

Corrected Meeting Minutes
Triumph Gulf Coast, Inc.
Bay County Commission Chambers
County Government Building
840 11th Street
Panama City, Florida 32401
August 22, 2024
10:30 a.m. CT

Members Present:

David Bear, Chair
Bryan Corr, Sr.
Reynolds Henderson, Treasurer
David Humphreys
Collier Merrill, ~~Vice-Chair~~
Jay Trumbull, Sr., Vice-Chair
Leslie Weiss

Call to Order & Welcome Roll Call

Chair David Bear called the meeting to order at 10:32 AM CT. Ms. Susan Skelton, Executive Director, called roll and announced the presence of a quorum.

Prior to beginning official business, Chair Bear invited Senator Jay Trumbull, Jr. to speak. He welcomed him and thanked him for hosting the Triumph Board in Bay County. Chair Bear also recognized former representative Jayer Williamson and thanked him for being there at the meeting.

Senator Trumbull thanked the Board for choosing to meet in Bay County and thanked them for their hard work in prioritizing funds to help advance Northwest Florida to the place that it should be.

The first item on the agenda was review and approval of the May 29th and June 28th Board meeting minutes. Chair Bear asked if everyone had an opportunity to review the minutes.

On a motion by Mr. Collier Merrill, and seconded by Mr. Reynolds Henderson, the May 29, 2024 and June 28, 2024 Meeting Minutes were approved without objection.

Presentation By FSU Collegiate High School

Chair Bear then welcomed Debbi Whittaker, Director of The Collegiate School ('TCS') at FSU Panama City, along with her team, and invited them to give a short presentation.

Ms. Whittaker thanked the Triumph Board and provided a summary of what the school has been doing in the last couple of years, thanks to Triumph Gulf Coast. They are in their second year of operations and the school now has a 9th and a 10th grade class, with almost 180 students

across two grade levels. 30% of students have a military family background, either active-duty military, reservists, retired or civilian working on a military base. Within the first year, students completed almost 100 certifications, and almost every student in their school was enrolled in a career and technical education class because they know how important workforce development is for their future as well as Northwest Florida. Approximately 90 dual enrollment 9th graders received over 400 college credits in the school's first year. The school also works to promote volunteerism and service, and students performed 1,200 volunteer hours last year. They are looking to more than double that this year since they have more than doubled their student population. For the upcoming year, almost 120 students are already dual enrolled, and they will start their Florida State University classes on Monday.

Ms. Whittaker then introduced three exceptional students from TCS: Darielis Vega Roman, student government president; Walter McDermott, top student, and student athlete; and Katie Walker, student liaison for transitioning military students.

Darielis Vega Roman, student government president, thanked the Triumph Board for its generosity and support. She noted that she has had a wonderful experience as student government president during the school's founding years. She mentioned that as a military child, she has attended six different schools but feels that this is the only school she has truly been a part of instead of being just another face in the crowd. She is grateful for the opportunities and possibilities Triumph has provided through the school, not only in dual enrollment and CTE, but also in community outreach, with partners such as St. Andrew and St. Joseph Bays Estuary Program. In closing, she thanked Triumph again for its support making this wonderful school possible.

Walter McDermott, top student, and student athlete, said that although he has not attended as many schools as his military colleagues, he was confident to say that TCS is the most intuitive and supportive school that he has attended. He expressed his appreciation for the warm and welcome environment created by staff and faculty, as well as their guidance and work to minimize hardships. He also expressed his gratitude for the opportunity granted to students, via the FSU partnership, to enroll in bilingual classes in their first year, and to earn two college credits as freshmen. Additionally, he explained that when students enter their sophomore and then junior years, they segue into only taking college classes and are granted the opportunity to earn an associate degree by the time they are 18 years old. He thanked the Triumph Board on behalf of himself and his entire school for making this a possibility and supporting them every step along the way.

Katie Walker, student liaison for transitioning military students, began her comments by quoting author Alfred A. Montapert: "To accomplish great things we must first dream, then visualize, then plan... believe... act!" Ms. Walker stated that, much like the quote, TCS is a wonderful school that started from an idea that has already impacted the lives of so many and will continue to make a difference in Panama City. As a military student, The Collegiate School is the 6th school Ms. Walker has attended, but from the moment she walked into TCS, she noted that there was a feeling about the environment that was different from any other school she has attended. What made TCS stand out from other schools was the recognition, acceptance and support received as a military student. She is grateful to have been given the opportunity to

serve as military student liaison, and most especially proud to be a part of the inaugural class of The Collegiate School.

In closing, Ms. Walker mentioned the value of the teachers who always make time to help and listen; students who let you be yourself and encourage you through the journey; and a solid education for the present and future. She thanked the Triumph Board for their grant funding which enabled the school's formation.

Ms. Vega Roman added that while it may be known as The Collegiate School, on paper, it is better known as "The Cool School" - TCS.

In conclusion, as a token of appreciation and gratitude, the TCS students distributed commemorative coins to Triumph Gulf Coast Board members and staff.

Chair Bear thanked Ms. Whittaker and the students for their work and their presentation, and in fun and jest, with a gavel tap, changed the name of TCS to "The Cool School."

Treasurer's Report

May 2024 Financial Report

Mrs. Jennifer Davidson, CPA, presented the May financial statements. The Statement of Financial Position shows \$634 million in total assets. For the month ended May 31, 2024 Triumph distributed \$33.4 million, and the budget to actual for the month ended May 31, 2024 shows Triumph has collected \$3 million in interest income. Triumph is over budget in administrative costs by \$16,000, due to paying Warren Averett's audit fee. However, Ms. Davidson noted that when looking at July's report, overall, the Board is under budget for the year.

Mr. Henderson made a motion to approve the May Financial Report as presented. The motion was seconded by Mrs. Leslie Weiss and approved without objection.

June 2024 Financial Report

Next, Mrs. Davidson reviewed the June 30, 2024 financial statements. The Statement of Financial Position shows \$637 million in total assets. Mrs. Davidson noted that no distributions were made in the month of June. The budget to actual for the month ended June 31, 2024 shows Triumph has collected \$2.9 million in interest income and was under budget in administrative costs by about \$20,000.

Mr. Henderson made a motion to approve the June Financial Report as presented. The motion was seconded by Mrs. Weiss and approved without objection.

July 2024 Financial Report

Finally, Mrs. Davidson presented the July 31, 2024 financial statements. The Statement of Financial Position shows \$633 million in total assets. For the month ended July 31st, 2024 Triumph distributed \$7.1 million, and interest income was \$3 million. Triumph was under budget in July by about \$8,000. For seven months ended July 31st, 2024 interest income was about \$19.7 million, \$47 million in funds were distributed and Triumph was under budget about \$63,000.

Mr. Henderson made a motion to approve the July Financial Report as presented. The motion was seconded by Mr. Jay Trumbull, Sr. and approved without objection.

Next, Mrs. Davidson provided a summary of Triumph Gulf Coast's compliance process workflow. She indicated that several grantees had asked about the level of detail Triumph uses for its compliance review. Also, she said it was important to ensure that Board members were aware of the process created by a previous Board and to determine if the current Board feels comfortable with the process being used.

Mrs. Davidson referenced a handout Board members received with a detailed description of how the compliance process works. She stated that as the disbursement funding increases, so will the level of work increase. She wants to determine if it is the Board's preference to continue with the current process which includes the review of 100% of all invoices and 100% of all proof of payment for Triumph portion and for the match portion.

Mrs. Davidson explained that if a grantee receives other federal money or state money, if they reach the threshold of over \$750,000 (increasing to \$1 million shortly), they are required to have a single audit test done by their external auditor. In that test, there's a 40% coverage rule, so 40% of their grant expenditures must be tested by their external auditor. That does not necessarily mean that a Triumph grant will be in that 40%, or it could be all 40%. There's nothing that dictates that except the level of Triumph funding is versus funding from other sources. Usually, if grantees are getting other grant money, or if they're getting over \$750,000 from Triumph, they will get audited by their external audit team, but the level of review is a 40% coverage rule and typically they are picking larger expenses, looking at invoices, tracing it through their system, and doing internal control and compliance testing on those items. Triumph staff does not know what has been tested by the grantee's external auditor and they do not get specific results on that other than their audit reports as part of our review process. Triumph does look at their external audit reports, and test 100% of all of Triumph funds and all their match funds.

Mrs. Weiss asked what staff recommends, and Ms. Skelton replied that rather than staff making a recommendation, they would prefer for the Board to have a conversation, understanding that previous Boards have indicated they want 100% testing.

Mrs. Davidson noted that both are viable options, and that it is the Board's preference if they want to stay at the 100% or reduce the percentage moving forward. However, Mrs. Davidson expressed concern that her firm, Tipton Marler, will reach its statutory compliance contract cap, as they are close to it already. Once her firm reaches the cap, one option would be to shift some of the work that doesn't require a CPA level employee to an internal staff if Triumph would like to handle that piece. Another option would be to hire another accounting firm, however, there is some work that can be done at a lower level, and she stated that she would not be doing justice to Triumph if she recommended, they hire a firm and pay a much higher hourly rate than that which could be handled in house.

Mr. Merrill stated that the previous Board was at 100% and wondered whether they had ever started at a lower level and then moved up to 100%. Ms. Skelton replied no, there has never been sampling.

They have always done 100% compliance checks, and this involves not just the invoices and the proof of payment and back and forth on the Triumph part, but also on the match part. She explained that they are running into the largest workload when dealing with the match, particularly with these larger grants that are taking federal dollars, requiring 100% check off.

Mr. Merrill asked what the best practice is, or what would the state recommend. Mrs. Davidson replied that right now the state requires a 40% coverage rule for over \$750,000 of state funding.

Ms. Skelton stated that the Board can configure this however they are choose, but the concern is the risk of not staying at 100%.

Mrs. Davidson noted that she pulled some numbers for 2024 through June 30th, and the Triumph funds they reviewed were \$48.5 million and match was \$44 million, so in total, they reviewed right at about \$93 million in approximately 1,260 different invoices and proof of payments.

Mr. Henderson stated that he does not like the idea of going less than 100% because i100% makes Triumph virtually bulletproof. If you start lowering the percentage, he believes there would be certain liabilities.

Mr. Trumbull asked what the Board would be looking at if they want to stay at 100%, and whether there is an option for Tipton Marler to staff up to do it or for Triumph to adds staff.

If the Board decides to stay at 100%, Mrs. Davidson recommends, for cost benefit, that Triumph bring on staff to do the ticking and tying, i.e. verifying the invoice matches the request.

Chair Bear noted that under the statute, Triumph can only have contracts up to \$130,000 and they are getting close to reaching that with Tipton Marler's contract. Even if Tipton Marler brought someone on, they would hit that ceiling within the contract, so that is why Mrs. Davidson is suggesting another option would be to bring on another accounting firm. A lot of this compliance work is not required to be done by an accountant. We could have a much lower rate person do the verification, and we could bring someone on staff if we want to stay at 100%.

Mrs. Davidson stated that, right now, 90% of the work is done by CPA, but when they have very large requests, they will usually bring in a lower-level staff.

There was some discussion between Mr. Henderson and Mr. Merrill regarding whether the Board intended to hire staff internally or seek outside assistance.

Ms. Skelton stated that her only concern would be if they were to hire a virtual accountant or a CPA online, and lose hands-on control of the documents, while expanding the number of people who are touching the documents. She commented that if they do that function in house, they have control over it.

Mr. Merrill made a motion to direct staff and Chair to evaluate what is the best option financially and efficiently to stay at 100% compliance, whether it means hiring internal staff or hiring an outside firm. Mr. Trumbull seconded the motion. Ms. Skelton mentioned that there may be other suggestions related to the staffing situation when they bring back their

recommendations, due to breadth of management issues and the potential need to make some adjustments internally.

Prior to the vote, Chair Bear offered that, in his opinion, he supports the 100% compliance review. **The motion passed unanimously on roll call vote (7-0.)**

Staff Report

Ms. Skelton introduced and welcomed Juliet Milam as the newest member of the Triumph team. Ms. Milam works with Triumph's education compliance, and she is responsible for checking off the verification for all the thousands of certifications received. Additionally, as a bonus, Ms. Milam has teamed up with Dr. Frank Fuller, and as the new education duo, they are working on intake and review of the various education projects. Ms. Skelton reported that Ms. Milam has been a stellar asset and staff is thrilled to have her as part of their team.

Ms. Skelton explained that the Legislature is in the throes of election season, so there is not much going on. Committee meetings are expected to start again, probably in early December, and Session starts in March.

Next, Ms. Skelton recognized the Auditor General team, thanked them for coming and asked them to stand: Christy Alexander, Chris Maxwell, Randall Nelson and Triumph alumni, Josh. Ms. Skelton reported that the Board and Staff had completed their annual interviews this morning and that the audit is progressing on pace. They are hopeful to have it completed, with the AG team's indulgence, by early fall.

Due to additional staffing and issues with telecom taxes and various other things, Ms. Skelton requested to increase the budget line item for the Digital Boardwalk computer services from \$1,000/ month to \$2,000/month, so that staff will not need to come back to the Board every time a new user is added or if there is a deficiency with staffing costs.

Mr. Henderson asked whether Triumph leases its computers or if they own them. Ms. Skelton replied that Triumph owns two laptops, and all its contractors use their own personal computers, but Triumph pays for their licensing, security and all the related taxes that go with that. Right now, Triumph has approximately 14 licenses and Ms. Skelton is in favor of reasonably raising that amount to make it comfortable to manage each month.

Mr. Trumbull made a motion to approve staff's request to increase the budget line item for the Digital Boardwalk computer services from \$1,000/month to \$2,000/month and Mr. Henderson seconded the motion which was approved without objection.

Legal Report

Mr. Scott Remington, Legal Counsel, began the legal report by introducing a discussion item on the addition of prospective contract language to provide an expiration date for available funds for projects that fail to request timely payments.

Mr. Remington noted that as Triumph has evolved, the staff has run into a situation where the Board approves a grant, but the grantee doesn't come back, doesn't finish the grant, or ask for distributions in a timely manner. When Triumph makes a grant, it allocates funding to that

awardee and credits it to the county's minimum standards. There is currently no language that allows Triumph to claw that allocated or earmarked amount back into the general Triumph budget if they do not make a timely request for a distribution under the grant agreement. Therefore, legal counsel would like to ask the Board to consider directing staff to propose language to fix that problem, to make sure that money is not earmarked and sitting out there that is either untimely or can't be utilized by that grantee and that money can go back into the general grant fund for new awards.

Ms. Skelton highlighted the fact that Triumph has some grantees who have never requested funding and they cannot dispose of their project, even though they have completed the work - they just haven't asked for the money, and they haven't filled out the paperwork. Staff is trying to work with the grantees to help them expedite their requesting process, but in the case where grantees just choose not to, or can't, ask for the money, the money remains unspent, so staff and legal counsel are working to determine language for the contracts that states grantees must make timely filings for reimbursement. That would then give the Board a pathway to reclaim the money that's just sitting unused.

Ms. Cori Henderson, Program Administrator, stated that timeliness is the issue. She noted that Triumph has grants that are several years old where the grantees, no matter how many times staff offers to help them, are not requesting their funds, but the project is still active. The grantee is still earning their outcome metrics, but they are not requesting the funds. Therefore, staff is seeking an opportunity to add that time factor into grant agreements that might state - after "X" number of months, Triumph would no longer refund that invoice.

Chair Bear asked whether any of these grantees had given any statement on whether they are just waiting until the end of the term of the grant period to request those funds, or if there is just radio silence on the issue. Ms. Skelton replied that staff has tried diligently to work with these grantees, and, for whatever reason, they just don't cross the finish line with paperwork. Staff is unable to get that money back because it is allocated to the project, but the project has not requested the funding. Whether it might be six months or a year and a half, whatever the number is, staff would like to request a way to get back any funds that are sitting there with no prospective expenditure in their future.

Chair Bear asked if it is not an issue of non-compliance since the grantee is working on the projects to the standard expected, is the issue rather a lack of resources that are available to grantees to be able to be to provide the documentation to request the funds? Ms. Henderson stated that staff helps grantees as far as they can and guides them repeatedly in some cases and wondered if maybe something in writing would encourage grantees to focus on it internally in their own organizations. They find that in some cases the organization just doesn't prioritize crossing the finish line with the request for funds or potentially they're doing the work for the project, but they're not asking for the money, so they are expending dollars, but they are not asking for that reimbursement. Somewhere there is a mismatch, and maybe if there was language that reminded them if they do not request the funds, then they cannot be reimbursed. Staff is out of options to encourage grantees to make the reimbursement requests, other than literally filling out the paperwork for them.

Mr. Henderson requested that the money be clawed back, and Mr. Remington clarified that it wouldn't necessarily be clawed back, it would just be reallocated. For further clarification, Chair

Bear gave the example that if Walton County was allocated funds as a grantee and had not met their minimum, it would just reduce what was encumbered on behalf of that county. Ms. Skelton followed by stating that the counties could then always come back and ask for more money later.

Mr. Trumbull asked what triggers the timeline, whether six months or one year, and when it would start. Mr. Remington responded that it would be something the legal team and staff would have to develop, and so today they are seeking authority from the Board to try to develop a process. It may be different for different types of grants, but they would make a proposal to the Board if they are given direction to do so.

Mr. Trumbull asked what would happen if the money was reclaimed by Triumph, but hypothetically the grantee made a mistake - could the grantee go back and get it without going through the whole process again? Mr. Remington replied that the grantee would come before the dais, and they would say "mea culpa" Board, please move the money back over to us, but they wouldn't have to go through the whole process again, because the performance metrics have been met. Mr. Trumbull stated that in his opinion timelines are good and alerting a Board member that there is a problem is a really great idea, but when the timeline starts is important. They don't want to make a mistake.

Mr. David Humphreys stated that he believes, going forward, it is a good idea to add the proposed wording into the agreements, but wondered how, retroactively, Triumph would reclaim money from grantees who don't have this wording in the original agreement. Would they have to sign an amendment saying that they agree to have it returned? Mr. Remington replied that the Board would not be able to retroactively, unilaterally change the contract that is already in place, but if a grantee comes to the Board with a request for an amendment, they could insert new language into the amendment that would help that process. Mr. Remington believes that if the Board does take some action, it will help encourage grantees to apply for those funds and having the Board members nudging their grant award recipients to go after those monies would be helpful as well.

When asked how many cases of encumbered funds there are now, Ms. Skelton replied that there are not many – maybe less than five. She suggested that in some cases, perhaps elevating the matter to the senior leadership of the county might cause something to happen, but at this point, even to her knowledge, that course of action hasn't been successful. Staff has been unable to determine the crux of the problem with grantees not requesting funds, and they are stuck as far as those monies remaining encumbered.

Mr. Humphreys asked if there were any instances where someone might have used 80-90% of the funds and only fractions remain outstanding? Ms. Skelton replied that there is an example of a fractional situation cited in the program administrator's report today, where a project is closed and there were still funds available that they are asking to unencumber, but there is a process for that. It is different than having a grantee who just doesn't ask for the funds.

Mr. Merrill made a motion to direct staff to discuss and recommend prospective language add to contracts to unencumber/reallocate funds and Mr. Bryan Corr, Sr., seconded the motion which was approved unanimously on a roll call vote (7-0.)

Mr. Remington then introduced the first of eight items for action on the legal report:

Proposed Grant Award Agreement for Proposal #317 – Pensacola State College – Airframe and Powerplant Training – up to \$12,372,935 - to provide partial funding for a project that includes the construction of a 25,000+- sq. ft. facility at the northwest side of the Pensacola International Airport on land owned by the City of Pensacola, purchase of equipment, salaries, supplies, certificate and student fee waivers, recruiting, and technology, to establish Grantee's Federal Aviation Administration (FAA) approved Airframe and Powerplant program that will result in at least 420 students completing the three certification series (1 general mechanical, 2 airframe, and 3 powerplant) in airframe and powerplant, making the student an A&P certified professional.

The total amount of the project is \$28,200,122 and the per cert cost is \$29,460. The grant award recipient would have 10 years to meet the requirements of construction and delivery of the certificates. The grant award agreement is consistent in all other respects with the standard Triumph Agreement and includes a clawback in the event the grant award recipient is unable to deliver the 420 certificates. Staff recommends the Board approve the grant award agreement.

Dr. Ed Meadows, President at Pensacola State College, thanked the Chair and Board for the opportunity to speak on behalf of this project. He noted that his team has been working a very long time with Santa Rosa Economic Development, Florida West Economic Development, The City of Pensacola, the airport authority, Leonardo Helicopter in Santa Rosa County and ST Engineering. There are also some other smaller companies that do airframe and mechanics work on smaller planes, so they are looking forward to getting started. They have received a governor's job growth grant along with legislative funding for this project, so they would certainly like to move forward with it. Dr. Debbie Douma and Mr. Mike Listau were also in attendance to answer any questions.

Mr. Henderson made a motion to approve the Proposed Grant Award Agreement and Mrs. Weiss seconded the motion.

Ms. Grace Resendez McCaffrey introduced herself as an Escambia County resident. She addressed the proposed funding that is related to anything that goes to ST Engineering. While she thinks we should all applaud the concept of creating new jobs in the aerospace industry, she implored the Board to listen to the people that have accepted these jobs and understand the inhumane treatment that they have endured under this employer. She said she was speaking on behalf of approximately 300 educated and trained aerospace workers that were lured here from the country of Chile with promises of ample work, long term employment and even the possibility of obtaining a green card. There was never indication they would be here for a short time - instead, they are being told to go back after bringing their families, purchasing homes, and planning a life in the Gulf Coast. She said she has learned of the hostile work environment filled with discrimination practices, lower and non-payment of wages, and even being told to make inadequate repairs on planes that they work on. While the concept of

creating new jobs means a boost in the economy, these workers' experiences are quite the opposite. Most are saddled with crushing debt from the international moving expenses and now unexpected unemployment. Their visas and livelihoods are at the mercy of their employer, not just as a source of income, but as a visa sponsor. Many of their complaints are being investigated by the Department of Labor, Division of Wage and Hour, the division that regulates their H1B1 visa employment requirements. They include guaranteed 40-hour work, 40-hour paycheck, regardless of whether the employer has work for them to do. The first group of 40 workers that were fired without notice were laid off for several weeks and paid only two weeks. Countless phone calls and emails have gone unanswered from employees, elected officials, and media. These workers came to me for help as an advocate for our immigrant community. They wanted to let the public know of their terrible experience working for ST Engineering, so that it would not happen to anyone else. But some of these companies have actually corrected their mistake by reinvesting into the people and the communities they damaged, and that's what I'm here to ask for. They sold their homes and everything they had in Chile to pay their own moving expenses to invest in the American dream, only to have their dream cut short and put their families in danger, with the stress and financial burden of living in a foreign country, and they must now leave unexpectedly with their children before their new visa expires. They deserve severance and assistance that the community has been pitching in to help them with. She said she has reached out to federal agencies and elected representatives of all levels. Matt Gaetz- his office is looking into a way they might be able to obtain an extension on their visa. So, the workers need severance packages that include at least three months' pay, travel expenses covered for themselves and their families; and assistance with job placement.

Before ST Engineering benefits from another dime, they need to make this right. They need to provide real answers for why they're dismissing every worker from Chile and not accept a vague answer that there are issues with their visa renewals. ST Engineering needs to be thoroughly audited, beyond an annual report. If a grant is to go toward the benefit of ST Engineering, please wait until they make things right with every single one of these employees. Ms. Resendez closed by stating that she has copies of recruitment documents from Chile that these workers responded to that show that there was never an indication that they would be here for a short period of time, their wages starting at \$28/hour and advancements with the possibility of green cards.

Chair Bear clarified that the grant application that the Board is discussing here today is related to the training for the A&P program at Pensacola State College. PSC is the applicant, and they will be funding their program that will happen at Pensacola Airport in a brand-new building, very close to the ST building, and the learned skills will be transferable skills to not only support companies like ST Aerospace, but also Leonardo and some other projects that are happening across the Triumph territory. Chair Bear noted that while the Board appreciates Ms. Resendez coming and voicing her public comments and concerns about ST and the Chilean workers, the grant application today is related specifically to the training of a qualified workforce to work in these different areas.

Ms. Resendez replied that she would appreciate any assistance she can get from this Board to clear things up with this company and make things right with these workers because the longer they wait, the more they are at risk of their visas expiring.

Mr. Merrill said he was aware that Ms. Resendez had long been active in the Pensacola community, advocating in situations like this. He stated that he had met with her and talked with her and asked if anything had come from Senator Broxson's office. Ms. Resendez replied that she had called the Senator's office and was asked for more details but didn't hear back after that. Mr. Merrill asked if Ms. Resendez had spoken with City of Pensacola Mayor D.C. Reeves on the matter, and she responded that Mayor Reeves had requested a presentation from ST Engineering on their hiring strategy moving forward, but she is not aware if this is a public meeting or whether the company accepted the invitation. Mr. Merrill indicated that it was his understanding that Mayor Reeves was going to ask about this situation and ST Engineering was going to report back but since it has been several weeks, he wondered if any word had come back. Ms. Resendez responded that she had only heard that Mayor Reeves was giving ST Engineering until September 1 to prepare a presentation.

Mr. Merrill and Ms. Resendez clarified that ST Engineering recruited these Chilean workers at \$28.00/hour, and most of the workers have served in the military and are required to have 12 years of experience.

Ms. Resendez stated that she appreciates anything the Board can do to help get this right, because there is the potential to have a great program that is a benefit to the community.

Chair Bear noted that he did some research about the H1B1 visas and there is supposed to be a labor conditions application that's been provided to the U.S. government that then goes to the worker, along with a letter of employment from the company sponsoring the visa for the prospective employee and both of those documents include outlines of the job, the pay, the time frame, the start time, the end time, and those are certified by ST and the Department of Labor, etc. He asked Ms. Resendez if she had been able to acquire those documents.

Ms. Resendez replied that there are 300 employees, and they all have a stack of documents. She explained that she has copies of many related documents, starting with their LSA, an immigration document that explains the salaries and the amount of time that they are to earn those salaries per year. She said that several employees have calculated things and realized they were not getting paid what they were supposed to, and that is part of the complaint with the Department of Labor right now. Ms. Resendez wants this to be a great program for the community and thinks ST Engineering could turn things around, but that it appears they will need to be compelled.

Chair Bear noted that the previous Triumph Board approved the grant to the airport to build hangars 3 and 4 and that there are a lot of partners involved, including the State of Florida, EDA, City of Pensacola, Escambia County, Florida West, and PEDC. Chair Bear is hopeful that the issue will be resolved since this is a good project for Escambia County and hopeful that the issue gets resolved for the Chilean workers as well.

Ms. Skelton asked how many of these workers are in Escambia County and how many are in Baldwin County, and Ms. Resendez replied that there are approximately 200 in Mobile and 100 in Pensacola.

Chair Bear asked if there was other public comment.

Mr. Henderson stated that there is obviously a lot of demand for A&P programs, and wondered how many of the students that graduate from the PSC program would be going to work for ST.

Dr. Meadows returned to the podium and thanked Mr. Henderson for the question. He stated that when they agreed to offer the A&P program, it was with the vision that the aviation industry in Northwest Florida is going to be there for a very long time. He noted that the hangers do not belong to ST - ST is leasing them, and that 5-10 years from now, ST may not be here. Instead, it may be another company that gets the contracts with major airlines for repair and maintenance, and Dr. Meadows stated that Northwest Florida wants to be able to have the workforce for them. He also noted that they have a financial investment through a legislative appropriation. The Santa Rosa County Commission and Santa Rosa County Economic Development gave them the first \$1,000,000 to invest in this program. PSC is going to be training these individuals for high paying jobs. ST Engineering will hire a very large percentage of graduates, but not all. Even though ST Engineering has committed financial resources to support PSC's program in the long term - over 10 years for scholarships - they will enter into contract with the employees and if the corporate culture remains the same as it is, their graduates will be looking at other opportunities in addition to ST Engineering.

Mr. Henderson asked for clarification on whether ST Engineering made a financial contribution, and Dr. Meadows replied in the affirmative stating that they have committed \$5,000,000 in support of the program. Dr. Meadows also assured the Board that if ST Engineering goes away, PSC's program will still be fine because their building is a multi-use building instructional building and in addition to training airframe and power plant mechanics, they will be offering advanced certifications in different aspects of the aviation field (e.g., avionics, non-destructive material testing, blueprint reading).

At the conclusion of this discussion, Ms. Skelton noted that as related to public comment, she wanted to be on the record that staff is expecting comment from at least one other person who has indicated that he couldn't attend the meeting but would be writing and staff will attach that public record public comment to the minutes of the meeting. [note: see linked materials from Mr. Mr. John Herron here: https://www.myfloridatriumph.com/wp-content/uploads/2024/08/WrittenStatementJohnHerron_TriumphProject317_20240822.pdf]

The motion passed on roll call vote (6-1; Mr. Humphreys - No)

Mr. Remington then introduced **Proposed Grant Award Agreement for Proposal #331 – Santa Rosa Board of County Commissioners – Bagdad Distribution Building – up to \$7,164,000** to provide partial funding for the following project: (i) the purchase of a 45+- acre site adjacent to Interstate 10 at Exit 26 for the development of the Bagdad Distribution Center, and (ii) infrastructure improvements to the Property, including but not limited to, sewer extension and wetlands mitigation/protection, to allow for the construction of a 380,000+- square foot

distribution center that will be leased to a private sector company, which operations will provide at least 175 Net New Jobs paying an average wage of 115% of the current prevailing average wage in Santa Rosa County. Total cost of the project is \$41,100,000, and the performance metrics are that the 175 net new jobs would be created on or before December 31st, 2028 and maintained for three years thereafter. In all other respects the grant is consistent with standard Triumph grant award agreement, including a clawback provision for failure to meet the performance metrics. Staff recommends approval.

Mr. Henderson made a motion to approve the Proposed Grant Award Agreement and Mr. Trumbull seconded the motion.

Mr. Humphreys asked whether this building will be for the cold storage distribution, and whether it was related to the Cheney Brothers. Mr. Shannon Ogletree, Director of Santa Rosa EDO, replied that this project will be more for general distribution, but that it still meets the guidelines of 115% above the average annual wage. He also stated that this project is not related to Cheney Brothers – it is located at a separate exit.

Chair Bear asked if anyone from the public wished to be heard on the proposal. No one came forward to speak.

The motion passed unanimously on roll call vote (7-0.)

Mr. Remington then introduced **Proposed Fourth Amendment to Grant Award Agreement #213 – Florida’s Great Northwest (FGNW) – Education ROI Research and Marketing – NO ADDITIONAL FUNDS – Reallocate budget line items, update audit requirement language.** Mr. Remington noted that this amendment requests no new money, only a reallocation of \$129,480.90 from one budget category to another. The amendment also includes updated audit template language. Staff recommends approval.

Mr. Henderson made a motion to approve the Proposed Fourth Amendment to Grant Award Agreement and Mr. Humphreys seconded the motion.

Ms. Skelton noted that the money being reallocated in this case was earmarked for the Department of Education review that the Board and staff were never able to effect with the State Department of Education, but FSU has now included it in a different grant.

Chair Bear then invited Nicole Gislason, Board Chair of Florida’s Great Northwest (FGNW) and Executive Director of the Haas Center at University of West Florida, to speak on behalf of FGNW. Ms. Gislason stated that FGNW is grateful for Triumph Gulf Coast’s continued support of their business, recruitment, and marketing efforts. She noted that FGNW’s award-winning project, “Beyond Our Beaches,” has been a great success. Since 2020, they have reached many site location consultants and executives worldwide and they have been successful utilizing Triumph’s marketing dollars. This amendment will allow them to move dollars from one category to another and then accelerate the success of their team. Mr. Henderson asked whether there is any overlap between this project and the Visit Florida grant that Triumph approved, and Ms. Gislason responded that there is no overlap to her knowledge. Ms. Skelton then clarified that this project is geared toward site selectors and companies, and Visit Florida is geared toward the general public.

Chair Bear asked if anyone from the public wished to be heard on the proposal. No one came forward to speak. **The motion passed unanimously on roll call vote (7-0.)**

Mr. Remington introduced the next agenda item - **Proposed Third Amendment to Grant Award Agreement #233 – IHMC Center for Human Healthspan – Resilience and Performance – NO ADDITIONAL FUNDS - rename a budget category, time extension for funding of construction dollars, update audit requirement language.** Mr. Remington noted that this amendment does not request any additional funding, but simply amends the prior budget to a new budget that is attached to the grant award agreement. It also includes the same updated audit template language. Staff recommends approval.

Mrs. Weiss made a motion to approve the Proposed Third Amendment to Grant Award Agreement and Mr. Corr seconded the motion. Chair Bear asked if anyone from the public wished to be heard on the proposal. No one came forward. **The motion passed unanimously on roll call vote (7-0.)**

Mr. Remington introduced the Proposed **First Amendment to Grant Award Agreement #246 – FSU Panama City – ASCENT Cybersecurity and New Technologies Program – Additional up to \$763,690 for compliance costs, reallocate budget line items, update audit requirement language.** Mr. Remington stated that FSU is requesting a grant increase in the amount of \$763,690, taking the total Triumph grant award from \$11,500,000 to \$12,264,000. The amendment will also change the completion deadline as set forth in section 5.1 of the agreement to December 31st, 2031. Additionally, it will amend template language relating to audit procedures. Mr. Remington concluded that staff recommends approval, and if Board has any questions about the specifics, he will defer them to Ms. Cori Henderson.

Appearing on behalf of Florida State University, Mr. Duriel Crittenden, ASCENT Project Director, thanked the Board and staff for their commitment to this grant proposal. He stated that the reason for their request for extension of time is to align the grant to a total of 10 years, allowing FSU to continue to do the good work that they have been doing. The time extension will allow them a better opportunity to get their project off the ground, and in terms of the increase in funding, Mr. Crittendon deferred to Ms. Henderson for a clear and concise explanation of the reasoning behind it. Ms. Henderson explained that, as Triumph grants get larger, the compliance cost increases as well. Since this grant has a lot of moving parts, its compliance cost, internally for FSU, is much larger than was originally anticipated, and so these additional dollars will extend over the life of the grant for the next seven years to allow staff to be able to pull all the individual proof of payments. Mr. Crittendon thanked Ms. Henderson for her explanation and asked if anyone had questions for him.

Chair Bear asked whether these additional funds affect the core of the application, and Ms. Henderson replied that they do not. She also noted that there were no additional metrics added to this amendment.

Mr. Humphreys asked what kinds of compliance issues they might face to constitute the award increase by \$763,000. Ms. Henderson replied that a variety of different employees are needed to do the work. The ASCENT project focuses on school districts; it works with companies; and it offers adult education. So, these dollars are not just for administrative grant implementation,

there are also administrative costs that entail pulling the documents. She explained that due to FSU's setup, much of this work must be done in Tallahassee by different individuals for the university's own accounting purposes. They have segregated their buckets and their paperwork and their documents into different computer systems for their own audit purposes, and so it requires different people to pull the documents (e.g., proof of payment), which requires hiring additional staff and reallocating duties of current employees.

Mr. Humphreys asked, as it relates to the discussion with Mrs. Davidson this morning – if this pulling of receipts is done on the grantee's side. Ms. Henderson replied affirmatively and referenced Mrs. Davidson's packet, stating that it contains examples of what a SmartSheet looks like and this might involve the time of three different staff people. While it may not end up costing that much money over time, staff tracks it, and they provide how many hours the employees spend so that they don't have to come back year after year to increase the funding amount. She explained that staff thought it would be helpful to go ahead and allow grantees to know that they have the funds to hire employees through the end of the life of the grant, for the next seven years, and get that consistency going versus having to come back and ask for funds again and train staff again, so it's staff time on both sides.

Mr. Corr asked for confirmation that this increase would equate to roughly \$100k/yr for 7 years, and Mr. Crittendon replied affirmatively that it would, and it also includes the fringe cost. Mr. Corr inquired if this increase would cover the compliance costs for some additional FSU grants, and Ms. Henderson replied that the Board will see additional amendments over time from FSU when they need an increase on their other grant. Staff plans to get this one up and going first, and if the cost is less in the long run, FSU just won't submit a request for those funds - it's an up to amount.

Ms. Skelton noted that it is not often they get the director of the ASCENT program at a meeting, so she wanted to give him a chance to brag a little bit on what they are doing, stating that they have made some major inroads in the Triumph region.

Being newly hired as the director in February, Mr. Crittendon invited Dr. Suzanne Remedies, Assistant Director of ASCENT, to speak to the program's successes since she has been a part of the grant project since its inception.

Dr. Remedies introduced herself and thanked the Triumph Gulf Coast Board and staff for their commitment to FSU's communities and for the opportunity they have given FSU to work in the eight county Triumph region. She noted that in the last two summers, they have held seven outreach events each summer, totaling 14 events; they have garnered approximately 800 industry certifications; they have worked with economically disadvantaged children; they have worked with nonprofit institutions, and, most importantly, they have partnered with the school districts. For example, in Bay County, they have had students without any prior exposure to industry certifications, who are now going off and starting up nonprofit websites because of the exposure and opportunities they had in FSU's program. They also helped areas of Apalachicola get internet access. Dr. Remedies closed by again thanking Triumph for the opportunity. Mr. Crittendon added that ASCENT is also helping with homeschooling.

Mr. Henderson made a motion to approve the Proposed First Amendment to Grant Award Agreement and Mrs. Weiss seconded the motion. Chair Bear asked if anyone from the public wished to be heard on the proposal. No one came forward to speak. **The motion passed unanimously on roll call vote (7-0.)**

Mr. Remington introduced the Proposed **First Amendment to Grant Award Agreement #265 – FSU Panama City – Panama City Collegiate Lab School – NO ADDITIONAL FUNDS, reallocate some budget line items, update audit requirement language.** Mr. Remington stated that the proposed amendment is only a budget amendment. No new money is being requested – it is just being shifted. The Triumph grant award in this case is \$10,611,000 of an \$18.2 million project. The amendment also includes the addition of the new template language. Staff recommends approval.

Mr. Humphreys made a motion to approve the Proposed First Amendment to Grant Award Agreement and Mr. Trumbull seconded the motion. Chair Bear asked if anyone from the public wished to be heard on the proposal. Seeing none, **the motion passed unanimously on roll call vote (7-0.)**

Chair Bear then jumped ahead to an item on the Economic Advisor’s Report since a few people needed to leave to catch a flight: **Proposed Term Sheet for Proposal #338 Northwest Florida Beaches International Airport – Project Spinner– up to \$25,000,000**

Ms. Henderson read Economic Advisor Dr. Harper’s comments in his absence.

The Northwest Florida Beaches International Airport (ECP) is requesting a \$25,000,000 Triumph grant toward the construction of an approximately 100,000 sq ft narrow MRO facility including but not limited to site work, foundations, utility extensions, parking areas, and other facility requirements to recruit Project Spinner, which represents 23.3 percent of the \$107,500,00 total project cost. The company is committed to an additional capital investment of at least \$82.5 million and 500 new jobs in Bay County with an average wage of \$60,000, which exceeds the 115% of the average wage for the Panama City MSA in the State of Florida’s 2024 standards.

The proposed MRO facility will specialize in commercial jet aircraft engine repair and will service existing contracts with industry leaders. Space Florida will construct and own the MRO facility and lease it and associated equipment to the company on a long-term lease. The improvements will become the property of the Airport Authority upon termination of the lease. Part of the company's capital investment and match will be for equipment for the construction of a jet engine testing facility known as a test cell co-located at the airport, and for the purchase of a parts distribution and parts testing facility in Lynn Haven. The private sector partner is working with Space Florida to obtain conduit financing of the MRO facility, equipment, and supporting facilities. Over a ten-year window these jobs will generate about \$479 million (discounted to present money value) in additional income that stays in the community. At a cost per job of \$50,000 and proposed average wages of \$60,000, the likely increment to household incomes per Triumph dollar awarded is calculated to be \$19.2. For these reasons, staff rate this program “A” in terms of economic impact to Bay County.

Chair Bear welcomed NWFL Beaches International Airport Board Chair, Mark Sheldon; Airport Director, Parker McClellan; and President of Bay County Economic Alliance, Becca Hardin, to speak on behalf of the proposal. Mr. Mark Sheldon stated that this is an exciting project, with a \$107 million overall investment, when you look at 500 jobs taking a part of that infield for the airport and bringing a much-needed high-quality labor force. He thanked the Board for their support and time and assured them that phenomenal people are working with this group, and they are going to bring great value to the community.

Next, Becca Hardin, President of Bay County Economic Alliance, noted that this project is a lead from Florida's Great Northwest. They have worked very closely with Jennifer Conoley and her team, and they initially met their partner at the maintenance, repair and overhaul show in Chicago this March. Since then, the project has developed very quickly, and they are here requesting Triumph Gulf Coast's support for the creation of 500 jobs and almost a \$100 million capital investment. Once they complete this project, it will be the single largest, new economic development project announcement ever announced through the Bay County Economic Development Alliance and for the Airport Authority. They have all been working very hard and are proud to have a relationship with this company. Ms. Hardin remarked that it is a project that could not have moved forward without Triumph's support, and they are very appreciative that the Board and staff moved it up on the agenda, so their team was able to attend the meeting. In closing, Ms. Hardin explained that the project is three-fold. First, the company already has a contract on a facility in the city of Lynn Haven, and they are working to close by the middle of September; second, there will be about a 120,000 square foot MRO facility at the airport adjacent to the 10,000-foot runway; and third, there will be an engine test cell, valued at about \$65,000,000 in capital investments. Ms. Hardin noted that this company is committed to creating the jobs and bringing money to our communities, and it will definitely have a regional impact. She thanked the Triumph Board for their support.

Chair Bear asked if there were any questions or comments for the speaker.

Mr. Trumbull asked for confirmation on whether there are three separate facilities. Ms. Hardin replied affirmatively. Facility 1 - in Lynn Haven, is already there and it has been fit out for everything. That is where the company plans to put their parts, warehousing, and distribution operation. Facility 2 - will be an engine repair and MRO facility. Facility 3 - will be the test cell. Ms. Hardin mentioned that they have visited Project Spinner's factories in another location in the U.S. and in Rome, Italy. They do a lot of work with Pratt and Whitney, Raytheon, General Electric, and it is very impressive. In closing she stated that there are not many test cells in the United States, and for that reason, if you have a company invest in one, they are invested for the long haul.

Mr. Merrill made a motion to approve the Proposed Term Sheet and Mr. Trumbull seconded the motion. Chair Bear asked if anyone from the public wished to be heard on the proposal. Seeing none, **the motion passed unanimously on roll call vote (7-0.)**

Mr. Remington then introduced **Proposed Term Sheet for Proposal #332 – Escambia County Public Schools – J.M. Tate High School CTE – up to \$617,227** to renovate the former auto body building at J.M. Tate High School, provide salary, personnel costs and equipment costs,

certification fees, curriculum and materials to support the Automotive Service Academy at the school that will allow it to deliver at least 225 net new industry recognized, Department of Education approved, National Institute for Automotive Service Excellence credentials (ASE). The cost per cert to Triumph is \$2,743, and the performance requirement is that the school obtain the accreditation within four years from execution of the grant award agreement. It does provide for clawbacks in the event that there is no ASE certification or accreditation, and if they don't deliver at least 225 net new certificates. In all other respects, the term sheet is consistent with the standard Triumph term sheet and the Board recommends approval of the term sheet to move forward to the grant award agreement.

Chair Bear invited Steven Harrell, Workforce Director at Escambia School District, to speak on behalf of the proposal. Mr. Harrell thanked the Chair and said this is an exciting day for Escambia County Public Schools. He stated that this opportunity has been a long time coming, and that the high school students are eager to get started working on cars, and the school district is eager for its students to step out into the industry with the skills needed to work on today's more advanced vehicles.

Mr. Humphreys expressed his enthusiasm for this program and encouraged its expansion to other schools across the region.

Mr. Henderson made a motion to approve the Proposed Term Sheet and Mr. Humphreys seconded the motion.

Chair Bear asked if anyone from the public wished to be heard on the proposal. Seeing none,

The motion passed unanimously on roll call vote (7-0.)

Mr. Remington introduced the next agenda item - **Proposed Term Sheet for Proposal #333 – Franklin County Board of County Commissioners – First Response Communications System (Phase 1) – up to \$750,000.** Mr. Remington explained that this proposal relates to the implementation of a new first responder communication system. This would be phase one of the project. The county would provide \$25,000 in matching funds, and the purpose of the phase one project would allow Franklin County to employ a consultant to advise them on the purchase of a new first responder communication system for use by all the public safety entities within Franklin County, as well as the school district and local hospitals. The term sheet is consistent in all other regards with respect to Triumph term sheets. The performance metrics are that the grant could be clawed back if they are unable to substantially complete the project by the project deadline. Staff recommends approval of the term sheet.

Next, Ms. Mary Swoope introduced herself to speak on behalf of Franklin County, as a contractor of economic development for the county. Ms. Swoope stated that she lives in Bay County but does grant work for economic development and grant coordinating with Duke Energy across Bay, Gulf, Franklin, and Wakulla counties. She mentioned that this project is vital to the Franklin County community.

Mrs. Weiss asked how this project compares with Wakulla County's project.

Ms. Skelton reminded Mrs. Weiss that Wakulla County's project is a sister project, and Wakulla has been very helpful to Franklin County. It was staff's recommendation that Franklin County

follow the path of Wakulla County and start with a consulting contract so Franklin County can identify their needs and problem areas, and then return to the Board with a full application. The difference is that Wakulla County had the funds to pay for their consulting contract and Franklin County does not, so they are requesting these funds as part of their package. Once the consulting report comes back and they submit an application, it will go through the same process that Triumph has been doing with Walton County, and the Department of Management Services, Division of Telecommunications will do a review. Ms. Skelton reported that staff just got the review documentation back from Walton County and the state is recommending moving forward with that project as well.

Mr. Corr asked how Triumph will measure what is completed and Ms. Henderson replied that the consultant will provide a recommendation report on how to move forward.

Mrs. Weiss made a motion to approve the Proposed Term Sheet and Mr. Merrill seconded the motion. Chair Bear asked if anyone from the public wished to be heard on the proposal. Seeing none, **the motion passed unanimously on roll call vote (7-0.)**

Program Administrator Report

Ms. Cori Henderson began her informal report with highlights from the Summer.

Over the Summer the region hosted many company recruitment and expansion site visits in targeted industries including manufacturing, aviation/aerospace, and logistics. These efforts spanned across all eight counties with Triumph staff participating in multiple company site visits to Gulf, Franklin, and Wakulla in addition to meetings in the region's more urban counties. The tireless efforts of the region's economic developers to seek out and develop relationships with companies continues to pay off with commitments for new high wage jobs.

Ms. Henderson referred to her written report in which the GCSC Unmanned Systems Bootcamp grant, based at the Port St. Joe Campus, is noted as having been completed. Executed during the Summer of 2020, the grant had a goal of 700 unmanned vehicle FAA and industry certifications, primarily for exiting military members and their spouses. The project exceeded its goal with students earning 804 certifications with graduates going on to become employed in the region and some starting their own unmanned systems businesses.

This past Spring, Triumph approved the \$98M FSU InSPIRE project, and this Summer, the team at FSU's Learning Systems Institute (LSI) held their first teacher training as part of the project metrics to train 1,000 teachers across the region. With a theme of Aviation and Aerospace, elementary school teachers from Wakulla, Gulf and Santa Rosa counties learned how to use AI responsibly to develop teaching materials, how to teach students to use AI responsibly and earned industry certifications. Ms. Henderson had the opportunity to participate in part of the class and cannot speak highly enough about the content that the teachers will be taking back to their classrooms this year.

As of Friday, August 16, 2024, Triumph Gulf Coast had received 339 Pre-Applications totaling over \$2.8 billion in requests. Pre-applications 338, 339 and 341 are recommended as statutorily eligible, 340 is not recommended as statutorily eligible, and 337 is still under review.

As of Friday, August 16, 2024, Triumph Gulf Coast had received 141 Applications totaling over \$1.3 billion in requests. Four Applications, not including agenda items and projects previously presented to the Board, are available for review.

Additionally, Project 210 Gulf Coast State College, Unmanned Systems Bootcamp has now been closed, with a request to unencumber almost \$4k of remaining funds; Triumph staff approved budget changes (under 5% of budget category) for Project 157 Franklin Schools, Career and Technical Education; and Quarter 2, 2024 quarterly reports have all been included in Ms. Henderson's formal report, along with Mr. Lewis' regular construction reports.

Mr. Corr inquired about application 324 Walton BOCC, Public Safety Communications System, and wondered if this request for funding is for their radio system. Ms. Henderson replied that the application is for their entire request. Staff has not fully reviewed it yet, because they were waiting on DMS to let them know if it met the state standards.

Ms. Skelton noted that staff received notification that the State Law Enforcement Response System (SLERS) Committee had this item on their agenda. Public safety engineers from the Department of Management Services have reviewed the application to make sure it met state standards, and they officially notified staff this week that it does, so now we will move forward with their application review.

Ms. Henderson noted that Walton County has been moving forward with the project and putting out bids, but they have not provided those documents for staff to review. Triumph typically has their construction expert, Mr. Randy Lewis, review the bid documents and the contract before they are entered into by public partners. Ms. Skelton noted that Walton County has not followed Triumph staff's process.

Mr. Corr asked what the total cost of the project is, and Ms. Henderson replied they have requested \$20 million, but the total project cost is \$55 million.

Mr. Henderson asked what it means when Ms. Skelton referred to the fact that Walton County already has the money. Ms. Skelton explained that since staff does not have their construction documents yet, they have not made a recommendation, but Walton County has moved forward with their procurement process in advance of the Triumph Board voting to approve a grant. She noted that, typically, Triumph grantees will provide those documents along the way. For example, with Wakulla County, it was a collaborative process. Staff reviewed their construction and bid documents as they were moving forward. The Board will grant them the money, and then grantees do their construction bids and staff reviews those documents along the way. In this case, Walton County has chosen to go through their entire bid process prior to being awarded a Triumph grant.

Mr. Henderson asked if Walton County's process was a problem and Ms. Skelton replied that staff will work through it with them, but they are basically bringing the Board a finished newly built car and telling them how much they want the Board to pay for it without you having any idea what the process was to build the car. If for some reason the Board chooses not to support the full amount of their request, then Walton County will be on the hook for whatever the remainder is. It is just a different way of doing things. Staff just received DMS's feedback this

week, so next week they will do their regular internal review of the application and set up a call with them.

Mr. Humphreys made a motion to approve the Program Administrator's Report. The motion was seconded by Mr. Henderson and passed without objection.

Mr. Corr asked Ms. Henderson whether the grant request amount for Walton County as originally stated in the report was incorrect. Ms. Henderson apologized and said yes, she would update it to reflect the accurate number. The Program Administrator's Report has been amended to reflect this correction and has been updated online on this meeting's materials page.

Mr. Humphreys made a motion to approve the report as amended. The motion was seconded by Mr. Henderson and approved, as amended, without objection.

Economic Advisor's Report (continued)

Ms. Henderson then continued Dr. Harper's report by introducing **Recommendation on Proposal #299 – Pensacola State College – Diesel Mechanic Training – up to \$7,627,873.**

Pensacola State College (PSC) is requesting a \$7,627,873 grant to locate a new Diesel Maintenance Technician industry certification training program at the Santa Rosa Industrial Park East. The new program will be located adjacent to the Triumph and Economic Development Administration (EDA) funded PSC Commercial Vehicle Driving Facility resulting in 2002 new industry certifications and complementary training opportunities. Grant funds will be used toward the construction of a metal building (like the recently constructed Commercial Vehicle Driving training facility), for equipment, supplies and personnel, among other operational costs.

PSC is committed to provide \$5.5 million in match over the life of the project, with Triumph providing 58.1% of the project cost of \$12,127,873. At a reimbursement rate of \$3,810 per net new certification, the discounted total increase in household income expected from the program will be \$21.9 per dollar of Triumph cost, which is slightly above the average return to programs in the Triumph portfolio. For these reasons, staff rate this program an "A" in terms of economic impact.

In sum, Ms. Henderson stated that the Triumph funded CDL program has been very successful in Santa Rosa, and this is at an industrial park where Triumph has made other commitment investments, so they are going to co-locate the diesel mechanic program there and will have some interaction between the two programs so that some of the students will have an opportunity to participate in both.

Next, Dr. Debbie Douma, Dean of Grants and Federal Programs at Pensacola State College, stated that on behalf of Dr. Meadows, she wanted to express appreciation to the Triumph Board for all the funding that the college has received and hopes to receive. It has allowed the college to expedite and explore programs it could not have otherwise done. She noted that it takes years to cobble together the funding needed from the state or private donors, and Triumph's funding has been essential.

Then, Mr. Michael Listau, PSC Director of Applied Technology and Professional Services, stated that he views this as being phase two of what PSC is doing with its CDL Training. They

have a very high success and completion rate in their CDL program of over 90%. Over 90% of those students are getting jobs both locally as well as nationally if they so choose. Basically, everybody that wants a job is getting a job upon completion of their program. So again, they are looking to continue that with the diesel maintenance technician program. Like the Tate program, this is Automotive Service Excellence (ASE). ASE is the industry standard when it comes to automotive. He concluded his comments by stating that they are primarily looking to solve the workforce issues and in training a much-needed discipline to enter the workforce.

Dr. Douma also commented that the industrial park is now lit, and they have started night programs, so she assured the Board that they are putting money to good use. She closed by thanking the Triumph staff for shepherding them through all these projects.

Chair Bear asked if there were any questions for the speakers.

Mr. Humphreys commented that their 40-year lease agreement is a good deal and wondered if in that 40-year time frame, they might consider EV training in addition to, or rather than, diesel. Dr. Douma replied that Dr. Meadows has talked about adding several engine types, including EV and marine, so they are definitely open to whatever the labor market dictates as a need.

Mr. Merrill made a motion to direct staff to move to term sheet negotiations. The motion was seconded by Mr. Humphreys. Chair Bear asked if anyone from the public wished to be heard on the report. No one came forward to speak. **The motion passed unanimously on roll call vote (7-0.)**

Public Comment

Chair Bear asked if anyone from the public would like to speak about any items related to Triumph process, policies, and practices. No one came forward to speak.

Closing Remarks

Mr. Merrill commented that it was a good, long meeting. He thanked Panama City for hosting the Board, and he thanked Senator Trumbull for coming to the meeting to check on his dad.

Mrs. Weiss expressed her appreciation for the staff with the amount of work that is going into all these pre-applications, term sheets, and grant awards. She stated that there is lots of great work coming this way.

Mr. Trumbull thanked everyone for choosing to meet in Panama City. He said it was a good meeting with some really good discussion.

Mr. Humphreys commented that it was a great meeting. He said it was nice to see the students from the Collegiate High School come and talk about their experiences as military kids and students. He also stated that the ST issue is concerning, and that he would like more information on it.

Mr. Corr stated that there were some interesting topics to come up - the ST issue. He was also interested to learn that Triumph is completing so many invoice requests per year. He asked if it was 2,400/year and Ms. Henderson replied that the number was representative only for the requests during the past six months. She commented that some of Triumph's grants have

gotten much larger and staff anticipates that some of those will have many more invoices to review associated with them, and every dollar spent must have an invoice and associated proof of payment attached to it.

Mr. Henderson commented that it was a good meeting. He is excited to see some of these Walton projects actually getting into a form where staff can work on them.

Ms. Skelton mentioned that if Board members would like to keep the Collegiate High School annual and the coins, she would get the information from the school about the actual cost of those items. She asked that Board members leave the items at the dais if they did not want to keep them, and staff would return them to the school. Ms. Skelton delivered a special thanks to the Tipton Marler team and the audit team for attending the meeting.

Chair Bear thanked the Board and staff for the continued great work that Triumph does. He recognized that it has a lot of moving parts with a lot of projects, and it results in a lot of really great stuff happening in our communities. He expressed his concern for the ST issue as it relates to the PSC project and is hopeful that it can be resolved. He believes and hopes it will be. He noted that in Escambia County, there are a lot of participating partners in the project, and they all want to see it to fruition.

Ms. Skelton assured the Chair that staff will continue to monitor the activities of the City of Pensacola since they are the grantee. Triumph is monitoring what the city is doing in response to the ST situation.

There being no further business, the meeting was adjourned at 1 PM.