



**Southwest Virginia Higher Education Center
Board of Trustees
Minutes
December 12, 2013**

Board Members/Designees Present: Senator Phillip Puckett, Senator Bill Carrico, Delegate Joe Johnson, Delegate Will Morefield, Peter Blake (SCHEV), Ralph Byers (VT), Susan Barr (UVA), Andy Casiello (ODU, via telephone conference), Chris Fields (VHCC), Kevin Crutchfield, Marcia Gilliam (Virginia Community College System), Saul Hernandez, Donna Henry (UVA Wise), Fred Marion, David Olive (Ex-Officio), Matt O'Quinn, Clo Phillips (VI), John Rainero, Lindy White.

Board Members/Designees Absent: Delegate Terry Kilgore, Penny Kyle (Radford), Ruby Rogers, Jake Schrum (Emory & Henry), Delegate Joseph Yost.

Others Present: William Burriss, Kevin Berry, Gerald Blankenship, Duffy Carmack, Courtney Conner, Connie Estep, Sim Ewing, Rachel Fowlkes, Elizabeth Griffin, Rebecca Harrison, Debbie Hensley, Kathy Hietala, Penny McCallum, Nicky Rahley, Ed Rogers, Susan Short, Eddie Sproles, Kim Stewart, Adam Tolbert, Sonia Vanhook, Jeff Webb, Alicia Young; Optafuel employee Amanda Pascatore and student interns.

Call to Order

Chairman Kevin Crutchfield welcomed everyone and called the meeting to order. A quorum was present.

Public Comments

There were no public comments.

Approval of Minutes

The Chairman called for approval of the Minutes for the June 6, 2013, meeting. **They were unanimously approved upon motion by Delegate Johnson, seconded by Senator Puckett.**

Executive Director's Report

Dr. Rachel Fowlkes presented the Executive Director's report, highlights of which included the following topics:

New Board Members appointed by Governor McDonnell:

- Saul Hernandez, a citizen member representing the IT sector.
- Lindy White, a citizen member representing the healthcare sector.

Internship and R&D Programs:

- Amanda Pascatore, an employee of Optafuel, one of the companies funded by the Tobacco Commission through the HEC's R&D Center, attended the meeting, along with a number of students who are currently interning at Optafuel. Nine interns are Uva-Wise science majors, one is a graduate of Virginia Tech's chemistry program, and two are interns in UVA's Engineers PRODUCED in Virginia program. Amanda and the students presented a comprehensive overview of Optafuel and the students' work experience at the company.

Higher Education Opportunity Act:

- Peter Blake, Executive Director of SCHEV, reported on the meeting held in Richmond on July 24, 2013, affording legislators, key officials, policy management decision makers, etc., the opportunity to become more well-informed about the Commonwealth's five higher education centers. He concluded that it had been time well-spent, as he has received a lot of positive feedback from those in attendance.

Financial Report

Duffy Carmack, Chief Financial Officer, provided the Financial Report. He informed the Board that the Center is slightly ahead of where it was at the same time last year, both in program revenue and expenses, and on target financially. Discussion was held.

Mr. Carmack also reported the status of the Higher Education Center and Higher Education Center Foundation Grants to the Board.

The complete financial reports are available in each member's Board folder.

Foundation Report

Marcia Gilliam provided the Foundation Report, informing the Board of the following developments:

- The appointment of two new Board members at the Foundation meeting held in July: Lee Coburn and Gary Herrell.

- A balance of \$249,000 in the Foundation account as of the end of November.
- At the recommendation of the Foundation's legal counsel, the operating agreement governing the Foundation is being revised to provide a clear distinction between Foundation and Center activities.

Clean Energy R&D Projects

Ed Rogers, Director, updated the Board on the status of several current projects to, including:

- *OptaFuel* – Located in Norton, Wise County, VA, it is the first company brought to the region by the R&D Center, and now has 35 employees—up from 24 reported at the last Board meeting.
- *Litesheet Solutions* – \$2 million in funding has been secured from the Tobacco Commission; the company will set up manufacturing operations in the Tobacco region.
- *Excavation Alert Systems* – \$1.5 million in funding has been secured from the Tobacco Commission; the company will set up manufacturing operations in the Tobacco region.

Mr. Rogers also disclosed several new projects, among them:

- *Electric Force Motors* – Manufactures a motor and generator using electrical field technology as opposed to electromagnets; they are more efficient at converting mechanical energy into electricity and vice versa. The SW VA Higher Education Center Foundation applied for \$1.5-\$2 million in funding from the Tobacco Commission for this company.
- A local company that manufactures a novel battery-powered coal hauler for very low-seam coal.
- A couple of life science projects—one that involves prevention of prescription drug abuse, another relating to the prevention of Lyme disease.

Mr. Rogers explained that the Tobacco Commission is the primary source of funding for these companies. The Foundation seeks funding from the TIC for companies that it has determined to be investment-worthy and also fulfill the mission of the R&D Center, and acts as a conduit for the funds secured.

Clean Energy R&D Construction

William Burriss, President of BurWil Construction, and Project Manager for construction of the Center's Clean Energy R&D Center, provided an update on the construction project. Noting that the building is about a month away from substantial completion, Mr. Burriss highlighted some of the clean energy technologies that have been incorporated in the structure:

- Geothermal heat and cooling system, or geothermal pump-and-dump system – a unique system, there are no other applications of it anywhere in the area.
- Photovoltaic solar panels, located on the roof and on the ground to the right of the building – 50 kilowatts of the power generated by solar energy will be sold onto the grid and purchased by TVA through BVU pursuant to an agreement between the HEC and TVA's Green Power Providers Program.
- Wind turbine – produces about 1 kilowatt of power.
- Cisterns – a couple above-ground with 1,400 gallon capacity; collect rainwater to augment the building's gray water usage.
- Natural daylight features – solar tubes; a light drum; skylights; a tremendous amount of window area; storefront and curtain wall system; LED lights.
- Fire retention systems on front and back sides of building – filter and disperse storm water back on the site; made up of plants, mulch, plantings, soil, pea gravel, fabric filter, and gravel.
- Large canopy on front of building and exterior sunshades on some windows on left side of building – alleviate glare.
- Energy monitoring system – LED screen mounted on wall in lobby would show real-time energy usage and outputs of building features; e.g., solar panels, wind turbine, potable and gray water.

The building is targeting LEAD Gold Certification.

Review: Freedom of Information Act (FOIA)

Elizabeth Griffin, the Center's representative in the Attorney General's Office, reviewed Board members' responsibility to participate in FOIA training. Board members had previously been emailed an FAQ document giving an overview of FOIA rules, as well as the link to a short video produced by the AG's Office in conjunction with the FOIA Council Office and SCHEV, giving a brief introduction to the FOIA rules necessary for boards of visitors and boards of trustees. Ms. Griffin encouraged Board members to review the two

resources if they had not already done so, and invited them to contact her if they have questions.

Appointment of Officer Nominating Committee

Chairman Kevin Crutchfield remarked that the current slate of officers will have served out their terms at the conclusion of the June 2014 meeting. He asked Board members Senator Bill Carrico, Matt O'Quinn and Ralph Byers to form an ad hoc Nominating Committee for the purpose of identifying a new slate of officers to be presented for consideration at the June 2014 meeting.

Special Remarks Commemorating the Service of Delegate Johnson

Chairman Crutchfield noted that Delegate Joe Johnson would not be seeking reelection, and that the Board would like to take the last few minutes of the meeting to honor him with their thoughts about his service to the community and the Board.

Remarking that Delegate Johnson had touched the lives of everyone present in one way or another, Chairman Crutchfield commented on his non-partisan nature, devotion to this area's advancement, and making a difference in the lives of others. Observing how Delegate Johnson carries himself with dignity and honor at all times, Crutchfield expressed gratitude for Johnson's service and the huge difference it has made for the region.

Senator Phillip Puckett stated that it is with mixed emotions that he sees Joe Johnson retire, having known him for over 40 years [he joked that Delegate Johnson is a lot younger than he]. Puckett remembered having met Johnson for the first time as a young fellow with his dad, having Johnson shake his hand, and wondering why in the world an important guy like Johnson would want to shake hands with a kid. Puckett said that what he has come to learn about Johnson is that every individual counts—regardless of whether you're a child, a young person, or you're in your middle age, or you're older—you never see him pass up anyone. Puckett said that he has also learned that Johnson has a great compassion for the people he serves, but also people all across the Commonwealth. He observed how highly-respected Johnson is for what he does in the General Assembly, and said that if his colleagues were in attendance, they would be speaking the same words as those present. Johnson is a guy who, first of all, loves the Lord, Puckett commented—saying that it's important to know that Johnson is an individual who not only talks a good game but walks a good walk, too. Puckett said this was evident when Johnson dealt with cancer, that he never heard him talk

about cancer that he didn't talk about the Lord first. He praised Johnson as an inspiration to anyone who listens and watches what he does—a great example for anyone who wants to be in public service. The second thing Puckett said he has learned about Johnson is how much he loves his family, recalling how he would see Johnson's wife come with him on many occasions. Puckett observed that Johnson's wife's commitment to Johnson's legislative service was equal to Johnson's commitment to his family. Puckett recounted how Johnson had withdrawn from public service early on in his career out of love for his family and their need of him at that particular time. Once he had provided for his family and raised his children, he had the opportunity and successfully ran for office again. Senator Puckett expressed gratitude that he had, because he is one of the individuals that makes politics good. Puckett said that the third thing he has learned about Johnson is that, along with his love of the Lord and his family, he loves the people of southwest Virginia, and has a passion for what he does for them and all the citizens of Virginia. In closing, Puckett said the gentleman from Hayter's Gap will be missed, but assured Johnson that he can expect to continue to be called on because of his wealth of knowledge of the way the General Assembly works—but more importantly because Johnson has taught others by his actions how to treat people. Puckett said he hopes other legislators never forget that, or the right way to do things in the General Assembly of Virginia, because Johnson has spent his time there demonstrating the right way. Puckett said he counts Johnson his friend, and hopes that if there is ever anything he can do for Johnson, that he will not hesitate to call.

Senator Bill Carrico said that no one will miss Delegate Johnson more than he, since Johnson had taken Carrico under his wing and been a mentor to him when he first ran for office 12 years ago. Expressing his tremendous respect for Johnson, Carrico said that Johnson is a humble man who never takes credit for anything that he rightfully deserves the credit for, who always reached across the aisle politically and never let politics get in the way. Though a man of few words, Johnson would always take a strong stand against any bill that would hurt southwest Virginia, while at the same time endeavoring to set politics aside and bring everyone together to work collaboratively in achieving legislative objectives. Citing Johnson's wealth of experience and knowledge, Carrico said that everyone in Richmond could take a lesson from his advice to set politics aside and do what is best for Virginia. Carrico joked that he has assured Delegate Ben Chafin, the new Delegate in Johnson's district, that he would never shake as many hands as Johnson. Calling Johnson a genuine gentleman, Carrico recalled how the

Delegate had been the first person there, consoling Carrico's father at Carrico's grandfather's viewing, and how much that had meant. In closing, he echoed Senator Puckett's sentiments with respect to Johnson's wealth of knowledge, steadfast convictions, and friendship, and thanked him for all he has done for southwest Virginia.

Rachel Fowlkes related how she had recently read the book, *The Power of One*, and how its nuggets of wisdom had reminded her of significant people in her life who have truly been enablers and have made a significant difference—including Delegate Johnson. As she thought about Delegate Johnson's leadership with respect to the Higher Education Center, she said, "None of us would be here today if it weren't for Joe." Dr. Fowlkes reflected on the creation of the Higher Education Center by Delegate Johnson and his colleagues in 1991—nearly 23 years ago. She proclaimed that their actions were a bold step, because no one in Virginia had ever created a higher education center, with multiple institutions working together and especially during a recession when funds were quite limited. Working together as a team, Johnson and his SW colleagues persuaded the General Assembly to create the Center as a State agency, which is very rare, and to also provide initial capital funding of \$9.9 million for the building. Fowlkes noted that because there is only one other State agency in southwest Virginia (UVA-Wise), Delegate Johnson's legislation was a major accomplishment. Fowlkes went on to speak about the formation of the Tobacco Commission, and the resulting Tobacco Scholarship Program, which Delegate Johnson was instrumental in establishing. She said that \$80 million has flowed through the HEC for projects in the region (including the new R&D ventures) since the Tobacco Commission was organized, due to the hard work of Johnson and his legislative colleagues. Conjecturing that Johnson would count the Scholarship Program one of his proudest accomplishments as a legislator, Fowlkes said that Johnson made sure the HEC would manage the program for both Southwest and Southside Virginia, administering \$6 million every year that assists students from the region to attend college and earn degrees, which thousands of students have done. Given these and his many other significant accomplishments, Fowlkes said it is difficult to even begin to imagine the impact that one person—the power of one—has had. She told Johnson that as he leaves the Center's board, she would like him to remember the amazing footprint of accomplishments he has left, and how grateful she and the Center will always be to him because he knew how to form partnerships that make great things happen.

In response, Delegate Johnson thanked the speakers. Saying that the Higher Education Center has been a big part of his life since 1990, Johnson asked those present to sign his name tent, so that it will always remind him of the accomplishments everyone has made that benefit so many young people.

Closing Remarks

Chairman Crutchfield asked the Board members to note on the agenda the next meeting date, Thursday, June 12, 2014.

The Chairman called for a motion to adjourn the meeting. **Upon motion by Delegate Johnson and seconded by Senator Puckett, the meeting was adjourned.**