

TOBACCO REGION REVITALIZATION COMMISSION

701 East Franklin Street, Suite 501

Richmond, Virginia 23219

Executive Committee Meeting

Thursday, May 5, 2016

11:00 o'clock a.m.

Institute for Advanced Learning and Research

Danville, Virginia

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1 APPEARANCES:

2 The Honorable Terry G. Kilgore, Chairman
3 The Honorable Frank M. Ruff, Vice-Chairman
4 The Honorable Kathy J. Byron
5 The Honorable Charles W. Carrico, Sr.
6 The Honorable Ben Chafin
7 The Honorable Daniel W. Marshall, III
8 Mr. Donald W. Merricks
9 The Honorable Edward Owens
10 The Honorable Thomas C. Wright, Jr.

11

12 COMMISSION STAFF:

13 Mr. Evan Feinman, Executive Director
14 Mr. Timothy S. Pfohl, Grants Program Administration Director
15 Ms. Stephanie S. Kim, Director of Finance
16 Ms. Sarah K. Capps, Grants Program Administrator -
17 Southside Virginia
18 Ms. Sara G. Williams, Grants Program Administrator -
19 Southwest Virginia
20 Ms. Stacey Richardson, Executive Assistant
21 Mr. Jordan L. Butler, Public Relations Coordinator
22 Mr. Michael Gilbert, Econometric Data Scientist

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COUNSEL FOR THE COMMISSION:
Ms. Elizabeth B. Myers, Assistant Attorney General
Richmond, Virginia 23219

1 May 5, 2016

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DELEGATE KILGORE: Welcome, I'll call the meeting of
4 the Executive Committee to order.

5

And, Evan, if you'll call the roll.

6

MR. FEINMAN: Delegate Kilgore.

7

DELEGATE KILGORE: Here.

8

MR. FEINMAN: Yes, sir. Delegate Byron.

9

DELEGATE BYRON: Here.

10

MR. FEINMAN: Senator Carrico.

11

SENATOR CARRICO: Here.

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MR. FEINMAN: Senator Chafin.

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SENATOR CHAFIN: Here.

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MR. FEINMAN: Delegate Marshall.

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DELEGATE MARSHALL: Here.

16

MR. FEINMAN: Mr. Merricks.

17

MR. MERRICKS: Here.

18

MR. FEINMAN: Delegate Morefield.

19

DELEGATE MOREFIELD: (No response).

20

MR. FEINMAN: Mr. Owens.

21

MR. OWENS: Here.

22

MR. FEINMAN: Senator Ruff.

23

SENATOR RUFF: Here.

24

MR. FEINMAN: Delegate Wright.

25

DELEGATE WRIGHT: Here.

1 MR. FEINMAN: You have a quorum, Mr. Chairman.

2 DELEGATE KILGORE: Do I have a motion we approve
3 the minutes of January 12, 2016?

4 DELEGATE WRIGHT: So moved.

5 DELEGATE KILGORE: I have a motion and a second
6 to approve the minutes. All those in favor, say aye. (Ayes).
7 Opposed? (No response). The minutes are approved.

8 All right, Strategic Plan discussion. One of our
9 esteemed co-chairs, Ms. Coleman, won't be here.

10 MS. GOULD: Mr. Chairman, you all should have a
11 copy of this Strategic Plan, and they were emailed to you, but we
12 have more here if you need them. Just a little bit of background
13 about our process of this particular planning.

14 We met a couple of times briefly as a committee to
15 think about and plan what direction we want to go in and set
16 some facilitators. The Committee felt very strongly about
17 wanting the public to be involved in a large way in our strategic
18 planning update.

19 We held two large public meetings, and one in each
20 part of the Tobacco Footprints. Those sessions were attended by
21 a little over 100 people each, and we were very pleased with the
22 turnout on that. From the beginning, we decided we'd look at
23 the Strategic Plan in two ways.

24 One portion of the Plan would be an internal plan, the
25 way we should function on the internal business, and looking at

1 our budget and staff and the committees and the planning, then
2 an external phasing portion of the plan, which would really be the
3 way we guide our grantees in terms of the type of projects we
4 were going to focus on funding. That was the focus of the two
5 large public meetings in terms of our grant making, in large part
6 in the second plan the authority.

7 Two main things I want to cover before I turn it over
8 to Evan. There's an effort made to try to target the outcomes to
9 each type. Also, looking at the rankings that the two public
10 meetings gave us in terms of what we should be looking at in
11 priorities. Education, workforce, entrepreneurship, small
12 business, access to public health, regional opportunities and
13 leadership building. There'll be more details on each of those,
14 but I'm going to go ahead and turn it over to Evan.

15 I'd just like to say that Becky and I really appreciated
16 the members of the Executive Committee participating in this
17 process, and that's a great sign of the interest that the
18 Commission is paying to all this. So, I'll turn it over to Evan.

19 DELEGATE KILGORE: Thank you all for the hard work
20 you've put into this.

21 MS. GOULD: Becky, wish she could be here today.

22 MR. FEINMAN: Thank you, Ms. Gould.

23 What I'd like to do today is walk through at a very
24 high level everybody on this Committee and, in fact, the Full
25 Commission will get what we'll call a final draft electronically a

1 week prior to the Full Commission meeting about the outcomes
2 of this.

3 The purpose of this review is to give us enough time
4 to review all this information.

5 DELEGATE BYRON: I hate to interrupt you, but you
6 said --

7 MR. FEINMAN: To respond to any large directional
8 changes or any significant changes or if anything is omitted, so
9 we have enough time to work on that between now and the
10 adoption of these at the meeting. There'll be an opportunity for
11 every member or Commission members to add or edit any
12 responses they have.

13 DELEGATE BYRON: First of all, I'd like to recognize
14 the Committee did a great job in reviewing these and having
15 public input. I wanted to make sure, and I had a couple of
16 questions about some things that I'm reading, how we're going
17 to determine what does and what doesn't before a final product
18 comes out. I would also, I wanted to ask, because this is a
19 bigger target to edit and going into such great deal. Other plans
20 and detail and some of this, and this does have quite a bit of
21 detail to it, I'll say.

22 MR. FEINMEL: This is significantly more detailed and
23 planned than prior plans the Commission has and where the
24 Strategic Plan.

25 MS. GOULD: I think we have examples of plans that'll

1 be more self-explanatory as we go forward.

2 DELEGATE BYRON: I'm just not certain that by doing
3 that, it's kind of hard to get a total agreement of everyone, and
4 maybe it doesn't allow us all or encourage activities, so as I read
5 through it, that's a little bit of my concern of what you're opening
6 the door to when you put it out in a great amount of detail
7 dealing with funding, and you have to be extremely careful by
8 reading it over, that was my reason.

9 MR. FEINMAN: The thing I would say, and when you
10 look at the goals and what we're going to do after this and what
11 response would be needed and broad changes the Committee
12 wants, members of the Strategic Planning Committee can email
13 those responses and then we can make a final draft with any
14 recommended changes tomorrow or Monday at the latest,
15 depending on how many there are. Then that'll give us a couple
16 of days to probably or end of the week to make changes or
17 recommendations in making the Committee comfortable.

18 If the Committee is comfortable, then we can do a
19 draft. We'll email every Commissioner, I'll do my very best to
20 respond to every Commissioner between the full Commission
21 hearing, the new meeting.

22 DELEGATE BYRON: Is the Committee meeting again
23 or are we going to do all this by email?

24 MR. FEINMAN: We can do it all by email, and email is
25 better than everybody trying to get together.

1 MS. GOULD: One thing we have to be careful about is
2 because when we were working on the editing process and send
3 the comments directly to Evan or to one person.

4 DELEGATE BYRON: Mr. Chairman, then in order to
5 understand the suggestions or edit and the Chairman has to send
6 it out and inform one person of the Committee?

7 MR. FEINMAN: Any item to be brought directly to the
8 Committee and individually to me and I can incorporate those
9 edits and reshare that document with the full Committee. What
10 we can't do is have an ongoing emails all over. I can send out a
11 version, Delegate Byron, if you have, say, an item on page 3 and
12 I can fix that typo and send it back out to the Committee,
13 everybody on page 3, this is a change in the version or make
14 another change perhaps. I think that's the way to work this with
15 the least amount of any confusion or overlap and get the
16 information out that we want. And I think that's the way we can
17 operate.

18 DELEGATE BYRON: One final comment, Mr.
19 Chairman. I would think that the Committee might actually meet
20 at some point and we can really have a lot of discussion on the
21 input based on the public hearing and the final results that the
22 Staff has laid out on the reports.

23 DELEGATE KILGORE: I don't have a problem meeting.
24 We have to do it between now and the meeting.

25 DELEGATE BYRON: I realize that now.

1 MR. FEINMAN: Mr. Chairman and Delegate Byron,
2 what I would do is recommend that we can have a meeting or
3 the full meeting and incorporate all these changes and discuss it.

4 Now, just so we have an opportunity to respond to
5 those edits. I'm going to move very quickly, and feel free to
6 jump in. As we start out, we're fairly straightforward about our
7 history and then the coverage area.

8 Then the Challenge section, our guidelines, and we're
9 working within the overall economic activity. Our Mission is
10 covered. And then, of course, we've done the indemnification.

11 Then if you look at our Vision, I'll leave you all to read
12 that. And then we restate our goals.

13 Then over on page 5, the Program Design. What we
14 can really discuss is now we have very clear metrics by which to
15 evaluate and the gains that we have made. Then we reiterate
16 that we retain the clawback provision if grants are made, if they
17 don't meet their goals.

18 Finally, something we put in, and then we looked at
19 the closeout grants. We had an awful lot of grants and the last
20 dollar went out the door, and everything wasn't completed, and
21 they had no incentive to do the work to give us a final report
22 after they had gotten all the money. Now, we're changing that,
23 we're not going to do our final disbursement of funds made to
24 any grantee without Commission Staff having received a
25 completed a final grant report from the grantee. That's the only

1 way we have as Staff to compel the grantee to give us that
2 information so we can close out the file and certainly not disburse
3 any more money.

4 The Committee Structure, I think you're all familiar
5 with that, and that describes each committee and what they do.

6 Next, Meeting Schedule, we are memorializing and
7 finalizing the meeting schedules, and then you can mark it on
8 your calendar for years out. We'll have the January meeting held
9 on Tuesday prior to the beginning of the General Assembly
10 session. Our May meeting will be the third Thursday in May, and
11 that's to avoid the Memorial Day holiday. Then, our next
12 meeting, the September meeting, will be on the fourth Thursday
13 of September. Any additional meetings can be called by the
14 Chair, but we won't have any Full Commission meetings outside
15 of the regularly scheduled meetings.

16 SENATOR CARRICO: I know that the Senate Finance
17 Committee meets on Thursday most of the time.

18 DELEGATE KILGORE: Do you mean the third
19 Thursday?

20 SENATOR CARRICO: It's on a Thursday usually, so
21 you need to set your calendar out in advance.

22 DELEGATE KILGORE: Maybe we can change that
23 Thursday.

24 MR. FEINMAN: I'm doing this all day, so whatever
25 day you want to do it.

1 DELEGATE KILGORE: Let's say the fourth Tuesday,
2 meet Monday and Tuesday.

3 SENATOR CARRICO: What I have is that it's usually
4 on the third Thursday. The fourth Thursdays are good.

5 DELEGATE KILGORE: If you say the third Tuesday in
6 May.

7 MR. FEINMAN: So we can change Number 2 to the
8 third Tuesday.

9 DELEGATE KILGORE: Third Tuesday in May and
10 fourth Thursday in September.

11 MR. FEINMAN: All right. All right, then, Budgeting
12 and Financial Management. For the first time ever, we're going
13 to reduce our corpus invasion, and this is a pretty step, and
14 Stephanie will go over this, in terms of projections down the
15 road. We're going to set a goal of staying below 4.5 percent
16 corpus invasion year to year. When we look at the projections,
17 that and a few other measures are basically going to be done to
18 keep the Commission viable until the resumption of MSA
19 payments. I think that's a goal anybody else on the Commission
20 shares. That's the long-term plan.

21 DELEGATE KILGORE: We want to have funds
22 available if the next big thing comes along.

23 MR. FEINMAN: Yes, if Toyota says we need a large
24 manufacturing facility, the Commission needs to retain the ability
25 to respond to that large prospect, but other than that, we're

1 going to set a goal in normal years of 4.5 percent corpus
2 invasion. We have statutory authority to do more, we're going to
3 try to follow those guidelines.

4 SENATOR RUFF: I really think we need to think or
5 simply say the monthly meeting so that we can work around. I
6 just don't think it's very responsible to put some of these in stone
7 and then we can't change them.

8 DELEGATE KILGORE: What do you suggest, the May
9 meeting and a September meeting?

10 SENATOR RUFF: Yes.

11 MR. FEINMAN: I don't have a problem if we have to
12 change these, but for planning purposes, it's just going to make
13 it a lot easier.

14 SENATOR RUFF: I understand that, Mr. Chairman,
15 and I appreciate that, but the realities of the situation,
16 sometimes we might have to change.

17 DELEGATE MARSHALL: So, in the future, just put May
18 and September.

19 MR. FEINMAN: But if we're going to change these two
20 or keep these two months we've mentioned. We can restate
21 emphatically that any, we also want to make extensive use of the
22 loan fund for as many projects as we can. And then finally the
23 Commission and Commission Staff will pursue innovative
24 partnerships with the private sector to further leverage
25 Commission cap assets and capital. This idea grew out of the

1 fact that our funds are dwindling and losing an opportunity to
2 meet demands. And we thought about this loan concept and
3 finding a partner in the private sector to add their deals on top of
4 our deals as capital becomes more available.

5 So, the idea is rather than say to a company we can
6 get a \$2 million grant from POS and a \$3 million loan from the
7 Tobacco Commission, which has certain costs of capital, and we
8 could already have a partnership with a private sector bank and
9 that could involve an additional \$10 million. And maybe that can
10 grow to \$15 million, and rates far below the market rate. The
11 ability to leverage our capital in creating that partnership and
12 develop this partnership and make --

13 SENATOR RUFF: Just to go back, should we award
14 X number of points for the type of joint initiative?

15 MR. FEINMAN: When we do reach both in our grant
16 funding and our strategic funding, various priorities for regional
17 funds, and that certainly would have an impact. And I
18 understand your point.

19 SENATOR RUFF: I understand that, Mr. Chairman, but
20 should that be incorporated?

21 MR. FEINMAN: That's in a later part of the document,
22 but it's something to consider.

23 DELEGATE MARSHALL: It could be that regional
24 cooperation could certainly help and be a big driver.

25 MR. FEINMAN: Yes, as I was saying, the loan fund

1 operation, and we've been over this many times in the various
2 committees the way that loan fund would operate. We haven't
3 had an exclusive plan to manage funding that we have coming
4 through the door. Fundamentally what we're going to work on is
5 insuring we have good data and rates that are attractive. That's
6 what we're saying here.

7 Now, if you'd turn the page, we have an
8 organizational chart, and this is what the Commission looked like,
9 and that should be fairly straightforward for everybody, and
10 that's entirely internal, and that describes how we operate.

11 Then moving on to Strategic & Funding Priorities, and
12 that's how we're going to handle the rest of the world.

13 Then we have General Funding Policies, and these are
14 in many ways already the policies trying to, this really comes
15 from how we operate. What we're basically saying is that we
16 give priorities to regional impact, and, Senator Ruff, that's a
17 pretty strong statement right there. I don't know if we want to
18 elevate the priorities above with each plan. You were talking
19 about a match. We're encouraging folks to pre-apply and require
20 for applicants and you've got to submit according to our
21 guidelines, a good ROI. We can work with regional partners and
22 describing how that can be proposed. Then, also, use of funds
23 for profits, benefits of jobs, and to the community as a whole.
24 Then we talk about the code requirements for our match. Then,
25 a long list of noneligible use of funds. As I said, not outside the

1 region, including state and federal funds, and et cetera, et
2 cetera. And we described what is and is not travel and the use of
3 personal funds, their expenses.

4 Then we go through our matching funds and
5 guidelines, matching fund guidelines and requirements. We want
6 to be very clear here. We won't do something that doesn't meet
7 our required match, our proposed dollar-for-dollar match and/or
8 purposes. And there's a list there.

9 Moving on from there, we go into a bunch of charts.
10 And these are, this was to make sure the things that we're doing
11 lead logically to the outcomes that we want in these programs.
12 What we have there is that on each one of these, and there's a
13 column on the left that describes what the grant would do, what
14 it's supposed to do, and then the column in the middle that
15 describes generally what we get out of it. For example, in the
16 cost share program, the focus participating producers and
17 additional yield or how many additional acres or what do we get
18 out of the crops. Those are actual hard numbers.

19 Then the far right column is the outcomes that the
20 Committee wants generally. Decreased dependency on tobacco
21 crops, et cetera, et cetera. I have to give Michael a lot of credit
22 here, and this is an incredible spreadsheet and very firm metrics.

23 We're also ready to update our applications and we
24 can do that digitally.

25 DELEGATE KILGORE: That'll be shared with us as it

1 comes online?

2 MR. FEINMAN: Yes, once we've got through the firm
3 and the application, we can share as much detail that you want
4 with each committee. We want to get firm metrics on each one.
5 I'm not going to go through each one, but you all can look
6 through that as you wish.

7 Then, next is Key Funding Priorities. These are the
8 outcomes of our big public meetings and our regional steps. We
9 basically took the raw data we have, and we will be making some
10 amendments, but I just wanted to get you familiar with it. As we
11 go through, we'll have to tweak these a little bit. Generally what
12 came out in terms of priority funding, like education and
13 workforce development, far and away public number one
14 recommendation on how to use our funds, then infrastructure,
15 entrepreneurship and small business, health care, regional assets
16 and opportunities, and leadership and community capacity. I
17 think those make sense as sort of a general priority. That
18 doesn't always coincide with the committees. You can always do
19 a lot of education work with TROF and community development.
20 If the committees have applications come before them and Staff
21 makes a recommendation in accordance with prioritization
22 generally.

23 Then if you talk about individual projects, and there
24 are examples, and some of those we'll pull out like public transit
25 and things like that. That'll all be before you when we get the final

1 draft prior to the Full Commission meeting and then when
2 considering our bylaws and what's appropriate.

3 Been on the Commission since '07, and we had a
4 whole lot more money when I first showed up than compared to
5 now. And, of course, most of it went to Southwest.

6 DELEGATE KILGORE: Oh, yeah, oh, yeah.

7 DELEGATE MARSHALL: That's not what I want to talk
8 about. What I see in this is that this is kind of a roadmap. Now,
9 we have less dollars to invest as we go forward.

10 As far as the Strategic Plan, I've had people call me
11 about as far as being a very worthwhile project, and I've said if it
12 doesn't fit our Strategic Plan, that would be another problem.
13 But what I'm referring to is page 27, what I'm referring to that
14 the most or key priority is jobs and high paying jobs and
15 manufacturing jobs as we move forward. And so, economic
16 development and tourism, and so my suggestion is that we, and
17 I know we had some of this mentioned in our meeting before
18 this. When you consider all these things, the main factor is we
19 have less money to invest in the future. And I'm not saying that
20 these aren't worthwhile projects with the limited amount of
21 money that we have. The question is where do you want to put
22 your money? I think the money should be put in, and at least
23 this is my opinion, into projects that create high-paying
24 manufacturing jobs.

25 DELEGATE KILGORE: Tourism, some of these like

1 Outdoor Recreation, and it might be a lower priority. I'm just
2 saying maybe set some of those as a lower priority, and the
3 infrastructure improvements and job creation and things of that
4 nature.

5 MR. FEINMAN: I've got two responses to that, Mr.
6 Chairman. The first would be, this is set up to describe the way
7 in which when these committees take action on any of these
8 projects, how are we going to hold the projects accountable and
9 how are we going to get the outcomes that we want? The
10 inclusion of items, if it doesn't meet their priority or the funding
11 priority, that's number one.

12 Number two, I think there is a big difference here
13 between the Southside Economic Committee and Southwest
14 Economic Committee. We won't fund something that doesn't
15 meet our goals.

16 Moving on from there, we go to a bunch of charts, and
17 these are basically to make sure that we get the outcomes that
18 we want. So, what we have here is that on each one of these,
19 there's a column on the left that describes what the grants will
20 do or what it's proposed to do, and the column in the middle
21 describes generally the firm metrics we get out of it. For
22 example, the Cost Share Program, the firm metrics would be how
23 much additional yield did you get, the firm metrics would be how
24 many participating producers did you get, how many additional
25 yields do you get out of the crops, how many additional acres are

1 under seed? Those are actual hard numbers you can measure.

2 Then the far right column is the outcome that the
3 Committee wants generally. Decreased dependency on the
4 tobacco crops, increased agriculture and livestock diversity
5 innovation, increased effective and efficient agriculture and
6 livestock production, et cetera, et cetera. We underline these,
7 and I want to give Michael a lot of credit here. This spreadsheet
8 has very firm metrics for every single one of these. We're ready
9 to track them and update how we're doing so we can actually
10 and digitally automatically track them.

11 Once we get this information firm in the application,
12 we can share all this information. I could go through each one of
13 these metrics, but they are supposed to be firm. I'll go ahead
14 and let you take a look at that.

15 Then Key Funding Priorities. These are the outcomes
16 of our big public meetings and regional. We will end up making
17 some amendments, but I wanted to make you aware of them.
18 Generally what came out in terms of priorities, education and
19 workforce development, probably the number one
20 recommendation; a second is infrastructure; and third is
21 entrepreneurship and small business; fourth is health care, and
22 the fifth is regional assets and opportunities, I think they make
23 sense as sort of a general priority. I don't think it will be a
24 problem after recommendations to follow these priorities
25 generally.

1 The individual projects below there are just examples.
2 Some of those, we'll pull out, things like public transit. That'll be
3 before you when we get to the final draft prior to the Full
4 Commission meeting, and you can look at the Table of Contents
5 in the beginning to see what those are.

6 MS. GOULD: Mr. Chairman, in reference to Delegate
7 Byron, I'm just wondering about another meeting and whatever
8 date we can come up, so maybe we ought to plan to have that.

9 MR. FEINMEN: In scheduling another meeting and we
10 can --

11 MS. GOULD: I think once you pick a date and polling
12 all the committee members.

13 DELEGATE MARSHALL: When would that meeting be?

14 MR. FEINMAN: We'll do our best to get a meeting put
15 together, but the key focus area will be the funding priorities and
16 what we can do about that.

17 DELEGATE MARSHALL: Mr. Chairman, I'd like to see
18 and who will be there?

19 MR. MERRICKS: What I would like to see is the Staff,
20 based on the proposal, build a pyramid of we're going to fund
21 this and this and we won't do this, this, and this. I think you can
22 limit what you put there and indicate the high priority funding.

23 MS. GOULD: The key funding priority section at the
24 end reflecting the order of prioritization.

25 MR. FEINMAN: The second to last category.

1 DELEGATE BYRON: Mr. Chairman, are we going to
2 get an update? And when you speak about the funding priorities,
3 and even it's at the bottom of the barrel and people put pressure
4 on trying to do their best to get funding for a project and a
5 project that they're very passionate about. We really need to be
6 mindful of that. I think it's just that a good discussion that we
7 should all have. That not only saves the Staff time and the work
8 later on trying to determine what should be funded.

9 MR. FEINMAN: We're certainly mindful of that.

10 SENATOR RUFF: Mr. Chairman, can we return to page
11 21 and in reference to the terminology more broadly for
12 production, we have skilled growers that are vital to the economy
13 and the region and that's no reason why we should slight them.

14 MR. FEINMAN: Thank you for giving your input, but
15 what will happen now is we will work or schedule a meeting and
16 then you all should get in about a week, we'll get the final draft
17 together, and we'll attempt to give the full committee as much
18 time as possible ahead of the meeting to reabsorb this
19 information.

20 DELEGATE KILGORE: Thank you. Let's now vote on
21 the next item on the agenda, do the budget.

22 MS. KIM: Our proposed budget is for \$30 million.
23 And just to give you a reference, last year's was 55, and the year
24 before \$54 million. And this includes a 4.4 corpus invasion, and
25 then the use of funds and administration and economic

1 development. The administrative budget is seven-and-a-half
2 percent of total proposed budget, similar to last year. It does
3 fund 13 employees, plus the Secretary of Commerce, Special
4 Advisor, and that includes the \$150,000 for local business
5 attraction support, and includes 244 for the MSA enforced.

6 DELEGATE MARSHALL: The \$244,000 MSA enforced,
7 how many years have we been doing that?

8 MS. KIM: It's been about that much every year, I
9 think since the beginning of time. And even though we
10 securitize, technically, it doesn't matter for the MSA enforcement,
11 we have to pay that.

12 MR. OWENS: Local business attractions support.

13 MR. FEINMAN: The IDA staff chairs and co-chairs and
14 other people. What we're finding is that the IDA partners can't
15 really do a lot of things, but it helps them bring prospects to their
16 committee whether they're hoping to get some funding from
17 prospects or not. For example, a company that will shortly
18 announce they're locating to Danville, their executives coming
19 from overseas and they have a time crunch, and we were able to
20 use the administrative budget to help them. And when they fly
21 into Richmond, we can get them right down to Danville on time
22 so they can see what they need to see and then get back. That's
23 not money that existed in the IDA budget. They're fully funded,
24 and we were able to support their goal to do that. That allows us
25 to work with our partners. That's at the Executive Director's

1 discretion being able to go meet the prospect, trade missions, or
2 otherwise. We'll be very careful and make sure that there's
3 scrutiny, but these have to be verified meetings and work with
4 the prospects. These are the meetings that really are bolstered
5 by our local partners.

6 DELEGATE BYRON: Mr. Chairman, I'm sure that will
7 never happen on your watch. Is there some sort of a report
8 that's actually available for people to look at of how these funds
9 are spent, that we can track down and keep track of this?

10 MR. FEINMAN: This is new, so what we can do is
11 provide an annual report how this is funded and we can show you
12 how the funds are spent.

13 DELEGATE MARSHALL: A hundred and fifty, how did
14 you come up with that?

15 MR. FEINMAN: Honestly, it's probably 25 or 30
16 delegates and heavy interest, we wouldn't continue this unless
17 we expected results.

18 MS. KIM: I want to point out that of the 13
19 employees, public relations coordinator that we hired this
20 summer, it also funds the Executive Director who's replacing
21 Ned. The program budget, we factor in the carry-forward funds
22 that we had, but there's not as much money as before. This
23 draft shows you a list of or from a historical perspective grant
24 awards that have been awarded. You can see that little dip, the
25 \$24 million grant for King College that we rescinded, and that's

1 why that dip is there. But, otherwise, it's pretty even.

2 Just to give you an idea of what the budget will look
3 like in the future, if we continue with a 4.4 percent deletion this
4 year to fund next year's budget, but because we have a four
5 percent corpus invasion in the future and estimated investment
6 earnings and the corpus invasion, this would be what our budget
7 would look like in the future.

8 DELEGATE KILGORE: When will we start getting
9 money back?

10 MS. KIM: This does not factor in any loan funds
11 coming back, didn't put that in there because we haven't really
12 started the program yet.

13 DELEGATE KILGORE: Or money from the Tobacco
14 settlement agreement.

15 MS. KIM: That's not in your future.

16 MR. FEINMAN: It is our focus, and the new Strategic
17 Plan does what projects are appropriate. Loans would be a
18 preferred vehicle and fill in some of the differences as soon as we
19 can make the loans and the loans start coming back in or those
20 payments start coming back in.

21 MS. KIM: Just to give you an update on the
22 endowment, the current balance is \$266.6 million. We're
23 recommending a 4.4 percent corpus invasion, recommended for
24 June of 2016, and that will fund the FY17 budget. If you recall,
25 last year, we doubled up our corpus invasion that was to make

1 funds available at the beginning of the year. We doubled up that
2 money so we could have our money at the beginning of the fiscal
3 year rather than the last month of the fiscal year. So, when we
4 do the corpus invasion the next month, it will fund the following
5 year, but the following year's budget. Then we have an ending
6 balance of \$254.8 million. And then we end up with a limited
7 corpus invasion.

8 The investment earnings that will be transferred next
9 month, March of '15 to February of '16, and it's estimated to be
10 about \$11.4 million to fund next year's budget. The interest rate
11 on the general account, the FY08 has not been allocated to the
12 nongeneral fund agencies, but I understand -- take out for FY16,
13 and there's a possibility we may get funds from the general
14 account, which we'd put into our general fund to be allocated to
15 the budget. So, the TICR fund, as of March 31st, 2016, had a
16 cash balance of \$217.6 million, but of that, \$138 million is
17 obligated, and grants have been awarded, but the funds have not
18 been disbursed. Year to date, we have disbursed \$35.6 million.

19 So, total assets, we had just funded over the half-
20 million dollar mark, and we're just under \$500 million with the
21 endowment amount, and we historically have hit that mark.

22 Any questions on the budget?

23 SENATOR CHAFIN: Mr. Chairman, I have a question.

24 DELEGATE KILGORE: Senator Chafin. Why don't you
25 pull that mike up.

1 SENATOR CHAFIN: These monies that you're
2 speaking of that are invested, did you mention treasury in there?
3 I'm sure there's different investment vehicles. Can you give us a
4 little update on the threshold of where these monies are?

5 MS. KIM: All of our monies are invested in
6 treasuries. The Treasury Board, they initiate the investment
7 policy, and the Commission does not have any input into how
8 they're invested. I can tell you they are invested very
9 conservatively. They base it on the code, and that dictates what
10 the maximum amount is that we can withdraw in any given year.
11 They will insure that they funds are available.

12 The other thing is that in 2005 that securitization, and
13 those funds have restrictions on what can be invested in and
14 what the purpose of that securitization investment was.

15 SENATOR CHAFIN: Are we limited to the vehicles that
16 we are invested in? Are we limited to taking the direction from
17 the treasury to how these funds can be invested?

18 MS. KIM: Yes, because the Treasury Board is the one
19 that advises and decides. We don't have any input in how they
20 are invested by law.

21 SENATOR CHAFIN: Is that statutory?

22 MS. KIM: Yes.

23 SENATOR KILGORE: We might need to look into that
24 in the future or maybe next year.

25 SENATOR CHAFIN: There's plenty of secured

1 investments out there that might be able to do a little bit better.

2 DELEGATE KILGORE: That's what we were just
3 talking about.

4 MR. FEINMAN: It's been like that since we got here.

5 SENATOR CHAFIN: Maybe in the future, we can
6 search for a higher interest rate, and I think it would behoove us
7 to look into that as far as what we can do to make it more
8 attractive, especially historically speaking.

9 MS. KIM: I can provide you with the latest quarterly
10 report as far as the investment earnings.

11 MR. CHAFIN: Thank you, that would be great.

12 MS. KIM: You will recall last year that we approved
13 the Special Advisor for Rural Partnership, which is Mary Rae
14 Carter's position, and that was approved for FY16, through the
15 Secretary of Commerce, and approved for FY16, that was not to
16 exceed \$170,000. And we need to again approve it this year, as
17 I said, the amount not to exceed \$170,000, salary, fringe
18 benefits, and travel.

19 DELEGATE KILGORE: Do I have a motion to fund the
20 salary, fringe benefits, and travel for the Special Advisor for Rural
21 Partnerships not to exceed \$170,000?

22 MR. OWENS: So moved.

23 DELEGATE KILGORE: I have a motion and a second.

24 SENATOR CARRICO: A hundred and seventy is salary
25 and travel and benefits. How does that break down?

1 MS. KIM: Well, historically, travel costs. Generally
2 fringe benefits are about 30 percent of the salary. I believe it's
3 broken down like \$110,000.

4 DELEGATE KILGORE: All right, we have a motion and
5 a second. Any more discussion?

6 DELEGATE MARSHALL: We did this, Mary Rae's job is
7 not only with the Footprint and travel south of the Footprint and
8 she travels outside of the Footprint, and we've got a couple of
9 members, and maybe we should take steps to see if the state will
10 fund it.

11 MR. FEINMAN: We don't fund her travel outside of the
12 Footprint, outside of the, we do get in trouble with the Inspector
13 General's Office because we have to report, and we've been
14 warned a few times about this, so we have to be in conformity.

15 DELEGATE BYRON: I'll just make a comment and say
16 that I agree with Danny with respect to, depending on how it all
17 weighed out next time, too, and we have to look at some of the
18 folks that are doing jobs and some are paid, because when it
19 comes to Mary Rae and whether it's her or somebody else, the
20 fact that she's from our region. As far as her work, I know, and
21 we all know for a fact that she's constantly on the road and
22 visiting with people, and rather than waiting she goes and
23 initiates visits and conversations with people and share their
24 services. Somebody has to wait, she can be there. But the
25 services she's offering, I think in the future, we should, we can

1 have that discussion when that time comes.

2 SENATOR CARRICO: Before we move on that motion,
3 and getting back to Delegate Marshall, if we want to approach
4 the General Assembly with, that the Secretary of Commerce and
5 Trade, can that be done through his office, then should we
6 approve that whole 170, July 1?

7 DELEGATE MARSHALL: We're going to fund this, and
8 we do a budget amendment in January of '17, and it doesn't
9 become effective until July 1 of '17. So, this right here will give
10 us time to do the budget for next year and we'll know if it can be
11 funded.

12 DELEGATE KILGORE: All right. I have a motion and
13 seconded. Any more discussion? All those in favor, say aye.
14 (Ayes). Opposed? (One opposed).

15 Next?

16 MS. KIM: Next is confirm of the hiring of the Deputy
17 Director. Any employee of the Tobacco Commission needs to be,
18 that needs to be confirmed by the Commission for hiring.
19 Recommend the hiring of Chris Piper as Deputy Director.

20 DELEGATE KILGORE: Does everybody have the
21 resume?

22 MR. FEINMAN: We interviewed many people, and
23 many of them were very high caliber, and ultimately we picked
24 Chris Piper. I would say he's very smart and the highest
25 competency to take over Ned's job, even though it's difficult to

1 replace Ned. But Mr. Piper has the experience and wisdom, and
2 Chris can start with us, and he's caught on very quickly and very
3 familiar with state government and is very familiar with rules that
4 we deal with and is very strong in that area. He's had
5 professional experience as the Executive Director of the Virginia
6 Conflict of Interest and Ethics Advisory Counsel, and Elections
7 Services Manager, Virginia State Board of Election. We've got a
8 CV for him. I believe you got a copy of that.

9 To be very frank, he's a hot commodity and we're
10 lucky to get him. He doesn't have a JD.

11 DELEGATE KILGORE: I've talked to some people on
12 the Advisory Counsel and I've had some very good results.
13 There was some concern about the law, but I heard no
14 objections.

15 DELEGATE MARSHALL: So, is the motion to fund the
16 position, was the motion to fund Mr. Piper?

17 MR. FEINMAN: The motion to fund Mr. Piper is found
18 in our bylaws, hiring below the director level, and we've had very
19 low turnover.

20 DELEGATE MARSHALL: Let me clarify this. Then
21 should we fund the position or --

22 MS. KIM: The position is funded in the budget, in this
23 year's budget.

24 DELEGATE KILGORE: I think what Evan is saying
25 under our bylaws we have the --

1 MR. FEINMAN: Yes, we wanted this Commission's
2 recommendation before the Full Commission. Do I have a
3 motion?

4 SENATOR CARRICO: Ned's background was banking,
5 I don't see anything on here about that background.

6 MS. KIM: Ned's background was banking, and the
7 position revolves around his skill set, so now that a lot of the
8 requirements, legal and so forth, are in place, I think the position
9 may change a little bit to be more enforcing what is in place now.
10 I think the skill set he has matches what we now require of that
11 position.

12 SENATOR CARRICO: When the request was made for
13 applications, that was a description of the job?

14 MS. KIM: We wanted somebody with either a legal
15 background or some planning or banking. I think his experience
16 with the legislative side are important.

17 MR. FEINMAN: Some of Chris' background, and in
18 particular, working as a compliant consultant is good for the
19 Commission in the long-term and very strong recommendation.
20 His ability to basically do what we do and making sure that folks
21 are in compliance with the statutes and state statutes is really
22 what we want and to sit on the details and do follow-up to make
23 sure that our agreements are being held and properly accounted
24 for and follow-up information and follow up with what we need to
25 collect from, I believe he's the right person to do that.

1 DELEGATE MARSHALL: Mr. Chairman, we'd better go
2 into executive session, and I'd like to add something to some of
3 this, and we can talk about in our session, but, also, and do it in
4 closed session, maybe talk about the employees. So, I'd like us
5 to take our time and talk about this and employees in executive
6 session.

7 MS. KIM: The next question is more of a
8 housekeeping issue, and that is transferring the unobligated
9 balance of \$200,606 in the reserve account to the general
10 account for distribution in the FY17 budget.

11 DELEGATE KILGORE: I have a motion that we
12 approve and transfer the unobligated balance of \$200,606 in the
13 reserve account to the general account for distribution in the
14 FY17 budget.

15 DELEGATE MARSHALL: So moved.

16 DELEGATE KILGORE: I have a motion and a second.
17 Any more discussion? All in favor, say aye. (Ayes). Opposed?
18 (No response).

19 DELEGATE KILGORE: The next motion is to adopt the
20 FY17 budget. Any questions or concerns about the budget? I
21 know it isn't the type of budget we've had always in the past, but
22 we're going to follow what we need to do to keep us on the right
23 path.

24 DELEGATE WRIGHT: In the past, I've always voted
25 against the budget, and I've been opposed to where the budget

1 has been adopted, and I want to make sure and I've said it all
2 along, but I'd vote for it.

3 DELEGATE KILGORE: I have a motion to recommend
4 adoption of the FY17 budget to the Full Commission.

5 DELEGATE MARSHALL: So moved.

6 DELEGATE KILGORE: I have a motion and a second.
7 All those in favor, say aye. (Ayes). Opposed? (No response).

8 Do I have a motion that we approve the 4.4 percent
9 corpus invasion for FY16 to fund the FY17 budget?

10 DELEGATE MARSHALL: So moved.

11 MR. OWENS: Second.

12 DELEGATE KILGORE: I have a motion and a second.
13 Any more discussion? All those in favor, say aye. (Ayes).
14 Opposed? (No response).

15 All right, I think at this point in time we need to go
16 into executive session.

17 MR. OWENS: I move that we go into executive
18 session in accordance with the provisions of the Virginia Freedom
19 of Information Act, Section 2.2-3711(A)5 of the Code of Virginia
20 for the purpose of discussing a particular employment matter.

21 DELEGATE KILGORE: All in favor of the motion, say
22 aye. (Ayes). Thank you. We're now in executive session.

23

24 NOTE: An executive session is had; whereupon, upon
25 the completion of the executive session, the Committee resumes

1 in open session.

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MR. OWEN: Whereas, the Executive Committee of the Virginia Tobacco Commission has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and, whereas, the Act requires a certification by the Committee that such a meeting was conducted in conformity with Virginia law, now, therefore, be it resolved that the Committee hereby certifies that to the best of each member's knowledge, that only public business matters lawfully exempt from open meeting requirements under the act and only such public business matters as were identified in the motion by which the closed meeting was convened, were heard, discussed, or considered by the Committee in that meeting. I move that we have a roll call vote.

17

DELEGATE WRIGHT: Second.

18

MR. FEINMAN: Delegate Byron.

19

DELEGATE BYRON: Yes.

20

MR. FEINMAN: Senator Carrico.

21

SENATOR CARRICO: Yes.

22

MR. FEINMAN: Senator Chafin.

23

SENATOR CHAFIN: Yes.

24

MR. FEINMAN: Ms. Carter isn't here.

25

Delegate Marshall.

1 DELEGATE MARSHALL: Yes.

2 MR. FEINMAN: Mr. Merricks.

3 MR. MERRICKS: Yes.

4 MR. FEINMAN: Mr. Owens.

5 MR. OWENS: Yes.

6 MR. FEINMAN: Senator Ruff.

7 SENATOR RUFF: Yes.

8 MR. FEINMAN: Delegate Wright.

9 DELEGATE WRIGHT: Yes.

10 DELEGATE KILGORE: Do I have a motion?

11 SENATOR RUFF: So moved.

12 DELEGATE MARSHALL: Second.

13 DELEGATE KILGORE: A motion and a second to
14 recommend the confirmation to the Full Commission of Chris
15 Piper. Any discussion? All those in favor, say aye. (Ayes).
16 Opposed? (No response).

17 Do I have a motion on the Optinet matter?

18 SENATOR CARRICO: Mr. Chairman, I make a motion
19 that we authorize the Executive Director to work with them.

20 DELEGATE KILGORE: I have a motion and a second.
21 All those in favor, say aye. (Ayes). Opposed? (No response).

22

23 NOTE: One abstention.

24

25 DELEGATE KILGORE: Now, Tim, on the Scott County

1 Extension Board.

2 MR. PFOHL: It's a fairly perfunctory thing that's in
3 front of you because Grant 2117 no longer exists. Several years
4 ago, the Commission created a Reserve Grant Program, and this
5 was a grant during the recession, that Grant 2117 was granted to
6 the Scott County Economic Development Authority, involving the
7 Daniel Boone Wilderness Trail Interpretative Center to be built in
8 Duffield. That grant was helpful in helping to secure more than
9 \$600,000 of Federal grant funds. It took the Federal
10 Government more than two years to make application, and
11 there's been some other issues that have dragged that project
12 down. It was originally approved to start in 2012, and a three-
13 year grant period needed to be extended. The county has asked
14 us to put a one-year extension request before you until we
15 approve and the Staff is in support of approving the grant
16 extension until 6-30-2017.

17 DELEGATE KILGORE: Do I have a motion to grant the
18 extension on that? I have a motion, do I have a second?

19 MR. OWENS: Second.

20 DELEGATE KILGORE: I have a motion and a second
21 for the extension of Grant 2117 until June 30, 2017. All those in
22 favor, say aye. (Ayes). Opposed? (No response).

23 Now, we'll go to the TROF.

24 SENATOR RUFF: Evan, do you want to do the change
25 in policy?

1 MR. FEINMAN: We have three. The first is in
2 response to a couple of projects. Currently, we have a TROF
3 floor of a \$50,000 award. If the formula works out and below
4 \$50,000, we had actually been turning them away. There's been
5 a couple of good projects, and they were small dollar amounts,
6 and we do have the capacity to do more. I don't know why we
7 turned those down. My thought would be that if we can do the
8 \$10,000, and if we do that, we could have an opportunity to fund
9 some more projects.

10 DELEGATE MARSHALL: Evan, just to clarify, we'd
11 follow the same formula, and everything would be the same, and
12 if the clawback was sufficient as far as to support the localities.

13 MR. FEINMAN: The same grant, all the clawbacks
14 would work and formula remains the same. A good example is
15 where a project could be put together where they'd hire
16 harvesting and processing ability, they were going to hire 130 or
17 140 people for the harvesting season, and speaking about the
18 harvesting job, and maybe seven or eight full-time employees.
19 So, if we have a good project to make more farmers more
20 money, they're seasonal jobs, but I'd like to be able to meet
21 some of those requests when they come before us.

22 SENATOR RUFF: Do we need to vote on that to take
23 action?

24 MR. FEINMAN: I think we're okay, but we can do a
25 quick roll call.

1 Delegate Byron, she's here.
2 Senator Carrico.
3 SENATOR CARRICO: (No response).
4 MR. FEINMAN: Senator Chafin.
5 SENATOR CHAFIN: (No response).
6 MR. FEINMAN: Delegate Kilgore.
7 DELEGATE KILGORE: (No response).
8 MR. FEINMAN: Delegate Marshall.
9 DELEGATE MARSHALL: Here.
10 MR. FEINMAN: Mr. Merricks.
11 MR. MERRICKS: Here.
12 MR. FEINMAN: Mr. Owens.
13 MR. OWENS: Here.
14 MR. FEINMAN: Senator Ruff.
15 SENATOR RUFF: Here.
16 MR. FEINMAN: Delegate Wright.
17 DELEGATE WRIGHT: Here.
18 MR. FEINMAN: We have a quorum by one.
19 DELEGATE WRIGHT: I make a motion that we
20 authorize \$10,000 for the TROF.
21 MR. OWENS: Second.
22 SENATOR RUFF: Any further discussion? Hearing
23 none, all in favor, say aye. (Ayes). Opposed? (No response).
24 MR. FEINMAN: The next one is a little more
25 innovative, but ultimately it's the TROF. My request is that you

1 authorize the Executive Director to offer the TROF in the amount
2 of 150 percent of the formula, the match, with the provision the
3 applicant is willing to take a loan instead of a grant. If the TROF
4 formula says you can get a million bucks, but you could offer a
5 million and five loan, and that will give us a bigger package.
6 And, B, if we got half of our TROF to go into loans, that would be
7 five percent of our budget coming back in on a year-to-year
8 basis, that would be pretty fantastic. I think both for the
9 longevity of the program and the funds overall and for our ability
10 to attract larger projects, to give us another good tool.

11 DELEGATE MARSHALL: So, it's your suggestion that
12 the loan would be for the full amount?

13 MR. FEINMAN: Yes, the full amount. We'd have the
14 protection, the same protection as loaned to the localities and
15 have the clawback, the clawback opportunity.

16 SENATOR RUFF: Have you test marketed this with the
17 localities to see how they would respond?

18 MR. FEINMAN: I have not as of this time, but we
19 might learn we can go bigger, but we want to get some idea, but
20 we're going to test-market it.

21 DELEGATE BYRON: With legislation, wouldn't we want
22 to put a ten day or something on there so that we can go back
23 and review it and make sure? Since we haven't done this with a
24 test market or we need some means to come back and evaluate
25 it.

1 DELEGATE MARSHALL: Some way to do this in-house.

2 SENATOR RUFF: All right, you've heard the
3 suggestion. Is there a motion?

4 DELEGATE MARSHALL: I move to recommend the
5 TROF policy to say loans up to -- -- through June 30.

6 THE COURT REPORTER: Can you say that one again?

7 SENATOR RUFF: You've heard the motion, any
8 discussion?

9 DELEGATE WRIGHT: Was that one million dollars that
10 there be a certain number of jobs, maybe 500,000 so many,
11 does that change the number of jobs hired?

12 MR. FEINMAN: No, what we would do is that we'd
13 pledge the jobs in your investment and that million dollar grant
14 and a loan for a million five. The advantage there is that we're
15 getting a million five back, that gives a tremendous return.

16 It's been properly moved and seconded. Any further
17 discussion? All in favor, say aye. (Ayes). Opposed? (No
18 response).

19 The third one is altering the requirements for when
20 the TROF may meet. You have in front of you the breakdown of
21 the TROF for last year and you need to look at those. There's
22 been some concern about the way the current rules work.
23 Currently, the Executive Director authorizes TROF up to two
24 million dollars, two million or three million the TROF Committee
25 has to meet, and above three million the full Commission has to

1 meet.

2 There's been some concern about that large a loan
3 going out. My one concern is that if we do lower this that we
4 include a safety valve to say that if the Committee is unable to
5 get together within sometime, maybe a week or ten days, the
6 Executive Director is still authorized to move on that. Because of
7 a rule we adopted, we are unable to give any award to be
8 processed if we can't get together. But other than that, I'll be
9 happy to adhere, if you lower, or I think a million is a nice round
10 number and gives management review.

11 DELEGATE WRIGHT: I think that's probably a good
12 practice.

13 MR. MERRICKS: I think that's a good practice.

14 MR. FEINMAN: This is only our really responsive
15 program, everything else has to come, and this is a program
16 where you can respond where the prospect is in front of you, but
17 retaining that flexibility is one of the most important. We can
18 lower the floor as far as you want.

19 Liz, we talked a little bit about what the meeting
20 would require, and maybe you can share that with us.

21 MS. MYERS: I don't have a microphone, so I can't
22 project, I'll do it as well as I can. The open meeting laws apply
23 to meetings of the TROF Committee, which, and getting all the
24 parties together this often and on a shorter notice than it
25 currently is. However, there is a provision that allows for a

1 member of the Committee from the body to participate and vote
2 via telephonic means from another public forum. If somebody is
3 in Gate City and they want to make a phone call from a publicly
4 noted location, essentially, you've got two public meetings going
5 on simultaneously. That remote location and notice to the public,
6 that public has an opportunity to comment. The same agenda
7 and public could attend the meeting or at the most centrally
8 located meeting.

9 The key is that a quorum of the public body has to be
10 assembled in one central or primary meeting location.

11 MR. FEINMAN: If three members are together and
12 one can be in another location. If Senator Ruff and Delegate
13 Kilgore call in, it is what it is, but we will have to work on that.

14 MR. MERRICKS: According to the, they can call in and
15 participate.

16 MR. FEINMAN: Yes.

17 THE COURT REPORTER: Could you use the
18 microphone, please.

19 MR. FEINMAN: Mr. Chairman, I'm comfortable with
20 those provisions. Up to two million, and if the Committee can't
21 get together that day, then it will have to be at your discretion.

22 SENATOR RUFF: Liz, would it be permissible if it did
23 not appear that folks get together in that timeframe that the
24 Executive Director could have three conversations by phone to
25 assist him?

1 MS. MYERS: It's permissible under the public meeting
2 law, yes, there'd be no public meeting of three or more members
3 of the body. I don't know if that's the spirit or meets the spirit.

4 SENATOR RUFF: If there's real heartburn about a
5 couple of members, then there'll be no justification to call in.

6 MR. FEINMAN: Senator Ruff.

7 SENATOR RUFF: Delegate Wright, would you restate
8 the motion?

9 DELEGATE WRIGHT: I made a motion for a million
10 dollars.

11 MR. FEINMAN: Up to three million and three million
12 and above Full Commission.

13 DELEGATE WRIGHT: I think that's what he missed in
14 the motion.

15 MR. FEINMAN: I could offer a caveat.

16 SENATOR RUFF: Then any further discussion? It's
17 been moved and seconded. Any further discussion? All in favor,
18 say aye. (Ayes). Opposed? (No response).

19 All right. I thought when we changed the policy on
20 TROF, the staff was going to report to the TROF Committee on
21 each proposal so that we'd have some knowledge of what was
22 going on. The problem is that Danny knows who the big guys
23 are and if you see something that raises a red flag, I think we
24 need to know that and I'd hope we'd reinstitute that.

25 MR. FEINMAN: That was a nonpractice when I came

1 in, but I think it's a good idea. And what we'll do once we have
2 each TROF approval, I will email to the TROF Committee and any
3 commissioner from the locality affected, this is the deal before
4 us, any objection? If I hear there's none within 24 hours or 48
5 hours.

6 DELEGATE MARSHALL: Do all the parties have a code
7 name so the company's name is not disseminated?

8 MR. FEINMAN: If there's not a code name, I'll just say
9 project.

10 MR. OWENS: After these are approved, at the end of
11 the day, does the Full Commission get a list of those things or
12 just wait until the report comes out?

13 SENATOR RUFF: Currently, there's no mechanism for
14 the Full Commission.

15 MR. FEINMAN: We can do this every meeting.

16 MR. OWENS: Just so we could get an update.

17 MR. FEINMAN: That's not a problem.

18 SENATOR RUFF: That concludes the meeting. Is
19 there any public comment for the Executive Committee? If
20 there's no public comment, then the meeting is adjourned.

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PROCEEDINGS CONCLUDED.

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CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at Large, do hereby certify that I was the Court Reporter who took down and transcribed the proceedings of the **Tobacco Region Revitalization Commission, Executive Committee Meeting**, when held on Thursday, May 5, 2016, at the Institute for Advanced Learning and Research, Danville, Virginia.

I further certify this is a true and accurate transcript, to the best of my ability to hear and understand the proceedings.

Given under my hand this _____ day of June, 2016.

Medford W. Howard
Registered Professional Reporter
Notary Public for the State of Virginia at Large

MY COMMISSION EXPIRES: October 31, 2018.