

**STATE OF NEVADA
GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT
BOARD MEETING MINUTES
Thursday, March 17, 2022**

The meeting of the Board of Economic Development was called to order by Governor Steve Sisolak at the Grant Sawyer Building, Governor's Conference Room, 555 E. Washington Avenue, Room 5100, Las Vegas, Nevada, 89101 and the Capitol Building, Guinn Meeting Room, 101 N. Carson Street, Carson City, Nevada, 89701, and via virtual Webex platform.

VOTING BOARD MEMBERS PRESENT

Governor Steve Sisolak, State of Nevada
Lieutenant Governor Lisa Cano Burkhead, State of Nevada
Secretary of State Barbara Cegavske, State of Nevada
Dr. Dana Bennett, President Emeritus, Nevada Mining Association
Mr. James A. Barrett, Jr., President & Founder, The JABarrett Company
Mr. Josh Reid, Director of National Resources, Fennemore Law
Mr. Raymond Specht, Founder & CEO, Specht Leadership Consulting
Ms. Sasha Stephenson, Vice President of Gov. Affairs, MGM Resorts International
Dr. Weldon Havins, Director, Medical Jurisprudence and Ophthalmology, Touro University Nevada

NON-VOTING BOARD MEMBERS PRESENT

Ms. Elisa Cafferata, Director Department of Employment, Training and Rehabilitation
Mr. Terry Reynolds, Director of Business, and Industry
Dr. Melody Rose, Chancellor, and Chief Executive Officer, Nevada System of Higher Education

STAFF MEMBERS PRESENT

Bob Potts, Deputy Director, GOED
Carli Smith, Digital Media Manager, GOED
Chelsea Walburg, Research Manager, GOED
Christine Guerci, Special Counsel to the Colorado River Commission and GOED
David Newton, Special Counsel to the Colorado River Commission and GOED
Greg Bortolin, Director of Communications, GOED
James Humm, Director of Compliance & Regulatory Affairs, GOED
Jeanette Holguin, Business Development Coordinator, GOED
Karsten Heise, Director of Strategic Programs
Leandra Diossa, Director of Administration, GOED
Lisa Potts, Administrative & Accounting Assistant, GOED
Michael Brown, Executive Director, GOED
Michelle Sibley, Human Resources Manager & Executive Assistant of Operations, GOED

Melanie Sheldon, Director of Business Development, South, GOED
Pawel Pietrasienski, Director of International Trade, GOED
Sarah Lilly-Clark, CDBG Program Specialist, GOED
Shari Davis, Director of Rural, Economic & Community Development, GOED
Stacey Bostwick, Workforce Development Program Coordinator, GOED
Susan Skaggs, Executive Assistant, GOED
Tatjana Vukovic, Director of Business Development North, GOED

GUESTS PRESENT

Alex Martinez, Stellar Snacks
Alex Summers, Grant Thornton, LLP
Amy Miller, NNDA
April Heiselt, Western Nevada College
Bair Fogel, HAAS Automation
Bill Donohue, Airgas Safety
Bill Timothy, Western Ceramics
Brian Bosma, EDAWN
Brittany West, City of Henderson
Carolyn, Kresser, LVGEA
Chris Weiss, Nevada Department of Business, and Industry
Chris Zunis, LVGEA
Court Ledford, HAAS Automation
Dan Chapman, Beauty Society
Daniel Dong, DETR
Dan Wham, Airgas Safety
Deanne Mattera, IBEW Local 357
Doug Bene, City of Henderson
Elisabeth Galvin, Stellar Snacks
Eric Steinmetz, State of Nevada, Department of Taxation
Gloria Chua, DETR
Hawah Ahmad, Clark County Education Association
Irene Bustamante-Adams, Workforce Connection
Jack Appolonia, Airgas Safety
Jacob Stephens, Guest
Jason Berthiaume, LVGEA
Jeannie Chapman, Beauty Society
Jeff Brigger, NV Energy
Jeff Sutich, NNDA
Jennifer Atlas, Griffin Company
Jill Egger, Stellar Snacks
Kyle Dalpe, Western Nevada College
Larry Keith, ENTEK

Laura Gourley, Grant Thornton, LLP
Lauren Siemencia, Western Nevada College
Lea Case, Belz & Case
Malany Klemens, DETR
Marcel Schaerer, Nevada Department of Business, and Industry
Marco Rauda, Lt. Governor's Office
Meghin Delaney, NV Governor's Office
Michael Sideno, Airgas Safety
Michael Walsh, LVGEA
Michelle Champane, Winthrop
Nancy McCormick, EDAWN
Nick Clason, LVGEA
Nicholas Goldberg, Lilac Solutions
Niki Gladys, Western Nevada College
Patrick Walsh, HAAS Automation
Petar Oklobdzija, Entek
Robert Erb, DETR
Sam Cline, Guest
Scott Anderson, Office of the NV Secretary of State
Shannon Silva, State of Nevada, Department of Taxation
Susan Fisher, McDonald Carano
Terri Sheridan, City of North Las Vegas
Tom Welch, City of Henderson
Valerie Draegar, HAAS Automation
Zoe Houghton, Tom Clark Solutions

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

Governor Steve Sisolak, State of Nevada, called the meeting to order. Ms. Jeanette Holguin, Business Development Coordinator, GOED called roll, and quorum was established.

2. PUBLIC COMMENT

Mr. Jared Smith, Chief Operating Officer, Las Vegas Global Economic Alliance (LVGEA) indicated his belief that this meeting would be an amazing kickoff to a great year in economic development. Mr. Smith also recognized and thanked Director Michael Brown, Executive Director, Nevada Governor’s Office of Economic Development (GOED), and the GOED staff for their coordination with LVGEA on the nearly \$80 million Build Back Better Grant, which was completed on time.

There was no additional public comment.

3. APPROVAL OF THE DECEMBER 2, 2021, BOARD MEETING MINUTES

A MOTION WAS MADE BY SECRETARY BARBARA CEGAVSKE TO APPROVE THE DECEMBER 2, 2021, BOARD MEETING MINUTES. THE MOTION WAS SECONDED. SASHA STEPHENSON, JOSH REID, AND LISA CANO BURKHEAD ABSTAINED. THE MOTION PASSED.

4. EXECUTIVE DIRECTOR UPDATE AND DIRECTOR'S REPORT

Director Brown commenced his report by informing the Board that Nevada is on the move and all economic indicators are positive. Director Brown advised the state is currently spending most of its time trying to help firms with their entry into the Nevada market, an optimal market because of Nevada's time zone, and access to the Pacific ports and the Pacific Rim. The state has great activity in the key areas of advanced manufacturing, logistics, operations, health, and the energy sector, which includes lithium.

Director Brown advised Ms. Tina Quigley will be leading LVGEA as its new President and Chief Executive Officer and Mr. Jeff Sutich, formerly of NV Energy, will be leading the Northern Nevada Development Authority (NNDAA) as its new Executive Director.

Director Brown advised in the recent State of the State address, Governor Sisolak prioritized housing, broadband, and childcare with a billion dollar plus commitment of ARPA funds. Director Brown highlighted these are strategic investments in people, but also in economic development and that this prioritization aligns with the state's recovery plan and advice from national experts.

Director Brown next discussed the launch of the Governor's statewide business accelerator program, indicating that the pandemic has created a once-in-a-generation opportunity for the startup venture capital innovation sector. Nevada currently ranks 19th in the nation in terms of venture-capital markets, with the largest being in California. Director Brown noted the state has applied to the treasury for up to \$100 million of State Small Business Credit Initiative (SSBCI) funding with Nevada being ninth in the nation to do so. Nevada is also one of 24 states to win a \$1 million grant for planning.

Director Brown advised that SRI International will be reaching out to Board members shortly for confidential insights as to the Board members' thoughts regarding the state's economic development strategies. Director Brown explained that the state's resiliency plan has run its course, and in order to try to attract federal dollars, the state needs to have a formalized program that will meet the federal standard.

Director Brown next addressed the area of environment and equity, citing the Board's questions regarding water. Director Brown noted the state has stepped up its engagement in water, green energy, and climate change and now has a bilateral relationship with Southern Nevada Water Authority (SNWA) to assure that smart environmental economic development projects are pursued. Director Brown indicated that Dr. Kristen Averyt, the governor's climate change advisor, has been invited to participate in all GOED Meetings with Regional Development Authorities (RDAs) to ensure climate change is always considered in steps being taken. Additionally, the Nevada Clean Energy Fund has been reenergized and will be included in all of GOED's planning.

Director Brown concluded his presentation by explaining that GOED has started to engage with the tribal nations, for the first time, regarding economic development, and intends to continue working in disadvantaged communities with environment and equity issues prioritized as the state works through a rebalancing of the Nevada economy through diversification.

Governor Sisolak explained that in the past, water was not something that was generally considered in terms of economic development but will continue to be an issue moving forward. Water usage will be reviewed in all requested abatements and incentives.

Secretary of State Barbara Cegavske thanked Director Brown and his staff for taking the time to go through each of the agenda items with her and her staff. Secretary of State Cegavske indicated that her Chief Deputy, Scott Anderson, a tribal liaison, is very involved in the community and would be an asset should GOED need any assistance. Secretary of State Cegavske noted Mr. Anderson has been speaking with the tribal community regularly regarding election issues and that his expertise extends to many other issues, as well.

5. METRICS REPORT

Ms. Chelsea Walburg, Research Manager, GOED, indicated that there are several statistics noted in the report that are annual versus quarterly and informed the Board that she will point those out as they are discussed. Ms. Walburg advised that for all of 2021, there 84 assisted companies that were evenly split between incentivized and non-incentivized companies, a 68 percent increase over the prior year. Ms. Walburg indicated that 5,695 employees were hired throughout those assisted companies, which is up 79.4 percent from 2020. Ms. Walburg informed the Board that the buildout of jobs expected from those companies is an anticipated 10,700 employees, up 102.6 percent from the prior year. The average wage for all assisted companies in 2021 was \$27.29, up 3.3 percent over the prior year. The last statistic for annual metrics for the assisted company investments landed at \$1.24 billion, up 32.2 percent and \$601.1 million over the previous year. Ms. Walburg attributed the increase to the large number of assisted companies in the third quarter but explained that the fourth quarter also had a high CapEx amount, more from non-incentivized companies.

Ms. Walburg indicated the project pipeline is down slightly from the prior quarter and the prior year but explained that this is relatively typical of fourth-quarter metrics and no cause for alarm. Ms. Walburg explained that the regional development authorities had 97 leads in the fourth quarter of 2021, down 41.9 percent over the prior quarter and 24.8 percent over the prior year. Ms. Walburg indicated that the number of prospects in quarter 4 stood at 25, down 30.6 percent over the prior quarter and 24.2 percent over the prior year. Ms. Walburg noted the number of wins brought in by RDAs were 17 companies, down 34.6 percent over the prior quarter and 15 percent over the prior year. Ms. Walburg informed the Board that she anticipates seeing those numbers increase next quarter.

Ms. Walburg next discussed other programs at GOED, beginning with the Global Step Grant, which is a two-year program that is in the fifth quarter of the biennium. Ms. Walburg indicated that there are 121 jobs, cumulatively, that were created through that program and \$15.7 million, cumulatively, in export sales from companies aided through that Global Step Grant.

The Emerging Small Business (ESB) program for July through December 2021 had 88 contracts with a \$3.8 million total value, down 67 percent.

The Rural Community Development Block Grants for FY '21 included eight grants, which is down 20 percent over the previous year, but the total available funding for allocation is actually up 22.1 percent at \$3.4 million, which means fewer grants of higher value.

The Procurement Technical Assistance Center (PTAC) had a total of 1,394 clients in the second quarter of Fiscal Year '22, a 5.6 percent increase over the same quarter in FY '21. Ms. Walburg further indicated that there was an \$86.9 million total award amount won by active clients, up 14.9 percent over the prior year.

Ms. Walburg concluded her presentation by informing the Board that the Nevada Film Office for the second quarter of FY '22 had 116 productions, which was up 65.7 percent over the prior year, and the client satisfaction survey brought in a nearly perfect average score of 101.4 out of 101.5.

Mr. Josh Reid, Board Member, asked if there were any metrics regarding remote work in the service industry.

Mr. Bob Potts, Deputy Director, GOED, indicated that there is an ongoing question regarding remote-work transition. Mr. Potts explained that there are not yet any solid statistics and that they tie in with a lot of the gig-worker statistics. Mr. Potts confirmed that as soon as more information is received and processed, it will be relayed to the Board.

Mr. Ray Specht, Board Member, asked about the number of prospects, indicating that the trend has been decreasing for a while.

Director Brown added that there has been an influx of the entrepreneurial class with the larger, significant projects, but there is not yet a metric to measure this. Director Brown further indicated that a number of companies that had expressed interest in being on today's agenda had to postpone as they were not yet ready. Director Brown explained that now is a difficult time in American business in terms of staying organized and getting things moved across the line.

Mr. Specht stated that standard abatement return on investment is not actually giving away money but that the state is investing in Nevada, and that for every tax dollar, the state receives a sevenfold return. In addition, the Mr. Specht noted that there is a fourfold increase on student education. As such, concluded that the value of abatements in the GOED meetings are an investment into the state's future.

6. STATE OF NEVADA UNEMPLOYMENT RATE UPDATE

Mr. Potts advised that the unemployment rate is very important because it is used to index abatements. Mr. Potts explained that the breakeven is at the percent rate, and this resolution has been put in place to encourage job creation in counties with high unemployment. Mr. Potts explained that this was revised in the 2017 legislative session to include different wage criteria and currently, there is a 12-month trailing average unemployment rate in all of Nevada's counties that is below 7 percent. Mr. Potts clarified that the reason the 12-months trailing average is used is because accounting unemployment rates are not seasonally adjusted and if only the current county unemployment rate that was not seasonally adjusted were used, the indexing would not represent the true, underlying structure of the economy.

Dr. Dana Bennett, Board Member, indicated that it seems like it has been quite a long time since every county was under the 7 percent rate and asked if Mr. Potts knew when the last time this had happened. Mr. Potts confirmed the last time was pre-pandemic in 2019.

7. WORKFORCE INNOVATION FOR A NEW NEVADA (WINN) FUND PROGRAM FOR BOARD APPROVAL:

Director Brown explained that the WINN program is a fund that exists within the GOED office to bridge companies that are coming to Nevada with specific workforce needs in the economy and partner them with higher education and the private sector to try and fill gaps. Director Brown indicated that Ms. Stacey Bostwick, Workforce Development Director, GOED, heads this program. Director Brown explained the intricacies of trying to align calendar years with fiscal years and academic years and praised Ms. Bostwick for her ability to do this. In addition to this work, Ms. Bostwick is serving on the AB 450 committee that is looking at the community college system.

Ms. Bostwick advised that the Western Nevada College (WNC) in Carson City is bringing forward an application to address some commercial driving training needs in Northern Nevada and that the research team has ranked this occupation in the top 100 of in-demand occupations. Nevada is well below the national average in terms of this particular talent pool, thus the need to invest in this space, which has become a priority for both GOED and the WINN fund. Ms. Bostwick explained the projects require partnership and as such, WNC has done a lot of legwork in partnering with employers as well as industry stakeholders such as Nevada Trucking Association and Women in Trucking. Ms. Bostwick informed the Board that in front of it today is a request for budget authority from the Board. Currently, things come to the Board when they are over \$100,000 in terms of funding investments; Ms. Bostwick explained that this request is the \$400,000 request, which develops an additional site. Ms. Bostwick indicated that a proof-of-concept satellite location has been done, and a location is being added in Carson City. Ms. Bostwick explained that this is a second location to expand capacity as the program already has a waiting list. Program development will commence immediately with an expected enrollment as early as September 2022.

Governor Sisolak asked where the \$400,000 amount was coming from.

Ms. Bostwick advised the WINN fund received a general fund appropriation and has a \$1.5 million biannual appropriations, and that the \$400,000 comes out of that money.

Governor Sisolak asked about the remaining balance after the \$400,000.

Ms. Bostwick indicated that the remaining balance would be \$1 million.

Ms. Sasha Stephenson, Board Member, asked how the entities with whom GOED partners are included and whether or not they are actively sought out.

Ms. Bostwick explained that there is an open process, so there is not an RFP. Thus, there are not firm deadlines. Ms. Bostwick indicated that proactive work is done based on strategy, demand, pipelines and leads, and spaces that are seen in challenge. Ms. Bostwick explained that partners include systems of higher education. Therefore, Ms. Bostwick explained that there is often a set

agenda of priorities with an open application process. Ms. Bostwick indicated that funding is for higher education but there is a lot of flexibility in the statute to provide workforce training support.

Governor Sisolak reiterated the fact that there is an incredible shortage of CDL-licensed people for long-haul trucking in multiple places where it is needed and as such, this is filling a necessary gap. Governor Sisolak ensured that Chancellor Melody Rose, Board Member, is aware of the situation and explained the importance of worker training programs in terms of their impact. Chancellor Rose indicated her support of the application and agreed that this is a necessary component of workforce development efforts. Chancellor Rose further explained that discussions have been taking place regarding expansion of applications to the remaining WINN dollars in the coming weeks and months.

Governor Sisolak asked when the remaining \$1 million expires. Ms. Bostwick confirm that it reverts in June of 2023 as it is biennial.

A MOTION WAS MADE BY MR. REID TO APPROVE THE \$400,000 FOR ITEM NUMBER 7. THE MOTION PASSED UNANIMOUSLY.

8. ABATEMENT APPLICATIONS FOR BOARD APPROVAL

A. HAAS AUTOMATION, INC.

- **ECONOMIC DEVELOPMENT RATE RIDER (EDRR)**

Director Brown explained that GOED was approached by NV Energy before the last legislative session regarding an economic development rate rider that had been created in the last administration and used extensively in the north for industrial efforts to incentivize power for economic development. Director Brown explained that the rider has expired and that NV Energy informed GOED that they would like the rider renewed because there are still 24-25 megawatts of power that could be made available for an economic incentive program, particularly to service the southern part of the state. Director Brown explained that GOED worked with Senator Brooks and others to include this in the large energy bill, following which, GOED needed to figure out how to allot this. Director Brown explained that GOED then worked with NV Energy to come up with a program that could allocate up to 5 megawatts, per application, for this incentive.

Mr. Michael Walsh, Vice President of Economic Development, LVGEA, introduced HAAS Automation, Inc. Haas Automation, Inc. (Haas). The company plans to build a new facility in Henderson. Phase one of the project will include more than 2.3 million square feet of warehouse, manufacturing offices and showroom space. Haas Automation was founded in 1983 by its sole owner and President, Mr. Gene Haas. The company grew from a 5,000 square-foot single product line with three employees in Los Angeles, to its current operation in Oxnard, producing a variety of product lines. Today, the company's main product line consists of CNC machine tools that produce high-precision parts and sophisticated machine tools such as vertical machining centers and

horizontal machining centers, lathes/turning centers, and rotary tables and indexers. In 2019, the company was approved for state tax abatements. Mr. Walsh was joined by Mr. Baird Fogel of Haas.

Mr. Fogel advised Haas supports the revival of the EDRR. Mr. Fogel explained that HAAS is a machine tooling and manufacturing company that is relocating its facilities to Henderson, NV, resulting in more than 2,000 high-skilled, well-paid labor jobs that are deemed essential and pandemic-proof. Mr. Fogel indicated that the total cost of construction to date and acquisition of the site has been over \$100 million, which includes full and complete excavation of the site. Mr. Fogel further indicated that the completion of the facility, which is Phase I, will result in just under \$300 million in additional funds spent. Phase II should bring in suppliers and other vendors and further development. Mr. Fogel explained that Haas believes that if it sets up operations here, its vendors and suppliers will follow.

Governor Sisolak indicated that the question was regarding energy capacity and the response was that there is energy. Governor Sisolak next asked how much water is used. Mr. Fogel noted he did not have those numbers with him, but that it is not a great deal and not a concern for this facility.

A MOTION WAS MADE BY MR. SPECHT TO APPROVE THE ECONOMIC DEVELOPMENT RATE RIDER FOR HAAS AUTOMATION, INC. THE MOTION PASSED UNANIMOUSLY.

B. AIRGAS SAFETY, INC

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

Mr. Chris Zunis, Vice President of Economic Development, LVGEA, introduced Airgas Safety, Inc. (Airgas). The company is considering relocating its west region distribution facility in Whittier, California to Henderson. The new distribution facility would be approximately 220,000 sq. ft. The new state-of-the-art distribution facility will serve the Company's retail centers and customers in the west and northwest regions of the U.S, with California being the largest market. Airgas is a leading national supplier of industrial, medical and specialty gases, as well as welding hardgoods, related products and consumables. The company will make a capital equipment investment of approximately \$3,650,000, generate 55 full-time jobs within the first 24 months of operation with an average hourly wage of \$23.10. Mr. Zunis was joined by Mr. Jack Appolonia, Senior Vice President, AirGas.

Mr. Appolonia advised the company is relocating a property from southern California as a result of cost and labor issues in California. AirGas is a company of 18,000 associates with 1,000 locations in the US, 900 of which are retail branches similar to Granger or Fastenal. The company has six distribution centers throughout the US to replenish these branches. Mr. Appolonia informed the Board that AirGas intends to sign for at least 10 years, and likely 20-plus years with an intended

investment of up to \$9 million. The expected date for AirGas to come online is August or September 2022 at which point hiring will begin.

Governor Sisolak asked about the company's water consumption. Mr. Appolonia confirmed that no water is used in the company's operation outside of that for things like bathrooms as this is an office warehouse.

Mr. Appolonia was asked if the company intended to move to Nevada if approved today and indicated that it did.

Secretary of State Cegavske thanked the company for having a current state business license.

A MOTION WAS MADE BY DR. WELDON HAVIN TO APPROVE THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR AIRGAS SAFETY, INC. THE MOTION PASSED UNANIMOUSLY.

C. ENTEK MANUFACTURING, LLC

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

Mr. Walsh, LVGEA, introduced ENTEK Manufacturing, LLC (ENTEK). ENTEK will be opening a 98,000 sq. ft. office and manufacturing facility in Henderson. ENTEK was established in Lebanon, Oregon in 1984 to build innovative manufacturing products for energy storage companies. ENTEK designs, manufactures, and installs twin screw corotating extruders, wear parts, and turnkey plants for both energy storage and a variety of other customers who produce products such as biopolymers and products made with recycled plastics for the building industry. ENTEK designs and builds its product with its in-house engineering, machining, and fabrication resources. The company will make a capital equipment investment of approximately \$10,862,117, generate 53 full-time jobs within the first 24 months of operation with an average hourly wage of \$29.44. Mr. Walsh was joined by Mr. Larry Keith, Chief Operating Officer, ENTEK, and Mr. Peter Oklobdzija, Chief Financial Officer, ENTEK.

Mr. Keith explained that he has been with ENTEK for about 36 years and lived his entire life in Oregon until approximately 3.5 years ago, when he moved to Las Vegas. Mr. Keith explained that it is extremely difficult to do business in Oregon as it seems as though the state does not want manufacturing there and the labor pool can be difficult. Mr. Keith explained that in Nevada, there is a good labor pool for manufacturing machinery for the plastics industry and energy storage. ENTEK manufactures a microporous membrane that goes in almost any kind of battery made, including approximately 85 percent of cars in the US, in its eight worldwide facilities. Mr. Keith

indicated that the intent is to build two large facilities between the Texas, Kentucky, Tennessee area to support the lithium iron battery, and that the plant in Nevada will build the equipment.

Mr. Oklobdzija advised the company's site selection was based on a labor pool that could run the company's highly sophisticated equipment.

Mr. Reid asked what type of skills and training employees need to have to work at ENTEK.

Mr. Oklobdzija noted the first people hired are machinists, requiring skilled labor on the machining side. The company will be bringing in welders and fabricators as the equipment arrives as well as mechanical engineers, computer programmers, and IT specialists for office positions.

Governor Sisolak noted that these types of positions will come out of community colleges and asked Chancellor Rose for her help in terms of investment in the community colleges. Chancellor Rose indicated that she will be in touch with the company and thanked the Governor for making the connection.

Mr. Keith explained that ENTEK is also developing its own controls engineering program internally due to a lack of availability of that type of talent and indicated ENTEK's interest in partnering with local colleges and universities.

Dr. Havins, Board Member, commended ENTEK for its chosen health plan, indicating that the company intends to spend \$15,800 per employee, paying 80 percent of that amount with an employee deductible of \$500 with a maximum out-of-pocket expense of \$2,500. Mr. Oklobdzija highlighted that the company also contributes \$2,000 towards employees' HSAs.

Secretary of State Cegavske thanked the company for having a current state business license. Mr. Keith confirmed that ENTEK also has obtained its Henderson business license.

A MOTION WAS MADE BY LIEUTENANT GOVERNOR LISA CANO BURKHEAD TO APPROVE THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR ENTEK MANUFACTURING, LLC. THE MOTION PASSED UNANIMOUSLY.

D. STELLAR SNACKS, LLC

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

Ms. Nancy McCormick, Retention and Expansion, Economic Development Authority of Western Nevada (EDAWN), introduced Stellar Snacks (Stellar). Stellar is a woman owned startup. The company is an end-to-end snack manufacturer and provides services from R&D to end distribution. The company offers its own line of pretzels produced in a state-of the-art European designed

Pretzel Oven. Stellar Snacks is proud to serve a wide variety of customers at scale for a variety of industries including national grocery chains, airlines, schools, supermarkets, and wholesale. The company partners directly with U.S. growers to source the highest quality products. The company will make a capital equipment investment of approximately \$23,469,996, generate 58 full-time jobs within the first 24 months of operation with an average hourly wage of \$28.34. Ms. McCormick was joined by Ms. Elisabeth Galvin, Founder and Chief Executive Officer, Stellar.

Ms. Galvin explained the company started its first plant in Carson City in 2019 and is the only pretzel manufacturer on the west coast. Ms. Galvin noted that, during the pandemic, the company was able to grow, bake a lot of products for Feeding of America, as well as many programs that focus on children. Ms. Galvin explained that Stellar has launched with Whole Foods and is expanding. Ms. Galvin discussed the rising wheat prices given the current issue between Russia and the Ukraine and discussed the goals ahead. Stellar partners with Kroger, Whole Foods, Albertsons, United Airlines, and American Airlines. Ms. Galvin advised the business is hers and her daughter's, who graduated from LMU two years earlier. Ms. Galvin highlighted the company's focus on the

importance of a quality product, indicating that a lot of training is done in-house, as well as a partnership with Truckee Meadows Community College (TMCC) in hiring mechanics and welders.

Governor Sisolak noted this was a woman-owned startup and commended Ms. Galvin.

Secretary of State Cegavske congratulated Ms. Galvin on her accomplishments.

A MOTION WAS MADE BY MS. STEPHENSON TO APPROVE THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR STELLAR SNACKS, LLC. THE MOTION PASSED UNANIMOUSLY.

E. WESTERN CERAMICS COMPANY 1, LLC

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

Ms. Amy Miller, Director of Business Development, NNDA, introduced Western Ceramics Company 1, LLC (Western Ceramics). The company is considering establishing a 450,000 + sq. ft. facility in Fernley. Western Ceramics is a subsidiary of Lilac Solutions, Inc (Lilac). Lilac is a leading lithium extraction technology company based in Oakland, California, focused on the development of technology and materials for the production of lithium products. Using cutting edge technology, Lilac enables the more efficient and environmentally friendly production of lithium, a critical mineral, for the battery supply chain. Lilac is currently examining an expansion of its operations in several markets across the Western United States through its subsidiary Western Ceramics. Western Ceramics will manufacture, at commercial-scale, ceramic materials used by Lilac in the production of lithium products. The company will make a capital equipment investment

of approximately \$25,136,727, generate 24 full-time jobs within the first 24 months of operation with an average hourly wage of \$43.63. Ms. Miller was joined by Mr. Nick Goldberg, Chief Operating Officer, Lilac Solutions.

Mr. Goldberg advised Lilac Solutions is a lithium extraction company founded in 2016. The company is now moving into commercial scale production of these materials and has selected a site in Fernley, Nevada for its operations due to the state's business-friendly environment.

Dr. Bennett asked if the company manufactures a technology for someone else to extract lithium from brine or if the company is performing the extraction itself.

Mr. Goldberg explained that the company is primarily focused on providing its lithium extraction technology to third parties that are developing projects.

Secretary Barbara Cegavske reminded the company to obtain its state business license.

A MOTION WAS MADE BY DR. BENNETT TO APPROVE THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR WESTERN CERAMICS COMPANY 1, LLC. THE MOTION PASSED UNANIMOUSLY.

9. ABATEMENT APPLICATIONS FOR DIRECTOR APPROVAL:

Director Michael Brown explained to the Board that the director has the ability to approve applications for \$250,000 and below, but because GOED highly values transparency, the items are added to the agenda and approved in the Board meetings.

A. SOCIETY MANUFACTURING, LLC

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

Mr. Zunis, LVGEA, introduced Society Manufacturing, LLC (Society). The company plans to establish new office space and a logistics and distribution center in North Las Vegas. Society is a California-based cosmetic company. Society's products are paraben-free, sulfate-free, gluten-free and cruelty-free with the company incorporating today's highly effective and safe science. The company cares for the welfare of women and their families by providing an earnings vehicle through empowered women and men. Society's Beauty Advisors bring Skincare and Cosmetics directly to consumers all over the US. In 2018 the company was listed in the top-thirty-three work at home beauty businesses by www.theworkathomewoman.com.

The company will make a capital equipment investment of approximately \$1,020,629, generate 60 full-time jobs within the first 24 months of operation with an average hourly wage of \$25.50. Ms. Miller was joined by Ms. Jeannie Chapman, Founder and Chief Executive Officer, Society.

Ms. Chapman advised she is the founder and CEO of this very large beauty company that has been in California since its inception in 2004. Ms. Chapman described her love for Nevada, indicating that the company has purchased a large building in North Las Vegas, and moved 22 employees from California to North Las Vegas. Ms. Chapman indicated that the company intends to ramp up to nearly 80 employees within the next year, some of whom are already-hired Nevadans.

Secretary Barbara Cegavske reminded the company to obtain its state business license.

DIRECTOR BROWN APPROVED SOCIETY MANUFACTURING, LLC FOR A SALES AND USE TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT.

10. CREATION OF THE ADVISORY SUBCOMMITTEE ON START-UPS AND VENTURE CAPITAL

Director Brown advised that a number of individuals have moved to the state that were in the venture capital startup space and have volunteered their expertise and energy because they believe that Nevada can do more in this area. Director Brown discussed Mr. Teddy Liaw who chaired a Commission under Governor Newsom in California that ended up making a series of recommendations as to how California could further that industry. Director Brown noted GOED believed creating a Commission would be too big of a step and tried to determine the best way to channel this energy, whereupon the creative council indicated the creation of a subcommittee of the Board that could then have these individuals meet under OML (Open Meeting Law) for purposes of transparency. The subcommittee would work on developing the Nevada ecosystem to establish policy programs and events that could unite the community, suggest legislative changes, and connect with state and local government founders. Director Brown indicated that one ask of the Governor was for his willingness to make calls of introduction to the venture capitalists in some of the Nevada business community. Director Brown explained that the University of Las Vegas (UNLV) and University of Reno (UNR) have indicated that there is talent in Nevada that would like to be connected in this community. In addition, Director Brown indicated that there are substantial federal dollars to help small businesses on the international side. Director Brown informed the Board that Ms. Stephenson has volunteered to chair this subcommittee and indicated his belief that other Board members wishing to participate would be welcome. In addition, Director Brown explained that Mr. Jeff Saling, StartUpNV, has expressed interest in serving as Vice Chair. Other interested participants were Mr. Teddy Liaw from Pokin Yeung, Mr. Paul Matthews from PLAYSTUDIOS, Mr. Piotr Tomasik, Influential, Ms. Jen Grecki, Coalition Snow, Ms. Danielle

Vincent, Outlaw Soaps, and Ms. Anna Sainsbury, GeoComply. As such, Director Brown asked for a motion from the Board.

Governor Sisolak asked for confirmation that the subcommittee would take no action on granting anything without approval from the full Board.

Director Brown confirmed that this was correct; the subcommittee would make recommendations to the Governor and the GOED Board.

A MOTION WAS MADE BY DR. HAVINS FOR CREATION OF THE ADVISORY SUBCOMMITTEE ON START-UPS AND VENTURE CAPITAL. THE MOTION PASSED UNANIMOUSLY.

11. BOARD MEMBER COMMENTS

Mr. Reid thanked the Board for the great onboarding in this meeting, commending the well-thought-out agenda and the efficiently run meeting.

Ms. Stephenson commended the Governor and Director Brown on the amount of Step Grant Funding they were able to secure.

12. GOVERNOR SISOLAK COMMENTS

There were no comments from Governor Sisolak.

13. PUBLIC COMMENT

Ms. Quigley, LVGEA, commended Director Brown on his convening of the public and private sectors to address important issues, including the accelerator project and subcommittee in conjunction with convening a group of commercial real estate brokers, LVGEA, and GOED for the purpose of candid conversations about land and water issues.

Governor Sisolak noted Chancellor Rose would play a critical role in training the workforce needed in the state. Chancellor Rose concurred and informed the Board that she met with the EDAWN Board earlier in the day and made that very pitch to them.

14. ADJOURNMENT

Governor Sisolak adjourned the March 17, 2022, GOED Board Meeting.