 11 in the packet and noted that it was provided by accounting as a recommended close out budget. The second



column represents the CAMS budget revision to close out FY18 dollars and the column on the right represents the recast of budget items to close the FY 19 Capacity Building budget to zero in order to access the FY 2020 Capacity Building dollars.

***Pace Lochte made a motion to approve the Financials as presented. Ed Scott seconded the motion. The motion carried.***

#### **5. Camoin 310 Contract Extension – Rural Entrepreneurship**

Jim Cheng shared that contract extension letter dated November 4 was signed with Camoin 310 and the project is being overseen by himself and Ed Scott and that Tom Click, Kurt Krueger, Miles Friedman, and Patrick Mauney were serving on the Task Force. He added that there was a kick-off call on November 26 and stakeholder sessions have been scheduled in rural localities on January 9, 15, and 16 of 2020. Jim Cheng added that Shannon Holland collaborated with rural economic development partners to develop a rural entrepreneurship inventory asset list and provided to Camoin in order to accelerate a gap analysis.

Pace Lochte added that she and the Friends of Venture Central team were socializing the “Venture Hub” business plan with constituents. She expects that there will be more to report soon as they are working with a potential funder to support sustainability for the project.

#### **6. Project Updates**

Shannon Holland offered updates on Region 9 project activities. She noted that GWC PTEC and the Crafting Higher Paying jobs projects had specific issues for which input was needed. She gave specific summaries as follows:

- CV Site Readiness (ECB): Although the project is completed, the budget is not expected to be closed until reporting obligations are complete.
- Catalyst: The applicant has hosted two pitch sessions where local Founders help select participants. At this point, the first cohort has been chosen. Local economic developers attend and observe so that applicants can also be connected to services, as needed.
- Regional Business Park: Timmons group and Louisa County hosted an interactive workshop for the industrial park stakeholders that was very well received.
- Cybersecurity (ECB): The project has advised that it won't be completed until after February because the CA2EY application process has changed and PVCC cannot apply until February. Germanna has already achieved it. The project contract expires June 2020 and the team doesn't have definitive plans yet for a follow-up grant.
- GWC
  - The project contract expires in April 2020 and there are several issues requiring guidance.
  - Metrics: As noted in the applicant's presentation at a previous Council meeting, registrations for both the machinists and welding programs are less than expected. The school leadership has taken several approaches to address the situation. To date, they have reported 5 trained versus a goal of 30; and, 33 NIMS certifications versus a goal of 100. A recent budget revision was approved to get the project some marketing dollars to do outreach with businesses hiring machinists to drive a solution. A meeting is planned for January 2020.
  - Welding School: In late October, the grant contact advised us that the County Attorney advised her that the welding school tenant had not been paying rent. The attorney is following protocol to address. It was noted that it was unclear if all the purchased equipment was in the inventory. The County has temporarily stopped renovation work to address the situation. The County is working diligently to identify solutions to continue running the welding school, check equipment inventory and take appropriate action, and complete the project by the contract end date. At this time, they are discussing the possibility of Germanna CC taking over the school.
- Crafting Higher Paying Jobs: Although reported metrics are strong many milestones have been delayed for several reasons. It is possible, the project may need a contract extension to address. The main



issues right now are that the drainage at the winery/cidery location will have to be overseen by VCCS and the timeframe for them accomplishing the project is unknown. The brewery location was at a business partner location but the business now needs their space for expansion. An alternate site is under evaluation. The distilling location is under review, as well.

After much discussion, the following action items were discussed:

- Prepare project statements
- Discuss concerns with Culpeper County Administrator
- Request an inventory be taken of the equipment, as soon as possible
- Clarify with applicant what has or will be taken
- Set up a site visit with all stakeholders on-site at GWC PTEC, including Council Members
- Request revised Milestones for the Crafting project and assess further

## **7. Chair Update**

Jim Cheng shared that both he and Ed Scott attended the December 9 GO Virginia Board Meeting in Richmond as well as the Board and Council Leadership Summit that followed. Jan Gullickson was also in attendance along with leadership from all regional councils. He noted that Region 9's Biotech Innovation Cluster Growth project was approved. Ten other projects were discussed, of which, nine were approved. He added that the Board also approved a revised broadband policy and a Site Investment Policy. Jim Cheng also noted that Stephen Moret, during his presentation, said that VEDP would be asking for 15 million dollars in the new budget for Site Development and that during a VRIC report it was reported that new legislation creating a Tech and Innovation Authority would reorganize CIT, VRIC, etc. Jim Cheng added that Chris Lloyd, McGuireWoods Consulting, shared that the expectation is that GO Virginia will be in the Governor's budget for a flat 65 million in funding.

Finally, Jim Cheng shared that as of November 4, all Council Members have reported completing the required COIA training.

## **8. Director Update**

Shannon Holland reported that she is working to develop a possible middle mile broadband project with a regional electric cooperative. She is working with Patrick Mauney and Chip Boyles to help manage the conversation. She added that four regions met the previous Tuesday to discuss collaborating on hemp projects. Pace Lochte suggested a discussion around Talent Development as she and her team have done some preliminary thinking on what a project might look like. In general, the project could be an ECB with private sector providing the match for a region wide gap assessment.

Shannon Holland also advised the committee that the Partnership accounting staff person would be leaving the organization effective January 24, 2020.

## **9. Other Business**

No other business was presented.

## **10. Adjourn**

***Andy Wade made a motion to adjourn the meeting at 3:39 pm. Ed Scott seconded the motion. The motion carried.***