

1 **TOBACCO REGION REVITALIZATION COMMISSION**

2 701 East Franklin Street, Suite 501

3 Richmond, Virginia 23219

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8 **Full Commission Meeting**

9 Tuesday, September 20, 2016

10 2:00 P.M.

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13 Inn at Wise

14 Wise, Virginia

- 1 **APPEARANCES:**
- 2 The Honorable Terry G. Kilgore – Chairman
- 3 The Honorable Frank M. Ruff – Vice Chairman
- 4 Ms. Gayle F. Barts
- 5 The Honorable Kathy J. Byron
- 6 Mr. John R. Cannon
- 7 The Honorable Charles W. Carrico, Sr.
- 8 Ms. Mary Rae Carter
- 9 The Honorable A. Benton Chafin, Jr.
- 10 Ms. Rebecca Coleman
- 11 Mr. Basil Goodin, Secretary of Agriculture & Forestry
- 12 The Honorable Franklin D. Harris
- 13 Ms. Cathy Lowe
- 14 The Honorable Daniel W. Marshall, III
- 15 The Honorable Donald W. Merricks
- 16 Mr. H. Ronnie Montgomery
- 17 The Honorable James W. Morefield
- 18 The Honorable Edward Owens
- 19 Mr. Cecil E. Shell
- 20 Mr. Robert Spiers
- 21 The Honorable William M. Stanley, Jr.
- 22 Mr. Richard R. Sutherland
- 23 The Honorable Thomas C. Wright
- 24
- 25

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

2 COMMISSION STAFF:

3 Mr. Evan Feinman – Executive Director

4 Mr. Chris E. Piper – Deputy Executive Director

5 Mr. Timothy S. Pfohl – Grants Program Administration

6 Director

7 Ms. Sarah K. Capps – Grants Program Administrator,

8 Southside Virginia

9 Ms. Michelle Faircloth – Grants Assistant, Southside Virginia

10 Ms. Sara G. Williams – Grants Program Administrator,

11 Southwest Virginia

12 Ms. Jessica Stamper – Grants Assistant, Southwest Virginia

13 Mr. Jordan L. Butler – Public Relations Coordinator

14 Ms. Stacey Richardson – Executive Assistant

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16 COUNSEL FOR THE COMMISSION:

17 Ms. Elizabeth Myers, Assistant Attorney General

18 Richmond, Virginia.

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1 DELEGATE KILGORE: I'm going to go
2 ahead and call the Commission meeting to order and I want to
3 welcome everyone. I want to also thank the Wise County and
4 all those involved in hosting us and we had a very nice
5 reception and thank you all.

6 I want to also introduce a new member,
7 Secretary of Agriculture and Forestry, Mr. Basil Goodin.
8 Thank you, Mr. Secretary for coming and we appreciate it and
9 we look forward to working with you. I usually tell everybody
10 that comes on the Commission that when they come on the
11 Commission they have to tell us why they went to be on the
12 Commission but I won't do that today.

13 SECRETARY GOODIN: Thank you very
14 much, Delegate Kilgore.

15 DELEGATE KILGORE: We do look
16 forward to working with you. Certainly agriculture is still the
17 number one job creator in the Commonwealth and we look
18 forward to your leadership to help us moving forward.

19 SECRETARY GOODIN: Thank you so
20 much. I look forward to working with you as well.

21 DELEGATE KILGORE: We also have a
22 new staff member, Michelle Faircloth. Welcome, Michelle, and
23 we're looking forward to working with you. I believe you're
24 working mostly with Southside and Ms. Sarah Capps. You
25 folks in Southside need to get to know Michelle. I also want to

1 say that last time I forgot to mention Ms. Jessie Stamper, I
2 forgot to introduce you last time, so I'll introduce you now.
3 Finally, one of our members has a birthday, Ms. Cathy Lowe
4 and we got chips and snacks outside for you for your birthday.

5 MS. LOWE: Thank you.

6 DELEGATE KILGORE: All right, I'd ask
7 Evan to call the roll.

8 MR. FEINMAN: Ms. Barts?

9 MS. BARTS: Here.

10 MR. FEINMAN: Secretary Brown? (No
11 response.) Delegate Byron?

12 DELEGATE BYRON: Here.

13 MR. FEINMAN: Mr. Cannon?

14 MR. CANNON: Here.

15 MR. FEINMAN: Senator Carrico?

16 SENATOR CARRICO: Here.

17 MR. FEINMAN: Senator Chafin?

18 SENATOR CHAFIN: Here.

19 MR. FEINMAN: Ms. Coleman?

20 MS. COLEMAN: Here.

21 MR. FEINMAN: Delegate Edmunds? (No
22 response.) Secretary Goodin?

23 SECRETARY GOODIN: Here.

24 MR. FEINMAN: Ms. Gould? (No
25 response.) Mr. Harris?

1 MR. HARRIS: Here.

2 MR. FEINMAN: Ms. Carter?

3 MS. CARTER: Here.

4 MR. FEINMAN: Mr. Miles? (No
5 response.) Delegate Kilgore?

6 DELEGATE KILGORE: Here.

7 MR. FEINMAN: Ms. Lowe?

8 MS. LOWE: Here.

9 MR. FEINMAN: Delegate Marshall?

10 DELEGATE MARSHALL: Here.

11 MR. FEINMAN: Mr. Merricks?

12 MR. MERRICKS: Here.

13 MR. FEINMAN: Mr. Mills? (No response.)
14 Mr. Montgomery?

15 MR. MONTGOMERY: Present.

16 MR. FEINMAN: Delegate Morefield?

17 DELEGATE MOREFIELD: Here.

18 MR. FEINMAN: Mr. Owens?

19 MR. OWENS: Here.

20 MR. FEINMAN: Senator Ruff?

21 SENATOR RUFF: Here.

22 MR. FEINMAN: Mr. Shell?

23 MR. SHELL: Here.

24 MR. FEINMAN: Mr. Spiers?

25 MR. SPIERS: Here.

1 MR. FEINMAN: Senator Stanley?

2 SENATOR STANLEY: Here.

3 MR. FEINMAN: Mr. Sutherland?

4 MR. SUTHERLAND: Here.

5 MR. FEINMAN: Delegate Wright?

6 DELEGATE WRIGHT: Here.

7 MR. FEINMAN: We have a pretty good
8 quorum today, Mr. Chairman.

9 DELEGATE KILGORE: All right. Do I
10 have a motion that we approve the minutes from the 5/24/16
11 meeting?

12 MR. OWENS: So moved.

13 DELEGATE WRIGHT: Second.

14 DELEGATE KILGORE: All those in favor
15 of approving the minutes say aye. (Ayes.) Opposed? (No
16 response.) The minutes are approved.

17 All right, we have one motion from the
18 Executive Committee.

19 SENATOR RUFF: That's correct. Mr.
20 Chairman, the Executive Committee met just prior to this and
21 there was only one action item and that was a
22 recommendation to change the strategic plan from a set date
23 in September and May to a to be determined date in
24 September and May to determine the spring meeting in spring
25 and fall. I so move.

1 DELEGATE MARSHALL: Second.

2 DELEGATE KILGORE: And the reason?

3 SENATOR RUFF: To give us more
4 flexibility in determining schedules.

5 DELEGATE KILGORE: We have a motion
6 and a second on that, any more discussion on that motion?
7 All in favor of adopting the motion of the Executive Committee
8 say aye. (Ayes.) Opposed? (No response.) All right, the
9 motion carries. That's your report?

10 SENATOR RUFF: Yes.

11 DELEGATE KILGORE: Staying with
12 Senator Ruff, the Education Committee.

13 SENATOR RUFF: Page forty to 41. There
14 are three action items. The first is the extension of one year to
15 the program that was begun about six years ago that has
16 some federal money and federal grants involved and that's on
17 page 41. I'd move that grant number 2411 be extended for
18 one year.

19 DELEGATE KILGORE: Do I have a
20 second? All right, we have a second. Any discussion on the
21 extension for a year for grant number 2411? All those in favor
22 of granting 2411 an additional extension of one year say aye.
23 (Ayes.) Opposed? (No response.) That motion carries.

24 SENATOR RUFF: Mr. Chairman, next is
25 the Bluefield College Science Center third floor addition, grant

1 number 3160 to the Virginia Resource Authority for a loan up
2 to \$1.1 million from the \$5 million we set aside for loan money
3 through the VRA and I so move.

4 MR. OWENS: Second.

5 DELEGATE KILGORE: We have a motion
6 and a second. Any discussion? All those in favor of that
7 motion say aye. (Ayes.) Opposed, no? (No response.) That
8 motion carries.

9 SENATOR RUFF: Mr. Chairman, the
10 third item deals with the scholarship program. The first is a
11 four year program. It leaves the Southside program but it
12 gives a preference for Southwest to come to Tobacco families.
13 It continues the policy that we've had, a priority goes to the
14 juniors and seniors who have declared a major in science or
15 the STEM programs, including the community college
16 transfers and the same stipulations with Southwest farm
17 families and sets a priority of juniors and seniors and then
18 sophomores and freshman are the last priority with
19 consideration of the GPA.

20 The two year scholarship program and we
21 had some changes there instead of directly just setting aside a
22 certain amount for each community college, we have tracked
23 the data to give priority to those workforce training programs
24 that are shorter and eat up less cash. One-sixth of the cost of
25 those not degree programs would be available for scholarship

1 money that way. The criteria for that would be those
2 programs that are six months or fewer would have the highest
3 priority and the next would be one year and then finally two
4 years the STEM program. The rest of the money would
5 continue to flow as it has through the foundation programs;
6 they set the standard for that.

7 So I move that protocol be followed.

8 DELEGATE KILGORE: Is there a
9 second?

10 MR. OWENS: Second.

11 DELEGATE KILGORE: Any discussion
12 on the scholarship program? This has been very important
13 and one of the ways that Tobacco Commission has really
14 helped the communities and making an impact in the region
15 and in Southwest and Southside in offering these scholarship
16 monies to help pay for the cost of education with these
17 families in Southside and Southwest. I hear comments from a
18 lot of folks about it, thanking us for that. This is a good
19 program and I'm glad we're keeping it.

20 SENATOR RUFF: I forgot to mention also
21 Mr. Chairman, this would allow the Higher Ed Centers to
22 include the non-credit programs.

23 SENATOR CARRICO: Mr. Chairman, on
24 the one-sixth non-degree program, does that include
25 community colleges, other parts, workforce?

1 SENATOR RUFF: The three Higher Ed
2 Centers, yes.

3 DELEGATE KILGORE: Any more
4 discussion. We have a motion and a second to approve the
5 scholarship program outlined by Senator Ruff. All those in
6 favor say aye. (Ayes.) Opposed, no? (No response.) That
7 motion carries.

8 SENATOR RUFF: That concludes the
9 action of the Education Committee this morning.

10 DELEGATE KILGORE: Delegate Byron,
11 R&D Committee.

12 DELEGATE BYRON: Mr. Chairman, the
13 Committee met this morning and the Committee recommends
14 approval of five grants starting off with 3207, 3208, 3210,
15 3211 and 3213, totaling \$4.635 million as shown in your
16 books and I so move.

17 MR. OWENS: Second.

18 DELEGATE KILGORE: Any discussion,
19 any questions? Anyone need to remove any of those from the
20 block? All those in favor of the five grants included in the
21 motion say aye. (Ayes.) Opposed? (No response.)

22 DELEGATE BYRON: The Committee
23 further recommended a one million dollar grant to VTT grant
24 number 3209 and the company will return in one year for
25 consideration for an additional one million dollar grant or a

1 loan. Originally, they were asking for \$2 million. I so move.

2 DELEGATE KILGORE: All right, is there
3 a second?

4 MR. OWENS: Second.

5 DELEGATE KILGORE: Any discussion?

6 SENATOR RUFF: Mr. Chairman, so
7 they'll come back?

8 DELEGATE BYRON: Yes.

9 DELEGATE KILGORE: Any more
10 discussion? All those in favor of grant number 3209 for a
11 million dollars say aye, they will return next year. All those in
12 favor say aye. (Ayes.) Opposed? (No response.)

13 DELEGATE MARSHALL: I'll abstain.

14 DELEGATE KILGORE: One abstention.

15 DELEGATE BYRON: Mr. Chairman, the
16 Committee also recommended approval of a one million dollar
17 grant to Micronic grant number 3212 and that was subject to
18 conditions of matching the Commission's grant and successful
19 deployment of the pilot program in phase one. And then they
20 also have an invitation to return in one year for the remaining
21 balance of their request of \$999,749. And I so move.

22 MR. OWENS: Second.

23 DELEGATE KILGORE: We have a motion
24 and a second. Any more discussion? Everyone understand
25 the conditions outlined by Delegate Byron? All those in favor

1 of grant number 3212 for Micronic Southwest Virginia Higher
2 Education Center Foundation, the Micronic Technology Park,
3 say aye. (Ayes.) Opposed? (No response.)

4 DELEGATE BYRON: The Committee
5 recommended an extension to grant number 1840 as shown
6 in your book. The Appalachia America Energy Research
7 Center number 1840, through December 31, 2016 for use of
8 the final \$66,116.84 remaining in the 2015 budget revisions.
9 No further extension is recommended for the remainder of the
10 grant's balance, \$259,951.21. These funds will be de-
11 obligated and returned to the R&D program budget and I so
12 move.

13 MR. OWENS: Second.

14 DELEGATE KILGORE: Any more
15 discussion? All those in favor signify by saying aye. (Ayes.)
16 Opposed, no? (No response.) That motion carries.

17 DELEGATE BYRON: I believe that
18 completes R&D with the exception that we're going to be or we
19 need a motion to approve the SBIR process that was given to
20 us by staff and that's also in the book and I so move.

21 MR. OWENS: Second.

22 DELEGATE KILGORE: I have a motion
23 and a second. All those in favor signify by saying aye. (Ayes.)
24 Opposed, no? (No response.) That motion is carried.

25 DELEGATE BYRON: We also discussed

1 the SBIR grant process and opening up applications for that
2 until some date to be announced in February to review anyone
3 that comes forward with an SBIR grant.

4 MR. FEINMAN: We don't need a motion
5 for that.

6 DELEGATE BYRON: I just wanted to
7 announce that. We also had a tour yesterday, which everyone
8 enjoyed seeing how the R&D projects we funded have
9 progressed.

10 DELEGATE KILGORE: Delegate Wright,
11 Southside Economic Development Committee? You had a
12 very short meeting yesterday.

13 DELEGATE WRIGHT: Yes, I hope the
14 same holds true today. We had an out of cycle meeting
15 yesterday and we considered two items. The Committee on
16 page six, grant number 2187, the Committee recommended
17 approving \$142,000 funding for the Mecklenburg County shell
18 building project. I'd move that grant be approved.

19 DELEGATE KILGORE: Grant number
20 2817, you want to add \$142,000?

21 DELEGATE WRIGHT: Yes.

22 DELEGATE KILGORE: That motion has
23 been made and seconded. All those in favor say aye. (Ayes.)
24 Opposed? (No response.)

25 DELEGATE WRIGHT: Also on page

1 seven, the Committee recommended approving an extension
2 for one year to January 2018 to approve the use of \$180,000,
3 which was approved in January of 2013 and that's for the
4 Mecklenburg Correctional Center feasibility study. The
5 Committee recommended approval.

6 MR. CANNON: Second.

7 DELEGATE KILGORE: It's been moved
8 and seconded. Any discussion for the one year time
9 extension? All those in favor say aye. (Ayes.) Opposed? (No
10 response.) That motion is carried. Thank you, Delegate
11 Wright.

12 DELEGATE WRIGHT: That completes
13 the report.

14 DELEGATE KILGORE: Thank you.
15 Senator Carrico, Southwest Economic Development
16 Committee.

17 SENATOR CARRICO: Page 21 and 22 of
18 your book. These are recommendations with the approval of
19 eight grants totaling \$2,880,920 and those are grant numbers
20 3196, 3198, 3189, 3202, 3192, 3188, 3187 and 3199, were
21 recommended along with the staff recommendation and I so
22 move.

23 DELEGATE KILGORE: You move them in
24 a block?

25 SENATOR CARRICO: Yes.

1 DELEGATE KILGORE: Anyone need any
2 of those taken out of the block. Do I have a second?

3 MS. LOWE: Second.

4 DELEGATE KILGORE: We have a motion
5 and a second, any discussion that were submitted by Senator
6 Carrico found on pages 21 and 22. All right, all in favor say
7 aye. (Ayes.) Opposed, no? (No response.) That motion
8 carries.

9 SENATOR CARRICO: On page 22, the
10 Committee recommended approval of grant number 3185 for
11 \$250,000 on the condition that Falls Mills Adult Daycare
12 Center raise an additional \$250,000 matching funds and I so
13 move.

14 DELEGATE KILGORE: Do I have a
15 second?

16 MS. LOWE: Second.

17 DELEGATE KILGORE: I have a motion
18 and a second for grant 3185, Falls Mills Adult Daycare,
19 subject to the conditions outlined by Senator Carrico. All
20 those in favor say aye. (Ayes.) Opposed?

21 SENATOR STANLEY: No.

22 DELEGATE MARSHALL: No.

23 SENATOR RUFF: Abstain.

24 DELEGATE KILGORE: That motion
25 carries.

1 SENATOR CARRICO: The Committee
2 also recommended deferral to the VRA for a loan of \$500,000
3 to the Southwest Regional Recreation Authority growth for
4 Spearhead Trails through expansion of services, grant number
5 3195 and I so move.

6 DELEGATE KILGORE: Do I have a
7 second?

8 SENATOR CHAFIN: Second.

9 DELEGATE KILGORE: Any more
10 discussion? All those in favor say aye. (Ayes.) Opposed?
11 (Three nos.)

12 SENATOR CARRICO: The Committee
13 recommends an extension for grants 1642 Scott County and
14 2355 Scott County Telephone Cooperative and grant number
15 2549 Southwest Virginia Community Foundation and I so
16 move. These are found on page 38 and 39.

17 DELEGATE KILGORE: I have a motion
18 and a second.

19 MS. COLEMAN: Second.

20 DELEGATE KILGORE: All those in favor
21 of those extensions say aye. (Ayes.) Opposed? (No response.)

22 SENATOR CARRICO: The Committee
23 recommended a grant in the amount of \$70,000 to reimburse
24 the TROF fund.

25 DELEGATE KILGORE: The Southwest

1 Committee would approve coming from our allocation to the
2 TROF Fund.

3 MS. LOWE: Second.

4 DELEGATE KILGORE: I have a motion
5 and a second to allow the Executive Director to make that
6 transfer. All those in favor say aye. (Ayes.) Opposed? (No
7 response.)

8 SENATOR CARRICO: That completes my
9 report.

10 DELEGATE MARSHALL: Mr. Chairman,
11 Special Projects met this morning. We considered two
12 projects, 2580 and 2587, page 56 in your book. The motion is
13 to extend both of those and I so move.

14 MR. OWENS: Second.

15 DELEGATE KILGORE: I have a motion
16 and a second for both of those grants for the Special Projects
17 Committee, all those in favor say aye. (Ayes.) Opposed, no?
18 (No response.) That motion carried.

19 DELEGATE MARSHALL: That's my
20 report.

21 DELEGATE KILGORE: Is there any
22 public comment or any other business?

23 MR. FEINMAN: I'd ask everybody before
24 we adjourn to fill out your vouchers and the shuttle bus to the
25 airport is leaving at 3:15.

1 DELEGATE KILGORE: I want to thank
2 everyone for all your work in getting this set up. Any public
3 comment? All right, I want to thank all those folks from the
4 Wise Inn and everyone that had a part in setting up our
5 meeting and all those in hosting us here and I want to thank
6 Stacey for getting everything set up. I also want to thank my
7 colleagues for coming down. All right, we're adjourned.

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PROCEEDINGS CONCLUDED.

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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 **Tobacco Region Revitalization Commission Full Commission meeting when held on Tuesday, September 20, 2016 at 2:00 p.m. at the Inn at Wise in Wise, 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 28th day of September, 2016.

Medford W. Howard
Registered Professional Reporter
Notary Public for the State of Virginia at Large

My Commission Expires: October 31, 2018.
Notary Registration Number: 224566