

**STATE OF NEVADA  
GOVERNOR'S OFFICE of ECONOMIC DEVELOPMENT  
BOARD MEETING  
May 19, 2016**

**The meeting of the Board of Economic Development was called to order by Governor Brian Sandoval at the Grant Sawyer Building, Governor's Board Room, 555 E. Washington Avenue, Room 5100, Las Vegas, Nevada, 89101; and via video conference at the Paul Laxalt Building, The Chambers, 401 S. Carson Street, Carson City, Nevada, 89701**

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

The meeting was called to order by Governor Sandoval at 1:00 p.m.

**VOTING BOARD MEMBERS PRESENT**

Governor Brian Sandoval, State of Nevada  
Lt. Governor Mark Hutchison, State of Nevada  
Secretary of State Barbara Cegavske, State of Nevada  
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  
Ms. Kathleen Drakulich, Attorney, McDonald Carano Wilson  
Mr. Sam Routson, Chief Administrative Officer, Winnemucca Farms

**VOTING BOARD MEMBERS ABSENT AND EXCUSED**

Mr. Rob Roy, CEO/Founder, Switch

**NON-VOTING BOARD MEMBERS PRESENT**

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

**STAFF MEMBERS PRESENT**

Mr. Steve Hill, Executive Director, GOED, Secretary of Board  
Bob Potts, Research Director, GOED  
Brad Mamer, Director, Business Development, GOED  
Cathy Crocket, Director of Administration, GOED  
Michelle Schierholt, Executive Assistant, GOED  
Michael Dang, Director of Business Operations, GOED  
Ryan Smith, Business Development Manager, GOED  
Shante Willis, Executive Assistant, GOED  
Wendy Pope, Business Development Specialist, GOED

## **GUESTS PRESENT**

Henna Rasul, Attorney General's Office  
Barbara Coffee, City of Henderson  
Lezlie Helget, Department of Taxation  
Nancy McCormick, EDWAN  
Morgan Bunker, LVGEA  
Kristen Maxwell, LVGEA  
Tara Mitchell, LVGEA  
Michael Walsh, LVGEA  
Thomas Murphy, Aqua Metals Reno, Inc.  
Daniel William, Core Mark International, Inc.  
Mr. Dan Gauthier, CSN  
Frank Woodbeck, Nevada System for Higher Education  
Sandra Haslem, NVIE  
Rhea Gustafson, NVIE  
Cheree Boteler, NV Energy  
John Hargrove, NV Energy  
Andrew De Haan, Faraday Future  
John Carlson, Mirixa Corp.  
Mr. Ken Blaisdell, Pacific Dental Services, Inc.  
Rachel Bower, Pacific Dental Services, Inc.  
Darren Labrie, Pacific Dental Services, Inc.  
Cassidy Klundt, Sitel Operating Corp.  
Joe Guerriero, ViaWest, Inc.  
Paul Escobedo, ViaWest, Inc.  
Joel Carafe, UMPQUA

## **2. PUBLIC COMMENT**

Governor Sandoval opened public comment.

Mr. Routson noted that Winnemucca Farms is pleased to be entering into a partnership with WaterStart and the Desert Research institute regarding the use of Unmanned Aerial Vehicles and agriculture. Mr. Routson highlighted the timeliness of this project, given the drought situation throughout the west.

Governor Sandoval commended Mr. Routson and Winnemucca Farms for their leadership in this area and for providing an example for other agriculture operations not only in Nevada, but across the country and internationally.

There were no additional public comments.

**3. GOVERNOR SANDOVAL’S COMMENTS**

Governor Sandoval noted the large agenda and stated his comments would be brief. He noted his earlier conversation with Secretary Cegavske regarding the size of the audience, noting the growth in the number of attendees since the initial meetings of the GOED Board.

**4. APPROVAL OF THE MARCH 25, 2016 BOARD MEETING MINUTES**

**A MOTION WAS MADE BY SECRETARY OF STATE CEGAVSKE TO APPROVE THE DECEMBER 30, 2015 AND THE JANUARY 22, 2016 MEETING MINUTES; THIS MOTION WAS SECONDED BY MR. BARRETT. THE MOTION PASSED UNANIMOUSLY.**

**5. ABATEMENT AND INCENTIVE APPLICATIONS FOR BOARD APPROVAL**

**A. AQUA METALS RENO, INC.**

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

Ms. Nancy McCormick, with EDawn presented Aqua Metals Reno, Inc. The company is seeking incentives for the following tax abatements: Sales Tax Abatement, Modified Business Tax Abatement and Personal Property Tax Abatement. Aqua Metals Reno meets all the incentive requirements. The project will require a capital investment of \$22 million in land and building construction and \$25 million in equipment. They plan to add 55 positions at an average wage of \$22.58 per hour with the goal of growing to 70 employees within 18 months.

Aqua Metals Reno is requesting assistance from the state in the form of a sales and use tax abatement, a modified business tax abatement and a personal property tax abatement. They reviewed multiple locations across the country before narrowing the search to Nevada, and the availability of land, incentives, acceptable energy costs, and existing infrastructure were key factors in their decision making process. Joining Ms. McCormick to represent the company was Thomas Murphy, CFO.

Mr. Murphy provided background on the company and a detailed look at what services they perform. He also provided background on the battery industry.

Governor Sandoval asked if there was a schedule for expectations for production. Mr. Murphy responded that they were making good progress. They will begin testing on site this July or August. He believes the plant will be at full production by the end of the year.

Governor Sandoval asked if the full production meant 300 tons per day. Mr. Murphy clarified stating it will be 80 tons of lead out in a day. Their original plan was for 40 but they are quickly accelerating after finding the demand is there.

Governor Sandoval asked about their customer base and where 80 tons of batteries would come from. Mr. Murphy explained that one of their customers is in the building next to them and is a battery distributor. They will initially be supplying all of the used batteries.

Governor Sandoval asked what kind of skill set employees would need to have. Mr. Murphy explained that some would be at the management level with experience in the recycling business. There will also be a need for technical people in quality control and the laboratory. They also have maintenance managers, and superintendents. The plant is operated 24/7 with four shifts of people.

Lieutenant Governor Hutchison asked if the company's cutting-edge technology will give Aqua Metals Reno a competitive advantage resulting in higher customer demand. Mr. Murphy confirmed this to be that case.

Mr. Barrett noted that the technology being used is patent pending. He asked for more information on the significance of this for the business activity or if it was just a matter of where they were with the technology. Mr. Murphy explained that it indicated the status of the patents. He noted they are working with the CEO and patent attorneys to stay in line with the acceptance of the patents and that they have gone through a lot of due diligence.

Secretary of State Cegavske asked for confirmation that 85% was recyclable and asked what was to be done with the remaining 15% that is not able to be recycled. Mr. Murphy explained that the 85% he referenced is what lead acid battery manufactures use in their batteries, 85% recycled lead. He stated they would be recycling 100% of the lead in the batteries they receive.

Governor Sandoval stated his excitement that this was cutting edge technology and was happening in Nevada.

**A MOTION WAS MADE BY MR. YERUSHALMI TO APPROVE THE ABATEMENT APPLICATION FOR A SALES TAX ABATEMENT, A MODIFIED BUSINESS TAX ABATEMENT, AND A PERSONAL PROPERTY TAX ABATEMENT; THIS MOTION WAS SECONDED BY LIEUTENANT GOVERNOR HUTCHISON. THE MOTION PASSED UNANIMOUSLY.**

**B. CORE-MARK INTERNATIONAL, INC.**

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

Mr. Michael Walsh, with the Las Vegas Global Alliance, introduced Core-Mark International, Inc. The company is seeking incentives for the following tax abatements: Sales Tax Abatement, Modified Business Tax Abatement and Personal Property Tax Abatement. They will have a capital investment of nearly \$13 million. They will hire 50 employees within months of operation with an average wage of \$15.77 per hour. He introduced Mr. Daniel Williams, a representative of Core-Mark International.

Mr. Williams provided background on the company and their operations. He explained the significance the abatements would have for Core-Mark to serve their new client, 7-11. He explained the jobs would include warehouse managers, supervisors, drivers, computer room operators, merchandisers, transportation supervisors, and general office staff. He stated the new facility would be 232,000 square feet.

Governor Sandoval asked if they looked at other locations before deciding on Nevada. Mr. Williams explained that they looked at California, Utah and Arizona. They felt like Nevada was the most logical place to expand and grow their business.

Governor Sandoval asked if the decision was because of the business climate or the incentives. Mr. Williams confirmed it was both.

Governor Sandoval asked about the recruitment plan for the expansion. Mr. Williams explained they always try to recruit from within first. They have incentive programs for family and friends of employees to join. They will also advertise for open positions.

Governor Sandoval asked if he knew of Nevada JobConnect. Mr. Williams said they have worked them before and have a local HR Manager currently working with them.

Secretary of State Cegavske noted she was a former 7-11 owner in the 1980s. Core-Mark was a large supplier. She asked where they get their produce. Mr. Williams stated they buy both locally and nationally. He explained on the local basis, they are the largest distributor for Anderson Dairy Milk. He noted other companies they work with.

Lieutenant Governor Hutchison asked for clarification that there were 176 7-11 stores. Mr. Williams confirmed that there were 176 stores in Nevada. Mr. Hutchison asked if the expansion was because they added 176 stores. Mr. Williams confirmed. Mr. Hutchison asked if there was a long-term contract. Mr. Williams stated there was a five-year agreement.

**A MOTION WAS MADE BY SECRETARY OF STATE CEGAVSKE TO APPROVE THE ABATEMENT APPLICATION FOR A SALES TAX ABATEMENT, A MODIFIED BUSINESS TAX ABATEMENT AND A**

**PERSONAL PROPERTY TAX ABATEMENT BY CORE-MARK INTERNATIONAL; THIS MOTION WAS SECONDED BY MR. ROUTSON. THE MOTION PASSED UNANIMOUSLY.**

**C. PACIFIC DENTAL SERVICES, INC.**

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

Mr. Morgan Bunker, with the Las Vegas Global Economic Alliance, introduced Pacific Dental Services, Inc. The company is seeking incentives for the following tax abatements: Sales Tax Abatement, Modified Business Tax Abatement and Personal Property Tax Abatement. They will be making a capital investment of \$4.3 million, \$1.8 million of which will be capital equipment. They will be adding 175 new employees at an average wage of \$16.96 per hour. Joining Mr. Bunker was Mr. Ken Blaisdell, Vice President, Ms. Rachel Bower, Project Manager for Corporate Tax Incentives, and Mr. Darren Labrie, Principal for Corporate Tax Incentives.

Mr. Blaisdell provided a background on the company and need for regional support centers. He added, when searching for a location, Nevada had the better tax incentives, good centralized communication and transportation in Henderson.

Governor Sandoval asked for more details on the tourism aspect with the fact that they are bringing dentists in from all over the US. Mr. Blaisdell noted there were 2,900 people at the Bellagio currently for the next 3-4 days for training and speakers from around the country. He also noted the company's interest in community involvement and volunteering. Governor Sandoval noted that they give eight hours of paid time off for community service.

Governor Sandoval asked about their plans for recruitment. Mr. Blaisdell noted they will be using Nevada JobConnect in addition to training through the local community college.

Mr. Barrett asked what other reasons, besides the tax benefits, companies from Irvine had to come to Nevada and what they could do to inspire other businesses there to come here. Mr. Blaisdell noted the transportation and convention amenities offered in Nevada. He further noted they grew out of the space for their annual conferences in Southern California, adding that played into their decision to come to Nevada.

Lieutenant Governor Hutchison asked if he could provide more details on the recruiting efforts at UNLV. Mr. Blaisdell explained that the recruiting efforts at UNLV are aimed at the dental school; looking for dentists, clinicians, and hygienists.

Lieutenant Governor Hutchison asked about the dental market and the growth it was experiencing in Nevada and if that was true across all the markets. Mr. Blaisdell explained that they try to keep their growth contained in order to service their customers properly. He further explained that they chose to set up the infrastructure first instead of growing at a faster pace than they could handle.

**A MOTION WAS MADE BY DR. HAVINS TO APPROVE THE ABATEMENT APPLICATION FOR A SALES TAX ABATEMENT, A MODIFIED BUSINESS TAX ABATEMENT, A PERSONAL PROPERTY TAX ABATEMENT FOR PACIFIC DENTAL SERVICES, INC.; THIS MOTION WAS SECONDED BY MR. YERUSHALMI. THE MOTION PASSED UNANIMOUSLY.**

**D. VIAWEST, INC.**

- **DATA CENTER SALES TAX ABATEMENT**
- **DATA CENTER PERSONAL PROPERTY TAX ABATEMENT**

Mr. Michael Walsh, with the Las Vegas Global Alliance, introduced ViaWest, Inc.. The company is seeking incentives for the following tax abatements: Data Center Sales Tax Abatement and Data Center Personal Property Tax Abatement. They will be purchasing \$16.2 million in equipment over the next five years. They will be hiring 10 people at an average wage of \$31.90. They estimate that over 100 tenants will make a total five-year capital equipment investment of \$33 million. The company meets all the statutory requirements and has the full recommendation of the Las Vegas Global Alliance. Joining Mr. Walsh is Mr. Joe Guerriero.

Mr. Guerriero provided background on the company and the services they perform. He explained that their clients created the need for them to move to Las Vegas and in 2012 they began construction of their facility in North Las Vegas. He further noted the jobs would be offered to local Nevadans and would come primarily from Nevada JobConnect.

Governor Sandoval asked what the role of the passage of SB 170 had in their decision to expand their existing operation. Mr. Guerriero stated it was significant. He further noted that it was really his customers that made the decision for them to expand here.

Governor Sandoval asked for comment on the geological and climate advantages that Nevada has over the surrounding states. Mr. Guerriero noted there are no known fault lines here. He further noted the dry climate assists with keeping the data centers cool versus a high humidity region.

Lieutenant Governor Hutchison noted Nevada's goal to be the data center capital of the world.

**A MOTION WAS MADE BY MR. BARRETT TO APPROVE THE ABATEMENT APPLICATION FOR A SALES TAX ABATEMENT AND A PERSONAL PROPERTY TAX ABATEMENT FOR VIAWEST, INC.; THIS MOTION WAS SECONDED BY LIEUTENANT GOVERNOR HUTCHISON. THE MOTION PASSED UNANIMOUSLY.**

**6. ABATEMENT APPLICATIONS FOR DIRECTOR APPROVAL (6 D. AND 6. F ADDRESSED OUT OF ORDER)**

- A. CLEAR CAPITAL.COM, INC.**
  - **TEN GRANT**
  
- B. MACHINE ZONE (LAS VEGAS), INC.**
  - **TEN GRANT**
  
- C. MARY'S GONE CRACKERS**
  - **CATALYST FUND GRANT**
  
- E. SCIENTIFIC GAMES**
  - **TEN GRANT**
  
- G. SWITCH, LTD.**
  - **TEN GRANT**

Director Hill noted that there are four TEN Grant applications, each for \$100,000, and a Catalyst Fund Grant in the amount of \$100,000, all of which are within the amount the Director has authority to grant. As such, this is an informational item. He stated that the Office is working through the applications for these grants and that the grants would need to be approved prior to the end of the current fiscal year, June 30<sup>th</sup>.

Director Hill also noted that the Catalyst Fund is eligible to be used for training and he thought this would be an appropriate use of Catalyst funding and that it can be used the same way that the TEN Grant program has been used. As a result, it is the intent of the Director not to request additional Ten Grant funding from the Interim Finance Committee.

- D. MIRIXA CORP.**
  - **SALES TAX ABATEMENT**
  - **MODIFIED BUSINESS TAX ABATEMENT**
  - **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Morgan Bunker, Las Vegas Global Economic Alliance presented Mirixa Corporation. The company is seeking incentives for the following tax abatements: Sales Tax Abatement, Modified Business Tax Abatement and Personal Property Tax Abatement. The company will employ 55 individuals with an average hourly wage of \$28.60. The company is compliant with all statutory requirements and has the full support of the Las Vegas Global Economic Alliance. Mr. John Carlson, Director of Mirixa Corp.'s Director of Pharmacy Call Center joined Mr. Bunker in representing the company.

Mr. Carlson noted what a smooth process it was coming to Nevada. He provided background on the company and their services. He noted from a perspective of language,

region and time zone, they looked at multiple locations across the country. An important factor is the relationship they will have with the local university, Roseman, and their College of Pharmacy. The employees they will recruit are high level pharmacist positions and IT type work in the healthcare industry.

Governor Sandoval asked if the decision was final to come to Nevada. Mr. Carlson stated that they are close. They are leaning towards Nevada but that has not been finalized. Governor Sandoval asked when the decision would be made. Mr. Carlson stated that the decision would be made with today's decision. If it was positive, he would call and say they are done.

Governor Sandoval asked the company's other considerations. Mr. Carlson noted having a university with at least 150 graduates a year and their willingness to work with the company. He also noted he would like to have a west coast location closer to some of their patients.

It was asked what the education level will need to be for entry level employees. Mr. Carlson noted that that is the reason they are in a relationship with the university. They are looking at pharmacists and often times hire Doctors of Pharmacy.

Lieutenant Governor Hutchison asked if they would be co-locating with facilities like Roseman University. Mr. Carlson stated that is one of the locations they had been considering. One facility they are looking at is in Henderson across from the Roseman University.

Director Hill asked how the process works for clients to contact them. Mr. Carlson stated that their platform qualifies patients through their insurance companies and the information shared with them.

Director Hill approved the abatement application for Sales Tax Abatement, Modified Business Tax Abatement and Personal Property Tax Abatement.

**DIRECTOR HILL APPROVED THE ABATEMENT APPLICATION FOR A SALES TAX ABATEMENT, A MODIFIED BUSINESS TAX ABATEMENT, A PERSONAL PROPERTY TAX ABATEMENT FOR MIRIXA CORP.**

**F. SITEL OPERATING CORP.**

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

Mr. Michael Walsh, with the Las Vegas Global Economic Alliance, introduced Sitel Operating Corp. The company is seeking incentives for the following tax abatements: Sales Tax Abatement, Modified Business Tax Abatement and Personal Property Tax Abatement. The company meets the statutory requirements and has the full support of the Alliance. Ms. Cassidy Klundt joined Mr. Walsh in representing the company.

Ms. Klundt gave background on the company and invited all Board Members to their 20-year celebration recognition event in November. She noted that they are trying to expand with all of their clients and these abatements would allow for that through renovations to their current location in Las Vegas. They will be hiring 153 positions at an average wage of \$15.49 per hour.

Governor Sandoval asked where they typically hire their candidates. Ms. Klundt noted they are in discussions with Nevada JobConnect Group. Employee referrals are also a big part of their recruitment practice.

**DIRECTOR HILL APPROVED THE ABATEMENT APPLICATION FOR A SALES TAX ABATEMENT, A MODIFIED BUSINESS TAX ABATEMENT, A PERSONAL PROPERTY TAX ABATEMENT FOR SITEL OPERATIONS CORP.**

**7. FARADAY FUTURE  
WORKFORCE INNOVATION FOR THE NEW NEVADA (WINN) FUND  
PROGRAM APPLICATION**

Director Hill noted that the Board has discussed the WINN Program since the special session in December. He thanked Faraday Future for their assistance. He further noted this application will open the door for future applications.

Director Hill stated today's application is for \$500,000 to get the program started. This funding will be used to purchase capital equipment. A future request will be made for training grants. He introduced Mr. Cory Hunt, Northern Regional Director of the Governor's Office of Economic Development.

Mr. Hunt provided background on the WINN Program and that it began under AB 1. He noted the bill authorizes GOED to develop customized workforce development training programs. It can also include recruitment and assessment. The program was provided at the request of Faraday Future. Faraday Future will be recruiting with the assistance of DETR, as well as doing assessments through DETR and the College of Southern Nevada. They also have a partnership with the Southeast Career Technical Academy. Mr. Hunt noted that the team at Faraday Future has been extremely helpful in the creation of this program.

Mr. Hunt introduced Mr. Andrew De Haan, Plant Director for Faraday Future.

Mr. De Haan explained the process he goes through as Plant Manager. He noted that people are what make the operation great and that is what most motivates him. He is excited that they are aligning with an educational system to allow people to change their lives forever.

Mr. Frank Woodbeck, Nevada System for Higher Education was introduced and noted the opportunity. He stated they are going to build two training pipelines. The first being the training and meeting the dates for Faraday Future's hiring. The

second being the establishment of long-term training pipelines in collaboration with the CCSD and the Career and Technical Educations and a partnership with the Southeast Career and Technical Academy. He further noted there is a plan to train students from other schools around the valley.

Mr. Dan Gauthier, Associate Senior Vice President for Workforce in Economic Development for CSN was introduced. He noted that at times they had heard there is not an educated workforce here however with around 35,000 students here, there are six academic deans that would challenge this statement.

Mr. Gauthier took the Board through the pictures of the equipment being purchased including a robotic arm, a feral arm, and a hydraulic training system. He explained each one in detail.

Governor Sandoval stated this is transformational. He noted that this was accomplished in only five months. He was pleased to see all of the collaboration and cooperation to make this happen and thanked everyone involved.

Governor Sandoval asked how they would manage the students that are going to want to go through this process. He also asked how someone would become involved. Mr. Gauthier explained the testing that would take place and the Work Keys Program would assist.

Governor Sandoval noted that although Clark County was hit hard during the recession, North Las Vegas was probably hit the hardest. He asked if there was a particular emphasis on helping that specific community. Mr. Gauthier noted that they are doing major recruiting efforts in North Las Vegas and are committed to the Governor's commitment to revitalize the area. Governor Sandoval asked that they also work with the tribal communities. Mr. Gauthier noted they would.

Lieutenant Governor Hutchison asked once the training is complete and the student goes to work at Faraday Future, what the expected pay ranges are for those positions. Mr. Gauthier stated that the pay would range from the low \$20 per hour for entry level positions up to \$30 per hour.

Lieutenant Governor Hutchison asked if all the equipment that was being purchased was going to be located at CSN or Southeast Career Technical Academy and how it would be distributed. Mr. Gauthier said the equipment would be at Southeast Career Technical Academy.

Ms. Kathleen Drakulich asked for clarification on the cost estimates for financial years '16 through '18 and what is being addressed today. Director Hill clarified that what was being addressed today is authority to authorize a contract with CSN to provide and purchase the equipment with a maximum cost of \$500,000. Anything that goes above that will be brought back to the Board for consideration.

**A MOTION WAS MADE BY LIEUTENANT GOVERNOR HUTCHISON TO APPROVE THE FARADAY FUTURE WORKFORCE INNOVATION FOR THE NEW NEVADA (WINN) FUND PROGRAM APPLICATION FOR UP TO A TOTAL AMOUNT OF \$500,000; THIS MOTION WAS SECONDED BY MR. ROUTSON. THE MOTION PASSED UNANIMOUSLY.**

**8. DISCUSSION OF PROPOSED REGULATIONS: NEVADA ADMINISTRATIVE CODE CHAPTER 231 AND SMALL BUSINESS IMPACTS.**

Director Hill noted there are two chapters in NRS that determine and outline the activities of GOED. It has been 12-14 years since changes to regulations have been made. He discussed the process of the changes. The deadline to get the proposed changes to the LCB is June 30.

Director Hill noted that Chapter 231 is what created GOED, defines the Board, Directors, the office, roles of the Office, etc. In addition, it defines Regional Development Authorities. He further noted it was often difficult determining who played what roles with regards to three major areas: the Board, the Executive Director and the Office. He asked the Board to provide feedback with respect to those roles. He also noted the ability to create Corporations For Public Benefits. GOED has created draft regulations for this process, identified reporting requirements, and determined the structure of the Board. Two current examples are Success Nevada and Battle Born Venture.

Secretary of State Cegavske noted the need to ensure the changes are not inconsistent with what the legislature had wanted and stated that she would have further discussions, with Director Hill, regarding her queries, prior to the next GOED Board meeting.

Lieutenant Governor Hutchison closed this agenda item with the recommendation that any member of the Board who had recommendations for changes notify Director Hill. All changes would be compiled and brought back to the Board for consideration and discussion.

**9. DISCUSSION OF PROPOSED REGULATIONS: NEVADA ADMINISTRATIVE CODE CHAPTER 360 AND SMALL BUSINESS IMPACTS.**

Director Hill explained that Chapter 360 defines the abatement process, as well as transferable tax credits for film. These include the standard abatements, abatements for data centers and aviation abatements. It outlines the criteria and process for those abatements. The proposed regulations were prepared to increase clarity regarding the duties of GOED, the Board of Economic Development and the Executive Director of GOED.

Secretary of State Cegavske stated she would have further discussions on this matter, with Director Hill's office, prior to the next GOED Board meeting.

Lieutenant Governor Hutchison closed this agenda item with the recommendation that any member of the Board who had recommendations for changes notify Director Hill. All changes would be compiled and brought back to the Board for consideration and discussion.

10.

**BOARD ABATEMENT POLICY**

- A. DEFINITION OF PRIMARY JOBS**
- B. DETERMINATION OF UNEMPLOYMENT RATE IN EACH COUNTY**
- C. MINIMUM HEALTHCARE BENEFIT**
- D. MINIMUM NUMBER OF NEW PRIMARY JOBS**

Director Hill reminded the Board of an approved resolution at the end of 2015 which has been included in the regulation. There are two parts of the resolution which must be defined by Board policy. One is the definition of primary jobs. He noted, the definition of a primary job is a job that is producing a product or service that is exported out of the state. He explained that the Board is being asked to approve the resolution that would move the percentage from 50 to 67 in an effort to better define primary jobs.

Director Hill noted that determination of the unemployment rate for each county in Nevada is the second topic from the December resolution that will remain a Board policy topic. He reminded the Board that the December resolution included a provision that the Board would use the 12-month rolling average for unemployment that DETR produces and that the Board would have the option to make a determination of county unemployment that was more or less stringent than the 12-month rolling average.

Mr. Yerushalmi asked if the 12-month average allows for proper response time for situations that may be more immediate. He believes there should still be an override for the most recent quarter. Director Hill noted that in the email sent to the Board he asked if the Board agreed with the process, he would bring the statistics back to the Board monthly should they want to override the 12-month rolling average.

Lieutenant Governor Hutchison recommended that the definition of primary jobs be addressed at the next meeting of the Board.

**A MOTION WAS MADE BY DR. HAVINS TO APPROVE BOARD POLICY AS IT RELATES TO DETERMINATION OF UNEMPLOYMENT STATUS FOR EACH COUNTY, THIS MOTION WAS SECONDED BY MR. BARRETT. THE MOTION PASSED UNANIMOUSLY.**

**11. PERFORMANCE MEASURES REPORT.**

Mr. Bob Potts provided a brief overview of the Performance Measures Report. Lieutenant Governor Hutchison asked the Board for any questions in lieu of a full report.

Mr. Don Soderberg asked for explanation on the drop in average wages for non-incentivized companies. He noted on Page 1 of the report, it shows a drop from \$19.88 to \$13.90. Mr. Potts explained the numbers are dependent on the types of companies seeking assistance and that GOED and Regional Development Authorities provide non-financial assistance to all companies when requested.

**12. DIRECTOR’S REPORT—REVIEW & DISCUSSION**

Director Hill asked for Agenda Item No. 12 to come before Agenda Item No. 6.

Director Hill noted a mining permitting process map that Mr. Sheldon Mudd, Mining Industry Specialist, completed. He noted it was a very involved process. He thanked Mr. Mudd for the time spent and stated that it would really make a difference.

Director Hill noted that three of the staff at GOED will be leaving. He took a moment to recognize Ms. Wendy Pope and what she has done for the Department. He recognized Mr. Mike Skaggs, Deputy Director and that he will be retiring. He thanked him for his years of service and accomplishments. Mr. Brad Mamar, Director of Business Development will also be leaving.

Governor Sandoval thanked them for their state service and wished them well.

Director Hill finished his report with discussion on UAV efforts.

**13. PUBLIC COMMENT**

Governor Sandoval was excused to leave for another meeting. Lieutenant Governor Hutchison stepped in for the Governor. Lieutenant Governor Hutchison asked for public comment. There were none.

**14. ADJOURNMENT**

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