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**TOBACCO REGION REVITALIZATION COMMISSION**

701 East Franklin Street, Suite 501  
Richmond, Virginia 23219

**TROF COMMITTEE MEETING**

Tuesday, September 22, 2015  
2:00 o'clock p.m.

Wytheville Meeting Center  
Wytheville, Virginia

**CRANE-SNEAD & ASSOCIATES, INC.**  
4914 Fitzhugh Avenue, Suite 203  
Richmond, Virginia 23230  
Tel No. (804) 355-4335  
Fax No. (804) 355-7922

1     APPEARANCES:

2     The Honorable Terry G. Kilgore, Chairman  
3     The Honorable Frank M. Ruff, Vice Chairman  
4     The Honorable Daniel W. Marshall, III  
5     Mr. Evan Feinman, Executive Director

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7     COMMISSION STAFF:

8     Mr. Ned Stephenson, Deputy Executive Director  
9     Mr. Timothy S. Pfohl, Grants Program Administration Director  
10    Ms. Sara G. Williams, Grants Program Administrator -  
11        Southwest Virginia  
12    Ms. Sarah K. Capps, Grants Program Administrator -  
13        Southside Virginia  
14    Ms. Carolyn Bringman, Performance Data Analyst  
15    Mr. Benjamin Dawson, Grants Assistant  
16        Southside Virginia  
17    Ms. Jessica Stamper, Grants Assistant  
18        Southwest Virginia  
19    Ms. Stephanie S. Kim, Director of Finance  
20    Ms. Stacey Richardson, Executive Assistant

21

22    COUNSEL FOR THE COMMISSION:

23    Ms. Elizabeth B. Myers, Assistant Attorney General  
24    Ms. Kristina Stoney, Senior Assistant Attorney General,  
25        Richmond, Virginia

1 September 22, 2015

2

3 DELEGATE KILGORE: All right, I'm going to call to  
4 order the TROF Committee Meeting. It looks like everyone is  
5 here that has served on the TROF Committee. So do I have a  
6 motion we approve the 8-17-2015 minutes?

7 DELEGATE MARSHALL: So moved.

8 SENATOR RUFF: Second.

9 DELEGATE KILGORE: All those in favor to approve  
10 those minutes, say aye. (Ayes). Opposed? (No response). The  
11 minutes are approved.

12 Next.

13 MR. STEPHENSON: Members of the Committee, if  
14 you'll take a look in your book on page 65, there's a summary  
15 there, but I'll give it to you quickly and orally. The Commission  
16 made a TROF grant award to Mecklenburg County for a certain  
17 company to hire some people and invest some funds. The  
18 company met its investment obligation and was relieved of that  
19 part of the liability. The company fell short of their employment  
20 obligation; whereupon, the Commonwealth calculated a refund  
21 due of \$42,000 for that shortfall.

22 In a meeting a couple of years ago, the Commission  
23 instructed Staff to delay another two years while a successor  
24 company to the failed company had a chance to reach their  
25 employment goal. We were instructed to, quote, add the

1 successor company's employment to that of the former company.  
2 When the successor company's time limit was up, it had not  
3 reached the original dated employment goal.

4           There was some confusion about whether we should  
5 add the two numbers together to see if it would reach the goal.  
6 That's something like having ten employees one week and five  
7 the next week and saying you had 15 employees. You can't add  
8 one period of time to another period of time and come up with an  
9 aggregate number and therein lies the confusion.

10           The County representative is here today, Wayne  
11 Carter. He may want to address the Committee or answer your  
12 questions, but there's a \$42,000 refund at stake.

13           DELEGATE KILGORE: How many, how many total,  
14 how many total jobs were created?

15           MR. STEPHENSON: A hundred and fifty were  
16 promised, they reached 78 percent of that, which I think was like  
17 118, and then it fell off dramatically from that number and then  
18 the successor company.

19           DELEGATE KILGORE: Yes, sir. State your name,  
20 please.

21           MR. CARTER: Yes, sir, Wayne Carter, County  
22 Administrator for Mecklenburg. Mr. Stephenson was correct, the  
23 118 will be present, HCI at that facility. They lost all their  
24 contracts and went under, and that was purchased by another  
25 firm, and they got up to an additional 27 employees.

1                   Our proposal was to make them combine, Mr.  
2 Stephenson, was one way or the other. The motion read that,  
3 was stated that there would be the two added together.

4                   MR. STEPHENSON: I reread that motion a number of  
5 times. It was quite fuzzy.

6                   MR. CARTER: I know.

7                   DELEGATE KILGORE: What's the County asking us to  
8 do? What is Mecklenburg County asking us to do?

9                   MR. CARTER: We were asking that the two be added  
10 together so we would have 145 positions.

11                  DELEGATE KILGORE: And you add the two together,  
12 you get how much?

13                  MR. CARTER: One forty-five, 118 plus 27. That was  
14 our understanding in the meeting back in Bristol two years ago.

15                  DELEGATE KILGORE: Any questions?

16                  MR. CARTER: We'll do whatever the Commission  
17 wants.

18                  DELEGATE KILGORE: What do the minutes say?

19                  MR. STEPHENSON: The minutes are not clear on this  
20 point, which is why it's before you. But I take the position on  
21 behalf of the Commission that you pay for 150 employees, you  
22 didn't get that.

23                  MR. CARTER: Our issue was the new company  
24 couldn't take over the funds because they'd already gone under,  
25 so we take it to the new company to sign the agreement, to

1 make the 150.

2 SENATOR RUFF: Has our attorney weighed in on this?

3 MR. STEPHENSON: No, I have not asked counsel that  
4 question.

5 MS. MYERS: I've been looking through the minutes as  
6 you ask that question.

7 DELEGATE KILGORE: I think this is going to require  
8 an executive session.

9 DELEGATE MARSHALL: I move that the Committee go  
10 into executive session in accordance with the provisions of the  
11 Virginia Freedom of Information Act for the purpose of discussing  
12 a prospective business or industry expansion.

13 SENATOR RUFF: Second.

14 DELEGATE KILGORE: We have a motion and a  
15 second. All those in favor, say aye. (Ayes).

16

17 NOTE: The Committee goes into executive session at  
18 2:15 p.m.; whereupon, the Committee reconvenes at 2:25 p.m.,  
19 viz:

20

21 DELEGATE MARSHALL: We're back in open session;  
22 whereas, the TROF Committee of the Tobacco Commission has  
23 convened a closed meeting in accordance with the Virginia  
24 Freedom of Information Act, and, whereas, the act requires a  
25 certification by the Committee that such closed meeting was in

1 accordance with Virginia law. Be it resolved that the Committee  
2 hereby certifies that to the best of each member's knowledge,  
3 that only public business matters lawfully exempted from open  
4 meeting requirements under the act and only such public  
5 business matters as were identified in the motion, by which the  
6 closed meeting was convened, were heard, discussed, or  
7 considered by the Committee in that meeting. I so move.

8 SENATOR RUFF: Second.

9 DELEGATE KILGORE: All right, we're back in open  
10 meeting.

11 Delegate Marshall, do you have a motion?

12 DELEGATE MARSHALL: The first motion on Project  
13 Transport, move to accept Project Transport's performance  
14 agreement. It authorizes Staff to work with the Project  
15 Transport in the locality.

16 DELEGATE KILGORE: To sign the performance  
17 agreement.

18 DELEGATE MARSHALL: Yes, sir.

19 DELEGATE KILGORE: Senator Ruff seconded it. All  
20 those in favor, say aye. (Ayes). Opposed? (No response).

21 MR. STEPHENSON: Members of the Committee, I  
22 have a suggested motion for you to consider. That motion would  
23 be that you recommend to the Full Commission a temporary  
24 amendment to the TROF policy to increase the Executive  
25 Director's approval authority from \$2 million to \$4.5 million with

1 the following limitations:

2 One, only for Project Traction;

3 Two, only within TROF guidelines;

4 And, three, only for the next twelve months.

5 DELEGATE MARSHALL: So moved.

6 MR. FEINMAN: Just that the guidelines is four seven.

7 DELEGATE KILGORE: Can we take it to four seven?

8 MR. STEPHENSON: Yes.

9 DELEGATE KILGORE: This would be a  
10 recommendation to the Full Commission.

11 DELEGATE MARSHALL: This has to go to the Full  
12 Commission.

13 DELEGATE KILGORE: Yes, tomorrow. All right, all  
14 those in favor of that motion, say aye. (Ayes). Opposed? (No  
15 response).

16 MR. STEPHENSON: Mr. Chairman, we have some  
17 additional intelligence on the Mecklenburg matter. My  
18 suggestion is that we have dug up the motion in question and I  
19 think that, this motion was made in the Commission meeting,  
20 quote, the motion would then be to authorize Staff certain  
21 contract as approved by the Executive Committee, including the  
22 extension of time to conform with the substitution of the  
23 beneficiary.

24 DELEGATE MARSHALL: Can we get the lawyer to  
25 explain that.

1 DELEGATE KILGORE: What do you think about that?

2 MS. MYERS: I think it's about as clear as Mr.  
3 Stephenson just made it out to be. I think what is not clear in  
4 the motion is that the Commission authorized the aggregation of  
5 employees. So, I think at this moment the decision before the  
6 Committee is do you want to authorize that aggregation? I don't  
7 think it's clear that you authorized it previously.

8 SENATOR RUFF: Mr. Chairman, as much as I'd like,  
9 there's no way we can do this. I don't see how we can. And so  
10 moved.

11 DELEGATE MARSHALL: Second.

12 DELEGATE KILGORE: All right. All in favor, say aye.  
13 (Ayes). Opposed? (No response). All right, that takes care of  
14 that.

15 Any public comment for the TROF Committee? Public  
16 comments? All right, the TROF Committee is 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, TROF Committee Meeting**, when held on Tuesday, September 22, 2015, at 2:00 o'clock p.m., at the Wytheville Meeting Center, Wytheville, 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 \_\_\_\_\_ day of September, 2015.

\_\_\_\_\_

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

MY COMMISSION EXPIRES: October 31, 2018.