To: GOED Board Members
From: Steve Hill
Date: September 17, 2015
Subject: September 2015 Director’s Report

1. GOED was awarded a NASA UAS IDIQ contract, with a maximum value of $5 million, to support NASA’s efforts towards development of a UAS Air Traffic Management System and for furthering UAS Integration in the National Airspace System. The accompanying NASA Task Order provides $190,000 in funding for Nevada to conduct a test flight using NASA’s UTM construct and/or initial system and procedures to demonstrate safe multi-vehicle operations at a test site.

2. During the week of August 24, the Nevada Test Site conducted four UAS flights under the new Test Site COA authority. The purpose of the flights is to validate software and flight performance utilizing UAVs to perform volumetric calculations at NDOT borrows pits.

3. In July, GOED, and the 5 other test sites, were awarded an FAA Master Agreement for a maximum value of $4.8 million for flight trials and other research services to support safe Integration of UAS into the National Air Space. The FAA issued Nevada its first task order under the MA to conduct a UAS Public Meeting to be held in Las Vegas on September 17.

4. NIAS and GOED issued a Request for Information and Proposal to the UAS industry, seeking proposals for UAS use in water and drought management. The solicitation resulted in 10 proposals. 7 of those proposals were seen as responsive and are being pursued. A cloud seeding collaboration between DRI, Drone America, and AviSight has been approved for Knowledge Fund funding.

5. In July, Battle Born Growth Escalator announced an investment in BaseVenture. This is Battle Born’s 5th investment, taking the total amount invested since inception to $1.6 million. BaseVenture is simplifying real estate investing and reinventing the fund management lifecycle. The BaseVenture SaaS platform transforms today’s inefficient, analog processes into a streamlined digital flow of information and capital between fund sponsors and their investors, partners, and
service providers. BaseVenture has offices in Carson City NV at the Adam's Hub and in Larkspur CA. Battle Born Venture's co-investors include FIS (a large, listed financial services firm), Operative Capital, and a select group of private and strategic investors.

6. As part of the German trade mission, three Letters of Intent were signed with the City of Leipzig, the State of Saxony-Anhalt, and the State of Saxony. The German part of the European trade mission focussed on workforce development and applied research. The agenda was organized through a GOED-GIZ collaboration in which the GIZ – an entity owned by the German federal government – leveraged its long-standing relationships to secure high-profile meetings and visits. Immediate action items are the implementation of a manufacturing internship exchange program for highly skilled interns, and potentially a close collaboration with the Chamber of Leipzig to introduce a pilot program for “mechatronics” that would bring Germany's dual vocational training standards and certifications to Nevada.

7. GOED is leading an effort to maximize the benefit to the state resulting from the Department of Energy's upcoming contract process to manage and operate the Nevada National Security Site (NNSS). The DOE contract has a value of up to $6bn over 10 years and has potential to be significantly higher with the involvement of other federal agencies. GOED is focused on increasing the level of engagement of the incoming contractor with the state, increasing breadth and value of research conducted at the NNSS and NSHE intuitions, accessibility of subcontracting opportunities for Nevada small business and mechanisms to attract new subcontractors to the state.

8. With NSHE institutions and industry, GOED is in the early stages of evaluating the potential for a state wide ‘center’ specializing in radiation science research. Nevada has significant history in the radiation sciences and the center initially aims to bring together resources such as the UNLV Radiation Chemistry Lab, UNLV Accelerator, Nevada Terawatt Facility and environmental expertise of DRI. A focus on radiation sciences has the potential to address industrial needs ranging from nuclear medicine to national security.

9. GOED has identified needs in the growth startup investment cycle and is leading an effort to fill theses gaps in order to retain fast growing companies. Currently there few easily accessible opportunities to obtain funding at the early seed ($100-500k) and growth stages ($1m+) of investment in Nevada. The initial aim is to facilitate the development of early seed stage fund, owned by the investment community that has a primary goal of filling the pipeline of innovative growth startups across all industries.

10. To follow-up on the Trade Mission, the Water COE and GOED have issued a Request for Information (RFI) for collaborative and unique applications from water technology companies. This RFI offers competitive matching grants to water tech
companies that partner with Nevada institutions to perform research, development, and commercialization in the state.

11. GOED has been awarded $300,000 through the State Trade Export Promotion Grant (STEP) program administered by the U.S. Small Business Administration to help fund ongoing initiatives in the countries of the People’s Republic of China and Poland. As part of the grant, GOED’s trade director will be leading missions to both countries early next year.

12. The International division just completed a 10 day trip to Beijing, Xi’an, Nanjing, and Shanghai, China in preparation for Governor Sandoval’s upcoming mission as Chair of the Council of State Governments. The mission will include representatives from Idaho, Alaska, Minnesota, Kansas, and Delaware. The focus on the mission is pollution mitigation, climate change and the development/commercialization of related technologies. The delegates will learn about DRI’s almost decade long partnership with HoHai University in Nanjing and DRI’s contributions to the preservation of the Terracotta Warriors in Xi’an.

13. PTAC completed the FY 2015 program year with a total of $52,275,648 in government contract awards confirmed by PTAC clients state-wide. This is a 23% increase in total contract awards reported last program year.

14. PTAC will host the next Small Business Matchmaker in Fallon, NV on October 20. Federal, State, and Local government agencies, as well as small business resource partners will participate. Outreach is focused on rural Nevada businesses; however, it is a free event open to the public.

15. Mike Skaggs attended the Wal-Mart Manufacturing Summit and met with 14 companies interested in Nevada. Several of these companies have been referred to Regional Development Authorities while two consultants are working directly with GOED.

16. In July, Mike Skaggs and Jeff Brigger of NV Energy traveled to Los Angeles and met with 8 companies. Being manufacturers, all have decided to get serious about exploring their out-of-state options. Four are actively investigating Nevada.

17. GOED is preparing to launch an Advanced Manufacturing initiative this fall to connect the northern regional manufacturers with a process to solve common needs in areas such as developing technical workforce skills and filling supply chain gaps with in-state providers.

18. GOED Staff finalized the CDBG 2015 Program Year Grant Awards totaling $2,544,500 were awarded to 9 counties and 5 cities.
19. CDBG staff conducted a CDBG Grant Application Workshop August 13th for the 2016 program year. The grant process begins in September for the city/county public participation process. 2016 applications are due January 7, 2016. Several adjustments to the program have been made to more closely align the CDBG program with economic development.

20. In the August 24, 2015 edition of the Northern Nevada Business Weekly, an article on Downtown Revitalization was published. This article covered many projects underway in Elko, Wells, Carlin, and Battle Mountain communities. All of the projects discussed in the article where either assisted by, or a direct result of, GOED’s efforts in rural community and economic development.

21. Last fall, GOED sponsored a consultant to assist several communities throughout the state to address downtown redevelopment and economic development issues. As a result of the consultant and GOED’s rural community and economic development efforts, several community leaders in the City of Winnemucca have completed a three block painting project aimed at providing beginning steps toward downtown redevelopment.

22. In July of 2015, Sheldon Mudd, Mining Industry Specialist, in coordination with the Northeastern Nevada Regional Development Authority and the Lander County Economic Development Authority successfully recruited L&H Industrial to the state of Nevada. Establishing a satellite shop in Battle Mountain, the L&H branch will specialize in expert welding, machining, and repairs for fleets of heavy machines in mining, oil and gas, and other industries.

23. Bob Potts, Research Director, has been nominated for a seat on the Workforce Information Advisory Council (WIAC) established under the Workforce Innovation and Opportunity Act of 2014. The 14-member Council is responsible for evaluating and advising the U.S. Secretary of Labor on improvements to the national workforce and labor market information (LMI) system. By law, the Secretary must “seek, review, and evaluate” recommendations from the WIAC at least twice a year.

24. Bob Potts has been mapping different sources of high demand workforce information to provide guidance in establishing educational programs and curriculum which align with economic and workforce development goals. This analysis was recently used by the Career and Technical Education Competitive Grant Review Committee in recommending how $2.1 million in available grant funding should be allocated to 11 school district requests for $3.1 million in funding.

25. In August of 2015 Mining Industry Specialist, Sheldon Mudd, committed several Northeastern Nevada Mines including, Newmont, Barrick, Silver Standard, EP Minerals, and Waterton Global to participate in collaborations early next quarter for the establishment of UAS operating locations at their respective sites. These
efforts came as a result of the August 2nd meeting between NIAS, NNRDA, Elko Regional Airport Director, and President of William E. Payne & Associates, Inc.

26. Mining Industry Specialist, Sheldon Mudd, continues to support the Northeastern Nevada Veterans Resource Group (NNVRG). In August of 2015 he established communication channels between Elko County Mines and the NNVRG. This avenue has and will continue to allow for smooth distribution of benefit information, resources, and support groups that aid local veterans employed by regional mines. In addition Mr. Mudd nominated an Army combat Veteran from Battle Mountain who was, in turn, selected to join the first ever Veterans Ranch & Wilderness Retreat near Jarbridge, Nevada.