

**STATE OF NEVADA  
GOVERNOR'S OFFICE of ECONOMIC DEVELOPMENT  
BOARD MEETING  
May 18, 2017**

**The meeting of the Board of Economic Development was called to order by Governor Brian Sandoval at the Grant Sawyer Building, Governor's Conference Room, 555 E. Washington Avenue, Room 5100, Las Vegas, Nevada, 89101 and via video conference at the Capitol Building, 101 N. Carson Street, Carson City, Nevada, 89701**

**1. CALL TO ORDER, ROLL CALL AND ESTABLISH QUORUM**

**VOTING BOARD MEMBERS PRESENT**

Governor Brian Sandoval, State of Nevada  
Lieutenant Governor Mark Hutchison, State of Nevada  
Secretary of State, Barbara Cegavske  
Dr. Weldon Havins, Director, Medical Jurisprudence and Ophthalmology, Touro University Nevada  
Mr. Benny Yerushalmi, Owner, The Jewelers of Nevada  
Mr. James Barrett, Jr., President and Founder, The JABarrett Company

**VOTING BOARD MEMBERS ABSENT AND EXCUSED**

Ms. Kathleen Drakulich, Attorney, McDonald Carano Wilson  
Mr. Sam Routson, Chief Administrative Officer, Winnemucca Farms  
Mr. Rob Roy, CEO/Founder, Switch

**NON-VOTING BOARD MEMBERS PRESENT**

Mr. John White, Chancellor and CEO, Nevada System of Higher Education

**NON-VOTING BOARD MEMBERS ABSENT AND EXCUSED**

Mr. Don Soderberg, Director, Department of Employment Rehabilitation and Training

**STAFF MEMBERS PRESENT**

Steve Hill, Executive Director, GOED, Secretary of Board  
Cory Hunt, Deputy Director, GOED  
Karsten Heise, Director, Technology Commercialization, GOED  
Michael Dang, Director of Business Operations, GOED  
Jenn Cooper, Communications Director, GOED  
Bob Potts, Research Director, GOED  
Randy Walden, Advanced Manufacturing Industry Specialist, GOED  
Steve Woodbury, Administrative Services Office, GOED  
Brian Baluta, Project Manager, GOED  
Ryan Smith, Business Development Manager, GOED  
Michelle Sibley, Executive Assistant / HR Coordinator, GOED

Melanie Sheldon, Executive Assistant / Business Development Specialist, GOED  
Nichole Anderson, Administrative Assistant, Business Development Division, GOED

### **GUESTS PRESENT**

Henna Rasul, Attorney General's Office  
Scott Anderson, Secretary of State's Office  
Irma Fernandez, Assemblywoman Bustamante Adams Office  
Barbara Coffee, City of Henderson  
Martin Potnick, Nevada Industry Excellence  
Sallie Doebler, Las Vegas Metro Chamber of Commerce  
Frank Woodbeck, Nevada System of Higher Education  
Georgia White, Western Nevada College  
Emily Howarth, Western Nevada College  
Kyle Dalpe, Truckee Meadows Community College  
Nicole Raz, Review Journal  
Lezlie Helget, Department of Taxation  
Shelli Long, Department of Taxation  
Mike Baughman, Lincoln County Regional Development Authority  
Perry Ursem, LVGEA  
Morgan Bunker, LVGEA  
Chris Ault, EDAWN  
Stan Thomas, EDAWN  
Morgan Cawthon, Asia Union Electric Chemicals Corporation  
Bill Wilson, eCig Distributors, Inc.  
Connie Miller, SA Automotive, Ltd.  
Trent Holman, SA Automotive, Ltd.  
Tim Alford, Geofortis Pozzolans, LLC  
Peter Ernster, Pacific Cheese, Inc.  
Zachary Kamler, Panasonic  
Christ Reilly, Tesla  
Daniel Witt, Tesla

### **2. PUBLIC COMMENT**

There was no public comment.

### **3. GOVERNOR SANDOVAL'S COMMENTS**

Governor Sandoval highlighted a recent announcement regarding Nevada's 4.7% unemployment rate. When the GOED Board was convened in 2011 Nevada's unemployment rate was 14%. Currently the average wage is at an all-time high and 180,000 jobs lost during the recession have been replaced with 230,000 new jobs. When the Economic Development Plan was first introduced, there was hesitance the goal of

50,000 new jobs could be met within four years. Recent figures show this goal has been exceeded.

Governor Sandoval noted he will be leading a trade mission to South America in July 2017. Destinations will include Chile, and Peru. The trade mission will be accompanied by over 30 participants including University of Reno (UNR), University of Las Vegas (UNLV) and the Desert Research Institute (DRI).

**4. APPROVAL OF THE MARCH 16, 2017 BOARD MEETING MINUTES**

**A MOTION WAS MADE BY SECRETARY OF STATE BARBARA CEGAVSKE TO APPROVE THE MARCH 16, 2017 MEETING MINUTES; THIS MOTION WAS SECONDED BY MR. JAMES BARRETT. THE MOTION PASSED UNANIMOUSLY.**

**5. ABATEMENT APPLICATIONS FOR BOARD APPROVAL:**

**A. ASIAN UNION ELECTRIC CHEMICAL CORPORATION, INC.**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Stan Thomas, Executive Vice President of Business Development, Economic Development Authority of Western Nevada (EDAWN) presented Asian Union Electric Chemical Corporation, Inc. (AUECC) and provided a brief overview of the company and abatements sought. AUECC is a Taiwanese headquartered company, specializing in producing and distributing ultra-pure products to the global microelectronics industry. Mr. Thomas was joined by Mr. Morgan Cawthon, President, AUECC.

Mr. Cawthon advised the company plans to build a headquarters to localize production capabilities in order to support and supply their expanding US based technological and manufacturing operations. Storey County, was selected due to its business-friendly environment and proximity to transportation, infrastructure, rail, highway, and port access. The proposed facility will double the company's global operations and its capacity to supply the semiconductor industry. The company's Nevada location will supply both the United States and overseas.

Governor Sandoval asked about the company's workforce recruitment plans. Mr. Cawthon confirmed the company would recruit locally. Due to the nature of the business, highly skilled employees are required. Mr. Cawthon noted the company was encouraged by the strong engineering programs, technical training, and chemistry programs offered by the learning institutions in the surrounding areas.

Chancellor White highlighted the eagerness of Nevada's learning institutions to partner with companies, such as AUECC, and develop programs to serve the needs of Nevadan companies.

Governor Sandoval asked the company to expand on the statement, made in its application packet, that its presence may attract more high-tech manufacturing companies to the area. Mr. Cawthon advised the company was visited by its semiconductor suppliers on a regular basis for the purposes of conducting audits and review of process controls and analytical laboratories techniques. When these companies view the state's infrastructure, the business climate and the educational institutions, this may lead these manufacturers to consider locating in the northern Nevada area.

**A MOTION WAS MADE BY MR. BENNY YERUSHALMI TO APPROVE THE APPLICATION FOR A SALES TAX ABATEMENT, A MODIFIED BUSINESS TAX ABATEMENT AND A PERSONAL PROPERTY TAX ABATEMENT AS DESCRIBED IN AGENDA ITEM 5A. THIS MOTION WAS SECONDED BY SECERTARY OF STATE CEGAVSKE. THE MOTION PASSED UNANIMOUSLY.**

**B. GEOFORTIS POZZOLANS, LLC**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Stan Thomas, Vice President, EDawn presented Geofortis Pozzolans, LLC and provided a brief overview of the company and abatements sought. Geofortis Pozzolans, LLC is a supplementary cementitious materials supplier to the concrete industry. The company's products use a natural pozzolan formed by volcanic ash deposited over thousands of years in a fresh water lake populated by diatomaceous algae in northern California. This mineral has the potential to solve many technical challenges facing the concrete industry today, including ASR, efflorescence, porosity, and reducing greenhouse gas emissions. Mr. Thomas was joined by Mr. Tim Alford, Vice President, Finance, Geofortis Pozzolans, LLC.

Mr. Alford advised the company plans to build a 30,000-square foot mineral processing facility in Reno and highlighted locality advantages such as infrastructure, logistics, transport, and input costs.

Governor Sandoval asked about employee operations at the new site. Mr. Alford advised there would be support management and HR however, the main activity would be plant operation. Mr. Alford also highlighted the company's provision of comprehensive staff training on safety, maintenance, and operation of various equipment.

Governor Sandoval noted the company's existing partnership with the Desert Research Institute (DRI) and asked about the company's plans to partner with other Nevadan learning institutes. Mr. Alford confirmed the company had experienced great success hiring engineers from UNR and would continue to explore and foster these relationships.

Governor Sandoval asked about the company's next steps, should the company be awarded the abatements sought. Mr. Alford noted the company had purchased a site near Stead Airport and, should its application receive favorable outcome, the target date to initiate site development would be July, 2017 with processing operations to commence April, 2018.

**A MOTION WAS MADE BY MR. YERUSHALMI TO APPROVE THE APPLICATION FOR A SALES TAX ABATEMENT, A MODIFIED BUSINESS TAX ABATEMENT AND A PERSONAL PROPERTY TAX ABATEMENT AS DESCRIBED IN AGENDA ITEM 5B. THIS MOTION WAS SECONDED BY SECRETARY OF STATE CEGAVSKE. THE MOTION PASSED UNANIMOUSLY.**

**C. RYZE RENEWABLES LAS VEGAS, LLC**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**
- **REAL PROPERTY TAX ABATEMENT**

Mr. Morgan Bunker, Vice President, Community and Economic Development, LVGEA, presented Ryze Renewables Las Vegas, LLC and provided an overview of the company and abatements sought. Ryze Renewables Las Vegas, LLC will manufacture 100% renewable diesel which is converted from distiller's corn oil, esters, fatty acids or non-food renewable feedstock. Renewable diesel is a 100% drop-in replacement fuel requiring no modifications to the existing fuel distribution infrastructure or a vehicle's fuel system. The company plans to retro-fit of an existing biodiesel facility in North Las Vegas. Mr. Bunker was joined by Mr. Matt Pearson, Managing Director, Mr. Dan Brown, Project Manager and Mr. Chris Dancy, Project Manager, Ryze Renewables Las Vegas, LLC.

Mr. Barrett asked to abstain from the discussion and decision as a client of his firm is a partner and the owner of the existing facility.

Governor Sandoval asked where the company planned to source its raw product. Mr Pearson noted the company hoped to source used cooking oils from the Las Vegas Casino industry.

Governor Sandoval asked about the company's customer base. Mr. Pearson advised all fuel manufactured at the Las Vegas location is designated for California. The company's main customer is a top oil and gas Fortune 500 corporation.

Lieutenant Governor Hutchison asked about product production and demand. Mr. Pearson advised the company planned to produce 100 million gallons at its Las Vegas facility and 40 million gallons at its Reno location. Mr. Pearson noted demand was high due to the requirement for obligated parties to utilize this fuel product type. The Las Vegas facility will have capability to increase its production

Secretary of Cegavske asked about the company's recruitment plans. Mr. Pearson confirmed the company plans to source all new employees from the Las Vegas area. The company also anticipates partnering with UNR and UNLV to develop intern programs with both facilities.

**A MOTION WAS MADE BY LIEUTENANT GOVERNOR HUTCHISON TO APPROVE THE APPLICATION FOR A SALES TAX ABATEMENT, A MODIFIED BUSINESS TAX ABATEMENT AND A PERSONAL PROPERTY TAX ABATEMENT, A REAL PROPERTY TAX ABATEMENT AS DESCRIBED IN AGENDA ITEM 5C. THIS MOTION WAS SECONDED BY MR. YERUSHALMI. THE MOTION PASSED UNANIMOUSLY.**

**D. SA AUTOMOTIVE, LTD.**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Chris Ault Jr., Vice President of Business Development, EDawn, introduced SA Automotive, Ltd and provided a brief overview of the company and abatements sought. SA Automotive, Ltd. is a manufacturer of headliners and other interior components for the automotive industry. The company is a full-service supplier, managing every step of the design and development process, including conceptualization, FEA analysis, technology development, testing validation, prototype and production tool development. Mr. Ault was joined by Mr. Trent Holman, Operations Director, and Ms. Connie Miller, Group Controller, SA Automotive.

Mr. Holman noted the company's north Reno facility will manufacture headliners for Tesla's Model 3. These components will be exported to the Tesla factory in Fremont California. Mr. Holman advised the company also has a contract to product Tesla Model X components. These are manufactured at one of the company's US facilities and this operation would eventually move to Nevada. The company also plan to move some of its Capital Equipment and operational functions from its existing Mexico facility to Reno.

Governor Sandoval asked about the company's recruitment plans. Mr. Holman advised the company was currently using a temporary service. The company also planned to use JobConnect and plan to hire the majority of employees from the Reno area. Governor Sandoval noted Nevada's workforce training and development programs may also be of interest to the company.

Governor Sandoval asked when the company planned to commence operations. Ms. Miller highlighted the fast pace of the automotive industry and advised the company had established its facility and had already started purchasing equipment and hiring staff. The company planned to begin manufacturing parts by the end of May 2017.

**A MOTION WAS MADE BY DR. WELDON HAVINS TO APPROVE THE APPLICATION FOR A SALES TAX ABATEMENT, A MODIFIED BUSINESS TAX ABATEMENT AND A PERSONAL PROPERTY TAX ABATEMENT AS DESCRIBED IN AGENDA ITEM 5D. THIS MOTION WAS SECONDED BY MR. YERUSHALMI. THE MOTION PASSED UNANIMOUSLY.**

**E. SCIENTIFIC GAMES, CORPORATION**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Perry Ursem, Vice President of Business Retention and Expansion, LVGEA, commenced by noting this application was brought to LVGEA through Hickey and Associates, a third-party site selection and location advisory consulting firm. Mr. Ursem commended Mr. Jason Rancadore and Mr. Jason Hickey, Hickey and Associates, for their integral work on the Scientific Games Corporation application.

Perry Ursem presented Scientific Games Corporation and provided a brief overview of the company and abatements sought. Scientific Games Corporation is a leading developer of products and services supporting gaming, lottery, and interactive games. After fully transitioning from a merger with Bally Gaming, Inc. and WSM Industries, Inc. Scientific Games, Inc. plans to transform its headquarters into a world class campus. As part of this project, the company will significantly renovate two buildings in Las Vegas. Mr. Ursem was joined by Mr. Todd Clark, Vice President of Global Facility Services, and Mr. Michael Quartieri, Chief Financial Officer, Scientific Games Corporation.

Governor Sandoval asked about the company's next steps, should the company be awarded the abatements sought. Mr. Quartieri confirmed the company was prepared commence expansion efforts immediately.

Governor Sandoval asked about the positions the company would be hiring for. Mr. Clark advised there were numerous positions in the corporate and technology areas. The majority of employees would be hired locally and talent would also be sought from local universities. Most of the company's gaming products are manufactured within the Las Vegas location and, as demand grows, the company would continue to hire throughout all levels of the organization.

Chancellor White highlighted the technical talent produced by Nevada's learning institutions and UNLV's International Gaming Institute's Center for Gaming Innovation that focuses on creating innovative and commercially viable gaming products.

Mr. Barrett asked about the company's decision to locate in Las Vegas. Mr. Quartieri highlighted Las Vegas's focus on gaming innovation, and manufacturing.

**A MOTION WAS MADE BY MR. BARRETT TO APPROVE THE APPLICATION FOR A SALES TAX ABATEMENT, A MODIFIED BUSINESS TAX ABATEMENT AND A PERSONAL PROPERTY TAX ABATEMENT AS DESCRIBED IN AGENDA ITEM 5D. THIS MOTION WAS SECONDED BY MR. YERUSHALMI. THE MOTION PASSED UNANIMOUSLY.**

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**ABATEMENT APPLICATIONS FOR BOARD OR DIRECTOR APPROVAL:**

**A. eCIG DISTRIBUTORS, INC.**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Morgan Bunker with the Las Vegas Global Economic Alliance, presented eCig Distributors, Inc. and provided a brief overview of the company and abatements sought. eCig Distributors, Inc. is a technology company specializing in the sale of vapor products. The company is built on disruptive tobacco harm reduction technology. eCig Distributors, Inc. is a recognized global and national distributor. The company ships to 48 states domestically and distributes to over 83 countries globally. Mr. Bunker was joined by Mr. Bill Wilson, Chief Operating Officer, eCig, Distributors, Inc.

Mr. Wilson noted the company had moved from California due to the passage of Proposition 56, which created a tax and accounting burden for Southern Californian companies selling vapor products.

Lieutenant Governor Hutchison asked if the company anticipated Las Vegas becoming a major hub for distribution of its products. Mr. Wilson advised the company was solely based out of Las Vegas therefore this facility would be the center of all the company's growth.



Lieutenant Governor Hutchison asked about the company's recruitment plans. Mr. Wilson advised the company had re-located approximately 20 key employees to Nevada and the remainder had been hired locally with further hiring to take place.

Governor Sandoval asked about the company's experience in the state thus far. Mr. Wilson noted Nevada's business friendly environment, the company's positive interactions with LVGEA and the company's hope to grow its business and continue to create high paying jobs in Nevada for years to come.

**A MOTION WAS MADE BY MR. YERUSHALMI TO APPROVE THE APPLICATION FOR A SALES TAX ABATEMENT, A MODIFIED BUSINESS TAX ABATEMENT AND A PERSONAL PROPERTY TAX ABATEMENT AS DESCRIBED IN AGENDA ITEM 6A. THIS MOTION WAS SECONDED BY DR. HAVINS. THE MOTION PASSED UNANIMOUSLY.**

**7. REGIONAL DEVELOPMENT AUTHORITY DESIGNATION & CONTRACT AMOUNTS FOR BOARD APPROVAL**

- A. LAS VEGAS FLOBAL ECONOMIC ALLIANCE - \$3,100, 000**
- B. ECONOMIC DEVELOPMENT AUTHORITY OF WESTERN NEVEDA - \$1,200,000**
- C. NORTHERN NEVADA DEVELOPMENT AUTHORITY - \$470,000**
- D. NORTHWESTERN NEVADA REGIONAL DEVELOPMENT AUTHORITY - \$430,000**
- E. HIGHWAY 95 REGIONAL DEVELOPMENT AUTHORITY - \$300,000**
- F. NYE COUNTY REGIONAL ECONOMIC DEVELOPMENT AUTHORITY - \$160,000**
- G. LINCOLN COUNTY REGIONAL DEVELOPMENT AUTHORITY - \$110,000**

Mr. Cory Hunt presented a recommendation to approve contracts for all current and existing Regional Development Authorities (RDAs). The dollar amounts itemized in the contracts represent stable or increased funding. All contracts and funding would be for fiscal year 2018 and 2019.

Mr. Hunt advised the areas covered by each RDA were:

- LVGEA - Clark County
- EDAWN - Washoe and the upper portion of Storey County along the I-80 Corridor.
- The Northern Nevada Development Authority (NNDa) - Carson City, the lower portion of Storey County, Lyon County, and Douglas County
- The Northeastern Nevada Regional Development Authority (NNRDA) - Elko, Eureka, Humboldt, Lander, and White Pine Counties
- Highway 95 Regional Development Authority - Pershing, Churchill, and Mineral Counties
- Nye County Regional Economic Development Authority - Nye County

- The Lincoln County Regional Development Authority - Lincoln County
- Esmeralda County - Not represented (by choice)

Mr. Hunt advised the contracts were predicated on the eventual approval of the Governor's recommended budget.

Governor Sandoval commended the RDAs on the tremendous work they perform and their continued commitment to Nevada's Economic Development.

**A MOTION WAS MADE BY MR. BARRETT TO APPROVE REGIONAL DEVELOPMENT AUTHORITY DESIGNATION & CONTRACT AMOUNTS FOR BOARD APPROVAL AS DESCRIBED IN AGENDA ITEM 7A-G THIS MOTION WAS SECONDED BY MR. YERUSHALMI. HE MOTION PASSED UNANIMOUSLY.**

**8. WORKFORCE INNOVATION FOR THE NEW NEVADA FUND PROGRAM (WINN)**

- A. **Southern Nevada Advanced Manufacturing Initiative (SNAMI) Application -**  
Request additional funding for programs not to exceed \$1,100,000
- B. **Northern Nevada Advanced Manufacturing Initiative (NNVAMI) Application -**  
Request additional funding for programs not to exceed \$1,100,000
- C. **Udacity, Inc. Application -** Request funding for programs not to exceed \$25,000

Mr. Hunt introduced three Workforce Development Program Applications and provided project backgrounds and funding request breakdowns.

**SNAMI Application**

To support the continued high-demand and changing skills needed within the Southern Nevada Manufacturing Sector; College of Southern Nevada (CSN), in collaboration with Ocean Spray, Clearwater Paper, Unilever, TH Foods, Faraday Future, Ethyl M Chocolates, Aquatics, VSR Industries, Flowers Baking, TIMET, and Snorkel Mfg. request funding to support training and certifications for up to 500 trainees; equipment to increase CSN's current manufacturing program capacity and to support expansion efforts with the South East Career Technical Academy (SECTA) existing advanced manufacturing programs.

**NNVAMI Application**

To support the high-demand and changing skills needed within the Northern Nevada Advanced Manufacturing Sector; WNC and TMCC, in collaboration with multiple advanced manufacturing companies, request funding to support 290 Scholarships; as well as funding for the purchase of equipment to support higher level Industry 4.0 training and increase capacity within the existing and new manufacturing programs.

### **Udacity, Inc. Application – Full Stack Web Developer Program**

The proposed workforce development program will provide the training necessary to up-skill individuals for many new jobs being created by technology companies. Udacity is an education platform with job focused training programs called Nanodegrees. These project based programs are designed and developed with a broad set of technology companies in order to create a real-world training curriculum that is both applicable to the companies' skills needs as well as transferable across tech companies. The Full Stack Web Developer Program was designed with a panel of hiring managers and technology partners, including but not limited to, Google, Amazon Web Services, AT&T, and GitHub.

**A MOTION WAS MADE BY MR. BARRETT TO APPROVE THE WINN FUND APPLICATIONS FOR SNAMI NOT TO EXCEED \$1,100,000, FOR NNVAMI NOT TO EXCEED \$1,100,000 AND UDACITY FULL-STACK WEB DEVELOPMENT FOR FUNDING NOT TO EXCEED \$25,000. THIS MOTION WAS SECONDED BY MR. YERUSHALMI. THE MOTION PASSED UNANIMOUSLY.**

### **9. PERFORMANCE MEASURE REPORT- BOB POTTS, RESEARCH DIRECTOR**

Mr. Bob Potts presented the GOED Performance Measures report covering economic development activity in the first quarter of 2017.

There were 1,234 assisted jobs added to Nevada's economy in the first quarter of 2017. These jobs were bought in by 15 companies; seven are new to Nevada and eight are existing companies expanding operations. Of the 15. Seven are manufacturers and four are logistics operations. The average hourly was \$19.22. This is a 20% increase over the fourth quarter of 2016, and 2.5% above last year's numbers.

Activity in the early stages of the recruitment process showed marked improvement with new leads up by 32.8% and prospects up by 42% when compared to the previous quarter.

The International Trade Division made two trips, an exploratory trip to Africa and follow-up trip to Europe. The Europe trip generated new leads and prospects in the most recent quarter. The current inventory of all active global leads and prospects now stands at 127 and 23, respectively.

Procurement Technical Assistance Center (PTAC) activity has remained steady. There were an additional 56 clients added to the client base in the first quarter. This is a 20% increase over the first quarter of 2016. For the year ending in March 2017, total contracts were up by 10.3%. The Emerging Small Businesses (ESB) program currently has 849 Nevada certified businesses.

In the first three quarters of Financial Year 17, the Film Office reported 346 productions, generating \$34.5 million in production revenue. When compared to the same period last year, productions were down 10% and revenue was down 45%, however, this was due to a large project taking place in 2016.

The number of workers in Nevada's economy continues to grow and currently stands at 1,323,800. This reflects a gain of 212,300 jobs since the recessionary low and 26,600 above the pre-recession high.

## **10. MAY 2017 DIRECTORS REPORT**

Director Steve Hill highlighted the Healthcare industry figures in Mr. Potts Metrics report and the significant progress made in this area. The healthcare sector has moved from 12.5% to 14.5% of the Gross State Product. The improving economy has contributed as has the Governor's decision to expand Medicaid. This decision brought \$1.5 billion into the state, which is why the Gross Domestic Product and Healthcare workforce has significantly increased.

The Las Vegas stadium lease was approved, with contingencies, on May 18, 2017. There is an owner's meeting next week to formally approve the lease on the NFL's side.

On May 5, 2017, a Nevada UAS Consortium (Team Roadrunner) set a new record in long-distance drone delivery flying a fixed-wing Unmanned Aerial Vehicle (UAV) over 97 miles to Austin. Team Roadrunner consisted of the FAA-designated Nevada UAS Test Site (Nevada Institute for Autonomous Systems), Volans-i UAS, Latitude UAS, AUV Flight Services, and the ground and mobile visual observer support from Embry-Riddle Aeronautical University (ERAU) Worldwide campuses.

Once the USA Parkway and the extension south is complete, it will connect I-80 with State Route 50. This will enhance regional mobility, and create an additional route for commuter, freight and other traffic. This will also assist in workforce supply to the Tahoe Reno Industrial Center (TRIC) and open areas for development. An exciting outcome is Google's recent purchase of 1,200 acres along the extension of USA Parkway.

### **A. LEGISLATION UPDATE**

Director Hill provided an update on GOED's two core Bills:

AB 69 –Revises requirements for the testing or operation of an autonomous vehicle on a highway within Nevada. Passed through committee last week with the conceptual amendment attached. We are currently working on amendment language to progress this to the Senate.

SB 442 – Revises provisions relating to economic development such as abatement criterion, tax improvement districts, and the creation of a tax increment areas by the governing body of a municipality. This passed out of the Senate unanimously. It passed out of Committee on May 16 with a 7:2 vote.

Director Hill provided a progress update on Bills supported by GOED:

AB 231 – Revises provisions relating to economic development such as the deadline for submission of certain reports local emerging small businesses by the Office of Economic Development. This is moving forward and anticipated to pass quickly.

AB 170 - requires an additional longer term for reporting from the qualified projects of Tesla and Faraday. This is moving forward.

AB 143 - Creates Legislative Tax Expenditures and Incentives for Economic Development. This bill intended to provide more frequent and probably broader legislative oversight of our abatement policies and effectiveness. This is moving forward.

SB 126 - will provide GOED funding for grants to organizations that can provide minority business enterprises, DBEs, WBEs, Veteran businesses, with loans. This is moving forward.

**11. GOED BOARD UEMPLOYMENT RATE UPDATE**

Director Hill advised this agenda item was for information only. It is posted for possible action in the event the Board elects to act. GOED has committed to providing this information each Board meeting.

**12. PUBLIC COMMENT**

Mr. Yerushalmi announced his term on the Board had come to end and this would be his last meeting as a member of the GOED Board. Mr. Yerushalmi expressed his appreciation regarding the work of the GOED Board and acknowledged the efforts of the Governor’s Office of Economic Development (GOED) and the Regional Development Authorities.

Governor Sandoval stated he wanted to publicly thank Mr. Yerushalmi for his service to the Board and the State of Nevada. He noted Mr. Yerushalmi had been a pleasure to work with and an incredible asset.

The GOED Board echoed the Governor’s comments and commended Mr. Yerushalmi for his commitment to the diversification of Nevada’s economy.

Mr. Ursem commented on the passing of two members of the economic development family Mr. Ardell Galbreth, former Executive Director of Workforce Connections, and

Mr. Arnold Lopez, Economic Development Executive with NV Energy. Mr. Ursem noted the hard work, commitment and dedication of these gentlemen.

13.

**ADJOURNMENT**

**A MOTION WAS MADE BY MR. YERUSHALMI TO ADJOURN THE BOARD MEETING. THIS MOTION WAS SECONDED BY SECRETARY OF STATE CEGAVSKE. THE MOTION PASSED UNANIMOUSLY.**