

- 1 The Honorable Terry G. Kilgore, Chairman
- 2 The Honorable Frank M. Ruff, Vice Chairman
- 3 The Honorable Charles R. Hawkins, Chairman Emeritus
- 4 The Honorable Watkins M. Abbitt, Jr.
- 5 Mr. Stephen S. Banner
- 6 Mr. Kenny F. Barnard
- 7 The Honorable Kathy J. Byron
- 8 Mr. John Cannon
- 9 The Honorable James S. Cheng, Secretary of the Department of
10 Commerce and Trade
- 11 The Honorable Bernie K. Day
- 12 Ms. Linda P. DiYorio
- 13 The Honorable Todd Haymore, Secretary of the Department of Agriculture
14 and Forestry
- 15 Mr. L. Jackson Hite
- 16 Mr. Jordon M. Jenkins, Jr.
- 17 The Honorable Joseph P. Johnson, Jr.
- 18 The Honorable Daniel W. Marshall, III
- 19 Mr. Buddy Mayhew
- 20 The Honorable Harrison A. Moody
- 21 Ms. Connie Lee Greene Nyholm
- 22 The Honorable Edward Owens
- 23 The Honorable Phillip P. Puckett
- 24
- 25 **APPEARANCES: (cont'd)**
- 26 Mr. David S. Redwine, DVM

- 1 Mr. Kenneth O. Reynolds
- 2 The Honorable W. Roscoe Reynolds
- 3 Mr. James C. Thompson
- 4 The Honorable William C. Wampler, Jr.
- 5 The Honorable Thomas C. Wright, Jr.

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8 COMMISSION STAFF:

- 9 Mr. Neal Noyes, Executive Director
- 10 Mr. Ned Stephenson, Deputy Director
- 11 Mr. Timothy S. Pfohl, Grants Program Administration Manager
- 12 Ms. Stephanie S. Kim, Director of Finance
- 13 Ms. Sarah Capps - Grants Coordinator, Southside Virginia

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15 COUNSEL FOR THE COMMISSION:

- 16 Mr. Francis N. Ferguson, Esq.

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24 DELEGATE KILGORE: I call the Commission
25 meeting to order. Mr. Noyes, would you call the roll?

26 MR. NOYES: Delegate Abbitt?

1 DELEGATE ABBITT: Here.
2 MR. NOYES: Mr. Banner?
3 MR. BANNER: Here.
4 MR. NOYES: Mr. Bernard?
5 MR. BERNARD: Here.
6 MR. NOYES: Secretary Brown?
7 SECRETARY BROWN: (No response.)
8 MR. NOYES: Delegate Byron?
9 DELEGATE BYRON: Here.
10 MR. NOYES: Mr. Cannon?
11 MR. CANNON: Here.
12 MR. NOYES: Secretary Cheng?
13 SECRETARY CHENG: Here.
14 MR. NOYES: Mr. Day?
15 MR. DAY: Here.
16 MR. NOYES: Ms. DiYorio?
17 MS. DIYORIO: Here.
18 MR. NOYES: Senator Hawkins?
19 SENATOR HAWKINS: Here.
20 MR. NOYES: Secretary Haymore?
21 SECRETARY HAYMORE: Here.
22 MR. NOYES: Mr. Hite?
23 MR. HITE: Here.
24 MR. NOYES: Mr. Jenkins?
25 MR. JENKINS: Here.
26 MR. NOYES: Delegate Johnson?

1 DELEGATE JOHNSON: Here.
2 MR. NOYES: Delegate Kilgore?
3 DELEGATE KILGORE: Here.
4 MR. NOYES: Delegate Marshall?
5 DELEGATE MARSHALL: Here.
6 MR. NOYES: Mr. Mayhew?
7 MR. MAYHEW: Here.
8 MR. NOYES: Mr. Moody?
9 MR. MOODY: Here.
10 MR. NOYES: Ms. Nyholm?
11 MS. NYHOLM: Here.
12 MR. NOYES: Mr. Owens?
13 MR. OWENS: Here.
14 MR. NOYES: Senator Puckett?
15 SENATOR PUCKETT: Here.
16 MR. NOYES: Mr. Redwine?
17 MR. REDWINE: Here.
18 MR. NOYES: Mr. Kenneth Reynolds?
19 MR. REYNOLDS: Here.
20 MR. NOYES: Senator Reynolds?
21 SENATOR REYNOLDS: Here.
22 MR. NOYES: Senator Ruff?
23 SENATOR RUFF: Here.
24 MR. NOYES: Mr. Thompson?
25 MR. THOMPSON: Here.
26 MR. NOYES: Senator Wampler?

1 SENATOR WAMPLER: Here.

2 MR. NOYES: Delegate Wright?

3 DELEGATE WRIGHT: Here.

4 MR. NOYES: We have a quorum, Mr. Chairman.

5 DELEGATE KILGORE: Thank you. Do we have
6 a motion to approve the Minutes from the January 12th meeting in
7 Richmond? We have a motion and a second to approve the Minutes. All
8 those in favor say aye? (Ayes.) Opposed? (No response.) All right, thank
9 you.

10 Neal.

11 MR. NOYES: First of all, it is with great pleasure.
12 Stephanie Almond, would you please stand so everyone can see you?
13 Stephanie is our recent hire by the Commission, and she'll be doing many of
14 the same things that Britt Nelson, did and she's working on some other tasks
15 with Ned. We welcome Stephanie.

16 Secondly, after having not done this at each of the Committee
17 meetings, Michelle reminds me, as a bit of housekeeping, that if you stay
18 overnight, parking will be charged to your room. If you don't stay overnight,
19 Michelle will have a parking pass for you. You have travel vouchers at your
20 places, so please sign them and leave them on the table for Michelle to pick
21 up. Boxes lunches, through the door behind me, will be available following
22 adjournment. Again, if you stay overnight, parking will be charged to your
23 room, and if you self-park, give the attendant your room number and you
24 won't need a pass.

25 DELEGATE KILGORE: Thank you. Let me
26 recognize a couple of our members, and we have two that we want to

1 recognize. The first is Steve Banner and Bernie Day for their service on the
2 Commission. I want to thank you for all you've done, and we have a portrait.

3

4 Steve, it's been a pleasure working with you on the Commission
5 and various committees. I've really enjoyed it, and thank you for all your
6 contributions.

7 MR. BANNER: Thank you, Mr. Chairman.

8 DELEGATE KILGORE: Bernie, thank you for
9 your service, and it's been a pleasure working with you, not only here but in
10 the House of Delegates. I want to thank you for all you've done for the
11 Commission and made Southside and Southwest a very nice place to live.

12 (Applause.)

13 MR. DAY: Thank you very much, Mr. Chairman.
14 I can't say that I'm sad to leave.

15 DELEGATE KILGORE: Thank you, Bernie.

16 Now, we're going to hear from the community college, Peter
17 Blake.

18 SENATOR RUFF: Mr. Chairman, while he's
19 coming up, I'd just like to point out that the folks that got the pictures, you
20 don't have to leave the pictures in the frame; you can use the frame for
21 something worthwhile.

22 DELEGATE KILGORE: All right, Mr. Blake.

23 MR. BLAKE: Thank you, Mr. Chairman and
24 members of the Commission, Director Noyes, and Senator Hawkins,
25 Chairman Emeritus. My name is Peter Blake, and I'm Vice Chancellor for the
26 Workforce Development Services and for the Virginia Community Colleges,

1 and I'm in Richmond. I bring you greetings from Chancellor Glenn DuBois,
2 and I can assure you he would rather be here with you this morning than
3 where he is now.

4 Let me start with a quick story I developed last night walking
5 around here and across the street. I walked up to a music store and looked at
6 a guitar on the wall and I noticed the handwritten sign that said, "Musicians
7 Wanted, and is looking for drums, bass, keyboard and horns." I thought,
8 what kind of band is this that needs all these things, and down at the bottom
9 in handwriting there was a note that said some knowledge of music theory a
10 must. So if you're putting together a band across the tobacco region, I wanted
11 to share with you my thought on the role of music theory, and that is
12 education and job training through the community colleges.

13 What I'd like to do is cover very quickly three topics with you.
14 Number one, I want to show you some figures on our enrollment growth over
15 the last several years. Second, I want to talk about the general fund
16 reductions over the same period of time. I also want to talk about the
17 Chancellor's Task Force on Reengineering. Then, finally, I want to commit to
18 you that Virginia's community colleges will continue to be a primary public
19 asset for job training and economic growth in Virginia.

20 Before I start, though, I want to thank the Commission for all the
21 support you have shown our colleges over the years, for student financial aid,
22 new program development, and other initiatives that have great expectations
23 and have helped thousand of Virginians achieve a better future. I also want to
24 give a special thanks. As I said, I want to thank you, also, for supporting the
25 Great Expectations Program. We're very grateful for that. Working together,
26 we see additional opportunities for strategic investments that can help you

1 realize your goals for economic strength across Southside and Southwest
2 Virginia.

3 As a backdrop, in front of you, you have a card, if I can get my
4 visual aid, you should have that in front of you, that outlines the community
5 colleges recently adopted strategic plan called Achieve 2015. The plan lays
6 out five simple and measurable goals. It's important to note that these goals
7 arose not from what we felt we wanted to do but from what people across the
8 state said we should be doing. In 2008, we embarked on a year-long process
9 that included numerous listening sessions with business and community
10 leaders, and a thorough vetting with our state board and national leaders, and
11 experts in the field on community college education. The results of that
12 process can be found on this card: goals for access, affordability, student
13 success, workforce, and resources. Some of you may have been part of this
14 process, and I want to thank you for your guidance and support.

15 So, with that background, let me talk about the last couple of
16 years. In particular, first and foremost and most dramatically, Virginia
17 community colleges have experienced one of the greatest enrollment booms
18 in our 40-year history. You have some material in front of you that will be
19 self-explanatory. You'll see what's happened just in the last couple of years.
20 Between 2007 and 2010, our head count enrollment increased by over 25,000
21 students, almost the size of Virginia Tech, over a two-year period of time.
22 The FTE, full time enrollment, increased by 15,000 students over the same
23 two-year period of time. Part of this can be attributed to the economy and the
24 relatively low cost of community colleges. Another part rests with the value
25 Virginians see in the community colleges and the guaranteed transfer
26 agreements we have with 25 public and private universities.

1 At the same time when enrollment has increased, however, we
2 have experienced another phenomenon: sharp general fund revenue declines.
3 Not counting the temporary support from the federal stimulus funds, the
4 ARRA, the general fund support to community colleges over this period of
5 time will decline by about \$100 million. Combined with the enrollment
6 growth, our general fund appropriation per student will decline by about
7 \$1,500 over this period of time.

8 So what are the consequences of this perfect storm? The short-
9 term effects are familiar -- fewer course offerings, larger class sizes, more
10 adjunct faculty, more deferred maintenance, fewer new library resources, less
11 up-to-date equipment, diminished student support services, and so on. As in
12 many of your businesses, we will see more job losses.

13 But given the demands we've discovered through the strategic
14 planning process, these familiar strategies are no longer sufficient to meet the
15 demands for the second decade of the 21st century. As you know, we need
16 more access to higher education, more meaningful credentials, more services
17 to business, and more community engagement at the local level.

18 Enter the Chancellor's Reengineering Task Force. You can refer
19 to the handout. Established in 2009, the task force, under the leadership of
20 Presidents Bob Templin and Jack Lewis, has set a goal to "bend the curve" if
21 you will, between supply and demand. As President Templin said recently,
22 "This effort is not just about cutting costs. It's about doing business
23 differently so we can meet the goals of Achieve 2015." Through a number of
24 committees and with the assistance of outside provocateurs, the task force
25 will issue an initial report this summer and a final report in November. In
26 parallel with Achieve 2015, the recommendations of the Reengineering Task

1 Force will guide our work for the next five years.

2 So that's a little bit about our strategic plan, Achieve 2015 and
3 about our perfect storm and reengineering and general fund reduction and
4 some of our strategies for the Reengineering Task Force.

5 Let me conclude by reassuring the Commission that in spite of
6 the additional demands and resource constraints, Virginia's community
7 colleges remain vital and committed to the vision of a vibrant and well-
8 educated Virginia. Our colleges enroll hundreds of thousands of students,
9 including nearly 60 percent of in-state undergraduate students. We provide
10 customized and other occupational training to nearly 100,000 Virginians, and
11 we work on a regular basis with over 5,000 employers and local economic
12 development offices. Our colleges serve as the central gathering point and
13 "conveners" for important community discussions. We represent the most
14 significant public asset Virginia has to prepare the workforce for a
15 challenging and competitive economy.

16 Two years ago, we celebrated our 40th anniversary. In that
17 short history, we far exceeded the ambitious goals established by Governor
18 Godwin, legislators, and business leaders. Today, we have our sight set
19 firmly on a new horizon -- one that reflects our new economic, demographic,
20 and global realities. Through innovation, leadership, and, yes, investments,
21 we can bring about the kind of change and improvement Virginia needs for
22 the next 40 years. We look forward to continuing to work with the
23 Commission on bold, strategic and comprehensive actions to help realize that
24 vision.

25 Thank you, Mr. Chairman and members of the Commission, for
26 the opportunity to be with you this morning, and best wishes as you go about

1 your important work today.

2 DELEGATE KILGORE: We want to thank the
3 community colleges for being on the front line for educational opportunities
4 for a lot of our students and other students across Virginia and for partnering
5 with us not only in education but job training and things of that nature. We
6 really appreciate what you all are doing and partnering with the Commission.

7

8 Any questions of Mr. Peter Blake by the Commission members?

9 Thank you very much.

10 Now, we'll hear from The Honorable Stephen D. Rosenthal.

11 MR. ROSENTHAL: Mr. Chairman and members
12 of the Commission, I will be brief. Just to give you an update on the 2010
13 Phase I Program, it is well under way, and there are verification and payment
14 forms and applications for payments for over 54,000 eligible claimants.
15 Those were mailed last week. We've received over 5,000 back and have
16 approved approximately 2500 as of yesterday.

17 During the week of May 10, we'll be working with the USDA
18 and the Farm Service Agencies to hold work sessions throughout the region.
19 To give you a quick rundown, on May 10th, Jonesville and Gates City; on
20 May 11th, we'll be in Abingdon; and May 12th in Chatham and Halifax; and
21 on May 13th, Lawrenceville, to help folks there who need help with their
22 claims.

23 As you approved in January, the deadline for submission of the
24 verification forms is May 19th. We have coordinated with the Department of
25 Agriculture and the Department of Treasury to work on the first round of
26 payments during the week of June 1.

1 As in previous years, claims requiring a change of ownership or
2 claimed information processed for a second round of payments will be made
3 at the end of the summer. This round will also include any late people that
4 may become eligible for payment by that time. Please don't hesitate to
5 contact me or Clarke Lewis or Mary Cabell at our office for any assistance
6 that you or anyone else may need to help with claims.

7 Thank you, Mr. Chairman.

8 DELEGATE KILGORE: Thank you. Any
9 questions of Steve? I know you all continue to do a great job and continue to
10 do it through this whole process from its inception all the way through. I can
11 tell you that all the Commission members appreciate the work you've done,
12 especially in holding these meetings in the Southside and Southwest regions.

13 MR. ROSENTHAL: Thank you, we appreciate the
14 opportunity.

15 DELEGATE KILGORE: Now we'll go to the
16 Honorable Ed Owens, Southside Economic Development Committee.

17 MR. OWENS: Thank you, Mr. Chairman. The
18 Southside Economic Development Committee met on April 15th to review 13
19 applications requesting \$8 million. We're recommending eight applications
20 for a total of \$3.1 million, as shown on page 18 of your booklet. I move that
21 the Commission accept the recommendations of the Committee.

22 DELEGATE WRIGHT: Second.

23 DELEGATE KILGORE: We have a motion and a
24 second that we accept the recommendations of the Southside Economic
25 Development Committee in a block. Is that a block?

26 MR. OWENS: Yes.

1 DELEGATE KILGORE: Are there any questions
2 from any members of the Commission on any of those recommendations?
3 Are the members prepared to vote? All those in favor of adopting Southside
4 Economic Development Committee's recommendations in a block, say aye?
5 (Ayes.) Opposed? (No response.)

6 MR. OWENS: The Committee met this morning
7 and heard one request from Charlotte County, shown in your booklet on page
8 six. The request was for \$900,000 and we recommended approval, subject to
9 the opinion of counsel that it is not unconstitutional.

10 DELEGATE KILGORE: The reason concerning
11 that constitutional question is to make sure that it's for public purposes. Is
12 that correct?

13 MR. OWENS: I would ask Mr. Ferguson to
14 respond.

15 MR. FERGUSON: The question came up about
16 the use of public funds.

17 DELEGATE KILGORE: The motion is to approve
18 it subject to an affirmative opinion from our attorney. Is that correct?

19 MR. OWENS: Yes, subject to an opinion within a
20 week.

21 DELEGATE KILGORE: That's the motion. Is
22 there a second?

23 DELEGATE WRIGHT: Second.

24 DELEGATE KILGORE: Any discussion on this
25 issue? Are the members prepared to vote? All those in favor say aye?
26 (Ayes.) Opposed?

1 DELEGATE MARSHALL: No.

2 DELEGATE KILGORE: All right, the motion
3 passes.

4 SENATOR REYNOLDS: Before we leave that,
5 during the Committee's meeting, the Subcommittee meeting, it was mentioned
6 that the timing was very important. During the Subcommittee meeting it was
7 represented to the Committee that the timing was very important, and that is,
8 that it was crucial for this undertaking to be successful, it was pretty critical
9 and it needed to be done pretty quickly. I would ask that if it turns out that
10 counsel concludes there is a problem and that counsel cannot say that this is
11 not a legitimate appropriation and if counsel can come up with a way for it to
12 be done in a proper fashion that he could notify the Chairman so that some
13 action could be taken, or at least consideration could be given to doing
14 whatever might be necessary to try to resolve any concerns that counsel might
15 have.

16 Is that asking too much, Frank?

17 MR. FERGUSON: No, sir, I'll certainly do the best
18 I can to make that known to the Commission.

19 SENATOR REYNOLDS: Then I'd make that as a
20 motion, if that's appropriate.

21 DELEGATE WRIGHT: Second.

22 DELEGATE KILGORE: there's a motion and a
23 second. Any further discussion on that motion? All those in favor say aye?
24 (Ayes.) Opposed? (No response.)

25 Ed, anything else?

26 MR. OWENS: No, that's my report.

1 DELEGATE KILGORE: Thank you.

2 Agribusiness Committee, Delegate Johnson.

3 DELEGATE JOHNSON: Thank you, Mr.

4 Chairman. Mr. Chairman and ladies and gentlemen of the Commission,
5 before I make my report there's one thing I would like to do. I've been on this
6 Committee from the beginning, and I'd just like to say we have some of the
7 most dedicated people I have ever worked with on this Committee. I want to
8 give a special thanks to Neal, Tim, Ned, Stephanie and Michelle for the
9 outstanding work they do for this Commission. We take everything for
10 granted. This morning even, Stephanie handing the microphone over to me,
11 and I just want to thank them; the fact that we have people so dedicated,
12 making sure that we have comfort and we're able to do our work as it should
13 be done and keeping us on track. Sometimes I know it's frustrating, and I
14 apologize when I'm out of order, but I just wanted everyone to know that we
15 appreciate the work of our Staff, and it's the best. I also want to thank
16 Clarke Lewis who comes to Southwest Virginia, and he is always happy to
17 answer all the farmers' questions, and I appreciate it, and I know they do, too.

18 If you'd look on Page 24, you'll see the report of the
19 Agribusiness Committee Meeting which was held on April 15th here in
20 Roanoke. We reviewed 10 applications totaling \$2 million, and the
21 Committee recommends to the full Commission six applications totaling \$1.2
22 million, as shown on page 24, to be approved.

23 I make the motion that we approve those. If anybody has a
24 question about any of these, we have Mr. Pfohl back here who will be more
25 than happy to answer any questions.

26 Thank you, Mr. Chairman.

1 DELEGATE KILGORE: We have a motion and a
2 second, and we'll do them in a block. Is that correct?

3 DELEGATE JOHNSON: Yes, sir.

4 DELEGATE KILGORE: Do any of the members
5 have any questions or any discussion on any particular project? All right. All
6 those in favor say aye? (Ayes.) Opposed? (No response.)

7 All right. Thank you, Delegate Johnson for the work of your
8 Committee.

9 Now, we're going to hear from Piedmont BioProducts Update,
10 Mr. Buddy Mayhew.

11 MR. MAYHEW: Thank you, Mr. Chairman.
12 Those of you who have been on the Commission for a years know that I have
13 been interested in and I've spent a lot of time and energy trying to move
14 forward the project in Gretna, Virginia, Piedmont BioProducts, and Mr. Ken
15 Moss has headed it up. It's been about four years since I became involved in
16 it, and he and all of us have come a long way. It was Ken's idea, and he
17 couldn't be here today, and he wanted me to present this information to you.

18 We have a short video presentation, and it was his idea, and he
19 even paid for it out of his own pocket to make sure you all would appreciate
20 some of the things that are happening and the progress that has been made.
21 We also have a display board over here with some recent pictures of the
22 feedstock, and it's all being done on his property out there.

23 I'm not going to take much of your time, but we've taken this
24 thing from the beginning with a special way of propagating the miscanthus
25 and working with the Institute in Danville, and we think this tissue culture
26 will be what we will use as far as feedstocks will go because of its high yield.

1 As I said, I've got photographs over here on this display board, and you can
2 see all of that there. So we have this video that will take a few minutes, at the
3 Institute, and then further discussion in view of the bioproducts and the oil
4 that can be produced from it at the site. You'll be able to see all the
5 equipment. I'd ask that we see the video first and then I'll make a few closing
6 comments. So let's go ahead and turn that on.

7

8 NOTE: Whereupon the video presentation is
9 shown to the Commission members.

10

11 MR. MAYHEW: That's a short overview of what
12 we're doing out there. I say "we" because I'm very much involved in it, even
13 though my term is up on the Commission this year, but I intend to stay and
14 work with Ken. I'd just like to make a couple of quick comments, and then
15 we can move on.

16 If you get a chance go by and look, the feedstock is growing and
17 it's being cut and baled. Also, if you get a chance, go over and look, I've got
18 several samples, one is the oil in some jars over there, and take a look at it.
19 You might find that interesting.

20 One thing that wasn't mentioned was the business plan, that's
21 unique, and the key point here is the local ownership that we've talked about.
22 Sometimes companies will come in and build a facility and hire local people,
23 but the profits leave the area many times. This is an idea that the grower that
24 brings in the feedstock is going to get like a refund they'll share in the profits
25 here, and trying to keep the profits in the community is very important. It
26 works for Pittsylvania County, and it'll work in Henry County, and it'll work

1 all over the footprint of the tobacco region. I don't want to oversell this thing,
2 but we're working on the first phase, and we're making about 12 gallons of oil
3 an hour, and char is one of the secondary products. There is no waste to it.
4 We plan to do a trial run at Sweetbriar College, 500 gallons of 37 blend in the
5 near future. There are a lot of site plans on the horizon. If you'll look at the
6 last grant application with Ag Business, another 400,000 will take us through
7 the end of this year and maybe into next year, with the thought in mind that
8 beyond that we can scale this thing to a point where we can start thinking
9 about a refinery.

10 One last point, we are attempting to get some federal funds to
11 help take us to the next step and maybe come back to R&D for some
12 matching funds, and that's the idea. Ken is just working very hard and doing
13 a super job, and he has put a lot of his own resources into this.

14 Again, take a look at that, and if there are any questions I'll be
15 happy to try to answer them or get the answers for you from Ken. I intend to
16 continue working with this after my term on the Commission is over.

17 Thank you.

18 DELEGATE KILGORE: Thank you, Buddy. Any
19 questions for Buddy about this? All right, thank you for that presentation.

20 Next we'll go to Southwest Economic Development Committee.

21 MR. THOMPSON: Thank you, Mr. Chairman.
22 The Southwest Economic Development Committee did meet this morning to
23 consider several requests. The first request comes from Tazewell County
24 requesting to use grant number 1362 and grant number 1814.

25 DELEGATE KILGORE: From pages 29 through
26 35, there is more information on the Southwest grant.

1 MR. THOMPSON: The request from Tazewell
2 County is to construct the infrastructure to serve a workforce training center,
3 as opposed to what was originally requested. The second request comes from
4 Washington County, requesting permission for repurposing on grant 1741 to
5 be used for road construction on the same project. This is at the Oak Park
6 Mega Site. The Committee moved for approval as requested per Tazewell
7 County and Washington County.

8 MR. BANNER: Second.

9 DELEGATE KILGORE: We have a motion and a
10 second. Any questions or comments? Hearing none, All those in favor say
11 aye? (Ayes.) Opposed? (No response.) Thank you.

12 Next is the Research and Development Committee report,
13 Senator Puckett. Senator Puckett had a long meeting yesterday. Let's hear
14 your report.

15 SENATOR PUCKETT: Thank you, Mr.
16 Chairman. I would say to the members of the Commission, if you would
17 follow, I'm going to begin on page 36 through 51 in your packet. The R&D
18 Committee met yesterday afternoon, and we heard from VEDP in regard to
19 the evaluation of five applications. We also had six new requests that are in
20 the pipeline right now. For those evaluated by VEDP, the Committee
21 recommended that the Commission's Executive Director be empowered to
22 issue approval of the following grants in the amount specified below upon the
23 completion of grant documentation satisfactory to the Executive Director, in
24 consultation with counsel for the Commission. In simple terms, that means
25 each one of these grants is looked upon individually. The agreement we
26 signed with the grant applicant will probably be a little bit different, and that's

1 why counsel will be involved in the consultation of this with the Executive
2 Director.

3 The grants were chosen based on the scoring mechanism, which
4 is also in your book, and you'll have a chance to see that also. Grant number
5 2006, \$2 million; grant number 2010, \$1.25 million; and Wythe County IDA
6 and grant number 2022, a \$5 million grant to Martinsville. That's a total of
7 \$8.25 million shown on pages 41 through 46. I note that this motion I've just
8 given to you does not constitute final approval. However, once final approval
9 is issued, the ultimate project expenses will be reimbursed retroactive to
10 today.

11 Finally, Mr. Chairman, for the six new requests, the Committee
12 sent three of those to VEDP for review and declined three others. I would
13 make one note, that even in declining these grant requests it does not mean
14 that the grant writer has been taken off the table. You still have an
15 opportunity to go back and work on your grant and put it in proper form, and
16 we can consider it at the next meeting.

17 Mr. Chairman, that will be my motion.

18 DELEGATE KILGORE: I have a motion and a
19 second. Any discussion? All those in favor say aye? (Ayes.) Opposed?
20 (No response.) Thank you, Senator Puckett, you and your Committee, for
21 your hard work and that long meeting.

22 Now we'll go to the Executive Committee meeting.

23 SENATOR RUFF: Thank you, Mr. Chairman.
24 The Executive Committee met on April 15th and again yesterday, and there
25 are several recommendations that we are going to offer today. The first one
26 is the budget, and this is in the yellow sheet that everyone should have

1 received, and this lays out the projected expenditures for the upcoming year.
2 There are a couple of things I'll point out on that. The first one is that we
3 have indemnified the growers, we are now reaching the 100 percent point,
4 and we made a decision to divide the last payments between two years, rather
5 than having a cold hard stop to ease that in. We also made a decision to the
6 Education Committee to put additional funds in there because colleges are
7 having tuition increases, and last year we ran short on that money. Both of
8 those are reflected in this budget.

9 Are there any questions?

10 MR. BANNER: On the indemnification question,
11 we'll be dividing this in two years instead of one?

12 DELEGATE KILGORE: This would represent the
13 last payment, and everybody would be paid up this year with nothing next
14 year. The Committee has deferred to break that in half and give half this year
15 and half next year.

16 MR. BANNER: The question is in 2010, and this
17 is 2011?

18 DELEGATE KILGORE: It's not right now; it'll be
19 next year and the next year.

20 MR. BANNER: What are the advantages to do it?
21 It was supposed to end in 2011.

22 DELEGATE KILGORE: That's correct.

23 MR. BANNER: What are the advantages to spread
24 it out over two years?

25 SENATOR WAMPLER: I can respond, at least in
26 part. One of the needs that the Executive Committee tried to reconcile was

1 the over-subscription of the Education Subcommittee scholarships. I think it's
2 the report of the Executive Committee that we would add additional dollars to
3 the scholarships that we've done so well in. If you're a grower or a quota
4 holder, that is the threshold question for scholarships. That's going to benefit
5 the people to put some students through school, so there is a relationship
6 there, but it's also spreading the payments over two years rather than one, and
7 that's the reason why we did it.

8 DELEGATE KILGORE: The other reason is that a
9 lot of people would just be stopped. We know some people may not, and a
10 lot of farmers or quota holders do not know when it will stop, and we just
11 thought it would be easier to spread it out over two years, rather than just
12 stop cold.

13 MR. BANNER: A gradual stop.

14 DELEGATE KILGORE: Yes, a gradual stop.

15 MR. BANNER: Mr. Chairman, if I may, I have
16 some problems with that. I guess most of the farmers that I know that
17 question me at least are aware that 2011 is the drop-dead date for payments,
18 we're going to have to re-educate them that it's not a drop-date and it's spread
19 into two payments.

20 DELEGATE KILGORE: I think that's something
21 we can talk about, asking Troutman Sanders to do throughout their
22 correspondence and get the word out on how the payments are going to be
23 handled.

24 SENATOR PUCKETT: Mr. Chairman, I'll add to
25 that and say one of the things we talked about, and we don't want to lose
26 focus about how much money has gone to this indemnification, and we talked

1 about that and educating the farmers as to how much money has gone to the
2 farmers over these 10 or 12 years that we've been doing this, along with the
3 fact that we're slowing it down, they'll get two more payments, and that will
4 be the end of it. The other figure that's very important to understand, and I
5 think farmers will be surprised when they see this, and the amount that's gone
6 to indemnification of farm communities that lost tobacco.

7 DELEGATE KILGORE: I think it's close to \$500
8 million or 497 or something like that.

9 MS. KIM: Four sixty.

10 DELEGATE KILGORE: That's close to \$500
11 million.

12 MR. BANNER: Well, Mr. Chairman, I guess I feel
13 like the indemnification is one of the major priorities from this Commission. I
14 do realize how much more has been involved in this work, other than
15 indemnification. I understand when you say we don't have the money in the
16 budget to go ahead and indemnify for a long time.

17 DELEGATE KILGORE: I would say that we
18 could have, we could have done it all this year; when the budget came out, it
19 did that. However, the Executive Committee was concerned about just
20 stopping it cold; that was one of the main concerns, but we wanted to
21 consider education. That was the decision of the Executive Committee.

22 MR. BANNER: In my tenure on the Board, the
23 Executive Committee has always offered superb guidance and direction for
24 the Commission, but I do have a little heartburn with that one, but thank you.

25 DELEGATE KILGORE: Thank you; and in the
26 meantime, are there any questions?

1 DELEGATE WRIGHT: Mr. Chairman, was any
2 consideration given to making up the difference for Education where it could
3 come from somewhere else other than from indemnification?

4 DELEGATE KILGORE: Yes, it could have come,
5 I guess it could have come from any place. To say indemnification, I'm not
6 sure that's exactly right. I think the biggest piece of that, that we split it up
7 into two payments instead of just stopping cold next year, and that was a
8 concern of a lot of people. But, yes, we could have put money in from other
9 sources for Education.

10 DELEGATE WRIGHT: The reason I say that, I
11 know Education, and the fact that the scholarship program is one of the best
12 things we've done. I don't oppose the motion having it go to Education, but I
13 sort of hate to see it come from indemnification, and I'm not sure --

14 SENATOR RUFF: -- Mr. Chairman, I hate to say
15 we're taking it from indemnification. I think it's a policy decision on whether
16 we believe to stop it cold or whether we come to a softer landing, and that's
17 for the Commission to decide. I think there are good arguments on both
18 sides. I think the majority of the Executive Committee felt it would be better
19 to come to a soft landing.

20 DELEGATE KILGORE: I don't think anyone on
21 the Commission would take one dime from the farm families. We just
22 thought that we didn't want it to stop stone cold. Some people I've talked to
23 think it's going to continue on forever, and those are the folks I'm worried
24 about when they call our office.

25 MR. NOYES: Mr. Chairman, I'd just like to make
26 the point that the Committee, if memory serves me right, voted unanimously,

1 for the reasons that have already been stated here.

2 MR. BANNER: Mr. Chairman, I'd just like to say
3 that Clarke, and we've had good communications, I guess explaining the draw
4 down or I guess explaining this to our farmers, I think that will be key, and
5 also mentioning Education, I think, will be key.

6 DELEGATE KILGORE: And the total amount
7 that's been paid.

8 SENATOR RUFF: I think they can help us with
9 that.

10 MR. BANNER: I'm going to tell my constituents
11 that that's what happens when I'm not on the Commission. As soon as I left,
12 it all went the other way. Thank you, Mr. Chairman.

13 SENATOR RUFF: I would also point out that to
14 get funds necessary that are laid out, you have to invade the corpus 15
15 percent, which we've done in the past, and a similar amount. So if there's not
16 any question on that, you can take a look at the budget, and that will give you
17 a good idea.

18 DELEGATE KILGORE: When you go down to
19 Economic Development and some of those other issues, and because it's
20 allocated, it doesn't mean it has to be spent. We either spend a certain
21 amount on this project or that project to create jobs or enhance educational
22 opportunities and good agricultural opportunities, and just because we
23 allocate these funds some folks think this is exactly what we're going to
24 spend. I wouldn't assume that's exactly what we're going to spend.

25 Any other questions on the budget?

26 SENATOR RUFF: If there are no other questions,

1 I would move that we approve the budget as it's printed on that yellow sheet.

2 DELEGATE MARSHALL: Second.

3 DELEGATE KILGORE: Any more discussion?

4 All those in favor say aye? (Ayes.) Opposed?

5 DELEGATE WRIGHT: No.

6 SENATOR RUFF: Mr. Chairman, I would now
7 say that we need to act on the 15 percent corpus invasion that appears on
8 page 53.

9 DELEGATE KILGORE: We'll need to take a roll
10 call. You're showing that Resolution on page 53, this is what we're voting
11 on?

12 SENATOR RUFF: Yes.

13 MR. NOYES: Delegate Abbitt?

14 DELEGATE ABBITT: Aye.

15 MR. NOYES: Mr. Banner?

16 MR. BANNER: Aye.

17 MR. NOYES: Mr. Bernard?

18 MR. BERNARD: Aye.

19 MR. NOYES: Delegate Byron?

20 DELEGATE BYRON: Aye.

21 MR. NOYES: Mr. Cannon?

22 MR. CANNON: Aye.

23 MR. NOYES: Secretary Cheng?

24 SECRETARY CHENG: Aye.

25 MR. NOYES: Mr. Day?

26 MR. DAY: Aye.

1 MR. NOYES: Ms. DiYorio?
2 MS. DIYORIO: Aye.
3 MR. NOYES: Senator Hawkins?
4 SENATOR HAWKINS: Aye.
5 MR. NOYES: Secretary Haymore?
6 SECRETARY HAYMORE: Aye.
7 MR. NOYES: Mr. Hite?
8 MR. HITE: Aye.
9 MR. NOYES: Mr. Jenkins?
10 MR. JENKINS: Aye.
11 MR. NOYES: Delegate Johnson?
12 DELEGATE JOHNSON: Aye.
13 MR. NOYES: Delegate Kilgore?
14 DELEGATE KILGORE: Aye.
15 MR. NOYES: Delegate Marshall?
16 DELEGATE MARSHALL: Aye.
17 MR. NOYES: Mr. Mayhew?
18 MR. MAYHEW: Aye.
19 MR. NOYES: Mr. Moody?
20 MR. MOODY: Aye.
21 MR. NOYES: Ms. Nyholm?
22 MS. NYHOLM: Aye.
23 MR. NOYES: Mr. Owens?
24 MR. OWENS: Aye.
25 MR. NOYES: Senator Puckett?
26 SENATOR PUCKETT: Aye.

1 MR. NOYES: Mr. Redwine?

2 MR. REDWINE: Aye.

3 MR. NOYES: Mr. Reynolds?

4 MR. REYNOLDS: Aye.

5 MR. NOYES: Senator Reynolds?

6 SENATOR REYNOLDS: Aye

7 MR. NOYES: Senator Ruff?

8 SENATOR RUFF: Aye.

9 MR. NOYES: Mr. Thompson?

10 MR. THOMPSON: Aye.

11 MR. NOYES: Senator Wampler?

12 SENATOR WAMPLER: Aye.

13 MR. NOYES: Delegate Wright?

14 DELEGATE WRIGHT: Aye.

15 MR. NOYES: The motion is carried.

16 SENATOR RUFF: Thank you, Mr. Chairman.

17 The next item we'll talk about is the Deputy Secretary of
18 Commerce and Trade, Rural Economic Development. During the course of
19 the campaign last year the Governor made a commitment to put somebody in
20 a position to enhance and work with localities and rural communities to bring
21 them into a situation where the economics in the state is fairly shared,
22 especially rural communities. When we went through that process there
23 wasn't a hold lot of money in Richmond, so there was a request by the
24 Governor to ask the Executive Committee, and the Executive Committee was
25 asked to approve the salary and benefits and travel expenses up to \$250,000
26 somewhere in the beginning of fiscal year 2010 and going through fiscal year

1 '11.

2 I'd make that motion. Fifty thousand of that would be in '10 and
3 two hundred thousand in 2011.

4 DELEGATE KILGORE: Any discussion on that?

5 SENATOR HAWKINS: Second.

6 DELEGATE KILGORE: It's been moved and
7 seconded. All those in favor say aye? (Ayes.) Opposed? (No response.)

8 SENATOR RUFF: Mr. Chairman, following up on
9 that, I would ask that we amend fiscal year 2010 budget to transfer \$50,000
10 in unobligated funds to cover that. I'd move that.

11 DELEGATE MARSHALL: Second.

12 DELEGATE KILGORE: We have a motion and a
13 second. Any discussion? This is to make a budget amendment. All those in
14 favor say aye? (Ayes.) Opposed? (No response.)

15 SENATOR RUFF: Mr. Chairman, one of the
16 proposals before us asks that with the agreement from the Chairman of the
17 Southside Economic Development Committee we'd like to transfer \$278,458
18 from the Henry County money Southside to the TROF fund. I'd so move.

19 MR. OWENS: Second.

20 DELEGATE KILGORE: We've got a motion and a
21 second from the Chairman of the Southside Economic Development
22 Committee. Any further discussion? All those in favor say aye? (Ayes.)
23 Opposed? One abstention.

24 SENATOR RUFF: The next motion is to approve
25 a grant of \$5 million in fiscal year 2011, Mega Park Development fund to the
26 Virginia Economic Development Partnership for site development work to be

1 approved by the Governor in accordance with VEDP guidelines per the 2010
2 Appropriation Act, Item 96, Paragraph 7 of the state budget. This would be
3 on a reimbursement basis only.

4 DELEGATE KILGORE: That would be on a
5 reimbursement basis, only.

6 SENATOR RUFF: I'd make that motion.

7 MR. OWENS: I'll second the motion.

8 DELEGATE KILGORE: We've got a motion and a
9 second. Any discussion? All those in favor say aye? (Ayes.) Opposed?
10 (No response.)

11 SENATOR RUFF: Mr. Chairman, the next two
12 items are policy decisions that we need to clarify for the Staff. The first one I
13 would move is to approve a new policy that from this date forward all Staff
14 recommendations made to all standing committees for grant awards, except
15 scholarships, shall include required equity contributions match from the
16 applicant for at least 10 percent of the total project costs.

17 DELEGATE KILGORE: Senator Ruff, in the
18 Executive Committee we had quite a discussion that we really had no
19 required match for these folks who come before us in Southside or
20 Southwest, no required equity match, and we felt that there ought to be
21 something in place for some of these awards. Is that correct?

22 SENATOR RUFF: Yes, sir, that is correct. The
23 Staff has expected a match in the past, and we've gone through this process
24 and we've discovered that there was no requirement that they do that. This
25 gives them more clear direction from the Commission on what we're doing.
26 They'll probably continue to rate proposals based on how much level match is

1 there. It will not prevent the Commission from making a decision to reduce
2 that to 10 percent, but they believe economics require it.

3 DELEGATE KILGORE: The Staff has been giving
4 credit all along for skin in the game. Any discussion?

5 SENATOR HAWKINS: Second.

6 DELEGATE WRIGHT: Mr. Chairman, this
7 includes in-kind, other than cash?

8 DELEGATE KILGORE: Correct, cash or in-kind
9 relates directly to that project. Any more questions? All those in favor say
10 aye? (Ayes.) Opposed? (No response.)

11 SENATOR RUFF: Mr. Chairman, the next motion
12 is to approve a new policy that from this day forward TROF grants made in
13 exchange for a specific job and investment promise shall not be restricted to
14 the use of grant funds, unless such restrictions are imposed by the grantee
15 upon the beneficiary. When we make these agreements, we require a certain
16 capital investment and require certain job numbers involved, but then it's an
17 issue of how do you go back. Where we are currently proving people are
18 hiring and we've proven the capital input into it, but then the question is how
19 far do we chase the actual dollar that goes into this or that. We've found that
20 the Economic Development partnership has not tried to track dollar-for-
21 dollar, but rather just the basic concept of the investments made.

22 DELEGATE KILGORE: What we talked about
23 yesterday was basically if you're creating jobs, making a capital investment,
24 then that's what we're interested in. Is that correct?

25 MR. STEPHENSON: Yes.

26 DELEGATE KILGORE: I think we have a way

1 now to track and tracking jobs with Virginia Employment Commission and
2 looking at tax records and things of that nature.

3 SENATOR RUFF: I so move.

4 SENATOR PUCKETT: Second.

5 DELEGATE KILGORE: It's been moved and
6 seconded. Any more discussion on this? All those in favor say aye? (Ayes.)
7 Opposed? (No response.)

8 SENATOR RUFF: Mr. Chairman, I'll turn this
9 over to Senator Wampler for one last motion.

10 SENATOR WAMPLER: Mr. Chairman and
11 members of the Commission, for two consecutive weeks the Executive
12 Committee met and recommended twice to move forward with an expenditure
13 of an amount up to \$200,000 to study the socio-economic effects of the
14 uranium mining. To place it in the proper posture, Mr. Chairman, I'll make a
15 motion and ask that it be seconded, and I'll speak to the specifics of it.

16 DELEGATE JOHNSON: Second.

17 SENATOR WAMPLER: Mr. Chairman, the
18 motion is as simple as it is stated; that is, we would authorize our Executive
19 Director to expend an amount up to \$200,000 for purposes of studying the
20 socio-economic effects of uranium mining. It is anticipated that the Virginia
21 Coal and Energy Commission would conduct this study. I would also say
22 pursuant to commitments from the Chairman of the Subcommittee that will be
23 conducting this study that he will have public hearings on the proposed scope
24 of what would be studied, and then once that scope is determined there will
25 be another round of public hearings to receive input. We heard from various
26 entities, Mr. Chairman, that there may be other studies that the Coal and

1 Energy Commission may consider. I would remind this body that they are a
2 legislative entity and that the Virginia Tobacco Commission cannot, or
3 shouldn't be compelled to try to compel them to receive any other materials,
4 but it was our understanding that they are going to accept any and all matters
5 that come before them for discussion and consideration.

6 So, Mr. Chairman, that is what I believe is before us, and it's
7 been properly moved and seconded, so I would be glad to answer any
8 questions from any panel members.

9 DELEGATE KILGORE: Any questions for
10 Senator Wampler?

11 SENATOR RUFF: Mr. Chairman, I don't have any
12 questions, but I intend to vote against it, not because I don't believe the study
13 needs to be done, but currently there are other studies that are being done.
14 One of those is being paid for by the City of Virginia Beach. It is their
15 request to try to determine whether there is going to be a health impact on
16 their water supply. They expect a report in August, and if it shows there is
17 going to be a problem, then it will require a much more in-depth study. If the
18 report concludes there is not going to be a problem, then that ends their
19 concern. I think it's unwise for us to spend money until we at least know
20 what's going to happen from the preliminary study Virginia Beach is
21 conducting.

22 DELEGATE KILGORE: Also, to add to that, the
23 Danville Foundation is going to be soliciting input right now for a study that
24 probably will start this fall, and their timeline is 12 to 18 months, but it's a
25 socio-economic study for the 50-mile radius of the site in Pittsylvania County.

26 Does anyone else have any comments? I have a motion and a

1 second. All those in favor of the motion say aye? (Ayes.) Opposed? (Nos.)

2 Let's have a roll call vote.

3 MR. NOYES: Delegate Abbitt?

4 DELEGATE ABBITT: No.

5 MR. NOYES: Mr. Banner?

6 MR. BANNER: Yes.

7 MR. NOYES: Mr. Bernard?

8 MR. BERNARD: Yes.

9 MR. NOYES: Delegate Byron?

10 DELEGATE BYRON: Yes.

11 MR. NOYES: Mr. Cannon?

12 MR. CANNON: No.

13 MR. NOYES: Secretary Cheng?

14 SECRETARY CHENG: Yes.

15 MR. NOYES: Mr. Day?

16 MR. DAY: Yes.

17 MR. NOYES: Ms. DiYorio?

18 MS. DIYORIO: Yes.

19 MR. NOYES: Senator Hawkins?

20 SENATOR HAWKINS: Yes.

21 MR. NOYES: Secretary Haymore?

22 SECRETARY HAYMORE: Yes.

23 MR. NOYES: Mr. Hite?

24 MR. HITE: No.

25 MR. NOYES: Mr. Jenkins?

26 MR. JENKINS: Yes.

1 MR. NOYES: Delegate Johnson?
2 DELEGATE JOHNSON: Yes.
3 MR. NOYES: Delegate Kilgore?
4 DELEGATE KILGORE: Yes.
5 MR. NOYES: Delegate Marshall?
6 DELEGATE MARSHALL: No.
7 MR. NOYES: Mr. Mayhew?
8 MR. MAYHEW: I'll abstain.
9 MR. NOYES: Mr. Moody?
10 MR. MOODY: No.
11 MR. NOYES: Ms. Nyholm?
12 MS. NYHOLM: No.
13 MR. NOYES: Mr. Owens?
14 MR. OWENS: Yes.
15 MR. NOYES: Senator Puckett?
16 SENATOR PUCKETT: Yes.
17 MR. NOYES: Mr. Redwine?
18 MR. REDWINE: Yes.
19 MR. NOYES: Mr. Reynolds?
20 MR. REYNOLDS: Yes.
21 MR. NOYES: Senator Reynolds?
22 SENATOR REYNOLDS: Yes.
23 MR. NOYES: Senator Ruff?
24 SENATOR RUFF: No.
25 MR. NOYES: Mr. Thompson?
26 MR. THOMPSON: Yes.

1 MR. NOYES: Senator Wampler?

2 SENATOR WAMPLER: Yes.

3 MR. NOYES: Delegate Wright?

4 DELEGATE WRIGHT: No.

5 MR. NOYES: Eight nos, eighteen ayes and one
6 abstention.

7 DELEGATE KILGORE: That means the motion
8 passes.

9 Delegate Marshall.

10 DELEGATE MARSHALL: Mr. Chairman, I'd like
11 to make a motion, and then if I get a second I'd like to speak to the motion.

12 DELEGATE KILGORE: Yes.

13 DELEGATE MARSHALL: Mr. Chairman and
14 ladies and gentlemen, I move that if any mining of uranium occurs at the
15 Mega Site located in Pittsylvania located of Route 863, all monies supplied
16 by the Virginia Tobacco Commission shall be repaid. The Mega Site is a
17 joint effort between the City of Danville and Pittsylvania County.

18 SENATOR RUFF: I'll second it.

19 DELEGATE KILGORE: We have a motion and a
20 second. I didn't realize there was any uranium there.

21 DELEGATE MARSHALL: We're not, either, but
22 we have some concerned citizens in the area, and their concern is that there
23 will be mining of uranium on this Mega Site. The Tobacco Commission, as
24 of today, has spent or suggested \$13.1 million between the City of Danville
25 and Pittsylvania County's allocation. We want to make sure that the reason
26 we invested that money in the Mega Site is to create manufacturing jobs, not

1 to create mining jobs. So, I ask for your vote.

2 DELEGATE KILGORE: Any other discussion on
3 that?

4 SENATOR WAMPLER: I would just observe this
5 was not before the Executive Committee. As I recall the discussion in the
6 Executive Committee, this matter didn't come before us. It's not that
7 complicated of an issue. I think we understand what the motion does. I'm
8 wondering if that's not something that would be more appropriate for the
9 Southside Economic Development Committee to consider. I'm just thinking
10 out loud with my comments.

11 DELEGATE KILGORE: The Mega Site is what
12 was before the Executive Committee to decide; you're correct. Any other
13 discussion? Are Commission members ready to vote? All those in favor of
14 Delegate Marshall's motion, say aye? (Ayes.) Opposed? (Nos.) Let's have a
15 roll call.

16 Would you restate your motion?

17 DELEGATE MARSHALL: If any mining of
18 uranium occurs on the Mega Site located in Pittsylvania County located off
19 Route 863, all monies supplied by the Virginia Tobacco Commission shall be
20 repaid. The Mega Site is a joint effort between the City of Danville and
21 Pittsylvania County.

22 MR. NOYES: Delegate Abbitt?

23 DELEGATE ABBITT: Aye.

24 MR. NOYES: Mr. Banner?

25 MR. BANNER: No.

26 MR. NOYES: Mr. Bernard?

1 MR. BERNARD: No.
2 MR. NOYES: Delegate Byron?
3 DELEGATE BYRON: Aye.
4 MR. NOYES: Mr. Cannon?
5 MR. CANNON: Aye.
6 MR. NOYES: Secretary Cheng?
7 SECRETARY CHENG: Aye.
8 MR. NOYES: Mr. Day?
9 MR. DAY: No.
10 MR. NOYES: Ms. DiYorio?
11 MS. DIYORIO: No.
12 MR. NOYES: Senator Hawkins?
13 SENATOR HAWKINS: Aye.
14 MR. NOYES: Secretary Haymore?
15 SECRETARY HAYMORE: Aye.
16 MR. NOYES: Mr. Hite?
17 MR. HITE: Aye.
18 MR. NOYES: Mr. Jenkins?
19 MR. JENKINS: No.
20 MR. NOYES: Delegate Johnson?
21 DELEGATE JOHNSON: No.
22 MR. NOYES: Delegate Kilgore?
23 DELEGATE KILGORE: Aye.
24 MR. NOYES: Delegate Marshall?
25 DELEGATE MARSHALL: Aye.
26 MR. NOYES: Mr. Mayhew?

1 MR. MAYHEW: I'll abstain.
2 MR. NOYES: Mr. Moody?
3 MR. MOODY: Aye.
4 MR. NOYES: Ms. Nyholm?
5 MS. NYHOLM: Aye.
6 MR. NOYES: Mr. Owens?
7 MR. OWENS: Aye.
8 MR. NOYES: Senator Puckett?
9 SENATOR PUCKETT: No.
10 MR. NOYES: Mr. Redwine?
11 MR. REDWINE: No.
12 MR. NOYES: Mr. Reynolds?
13 MR. REYNOLDS: No.
14 MR. NOYES: Senator Reynolds?
15 SENATOR REYNOLDS: Aye.
16 MR. NOYES: Senator Ruff?
17 SENATOR RUFF: Aye.
18 MR. NOYES: Mr. Thompson?
19 MR. THOMPSON: No.
20 MR. NOYES: Senator Wampler?
21 SENATOR WAMPLER: No.
22 MR. NOYES: Delegate Wright?
23 DELEGATE WRIGHT: Aye.
24 MR. NOYES: Fourteen in favor, twelve in
25 opposition and one abstention.
26 DELEGATE KILGORE: The motion passes 14 to

1 12. Anything else for the Executive Committee?

2 SENATOR RUFF: That's it.

3 DELEGATE KILGORE: thank you, Senator Ruff.

4 Executive Director's Report.

5 MR. NOYES: Thank you, Mr. Chairman. I

6 mentioned at our last meeting the Virginia Business Magazine. You do recall
7 at the last meeting I mentioned that the Virginia Business Magazine will have
8 an article in its May issue. I'm meeting next week with the representatives of
9 the magazine. It is scheduled for May.

10 The second matter is Stephanie Kim is heading up a project in
11 the office because our lease runs out the end of this year. If she's
12 unsuccessful, we might be out on the street in January.

13 That concludes my report.

14 DELEGATE KILGORE: Senator Puckett.

15 SENATOR PUCKETT: Mr. Chairman, we've got
16 plenty of space in Southwest Virginia, and we'd like to have you out there.
17 We'll make it reasonable.

18 DELEGATE KILGORE: Delegate Johnson.

19 DELEGATE JOHNSON: Mr. Chairman and
20 members of the Commission, I'd like to thank all the people on the record, our
21 Staff, and I mentioned that, but there is one name that I didn't mention, at the
22 time and that's Michelle Brady. My hat's off to Michelle, and she dots the Is
23 and crosses the Ts and does a fabulous job making sure that accommodations
24 are made when we come for a meeting, all the cards are up and all the printed
25 material is passed out and all the information for the agenda is here before us.
26 Michelle, thank you, very much.

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(Applause)

DELEGATE KILGORE: Our next meeting will be in July in Marion, and it will be at the Francis Marion Hotel, and it will be Thursday, July 29th; that will be the full Commission. We'll also have some meetings the afternoon before that, as usual; so it's the 28th and 29th of July. I know we have some deadlines coming on June 2nd.

MR. NOYES: We have Special Projects and R&D and Southwest Economic Development applications that are due before the next meeting. We're working out the meeting dates.

DELEGATE KILGORE: Those meetings will occur before July 28th and July 29th.

All right. Any other business to come before the Commission? If not, thank you all, and have a safe trip home.

PROCEEDINGS CONCLUDED.

CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at large, do hereby certify that I was the court reporter who took down and transcribed the proceedings of the **Virginia Tobacco Indemnification and Community Revitalization Commission Full Commission Meeting when held on Thursday, April 29, 2010 at 10:00 a.m. at the Hotel Roanoke, Roanoke,**

1 **Virginia.**

2 I further certify this is a true and accurate transcript to the best of
3 my ability to hear and understand the proceedings.

4 Given under my hand this day of , 2010.

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Medford W. Howard

11

Registered Professional Reporter

12

Notary Public for the State of Virginia at Large

13

14

15 My Commission Expires: October 31, 2010.

16 Notary Registration Number: 224566