

**STATE OF NEVADA  
GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT  
BOARD MEETING MINUTES  
Thursday, May 23, 2024**

**The meeting of the Board of Economic Development was called to order by Governor Joe Lombardo at the Capitol Building, Old Assembly Chambers, 101 N. Carson Street, Carson City, Nevada, 89701, the State of Nevada Building, 1 State of Nevada Way, 4<sup>th</sup> Floor, Las Vegas, NV 89119, and virtually.**

**VOTING BOARD MEMBERS PRESENT**

Governor Joe Lombardo, State of Nevada  
Lieutenant Governor Stavros Anthony, State of Nevada  
Secretary of State Francisco Aguilar, State of Nevada  
Mr. Raymond Specht, Founder & CEO, Specht Leadership Consulting  
Ms. Sasha Stephenson, President, SSS Public Affairs  
Ms. Yolanda King, President, Chief Executive Officer, Chief Financial Officer, Y. King Strategies  
Dr. Weldon Havins, Director, Medical Jurisprudence and Ophthalmology, Touro University Nevada  
Mr. James A. Barrett, Jr., President & Founder, The JABarrett Company

**NON-VOTING BOARD MEMBERS PRESENT**

Mr. Chris Sewell, Director Department of Employment, Training and Rehabilitation  
Dr. Kris Sanchez, Director, Department of Business and Industry  
Ms. Jhone Ebert, Superintendent of Public Instruction

**NON-VOTING BOARD MEMBERS ABSENT**

Ms. Patricia Charlton, Officer in Charge, Nevada System of Higher Education

**STAFF MEMBERS PRESENT**

Alex Bacchus, Director of Business Development, GOED  
Amanda J. Flocchini, International Business Development Director, GOED  
Bob Potts, Northern Deputy Director, GOED  
Carli Smith, Digital Media Manager, North, GOED  
Danny B. Miller, ISO & Technical Support Specialist, GOED  
Dorian Stonebarger, Director of Special Projects, GOED  
Elaine Silverstone, Director of Workforce Development, GOED  
Jeremiah Mesquita, Government Contracts Advisor, Nevada APEX Accelerator, GOED  
Jessica Murillo, Accounting and Administrative Assistant, GOED

Joan Rueben, Director, Nevada APEX Accelerator, GOED  
John Rice, Government Contracts Advisor, Nevada APEX Accelerator, GOED  
Kaitlyn Cardoza, Fiscal Technician, GOED  
Kim Spurgeon, Director, Nevada Film Office, GOED  
Kristen Spencer, Business Development Coordinator, GOED  
Kyeema L. Peart, Director, Office of Entrepreneurship, GOED  
Leandra Diossa, Director of Administration, GOED  
Mason Weber, Administrative Assistant, GOED  
Melanie Sheldon, Senior Director of Business Development, GOED  
Michelle Sibley, Director of Human Resources, Diversity, and Inclusion, GOED  
Nathan Jackson, Deputy Director, Nevada APEX Accelerator, GOED  
Shari Davis, Director, Rural Economic & Community Development, GOED  
Sherry Lloyd, Program Compliance Officer, GOED  
Steve Scheetz, Research Manager, GOED  
Susan Skaggs, Executive Assistant and Office Manager, GOED  
Thomas J. Burns, Executive Director, GOED  
Henna Rasul, Office of Attorney General, State of Nevada, GOED Open Meeting Law Attorney  
David Newton, Special Counsel to the Colorado River Commission and GOED

## **GUESTS PRESENT**

Amanda Berry, EDAWN  
Bob DeRuse, ACE  
Dan Flick, CSN  
James Brown, Capital USA  
John Sasine, Ingenia Chartam, LLC dba Crossroads Paper  
Josh Reid, Nevada Attorney General's Office  
Julie Parker, Southern Nevada Trades High School  
Kimberly Harrell, TMCC  
Madeline Burak, Office of the Governor, State of Nevada  
Matthew Day, Ingenia Chartam, LLC dba Crossroads Paper  
Michael Brown, Brookings Mountain West  
Michael Walsh, LVGEA  
Michelle Hammond, Nevada 95-80 Regional Development Authority  
Natalie Brown, NSHE  
Patrick Gray, Humboldt Development Authority Board  
Ron Sasine, Ingenia Chartam, LLC dba Crossroads Paper  
Sheldon Mudd, NNRDA  
Shelli Long, NV Department of Taxation  
Sonny Vinuya, Office of the Governor, State of Nevada  
Tina Quigley, LVGEA

## **CALL TO ORDER, ROLL CALL, AND ESTABLISH QUORUM**

Governor Joe Lombardo, State of Nevada, called the meeting to order. Ms. Melanie Sheldon, Senior Director of Business Development, Nevada Governor's Office of Economic Development (GOED) called roll, and quorum was established.

### **1. PUBLIC COMMENT**

There was no public comment.

### **2. APPROVAL OF THE MARCH 2024, BOARD MEETING MINUTES**

Governor Lombardo called for a motion to approve the March 21, 2024, Board Meeting Minutes.

**A MOTION WAS MADE BY SECRETARY OF STATE FRANCISCO AGUILAR TO APPROVE THE MARCH 21, 2024, BOARD MEETING MINUTES. DR. WELDON HAVINS SECONDED. THE MOTION PASSED UNANIMOUSLY.**

### **3. EXECUTIVE DIRECTOR UPDATE AND DIRECTOR'S REPORT**

#### **Innovation Based Economic Development:**

As the final stage of UNR University Center for Economic Development's Tech Hub Phase 2 application "Nevada Lithium Batteries and Other EV Materials Loop" following its Tech Hub Designation award in 2023, the Economic Development Agency (EDA) conducted an extensive virtual site visit on April 22. GOED was represented by Mr. Karsten Heise, Senior Director Strategic Programs & Innovation, GOED, and EDA Tech Hub component project lead for Commercialization & Entrepreneurship, to participate in the team's presentation. The Tech Hub Consortium expects an answer from the EDA by the summer on whether its application for up to \$75M for a grant period of 5 years has been successful.

UNR held a two-day Nevada Lithium Circular Economy Conference as part of its 2023 National Science Foundation Engines Development Award. GOED Deputy Director Bob Potts participated in the opening fireside chat with NSF Geoffrey Brown, Ph.D., program director with the NSF TIP Directorate. Mr. Heise, co-principal investigator on the project, moderated the Economic Development breakout session (Nevada's Battery Supply Chain: Challenges and Opportunities). Mr. Heise also participated in the close out of the conference panel on workforce and economic development in Nevada's New Innovation Ecosystem with representatives from Truckee Meadows Community College, Tesla and the UNR University Center for Economic Development.

NSF Engines timeline was released in the NSF Regional Innovation Engines Program Solicitation and the Development Award Team "Advancing the circular economy for lithium batteries" is preparing to submit its letter of intent by June 18, and its associated preliminary proposal by August 6. If invited, the full proposal would be due on February 11, 2025. GOED's Mr. Heise is co-PI on the project. Currently, the team is conducting intensive weekly strategy sessions to prepare for the proposal narrative writing stage.

**Nevada APEX Accelerator:**

GOED's Nevada APEX Accelerator Division received another formal cooperative agreement from the U.S. Department of Defense. The cost sharing agreement, which is valued at about \$924,000, is to continue operations of the APEX Accelerator from April 16, 2024, to March 31, 2025. The APEX team provides government procurement technical assistance to Nevada businesses seeking to make bids or proposals at the local, state, and federal government levels.

During National Small Business Week, the APEX program learned that two of its clients recently won major awards. Empower Products, headquartered in Las Vegas won the U.S. Small Business Administration's 2024 Nevada Veteran-Owned Small Business of the Year. Lira Electric, also based out of Las Vegas, won SBA's 2024 Nevada Minority-Owned Small Business of the Year award. This is a huge win for the APEX team and a direct reflection of how the program positively impacts Nevada businesses with its assistance.

**Office of Entrepreneurship:**

The Office of Entrepreneurship has been coordinating closely with the Secretary of State's business licensing redevelopment efforts through its overhaul of SilverFlume. Work has also begun with the state's Regional Development Authorities and Nevada Small Business Development Center to advance an interactive resource and networking portal to address the needs of Nevada startups and small businesses.

**Workforce Development:**

Truckee Meadows Community College (TMCC) Advanced Manufacturing Training Center, dubbed the Panasonic Center, opened on April 9 with the help of multiple state agencies, including GOED, DETR and NSHE. A \$1.64 million investment kickstarted a training initiative to meet the needs of Panasonic Energy North America, which will create hundreds of jobs that pay \$25 - \$32 per hour.

The 10,000-square-foot facility increases access to training opportunities in advanced manufacturing, production systems, automation and robotics. GOED's WINN funds were used to develop the classroom and lab spaces, purchase specialized equipment for the training center, and provide staffing for the first two years of engagement.

**Nevada Film Office (NFO):**

In March, it was announced that the American Film Market would move from its Santa Monica home of over 40 years to The Palms in Las Vegas for the upcoming November 2024 event. As a business-oriented marketplace, AFM gathers industry professionals from all over the world to

develop, discover, finance and license thousands of independent films. The NFO is partnering with the organizers of AFM and the Independent Film & Television Alliance, as well as The Palms, on cross-promotion and marketing opportunities to showcase the Silver State.

The NFO successfully brought two significant productions to film in the state. A feature film set in Las Vegas, starring Al Pacino and Vince Vaughn, was scheduled to film in New Jersey, but the NFO attracted the production to Nevada, resulting in hundreds of jobs and \$7.4 million in local spending.

The popular reality show "Queer Eye," which attracts millions of viewers on Netflix, is also filming in Las Vegas. The show will focus on ten Las Vegas residents and highlight businesses and attractions throughout the region, driving tourism to the state.

### **Rural & Community Economic Development:**

The Nevada Main Street program recently added Moapa Valley (Logandale and Overton) to its list of Main Streets. The program continues to grow and currently has 27 participants across the state.

### **Healthcare:**

GOED Healthcare Industry Specialist Mr. Vance Farrow co-hosted the Cambridge Healthcare Development Corporation on a multi-site tour of Southern Nevada land assets. Cambridge is currently in negotiations with the City of North Las Vegas for the development of the 135-acre site adjacent to the Nevada Veterans Affairs to build a medical treatment and research campus inclusive of primary and specialty care, along with housing and other ancillary businesses to create an ecosystem of wellness.

GOED is pleased to announce that ModGarden, an organic vertical farming company from Austin, Texas, will be a welcome addition to the Zero Labs Launchpad of 'Cohort 2' at University of Nevada Las Vegas' Black Fire Innovation. The CEO of ModGarden was previously hosted as a component of a multi-company bioscience delegation to Nevada in January.

### **International Trade:**

In April, the GOED International Team co-hosted a successful Japan-Nevada Business Webinar with the Japan External Trade Organization and the Consul General of Japan's San Francisco office. GOED highlighted its five-year strategic plan, including Nevada's favorable tax environment, abatement structure, and recent designation as a Tech Hub. Four Japanese companies currently operating in Nevada - Konami, Panasonic, NTT and Sega Sammy - presented their positive business experiences in the Silver State.

The GOED International Team launched the Nevada Goes Global export mission initiative for August 2024. The Nevada Export Grant (STEP Grant in partnership with the Small Business Association) will give small and medium-sized businesses in Nevada financial support to participate in business-to-business matchmaking services in Japan, South Korea, and Australia.

These trade missions aim to increase the global footprint of Nevada companies while attracting foreign direct investment into the state.

The GOED International Team is actively working with the Nevada DMV and the South Korean Consul General's office out of Los Angeles to create a license reciprocity agreement. Currently, GOED is waiting for revised language from the Consul General's office to review with Nevada DMV.

Germany's Coordinator for Transatlantic Cooperation and member of Parliament, Honorary Michael Link MP, along with German Consulate General in Los Angeles, Andrea Sasse, visited Carson City on March 27. Deputy Director Bob Potts, Mr. Heise, Communications Director Ms. Carli Smith, International Business Development Director Ms. Amanda Flocchini, Government Affairs Manager Mr. Stephen Wood, and Director Burns met with the delegation in the Guinn Room at the Nevada State Capitol.

#### **4. METRICS REPORT**

In the first quarter of 2024, eleven companies committed to adding 744 jobs to Nevada's economy in the next two years. Once these companies are fully staffed, the build-out job estimate is 890 employees.

Of the 744 additional jobs, 652 were incentivized and 92 jobs were non-incentivized.

The average hourly wage paid by all assisted companies came in at \$28.72 in the first quarter of 2024, down 10.6 percent from the \$32.14 reported for the same quarter a year prior.

Capital investment by assisted companies (excluding large-scale projects\*) totaled \$322 million in the first quarter, \$291M of which is attributed to incentivized companies.

There were eleven wins in the first quarter of 2024. This marks a 22.2 percent increase from the fourth quarter of 2023 and is flat when compared to the same quarter a year prior. New leads were up by 53.2 percent from last quarter and up 56.5 from the same quarter a year ago. Prospects also improved by 65.9 percent over last quarter, and almost doubled compared to the same quarter in 2023.

Of the 289 companies that have been abated since 2012 (across all abatement types, excluding withdrawn and noncompliant), 51 percent have had fewer than 50 employees within two years of operation. For the five companies abated so far in the first quarter of 2024, three plan to have fewer than 50 employees in two years.

For the past ten years, the fiscal Return on Investment is 258%, meaning for every dollar abated the State and local governments receive \$2.58 in new taxes over the life of the abatements.

### **Nevada Apex Accelerator**

during the first three quarters of FY24, APEX Accelerator began operating under their new operating agreement with the Department of Defense - Pentagon. With this new operating agreement came a new set of metrics and reporting requirements.

From August through October 2023 the NV APEX Accelerator was successful in assisting NV small businesses in getting 256 Contracts amounting to \$117,723,095. From October 2023 through April 2024 NV APEX Accelerator assisted companies in getting 169 Contracts amounting to \$67,344,522. Average Contract is \$435,453.

Small Disadvantaged Businesses (SDB) received 160 contracts for \$90.3 million.

Historically Under-utilized Business Zones (HUBZones) received 53 government contracts for \$9.3 million.

Service-Disabled Veteran-Owned Small Businesses (SDVOSB) received 140 government contracts for \$39.9 million.

Women-Owned Small Businesses (WOSB) received 72 Contracts for \$45.6 million.

### **Nevada Emerging Small Business (ESB) Program**

The number of ESB's certified in the second half of calendar year 2023 declined by 52.6 percent from the same period last year but increased by 172.7 percent when compared to the first half of the year. The total number of ESBs that have been certified since 2014 now stands at 2,494.

The average contract amount in the second half of 2023 was \$70,037; remaining flat from the second half of 2022 and up 2.2 percent from the first half of 2023.

### **NFO**

The NFO is working with the organizers of the American Film Market and The Palms to promote Nevada during the market's historic relocation to Las Vegas in November.

The NFO processed 3 applications for the film tax credit program, including a feature film starring Al Pacino, season 9 of the tv series Queer Eye, and an independent feature film.

In the third quarter of Fiscal Year 2024, the NFO has fielded questions from 262 clients, 48 percent more clients than in the second quarter of FY 2024. The NFO assists clients with inquiries in areas such as: locations, permitting, crew, tax incentives, production troubleshooting, and more.

### **Community Development Block Grant (CBDG) Program**

Rural Nevada: Six grants with a total allocation of \$2,895,399, which includes office and staff overhead of \$186,862.

In 2023 Carson City's program reverted back to the entitlement program. Carson City has seven open grants with the State CDBG program that will close June 2024.

### **Rural Grant Progress, FY2024:Q3**

During the third quarter (January through March 2024), \$1,082,908 was paid to six rural communities from the existing contracted grants closing out 11 grants this period.

There are currently 28 open grants. For the standard CDBG program, there is still one grant from 2018, one grant from 2019, two grants from 2020, five grants from 2021, 10 grants from 2022 and six grants from 2023. For the CDBG-Covid program, there are only three left open grants from 2020.

### **Urban Community Development Block Grants, FY2024:Q3**

During the third quarter (January - March 2024), \$247,688 was paid to Carson City. In 2023 Carson City's program reverted back to the entitlement program. Carson City has seven open grants with the State CDBG program that will close June 2024. CDBG staff will continue to report on the seven open grants.

### **Nevada Jobs and Unemployment**

As of March 2024, Nevada employment stands at 1,576,000 jobs, a gain of 3.4 percent from the prior year. The most recent figures represent an increase of 131,800 jobs over the pre-pandemic high. Nationally, employment grew just 1.9 percent over the year in March.

Nevada's unemployment rate stood at 5.1 percent in March, virtually unchanged from the prior month. The rising labor force participation rate suggests that more Nevadans are returning to the workforce, and Nevada continues to see steady job growth. As of March, Nevada no longer has the highest unemployment rate in the country, as both the District of Columbia and the State of California now have a higher unemployment rate according to the Bureau of Labor Statistics.

### **Economic Development Target Sectors**

Advanced manufacturing job estimates grew by 1,843 in the first quarter, with 49,039 jobs in the State. Average annual earnings (measured as wages, salaries, and proprietor earnings, as well as benefits) amounted to \$111,988 in the first quarter, up slightly from fourth quarter estimates and down 3.25 percent from the prior year.

Nevada's transportation and logistics sector grew by 4,704 jobs over the quarter for a total employment count of 121,201 in the sector. Average annual earnings in this sector increased by 4.37 percent over the year to reach \$77,124.

The information technology sector added 4,508 jobs over the year (a gain of 18.01 percent) and 1,557 jobs from the prior quarter, for total employment of 29,542 in the first quarter. Average annual earnings were up 1.01 percent over the year and still remain higher than other target sectors, at \$146,708.



Nevada's natural resources and technology sector added 1,233 jobs over the quarter to reach 42,925 jobs statewide in the first quarter. Average annual earnings were up 4.7 percent over the year and up 2.86 percent over the quarter at \$104,752.

Employment across hospitality, tourism, sports and creative industries added 7,208 jobs in the first quarter totaling 439,764 jobs. This is up 10.14 percent from last year and up 1.67 percent from the prior quarter. Average annual earnings came in at \$51,943, a slight decrease of 2.46 percent from last year.

Secretary of State Aguilar referenced the Abatement Return on Investment (ROI) numbers and asked whether the recent Tesla lay-offs had impacted these numbers.

Director Burns advised the statistics regarding the workforce reductions, had not impacted the Abatement ROI numbers at this time. However, any impacts would be identified and recorded in the abatement audit compliance reports for Tesla. This was the case with all abated companies.

Ms. Yolanda King referenced the unemployment numbers section of the report stating Nevada is no longer the highest unemployment rate in the country, as both the District of Columbia and the State of California now have higher unemployment rates according to the Bureau of Labor Statistics. Ms. King enquired if unemployment trends, identified in other states, could be predictive of a future rate for Nevada.

Director Burns noted consistent and significant migration to the state, has also impacted the unemployment numbers.

Governor Lombardo noted three of the qualifying criteria for abatements: job creation, wages, and capital equipment investment. The qualifying wage is an average weighted wage of \$29.28. Due to rising housing costs, and additional factors, could this wage put the Board in a position where it could be abating companies with uncompetitive wages.

Director Burns confirmed this was certainly a relevant conversation and could be considered in further discussions and for the forthcoming legislative session.

Governor Lombardo asked if the wage criteria were consistent or if regular changes were made.

Directors Burns advised, as per statute, the statewide average hourly wage changes on July 1 of every year. This is set by the Nevada Department of Employment and Rehabilitation (DETR).

Ms. Sheldon advised that NRS 360.750 requires a company to pay 100 percent of the statewide average hourly rate in order to receive the Standard Abatement Package. There is also a Reduced Abatement Package that allows a company to receive abatements at a reduced rate if the company pays an average hourly wage between 85 percent and 99 percent of the statewide average hourly wage. If a company's average hourly wage is below 85 percent of the statewide average hourly wage, no abatements could be awarded.

Ms. Sheldon noted there was also a 'two out of three' rule where the wage remains the pivotal criteria. If a company meets, or exceeds the statewide average hourly wage, and capital equipment criteria, a company can still be eligible for abatements with a lower job creation number.

Governor Lombardo asked if that rule was also in statute.

Ms. Sheldon advised this was set by a December 2015 Board Resolution. For urban areas the minimum number of new jobs created could be reduced to ten (as opposed to fifty) and for rural areas the minimum number of new jobs created could be reduced to six (as opposed to ten) provided the applicant met all other requirements.

Dr. Kris Sanchez noted that the abatement criteria was initially enacted in 2011 and while policy has remained relatively similar the economy has changed drastically. The initial intent of the abatements policy was to create jobs. In statute, we currently do not have the ability to be very focused on looking at how companies fit into our plan, and strategy, for growing the economy and correlating this with the jobs being offered, the total value of those jobs, and the impact on the economy. Because the policy is so broad it's difficult to be targeted.

Director Burns concurred with Dr. Sanchez's observations and suggested meetings with the Governor's staff and other discussions, occurring in the forthcoming weeks, would bring forward some suggestions from GOED on addressing this issue.

Governor Lombardo asked if there had already been discussion around this.

Director Burns confirmed this was the case.

Secretary of State Aguilar asked if there had been discussion around the highest and lowest wages on Abatement Applications as it appeared the highest wages carry the lower wages. Secretary of State Aguilar inquired if there was an algorithm to enable tracking of this.

Director Burns advised, for the purposes of Abatement Applications, a weighted average formula is used to reflect the value of each employees' salary rather than an overall average.

Ms. King inquired if, rather than using the statewide average hourly wage, was there potential for wages to be assessed by county. If so, this would be useful information for the Board.

Ms. Sasha Stephenson agreed it would be useful to have this information when reviewing and voting upon the Abatement Applications.

Governor Lombardo asked Mr. Scheetz if he had the ability to provide this information as, if the Board wished to pursue a future resolution, this information would be required.

Mr. Ray Specht noted this information would also be useful as it may prompt consideration of locating, or expanding, in counties with more economic need.

Mr. Scheetz confirmed he would provide this information.

Mr. Specht commented he was looking forward to hearing the Workforce Innovations for New Nevada (WINN) Fund Applications. However, as the group was discussing criteria, Mr. Specht asked if the WINN Funds also carried a statutory wage requirement.

Ms. Elaine Silverstone, Director of Workforce Development, GOED, advised the statutory requirements for WINN Fund Applications, welcomes companies in sectors listed in the State Plan. There were no specific sector or geographical requirements.

## **5. UNEMPLOYMENT RATE UPDATE**

Mr. Scheetz noted this report remained relatively unchanged from the last GOED Board Meeting. Currently all Nevada counties had an unemployment rate below seven percent. Should a county's unemployment rate go above the seven percent threshold the abatement criteria could be reduced, as per statute, to incentivize job growth.

Director Lombardo noted, as per Mr. Scheetz Metrics Report, Nevada no longer had the highest unemployment rate in the country. Governor Lombardo asked where Nevada currently sat, nationally.

Mr. Chris Sewell advised Nevada was currently third, in the nation, at 5.1 percent. The District of Columbia is at 5.2 percent and the State of California is now at 5.3 percent. Washington State is below Nevada at 4.8 percent.

Historically a rate of approximately 5 percent was considered acceptable. Consistently, over the past twelve months, Nevada had seen more people entering the workforce than any other state in the nation. Therefore, while Nevada's unemployment rate was on the high side, the state still had more people moving into the workforce as opposed to away from it. This meant people also had the opportunity to move around in jobs. In low unemployment jurisdictions, employees and employers did not have as much ability to search. This led to lower options within the labor and employer pool.

Ms. King requested the Unemployment Report include an additional column that includes the prior period's unemployment rates, reported at the previous GOED Board Meeting, for comparison purposes.

Mr. Scheetz confirmed this addition would be made.

Dr. Sanchez requested information on the diversification index of specific counties as compared to their neighboring competitors for informational purposes.

Director Burns confirmed this could be provided.

Governor Lombardo asked if the pursuit of a Board Resolution should be added as an action item.

Director Burns proposed that the relevant information be compiled, and provided to the Board, to then vote on the necessity of a Board Resolution.

Mr. David Newton, Special Counsel, Colorado River Commission, agreed with this approach.

## **6. ABATEMENT APPLICATIONS FOR BOARD APPROVAL**

### **A. CAPITAL USA**

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

Mr. Sheldon Mudd, Executive Director, Northeastern Nevada Regional Development Authority (NNRDA) introduced Capital USA (Capital).

Capital Mining Services, a global entity offering comprehensive drilling and mining services across more than 30 locations worldwide, has chosen to establish its presence in the United States under the banner of Capital in Elko, NV. The Elko facility will comprise geochemical analysis and mine drilling operations. The company deploys groundbreaking X-ray assay technology, known as Chrysos PhotonAssay, an environmentally friendly replacement for fire assay on-site and in the laboratory. Physical core samples will be sent by customers to the lab. A portion of the customers are Nevada based, but the initial customer list would also include customers in Arizona, Colorado, and Utah. Once the samples are received, the lab assays those samples using various analytical techniques including the Chrysos photon assay process (a new technology focused on sustainable results that produces 50% less emissions, uses 50% less energy, and creates zero hazard waste). The results of the assays are provided back to the customer detailing the level of gold, copper, etc. content as well as impurities.

The company will have a total capital equipment investment of approximately \$14.9m and will generate 164 full-time jobs within the first 24 months of operation with an average hourly wage of \$38.92.79. Mr. Mudd was joined by Mr. James Brown, Director of Tax, Capital.

Mr. Brown advised the company was a Global provider of services to the mineral and extraction sectors. The company had a long history of operation throughout the African continent and saw a great opportunity for operations in the US commencing with a long-term contract with Nevada

Gold Mines in Elko. The company had learned through job fairs, and its own recruitment events, the quality of the workforce in the area was excellent.

Ms. Stephenson noted the company was also looking at Canada and ask if company if it would be looking to build out its North American loop.

Mr. Brown advised the company had existing operations in Canada and was considering expanding these also along with a potential contract in Arizona.

Dr. Havins asked about the company's commitment to the Elko project in light of its expansion plans.

Mr. Brown noted the company had an existing project in Elko and planned to have a presence there. However, the abatement application was relevant to where the company would locate its US headquarters.

Dr. Havins asked if Capital's technology was proprietary to the company.

Mr. Brown confirmed Capital was one of the main proponents of it. The technology was owned by an Australian company. However, Capital had significant primary access to usage.

Governor Lombardo asked about the company's consideration of Arizona.

Mr. Brown confirmed the company had a contract in Arizona. However, it would have capacity to service this from the Elko location.

Mr. Sewell encouraged the company to contact his workforce representatives in Elko at the EmployNV Office. This office services most of the mines in the area and could assist in a variety of ways.

**A MOTION WAS MADE BY MR. SPECHT TO APPROVE THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR CAPITAL USA. MS. STEPHENSON SECONDED. THE MOTION PASSED UNANIMOUSLY.**

## **B. INGENIA CHARTAM, LLC DBA CROSSROADS PAPER**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**
- **REAL PROPERTY FOR RECYCLING TAX ABATEMENT**

Ms. Michelle Hammond Allen, Executive Director, Nevada 95-80 Regional Development Authority, introduced Ingénia Chartam, LLC dba Crossroads Paper (Crossroads). Crossroads is

considering establishing a recycling operation in Humboldt County. Crossroads was founded to provide recycled packaging materials for the growing market in the western United States. The company's founders are experienced recycling and packaging industry executives, having worked decades in the regional and global markets for packaging and packaging materials. Crossroads plans to be an important new contributor to the city of Winnemucca and the surrounding region.

The company will have a total capital equipment investment of approximately \$271.5m and will generate 108 full-time jobs within the first five years of operation with an average hourly wage of \$44.81. Ms. Hammond was joined by Mr. Patrick Gray, Chair, Humboldt Development Authority Board, Mr. John Sasine, Chief Executive Officer, Capital Mr. Ron Sasine, Chief Operating Officer, Capital, and Mr. Matthew Day, Board Chair, Capital.

Mr. J. Sasine advised the operation will include the construction of a processing facility to convert 370,000 tons of wastepaper into recycled containerboard, and the building blocks of corrugated packaging, also known as cardboard boxes. Recycled containerboard is a globally traded manufacturing commodity, and customers throughout the western United States use it to create shipping boxes for agricultural products, processed food, and manufactured goods.

Mr. J. Sasine noted the 'waterwise' nature of the planned facility and noted the ability to recirculate and reuse the water within the facility. The operation had the capability to be attuned to the Nevada environment.

The company also planned to deactivate agricultural land, with high-water usage, and reduce the amount of water, currently being used in that location, by one third.

Dr. Havins referenced the company had also considered California, and Utah, and asked how committed the company was to a Nevada location.

Mr. J. Sasine noted the company had identified land in Humboldt County and was also in the due diligence stages of a potential contract. Humboldt County was able to present all the elements required for the planned operation – logistics, utilities, and a trainable skilled workforce.

Ms. Stephenson noted Nevada was acutely aware of the cost of shipping and asked if the logistical advantages of locating in Humboldt County would result in cost savings for the consumer.

Mr. J. Sasine confirmed these savings were projected.

Ms. Jhone Ebert asked about the company's plans to bring in a small amount of Senior Technical personnel from outside of Nevada and asked about the specific skillsets required.

Mr. J. Sasine advised there were some skilled roles pertained to the operation of specific manufacturing equipment. The company would be bringing in state of the art equipment from Finland exclusive to the company's field. The company would bring in key operators with experience regarding this specific complex equipment. These staff would then function as trainers for the rest of the operation. The majority of employees would be hired locally and trained by staff with existing expertise.

Governor Lombardo asked if the facility would require a rail spur.

Mr. J. Sasine advised the facility would utilize both rail and trucking. The site is adjacent to the Union Pacific (UP) and a rail spur will be bought to a facility. The company would build this spur and incur that cost. Trucking would be done via third party trucking providers.

Mr. Sewell encouraged the company to engage with the EmployNV office in Winnemucca.

**A MOTION WAS MADE BY DR. HAVINS TO APPROVE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, PERSONAL PROPERTY TAX ABATEMENT AND REAL PROPERTY FOR RECYCLING TAX ABATEMENT FOR INGENIA CHARTAM, LLC DBA CROSSROADS PAPER. SECRETARY OF STATE AGUILAR SECONDED. THE MOTION PASSED UNANIMOUSLY.**

**8. WORKFORCE INNOVATION FOR A NEW NEVADA (WINN) FUND PROGRAMS FOR BOARD APPROVAL**

**A. REQUEST APPROVAL TO ENTER INTO AN AGREEMENT WITH THE COLLEGE OF SOUTHERN NEVADA (CSN) FOR A LOGISTICS & OPERATIONS TRAINING PROGRAM - FUNDING NOT TO EXCEED \$376,004**

Ms. Silverstone introduced the WINN Application for the CSN Logistics & Operations Training Program. Ms. Silverstone was joined by Mr. Dan Flick, Executive Director for Advanced Manufacturing, CSN and Ms. Natalie Brown, Assistant Vice Chancellor for Workforce Development and Community Colleges, Nevada System of Higher Education (NSHE).

CSN is seeking to provide short term training for Logistics Automation and Integration Technicians (LAIT) with certifications including: MSSC/CTSCA (Manufacturing Skills Standards Council & Certified Technician Supply Chain Automation). CSN seeks to provide these LAIT training labs at the CSN North Las Vegas campus and CSN at the upcoming Westside Education & Training Center (under construction w/completion in early 2025), both of which will complement the lab planned for the Advanced Manufacturing Center of Excellence in Henderson; thereby providing new and incumbent worker training to the geographic locations where companies in need of this category of trained workers are located. These locations will serve North Las Vegas/APEX; central Las Vegas; and Henderson. Program launches will begin in the Winter of 2024/2025, in North Las Vegas; and be completed by the program launch at the Westside Education & Training Center in mid-2025.

The funding from this grant will be used to purchase four (4) Skill Boss Logistics Labs with the accompanying tool package, software and teaching materials; two of which will be placed at the CSN North Las Vegas campus and two placed at the Westside Education & Training Center.

Mr. Flick noted this program would be a good fit for getting people trained and certified for logistics, due to at least thirty or forty companies within a 10-mile radius that would welcome employees with this knowledge

Governor Lombardo asked if current job openings related solely to conveyer systems.

Mr. Flick clarified it could be anything in the industrial space, from hydraulic, pneumatic, electronic, motors, motor controls, program logic controls, automation, logistics or basic manufacturing.

Secretary of State Aguilar queried whether CSN was able to manage the capacity for the demand, due to some students currently having a hard time getting classes.

Mr. Flick agreed that finding instructors was difficult, but the relevant capacity was projected within a year's timeframe.

Secretary of State Aguilar stated his concern regarding the shortage of professional staff to train students.

Ms. Silverstone advised \$13,500 of the budget was specifically for training and certification of three instructors to provide the training.

Ms. Ebert asked if CSN was planning on becoming a regional testing center.

Mr. Flick indicated there was potential to be a regional certification center for the Manufacturing Skill Standards Council (MSSC).

Ms. Stephenson questioned moving preexisting instructors and if there was a plan to backfill.

Mr. Flick confirmed instructors would not be moved as components of the program already existed as mechanical technology or other advanced manufacturing courses. Therefore, the ability and capacity were already in place, the new program would be an additional value-added component.

Ms. Stephenson asked how many students would benefit from the program.

Ms. Silverstone responded it was anticipated to be thirty students at a minimum. However, the growth of the program was inherent in relation to demand.

Secretary of State Aguilar voiced concern given CSN's challenges to meet the obligations of its current students.



Ms. Silverstone noted she understood that concern, as it is a challenge to find people from industry that would make less coming to a classroom. Ms. Silverstone indicated that Dr. Frank Woodbeck, Executive Director, CSN, believed he had the staffing solution, for this current program and has three current staff members, in mind for the training and certification.

Ms. Brown also offered to meet with Secretary of State Aguilar, post meeting, to address this and other concerns regarding CSN obligations.

Ms. King asked about CSN's high school engagement, promotion and marketing efforts.

Mr. Flick advised CSN was currently working directly with multiple high schools and the Clark County School District (CCSD).

Dr. Havins suggested the application needed to be more illustrated in terms of wage range is from hiring to advanced levels.

Governor Lombardo asked what hurdles would be faced if the application was deferred.

Ms. Silverstone noted potential impacts on time for ordering the equipment, building and setting up the program, and delivering the workforce for employers in this sector.

**A MOTION WAS MADE BY GOVERNOR LOMBARDO TO DEFER THE DECISION UNTIL THE NEXT GOED MEETING IN ODER TO ENSURE ALL QUESTIONS RAISED COULD BE ADDRESSED. DR. HAVINS SECONDED. THE MOTION PASSED UNANIMOUSLY.**

**B. REQUEST APPROVAL TO ENTER INTO AN AGREEMENT WITH TRUCKEE MEADOWS COMMUNITY COLLEGE (TMCC) / ACE HIGHSCHOOL FOR AN AUTO/DIESEL EARLY COLLEGE HIGH SCHOOL PROGRAM – FUNDING NOT TO EXCEED \$825,000**

Ms. Silverstone introduced the WINN Application for the TMCC / ACE Highschool Auto/Diesel Early College High School Program. Ms. Silverstone was joined by Dr. Kimberly Harrell, Technical Sciences Division, Dean's Office, Applied Technologies, TMCC, Mr. Bob DeRuse, Director, ACE Highschool and Ms. Brown.

TMCC has had a longstanding relationship with ACE High School through a dual credit program. The students earn college credit at TMCC and are assessed on the very same competencies as our college students. The program provides opportunities for sophomore, junior and senior students to take machining classes, giving them a leg up on completing the college's programs. This year, TMCC worked collaboratively with ACE to build on this foundation to create an evidence-based Accelerated Early College Auto-Diesel Program. Early College High School programs have been found to increase access for underrepresented students, increase student success and increase the likelihood of matriculation into college programs upon

completion. Such programs involve situating the early college program on a college campus, providing transportation to the college, and enrolling high school students in select courses that lead to completion of industry recognized credentials, college certificates and even degrees. The new ACE-TMCC Early College Program will focus on completion of college and industry recognized credentials for immediate employment. The program will run from the sophomore year of high school through the senior year with NC3 and TMCC certificates earned each year of the program as the students' progress.

Dr. Harrell stated the TMCC ACE Auto Diesel Program would enable high school students to earn 13 workforce training certificates, by graduation, including ten industry driven NC3 certifications. The median income in the state for technicians is \$61, 950 per year to start, which is \$7,500 higher than the US median income. The need for technicians is projected to grow 15% through 2030. Additionally, the training program aligns with the Nevada Tech Hub designation, supporting the training industry's workforce needs in the Lithium Sector.

Secretary of State Aguilar commended the relationship between ACE Highschool and TMCC along with ACE Highschool's work to build future workforce at a young age.

Governor Lombardo asked if there were similar challenges of class availability for students as referenced in the previous application presentation.

Dr. Harrell advised enrollments were robust. However, TMCC could meet availability demands, especially in the ACE programs.

Governor Lombardo asked for this to be taken as a joint item with item 8C.

**C REQUEST APPROVAL TO ENTER INTO AN AGREEMENT WITH TRUCKEE MEADOWS COMMUNITY COLLEGE (TMCC) / ACE HIGH SCHOOL FOR A MACHINING EARLY COLLEGE HIGH SCHOOL PROGRAM – FUNDING NOT TO EXCEED – \$300,000**

Ms. Silverstone introduced the WINN Application for the TMCC / ACE Highschool Machining Early College High School Program. Ms. Silverstone was joined by Dr. Harrell, Mr. DeRuse and Ms. Brown.

The new ACE-TMCC Early College Program would focus on completion of college and industry recognized credentials for immediate employment. The program would run from the sophomore year of high school through the senior year with NC3 and TMCC certificates earned each year of the program as the students' progress. Course and program learning outcomes are assessed through both practical skills demonstrations and written exams. Each cohort level is comprised of as many as 5 classes per year and 14 college credits per year. Students learn topics including, but not limited to technical print reading, basic milling operations, facing, slotting, drilling, speed calculations, quality control, and safety procedures, creation of two-dimensional part geometry, generation and verification of 2 1/2 axis toolpath models, post processing of 2 1/2 axis NC codes, and axis motion control within a computer-aided manufacturing (CAM) system.

The WINN funds would help expand access to the program, market it, and modernize it to ensure currency and accelerate training through this new Accelerated Early College Machining Program model. The curriculum has already been developed. Modernized equipment is needed to match the core competencies taught in the program and to what program completers will encounter in the field.

Mr. Specht revisited the wage question raised in Agenda item 8A. and suggested 8C. also be considered for similar review.

Secretary of State Aguilar noted that a distinguishing factor between Agenda item 8A. and 8C. was the student age, as this application pertained to students who had not entered the workforce but would be trained to enter the workforce or have the opportunity to enter higher education with a greater skillset to advance earning opportunity.

Lieutenant Governor Stavros Anthony noted that there was a significant demand for these jobs and getting the younger students trained was important to provide high school students with quality job opportunities.

Mr. Specht asked the duration of the machining program.

Dr. Harrell stated the program goes from sophomore to senior year and students earn industry recognized credentials beginning with the first year and throughout the entire program.

**A MOTION WAS MADE BY SECRETARY OF STATE AGUILAR TO APPROVE THE REQUEST TO ENTER INTO AN AGREEMENT WITH TRUCKEE MEADOWS COMMUNITY COLLEGE/ACE HIGHSCHOOL FOR AN AUTO DIESEL EARLY COLLEGE HIGH SCHOOL PROGRAM-FUNDING NOT TO EXCEED \$825,000. MS. STEPHENSON SECONDED. THE MOTION PASSED UNANIMOUSLY**

**A MOTION WAS MADE BY SECRETARY OF STATE AGUILAR TO APPROVE THE REQUEST TO ENTER INTO AN AGREEMENT WITH TRUCKEE MEADOWS COMMUNITY COLLEGE/ACE HIGHSCHOOL FOR A MACHINING EARLY COLLEGE HIGH SCHOOL PROGRAM-FUNDING NOT TO EXCEED \$300,000. MS. STEPHENSON SECONDED. THE MOTION PASSED UNANIMOUSLY**

## **9. BOARD MEMBER COMMENTS**

Mr. Jay Barrett expressed his appreciation for the Governor's dedication to leading the Board and bringing a new level of dimension and care.

## **10. GOVERNOR LOMBARDO COMMENTS**

Governor Lombardo commended the Board for its questions and appreciated its consideration, and due diligence regarding tax base and constituents.

## **11. PUBLIC COMMENT**

Ms. Julie Parker, Southern Nevada Trades High School (SNTHS), expressed gratitude for the support of SNTHS' partner ACE High School.

## **12. ADJOURNMENT**

**A MOTION WAS MADE BY MR. SPECHT TO ADJOURN THE MEETING. MS. STEPHENSON SECONDED. THE MOTION PASSED UNANIMOUSLY.**