

**VIRGINIA TOBACCO INDEMNIFICATION  
AND COMMUNITY REVITALIZATION COMMISSION**

701 East Franklin Street, Suite 501  
Richmond, Virginia 23219

**Full Commission Meeting**

Tuesday, August 13, 2013

3:00 p.m.

Hotel Roanoke & Conference Center  
Roanoke, Virginia

CRANE-SNEAD & ASSOCIATES, INC.  
4914 Fitzhugh Avenue, Suite 203  
Henrico, Virginia 23230  
Tel. No. (804) 355-4335

1    **APPEARANCES:**

- 2    The Honorable Terry G. Kilgore, Chairman  
3    Ms. Gayle F. Barts  
4    The Honorable Kathy J. Byron  
5    Mr. John R. Cannon  
6    The Honorable Charles W. Carrico, Sr.  
7    Ms. Mary Rae Carter - Deputy Secretary of the Department of  
8        Commerce and Trade for Rural Development  
9    The Honorable James S. Cheng - Secretary of Commerce and  
10       Trade  
11   Mr. David R. Cundiff  
12   Ms. Linda P. DiYorio  
13   Mr. Burgess "Butch" H. Hamlett, III  
14   The Honorable Joseph P. Johnson, Jr.  
15   The Honorable Daniel W. Marshall, III  
16   The Honorable Donald W. Merricks  
17   Ms. Sandra F. Moss  
18   The Honorable Edward Owens  
19   Mr. Kenneth O. Reynolds  
20   Ms. Beth D. Rhinehart  
21   The Honorable Frank M. Ruff - Vice Chairman  
22   The Honorable William M. Stanley, Jr.  
23   Ms. Cindy M. Thomas  
24   Mr. Gary D. Walker  
25   The Honorable Thomas C. Wright, Jr.

1 **APPEARANCES: (cont'd)**

2 COMMISSION STAFF:

3 Mr. Timothy S. Pfohl, Interim Executive Director and Grants  
4 Program Administration Manager

5 Mr. Ned Stephenson, Deputy Executive Director

6 Ms. Stephanie S. Kim, Director of Finance

7 Ms. Sara G. Williams - Grants Program Administrator,  
8 Southwest Virginia

9 Ms. Sarah K. Capps - Grants Program Administrator,  
10 Southside Virginia

11 Ms. Carolyn Bringman - Performance Data Analyst

12 Ms. Stacey Richardson - Executive Assistant

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14 ALSO PRESENT:

15 Mr. Neal Noyes

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1 DELEGATE KILGORE: I'll call the meeting to order  
2 at this time, and I'll ask Tim if he will please call the roll for the  
3 Full Commission Meeting.

4 MR. PFOHL: Mr. Barnard?

5 MR. BARNARD: No response.

6 MR. PFOHL: Ms. Barts?

7 MS. BARTS: Here.

8 MR. PFOHL: Secretary Brown is not here.

9 Delegate Byron?

10 DELEGATE BYRON: Here.

11 MR. PFOHL: Mr. Cannon?

12 MR. CANNON: Here.

13 MR. PFOHL: Senator Carrico?

14 SENATOR CARRICO: Here.

15 MR. PFOHL: Secretary Cheng?

16 SECRETARY CHENG: Here.

17 MR. PFOHL: Mr. Cundiff?

18 MR. CUNDIFF: Here.

19 MR. PFOHL: Ms. DiYorio?

20 MS. DIYORIO: Here.

21 MR. PFOHL: Mr. Hamlett?

22 MR. HAMLETT: Here.

23 MR. PFOHL: Mr. Harwood isn't with us, nor is  
24 Secretary Haymore.

25 Delegate Johnson?

1 DELEGATE JOHNSON: Here.

2 MR. PFOHL: Delegate Kilgore?

3 DELEGATE KILGORE: Here.

4 MR. PFOHL: Delegate Marshall?

5 DELEGATE MARSHALL: Here.

6 MR. PFOHL: Delegate Merricks?

7 MR. MERRICKS: Here.

8 MR. PFOHL: Mr. Montgomery is not with us.

9 Ms. Moss?

10 MS. MOSS: Here.

11 MR. PFOHL: Ms. Nyholm isn't here.

12 Mr. Owens?

13 MR. OWENS: Here.

14 MR. PFOHL: Dr. Redwine isn't here.

15 Mr. Reynolds?

16 MR. REYNOLDS: Here.

17 MR. PFOHL: Ms. Rhinehart?

18 MS. RHINEHART: Here.

19 MR. PFOHL: Senator Ruff?

20 SENATOR RUFF: Here.

21 MR. PFOHL: Senator Smith is not with us. Mr.

22 Spiers is not with us. Mr. Stallard is not with us.

23 Senator Stanley?

24 SENATOR STANLEY: Here.

25 MR. PFOHL: Ms. Thomas?

1 MS. THOMAS: Here.

2 MR. PFOHL: Mr. Walker?

3 MR. WALKER: Here.

4 MR. PFOHL: Delegate Wright?

5 DELEGATE WRIGHT: Here.

6 MR. PFOHL: You have a quorum, Mr. Chairman.

7 DELEGATE KILGORE: Okay. Do I have an  
8 approval of the May 22<sup>nd</sup>, 2013 Minutes? It's so moved. All  
9 those in favor say aye? (Ayes.)

10 Senator Ruff, we had a TROF Committee meeting, and  
11 would you give us your report?

12 SENATOR RUFF: Thank you, Mr. Chairman. We  
13 met a couple of times and today. The first issue is in reference  
14 to the policy resolution found on Page 17 of your packet that  
15 you received. The TROF Committee recommends approval of  
16 the resolution on Page 16, which memorializes our current  
17 practice and delegates authority to the Executive Director to  
18 approve or deny TROF grants according to policy guidelines and  
19 ratifies all grants heretofore made by the TROF Committee.

20 DELEGATE KILGORE: These would be the  
21 guidelines that fall within those guidelines that have been  
22 established by Mr. Stephenson and Staff. If they don't meet  
23 the guidelines and some county or IDA wants more and the  
24 guidelines say it is this, then we'd go to the Full Commission.  
25 Is that correct?

1           SENATOR RUFF: That's correct. I so move.

2           MR. OWENS: Second. I would like legal counsel to  
3 explain assigning the authority to the TROF Committee other  
4 than the Executive Director.

5           MS. GILLILAND: The TROF Committee met in June  
6 to discuss and consider the TROF policy that is before you  
7 today. We discussed the distinction between the Commission  
8 setting certain boundaries by way we could review applications  
9 that meets the criteria established by the Commission. It was  
10 determined at that meeting that for those grants that were in  
11 excess, I believe, of \$2 million, if they met all the criteria set  
12 forth in the policy that the Executive Director would have the  
13 authority by the Commission to approve that TROF grant.  
14 That was 2 million. All the criteria is in the guidelines. An  
15 acceptable delegation for the Executive Director as long as the  
16 criteria was met, he was given the authority for that. When it  
17 got to the range of two to three million dollars or that level it  
18 needed to go before the TROF Committee to be discussed  
19 further, guidelines were set and policy for the authority to grant  
20 that TROF.

21           DELEGATE KILGORE: The reason we adopted that  
22 and where we had to change was because the TROF Committee  
23 can no longer make before we can act at a publicly called  
24 meeting whereas in the past we were voting telephonically.

25           MS. GILLILAND: That's correct. Any action taken,

1 you have to have at least three or more Commission members at  
2 the meeting, publicly called meeting, and to review and approve  
3 any grant applications. We memorialized it in writing, and it's  
4 been a practice of the Commission for the last several years,  
5 which is the TROF Committee meets and reviews and it's put in  
6 written form.

7 DELEGATE KILGORE: There is some notification  
8 that has to occur with the Chairman and Vice Chairman.

9 MS. GILLILAND: That's correct. My  
10 understanding from the June meeting, the June and July  
11 meeting, was that the Executive Director sent e-mails to the  
12 TROF Committee to let them know what was being approved so  
13 everyone is aware what activity is going on for approval.

14 DELEGATE KILGORE: Are there any questions or  
15 comments?

16 DELEGATE WRIGHT: Do I understand the  
17 Executive Director will act on a total that is two million or  
18 under?

19 DELEGATE KILGORE: Right.

20 DELEGATE WRIGHT: And then going through the  
21 TROF Committee or the Full Commission?

22 DELEGATE KILGORE: Yes.

23 DELEGATE WRIGHT: Just like the process, just  
24 like the Full Commission.

25 DELEGATE KILGORE: You'll still get the report.

1 Once the TROF Committee acts and an offer to the company  
2 and then there was a formal deal set up, the contract and some  
3 of the things we talked about earlier, like jobs and investment.  
4 The TROF acted outside of the Commission but the Commission  
5 received a report after every meeting as far as what the TROF  
6 Committee had approved.

7 DELEGATE MARSHALL: The Executive Director  
8 can approve this?

9 DELEGATE KILGORE: As long as it's within the  
10 guidelines, jobs and investment.

11 DELEGATE MARSHALL: Two to three the TROF  
12 Committee approves?

13 DELEGATE KILGORE: A publicly called meeting  
14 then.

15 DELEGATE MARSHALL: Three and over the Full  
16 Commission?

17 DELEGATE KILGORE: Yes.

18 DELEGATE MARSHALL: Do we have a breakdown  
19 or a history of how many have approved the two to three million  
20 and then the three and over?

21 DELEGATE KILGORE: The overwhelming majority  
22 are under two million.

23 MR. STEPHENSON: I don't have data, but my  
24 institutional memory is 80 percent or more of the TROF  
25 transactions are under two million.

1 DELEGATE MARSHALL: Do you still have the  
2 criteria that the locality only gets three?

3 MR. STEPHENSON: Correct, per year.

4 DELEGATE MARSHALL: The TROF can only come  
5 from a governing body and a company cannot apply for a TROF,  
6 only a governing body?

7 MR. STEPHENSON: Right, if it was not from a  
8 governing body it would come to the Full Commission for  
9 approval.

10 SECRETARY CHENG: I just wanted to ask  
11 everybody, the bridge is between two and three million, seems  
12 high without a ratification by the Full Commission, or are there  
13 things where there are pre-approvals? Because with the  
14 TROF, you'd have an opportunity. Would there be a meeting?

15 DELEGATE KILGORE: The TROF is for, in order to  
16 close these deals very quickly sometimes you have to act very  
17 quickly. There has been some discussion about whether it's  
18 high or drop down to two million and probably within those  
19 guidelines for job creation, of course, still meeting guidelines.  
20 We had discussion whether to allow the Executive Director to  
21 approve it.

22 DELEGATE MARSHALL: Is that a new policy?  
23 Currently or in the past the TROF Committee --

24 DELEGATE KILGORE: -- The TROF Committee has  
25 to approve all. As everyone knows, the TROF with the number

1 of employees it would have to go to the Full Commission.

2 SECRETARY CHENG: But, Mr. Chairman, is there  
3 still a ratification process?

4 DELEGATE KILGORE: Ned, is there is still a  
5 ratification process?

6 MR. STEPHENSON: No, the way the policy is  
7 written, the Executive Director approves a grant that is within  
8 his authority and within guidelines. He signs that  
9 commitment that binds the Commission needing no authority  
10 for ratification, although there would be a report to the  
11 Commission of his actions, but the Commission would be  
12 bound if he signed the commitment.

13 MR. OWENS: I understood that no Commission  
14 board can assign authority to the, the Committee or individual?

15 MS. GILLILAND: The intent of this policy is for the  
16 Commission to lay out parameters and that the administrator  
17 can act, he cannot delegate but it means you have to meet  
18 certain requirements and criteria and they have the authority to  
19 lay that groundwork, and if it falls outside of the four corners of  
20 the policy the subcommittee cannot act on behalf of the Full  
21 Commission.

22 MR. CANNON: If this happens does it mean the  
23 TROF Committee cannot meet enough times in the year to do  
24 this?

25 DELEGATE KILGORE: This requires that

1 sometimes in order to close these deals we have to act very  
2 quickly, and people have jobs, and these deals have to be acted  
3 on pretty quickly and we can't always get everybody together.  
4 If you got together every two weeks, sometimes you have to get  
5 these things done within days. If we have a meeting we have to  
6 have public notice, set up through counsel and have a meeting.  
7 Oftentimes we need to make a decision in a day or so.

8 SENATOR RUFF: Mr. Chairman, I believe counsel  
9 concluded that the subcommittee of this Commission could not  
10 act on behalf of the Full Commission so we'd have to come back  
11 with the Full Commission every time an entity said I have to  
12 know this within five or ten days.

13 DELEGATE KILGORE: One of the reasons we're  
14 here today ahead of September is that we had to approve some  
15 of these TROF deals because we're getting ready to lose an  
16 opportunity, and it costs like 10 or 12 thousand to get  
17 everybody together.

18 MR. CANNON: I would feel a lot more comfortable,  
19 I'm not involved with TROF, to know where TROF members  
20 stand on this.

21 DELEGATE KILGORE: We all supported it, because  
22 we know there's a reason for doing this and for deal closings and  
23 for getting together for that reason. People need a response; we  
24 all agree to it under the parameters.

25 DELEGATE MARSHALL: The problem is my first six

1 years dealing with the Freedom of Information Act, and that's a  
2 problem right now. Current law does not allow -- meeting.  
3 I've already started talking to, including the FOIA, to see if we  
4 can't draft a bill that would be introduced next year to be a  
5 change. And if we could live with what we have, a legal meeting  
6 like this and we could change. So possibly in a short period of  
7 time between now and until we can pass it.

8 MR. NOYES: At the time I was an executive director,  
9 I can't recall a single instance where a conforming project was  
10 not approved by the TROF Committee. I would put it below 90  
11 percent, well under \$2 million. We're not breaking new  
12 ground.

13 SENATOR STANLEY: When these, why was it  
14 decided at two million?

15 SENATOR RUFF: Mr. Chairman, those are the  
16 figures we wanted to use; we thought we'd change the numbers.

17 MR. OWENS: We have a motion.

18 DELEGATE KILGORE: I've got a motion and a  
19 second. All right, everybody ready to vote? All those in favor  
20 say aye? (Ayes.) Opposed? (Three no votes.)

21 SENATOR RUFF: Mr. Chairman, we met since last  
22 Commission meeting and approved 12 grants, and those will  
23 have to be approved. I would tell you that 10 of those fall  
24 within the guidelines, and so I'd make the motion that we  
25 approve those.

1 DELEGATE KILGORE: Why don't we identify which  
2 ones fall within the guidelines?

3 SENATOR RUFF: 2718, 2719, 2720, 2721, 2722,  
4 2724, 2723, 2726, 2747, 2767 as a block.

5 DELEGATE WRIGHT: Can we pull 2721 from the  
6 block?

7 DELEGATE KILGORE: We're voting on everything  
8 except 2716, 2721 and 2747. Is that correct?

9 DELEGATE WRIGHT: I'd move that we pull 2723.

10 DELEGATE KILGORE: All right. All those in favor  
11 of those in the remaining block say aye? (Ayes.) Opposed?  
12 (No response.)

13 SENATOR RUFF: Mr. Chairman, 2744. The  
14 standard for TROF has traditionally been that the request had  
15 to be at least \$50,000 as a minimum amount, and the grant is  
16 40,000. So, I'd move that Number 2744 for Abingdon be  
17 approved.

18 MR. OWENS: Second.

19 DELEGATE KILGORE: Motion and second that  
20 2744 be approved at \$40,000; 2744 will be tabled.

21 SENATOR RUFF: 2721, I move that be approved at  
22 95,000.

23 MR. CANNON: Second

24 DELEGATE KILGORE: 2721, all those in favor say  
25 aye? (Ayes.) Opposed?

1 MS. THOMAS: Abstain.

2 SENATOR RUFF: The next one will be 2723,  
3 Virginia Intermont College. The approval is for 210,000.

4 DELEGATE KILGORE: Based on jobs and capital  
5 investment. I've got a motion and a second.

6 MR. STEPHENSON: Some clarification, that motion  
7 was to include the City of Bristol becoming a party, or a  
8 participating party.

9 DELEGATE KILGORE: Yes.

10 DELEGATE WRIGHT: I missed part of the  
11 discussion. Is this institution accredited right now or not?

12 DELEGATE KILGORE: No, I think they lost that,  
13 but they're going through an appeal. They are not accredited  
14 right now, but they are appealing that.

15 MS. PHILLIPS: We are accredited.

16 DELEGATE KILGORE: You are accredited?

17 MS. PHILLIPS: Yes. They notified that they intend  
18 to. We are accredited today and accredited in the State of  
19 Virginia.

20 DELEGATE KILGORE: All right, I wanted to make  
21 sure I got that correct. That's for 210,000. Any other  
22 questions? We have a motion and a second. All those in favor  
23 say aye? (Ayes.) Opposed?

24 DELEGATE WRIGHT: No.

25 MS. THOMAS: No.

1 DELEGATE KILGORE: The next one.

2 SENATOR RUFF: The next one is 2716, City of  
3 Bristol. Received the authority, the Committee's  
4 recommendation for approval of \$5.5 million with  
5 contingencies.

6 DELEGATE KILGORE: If the comptroller did not  
7 release the money on the sales tax in January on that and the  
8 bond sale. Is that correct?

9 SENATOR RUFF: The resolution would be: Be it  
10 resolved that the Interim Executive Director is authorized to  
11 negotiate and execute a performance agreement with the City of  
12 Bristol, Virginia and the Industrial Development Authority of  
13 the City of Bristol to provide a grant under the Commission's  
14 Tobacco Region Opportunity Fund program for certain credit  
15 enhancements to support the sale of the IDA's Sales Tax  
16 Revenue Bonds, such performance agreement to have  
17 substantially the same terms, covenants and conditions as set  
18 forth in the Term Sheet and TROF Agreement dated June 10,  
19 2013.

20 This was for a major retail operation. The General  
21 Assembly has legislation to allow the dedicated sales tax paid  
22 for the bonds this year. There were some different opinions  
23 between, they tried to adjust it this year, but the County of  
24 Washington was not agreeable at the time, and what the State is  
25 asking us to do is if the transaction is not complete by the time

1 frame that the bonds are required, that we would pick up that  
2 amount until, no more than \$5.5 million.

3 MR. OWENS: The TROF Committee discussed this  
4 at the meeting, and this is more than a guarantee. That's not  
5 money that, this money really we hope not to spend, but it will  
6 come back to us. It's a little complicated, but we hashed it out.

7 MR. STEPHENSON: Mr. Chairman, the details of  
8 the TROF Committee's recommendation are a little bit  
9 complicated, and I would hope that the record would show the  
10 motion being brought from the TROF Committee is as described  
11 in the Term Sheet, appearing at Page 10 of your book. That  
12 Term Sheet has stipulated the terms that have been approved  
13 today. I heard a couple of things here in the last few minutes  
14 that were a little bit off the mark from those terms.

15 DELEGATE KILGORE: We need a motion that  
16 would grant or encompasses the Term Sheet on Page 10, and  
17 it's dated 6/10/13, version 4.

18 DELEGATE MARSHALL: So are we guaranteeing  
19 this for 60 months?

20 MR. STEPHENSON: The offer to provide the  
21 guarantee will stay alive for 60 months or until the legislative  
22 problem is cured. That's the way it goes.

23 MS. GILLILAND: The bonds will be sold by the end  
24 of next year.

25 DELEGATE KILGORE: If the bonds aren't sold we're

1 out and not out anything. If the bonds aren't sold there is no  
2 obligation.

3 MR. STEPHENSON: If there is no bond sale, you  
4 have no obligation. The worst case scenario is that if you  
5 approve this today to guarantee this and the Code Section that  
6 is the problem for this particular project cannot be interpreted  
7 in favor of the project and cannot be cured and you are called  
8 upon to provide this guarantee and to disburse the money until  
9 such time as the Commonwealth does, you could lose the five  
10 and a half million.

11 SENATOR CARRICO: The question at hand is that  
12 currently whenever a project is being built under this particular  
13 section of the code the money at issue, the comptroller said this  
14 is the way we do it. The bond counsel wants verification, so  
15 does the Secretary of Finance, to say that that's how the  
16 comptroller will issue the dollars. So the question for us before  
17 we go back to the General Assembly is if the Governor has put  
18 this in the budget then this is the way the comptroller will issue  
19 these dollars, will we be able to keep it in. And the only one to  
20 my knowledge that questions that is Washington County, who  
21 is the border county with the City of Bristol. There are others  
22 throughout Virginia not going to be built, too.

23 DELEGATE MARSHALL: Did the TROF Committee  
24 look at a five-year project where it could have done two and a  
25 half million for thirty months? Did you look at that or discuss

1 that?

2 DELEGATE KILGORE: The TROF Committee, no,  
3 and I think the four of us we agreed that, or we thought the risk  
4 would be taken care of either by this transaction or by the  
5 comptroller or by the bonds being sold first.

6 UNIDENTIFIED: Well, I'll make that motion.

7 DELEGATE WRIGHT: Mr. Chairman, is this issue  
8 time sensitive enough that it couldn't wait until the General  
9 Assembly Session to see if there are any problems?

10 DELEGATE KILGORE: Well, Delegate Wright, the  
11 problem is that the developer has one of these big stores and  
12 they have to have a pad ready by November and they have to  
13 start building or they'll walk away. So, yes, it is time sensitive.  
14 We can't wait or they'll lose the developer. This is a very  
15 expensive project. They could lose a lot if they lose their major  
16 retailer if you don't have those people in place.

17 SENATOR CARRICO: It's dealing with one of the  
18 anchor tenants. You're looking at a development that will  
19 create 1269 jobs. The development is the anchor company  
20 that is going to build this store in Virginia, it's the only one in  
21 Virginia. Once that anchor tenant is in, then contracts will be  
22 negotiated and that will move the process forward, and that's  
23 the process at issue here, and that's why it's all time sensitive.  
24 They have to do this in order to open on the date projected.

25 DELEGATE WRIGHT: I'd like to ask counsel if you

1 have any reservations or legal opinion on this. I know you  
2 can't answer a policy question, but from a legal standpoint, is  
3 this sound?

4 MS. GILLILAND: I don't know that I can answer that  
5 question.

6 DELEGATE KILGORE: Anyone have any questions  
7 or comments? The Term Sheet is on Page 10 if there are any  
8 questions. I have a motion and a second. All those in favor of  
9 this TROF grant to Bristol City say aye? (Ayes.) Opposed?

10 DELEGATE WRIGHT: No.

11 DELEGATE KILGORE: The motion passes.

12 SENATOR RUFF: That completes the TROF report.  
13 I'll move on now to the Executive Committee.

14 I move that the Executive Director be authorized to  
15 transfer up to \$300,000 from the General Account to the  
16 Virginia Tourism Authority through an appropriate budget line  
17 for its use in producing the motion picture "Big Stone Gap"  
18 contingent upon these three things: A, completion of the  
19 filming of the motion picture; B, verification of expenditures in  
20 Virginia by the Virginia Film Office; and C, Tobacco Commission  
21 disbursement is limited to one-half of the Virginia Tourism  
22 disbursements. This authorization if not exercised expires on  
23 August 31, 2014. I so move.

24 DELEGATE KILGORE: Is there a second?

25 MR. OWENS: I'll second it.

1 DELEGATE KILGORE: All those in favor say aye?  
2 (Ayes.) Opposed? (No response.)

3 SENATOR RUFF: We have hired Tim Pfohl to the  
4 position of Interim Director, and the salary is \$110,000 a year.  
5 That has to be ratified by the Full Commission.

6 DELEGATE KILGORE: Approved by the Governor's  
7 Office and the Secretary's Office. All those in favor say aye?  
8 (Ayes.) Opposed? (No response.)

9 All right. Neal.

10 MR. NOYES: This has to do with the workforce  
11 study. We've had a committee meeting on curriculum and  
12 marketing so far. We met on the 8<sup>th</sup> for curriculum in South  
13 Boston, and we met this morning here in Roanoke for  
14 marketing. I have a very brief statement to give the  
15 Commission.

16 Credentials will determine the curriculum. The panel  
17 discussed credentials and the levels of training, and we'll be  
18 using NIMS and/or NAM credentials for machine operators and  
19 machine maintenance trades. AWS is very instrumental, and  
20 that will be the focus of the welding program. There will be an  
21 intensive community outreach on workforce training  
22 curriculum in relationship to NIMS, NAM and AWS criteria.  
23 Commission resources will be available when conforming with  
24 these national credentials. Instructors are expected to be  
25 certified to teach using equipment used. Presumably this

1 could involve vendor or other certifications. Metal working and  
2 metal forming curriculum are to be offered. Testing  
3 curriculum are to be offered with machine operators and  
4 welding programs.

5 The credentials themselves will determine both the  
6 curriculum and equipment requirements. Centers of  
7 excellence will offer standardized curriculum and have  
8 flexibility reflecting existing employer needs within the  
9 framework of machine operation and maintenance and welding.  
10 The panel discussed considerable potential for dual enrollment.  
11 Its consensus is that this effort reaches back at least as far as  
12 the eighth grade and the costs associated with occupational and  
13 technical education to include testing should be eligible for  
14 Commission financial support. Reports from panelists  
15 encouraging local school districts that have made commitments  
16 for dual enrollment. Southside Community College reported  
17 last year more than 1,100 high school students earning  
18 community college credentials upon high school graduation.

19 The Marketing Committee met this morning at ten o'clock  
20 regarding writing, marketing activities and other existing  
21 marketing efforts, BMA's Dream It, Do It Initiative, specifically  
22 citing the Boston Consulting Group. BMA is providing  
23 recommendations targeted to the footprint consistent with the  
24 current Dream It, Do It Initiative that's only partially  
25 operational in the footprint. The Virginia Community College

1 Systems Career Counselor Academy is to be assessed to explore  
2 initiatives that will be expanded, targeted to areas  
3 recommended by the Boston Consulting Group report within  
4 the Commission footprint.

5 Of particular interest to the VCCS and VMA programs  
6 concerned about costs sharing, target groups were identified,  
7 displaced workers, vendors and middle and high school student  
8 populations, career changers, that is transitioning folks,  
9 teachers and administrators at the middle and high school  
10 levels, delivery methods, including social media, local TV and  
11 billboard ads and site visits to existing industries and  
12 manufacturing centers. Internships and apprenticeships were  
13 assessed. Costs sharing appears to be available by the private  
14 sector representatives especially with regard to industry specific  
15 internships.

16 Further evaluations about new Commission support are  
17 the existing State Department of Labor and Department of  
18 Education internships and apprenticeships programs need to  
19 act.

20 Also, Bedford County invited to describe current  
21 apprenticeship initiatives there. The principal issue raised by  
22 private sector representatives present at today's meeting, the  
23 need to align the curriculum with internships in terms of the  
24 core curriculum which should incorporate the internship  
25 needs. Apprenticeships were reviewed by the panel, a

1 down-the-road method available as a down-the-road method for  
2 the time being.

3 That concludes the report on the subcommittees.

4 There will be a meeting Friday at 10:00 in Abingdon for the  
5 Resources Committee, and that will be at the Higher Education  
6 Center in Abingdon. The meetings have been well-attended,  
7 and Danville Community College had every person in the  
8 administration there.

9 DELEGATE BYRON: I understand, looking at the  
10 Boston Consulting Group report, we have the Steering  
11 Committee and then we have these committees, we have the  
12 Curriculum and Marketing and Resources Committees.  
13 Correct?

14 MR. NOYES: The Steering Committee envisioned  
15 that the Board of Directors of CCAM, they have established a  
16 subcommittee that will work with the Tobacco Commission and  
17 community colleges through this individual that is to be hired.  
18 We anticipate that person, the selection will be made and it will  
19 be offered this month. Interviews have taken place. A  
20 number of people, some from the Commission, were invited.  
21 There were two finalists. The subcommittee established by the  
22 Board of CCAM the current recommendations, and the Board  
23 will act on that in the next week or two, and that will be to have  
24 the representative from each of the centers of excellence as a  
25 participant of the subcommittee, not as a member of the CCAM

1 Board but as a member of the subcommittee. So oversight  
2 through the subcommittee by the CCAM Board.

3 DELEGATE BYRON: The centers of excellence, do  
4 the centers of excellence have any cash?

5 MR. NOYES: No, ma'am. The Resources  
6 Committee will set the criteria and will make recommendations  
7 to the Education Committee.

8 DELEGATE BYRON: So the other questions would  
9 be the Workforce Development Director, would the Director of  
10 Workforce Development, that person, have been on the Board  
11 before? Shouldn't that person have been on that Board?

12 MR. NOYES: In a perfect world this would have  
13 happened a long time ago.

14 DELEGATE BYRON: This person, does the Board  
15 tell him what to do?

16 MR. NOYES: That will be a starting point.

17 DELEGATE KILGORE: Well, any more questions or  
18 comments? Any comments from the public?

19 LINWOOD: Mr. Chairman, my name is Linwood. I  
20 represent the City of Danville. I certainly want to thank you for  
21 your actions today on that TROF issue. It is a very key action  
22 for the local economic developers. We compete and the  
23 footprint of the Tobacco Commission largely a bus to the North  
24 Carolina state line. We compete fiercely with our friends to the  
25 south. Being able to move with some dispatch on these issues

1 is of tremendous value in bringing jobs and investments into  
2 the tobacco region footprint.

3 Thank you so very much for addressing this issue.

4 DELEGATE KILGORE: Thanks for your comment.

5 All right, then, we're adjourned.

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7 PROCEEDINGS CONCLUDED.

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## 1 CERTIFICATE OF THE COURT REPORTER

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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 Tuesday, August 13, 2013 at 3:00 p.m. at the Hotel Roanoke & Conference Center, Roanoke, Virginia.**

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

Given under my hand this 22<sup>nd</sup> day of August, 2013.

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Medford W. Howard

Registered Professional Reporter

Notary Public for the State of Virginia at Large

My Commission Expires: October 31, 2014.