

**DRAFT**

**GOED Board Meeting Minutes**

May 12, 2016 • 10:00 a.m.

David Eccles School of Business | University of Utah  
1655 Campus Center Dr., Salt Lake City, UT 84112

<b>Members Present:</b>	Mel Lavitt, Jerry Oldroyd, Peter Mouskondis, Stefanie Bevans, Bevan Wilson, Margaret Lasecke-Jacobs, Josh Romney, Annette Meier, Bob Frankenburg, Jake Boyer, Christopher M. Conabee, Sue Johnson
<b>Members Excused:</b>	Brent Brown, Sam Granato, Lorena Riffo, Jenson
<b>Staff:</b>	Val Hale, Theresa Foxley, Thomas Wadsworth, Jill Flygare, Tom Adams, Linda Gillmor, Heidi Voss, Julia Barnhouse, Hillary Bowler, Chase Christiansen, Kelleigh Cole, Jeff Van Hulten, Kimberlee Carlile, Michael O'Malley, Aimee Edwards, Virginia Pearce
<b>Visitors:</b>	Jeff Edwards, Erin Laney, Brice Wallace, Kevin Efrusy, Susan Eisenman

**Welcome**

Mel Lavitt welcomed everyone to the May 12, 2016 GOED Board meeting.

**Approval of the Minutes**

**MOTION: Josh Romney motioned to approve the April 14, 2016 minutes. Jerry Oldroyd seconded the motion. Motion was carried unanimously.**

**Presentation – Kevin Efrusy, Partner, Accel Partners**

Kevin Efrusy thanked Mel Lavitt and the board for inviting him to present on Accel Partners. Accel was found in 1982 and was one of the first investors in popular websites such as Facebook, Dropbox, Groupon, etc., and has been a long time investor in countries like India, Europe, China, and Brazil. Kevin has lived in Silicon Valley and now in Utah, and has been a venture capital partner for 14 years and is an entrepreneur with two companies.

Kevin provided the pros and cons of Silicon Valley and highlighted that it is a great area for businesses, but not for families. Some of the pros of Silicon Valley are: best economic engine on earth, incredible diversity, and freedom is embraced and respected, birthplace of new ideas on education and public health, many family-oriented communities, and it has a fantastic climate. The cons to Silicon Valley are: underfunded public schools, children are rigidly micromanaged, rapidly shifting demographics, and crippling congestion in the city.

After moving to Utah, Kevin believes that Utah is a better alternative to Silicon Valley. Utah is Nascent, but has a growing technology community. Utah's instant access to nature can provide great balance and perspective. There is a fantastic airport hub with nationwide and global access, and it is close to Silicon Valley. There is less congestion and more affordable real estate in Utah, but there is still potential for long commutes. Utah has wonderful optimism and desire to improve, and they encourage Sundays off of work which can provide many benefits to a families wellbeing.

Kevin then highlighted the downsides to Utah in regards to a growing talent base. Outside talent has different expectations: intimidation by perception of homogeneity, fear of cultural exclusion, preference for urban lifestyle, progressive ideas on education, and blue state vs. red state politics. Native talent also requires significant investment such as: Utah schools require attention, University of Utah has very few STEM education seats, diverse role models and mentors required, STEM needs to become more relevant and "cool", and the best and brightest trained elsewhere should be brought home.

Kevin ended with his view on how to promote innovation without forcing uncomfortable change, and that is limiting autonomy for selected innovation hubs. Innovation works best when concentrated geographically, it requires freedom to experiment, it allows Utah to advance without losing its character, and it can help contain damage from failed experiments.

**Rural Fast Track Endorsements****Dutson Supply Company, Inc.**

The Rural Development office recommends a Rural Fast Track grant for Dutson Supply Company, Inc., located in Delta, Millard County, for the purpose of purchasing a service vehicle that will enable the company to go on-site to repair their disabled trucks and have all the necessary tools on-hand. The company expects to create 1 new full time position being paid at least 110% of the county average wage. The project is estimated to cost one hundred nine thousand, six hundred sixty-four dollars (\$109,664).

**MOTION: Endorse a Rural Fast Track Grant for Dutson Supply Company, Inc. of \$25,000.**

**Waster and Water Logistics, LLC**

The Rural Development office recommends a Rural Fast Track grant for Waste and Water Logistics, LLC, located in Helper, Carbon County, for the purpose of purchasing equipment that would be used to expand the services they offer. This includes a main line sewer camera that can be used to inspect industrial and municipal lines, concrete washout boxes, and portable toilets, to be used on construction sites. The company expects to create 1 new full time position being paid at least 110% of the county average wage. The project is estimated to cost one hundred fifty-four thousand, one hundred sixty-nine dollars (\$154,169).

**MOTION: Endorse a Rural Fast Track Grant for Waste And Water Logistics, LLC of \$50,000.**

**Farr West Construction**

The Rural Development office recommends a Rural Fast Track grant for Far West Construction, located in Mt. Pleasant, Sanpete County, for the purpose of constructing a manufacturing facility to increase production capabilities and bring more design and engineering operations in house. The company expects to create three (3) new full time positions paying at least 110% of the county average wage, two (2) new full-time positions paying at least 115% of the county average wage, and one (1) new full time position paying 125% of the county average wage. In total, they will create six (6) new full-time positions. The project is estimated to cost two hundred ninety-four thousand, nine hundred five dollars (\$294,905).

**MOTION: Endorse a Rural Fast Track Grant for Far West Construction of \$50,000.**

**Bywater Products, LLC**

The Rural Development office recommends a Rural Fast Track grant for Bywater Products, Inc., located in Hyrum, Cache County, for the purpose of purchasing equipment that would be used to offer new services and product lines, as well as to streamline the manufacturing process. The company expects to create 3 new full time positions, two (2) being paid at least 110% of the county average wage and one (1) being paid 115% of the county average wage. The project is estimated to cost one hundred thirty-six thousand, five hundred seventeen dollars (\$136,517).

**MOTION: Endorse a Rural Fast Track Grant for Bywater Products, Inc. of \$50,000.**

**Diamond S. Manufacturing**

The Rural Development office recommends a Rural Fast Track grant for Diamond S Manufacturing, located in Ephraim, Sanpete County, for the purpose of purchasing a water jet cutting machine that would allow them to increase production, streamline processes, expand into new markets, and offer water jet cutting services to other local businesses. The company expects to create one (1) new full time position paying at least 110% of the county average wage. The project is estimated to cost one hundred forty-six thousand, three hundred and twenty dollars (\$146,320).

**MOTION: Endorse a Rural Fast Track Grant for Diamond S Manufacturing of \$50,000.**

**Ophir-Spiricon, LLC**

The Rural Development office recommends a Rural Fast Track Job Creation Incentive for Ophir-Spiricon, LLC, located in North Logan, Cache County, for the purpose of hiring 26 new full time positions, six (6) being paid at least 110% of the county average wage, twelve (12) being paid 115% of the county average wage and eight (8) being paid 125% of the county average wage. The hires will be tied to an expansion project to convert empty warehouse space into manufacturing, R&D, and office space. The project is estimated to cost six hundred seventy-nine thousand, one hundred forty dollars (\$679,140).

**MOTION: Endorse a Rural Fast Track Job Creation Incentive for Ophir-Spiricon, LLC for up to \$33,000.**

**ACT Aerospace**

The Rural Development office recommends a Rural Fast Track grant for Applied Composite Technology, located in Gunnison, Sanpete County, for the purpose of purchasing equipment and expanding/altering facilities to meet the needs of new helicopter and aircraft contracts they have secured. The company expects to create 15 new full time positions paying at least 110% of the county average wage, 20 new full-time positions paying at least 115% and 10 new full-time positions paying at least 125% of the county average wage. In total, they will create 45 new full-time positions. The project is estimated to cost one hundred sixty thousand, one hundred forty dollars (\$160,140).

**MOTION: Endorse a Rural Fast Track Grant for Applied Composite Technology of \$50,000.**

**High Desert Excavation**

The Rural Development office recommends a Rural Fast Track grant for High Desert Excavation, located in Green River, Emery County, for the purpose of constructing a new facility to house a shop and maintenance area as well as office space for day to day operations. The company expects to create one (1) new full time position paying at least 115% of the county average wage. The project is estimated to cost one hundred forty-five thousand, seven hundred and ninety two dollars (\$145,792).

**MOTION: Endorse a Rural Fast Track Grant for High Desert Excavation of \$50,000.**

**MOTION: Peter Mouskondis motioned to endorse the eight Rural Fast Track grants that were presented to the GOED Board. Annette Meier seconded the motion. The motion carried unanimously.**

**Film Incentives**

**Film – “The Stray”**

**Project Highlights**

- Category: Independent Feature
- Genre: Family Adventure
- Director: Mitch Davis
- Producer: Mitch Davis

**Utah Jobs and Revenue**

- Estimated Cast: 33
- Estimated Cast Average Salary: \$630
- Estimated Crew: 28
- Estimated Crew Average Salary: \$300
- Estimated Extras: 100
- Estimated Extras Average Salary: \$100
- Length of Film Production: 21
- Estimated Spend: \$637,241

**Project Schedule**

- Prep: May 1, 2016 through May 30, 2016
- Principal Photography: June 1, 2016 through June 29, 2016
- Wrap: June 30, 2016 through July 15, 2016
- Post Production: July 15, 2016 through September 30, 2016

**Motion Picture Advisory Committee Recommendation**

Approved by the Utah Film Commission May 5, 2016

**Proposed Motion:**

Approve for Struck Films, LLC a Motion Picture Incentive Program post-performance tax credit up to \$127,448 (which represents 20% of dollars left in state) for the production of “The Stray”

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the incentive

**Film – “We Love You, Sally Carmichael”**

**Project Highlights**

- Category: Independent Feature
- Genre: Family Comedy
- Director: Christopher Gorham
- Producer: Adam Abel

**Utah Jobs and Revenue**

- Estimated Cast: 35
- Estimated Cast Average Salary: \$225/day
- Estimated Crew: 23
- Estimated Crew Average Salary: \$250/day
- Estimated Extras: 30
- Estimated Extras Average Salary: \$125/day
- Length of Film Production: 14
- Estimated Spend: \$225,000

**Project Schedule**

- Prep: April 15, 2016 through May 31, 2016
- Principal Photography: June 1, 2016 through June 16, 2016
- Wrap: June 17, 2016 through June 24, 2016
- Post Production: June 20, 2016 through November 1, 2016

**Motion Picture Advisory Committee Recommendation**

Approved by the Utah Film Commission (UFC) May 5, 2016

**Proposed Motion:**

Approve for Sally Love, LLC a Motion Picture Incentive Program post-performance tax credit up to \$45,000 (which represents 20% of dollars left in state) for the production of “We Love You, Sally Carmichael!”

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the incentive

**MOTION: Sue Johnson motioned to approve “The Stray” and “We Love you, Sally Carmichael” for a film incentive. Jake Boyer seconded the motion. The motion carried unanimously.**

**GOED Update**

Val Hale, Executive Director, provided an overview of current events within the departments of GOED.

**Incentives Update**

Theresa A. Foxley, Deputy Director, provided an update on the Incentives Program regarding new and existing projects.

**EDC Utah Update**

Erin Laney, Interim COO, presented on the status of current and upcoming projects in the pipeline.

**Meeting Adjourned**