

**STATE OF NEVADA  
GOVERNOR'S OFFICE of ECONOMIC DEVELOPMENT  
BOARD MEETING  
July 9, 2015**

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

**1. CALL TO ORDER**

**VOTING BOARD MEMBERS PRESENT**

Governor Brian Sandoval, State of Nevada  
Lt. Governor Mark Hutchison, State of Nevada  
Ms. Kathleen Drakulich, Attorney, McDonald Carano Wilson  
Dr. Weldon Havins, Director, Medical Jurisprudence and Ophthalmology, Touro University Nevada  
Mr. Sam Routson, Chief Administrative Officer, Winnemucca Farms  
Mr. Benny Yerushalmi, Owner, The Jewelers of Nevada  
Mr. Rob Roy, CEO/Founder, Switch  
Mr. James Barrett, Jr., President and Founder, The JABarrett Company

**NONVOTING BOARD MEMBERS PRESENT**

Mr. Daniel Klaich, Chancellor, Nevada System of Higher Education (NSHE)  
Mr. Don Soderberg, Department of Employment, Training and Rehabilitation (DETR)

**VOTING BOARD MEMBERS ABSENT AND EXCUSED**

Secretary of State, Barbara Cegavske, State of Nevada

**STAFF MEMBERS PRESENT**

Mr. Steve Hill, Executive Director, Governor's Office of Economic Development (GOED)  
Mr. Brad Mamer, Director of Business Development, GOED  
Ms. Lynne Taylor-Bullock, Executive Assistant, GOED  
Ms. Shante Willis, Administrative Assistant, GOED  
Mr. Bob Potts, Research Director, GOED  
Ms. Wendy Pope, Business Development Specialist, GOED  
Ms. Maria Guideng, Business Development Analyst, GOED  
Ms. Jennifer Cooper, Communications Director, GOED  
Ms. Melanie Brooks, Department of Taxation  
Mr. Lezlie Helget, Department of Taxation  
Ms. Kimberly Arguello, Office of the Attorney General  
Ms. Henna Rasul, Office of the Attorney General

Mr. Jason Littleford, Office of the Lt. Governor

**GUESTS PRESENT**

Mr. Keith Gledhill, Astro Aviation  
Ms. Jeanne Benedetti, Fulcrum Sierra Biofuels  
Ms. Tracy Kalfleisch, Dassault Aircraft Services  
Mr. Mark Pitchford, Dassault Aircraft Services  
Mr. Gregg Walsh, Chewy.com  
Ms. Cynthia Egan, EDAWN  
Mr. Raymond Zaualk, United Construction  
Mr. Adam Kamer, Switch  
Ms. Reza Karamoez, NVBAA  
Ms. Sarrah Bridge, Insight  
Ms. Ester Awang, NeoBiotech  
Mr. James Lee, NeoBiotech  
Mr. John Khan, NeoBiotech  
Mr. Kenneth Cho, NeoBiotech  
Mr. Christoph Kirchner, BI Nutraceuticals, Inc.  
Ms. Tina Iftiger, RTAA  
Mr. Stan Thomas, EDAWN  
Ms. Kathleen Gonzalez, MCW  
Mr. Morgan Bunker, LVGEA  
Ms. Karey Jueneke, LVGEA  
Ms. Carole Durdin, EWS  
Mr. Michael Walsh, LVGEA  
Ms. Victoria Valenzuela, Machine Zone  
Mr. Jeff Routcedge, Machine Zone  
Mr. Daniel Rorhberg, Las Vegas Sun  
Ms. Susan Fisher, MCW  
Mr. Wade Bute, Ace WW  
Mr. Andrew Doughman, LVGEA  
Ms. Justine Morrison  
Ms. Sandy Haslem, NVIE  
Ms. Irene Bustamante Adams, Assemblywoman  
Mr. Jeff Englehart, NVIE

**2. PUBLIC COMMENT**

Governor Sandoval opened public comment. There was no public comment.

**3. GOVERNOR SANDOVAL’S COMMENTS**

Governor Sandoval welcomed everyone. He acknowledged that there was a robust Agenda to get through and wanted to move right into it in order to give everyone enough time to present themselves and their applications.

**4. APPROVAL OF THE MAY 21, 2015 BOARD MEETING MINUTES**

**A MOTION WAS MADE BY MR. ROY TO APPROVE THE MAY 21, 2015 MEETING MINUTES; THIS MOTION WAS SECONDED BY MR. ROUTSON. THE MOTION PASSED UNANIMOUSLY.**

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

**A. BARCLAYS SERVICES, LLC**

- **SALES TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**
- **CATALYST FUND**

Mr. Morgan Bunker with the Las Vegas Global Economic Alliance greeted the Board and attendees along with introducing himself and Barclay Card Services, LLC. Barclay Card Services is applying to the State of Nevada for a Sales and Use Tax Abatement, Personal Property Tax Abatement and a Catalyst Fund Award. Barclay Card will be expanding its operations in the City of Henderson, by hiring an additional 150 full time employees. They will make an average hourly wage of \$33.71. Barclay Card will also be making an additional capital investment of \$2.2M. Barclay Card Services, LLC meets and exceeds the statutory requirements for abatements and therefore has the complete support and endorsement of the Las Vegas Global Economic Alliance. Mr. Bunker also acknowledged the outstanding support from the GOED staff as well as Barbara Coffee at the City of Henderson and their assistance with this application.

Mr. Bunker introduced Mark Hinesman who represented Barclay Card Services, LLC. Mr. Hinesman introduced himself and provided an overview of Barclay Card Services. He explained that the business offers a variety of different functional areas; customer care, fraud, collections, credit and a variety of shared services functions and we are exceeding commitments we have made from a hiring perspective through 2015—approximately 600 was our initial target.

He noted that, the success they have had in the market to date, as well as the grant associated with our Catalyst Funding, were both key considerations for Barclay Card in deciding which location they would do business. The grant funds will be used to help offset the start-up and expansion costs associated with their growth. He noted that likely by year end 2016 they will be at 1,300 employees in Henderson.

He acknowledged and thanked both the State of Nevada, as well as the local Henderson and Las Vegas communities.

Governor Sandoval remembered their grand opening and the excitement. He wanted to confirm that they were up to 850 employees with the current operation and Mr. Hinesman confirmed that was correct. Governor Sandoval noted that the current number far exceeded the original estimate and that was tremendous growth.

Governor Sandoval also asked Mr. Hinesman to expand on the ability to hire locally and attract local talent, in addition to retaining them. Mr. Hinesman explained, they have had a lot of success locally and attracting good quality candidates has really been a non-issue.

Governor Sandoval asked if there were other states considered for the operation. Mr. Hinesman explained that they have a workforce in Delaware and Maine, which were both considerations.

Governor Sandoval confirmed, it was said that in October Barclay Card Services hoped to have that building built out and at that time, they will have fully hired these 150 employees. Mr. Hinesman explained that they will not have all 150 hired by year end 2015. They will certainly have a component hired this year. They are actively recruiting and hiring now. The hiring will roll over into 2016 as well.

**A MOTION WAS MADE BY MR. BARRETT TO APPROVE THIS APPLICATION FOR ABATEMENTS FOR BARCLAY SERVICES, LLC; THIS MOTION WAS SECONDED BY DR. HAVINS. THE MOTION PASSED UNANIMOUSLY.**

**B. CHEWY.COM, LLC**

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

Ms. Nancy McCormick introduced herself as the Vice President at EDAWN. She presented an extension application for Chewy.com, an online retailer which delivers pet happiness by selling pet food and pet supply products to customers throughout the continental United States.

Chewy.com, located here in 2014 adding a west coast fulfillment center to its existing east coast operation. Because of continued business growth, Chewy is evaluating their option of expanding its existing facility in Storey County or expanding operations in other states. If they proceed with an expansion in northern Nevada, they anticipate making an investment of approximately \$4.5M over the next two years and will increase the workforce by adding 52 employees to their existing 105 employees with the new employees making an average wage of \$16.26 per hour.

The company is requesting a Sales and Use Tax Abatement, Modified Business Tax Abatement and Personal Property Tax Abatement and qualified on two out of the three criteria. Chewy.com's compensation and benefits package includes medical, dental, vision, disability, Health Savings Account, an employee assistance program. Chewy.com pays between 75% to 86% of the premiums for health coverage at an annual cost for the company per employee of approximately \$3,900. EDAWN supports this application and Chewy's growth in our community. Ms. McCormick introduced Gregg Walsh, VP of Operations.

Mr. Walsh stated that Chewy.com is an e-commerce retailer and that they seek economic incentives from the State of Nevada. They have been here less than a year in Storey County. They launched with 40 employees and now are well over 100. The company started in 2010 with 10 employees. Chewy.com has fulfillment centers in three states now, Florida, Pennsylvania and Nevada. As they grew, they realized that they needed to bring fulfillment operations in-house. The company considered expansion into the west due to west coast growth and decided on Storey County.

Governor Sandoval asked if they exclusively hire locally and if they have been pleased with the quality of the employees. Mr. Walsh stated that they have been very pleased and confirmed that they would be working with Job Connect to hire the additional employees.

Governor Sandoval asked, if the decision to expand was dependent upon the abatements. Mr. Walsh explained, it weighs very heavily on the decision.

Governor Sandoval went on to say, that this is another remarkable story because Chewy.com opened their doors in September 2014 and more than doubled their employment. Mr. Walsh confirmed that they have almost tripled it.

Governor Sandoval asked if Nevada has lived up to what they thought it was going to offer. Mr. Walsh said that it had but they did face one challenge. He went on to say that they have a hiring obstacle based on where they are located and the ability for talent to get to their location. He stated that if there were anything they would ask of the State, it would be to get some type of public transportation out that way.

Ms. Drakulich stated that she was concerned about the transportation issues as well. She asked if he felt that public transportation or group transportation would alleviate that issue. Mr. Walsh believes it would.

Lt. Governor Hutchison asked about the hourly rate. It was a part of the application that did not meet the statutory standards. He asked if they were able to attract the employees needed and with the qualification needed at that rate and if there were plans to improve the hourly rate. Mr. Walsh explained that they have been able to attract solid candidates. They do have a plan to allow for higher hourly rates and promote from within to allow for a career growth path.

Governor Sandoval added that he was pleased that they were able to hire some former Amazon employees.

**A MOTION WAS MADE BY LT. GOVERNOR HUTCHISON TO APPROVE THIS APPLICATION FOR ABATEMENTS FOR CHEWY.COM, LLC; THIS MOTION WAS SECONDED BY MS. DRAKULICH. THE MOTION PASSED UNANIMOUSLY.**

## **C. FULCRUM SIERRA BIOFUELS, LLC**

- **SALES TAX ABATEMENT**

- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**
- **RECYCLING REAL RROPERTY TAX ABATEMENT**

Ms. McCormick presented Fulcrum Sierra Biofuels which is preparing to proceed on Phase 2 of their large recycling project in northern Nevada. She noted their previous application in November of 2014, for support of Phase 1 of their project which involves a feedstock processing facility that takes in municipal solid waste in order to convert it to low-cost, clean transportation fuels. The second phase will involve construction of a bio-refinery in the Tahoe/Reno Industrial Center which will have the capacity to convert 550 tons of feedstock per day into approximately 743 barrels per day of transportation fuel products. Their process will, in essence, convert household garbage into jet and diesel fuels at a cost well below the cost of petroleum based fuels.

Fulcrum will add a minimum of 32 new employees at a wage that far exceeds the State average, purchase approximately \$194M of new equipment and invest another \$103M in land, construction, buildings and associated development costs. They are requesting to take advantage of the Sales and Use Tax Abatement, Modified Business Tax Abatement, Personal Property Tax Abatement and Recycling Real Property Tax Abatement and qualify on three out of three of the statutory requirements. The availability of incentives is a critical part of the overall financial needed to support a project of this magnitude.

Ms. Benedetti introduced herself and acknowledged the Board. She provided an update on Phase 1. Everything is moving along, they are a bit behind schedule, but should be seeing a building up later this fall and equipment will arrive at their feedstock processing facility after the first of the year.

Governor Sandoval asked when they were going to commence operation. She stated that it is going to be in the latter part of 2017.

Mr. Barrett stated that they were focused on the ability to export products for economic growth and diversification. He noted that the application states the market is 100% outside of Nevada and asked for an explanation. Ms. Benedetti explained that regular fuel requires the purchase or all this downstream expiration to pull oil out of the ground and that costs money. Their feedstock is free. That is what is so attractive about turning renewable materials, regardless of where you go to get product, there is a cost to that.

Ms. Benedetti was asked to provide a very brief profile of your environmental framework, both in terms of the input and the output standpoint. She noted that she is speaking only to the bio-refinery. She explained the process and how the gas is created. She noted that Board Member Drakulich helped with the Public Utilities Commission of Nevada and that they deemed the process qualifies for portfolio credits because the AXOs primary reaction. She explained that process of creating the energy.

Ms. Drakulich confirmed her participation and assistance and stated she would abstain from the vote. She went on to explain the process she went through and that the Public Utilities Commission has never granted an application for portfolio energy credits that

would allow for a plant of this type to contribute credits to meet the minimum portfolio standard.

Governor Sandoval asked if it would be the first of its kind and Ms. Benedetti state it would, it would be the first in the nation.

Governor Sandoval asked if they would be partnering with the University. She noted that they were already working with the University and hired their first graduate in process engineering. She is thrilled that they have an engineering program to add to the labor.

**A MOTION WAS MADE BY MR. ROY TO APPROVE THIS APPLICATION FOR ABATEMENTS FOR FULCRUM SIERRA BIOFUELS, LCC; THIS MOTION WAS SECONDED BY MR. YERUSHALMI. MS. DRAKULICH ABSTAINED FROM THE VOTE. THE MOTION PASSED UNANIMOUSLY.**

**D. MACHINE ZONE, INC.**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**
- **SALES & USE TAX DEFERRAL**

Mr. Walsh, with the Las Vegas Global Economic Alliance introduced Machine Zone, LLC. He also introduced Victoria Valenzuela, Chief Legal Officer for the company. He explained that Machine Zone is requesting the Sales and Use Tax Abatement, Sales and Use Tax Deferral, Modified Business Tax Abatement and the Personal Property Tax Abatement. These tax incentives are to encourage their locating in southern Nevada. Machine Zone will have a capital equipment investment of \$50M. They will have 78 full time employees within the first 12 months of operations and have an average wage of \$25.00 per hour. Machine Zone meets three out of the three statutory requirements, and has the full support of the Las Vegas Global Economic Alliance.

Machine Zone was founded in 2008. They are based in Palo Alto, California. Machine Zone, Inc. is a technology focused, mobile gaming company committed to building the best global real-time MMOs, Massive Multiplayer Online, on the planet as well as the infrastructure needed to support such games. Machine Zone's current top title is Game of War, Fire Rage. Machine Zone's plan for its latest facility in Nevada are further evidence of its technology focus, expertise and growth trajectory. The company is excited to partner with the State of Nevada on this project and looks forward to a long-term strategic relationship.

Ms. Victoria Valenzuela, Chief Legal Officer at Machine Zone stated that the project is an initial expansion into the State. It is the creation of their first internally operated data center, as well as an expansion of their customer service and quality assurance teams. She explained the process they went through in looking for and identifying a location. She further discussed the workforce that Nevada offers. She went over the growth of the company. She also explained that proximity to Palo Alto was a big factor. She stated that it could not be undervalued, that the significance of the tax incentive program

offered.

Mr. Barrett asked for more detail of the \$50M investment and where it is allocated. Ms. Valenzuela explained that the investment was in equipment. It would be used for servers.

Lt. Governor Hutchison asked about the importance of the proximity to Switch. Ms. Valenzuela stated that it was a significant factor. They are absolutely a technology focused company and the data center attributes are hugely important to them. Ms. Valenzuela further stated that that was probably the initial filter in their decision.

Governor Sandoval asked in regards to occupying a building, whether or not that has occurred. Ms. Valenzuela confirmed that they had found a location.

Mr. Roy stated that he was going to abstain from the vote due to participation with the company.

**A MOTION WAS MADE BY MR. BARRETT TO APPROVE THIS APPLICATION FOR ABATEMENTS FOR MACHINE ZONE, INC.; THIS MOTION WAS SECONDED BY DR. HAVINS. MR. ROY ABSTAINED FROM THE VOTE. THE MOTION PASSED UNANIMOUSLY.**

**E. XTREME MANUFACTURING, LLC.**

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

Mr. Morgan Bunker introduced Xtreme Manufacturing. Xtreme Manufacturing is applying to the State for Sales and Use Tax Abatement, a Modified Business Tax Abatement and a Personal Property Tax Abatement. Xtreme Manufacturing is part of the Ahern Rentals family of businesses, and will be expanding in the City of Henderson. Xtreme Manufacturing fabricates construction and maintenance lifts, rough terrain telescopic handlers used in the construction and maintenance industry. Xtreme will be hiring 87 new full-time employees that will make an average hourly wage of \$17.24. A capital investment of \$11.5M will be made as well. Xtreme Manufacturing has the complete support and endorsement of the Las Vegas Global Economic Alliance. Representing Ahern and Xtreme Manufacturing is Terry Young, Ahern Rental's Associate General Counsel.

Mr. Young greeted the Board and thanked the Global Economic Alliance for their assistance. He went on to give a background about the company. The company is within the Ahern family of companies. Ahern is a long-standing member of the Nevada business community, and these tax credits were definitely something considered when deciding to do this expansion.

Within the first year, the company will be moving their existing 132 employees to a new facility and then hiring an additional 75, and we hope within five years to be hiring up to

400 individuals. We also will be making a \$1.2M investment in improvements and an \$11.5M investment in equipment. He further pointed out, most of the work force will be towards the lower end of the socioeconomic strata but feels that that is a very important, sometimes overlooked part of the economy.

Governor Sandoval asked if all manufacturing activities were going to be moved to Nevada or if some would remain in California and Kansas. Mr. Young confirmed they will be consolidating all of those into Nevada. Governor Sandoval asked if there would be relocating employees. Mr. Young stated a small percentage but not very many. Most hires will be new hires from Nevada.

Governor Sandoval asked when he planned on opening and being operational. Mr. Young stated that they were targeting the fourth quarter of this year.

Lt. Governor Hutchison wanted to disclose his relationship to the President of the Company and Xtreme Manufacturing so he would be abstaining.

Governor Sandoval stated that Ahern Rentals is one of those great Nevada companies, and to have a decision to consolidate manufacturing into this State is remarkable, and it shows an absolute commitment to our State.

**A MOTION WAS MADE BY MR. ROUTSON TO APPROVE THIS APPLICATION FOR ABATEMENTS FOR XTREME MANUFACTURING, LLC.; THIS MOTION WAS SECONDED BY MR. YERUSHALMI. LT. GOVERNOR HUTCHISON ABSTAINED FROM THE VOTE. THE MOTION PASSED UNANIMOUSLY.**

**6. ABATEMENT AND INCENTIVE APPLICATIONS FOR DIRECTOR APPROVAL**

**A. BI NUTRACEUTICALS, INC.**

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

Mr. Stan Thomas introduced himself and greeted the Board. He introduced BI Nutraceuticals. They are applying for the Sales and Use Tax Abatements, along with the Business Tax Abatement, Personal Property Tax Abatement and Training Employees Now. Today they are based in Long Beach, California, they are going to be investing almost \$2M in capital equipment, just shy of \$19.00 an hour for 54 employees. They have a wonderful compensation program. EDawn fully supports this application as meeting two out of three requirements. He introduced their President and CEO, George Pontiakos.

Mr. Pontiakos explained that they are a manufacturer of bulk and boutique agricultural products; fruit, vegetables, herbs and that type of product that go into food and beverage

in neutra-science in the neutra-science marketplaces. They are a global company. They do business in over 40 countries, and are the largest holding in the US of the \$13 billion global conglomerate called Zuellig out of Hong Kong. With him was the group CFO Steffen Naumann that came in from Hong Kong, as well as, the US CFO, Christoph Kirchner.

He further explained that they have been in the same location for 38 years in Southern California. They realized they were going to need to relocate based on business climate and environment there. They looked at Washington, Oregon, Georgia, South Carolina, Texas, Wyoming, Colorado, Florida, Arizona, and then of course, Nevada. They decided to choose Nevada for many reasons.

Number one, the tax incentives. He explained how business friendly the State is and how everyone is very ready and willing to help. He further explained that they are a company that thrives on ethics and morality, and on charity. They support a number of charities locally and we expect to continue the same thing here in the State of Nevada.

Governor Sandoval asked if they were closing the location in Long Beach. Mr. Pontiakos stated that they were. Governor Sandoval asked if he would be relocating to Nevada. Mr. Pontiakos explained the nature of their business being global, he would remain in Colorado. He further explained that some of the executive staff, the Operations Manager and Lab Managers will be relocating to Nevada. Mr. Pontiakos further noted that there would be 54 initial jobs open here and they have plans to expand that. Mr. Pontiakos expressed the dependence on the growth as it relates to hiring. Their intention is to close their offshore operations and bring it all back to the US. It is still unknown what that would equate to with regards to employment.

Governor Sandoval asked if the door has been opened for partnering with the University. Mr. Pontiakos replied that they have talked to the university. They are looking for microbiologists. They are also looking for engineers from the school as well. They give out internships and are actively soliciting and talking with the Chairs.

Ms. Drakulich wanted to confirm that 15 employees would be coming from Long Beach. Mr. Pontiakos stated that there is 15 with more to be hired locally. They are working with Job Connect and the University to fill these needs.

Director Hill wanted to thank Mr. Thomas and the others that helped with the process. He stated that he was pleased to be able to approve the application for Sales and Use Tax, Modified Business Tax and Personal Property Tax Abatement.

**DIRECTOR HILL APPROVED THIS APPLICATION FOR ABATEMENTS FOR BI NUTRACEUTICALS, INC.**

**B. NEO BIOTECH USA CORP.**

**• SALES TAX ABATEMENT**

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

Mr. Stan Thomas introduced Neo Biotech. They are applying for the Sales and Use Tax Abatement, Modified Business Tax Abatement, Personal Property Tax Abatement, and Training Employees Now. Looking at a headquarter relocation here. They are a state of the art biotech facility for R&D and manufacturing. They are investing over \$5M in Nevada, as well as hiring 50 people at a wage of over \$28. They have an incredible benefit package. They meet all three of the requirements, EDAWN fully supports their application today.

They are also trying to partner right now with the DRI, and it could possibly be on the campus there.

Mr. James Lee introduced himself and greeted the Board. Neo Biotech is based in Sacramento, California, and has been there for a while. He explained that they were looking to expand in the State of California, Texas, and Washington but did not find what they needed until searching Nevada. He further explained that the company is based in South Korea but they have now decided to make Nevada their home.

They have a state-of-the-art manufacturing facility. They are working with the Universities and the University Of Nevada Medical School on some technical issues and are also looking at working with DRI. He hopes that company application of job creation, average wage and investment costs are all okay because Nevada State has the best incentive package that the company has come across would like to relocate to Nevada.

Governor Sandoval asked if he wanted to talk about the product. Mr. Lee explained the products and where they came from. It is a patch product that has been used for thousands of years. The product is common, however not in patch form.

Ms. Drakulich asked if they have or will seek FDA approval. Ms. Wong explained that they did not need FDA approval for what they were doing because the ingredients are already approved for over the counter. Their hope is to work into the FDA approved medications at the medicinal level to incorporate actual physiologic and pathologic conditions. She further added that this is their proprietary product. They hope to go into the health, medical sector, as well as, the cosmetic sector.

Governor Sandoval noted he was very much hoping that this day would come and that they could move forward, but this was a great opportunity for our State.

Director Hill wanted to add a couple of comments. In our economic development efforts, one of our objectives is technology commercialization. And what that really means is creating innovative products and services, often through our University system, but sometimes just directly through companies, to increase productivity and increase the attractiveness of the products that companies can sell.

This is just a terrific opportunity for us and our University system to do that. It is groundbreaking literally at the Desert Research Institute. I am very excited to approve

your application for the Sales Tax Abatement and the Modified Business Tax Abatement and Personal Property Tax Abatement.

**DIRECTOR HILL APPROVED THIS APPLICATION FOR ABATEMENTS FOR NEO BIOTECH USA CORP.**

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

- A. Switch, LTD #1 – Storey County
- B. Switch, LTD #2 – Storey County
- C. Switch, LTD #3 – Storey County
  - Sales Tax Abatement
  - Personal Property Tax Abatement

Director Hill began by making a few comments about SB 170 and its relation to these applications. He further stated that he felt that if SB 170 had not passed, none of this would be here. He stated that there were two critical issues in SB 170. He explained that those have been corrected which in turn has made Nevada how competitive we have been in the past.

Mr. Walsh presented Switch. With him in northern Nevada was Adam Kramer, Vice President of Strategy at Switch. Switch is requesting tax incentives under the Data Center Law SB 170 to assist with the expansion of their data center operations in Clark County. This request for this tax abatement will directly benefit construction of their already planned Switch Super Nap 9 through Super Nap 12 as a part of Switch’s statewide expansion of what also construct the super loop; a fiber line with 17,000 gig connection from Las Vegas to Reno, Reno to the Bay Area, the Bay Area to Los Angeles and Los Angeles to Las Vegas.

As part of the Clark County Application, Switch will employ 50 people within the first five years with an average wage of \$28.98. Their capital expenditure will be over \$100M within the first five years, and is projected to exceed \$1.3 billion over the 20 years terms of the abatement. As such, Switch meets the requirements of SB 170. This application has the full support of the Las Vegas Global Economic Alliance.

Mr. Thomas with EDAWN, described the northern Nevada portions of Switch’s application. He stated the facility will be located in Storey County, and the company has met all requirements in their application for this incentive award, also, their standard abatement application as in NRS 360.750, they meet or exceed all of the requirements in that application. Switch is looking at again hiring 50 folks at this facility with an average wage of almost of \$29.00 an hour, investing over \$1.1B into the Tahoe/Reno Industrial Center just east of Sparks. Switch, along with the companies/clients that they working with are looking at over \$47B investment in equipment over the next 20 years. It is a huge investment for Nevada. EDAWN supports both applications as they have met or exceeded expectations.

Mr. Adam Kramer introduced himself and thanked Governor Sandoval and Director Hill for their leadership on the passage of SB 170. He stated it will allow Switch to continue to bring companies like Machine Zone to Nevada which is going to result in thousands of new high-paying, high-tech jobs in the State, as well as, billions of dollars in capital investment. He also

thanked them for the investment in education.

Mr. Kramer went on to say that the abatements that Switch is applying for will not only allow the company to mark the massive expansion in northern Nevada but will also allow Switch to accelerate their demands for expansion in southern Nevada. Switch's expansion up north, while listed at roughly a billion dollars, that really only represents their first phase. The company believes that at full expansion, Switch will invest \$3B in northern Nevada. At the same time, Switch is also going to expand a campus in southern Nevada, as well as, looking for a new 200-acre campus to join an already 2.5 million square feet data center, representing an additional \$3B in capital investment from Switch. Switch, being in both Las Vegas and now northern Nevada, would like to market their product as a one-state advantage.

Switch is working right now with the Nevada's System of Higher Education, CSN, TMCC, UNLB, UNLR, and Nevada State College on the Pathway Program. It is going to create a pathway directly from high school to employment at Switch. Switch is working on creating custom curriculums that will allow high school students to have a direct work path to Switch, and also for clients, like Machine Zone that are going to be coming to Nevada.

Switch is building a new Innovation Center in Reno, partnering with the University of Nevada, Reno, to open the Innovation Center in the first week of September.

The requested abatements are absolutely critical to Switch's statewide expansion, because it makes them competitive from a tax standpoint with its neighboring states which means Switch will now be able to pull more companies into Nevada. Bringing with them billions of dollars of capital investment and thousands of tech jobs - the jobs that this State has worked so hard to bring in. Switch is a Nevada born company started 15 years ago by Rob. He added, it is truly an honor for me to get to sit here today in front of the Governor and Director Hill, and Lieutenant Governor, and the rest of this Board.

Governor Sandoval asked him to explain more about the super loop, what it means and how that can positively contrast Nevada from other states. Mr. Kramer explained the connections and how they work from Nevada to Utah to California. He explained that this is going to be a direct fiber route that is going to run up western Nevada, from Las Vegas to Reno, and it is going to connect these two areas in seven milliseconds, just under seven milliseconds. He further explained that then as the super loop continues from Reno to the Bay Area, and the Bay Area to Los Angeles and back around, it means that we have in under seven milliseconds, we are able to connect to these major markets, where we are going to bring in more companies from the Bay Area, from Palo Alto, from Los Angeles, from Southern California, and then from this extension of the super loop have 40 million eyeballs within 14 milliseconds of one of our data centers.

Governor Sandoval asked him to provide more detail on how it is going to be transformative for rural Nevada in terms of connectivity. Mr. Kramer explained, our goal as set forth to get every school in rural Nevada to one gig of connectivity. I know that you launched your one-to-one plan, one computer, one student. We kind of took it upon ourselves to add one more, which was one computer and one student and one meg of connectivity.

Governor Sandoval asked, will this make us the most connected State? Mr. Kramer stated, unequivocally.

Ms. Drakulich stated that she would need to abstain from the vote on these applications due to representing Switch. She did have questions for Mr. Kramer. She asked if the super loop was going to make geography a thing of the past and Mr. Kramer confirmed. He went on to say that that was absolutely part of the intention there is making that connectivity and that seven milliseconds of connectivity between Reno and the Bay Area really is a unique geographical advantage that Switch will be able to tap into, and having companies say, why would you put a data center in the Bay Area. He explained how natural disasters play a part, flight patterns play a part and how it contributes to the economy through work visitors staying and eating and playing in our cities.

Mr. Routson commented that he would also need to abstain from the vote.

Governor Sandoval asked how many construction workers/jobs were resulting from this project. Mr. Kramer stated that they were paying about 400 construction jobs, but what should be pointed out is that Switch is almost a non-stop construction project.

Governor Sandoval stated that they have talked about this investment that they are making now, but ultimately could be up to \$6B, but that is all predicated on the passage of Senate Bill 170, is that an accurate statement? Mr. Kramer confirmed, that is absolutely an accurate statement. Nevada has now made itself more competitive, Arizona has a data center abatement at zero percent, and Oregon does not have sales and use tax. Utah has zero percent sales and use tax on their gear.

Ms. Drakulich noted that they have a really unique employment mix in southern Nevada. You have a really high percentage of either inactive or retired military on the work force. Is there an intention to try and do the same here in northern Nevada, hire that type of work force for jobs of that segment of our population? Mr. Kramer confirmed, yes that is the case. There are more than 50% veterans company-wide at Switch.

Mr. Routson wanted it noted as a parent in a rural school district service area that the connectivity that is on the verge of coming into a reality will be wonderful.

**A MOTION WAS MADE BY MR. YERUSHALMI TO APPROVE THIS APPLICATION FOR ABATEMENTS FOR SWITCH, LTD.; THIS MOTION WAS SECONDED BY LT. GOVERNOR HUTCHISON. MR. ROUTSON, MS. DRAKULICH AND MR. ROY ABSTAINED FROM THE VOTE. THE MOTION PASSED UNANIMOUSLY.**

## **8. AVIATION APPLICATIONS FOR BOARD APPROVAL**

### **A. DASSAULT AIRCRAFT SERVICES CORP.**

- **SALES TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Ms. Nancy McCormick is presenting an application for an extension for Dassault Aircraft

Services. Dassault currently operates a service center at the Reno/Tahoe International Airport and focuses on the maintenance, repair and overhaul of Falcon Model Business Jets. They began operations in 2009 and currently have 42 full-time positions with an average wage that far exceeds the current State average.

They have considered an expansion of their existing facility for some time, however determined that additional incentives were necessary and required for their future acquisitions and assets and potential expansion plans in the State of Nevada.

With the long awaited passage of Assembly Bill 161, they are poised for growth and are committing to adding the requisite three positions within the next year, at a wage that exceeds the State average, with the goal of continuing to add employees over the next 10 years as they build their operations. They meet two out of the four additional criteria of this new legislation; with a capital investment that exceeds the \$250,000 requirement and average hourly wages that significantly exceed the State average wage.

The company is requesting Sales and Use Tax Abatements and Personal Property Tax Abatements. Dassault has a generous benefit plan which includes full medical and vision and dental coverages, as well as offer other benefits, and their contributions and coverage exceed all of the State's requirements. EDawn enthusiastically supports this application. She introduced Tracy Kalbfleisch, the General Manager, from Boise, Idaho and who relocated to Nevada.

Mr. Kalbfleisch greeted the Board and thanked those who helped him with the process. Western Aircraft, does heavy maintenance and inspections on world-class business jets, specifically the Falcon Models built by Dassault. It is a very technical business, very labor intensive, good paying jobs with great benefits.

Our decision to invest and grow the company has been on hold for some time waiting for this type of legislation to pass. The incentive is critical to our success. Currently, many of our potential customers fly right over the top of us to go to our competitors. The abatement goes a long way in leveling the playing field. Dassault has a great team of technicians in Reno, and can compete with anybody.

There is one thing that the company would like to do is become more involved with the educational process, specifically, the higher education.

Currently about 30% of the company's employees have been hired within the State of Nevada, and they would like it to be at least three times that.

Governor Sandoval asked if their operation would continue on the airport grounds in the same location. Mr. Kalbfleisch confirmed that it would.

Governor Sandoval asked what the distinguishing factors were in expanding. Mr. Kalbfleisch stated that it was the sales tax incentives that played a big part of it, the tourism part of it plays a big part as well.

Director Hill stated that Lieutenant Governor Hutchison and Assemblywoman Bustamante Adams were an important part of the legislative process.

Governor Sandoval also wanted to publicly thank her and the Lt. Governor for their work.

**A MOTION WAS MADE BY MS. DRAKULICH TO APPROVE THIS APPLICATION FOR ABATEMENTS FOR DASSAULT AIRCRAFT SERVICES CORP.; THIS MOTION WAS SECONDED BY MR. ROUTSON. THE MOTION PASSED UNANIMOUSLY.**

**B. APEX AVIATION, INC.**

- **SALES TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Morgan Bunker presented Apex Aviation. They are applying to the State of Nevada for the Aviation Sales and Use Tax Abatement and an Aviation Personal Property Tax Abatement for aircraft and equipment. Apex will be hiring four new full-time employees that will make an average hourly wage of \$25.25. As they expand here locally at the Henderson Executive Airport, they will make a capital investment of roughly \$250,000. Apex Aviation has the full support and endorsement of the Las Vegas Global Economic Alliance. Mr. Bunker introduced Scott Bullock, CEO of Apex Aviation as well as another company representative, Gayland Oswegan.

Mr. Gayland Oswegan introduced himself and his relationship to the company. They are a maintenance facility that is located at the Executive Airport in Henderson. They have been doing maintenance for several years there. They have very experienced staff, of roughly 15 employees. They recently signed a new lease and are now the largest leaser of hanger space at the airport, and see it as one of their largest constraints to growth in the future is being able to expand.

Mr. Oswegan stated they see this tax abatement as very crucial to the expansion of their business, and are looking at growing the business significantly over the next couple years. Apex's sees potential growth factor of three times the current size of the business.

Governor Sandoval noted that in the application they discussed possible expansion to California or New Mexico. He asked if the legislation was the determining factor in their choice to stay in Nevada. Mr. Oswegan stated it was.

Dr. Havins asked if he could discuss the source of employment and what the future view is on the ability to the competent people do the work? Mr. Oswegan explained that they really look for two types of individuals. A mixture of both of new mechanics and the people that have 20, 30 years on their resumes who have worked on large numbers of aircraft.

**A MOTION WAS MADE BY MR. ROY TO APPROVE THIS APPLICATION FOR ABATEMENTS FOR APEX AVIATION, INC.; THIS MOTION WAS SECONDED BY DR. HAVINS. THE MOTION PASSED UNANIMOUSLY.**

### **C. ASTRO AVIATION, CORP**

- **SALES TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Ms. McCormick presented the application for Astro Aviation for an expansion. They are currently a flight crew staffing company and they are interested in expanding their business model to become a full service aircraft management company dedicate to corporate aviation. They have been operating in the area since 2008. They are requesting the Sales and Use Tax Abatement and Personal Property Tax Abatement.

They plan to add five employees within one year, at an average hourly range of \$57.76 which significantly exceeds the State average wage. They also hope to expand their presence to at least 50 employees within five years. The employee growth projections and forecasted wages enable them to meet the statutory requirements for this incentive program. They are committed to providing a complete benefit program to their employees which will include medical, vision, dental and other provisions that will meet or exceed the State's requirements.

EDAWN supports this application which will help create a [inaudible] in the region and help promote the growth of the aviation cluster in northern Nevada. She introduced Keith Gledhill, President of Astro Aviation.

Mr. Gledhill greeted the Board and introduced himself. He stated the company has been a flight and staffing company, providing flight crews to private corporate jets around the world since 2008, based in Reno, Nevada. Over the past three years they have been hopeful in anticipation of what became of Senate Bill 161. Astro has been making investments in leads, contacts, marketing materials and developing strategic partners that would support their efforts. We are hoping to become the first management company dedicated to corporate aircraft in the State of Nevada, and the new Senate Bill has opened the door for that to happen.

Today, Astro is expanding their services to include management of corporate aircraft. The goal is to attract and attain large corporate assets here in the State of Nevada. This is a natural extension for their staffing company, Astro has excellent human resources available to support their efforts, both from civilian and military backgrounds.

Governor Sandoval asked, what is the job description of these positions that you are seeking to fill? Mr. Gledhill explained that they will have a number of job descriptions. For aircraft staffing, it would be pilot and mechanic and flight attendant. However, there is probably a greater number of support functions that go with each one of those which will be accounting, legal, ground support, dispatch, to name a few.

**A MOTION WAS MADE BY MR. ROUTSON TO APPROVE THIS APPLICATION FOR ABATEMENTS FOR ASTRO AVIATION CORP.; THIS MOTION WAS SECONDED BY MS. DRACULICH. THE MOTION PASSED UNANIMOUSLY.**

### **D. CASHMAN EQUIPMENT**

- **SALES TAX ABATEMENT**

- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Morgan Bunker presented Ceco Enterprises, LLC.. Ceco Enterprises is applying to the State of Nevada for Aviation Sales and Use Tax Abatement and an Aviation Personal Property Tax Abatement for aircraft and equipment. Ceco is among the Cashman Equipment family of companies. Ceco will be hiring three new full time employees who will make an average hourly wage of \$30.16 an hour. They will make a capital investment of nearly \$11M. Ceco Enterprises has the full endorsement of the Las Vegas Global Economic Alliance. Here representing Ceco and Cashman Equipment today is Lee Vanderpool, the Chief Financial Officer of the Cashman Equipment.

Mr. Vanderpool stated that, Ceco Enterprises is a wholly owned subsidiary of Cashman Equipment, and Ceco performs ancillary service functions for Cashman and for their customers. They are applying for the Property Tax Abatement to acquire a new airplane that they will use to ferry their customers back to factories, Caterpillar and other manufacturers and to bring customers into the State of Nevada.

He also noted, Ceco would really like to thank everybody involved with the passage of this legislation because it will give an opportunity for Cashman Equipment to have more repair options within the State of Nevada, as opposed going to any aircraft dealer in Phoenix or California. There was great consideration given to hangering the plane in the State of Oregon. The passage of this abatement means continuing to have the plane hangered in Las Vegas.

Director Hill wanted to comment that the Sales Tax of an aircraft is not included in this application. It is also not eligible under our law.

**A MOTION WAS MADE BY MR. BARRETT TO APPROVE THIS APPLICATION FOR ABATEMENTS FOR CASH EQUIPMENT; THIS MOTION WAS SECONDED BY LT. GOVERNOR HUTCHISON. THE MOTION PASSED UNANIMOUSLY.**

**E. LONE MOUNTAIN AVIATION, INC.**

- **SALES TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Bunker introduced Lone Mountain Aviation, Inc. They are applying to the State of Nevada for an Aviation Sales and Use Tax Abatement and an Aviation Personal Property Tax Abatement for aircraft and equipment. Lone Mountain Aviation will be hiring three new full-time employees who will make an average hourly wage of \$18.66 as they expand at City North Las Vegas Airport. They will make a capital investment of up to \$25,000. Lone Mountain Aviation has the full support and endorsement of the Las Vegas Global Economic Alliance. He introduced, from Long Mountain Aviation is Kenny Scherado, the company's President.

Mr. Scherado greeted the Board. Lone Mountain Aviation has been in business since the early 1980s; they expanded and built their 23,000 square foot maintenance facility in 1999 and moved in in 2002. Lone Mountain has expanded and grown and have approximately 15 people on staff

right now. They offer services both in aircraft maintenance, structural repairs, composite repairs, avionics modifications, upgrade and repairs. They deal with customers from all over the country as well as out of the country, because of their abilities and our structural capabilities they have customers come to us out of Canada and Mexico for structural repairs and composite work.

This Tax Abatement is going to be a huge benefit for Lone Mountain. Over the years, they have had to reduce their estimates and profit margins to compete with out of state businesses. This abatement will allow the company to compete on an equal level with these other states.

Most of the employees hired are local employees or within the State of Nevada. There is a school in Las Vegas just by the McCarran Airport, it is AIM, Aviation Institute of Maintenance. It is an air frame and power plant school that is certified by the FAA. This school is going to be able to expand its operation as well because of this tax abatement. All of the companies within the state will be able to draw on this school and its students that are graduating. This whole program and the Abatement Bill that passed is going to reach out and benefit the school, the industry, and everybody throughout aviation in the State of Nevada.

Governor Sandoval thanked him for letting them know about the school. Mr. Barrett stated that this seems to speak to what the purpose of the law was about. And from your description of your perceived increased activity coming, that is wonderful.

**A MOTION WAS MADE BY DR. HAVINS TO APPROVE THIS APPLICATION FOR ABATEMENTS FOR LONE MOUNTAIN AVIATION, INC.; THIS MOTION WAS SECONDED BY MR. BARRETT. THE MOTION PASSED UNANIMOUSLY.**

**F. AIR METHODS CORP.**

- **SALES TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Bunker stated Air Methods Corporation is the parent company for Mercy Air Service and Sundance Helicopters, and is applying to the State of Nevada for an Aviation Sales and Use Tax Abatement and an Aviation Personal Property Tax Abatement for aircraft and equipment. Air Methods Corporation will be hiring seven new full-time employees who will make an average hourly wage of \$24.70. They will make a capital investment of roughly \$13M.

Air Methods Corporation has the full support and endorsement of the Las Vegas Global Economic Alliance. Representing Air Methods is Jay Francis, the President of Sundance Helicopters, as well as Ryan Frazier, the Director of Government Relations.

Mr. Francis greeted the Board. He is representing Air Methods Corporation on behalf of Mercy Air Medical Corporation and Sundance Helicopters out of Las Vegas, Nevada. Mercy has been offering air medical transport to the residents of Nevada for over 17 years and Sundance has been offering aerial tourism for over 30 years for the tourism industry here. Sundance is the oldest helicopter provider in the State of Nevada. Together they have over 200 employees.

This bill is going to allow Air Methods Corp. to do several things. One, is allow them to put in a Part 145 Shop. Currently they send that out of state. These people are certified - professional certifications and they will look to the local AIM College, as mentioned, as well as work with UNLV for internships. We also hire nurses and various customer service representatives, accounting, finance and marketing representatives. The Tax Abatement part will also allow Air Methods to reinvest in some of the technological advancements to their aircraft as well.

Mr. Francis added, by having this abatement program, it will allow the company to stay in the State and maintain its staff, while increasing the amount of work that they can actually do.

Governor Sandoval noted that the application says they are going to add seven jobs. He asked if that was conservative. Mr. Francis agreed that it was. He thinks it is going to be more like 7-15 during the next 12-24 months.

**A MOTION WAS MADE BY MR. YERUSHALMI TO APPROVE THIS APPLICATION FOR ABATEMENTS FOR AIR METHODS CORP.; THIS MOTION WAS SECONDED BY MR. BARRETT. THE MOTION PASSED UNANIMOUSLY.**

**G. UMANNED SYSTEMS INC.**

- **SALES TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Bunker stated Unmanned Systems, Inc. is applying to the State of Nevada for an Aviation Sales and Use Tax Abatement and Aviation Personal Property Tax Abatement for aircraft and equipment. USI will be hiring an additional three full-time employees. They will make an average hourly wage of \$60.00 an hour as they expand here in southern Nevada. Unmanned Systems, Inc. has the full support and endorsement of the Las Vegas Global Economic Alliance. Unmanned Systems, Inc. is represented today by Bill Reynolds.

Mr. Reynolds greeted the Board. He explained that this legislation has been a great thing for the company, and are looking forward to it. He would like to thank everyone that made this possible. USI is a government contracted UAV company originally started in 2003, and based in Henderson.

USI has 72 employees, on the paper, but it is actually 74 this past week. They have built their own UAV. It was built in Montana and they are hoping to move that down to Nevada shortly, the manufacturing as well.

The company plans to draw on the veterans and currently the majority of their company is veterans that work here in the State. They are 90% veterans, so it is a big deal for their company to pull from Nellis Air Force Base in the south, and then also the Universities, as they start to stand up their UAV programs as well.

Governor Sandoval asked Mr. Reynolds if he thought everything was going as planned, despite the issues federally, but asked how things were going. Mr. Reynolds agreed that it has been going very well. He stated the first was very slow, but the last six months have definitely picked

up.

Governor Sandoval asked if the passage of the bill will further put Nevada at the front in terms of companies like USI doing their testing in Nevada and then hopefully their manufacturing as well. Mr. Reynolds confirmed, absolutely.

Director Hill commented, I think it is great to see that this legislation is helping to move the UAV industry in Nevada. The other main point I want to make is Unmanned Systems is a significant player in this industry, great partner in this effort, having them here makes a difference to Nevada, not only from an economic standpoint, but from a branding standpoint.

**A MOTION WAS MADE BY MS. DRAKULICH TO APPROVE THIS APPLICATION FOR ABATEMENTS FOR UNMANNED SYSTEMS, INC.; THIS MOTION WAS SECONDED BY DR. HAVINS. THE MOTION PASSED UNANIMOUSLY.**

## **9. DIRECTOR'S REPORT, REVIEW AND DISCUSS**

We have probably 10 or 12 additional aviation companies in the pipeline that would probably have liked to have been on the Agenda today, but just the process of getting the application done and the analysis done was moving faster than they could move. So I think we will probably see at least a similar number in the September meeting.

Obviously we are soon going to be leaving on the trade mission to Europe, we are excited about this. We think that our understanding on how to get the most out of those trade missions continues to improve. We think these will be significant announcements for the State. We have approximately 60 Nevadans I think who are going on that trip, there will be a track for the Governor and our staff, one for education and one for business, and they will interact at times. So our staff has worked for nine months putting this mission together.

The Catalyst Fund Grant that you approved earlier today for BarclayCard nearly depletes the Catalyst Fund portion of the catalyst effort. During the last legislative session we did not refund the catalyst fund. We created the catalyst account, which should streamline the process.

The Governor has formed the Southern Nevada Tourism Infrastructure Committee which is a critical economic development effort. I am honored to be Chairing that Committee. I wanted to thank the Governor for allowing me to do that.

Governor Sandoval thanked Director Hill and added, I guess it is appropriate for me, you left one thing out, and it was item one of the report. And Nevada received the 2014 Golden Shovel Award which is like winning an Oscar for economic development and there are five categories, and Nevada won one.

It is the most prestigious economic development award that can be had and that is a direct complement to you, Steve and your staff for what you have done. Additional credit goes to the LVGEA, EDawn and NNDA and our other development authorities throughout the State.

But we really are that State that everyone is looking at now for best practices. And there really is, as you see a line of companies that want to come here, and not because it is cheap, but because we are the most connected State in the country. We have made an investment in higher education, in K through 12. We have customer service that is unmatched.

So this is very well-deserved Steve, and I really thank you for everything you have done, because it really has been transformative for our State.

Mr. Drakulich added when we started this effort, how many years ago, we commissioned a study and the study came up with sectors, and so often you get down the road a year or two and those studies are a faint memory. And it does not go the way you planned, but if you look at today's Agenda, and you have made these comments before with other very remarkable agendas that we have had over the last years, that this group of companies is tethered to those sectors that we identified a long time ago. We are sticking to the mission and it is paying off, and I just think that is remarkable.

Governor Sandoval noted, I remember us introducing that study at UNR, and wondering whether we should use this number of 50,000 new jobs? Four and a half years later we are at 120,000 new jobs. Think about that. These are people - you know they are back to work and happy and being able to provide for their families and make their house payment and buy cars, and go out and eat and do all these different things. So it really is an honor for me to be able to serve on this Board and to have all of your input you know that you have contributed through these years.

## 10. PUBLIC COMMENT

Mr. Yerushalmi wanted to make a very brief comment. He wanted to thank Kris Sanchez and the staff. I am trying to make it work so that I can come for part of the mission, and I am really appreciative of all the help that they providing, and again, as I have done before, I would like to encourage any other Members of the Board, if they are able to, to try to join one of these missions, even for a small portion, because it is really amazing the work that is being done under your leadership, under Director Hill's leadership, the whole team's work.

Mr. Barret wanted to add , away from the business part of the meeting, a compliment to Switch and Rob and what you have done for modeling to others what can be done and that aspirational aspect that you brought to the business community.

The numbers that we spoke of that are being invested by Switch and the company are staggering. Most of you know that I am an accountant, so I have a calculator, and they take your breath away. And what they are leading us to as a State is - it takes my breath away, and I thank you on behalf of the other folks who do not see it every day, but who benefit from it. So thank you.

Mr. Karamooz wanted to make a comment. He greeted the Board and introduced himself as the President of Nevada Business Aviation Association. Most of the applications today were put forth by members of our Association. Many of the folks who worked this Bill through the last session and coming onto this session, worked together from the north to the south.

He told of the Aviation Association which was started and Aviation Clubs at Sunrise Mountain High School in Las Vegas. He explained the program. They won the competition that they entered. We are doing it with people born and raised here, and you know I cannot tell you how exciting it is.

This year for the first time in our office we are doing a summer internship program. We started it, the next week after school was over, we pick up the students from home, we bring them to our office, we have a classroom set for them, we teach them programming, we teach them aviation design.

A speaker who introduced herself as the Vice President of Economic Development for the Reno/Tahoe Airport Authority wanted to say thank you Governor Sandoval for everything you are doing for our State, for the aviation and the education, and Switch and the abatements, it is just an amazing program, and we appreciate you keeping your promise.

And we appreciate Ms. Bustamante Adams and the Lieutenant Governor's leadership in the South and allowing the north to come down and present the data that Mr. Potts helped us organize as well, and a special thanks to Executive Director Steve Hill for his tenacity and endurance and leadership.

We could not have done this without all of you and we are very excited about the new Nevada. We can see how much all this growth will mean, not just to UAS because we have a test site - a range that is part of a test site, and to the MROs and the maintenance but also to inner cargo and air surface, so thank you very much.

**11. ADJOURNMENT**

**A MOTION WAS MADE BY MR. YERUSHALMI TO ADJOURN THE BOARD MEETING; THIS MOTION WAS SECONDED BY MR. ROY. THE MOTION PASSES UNANIMOUSLY. THE MEETING ADJOURNED.**