

Commission on the Future of Economic Development
Minutes of Commission Meeting
May 14, 2007
9:00 a.m. – 12:30 p.m.
6th Floor, National Life Building
Montpelier, VT

Members present: Bill Botzow, Hinda Miller, Kevin Dorn, Fred Kenney, Mary Lintermann, Dawn Terrill, Staige Davis, Hope Crifo, Carl Spangler

Members absent: David Mount, Mary Niebling, one vacancy

9:12 a.m.

Meeting called to Order

Opening remarks were made by newly appointed Chair Carl Spangler. Carl's appointment was made by Governor Douglas on April 11, 2007. Carl asked that all comments and concerns be directed to him and he will act as a conduit to see that they are addressed. H.537 included \$150,000 to CFED with contract to cable TV of \$4,000. Also included was expanding the CFED Commission to 14 members plus Executive Director. Carl asked for member recommendations by end of day on Tuesday, May 15. He will forward these on.

Senator Miller was thanked for her part in promotion of the budget for CFED.

The CFED June meeting will address economic indicators with proposed speakers Jeff Carr, Tom Kavet and perhaps David Hale and/or others. The meeting will be held at the Calvin Coolidge Conference Room, National Life.

The CFED July meeting will address environmental technology and will be held ? Bill Botzow suggested the July meeting be held on July 10. Members are to respond to David as to availability, either 9th or 10th.

The CFED August meeting will address the Next Generation, creative economy and will be held at a different location.

The CFED September meeting will be used for putting the Interim Report together and held at the Agency of Commerce.

9:27 a.m. A Motion was entertained by Hinda Miller to accept the April 9 Minutes as presented, seconded by Staige Davis and carried unanimously.

Housekeeping: David spoke about agenda not be posted in the appropriate places in a timely manner due to technical difficulties. In the future, please contact David Bradbury at aggregate@earthlink.net , if this happens again. The update of FY CFED budget will be sent at a later date.

9:33 a.m. Senator Miller spoke about the “one time” in the budget of \$12 million and how the money was allocated. She felt this amount of money for “economic development” was unusual and a positive outcome.

9:45 a.m. Representative Bill Botzow talked about the stabilization strategy of the Telecom Authority and the Workforce Development Council, along with a Unified Economic Development budget. He also said that the Energy bill could work well with the Workforce Training money on solar, and efficiency workers.

Secretary Dorn cited Hinda and Bill’s work on behalf of CFED and commended Senator Bartlett for her actions. He suggested that the Commission reach out to the Dept. of Finance and Management in order to work with their benchmarks and be in concert with them. At this time due to CFED statute changes, Kevin will review the role of the Secretary of the Agency of Commerce and Community Development on the CFED Board.

David Bradbury announced that per the Chair’s decision, CFED meetings will continue on be held on the second Monday of the month, beginning in October 2008.

10:00 a.m. Conference call with Harlan Sylvester, Chair, Governor’s Board of Economic Advisors for Governors Snelling, Kunin, Dean and Douglas. Harlan presented points on the following question: “What challenges are unique and compelling to Vermont’s fiscal sustainability and the livelihoods of average Vermonters?” Mr. Sylvester expressed concern about Vermont’s image to do business, the need for political parties to work together, and the need to change tax policy.

10:37 a.m. Vermont State Treasurer Jeb Spaulding was present and his question was “How do capital investors view Vermont and its economic future?” Vermont has the best educational indicators in the country, our e-state initiative is good and our Captive Insurance is tops because we were out there first. Treasurer Spaulding listed transportation infrastructure as in bad shape, our power has to be reliable and high quality, a big challenge is Vermont’s cost of living and the cost of doing business in Vermont. Wall Street views Vermont as having the highest bond rating in New England and is among 11 others in the country. Standard and Poor’s says Vermont’s management practices are strong. Forecasters are concerned about concentration in one large manufacturing business: IBM.

11:06 a.m. Conference call with Stephan Morse, CEO of the Windham Foundation and former Speaker of the House of Representatives. Mr. Morse’s question was what he sees as: “Opportunities to address Vermont’s economic and social challenges.” He would like the state to keep going strong with e-state because this is a project that should have been started 10 years ago and Vermont is behind in its development; he feels that we can do a better job in coordinating workforce training dollars; transportation infrastructure is

having an effect on economic viability; take preserved land and put it to use through agriculture, tourism and recreation; we're holding our own with tourism and could be doing better outside Chittenden County; feels Chittenden County gets the most and the best and long-term, Vermont will not fare well unless wider distribution takes place; and tax policy needs to be looked at. Mr. Morse advises there should be no new taxes.

11:31 a.m. Short Break

11:40 a.m. Christine Werneke, Chief Marketing Officer for the State of Vermont. Christine presented an overview of the Next Generation Workforce Report.

David Bradbury, Hope Crifo and Bill Botzow discussed what they observed at the Listening Forum for Small Business Owners and Self-Employed Vermonters conference and came away with: Cost of Health Care is a big issue; Workers Compensation; local regulators and state regulators and communication between them; lack of financing; and entrepreneurship for many is a secondary resort for many to earn a living.

A discussion on "indicators" ended the meeting with the following comments: Janice St. Onge, representing the Sustainable Jobs Fund, contributed written comments; Staige urged the Commission to look at the State of Maine's stats; Bill Botzow commented that the form is digestible, aggregating, liked the grouping, who and how will they use the form and the form is to adjust going forward.

Carl and David reviewed what the Commission needs to get to them: Names of economists; names for new membership; possible speakers for June, July and August.

12:35 p.m. Hope Crifo moved that the meeting adjourn; seconded by Staige Davis.

Minutes drafted by Denise Diehl: 05/15/07

Minutes accepted by Commission: 06/11/07