

Minutes
Board of Directors of the Virginia Economic Development Partnership
September 8, 2016
Berry Hill Resort and Conference Center
South Boston, Virginia

Call to Order/Approval of Minutes

The meeting was called to order at 9:01 a.m. by Chairman Dan Clemente, who noted that a quorum was present.

Members present: Edie Bowles, Ric Brown, Valerie Brown, Mary Rae Carter (for Todd Haymore), Dan Clemente, Lee Coburn, Sissy Crowther, Glenn DuBois, Bill Euille, Mark Heath, David Hudgins, Chris Lumsden, Ned Masee, Vince Mastracco, Ellen Nicholas (for Ralph Northam), Dan Pleasant, Cass Rasnick (for Basil Gooden), John Rocovich, Sam Schreiber, Gary Walker.

Members absent: Steve Adkins, Bill Holtzman, Karen Jackson, Mike Ligon.

VEDP staff present: Vince Barnett, Kim Ellett, Katherine Goodwin, Dan Gundersen, Lindsay Hurt, Jay Langston, Rob McClintock, Sandi McNinch, Kevin Miller, Jack Nelson, Tim Stuller, Alex Thorup.

Guests present: Drew Dickinson, Don Ferguson, Vernon Gammon, Maria Garnett, Matt Leonard, Liz Povar, Toni Walker, Dan Willett, Channel 7 news reporter.

Approval of Minutes

Chairman Clemente asked for approval of the minutes from the June 8, 2016, meeting. A motion was made by Mr. Rocovich and seconded by Mr. Masee, and the minutes were unanimously approved.

Chairman Clemente welcomed new members Valerie Brown, Bill Euille, and Gary Walker to the board and presented each with a certificate of recognition for serving in this capacity.

Public Comment Period

Chairman Clemente solicited public comments. Vernon Gammon, Treasurer of Local #391 in Eden, North Carolina, presented public comment to the Board regarding the closure of the MillerCoors brewery in North Carolina in regards to incentives Virginia provided to the Rockingham facility to expand its facility. Dan Willett, with the International Brotherhood Teamsters Union, also spoke regarding this topic. He asked that Virginia request the company offer the right of first refusal of the new jobs at the Rockingham facility to the employees affected by the Eden closure.

Closed Session

The following motion was made to move into a closed session:

BE IT MOVED BY MR. ROCOVICH THAT THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY BOARD OF DIRECTORS CONVENE A CLOSED MEETING PURSUANT TO VIRGINIA CODE §2.2-3711(A)(1) TO ENGAGE IN A DISCUSSION REGARDING THE CONSIDERATION OR INTERVIEWS OF PROSPECTIVE CANDIDATES FOR EMPLOYMENT, INCLUDING APPOINTMENT OF VEDP'S PERMANENT PRESIDENT AND CEO; AND VIRGINIA CODE §2.2-3711(A)(1) TO ENGAGE IN A DISCUSSION REGARDING THE ASSIGNMENT, APPOINTMENT, PROMOTION, PERFORMANCE, DEMOTION, SALARIES, DISCIPLINING, OR RESIGNATION OF VEDP'S EMPLOYEES, INCLUDING PERFORMANCE REVIEWS RELEVANT TO VEDP'S REORGANIZATION. THE MOTION WAS SECONDED BY MR. MASTRACCO AND UNANIMOUSLY APPROVED.

Mr. Hudgins abstained from the closed session.

The following resolution was adopted upon the end of the closed session:

WHEREAS, the Board of Directors of the Virginia Economic Development Partnership Authority has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, the Virginia Freedom of Information Act requires a certification by each member of the Board of Directors that such closed meeting was conducted in conformity with the Act;

NOW, THEREFORE, BE IT RESOLVED, that each member of the Board of Directors certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under the Act were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed, or considered in the closed meeting.

VOTE:	19-0
YEAS:	Bowles, R. Brown, V. Brown, Carter (for Haymore), Clemente, Coburn, Crowther, DuBois, Euille, Heath, Lumsden, Masee, Mastracco, Nicholas (for Northam), Pleasant, Rasnick (for Gooden), Rocovich, Schreiber, Walker
NAYS:	None
ABSTAINED:	Hudgins
ABSENT FROM MEETING:	Adkins, Holtzman, Ligon, Jackson

Halifax County Update

Matt Leonard, Executive Director of the Halifax County Industrial Development Authority, provided an update on Halifax County and the surrounding area. The update focused on diversification, education, and cooperation.

President's Report

Mr. Gundersen reviewed VEDP assisted projects, including the number of announcements and new jobs and capital investment, along with a report on VEDP's progress and pipeline. He reported on VEDP's legislative outreach, which included a recent letter from the Interim President and CEO to each legislator showing announced projects in his/her respective region for FY 2016 and describing the VEDP reorganization.

He reviewed recent marketing campaigns, along with the newly-established Governor's call campaign, on which feedback will be provided at the December Board meeting. The Governor's Asia marketing mission is slated for November 13-22, 2016. An update was provided on Data Analytics and Business Growth Diagnostics. In process are the Regional Industry Sector benchmarking, the Business Ready Sites Program, and the Partner Portal, expected to be completed in the first quarter of 2017.

Provided in the Board notebook was a follow-up to the Listening Tour, which provided the overall themes and assessments of the Tour.

Mr. Gundersen described the Phase 1 recent organizational changes, which included the integration of Business Attraction and Business Expansion, Data Analytics, employer-driven Workforce Development, and Community Engagement. The Phase 1 changes had a net neutral impact on the FY 2017 budget. Phase 2 of the reorganization, which will take place later in 2016, will include Administration enhancements and International Trade.

Committee Reports

Finance and Audit Committee

Mr. Schreiber provided an update on the Finance and Audit Committee, which met prior to the full Board meeting. The Committee received an update on the due diligence process and the Project Review and Credit Committee (PRACC). The Committee will continue to monitor and report to the Board on this process.

The Finance and Audit Committee will be reviewing the bylaws and will make any recommendations for revisions at the December 2016 meeting.

Mr. Schreiber explained that the FY 2017 Operating Plan had been modified based on recent organizational changes and approved by the Committee. Once approved by the Board, it will be resubmitted with the approved adjustments. The Committee also approved VEDP's recommendations for the required 5% budget reduction.

The following motion was then offered:

BE IT MOVED BY MR. ROCOVICH THAT THE FY 2017 OPERATING PLAN BE APPROVED AS AMENDED AND THAT VEDP'S REQUIRED BUDGET REDUCTION BE APPROVED AS OFFERED. THE MOTION WAS SECONDED BY MS. CROWTHER AND UNANIMOUSLY APPROVED.

Mr. Schreiber thanked Drew Dickinson and Maria Garnett for their work on the JLARC study, which will be made publicly available at the November 14 JLARC Committee meeting.

The VEDP audit is underway and going well. No negative feedback is expected.

Mr. Schreiber reported that the Finance and Audit Committee will oversee the legal process related to Lindenburg and will keep the Board informed.

Legislation and Policy Committee

Mr. Mastracco provided an update on GO Virginia and noted that VEDP has two seats on the working group. He thanked JLARC for a thorough, professional job on the JLARC report. He reviewed the 2017 legislative proposals (VEDIG, amendment of MEI Commission language, and clarification on the Worker Retraining Tax Credit). VEDP Day at the General Assembly will be scheduled for January 2017.

Proposed Bylaw Amendment to Create Rural Virginia Action Committee

Chairman Clemente described the formation and purpose of the newly-proposed Rural Virginia Action Committee and offered an amendment to the bylaws to establish such. The following motion was made regarding the establishment of the Rural Virginia Action Committee:

BE IT MOVED BY MR. ROCOVICH THAT THE BOARD OF DIRECTORS CREATE A NEW STANDING COMMITTEE TO BE KNOWN AS THE RURAL VIRGINIA ACTION COMMITTEE AND THAT THE BYLAWS BE REVISED AS SUCH. THE MOTION WAS SECONDED BY SECRETARY BROWN AND UNANIMOUSLY APPROVED.

Appointment of VEDP Chief Representative in China

Ms. McNinch explained that due to VEDP's restructuring, it was necessary to designate Dan Gundersen as the chief representative for the China office and to remove Mike Lehmkuhler from this capacity. The following motion was made:

BE IT MOVED BY MR. ROCOVICH THAT THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY BOARD OF DIRECTORS REMOVE MICHAEL LEON LEHMKUHLER FROM THE POST OF THE CHIEF REPRESENTATIVE OF THE USA VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY SHANGHAI REPRESENTATIVE OFFICE AND APPOINT DANIEL CARL GUNDERSEN TO THE POST OF THE CHIEF REPRESENTATIVE OF THE USA VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY SHANGHAI REPRESENTATIVE OFFICE. THE MOTION WAS SECONDED BY MR. MASSEE AND UNANIMOUSLY APPROVED.

Chairman's Report

Chairman Clemente provided updates on the Virginia International Trade Corporation (VITC), the JLARC study, and the budget shortfall.

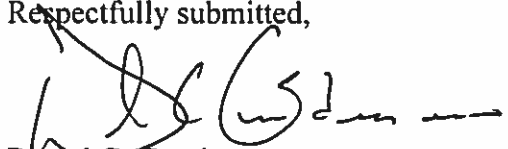
Adjournment and Next Meeting

The next Board meeting is scheduled for December 8, 2016, and will be held at VEDP in Richmond. Committee meetings and a Board dinner will be held on December 7, followed by the full Board meeting on December 8 at 9:00 a.m. More details will follow.

If new members wish to serve on a Committee or existing members wish to change Committees, they should let Chairman Clemente know.

There being no further business, Chairman Clemente adjourned the meeting at 12:08 p.m.

Respectfully submitted,


Daniel C. Gundersen
Secretary