

# **Manufacturing Innovation Fund Advisory Board**

## ***Meeting Minutes***

### **Department of Economic and Community Development**

October 15, 2018

2:00-3:30pm

450 Columbus Boulevard, Conference Room C, Plaza, South Tower

#### **Attendance**

- Board Members Present: Commissioner Catherine Smith, Colin Cooper, Don Balducci, Beverlee Dacey,
- Board Members via phone: Emir Redzic, John Zoldy, Chris DiPentima, Kelli Vallieres (left at 2:30pm)
- Quorum: Yes
- Absent: Shane Eddy, Todd Pihl
- Stakeholders Present: Ron Angelo, Tom Maloney, Mackey Dykes, Eric Brown
- Stakeholders via phone: None
- DECD Staff: Carmen Molina-Rios, Barbara Fernandez, Beatriz Gutierrez, Laura Jaworski (until 3:00pm)

#### **Minutes**

Catherine Smith opened the meeting at 2:03.

Commissioner Smith asked for a motion to accept the September minutes. Colin Cooper moved to accept the September meeting minutes. Don Balducci seconded the motion. Motion passed with two abstentions (Beverlee Dacey, Kellie Vallieres).

#### **HARAM Extension (Vote)**

CCAT's Ron Angelo presented on the High Rate Additive Manufacturing (HARAM) project, which is exploring how next generation technology can be incorporated into baseline manufacturing. CCAT has defined system requirements and design, drafted the physical layout at CCAT and completed an initial RFP. Per Mr. Angelo, one large company was behind the project, but the company could not proceed. As a result, CCAT is now looking to make the project more industry-driven and holistic. It has established a HARAM Advisory Committee. The amount spent to date on the project is \$211,898 and the remaining balance is \$388,102. Post-presentation, the MIF Board had several questions. Commissioner Smith questioned how to get this into the supply chain which is the goal of the program. Colin Cooper asked if HARAM was designing a machine, picking a machine that could potentially become outdated in 3-4 years. Beverlee Dacey asked how much has been spent on the project in overhead versus research, what was the money spent on, and what has been accomplished to date. The Board agreed that HARAM was going to pick which technology would work, not the "right" machine. Commissioner Smith asked Mr. Angelo to submit to the Board details of a cost accounting on what has been spent to date on the project, and advised Mr. Angelo to be conservative on spending going forward. He is to provide the board additional details in response the questions raised.

The vote was to approve a no-cost extension to January 31, 2019 under the current deal structure to review and validate technology and carryout the remainder of the program. Commissioner Smith asked for a motion to approve the extension. Colin Cooper moved to accept the motion. Commissioner Smith seconded the motion. Don Balducci recused himself from the vote.

### **Energy on the Line (Vote)**

Mackey Dykes provided an overview of the Energy on the Line program, launched in April 2016 and created for the purpose of incentivizing manufacturers to undertake energy improvements to their buildings in order to make their businesses more competitive by lowering energy costs. The program combines a grant from MIF with financing from C-PACE to deliver positive cash flow to the manufacturer by expected energy cost savings exceeding annual repayment of C-PAC financing. Energy on the Line has driven \$6.4 million of investment into Connecticut manufacturers to improve their facilities and has created 56 direct and indirect jobs. In the pipeline, the program has 5 potential projects and 7 leads in the discussion stage. Commissioner Smith asked, with 4,000 manufacturers in the state, what more can be done to get the word out on the program. Kelli Vallieres mentioned a concern that SBA was not allowing subordination on loans, making many projects disqualified from C-PACE. There was discussion of ZREC, as well as how the benefits of money from solar has been reduced because of changes made by the state legislature.

This vote was to approve to extend the agreement until December 31, 2019. Don Balducci moved to accept the motion. Colin Cooper seconded the motion. Beverlee Dacey recused herself from the vote.

### **Connecticut Manufacturers' Collaborative (Discussion)**

Eric Brown presented on the Connecticut Manufacturers' Collaborative, a broad cross-section of 24 manufacturing workforce stakeholders. The stakeholders got together to discuss the needs of the industry, and the desire to have a statewide entity whose purpose is to collaborate and communicate, not replace or duplicate. The group is only for manufacturers, not state or service organizations. It is currently staffed by CBIA. Draft strategies were discussed surrounding fiscal challenges, skilled workforce, state-funded manufacturing programs, utilization of new and existing technologies, and marketing capabilities. Next steps were discussed regarding branding, a strategic plan and a new leadership meeting with the next administration. Commissioner Smith asked CBIA not to recreate anything and to leverage the work that others have already done. Colin Cooper asked regarding organizational structure. Chris DiPentima commented on manufacturing policy and the designation of appointees from industry associations. John Zoldy commented on the autonomy of the groups.

### **Manufacturing Apprenticeship Alliance Program Fairchild Wheeler School (Discussion)**

The Fairchild Wheeler School is a charter school located in Bridgeport that has a 90% graduation rate of which 70% of the students are from urban environments and 30% from suburban areas. The school is organized around three major themes and manufacturing is one of those themes. The Board previously reviewed program information, and sees this program as a blueprint, starting point and potentially a pilot for the state. Chris DiPentima and Don Balducci had concerns about funding requested. Emir Redzic commented on whether a RFP is needed and can it be done more cost-effective? Next step is for staff to

work on this proposal and see if there is a way to weave the “German model” into programming in Connecticut schools.

### **Other Business**

Beverlee Dacey asked thoughts regarding Connecticut Innovations’ investments in R&D, and if the MIF should encourage R&D in manufacturing. How can we foster growth in this area? Commissioner Smith agreed we need to look at this issue area in the new administration.

Carmen Molina-Rios recapped for the board that the MIF Mobile Manufacturing Lab RFP was issued on October 22<sup>nd</sup> and the submission deadline is November 7<sup>th</sup>. An evaluation committee is being established and Commissioner Smith asked if any board members would like to volunteer. She offered to be part of the committee as did Beverlee Dacey and Colin Cooper.

### **Meeting Closed**

Commissioner Smith requested a motion to adjourn the meeting. Beverlee Dacey motioned and Commissioner Smith seconded the motion. The motion passed. Commissioner Smith closed the meeting at 3:31 PM.