

1 **TOBACCO REGION REVITALIZATION COMMISSION**

2 701 East Franklin Street, Suite 501

3 Richmond, Virginia 23219

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7 **Research and Development Committee Meeting**

8 Thursday, October 10, 2019

9 9:30 o'clock a.m.

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13 General Francis Marion Hotel

14 107 East Main Street

15 Marion, Virginia

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1 APPEARANCES:

2 The Honorable Kathy J. Byron, Chairman

3 Mr. Ed Blevins

4 The Honorable Charles W. Carrico, Sr.

5 Ms. Gretchen Clark

6 Ms. Rebecca Coleman

7 The Honorable Edward Owens

8 Ms. Sandy Ratliff

9 The Honorable Frank M. Ruff

10

11 COMMISSION STAFF:

12 Mr. Andrew V. "Andy" Sorrell, Deputy Director

13 Mr. Timothy S. Pfohl, Grants Program Director

14 Ms. Stephanie S. Kim, Director of Finance

15 Ms. Sarah K. Capps, Grants Program Administrator

16 Southside Virginia

17 Ms. Michele Faircloth, Grants Assistant

18 Southside Virginia

19 Ms. Sara Williams, Grants Program Administrator

20 Southwest Virginia

21 Ms. Jessica Stamper, Grants Assistant

22 Southwest Virginia

23 Mr. Jordan Butler, Public Relations Coordinator

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

1 October 10, 2019

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DELEGATE BYRON: Good morning, everyone, I'm going to call the Research and Development Committee meeting to order, and ask Andy to call the roll.

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MR. SORRELL: Delegate Byron.

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DELEGATE BYRON: Here.

8

MR. SORRELL: Delegate Morefield.

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DELEGATE MOREFIELD: (No response).

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MR. SORRELL: Mr. Ball.

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MR. BALL: (No response).

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MR. SORRELL: Mr. Blevins.

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MR. BLEVINS: Here.

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MR. SORRELL: Senator Carrico.

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SENATOR CARRICO: Here.

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MR. SORRELL: Ms. Clark.

17

MS. CLARK: Here.

18

MR. SORRELL: Ms. Coleman.

19

MS. COLEMAN: Here.

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MR. SORRELL: Delegate Marshall.

21

DELEGATE MARSHALL: (No response).

22

MR. SORRELL: Mr. Owens.

23

MR. OWENS: Here.

24

MR. SORRELL: Ms. Ratliff.

25

MS. RATLIFF: Here.

1 MR. SORRELL: Senator Ruff.

2 SENATOR RUFF: Here.

3 MR. SORRELL: You have a quorum.

4 DELEGATE BYRON: Could I get a motion to approve
5 the minutes of June 5th of 2019 published on the website.

6 MR. BLEVINS: So moved.

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

10 We have a fairly short agenda today, and we're going
11 to start out with SignalTape. Mr. Ryan Dunn. At our last
12 meeting, we talked about this was an R&D project, Phase II, and
13 we were going to have an application. What do you want to tell
14 us about that, Mr. Dunn?

15 MR. DUNN: Good morning. I'll be happy to answer
16 any questions.

17 MR. PFOHL: On page 13, there's a report with two
18 addenda items and a grant proposal from SignalTape and the
19 response was Southwest Virginia Higher Education Center
20 Foundation. There's one other business item for an extension.
21 But we can start off with the SignalTape proposal.

22 The Committee funded the 2013 \$1.5 million grant,
23 and also the Higher Ed Foundation on the SignalTape and that
24 wrapped up with its final drawdown of funds in the last two
25 weeks.

1 The Chair mentioned that we were directed to invite
2 the proposal or continuation, and SignalTape submitted that in
3 August. They requested \$2 million from the Committee. The
4 Staff had some conversations with the Higher Ed Foundation and
5 with the leaders of SignalTape and trying to encourage them to
6 sharpen their pencils and they came back with a \$1.5 million
7 budget. That is the request that is in front of us today. That
8 reduction removes the, and that very clearly delineated the
9 product line development with steps that are enumerated in the
10 Staff Report.

11 The one that would come out with a reduced budget
12 would be boring installation. And in the Staff Report, we
13 explained the, they're listed in the Staff Report about the
14 different product lines that SignalTape wishes to pursue in this
15 second phase report. The \$5 million proposal was reduced for
16 personnel supplies and equipment, and all that's described in the
17 Staff Report.

18 The Excavation Work System, and that's the
19 beneficiary company and has raised \$2 million with some
20 matching funds primarily from Virginia Angel-Based Investors,
21 along with some of the sales revenue that they're generating now
22 would provide matching funds on this one.

23 They had two approved U.S. patents, as well as
24 patents in Canada and in Europe, with another 28 domestic
25 international applications for patents. They've got nearly

1 600,000 in orders for SignalTape that have been fulfilled to date,
2 along with strong market interest in their products related to
3 utility companies and product distributors and other customers
4 identified through aggressive trade show marketing. They are
5 considering sites in Bedford, and that would be for a new
6 manufacturing facility and plan to retain the current Buckingham
7 site at the R&D facility.

8 They've listed ten jobs in the research phase, and 45
9 jobs during the commercialization phase. The Staff has not yet
10 provided a recommendation to you, and that's something we
11 tried very hard to avoid, but we've been having these ongoing
12 discussions with the applicant to try to get them to reduce the
13 funding request.

14 The Staff would suggest that maybe 50 percent
15 research activities that take place in the Tobacco Region, which is
16 the \$1.5 million request. So, we're suggesting funding at 50
17 percent those budget-line items, for a total grand offer of
18 \$750,000. Some of the reasoning behind that is that you
19 currently have an available balance of just under \$4 million,
20 \$3.966, and part of the objective is to preserve as much of that
21 as possible for future Last Mile Broadband Projects.

22 It's also based somewhat on limiting our investment
23 relative to the job investment projections, which I said is 45 jobs
24 commercialization, and \$900,000 capital investment.

25 So, our Staff recommendation is \$750,000 for 50

1 percent of the Tobacco research expenses. We've shared that
2 with the Commission Chair and the applicant, but we're happy to
3 answer any questions you may have, and the applicants are here
4 to speak to the project.

5 DELEGATE BYRON: Thank you, Tim. I mentioned to
6 Staff that we need to continue to talk about ways that we can
7 keep more money in our budget and enough money for
8 broadband and we've got to make sure that when we look at our
9 R&D projects that we also look at the merit of the application and
10 what our intent has been for R&D from the beginning as we look
11 for innovation and research projects that will bring jobs to the
12 Footprint. We appreciate the Staff's recommendation. We're
13 looking for jobs and product lines and working with those that
14 are going to be there in the future and future customers now.

15 So, I'm going to open it up for anyone that would like
16 to hear from them if they need to or any questions that you
17 might have.

18 SENATOR CARRICO: I have a question.

19 DELEGATE BYRON: Senator Carrico.

20 SENATOR CARRICO: We've had some projects, I'm
21 thinking like six years ago or maybe longer, and I know some of
22 these projects come up for the first time consideration, but I
23 think this one would provide some benefits.

24 MR. OWENS: Madam Chairman.

25 DELEGATE BYRON: Mr. Owens.

1 MR. OWENS: My first question is how many jobs is
2 this going to bring?

3 MR. PFOHL: Mr. Dunn from SignalTape is here to
4 answer those questions, but it's proposed 49 jobs.

5 MR. DUNN: We have 49 jobs proposed for the region,
6 but to begin with, we have about nine or ten jobs.

7 MR. OWENS: So, are you saying nine jobs total to
8 begin with?

9 MR. DUNN: Yes.

10 MR. OWENS: How many jobs do you predict in the
11 next five years?

12 MR. DUNN: Well, those projections are conservative,
13 and the way we estimated the number of jobs created, we want
14 to deliver on what we say we're going to do. So, it was
15 mentioned in 2013, but I'd like to tell you that it takes a long
16 time to develop new products and manufacture it and bring it to
17 market, but we've done that. But this year, the past few years,
18 the attraction has been significant. The Staff indicated they were
19 impressed with how we've been able to manage all of this and we
20 drew down more this year than we have for the five years of the
21 grant.

22 Our business is up and running now and we're selling
23 products and customers are coming to us asking for additional
24 product line extension, and that's what's proposed in the Phase
25 II. All of those proposed products and new products and product

1 line extensions have a customer waiting. So, when we build that
2 product, those are details generated from the new products. And
3 this will create more jobs.

4 These are jobs that are not going to go away when
5 the grant money runs out. They're going to continue because
6 they have a revenue stream that supports them. So, that's
7 important in estimating the number of jobs that we can retain.
8 That's further conservative because when you're this small and
9 you have a product that's kept going on and might be somewhat
10 disruptive in the industry. We have traditional marker systems
11 and electronic tags, and there are customers that are going to
12 put their tags on our tape because our product is the best on the
13 market.

14 So, when we have somebody say we want you to
15 integrate with someone else's tape and we went down there and
16 discussed with their management what it would look like for us to
17 do and integrate their tape. And if we start manufacturing for
18 them and their sales force of 150 people start selling, those 45
19 jobs could come up much faster than in six years. They'll be
20 using our product in the end. Now, I don't want to promise that,
21 but that's really what we'd like to see happen, but could be more
22 than 45.

23 SENATOR RUFF: You said you were doing well in
24 turning a profit now?

25 MR. DUNN: We are not turning a profit yet. We need

1 about 100,000 feet a month to be profitable. We started selling
2 in mid '17, and we've done about 600,000 feet. We're building
3 up our developments, we're even in Canada right now.

4 So, orders are coming in and that's what has allowed
5 us to reinvest that revenue and with the help of some matching
6 funds. Although I think we're close to being profitable. In the
7 next year or two years, we should be profitable. Like I said, if we
8 start manufacturing for other folks, it would be profitable as soon
9 as that happens. That's one of the reasons why we propose this
10 continuation process.

11 We have customers like Dominion Energy and
12 SignalTape and they're interested in the transmission lines.
13 Those are buried like six feet deep, and our product is designed
14 to be about one foot below grade. And then when you consider
15 an easement, which is about three feet of soil. Now, some folks
16 want a SignalTape they can bury deep. That's a product that has
17 a built-in large customer demand. If we can go ahead and build
18 that. In all three of our manufacturing equipment, we have to
19 design it and test it to make sure it's what the customer wants,
20 of course.

21 Another one is Amazon. They're our largest customer,
22 and their services division and they host like a Netflix and a good
23 portion of the internet, and that's a very profitable part of
24 Amazon that a lot of people don't even know about. So, we met
25 up with them and we're trying to get to the exact use that they

1 wanted. They don't want to mark their lines above ground
2 because they don't want people to know where their lines are
3 buried, but they also have a zero tolerance, but they don't want
4 people to know where these trunk lines are. So, our project was
5 kind of what they were looking for but can't mark above ground,
6 but they want to prevent damage, of course. And this would be
7 for all U.S. installation, and if we can meet their demand, it
8 would be like 100,000 feet. We're also shipping stuff to Ireland
9 where that business is growing.

10 DELEGATE BYRON: Any more questions?

11 SENATOR RUFF: People focus on what they know
12 works, and sometimes you're out the door and they lose focus.
13 Are you concerned at all about --

14 THE COURT REPORTER: Could you please speak up?

15 MR. DUNN: That's something we considered when we
16 put this Phase II together. We try to limit it to products that are
17 coming from a customer need. But if a customer has a problem
18 and we can develop a solution that helps their business line, we
19 want to do that and we want to offer that customer a solution.
20 It's been pretty well proven that there's always a cost per
21 customer acquisition and sometimes you'll find a new customer
22 that gets information from an existing customer, good or bad,
23 and maybe somebody that we've had a good relationship with.
24 Sometimes they come to you and they want more than you're
25 offering and they want to align to pursue, that's something that

1 you have to evaluate from customer to customer.

2 MR. OWENS: Is this the last R&D application?

3 DELEGATE BYRON: This is the last, I understand, but
4 that all our other R&D applicants have either withdrew from
5 manufacturing or whatever, and this is the last one that has an
6 opportunity.

7 MR. PFOHL: A client in Southwest Virginia, we did a
8 Phase II, a million dollar request, has aspirations for getting an
9 additional million to what they requested in Phase II. But the
10 other candidate is -- Technologies, which is one of our last
11 projects that your committee funded, they're still in their Phase I
12 grant. We don't know yet if they have the aspirations for a
13 Phase II grant, potentially one or two others.

14 DELEGATE BYRON: Was that the intent for Phase II?

15 MR. PFOHL: What we said in Phase II or in that
16 situation or Phase II continuation, but you have to meet Phase I
17 first, but -- Technologies is still in Phase I. So, that could be a
18 candidate in a year or two depending on how that goes down the
19 road.

20 SENATOR RUFF: On the TROF deal that we worked
21 with last year, but I think many of them we said we'd do a grant.

22 THE COURT REPORTER: Would you please speak up,
23 Senator?

24 MR. PFOHL: I'm sorry, I didn't hear that.

25 SENATOR RUFF: Is part of the money coming from a

1 loan?

2 MR. PFHOL: That certainly is one option that we
3 considered within the budget, and there's an equipment line item
4 of \$313,000 roughly, and that certainly would be some collateral
5 we could use again against the loan. The remaining costs are
6 supplies and materials, personnel, and so forth. That's not
7 something that VRA would take a loan against.

8 DELEGATE BYRON: Ken, have we ever proposed a
9 loan on R&D?

10 MR. PFOHL: We have not, but we discussed it, but
11 traditionally it's always been a grant consideration.

12 DELEGATE BYRON: Senator Ruff, I appreciate
13 everyone trying to stretch the dollar and maybe we can offer
14 other funding sources, but R&D traditionally has been a, and I
15 realize we're phasing ourselves out of R&D projects and in
16 looking at other types of economic development. R&D has
17 always been about research and development, that'll take a
18 couple of years to get up and going and working on creating a
19 product. We had a series of other R&D projects and companies
20 developing product lines and so forth. That's basically how we
21 did that and the rationale for it.

22 SENATOR RUFF: I appreciate that, but I'm not sure
23 about this one.

24 DELEGATE BYRON: I would agree with you on that.
25 We've had some successes on the way, as you know.

1 MR. OWENS: Madam Chair, I don't know about the
2 number of jobs on this project. This is a lot for this number of
3 jobs offered.

4 DELEGATE BYRON: While we're always talking about
5 jobs, a lot of those did not offer the job opportunities. When I
6 look back over some of our other R&D projects had less than
7 that.

8 MR. PFOHL: That's an accurate characterization.

9 MR. OWENS: So, are you saying that these
10 agreements --

11 MR. PFOHL: We have not applied performance-based
12 agreements like we used with TROF on R&D applications. That
13 could be a condition of award.

14 MR. OWENS: I don't know about that, but I think we
15 should have a performance agreement in this situation so that
16 they will create 45 jobs three or five years. We're being asked
17 for this money and there's no guarantee, of course, but 45 jobs
18 isn't a whole lot either way. Then if it's only ten jobs, just think
19 we need to have this in place. Of course, that all depends on
20 performance, these jobs, but without some agreement, I just
21 don't see doing it that way.

22 DELEGATE BYRON: I can see where you're going, but
23 if you look back at the other R&D grants for those for Phase I and
24 we've had these projects that have had these job estimates, but
25 they haven't always lived up to their promise.

1 MR. OWENS: With all due respect, some of the grants
2 worked out and some of them were not, but we need to make
3 sure that they live up to these agreements.

4 DELEGATE BYRON: Well, they're starting out, and
5 now halfway down the finish line and if we had to come back and
6 tried to get them, but it feels like maybe you're throwing them a
7 curve in the middle of this.

8 MR. OWENS: I'd like to ask him a question. Sir, do
9 you feel comfortable with 45 jobs three to five years?

10 MR. DUNN: We will certainly do our best and we'll do
11 our best to hit that number. I don't know without having seen a
12 performance agreement, but trust me, I want to do it more than
13 anybody else.

14 MR. OWENS: Madam Chair, we have to make a smart
15 business decision. I might feel comfortable with 45 jobs within a
16 performance agreement and 45 jobs in three to five years. If
17 you make it that way, then hopefully they'll move towards that.
18 In these proposals, they're saying they're going to do this and
19 that, but, you know, these promises have to add up, they've got
20 to produce.

21 UNIDENTIFIED: If you say five years, that's one. But
22 would you say three years or for half of that amount?

23 MR. OWENS: Depending on the circumstances.

24 MR. SORRELL: Three years in the TROF agreement.

25 DELEGATE BYRON: The TROF agreements are not as

1 high because there are companies that are competing in our area
2 and not necessarily start-up companies that are creating new
3 projects generally. That's why there's grants involved.

4 MR. OWENS: Madam Chair, do we have production
5 figures?

6 MR. DUNN: Yes, we're producing SignalTape, and
7 we're in the research base for other product lines. So, this is
8 prototype, and we do have customers at the present time who
9 are asking for it. We have not finished all of our research and
10 development, start selling some of these products in large
11 volumes yet. We're still working on some of these. Our intent is
12 to keep going forward.

13 MS. CLARK: So, the nine people that you have, can
14 you do the production on SignalTape and research and
15 development on the new, is it on SignalTape?

16 MR. DUNN: No, it's R&D ongoing.

17 MS. CLARK: How many R&D projects are going
18 forward?

19 MR. DUNN: I think there were three immediate jobs
20 in the proposal. We try to be very responsible with how we add
21 jobs. We can have a good handle on that. We certainly aren't
22 going to add people, promise to add people if we don't have the
23 capability. We add personnel as we grow in these projects that
24 we're working on. If we needed it, we have three more people to
25 work on this program. And as we sell, we add more people, of

1 course.

2 MS. CLARK: Do you think if you hired those three and
3 this was successful in increasing this product, would you add
4 people in three years then?

5 MR. DUNN: Yes. The 45 jobs would be when we were
6 in full operation, so I mean as soon as we would need them, we
7 would hire them. There are certain conditions that we could
8 have those 45 jobs in three years if everything worked out. Like
9 we're heavily invested in these other projects that we're working
10 on and that was money from the master grant funds. Everybody
11 has a lot riding on these hoping to be successful. We want to
12 make sure that we're around for a long time.

13 And along with selling our product, we have to
14 educate the customer and convince them that we can provide
15 something to them that's better than what they're currently
16 doing. Different markets, of course, have different needs. Like
17 maybe every six months we can present a different product, plus
18 things change. Where water and fiber, they don't have the same
19 prevention, when we can convince people of our product being
20 superior, and we're also balancing and building up our long-term
21 market with some of the gas companies and all these capabilities
22 are out there and we are trying our hardest to develop them. We
23 have to make sure that this is a long-term goal.

24 SENATOR RUFF: Madam Chair, following up on, this is
25 sort of on new ground.

1 DELEGATE BYRON: I don't know, but thinking about
2 customers that are being provided and customers that are
3 already being supplied, customers with products that they'll
4 need, but it's apparent that it's clear that there clearly is a need
5 for these and all these new lines that they're developing, and still
6 allowing them to do what they would need to get done.

7 MR. PFOHL: Well, when we sent the proposals out to
8 you, there was something confidential concerning their business
9 plan and outlines the customer relationships that exists involving
10 each of these product lines. There is a clear connection to where
11 the market is for each one of these products or sub-products,
12 knew the potential buyers would be. So, I think we have high
13 confidence that they have done their research and have a pretty
14 good plan marching forward and that's expressed in their
15 business plan.

16 DELEGATE BYRON: Do you have any suggestions on
17 how, I don't know about going back and refile, unless there's
18 something else and making sure how they reach what they're
19 looking to reach. Maybe that's not realistic.

20 MR. PFOHL: Well, I think we would want to give,
21 considering all this work and the ability to focus, those products
22 that are closest to commercialization, but in the end, I think we
23 would want to give them that flexibility should there be a
24 reduced amount in the award.

25 DELEGATE BYRON: Then I would think that would

1 maybe reduce the amount of jobs.

2 MR. PFOHL: I certainly would think so.

3 MR. BLEVINS: What about the jobs, what is your goal
4 for the number of jobs?

5 MR. DUNN: When we get new orders, of course, the
6 jobs go up.

7 MR. BLEVINS: How do you figure you're going to
8 reach that profitability and then employ that number of people?
9 And what is your expectation for the new products to reach
10 profitability.

11 MR. DUNN: We were hoping to leverage tobacco
12 grants, continuation fund, to the R&D, and we were going to use
13 the matching funds to invest all that in our development for
14 commercialization. This pot of money was designed for the
15 development of new products and our investment would be to
16 sell these products. We accounted for a number of things, but
17 these new products, and we have to build up the relationships
18 first and we have to concentrate, of course, where most of our
19 customers come from. We do an awful lot of marketing, we go
20 to these trade shows, but we're trying to focus on customer
21 retention and customer usage all the time. We have to go to the
22 customer. We have to demonstrate the new products and what
23 uses they can use them for. That's what we're doing constantly.
24 Our strategy is to introduce products to existing
25 customers, and that shouldn't be as long because they've already

1 expressed interest in solving a particular program, which should
2 be a shorter cycle for these newer products since we've already
3 established some relationships. When we have the initial
4 customer contact, then from there, and once you find a customer
5 that's had a problem, you'll find similar people that have the
6 same problem and we hope to grow our sales that way. One
7 company might say, hey, can you do this, but that's our first
8 customer, then we hope to expand from there.

9 MS. CLARK: So, the first point for SignalTape you
10 think there'll be three times more business?

11 MR. DUNN: We have two versions of SignalTape. We
12 have the internal Kevlar that sells in volume like at 79 cents a
13 foot, and we have a polyester we call our professional grade, and
14 that's for larger customers. Maybe they've used so much per
15 year they can buy in volume. Just like one of the gas companies,
16 we sell them our professional products. It's much better than
17 traditional tape. It also just like the smoke generators, which are
18 about a dollar apiece, and if we see a savings, maybe our selling
19 for \$1.25 a foot. Now, these pipelines, you work with the
20 installation guidelines are higher value assets, thousands of
21 dollars involving high pressure lines.

22 DELEGATE BYRON: We gave you money back in 2013
23 with that grant. So, are you at a time in your research that you
24 started commercializing, are you planning to do anything that
25 would show a faster pace in what we've seen so far?

1 MR. DUNN: Absolutely. We're constantly innovating
2 and we listen to the customer. Even our standard tape, and our
3 customers tell us things about it, some features that we didn't
4 even know about it. For instance, our tape is heavy enough that
5 it lays flat when the wind is blowing, and that's a big point with
6 some people. We're going to be adding reflectability to it, like
7 along highways.

8 So, what I'm saying is we're constantly improving the
9 product based on customer input and nobody else is doing that.
10 We call it constant innovation and even some things that aren't
11 reflected here. Our hope is to offer the best product. And, of
12 course, we do have competition. So, especially, with larger
13 customers, and some of this is happening much faster. Originally
14 we were like we had two people when we were doing some of
15 these proposals, and we go into such things as, I'm sure you all
16 have heard about PVC pipe, there are certain characteristics and
17 qualities that our tape works better with than other companies.
18 Like we went to Dominion and showed them. And when you're
19 talking to those people, it's so much per mile, and they don't
20 want something that's cumbersome or hard to install.

21 We also talked about specific engineering aspects, just
22 like smoke generators that compare to tape. Then we realized
23 even when the smoke generators would go off and then you can
24 look at the tape and see how it affects it.

25 So, we're always innovating and researching. It took

1 a while to get to a product that we could, one, manufacture, and
2 we had to build custom machines to do that, and we even tried
3 to test the market. We have to design how to do that, and that's
4 what takes time. We've done a lot of that and we've had these
5 learning curves. So, in the future, we're hoping that the usual
6 R&D will be faster and more efficient than originally planned.

7 MS. RATLIFF: When you get these 45 jobs, what do
8 you think the payroll will be for that, the 45 jobs?

9 MR. DUNN: That's a good question. I wish I was
10 better with math in my head. I think the average salary would
11 be around \$42,000 to \$45,000 a year.

12 MS. RATLIFF: Just as a general observation.

13 THE COURT REPORTER: Can you please speak up?

14 MR. OWENS: How many jobs do you feel comfortable
15 in saying?

16 MR. DUNN: I'd be comfortable right now saying 20,
17 and there are circumstances where we could get up to the 45.

18 MR. OWENS: If you think you can get up to the 45
19 jobs eventually, that would be the number you'd be working at?

20 MR. DUNN: Yes.

21 DELEGATE BYRON: We're going to have to move on.
22 Do we have a motion?

23 MR. OWENS: With a performance agreement
24 providing for 45 new jobs and with a five-year performance
25 period.

1 DELEGATE BYRON: We have a motion. Do we have a
2 second? We have a second. All those in favor, say aye. (Ayes).
3 Opposed? (No response).

4 All right. Now, we have a second project. That
5 involves the Fermata, V2G Project Number 2831.

6 MR. PFOHL: On page 15, we have the request from
7 University of Virginia for a sixth year extension for the Fermata
8 V2G Research Project Number 2831. A \$2 million grant approved
9 in 2014. We released about three-quarters of those funds on
10 electric vehicle technology. Fermata has announced a
11 partnership with Nissan to work on electric power. Staff
12 recommends a sixth year extension for Number 2831, December
13 of 2020.

14 DELEGATE BYRON: Any discussion?

15 MR. OWENS: I propose we follow the Staff
16 recommendation. I so move.

17 DELEGATE BYRON: All right, we have a motion and a
18 second. All in favor, say aye. (Ayes). Opposed? (No response).

19 That concludes our business. Is there any public
20 comment? Hearing none, we're going to adjourn.

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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, Research and Development Committee Meeting**, when held on Thursday, October 10, 2019, at 9:30 o'clock a.m., at the General Francis Marion Hotel, 107 East main Street, Marion, 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 the ____ day of November, 2019.

Medford W. Howard

CCR