



Centralina Economic Development Commission

Meeting Minutes

October 18, 2007

4:00 pm – 6:00 pm

Commission Members Present

Thomas Anderson

Michelle Nance

Robert Van Geons

Chris Wease

Jarvis Woodburn

Sara Tice

Joel Randolph

Bill Thunberg

Keith Arbuckle

Jim Greene

Jonathan Marshall

Centralina COG

A.R. Sharp Jr., Executive Director

Laura Mundell, Economic Program Administrator

Jason Wager

Victoria Rittenhouse

Public Attendees

Stan Thompson

Dale Hill, CEO-Mobile Energy Solutions

Bill Gary Jr., Gaston County Chamber (Sat in for Eylse Hillegass)

Lindsey Sigmon, Stanly County EDC

- Call to Order:** Vice-Chairman Tom Anderson called the meeting to order at 4:10 pm and asked all present to introduce themselves.
- News from the Region:** Vice-Chairman Anderson opens the floor for updates from the Commission members.

Jonathan Marshall: Cabarrus County considering participating in the self-financing bond package with Kannapolis for infrastructure improvements on and around the North Carolina Research Campus. \$168.4 million bond package, \$1.3 billion in new tax revenue generated by the research campus and its spin-off effects and \$148.9 million in excess tax revenues to the county if it fully participates for the 25-year bond life.

Chris Wease: Anson County became eligible to apply to the 21st Century Communities Program. North Carolina's 21st Century Communities program harnesses resources to help challenged communities thrive in a modern economic climate.

- ***Amendments to the Agenda:*** Bill Thunberg made motion to approve the agenda. Motion second by Sara Tice. Motion approved.
- ***Approval of Minutes:*** Bill Thunberg made motion to approve the minutes. Sara Tice second the motion. Motion approved.
- ***Guest Speaker Dale Hill Hydrogen Powered Transit:*** Robert Van Geons introducesd speaker Dale Hill, CEO Mobile Energy Solutions.

Hydrogen is an evolving technology. Hydrogen is a clean, safe, light and domestic fuel source. Best application for our area would be for the transit system. It would definitely cost a considerable amount of capital to switch over to hydrogen powered buses but the majority of the cost would be in initial purchase price of buses and operational costs.

There are two methods used to convert the chemical energy of hydrogen to mechanical energy (torque), electrochemical conversion in a fuel-cell, or combustion. In combustion, the hydrogen is burned in engines in fundamentally the same method as traditional gasoline cars. In fuel-cell conversion, the hydrogen is reacted with oxygen to produce water and electricity, the latter of which is used to power an electric traction motor.

The molecular hydrogen needed as an on-board fuel for hydrogen vehicles can be obtained through various thermochemical methods utilizing natural gas, coal, liquefied petroleum gas, biomass, or as a microbial waste product called biohydrogen. Hydrogen can also be produced from water by electrolysis. If the electricity used for the electrolysis is produced using renewable energy or nuclear power.

Hill's company is manufacturing its own vehicles now, which are designed specifically for the technology they are testing. The vehicles are lighter and smaller than other types of vehicles of like kind in current use. Hill's company is focusing on producing buses for mass transit, school buses, delivery trucks, and composite bodies refrigerated trucks. Currently there are 7 of his buses in use throughout the United States and there are 30 smaller vehicles being used as shuttles at airports around the country.

Hill's company is hoping to open Manufacturing plants in the South East (Charlotte, NC), North East, Denver, Colorado, and San Jose, California. The company will be producing and distributing seven fuel cell prototype vehicles to companies around the country in the next year. One of the vehicles will be sent to a company in Colombia, SC in April 2008.

Tom Anderson thanked Mr. Hill for speaking.

□ ***Presentation on Advanced Manufacturing:***

History- COG completed a Comprehensive Economic Development Strategy in 2004, one of the regional focuses was on promoting advanced manufacturing. In 2005 the EDA funded a two year study to complete a feasibility analysis for an advanced manufacturing center in the region. An advisory committee was formed and an RFP was issued

Angelou Economics was hired for Phase I of the project, giving us information about the region and each county. They defined what Advanced Manufacturing is and where it exists in our region.

Phase II CH2M Hill Engineering was hired to finish the project. They refined the definition of Advanced Manufacturing, completed interviews and conducted two Visioning sessions in the region. They issued three reports. It was recommended that we follow the model used to develop independent centers in Pittsburg or St. Louis. These centers sustain leading-edge, cost effective, and rapid-response manufacturing capabilities. CH2M Hill's idea was that the Center should be a hub for a variety of support activities while supporting itself by commercializing intellectual property. They estimated it should take 3 years to become self-supporting.

Discussion: Potential next steps for the project

1. Continue to explore the viability and costs of an advanced center based on the Pittsburg or St. Louis model. Determine which industry segment to target and how to focus the purpose and scope. Raise \$7MM necessary to operate the center for the first five years.
2. Link existing advanced manufacturing centers through meetings, shared information, and possible shared events. Brochure promoting regional assets. Develop virtual center via the web members would support.
3. Select a key industry that the study determined should be a high priority and outline the supply chain relationships in the region
4. Develop a partnership to manage a middle school/high school outreach program to encourage careers in manufacturing.

□ Laura opened the floor to suggestions for the next steps to take.

Robert Van Geons said the focus should be on #2 linking the existing manufactures together so that they can use each other as a resource, which would in turn create a supply chain.

Keith Arbuckle education is the key. But we need to start as early as the 5th grade, because middle school is too late. But how do we get the schools and counselors to promote manufacturing as a career to the students? What incentives will they need to be given? Educating would be a long term project.

Joel Randolph suggested scholarship programs funded by the companies, like the Arrowwood Industrial Park's scholarship program that pays tuition for two years at CPCC.

In summary all felt that education was a good route but that the project is long-term and may better suit for Workforce Development. All felt that creating a network among manufactures would be the quickest and most efficient was to help. Staff was charged with beginning with the network; developing a set of recommendations and a letter to be forwarded to workforce development boards and to further examine the manufacturing center concept.

- ***Approval of CEDC Board meeting dates for 2008:*** Bill Thunberg made motion to approve dates. Sara Tice seconds the motion. Motion approved.
- **Adjourn-** The next meeting of the CEDC Board of Directors is scheduled for Thursday January 17, 2008.
Motion to adjourn the meeting made by Keith Arbuckle. Joel Randolph seconds the motion. The meeting was adjourned at 6:10 pm.

