To: GOED Board Members

From: Steve Hill

Date: September 15, 2016

Subject: Director’s Report

1. Nevada was again awarded the Gold Shovel Award by Area Development Magazine. Area Development’s article begins with “Nevada has struck gold twice...” recognizing the state for receiving the award for the second year in a row - the first two times in the state’s history. Projects recognized included Faraday Future, eBay, Clear capital, Sutherland Global, Scientific Games, and Switch.

2. Governor Brian Sandoval led a Nevada Trade Delegation to Melbourne, Sydney, and Brisbane, Australia from July 25, 2016 to August 6, 2016 that focused on water technology and commercialization, mining, research and educational collaboration, tourism and gaming, and unmanned technology. Australia is the eleventh country that Governor Sandoval has visited in an effort to promote the "New Nevada".

3. On August 4, Governor Sandoval signed a Statement of Intent with the Premier of Queensland, Annastacia Palaszczuk, to advance relations between Nevada and Queensland and to strengthen collaboration in the mining sector, higher education, water, technology, and innovation.

4. On July 11, GOED/NIAS, in partnership with Nevada UAV company Flirtey, UNR and the 7-Eleven corporation, conducted the Nation's first commercial drone delivery in Reno. The mission was comprised of a Reno household placing an order at the pre-selected 7-Eleven store approximately a half-mile away. Two deliveries, including hot and cold food items, were loaded into a unique Flirtey drone delivery container and flown autonomously using precision GPS to the customer's house. The purchases were delivered in the span of a few minutes. In the future, both companies expect drone packages to include "everyday essentials" such as batteries and sunscreen. GOED/NIAS conducted the deliveries using the airspace access afforded Nevada as an FAA UAS Test Site. This event received international media coverage.

5. From August 15-26, NASA performed a series of shakedown tests at the NASA-sponsored NUANCE Lab located at Reno-Stead Airfield. The two-week test construct featured numerous NASA personnel and contractors performing a series of missions to test NASA's Unmanned UAS.
Traffic Management System. The NASA tests were performed through GOED/NIAS using the using the airspace access afforded Nevada as an FAA UAS Test Site.

6. From September 7-9, GOED/NIAS attended and participated in the international Interdrone Exhibition and Conference held in Las Vegas, NV. GOED/NIAS secured booth space and sponsored a drone financing panel chaired by some of the industry’s most prominent venture capitalists. Mr. Wilczek also chaired a panel discussing opportunities for minorities to become engaged in the industry. The panelists included prominent Nevadan’s who possess a significant presence in the industry, including Assemblywoman Irene Bustamante-Adams, Jinger Zeng (Dronesmith Technologies) and Reggie Richardson (Sapphire Innovative Solutions).

7. Battle Born Growth Escalator, Nevada’s State Venture Program under the auspices of the Federal State Small Business Credit Initiative (SSBCI), has made two new investments. Battle Born invested in WiseBanyan as well as participating in portfolio-company Base Venture’s current round. Launched in 2014, Las Vegas-based WiseBanyan is one of the fastest growing independent roboadvisors in the U.S. today, with more than 10,000 clients. WiseBanyan offers free portfolio management and financial planning, helping people reach their financial goals from start to finish. Battle Born Venture’s co-investors in the round include ‘strategics’, such as John Hancock and CFSI with founding partner JPMorgan Chase & Co. Portfolio company Base Venture developed an innovative FundManager.io platform which uses modern, cloud-based technology to make the complicated work of managing and administrating a fund simple and easy. It has offices in Carson City at the Adam’s Hub and in Larkspur, CA. In June 2016, BaseVenture was named to the Red Herring Top 100 North America list.

8. The Nevada Center for Advanced Mobility, with partners Nevada Department of Transportation and Regional Transportation Commission of Southern Nevada, have released a “Mobility Challenge” Request for Information (RFI) searching for pedestrian safety technology solutions beyond education, engineering and enforcement. The RFI is being distributed worldwide and aims to fund pilot projects, attract new businesses to Nevada and help address issue of pedestrian fatalities, critical injuries and near misses. The RFI closes on September 28.

9. An inbound delegation from the German state of Saxony led by State Secretary Dr. Hartmut Mangold visited northern Nevada in July. The delegation, which also had members of the Saxony Economic Development Agency as well as the Fraunhofer Institute for Transportation and Infrastructure Systems IVI as members, met with the Governor’s Chief Strategy Officer Dale Erquiaga. GOED was represented by Mr. Karsten Heise, Director Technology Commercialization and Mr. Cory Hunt, Northern Regional Director. Mr. Sebastian Pretzsch from Fraunhofer and Mr. Heise presented on the collaboration with Nevada in the field of Synchronized Mobility and in particular updated Mr. Erquiaga on the concept of “living labs” in Nevada and how these tie into the collaboration.
10. Mr. Randy Walden, Advanced Manufacturing Industry Specialist and Mr. Heise led the **inaugural intensive work session in conjunction with the Office of Workforce Innovation (OWINN)** to extend the Learn and Earn Advanced career Pathway (LEAP) Manufacturing framework to southern Nevada. Participants also included representatives from the College of Southern Nevada (CSN), Department of Education, Career Technical Academies as well as the Chair of the Manufacturing Sector Council. Following an inventory to be taken by the group, the effort will continue with a second work session to map out the detailed structure of LEAP Manufacturing (South) to be held in September.

11. The Nevada Film Office (NFO) began production on new video content to replace the previous strategy of print advertising. **Video advertising is a more effective way to promote Nevada in the digital age while tracking the level of views and engagement from our target audience.** In conjunction with this our annual screenplay writing contest was recently replaced with the first annual Video/Short Film contest. The winning entry, promoting Nevada as a film location, can be viewed here: [https://www.nevadafilm.com/filmnv/#/entry/10320701](https://www.nevadafilm.com/filmnv/#/entry/10320701)

12. **The Jason Bourne film** recently premiered in Las Vegas at Caesars Palace on July 18, 2016. The event showcased Nevada in the summer blockbuster and drew very positive attention to Las Vegas and the film industry in Nevada. We continue to capitalize on the opportunities from this project.

13. The NFO is currently participating with **Project 150** in a school supply drive for homeless teens. Local filmmakers helped to create awareness of the program and our participation has helped us to interact with the film community on an individual level while supporting an organization helping Nevadans.

14. The Nevada Procurement Technical Assistance Center (PTAC) hosted its first **Government-Business Panel Discussion and Mixer** Opportunity event in Las Vegas at Northwest Career and Technical Academy on August 19, 2016. It was held in association with the U.S. Small Business Administration, State of Nevada Department of Business and Industry, and the Nevada Small Business Development Center. The event, with the theme of "Empowering Nevada Business Success," allowed about 80 business representatives to learn from panelists comprised of leaders from the GOED International Trade Division; Las Vegas Global Economic Alliance; City of Las Vegas Purchasing and Contracts; Clark County Purchasing and Contracts; 99th Contracting Squadron supporting Nellis and Creech Air Force Bases; National Security Technologies LLC, a prime contractor to the U.S. Department of Energy; and JT3, a prime contractor to the U.S. Department of Defense. The attendees were also able to network within and outside their respective industry.
15. The Nevada PTAC collaborated with the Nevada Department of Transportation (NDOT) to hold informational meetings regarding Project Neon and Disadvantaged Business Enterprise (DBE) certification. The functions were held at the Henderson Chamber of Commerce's Business Resource Center and at the Urban Chamber of Commerce on July 18, 2016 and July 26, 2016, respectively. A combined number of 26 attendees were able to learn about Project Neon contracting opportunities and DBE certification from NDOT and/or Kiewit representatives. Kiewit is the prime contractor to NDOT for Project Neon.

16. Mr. Vance Farrow, Healthcare Industry Specialist, upon invitation by the UNLV School of Medicine, co-hosted the site visit of the Liaison Committee on Medical Education (LCME) for the UNLV School of Medicine. The LCME conducts a site visit prior to granting Phase I Accreditation, which allows a medical school to admit students for its initial fall class. There were several strengths noted by the Committee including the experience of the leadership team and the innovative curriculum. The UNLV School of Medicine is seeking to enroll its inaugural class in the fall of 2017 and will receive official notification by the LCME in October, 2016.

17. Mr. Farrow worked with the principals of the FirstMed Health and Wellness Center to secure a $600,000 New Access Point grant from the Human Resources and Services Administration. The new Federally Qualified Health Center will be located at 400 Shadow Lane in Las Vegas and will be designed to treat 5,000 patients and employ fifteen staff to provide primary health services including behavioral health. The clinic will also be used as a health professional workforce training/development site for nursing, social work, and graduate level psychology students. The grand opening was held on Tuesday, August 16, 2016.

18. As the Executive Commissioner for Nevada Western Interstate Commission for Higher Education (WICHE), Mr. Farrow presided over the graduation of the first cohort of post-doctoral clinical psychology interns. Three of the four program graduates have accepted positions to practice in Nevada, with the fourth graduate interviewing for a position at the Stein Forensic Hospital, a Division of the southern Nevada Adult Mental Health Services in Las Vegas. The second cohort has begun instruction and the American Psychological Association has granted an accreditation site visit for late fall or early to mid-winter (2017).

19. Mr. Bob Potts, GOED’s Research Director, has made recent enhancements to his workforce demand model that incorporates multiple data sources into one consensus ranking of high demand occupations that align with economic development priorities. With these enhancements analysis at the regional, industry sector, and detailed occupational level can now be performed. The information provided by Mr. Potts’ analysis has become increasingly important to multiple agencies and workforce training providers as they establish their strategic plans and program development in keeping with the Governor’s New Nevada plan. To date, some of the key users of Mr. Potts’ information include the Governor’s Office of Workforce
Innovation, the Governor’s Workforce Development Board Industry Sector Councils, the Nevada Department of Education, Nevada Adult Education, Career and Technical Education program applicants, and RDA workforce initiatives. This information is also being used extensively for grant application and review including the Council of Chief State School Officers New Skills for Youth Grants, STEM Workforce Challenge Grants, and the Carl D. Perkins Grant.

20. Mr. Potts participated in the third round of the Governor’s Office of Science, Innovation and Technology STEM Workforce Challenge Grant review committee. In total, over $750,000 is to be invested into four new STEM workforce training programs after approximately $350,000 in grant funding was used to leverage an additional $400,000 in match funding. These programs are located in both northern and southern Nevada.

21. **WaterStart entered into contracts with two companies, Well to Do and Reindrop.** Well to Do is an Israeli startup whose technology is focused on the treatment of nitrates in drinking water. Reindrop is a small Nevada-based business developing a water metering device that “learns” water flow and pressures from each point of use to detect malfunctions and improve efficiency.


23. Nevada’s New Energy Industry Task Force is wrapping up its final recommendations by the end of September. Mr. Tuma has been leading the development of ideas to support distributed generation and energy storage in the State.

24. During the third quarter of 2016 Mr. Sheldon Mudd, Mining Industry Specialist, **recruited and facilitated the expansion of two mine supply companies into Nevada.** Pakka Jacks, an industrial scale lifting manufacturer from Singleton, New South Wales, Australia has elected to enter the U.S. Market via Nevada and is currently seeking a permanent location in Elko. JM Jennmar, a high-tech engineering and ground control manufacturer from Pittsburgh, PA, has established a distribution center in Elko in order to capitalize on the hard rock mining market. JM Jennmar is considering further manufacturing and/or expansion opportunities in Nevada.

25. Mr. Mudd assisted Great Basin College’s Veterans Resource Center in organizing the "Warrior of the Canyon" Veteran walk/cycle/run. The race consisted of a 13 mile trek with a 3,000 ft accent designed to empower veterans through the accomplishment of a strenuous challenge. The event was held on August 27, drew a national sponsorship, and attracted veterans from all over Nevada and the surrounding states.
26. In August of 2016 Mr. Mudd was featured in Nevada Business Magazine's "Industry Focus" section along with other Nevada Mining Professionals to discuss the challenges and advantages that Nevada miners face within the State's oldest industry.

27. In June of 2016 Mr. Mudd commented on behalf of the Governor's Office of Economic Development regarding the proposed expansion of Gold Acquisition Corporation's Relief Canyon Mine. In August of 2016 the Bureau of Land Management issued a record of decision that authorized the expansion of the mine by 211 acres. This not only extended the project's anticipated mine life but will ensure production and sustainability within Pershing County for years to come.

28. CDBG staff members provided Technical Assistance (TA) to the 14 eligible entities that received grant funding for the 2016-2017 Program Year. Assistance included working with cities and counties in completing and submitting environmental reviews (ERs) for the projects. ERs are due to the CDBG office by September 30th. To date 10 of the 14 grant projects have completed ERs. Other TA provided related to the new on-line grant application process that will be fully implemented for the 2017 grant cycle. New CDBG Grant Administrators at the city and/or county level were also provided TA.

29. CDBG developed a second round of funding for the 2016-2017 Program Year. The process remains the same as the original cycle. The CDBG Advisory Committee will review applications November 4, 2016 and make recommendations. The project implementation date will be January 1, 2017, allowing time for grant agreements to be prepared and signed by all parties.

30. Work continues on the development of the Workforce Innovations for a New Nevada (WINN) program, and specifically, the recruitment and training program we are developing for Faraday Future. GOED completed a contract with the Nevada System of Higher Education and College of Southern Nevada (CSN), and equipment is being delivered to CSN in August. The Nevada and Faraday Future team continue to meet on a bi-weekly basis to ensure that the project remains on track. The Department of Employment, Training and Rehabilitation has developed some initial marketing and recruiting materials, and is training staff on the recruiting platform that will be utilized for the process.

31. GOED has fielded questions from the Legislative Counsel Bureau (LCB) regarding draft regulations for Nevada Administrative Code chapters 231 and 360. Once LCB returns formal drafts of the regulations, GOED will hold a public hearing to formally solicit additional public comment prior to adopting the regulations, and subsequently submitting to the Legislative Commission for final approval. We anticipate this process will be complete late this fall.
32. GOED completed the drafting and submission of our biennial budget (FY 18-19) for consideration by the Governor and eventually the Nevada Legislature during the 79th Regular Session this February.

33. GOED submitted Bill Draft Request 246 which authorizes demonstration projects of autonomous vehicle passenger transportation services for consideration during the Nevada Legislature’s 79th Regular Session.

34. GOED and the Nevada Film Office submitted Bill Draft Request 247 which relates to state business registration requirements related to film production companies for consideration during the Nevada Legislature’s 79th Regular Session.

35. In July, GOED welcomed Nichole Anderson as our new Administrative Assistant - Business Development division. Nichole is originally from Washington State. Prior to joining GOED, Nichole worked in Anchorage, Alaska as a Regulatory Coordinator for Alaska’s largest electric utility (Chugach Electric).