

**JOB TRAINING INCENTIVE PROGRAM
MONTHLY BOARD MEETING**

Virtual Meeting

MEETING SUMMARY OF July 12, 2024

ATTENDEES:

Board Members

Mark Roper, EDD Acting Cabinet Secretary, Board Chair
Monica Sandoval-Johnson, STEM Boomerang
Michelle Doran, DWS
Karla Melendez, PED

Board Members Absent

Sara Gutierrez, EDD Deputy Division Director
Marcos Martinez, Department of Workforce Solutions
Marc Duske, NM PED
Kathleen Sena, HED

JTIP Staff Present

Patrick Gannon, JTIP Program Manager
Avelina Borrego, JTIP Marketing Coordinator
Lynette King, JTIP Program Administrator

Guests

Thomas Stephenson – Pajarito Powder, LLC
Melissa Brock, Controller– Pajarito Powder, LLC
Dixie Colvin, HR Manager– Pajarito Powder, LLC
Hunter McDaniel, Founder & CEO – UbiQD, Inc.
Liseth Garay VP Finance & Administration– UbiQD, Inc.
Ram Movva, CEO & Founder – Securin, Inc.
Vaadra Chavez, Human Resources - Securin, Inc
John Elling, CEO – Molten Salt Solutions, LLC
Luis Mata HR Director – Pecos Valley Productions
Melanie Chapman, HR Specialist – NMC, Inc.
Roxanna Myers, President – Century Sign Builders
Eliza Cater, Accounting Manager – Century Sign Builders
Patti Rios, Director – The Grow NM
Teresa Dahl-Bredine, Managing Member – Little Toad Creek
Jim Redman, CEO – ErgoTech Systems, Inc.
Elizabeth Cooper, VP – ErgoTech Systems, Inc.
Alex Marucci, Owner – Higher Cultures LLC
Kelley Coins, General Manager – Higher Cultures LLC

I. Introductions

The meeting convened at 9:00 am. The introduction of the board and staff followed.

II. Approval of the Agenda

A motion to approve the agenda was made by Monica Sandoval - Johnson and seconded by Michelle Doran. Motion passed unanimously.

III. Consideration of Proposals and Amendments

a) Pajarito Powder, LLC – (Amendment)

The company requested a total of \$73,055.84 for 29 trainees.

Pajarito Powder was founded in 2012 by CEO Thomas Stephenson and co-founders Paul Short and Dr. Barr Zulevi utilizing funding from the Verge Fund. To date it is a privately held LLC, funded by Verge Fund, Omphalos Venture Partners, assorted angel investors, Hyundai Motor Company, and Bekaert Corporation. Their primary products include Engineered Catalyst Supports™ (ECS products) and Platinum Group Metal (PGM) catalysts for Fuel Cell Electric Vehicles (FCEV), advanced catalysts for electrolyzers, Engineered Electrolyzer Catalysts™ (EEC products), and Precious Metal Free™ (PMF) catalysts that are entirely free of PGMs. Along with the DOE grants and a prospective investment round initiated by a strategic investor this will increase the company's capacity to handle commercial-scale production of materials and in order to do so additional staff will be needed to meet anticipated demand. Pajarito Powder has approved for JTIP on six previous occasions.

A motion to approve this request was made by Michelle Doran and seconded by Karla Melendez. Motion passed unanimously.

b) UbiQD, Inc. - (Amendment) –

The company requested a total of \$41,252.64 for 30 trainees.

UbiQD, Inc. established in 2014 in Los Alamos, is an advanced materials company that manufactures high-performance cadmium-free quantum dots and composite materials. UbiQD offers products that utilize quantum dots which are incredibly small pieces of material with photoluminescence referring to the light emitted from matter that can be tuned based on size. Quantum dots are known for their near-perfect ability to convert one color of light into another. Installed above plants in a greenhouse, UbiGro®, the company's first commercial product, is a layer of light that uses fluorescence to create a more optimal light spectrum for crops, converting under-utilized portions of sunlight to more photosynthetically efficient orange light that plants crave. Over the last several years, early adopters and greenhouse technology institutes have trialed and tested UbiGro®. These pilot customers in the US and Europe have seen encouraging results, including higher production yields and improved harvests. UbiQD is rapidly scaling up production of UbiGro. The additional position in this request will help keep the pace in scaling up and more importantly, will help UbiQD continue to improve their product and production efficiencies. UbiQD has been approved for JTIP on thirteen previous occasions.

A motion to approve this request was made by Monica Sandoval - Johnson and seconded by Michelle Doran. Motion passed unanimously.

c) Securin, Inc – (Amendment)

The company requested a total of \$21,600.00 for 38 trainees.

In 2022, Cyber Security Works (CSW) acquired Securin, Inc. a leading provider of tech-enabled cybersecurity solutions, helping hundreds of customers worldwide gain resilience against emerging threats. The company's products and services are powered by accurate vulnerability intelligence, human expertise, and automation, enabling enterprises to make critical security decisions to manage their expanding attack surfaces. Securin is built on the foundation of in-depth penetration testing and vulnerability research to help organizations continuously improve their security posture. In February 2023 CSW was re-branded as Securin, Inc. Under this new identity, the company provides customers with a comprehensive suite of security solutions such as ASM, VI, Vulnerability Management, and Penetration Testing to level up their security. Securin has experienced significant growth over the past few years and has added new capabilities as part of their products and services portfolio. As part of the company's ambitious goal to be a global leader in early warning cybersecurity capabilities, the rebranding has allowed the company to have a clearer and more recognizable identity in the market. Securin has been approved for JTIP on three previous occasions.

A motion to approve this request was made by Karla Melendez and seconded by Monica Sandoval - Johnson. Motion passed unanimously.

d) Molten Salt Solutions

The company requested a total of \$72,339.04 for 3 trainees.

Molten Salt Solutions is an LLC incorporated in New Mexico. Dr. Elling. Currently the company is receiving revenue from an NSF Phase II SBIR, a New Mexico matching SBIR, a contract with the Clean Air Task Force (Boston), a contract with Techsource (Los Alamos) and a contract with Los Alamos National Laboratory. Molten Salt Solutions was founded in 2018 specifically to address the emerging needs for specialty materials in advanced nuclear power generation like Molten Salt Reactors (MSRs) and fusion energy. The salts needed in MSRs have never been produced at an industrial 40scale and in many cases the current production technology will not scale up well. The goal of the company is to provide advanced materials – specifically, isotopically enriched materials - that will be required by the companies commercializing new nuclear power generation technologies. The company's core technology, developed in collaboration with LANL, is a novel approach to liquid-liquid extraction of isotopes. Initially, the company is targeting the need for lower-cost, large scale purification of lithium isotopes. Beyond that, there are other nuclear power technologies that will require large scale enrichment of isotopes. Molten Salt Solutions anticipates substantial opportunities to expand into this market with research into which isotopes can be produced more economically with its proprietary chromatography technology. Molten Salt Solutions has been approved for JTIP on two previous occasions.

A motion to approve this request was made by Monica Sandoval - Johnson and seconded by Michelle Doran. Motion passed unanimously.

e) Pecos Valley Production

The company requested a total of \$674,232.96 for 55 trainees.

Pecos Valley Production (PVP) was formed in 2015 when it was awarded their medical cannabis Non-Profit Producer License from the New Mexico Department of Health. The company's state of the art cultivation campus is in Roswell NM where the production, processing, administrative, and executive staff is located. It takes a wide collection of products from different manufacturers. PVP ties up with different manufactures to provide innovative cannabis products to customers. Moreover, the firm also works to spread awareness about cannabis among people. The CBD products it supplies to its customers help to heal their bodies naturally. PVP is becoming a powerhouse in the state's cannabis industry as they have 21 dispensary locations in 11 NM counties. The statewide distribution outlets/dispensaries are located in Roswell, Ruidoso, Clovis, Carlsbad, Hobbs, Portales, Las Cruces, Carlsbad Alamogordo, Sunland Park, Tularosa, Edgewood, Espanola and Albuquerque. PVP offers one-to-one consultations with its educated & experienced product specialists to customers. The company promotes holistic heling and educates their customers on the benefits of cannabinoids in solving many health issues. As a vertically integrated cannabis establishment, the target market for the organization is the 135,000+ statewide cannabis patient population and thus additional staff is required to meet this production demand. New cultivation greenhouse facility now in operation, outdoor operations continue to expand leading to the distribution of product to seven new retail locations. Company goal to open two additional retail outlets by Jan 2024. Pecos Valley Production has been approved for JTIP on three previous occasions.

A motion to approve this request was made by Karla Melendez and seconded by Michelle Doran. Motion passed unanimously.

f) NM Consortium

The company requested a total of \$54,880.72 for 2 trainees.

The New Mexico Consortium (NMC), was founded in 2006 and is a partnership between the three New Mexico Universities and the Los Alamos National Laboratory. The NMC integrates the strengths of the partner universities and builds strategic collaborations with scientific and educational institutions nationwide and throughout the world to support research and education in the public interest. NMC's efforts include research that addresses global, national, and local environmental issues. Currently focus areas are Solar Energy, High-Performance Computing, Food Security and Bio-fuels. Customers include multiple Federal Agencies, Universities, State Governments and National Laboratories with the

majority of projects funded by the National Science Foundation, DARPA, US Dept. of Energy, USDA-NIFA and the National Institutes of Health. The NMC is the primary research laboratory for seven startup companies and houses industry and national lab researchers and visiting collaborators. The NMC occupies three floors at the Los Alamos Research Park and a combined office and laboratory space at the Entrada Business Park. Research at the NMC biological laboratory currently supports international programs in bioenergy, food security, and disease control. All programs are expected to grow this year. NMC has been approved for JTIP on ten previous occasions.

A motion to approve this request was made by Karla Melendez and seconded by Michelle Doran. Motion passed unanimously.

g) Century Sign Builders

The company requested a total of \$25,424.00 for 2 trainees.

Century Sign Builders (CSB) has been in the sign and wayfinding business for over 30 years. Company owner, Roxanna Meyers is a licensed subcontractor in both New Mexico and Arizona and is well versed in the construction industry. Century Sign Builders designs, manufactures, and installs interior and exterior signage nationwide. One of the few companies which handle signage from design to installation, the company further sets itself apart by guaranteeing its work for the life of the building. Target customers include architects, interior designers, builders, sign shops in growing areas and large corporations that have multiple locations as well as multi-family housing such as apartments, hospitals, schools and other commercial projects. Century Sign Builders is looking to add additional staff due to product demand and continued growth within the company. Century Sign Builders has been approved for JTIP on three previous occasions.

A motion to approve this request was made by Karla Melendez and seconded by Michelle Doran. Motion passed unanimously.

h) The Grow NM

The company requested a total of \$37,650.00 for 5 trainees.

The Grow NM was established recently as the new name for the gardening operations of Leaf & Flower NM. Leaf & Flower (formerly CG Corrigan) has been in operation since May of 2014. The company began then as a small vertically integrated Licensed Non-Profit Provider (LNPP) for the state of New Mexico. With the enactment of the New Mexico Recreational Marijuana Program, the company has grown in the last 10 years to include 4 indoor gardening operations, a packaging department and seven retail store locations and now has a Vertically Integrated Cannabis Establishment (VICE) license. Currently, the company has retail locations in Placitas, Los Lunas, Santa Fe and Albuquerque. The indoor gardening operations are in Placitas and Albuquerque. The Grow NM has grown to more than 100 employees in both the retail and manufacturing, most added in the last two years. The staff includes gardeners, retail managers, bud tenders, packaging specialists, compliance and BioTrack officers and district managers. The target market is broad, so the company includes processing, manufacturing, inventory a large selection of

products to suit every cannabis need. The Grow NM also carries medically dosed products for New Mexico Medical card holders and as such the demand for additional packagers and pre-roll techs are needed to meet this demand. This is The Grow NM's first JTIP application. The Grow NM is requesting funds for training five employees in the following job classifications.

A motion to approve this request was made by Monica Sandoval - Johnson and seconded by Karla Melendez. Motion passed unanimously.

i) Little Toad Creek

The company requested a total of \$91,782.00 for 9 trainees.

Little Toad Creek LLC currently operates a nano-brewery and distillery, a seasonal rural hotel/restaurant/tasting room, and a year-round restaurant/tasting room in downtown Silver City. Little Toad Creek, LLC was formed by husband-and-wife David Crosley and Teresa Dahl-Bredine in 2012. That same year the couple purchased and opened an inn, restaurant, and tavern in the rural community of Lake Roberts, NM, and applied for a craft distillers and small brewer's license. In February 2013, an on-site craft brewery and distillery was added. In December of 2013, a tasting room was opened in downtown Silver City. Since 2014, the company has experienced a steady growth in sales and beer production has tripled. Little Toad Creek Brewery & Distillery is entering its twelfth year of business and growing strong! The company spent the rough days of the 2020 closures developing their assets that included their tasting rooms had new patios, stages, murals, and additional seating, as well as comprehensive management training and development. Sales at both pub locations now are steady, higher than pre-pandemic sales. The company also spent 2020 in product development and package design for their canned beer, ready-to-drink cocktails, and bottled spirits. In 2021, Little Toad Creek dove deep into distribution of these products and have seen enormous growth in this new revenue stream over the past year. Their products are currently distributed in approximately 400 retail locations in New Mexico, Colorado, Texas, and California. As the canned beverage sales continue to grow, they have found the need to expand their production capability as the current facility is not large enough to accommodate the necessary growth. After much research, David and Teresa purchased a property in Deming, NM, with 76 acres and two industrial metal buildings totaling approximately 45,000 square feet. These buildings will house a distillery, with new stills for producing base spirits, and a canning line with a pasteurizer and packaging line capable of producing 400 cans per minute. This is 20 times the size of their current processing capabilities. This facility will be able to produce 2.5 million cases per year operating eight hours per day and significantly more if operated with multiple shifts. Little Toad Creek is quickly expanding into new states to increase their sales and believe the company can reach 80% capacity on the canning line within 5 years. There are now nearly twenty distilleries in NM and none with a canning line, though most are trying to produce canned cocktails. The company has been approached by several regional distilleries and by seltzer producers looking for contract canning facilities. Ready-to-Drink (RTD) cocktails are the largest growth category within alcoholic beverages. RTD cocktail sales grew 86% year over year in a six-month period in 2020 and are projected to grow at a steady 12% year over year until 2028. There is still significant room for new products in this category. Little Toad Creek believes they have unique products

using natural juices for great taste, with no preservatives or additives. The company has received incredible feedback on their products from customers and industry professionals and aim to position themselves for further growth across the US. Little Toad Creek is working with top level marketing professionals and sales consultants to strategize the company's growth. Little Toad Creek has been approved for JTIP on four previous occasions.

A motion to approve this request was made by Monica Sandoval - Johnson and seconded by Michelle Doran. Motion passed unanimously.

j) ErgoTech Systems

The company requested a total of \$52,398.24 for 2 trainees.

ErgoTech was founded in 1994 with a mission to develop software to be used by engineers with little or no programming or software development skills to build applications for collecting data from and monitoring industrial equipment and machinery and display the values from these processes and machines on user interfaces. ErgoTech's early software solutions were some of the first IoT deployments ever. This product has developed over the years to deploy applications into a robust 24/7 data collection and monitoring servers of any size (from tiny Raspberry Pis to huge cloud servers) with a full HTML 5 web based graphical user interface. Over the years the company has continued implementing industry specific protocols, including the standard used for communication to and from semiconductor processing equipment (SECS/GEM). ErgoTech's target market is primarily manufacturing, with a focus on semiconductors. The company is currently developing (with DOE SBIR funding) a new industrial "data mesh" which will broaden ErgoTech's market in all Industry 4.0 applications. This development effort is the core reason the company will be hiring several Software Developers. ErgoTech has been approved for JTIP on one previous occasion.

A motion to approve this request was made by Monica Sandoval - Johnson and seconded by Michelle Doran. Motion passed unanimously.

k) Higher Cultures, LLC

The company requested a total of \$50,130.00 for 7 trainees.

The majority of the original founders of Higher Culture are from the Southwest. They worked together in Oil & Gas in Colorado for many years, where they found success in onshore exploration and development plays across the Rocky Mountain region. That success gave them the ability to invest in things that they were passionate about; one of them being cannabis. They became familiar with early cannabis legalization while living in Denver and began to realize how much potential there was as they watched the Colorado cannabis industry grow. In 2017, they started Higher Cultures in Grants Pass, Oregon, which began primarily as an extraction lab. As things quickly grew, they found themselves in need of more products to process, so they expanded on the production front -- first with one production license, then two more the next year and then two more the following year. Fast forward to 2024, Higher Cultures is one of the largest producers and processors in the state of

Oregon. For the company, expansion into New Mexico was the next natural progression. It is an area that the company is familiar with, has key contacts on the retail and production sides of cannabis, and have processes and procedures in place that allow them to produce some of the highest quality cannabis products on the market. Their goals are pretty simple; to provide the best quality cannabis products to the state of New Mexico, to run a responsible and profitable business and to create quality jobs in the communities in which they operate. Since their first JTIP application, Higher Cultures has grown a presence in the local markets by being present in community events and outreach. The company has won multiple awards for their cartridges since their last JTIP award, which has increased visibility with retailers and producers looking for extraction services throughout the state. Higher Cultures is starting to gain serious traction in many key territories in New Mexico and is looking forward to substantial growth in the coming months. Higher Cultures New Mexico operations is focused on manufacturing, the area the company has the most experience in. The company started operations at the beginning of October after receiving their cannabis license for their manufacturing/industrial space located in Las Cruces. The facility is the first lab of its kind in the city of Las Cruces. As such, they have been working closely with city and county officials to ensure that their lab is a gold standard example for other facilities to follow in the company's footsteps. Higher Cultures has been approved for JTIP application on three previous occasions.

A motion to approve this request was made by Michelle Doran and seconded by Karla Melendez. Motion passed unanimously.

IV. Approval of Minutes

- a. JTIP Board meeting July 12, 2024 - a motion was made by Monica Sandoval - Johnson and seconded by Michelle Doran. Motion passed unanimously.

V. Fiscal Update

Mr. Patrick Gannon shared the fiscal report and the projects in the pipeline.

VI. Adoption of Updated Agenda

A motion to approve this request was made by Michelle Doran and seconded by Karla Melendez. Motion passed unanimously.

- a. Next Board Meeting

- i. July 12, 2024; 9:00 am -12:00 pm; Virtual

VII. Adjourn

A motion to adjourn was made by Chair. The motion passed unanimously, and the meeting adjourned at 11:15 am.