

THE ECONOMIC PULSE

APRIL 2015

NEVADA CENTER OF EXCELLENCE MAKING WAVES IN WATER INNOVATIONS



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nevadacoe.org

The Nevada Center of Excellence is an independent team of stakeholders focused on one of the greatest issues facing our state: water. Through collaboration and the use of best practices, the Center of Excellence is turning one of Nevada's greatest issues into one of its biggest opportunities, leading the world in the development and application of water innovations and solutions.

LVVWD, ECHOLOGICS & NVCOE PUT LAS VEGAS STRIP ON THE "INTERNET OF THINGS" MAP

Las Vegas Boulevard will become the first site in the nation to host a new "Internet of Things" water technology that continuously monitors pipes, detects leaks, and ultimately conserves water.

Following an installation beginning April 6, the 24/7 monitoring and leak detection system from the company Echologics will greatly reduce the risk of a catastrophic water main break. The non-invasive technology will also lead to fewer disruptions to tourists on the Strip because the Las Vegas Valley Water District will only need to create a work site when there is a verifiable problem.

The Las Vegas Water District contracted with Echologics to install its system on a three-mile stretch of Las Vegas Boulevard to provide an innovative solution to water conservation and a boost to the local tourism economy.

Echologics uses a proprietary acoustic-based leak detection and monitoring system that analyzes sound properties within water transmission mains. Its system will alert a water utility of the presence and location of a leak.

The project comes to Las Vegas via the Nevada Water Center of Excellence, which partnered with the Las Vegas Valley Water District and Echologics, a subsidiary of Mueller Co.'s water products division.

NVCOE BRINGS TOGETHER UNLV AND DRI TO SUPPORT LOCAL WATER TECH COMPANY

The Nevada Water Center of Excellence, UNLV, and DRI are joining forces to provide innovative services to Water Shark Systems, a local company that manufactures small-scale, custom water treatments.

Following relocation from California, Water Shark Systems planned on building its own laboratory for water testing. However, upon an introduction by GOED to the NvCOE, faculty from DRI's Ecological Engineering Lab and UNLV's Environmental Engineering Water Quality Lab were brought together to provide water sample analysis and applied research services to Water Shark Systems, allowing the company to provide the funding for new laboratory equipment and the hire of a new graduate student.

The collaboration between these entities not only establishes a unique opportunity for UNLV students to obtain experience for a future career in water technology, but is also an example of how the Nevada Center of Excellence can help form partnerships between private industry and the Nevada System of Higher Education.





GOED LAUNCHES ADVANCED CAREER PATHWAY FOR MANUFACTURING

With the support of state education and manufacturing leaders, GOED’s technology commercialization unit has been developing a pilot program for a fully-integrated manufacturing career pathway. This program, called Learn and Earn Advanced Career Pathway, will train for the specific vocation of Advanced Manufacturing Technician and has been endorsed by the DETR Manufacturing Sector Council.

While the program will offer students a fully-integrated career pathway from high school to college, the majority of students are expected to enter the advanced manufacturing workforce after obtaining an Associate in Applied Science degree (AAS) in Advanced Manufacturing from either Western Nevada College (WNC) or Truckee Meadows Community College (TMCC). For students planning to pursue further studies for a Bachelor of Science in Mechanical Engineering at the University of Nevada Reno (UNR), a university track within the AAS will enable them to obtain sufficient credits to reduce the length of university study to three years. This integrated WNC/TMCC/UNR track is termed “2+3”.

Honoring Credits Starting at High School

Honoring credits epitomizes the key characteristic of the fully-integrated Pathway, starting in high school: A CTE program “Manufacturing Technologies” will be piloted at Sparks High School starting in Fall 2015. The course is being included in the 2015-16 CTE Course Catalog for statewide application.

After passing the state assessment for all three core Manufacturing Technologies courses (I, II, and III) as well as the Workplace Readiness assessment for employable skills – and provided achievement of a 3.0 GPA – students would be issued a State Certificate of Skill Attainment in Manufacturing Technologies. This certificate will entitle them to earn up to 14 credits towards the AAS in Advanced Manufacturing, thereby reducing the length of study to two years.

The AAS at Community College also attempts to emulate the German vocational training system by combining classroom training with training on the job. Students taking the AAS will be employed by local manufacturers.

Highway with “On and Off Ramps”

The program also takes into account that individual career paths are varied and study is not always sequential. The Pathway can best be described as a highway with on and off ramps. Current manufacturing workers ‘off the Pathway’ are encouraged to take Skill certificates, Certificates of Achievement, or the MT1 Manufacturing Technician Certification to ‘get back on’ and reach a higher tier of their manufacturing career. An excellent example of that Pathway component are classes offered jointly by the Carson City Library and WNC to study for the nationally recognized Manufacturing Technician Certification (MT1) awarded by the Manufacturing Skills Institute (MSi). In fact, through the independent position of the library, a large number of potential Pathway students can be reached. An effort is currently under way to broaden this concept from Carson City to Reno and potentially statewide.

AAS in Advanced Manufacturing to Start Fall 2015

As classes for the AAS in Advanced Manufacturing will be starting this fall, Nevada manufacturers are highly encouraged to send their most talented workers to enroll in the program.

EDUCATIONAL PATHWAY



CERTIFICATES ALONG PATHWAY



Key Terms

NCRC National Career Readiness Certificate

MSSC Manufacturing Skill Standards Council

NIMS National Institute for Metalworking Skills

MT1 MSI Manufacturing Technician 1

MSi Manufacturing Skills Institute

LEGISLATURE ADVANCES GOED INITIATIVES

The 2015 Nevada Legislature has heard and acted upon a number of important economic development priorities. The Governor and the Legislature have provided significant and consistent support for Nevada's new economy, providing the tools and business environment necessary to move the state forward. The following initiatives are priorities during the current session:

- **SB 68 – Reciprocal Medical Licensing:**
Allows expedited medical licenses. The bill has passed the Senate and has been sent to the Assembly.
- **SB 74 – NRS 360 Abatement Revisions:**
Narrows abatements for companies paying less than the state average wage. The bill has passed the Senate and has been heard in the Assembly Committee on Taxation.
- **SB 93/AB 161 – Aviation Parts Abatement:**
The bills were heard in a joint session of the Assembly Committee on Taxation and Senate Committee on Revenue and Economic Development. The slight differences in the bills have been reconciled and these bills are now identical. SB 93 has been passed by the Senate and AB 161 has been passed by the Assembly.
- **AB 17 – Provide authority for GOED Board to approve nonprofit corporations for economic development purposes and clarifies confidentiality provisions.** The bill has passed the Assembly and has been sent to the Senate.
- **AB 47 – Employment Background Checks:**
Streamlines and clarifies provisions regarding background checks for prospective employees. The bill has passed the Assembly and has been sent to the Senate.
- **SB 170 – Data Center Abatement Bill:**
Allows Nevada to be competitive with respect to data center attraction by providing abatements to data centers that meet certain investment and employment thresholds. The bill has passed the Senate and has been heard by the Assembly Committee on Taxation.
- **AB 239 – UAV Privacy:**
Outlines warrant requirements, limits data retention, defines property rights for land-owners with respect to UAV flights, and requires public agencies to have regulations and registry of UAVs. The bill has passed the Assembly and has been sent to the Senate.
- **SB 507 – Catalyst Account:**
Creates a transferable tax credit program similar to the Catalyst Account. The bill has passed the Senate and has been sent to the Assembly.

Keep up-to-date on the Nevada Legislature here: www.leg.state.nv.us

VINEBURG MACHINING GEARING UP FOR EXPANSION



Vineburg Machining, Inc. (VMI), a veteran-owned full-service machine shop moved its operations to Carson City in 2003 from California. The company focuses on providing quality machining services for various industries and sectors by producing products for other companies that typically use them in a finished product.

VMI has purchased a larger facility on Lyon County and new machinery to expand into a new phase, which includes robotics to improve efficiency. As part of this expansion, VMI will create 10 new jobs that pay an average hourly wage of \$18.09. An investment of over \$800,000 in capital equipment is also included in this expansion.

The GOED Board approved incentives to help the company move forward in its new expansion at the January 2015 GOED Board Meeting. NNDA is playing an important role in facilitating the company's expansion efforts.

NEVADA LANDS NEW RESIDENCY SLOTS FOR CLINICAL PSYCHOLOGY

GOED's Healthcare Industry Specialist, Vance Farrow, led an effort to establish four sites and fund four Clinical Psychology post-doctoral internships via the Western Interstate Commission for Higher Education (WICHE) program, of which Farrow is a Commissioner. These interns will provide much-needed mental and behavioral support to Nevadans who are in need of care. Nevada has grown to a total of eight slots, up from just two slots two years ago.

CLEAR CAPITAL PLANS EXPANSION AND HEADQUARTER RELOCATION TO RENO



Clear Capital, the premium provider of market data, analytics, and commercial and residential valuation solutions for large financial services firms in the mortgage and lending industries, is moving forward with plans to relocate the company's corporate headquarters to Nevada.

The company plans to hire 400 full-time employees over a five-year period at an average hourly wage that exceeds \$30, along with an above average health insurance plan in addition to other employment benefits. The 400 staff positions will be paid an average hourly wage that is 50 percent higher than the state average hourly wage of \$20.62.

Clear Capital found Reno to be an attractive location for its relocation due to its business tax structure, transportation accessibility, lower cost of living, and large workforce for hiring. The company also sees an opportunity to partner with the University of Nevada, Reno.

At the January GOED Board Meeting, Clear Capital was approved for Catalyst Funds and tax incentives.

NEVADA'S UAS EFFORT IS TAKING OFF

Following the issuance of the first Test Site Certification of Authorization (COA) to the Insitu ScanEagle at Desert Rock Airfield in 2014, the State's Test Site effort has also facilitated the approval for several other COAs, including three for the Sensurion Magpie at either Desert Rock Airfield or Boulder City, Trimble UX5 at Reno-Stead Airport, Altavian Nova at Reno-Stead Airport, and Precision Hawk at Reno-Stead Airport.

The Nevada Unmanned Aircraft Systems (UAS) Test Site was the first Site to complete the FAA Safety Readiness Survey by a team of seven FAA inspectors and industry experts. The results of the survey were excellent, with the FAA Safety Team indicating that the Nevada UAS Test Site was “. . . very well prepared to execute the functions of a test site as described in the OTA and fully prepared to begin flight test operations to support the FAA's UAS NAS integration efforts.”

NSHE is playing an important role in Nevada's ability to start-up UAS efforts statewide. The University of Nevada, Las Vegas and University of Nevada, Reno are associate members on a team for a proposal that was submitted to the FAA to establish a Center of Excellence (COE) in Nevada. The FAA is expected to award a designation for an FAA UAS Center of Excellence in the near future, and it is Nevada's hope that this designation will come to our state. Should that happen, the Nevada UAS Test Site will support the Research and Development efforts of flight test operations of the COE.

MESQUITE, FERNLEY TOP PROSPECTS FOR NEW WAREHOUSE OPERATIONS

Mesquite and Fernley have topped the list of 25 cities that are the top locations in the United States for new distribution warehouse operations, according to a report by the Boyd Group.

Quoting the report on Mesquite: “As the Las Vegas real estate market continues its recovery, alternate sites in the close-in region like Mesquite will be viewed as attractive, cost-effective alternatives given more affordable land costs, lower operating cost structures and access to key intermodal terminals within a couple hours drive. Lower trucking costs owing to empty backhaul rates associated with Southern Nevada — a consuming not a producing region — also show well for Mesquite.”

Regarding Fernley, the report stated: “As the Reno market begins to heat up, fueled in part by the mammoth Tesla project, alternate industrial sites in the close-in region like Fernley will be viewed as attractive, cost-effective alternatives. Nevada's tax climate, including absence of an inventory tax, and close-in access to the rich Northern California market further distinguish Fernley as a top distribution warehousing location.”

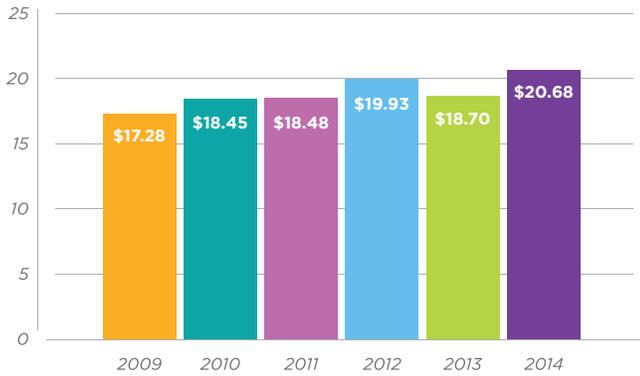
The factors that were included in the rankings were labor, real estate, construction, taxes, utilities and shipping.

LEARN MORE

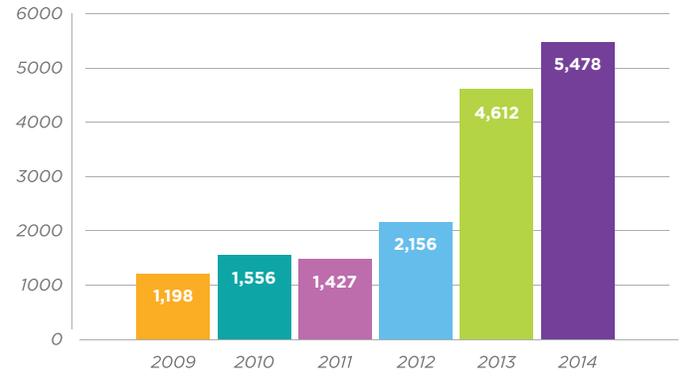


<http://www.reviewjournal.com/business/report-mesquite-fernley-top-prospects-new-warehouse-operations>

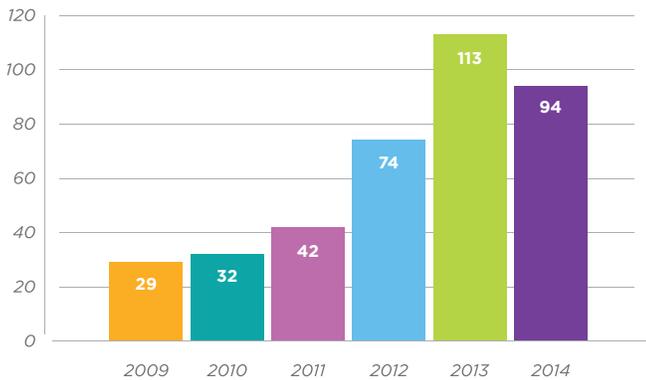
GOED's Annual Assisted Company & Job Statistics



Average hourly wage



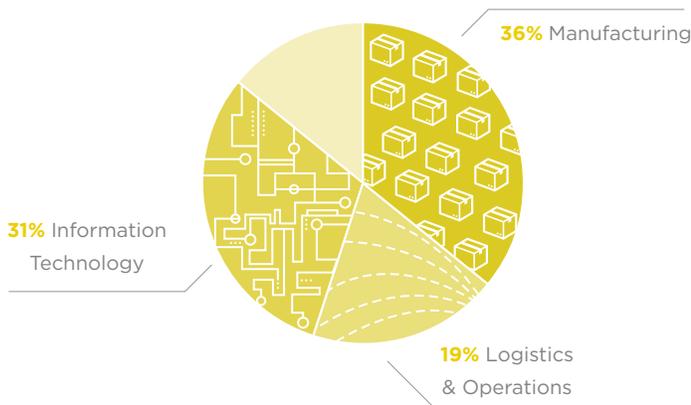
Assisted jobs



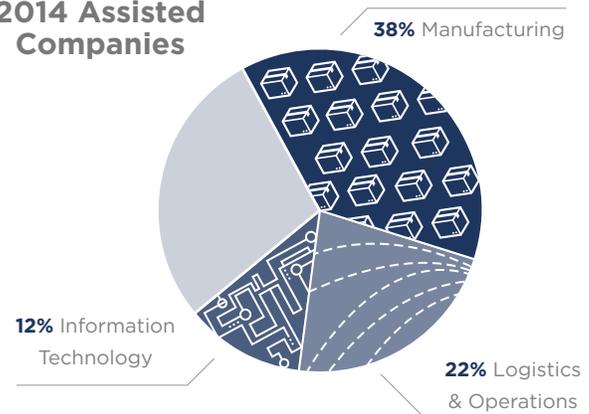
Assisted companies

For calendar year 2014, there were 94 assisted companies announcing the addition of 5,478 jobs to Nevada's economy. Although the company count is down from 2013, job counts are up by 866 and hourly wages by \$2.09, largely because of the impact of Tesla.

2014 Assisted Jobs



2014 Assisted Companies



NEWS

LEGISLATIVE PANEL OKS TAX ABATEMENTS FOR DATA CENTERS

A state Senate committee amended and passed a bill that would authorize tax abatements for data centers that drive global cybercommerce and are viewed as a huge boon for Nevada's economy.

READ MORE



<http://www.reviewjournal.com/business/economic-development/legislative-panel-oks-tax-abatements-data-centers>

UPCOMING EVENTS

GOED BOARD MEETINGS

May 21, 1 p.m.
July 15, 1 p.m.

MAIN LOCATION:

Nevada State Capitol
The Guinn Room
101 S. Carson Street
Carson City, NV 89701

PUBLIC LOCATION FOR VIDEO CONFERENCE:

Grant Sawyer Building
Governor's Conference Room
555 E. Washington Avenue, Suite 5100
Las Vegas, NV 89101

BOARD MEMBERS

Governor Brian Sandoval, *Chairman*

**Lieutenant Governor
Mark Hutchison**

Secretary of State Barbara Cegavske

Mr. Benjamin Yerushalmi,
Owner, The Jewelers of Nevada

Mr. Daniel Klaich,
*Chancellor, Nevada System of
Higher Education*

Mr. Don Soderberg,
*Director, Department of Employment,
Training & Rehabilitation*

Ms. Kathleen Drakulich,
*Attorney at Law,
McDonald Carano Wilson*

Mr. James Barrett,
President, The JABarrett Company

Mr. Rob Roy, CEO/Founder,
Switch Communication

Mr. Sam Routson,
*Chief Administrative Officer,
Winnemucca Farms*

Mr. Weldon (Don) Havins, MD, JD,
*Professor and Director of Medical
Jurisprudence and Ophthalmology,
Touro University Nevada*

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