

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
Minutes of Meeting
February 23, 2017

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, February 23, 2017, at 3:00 p.m. in the Council Room of the Wytheville Municipal Building at 150 East Monroe Street, Wytheville, Virginia.

MEMBERS PRESENT

Wes Mabe, Vice Chairman	David Carpenter
Charlie White	Dicky Morgan
John Silva	Matthew Clarke

MEMBERS ABSENT

David Kause, Chairman

EX-OFFICIO MEMBERS PRESENT

C. Wayne Sutherland, Jr., Wytheville Town Manager
Stephen Bear, Wythe County Administrator

EX-OFFICIO MEMBERS ABSENT

Jason Childers, Rural Retreat Town Manager

JOINT IDA STAFF PRESENT

David Manley, Executive Director
John Matthews, Associate Director

DETERMINATION OF QUORUM

Vice Chairman Mabe called the meeting to order and determined a quorum to be present. Vice Chairman Mabe offered the invocation and led the Pledge of Allegiance.

CITIZENS' TIME

Vice Chairman Mabe welcomed Wayne Sutherland, Wytheville Town Manager, Stephen Bear, Wythe County Administrator, and Patricia Bevil, Virginia Employment Commission to the meeting. Vice Chairman Mabe asked if

there was anyone who would like to speak during citizens' time. There being none, he continued with the meeting.

Mr. Manley mentioned that David Kause was sick and unable to attend the meeting and due to the contagious nature of the circulating flu that they should be appreciative, and that Mr. Kause sent his sincere regrets.

APPROVAL OF MINUTES—January 26, 2017

Vice Chairman Mabe asked if there were any questions or discussion regarding the January 26, 2017, meeting minutes. Mr. Manley mentioned that there was an incorrect date in the first paragraph of the minutes and Mr. Carpenter stated that his name had Dr. in front of it instead of Mr. Mr. Carpenter made a motion, seconded by Dr. White, to accept the minutes with the stated corrections as presented. With no further discussion, the motion passed unanimously.

FINANCIAL REPORTS AND APPROVAL OF INVOICES

Vice Chairman Mabe asked if there were any questions or concerns regarding the financial statements for February 2017. Mr. Manley stated that there were no concerns had arisen prior to the meeting that he knows of and stated that Miss Crockett was at a conference for professional development which is why she was not present at the meeting. Mr. Carpenters clarified that under other liabilities on the balance sheet there is a negative interest payable and asked if that was one of the pass-throughs for the Smyth-Wythe Airport. Mr. Manley answered that it was correct that it will all even out at the end of the year. Mr. Carpenter asked if the interest was to the Virginia Small Business Financing Authority. Mr. Manley stated that it was and that there were not many payments remaining on the loan. Mr. Carpenter asked if Mr. Manley took into consideration his comment regarding travel. Mr. Manley answered that he did, but that the staff had not yet undertaken reclassifying the items in question. He mentioned that the changes will be made prior to the end of the 2016-2017 budget year. Mr. Carpenter asked if Mail Chimp was a consistent expense every month. Mr. Manley answered yes it was because it was billed monthly.

Vice Chairman Mabe asked if the Revolving Loan payments were up-to-date. Mr. Manley answered that everyone was paid up as promised. Mr. Manley mentioned that the revolving loan that was approved last month to the Temples was satisfied with an appropriate and significant amount of collateral beyond what was needed. He added that there was no problem with giving them the full amount of the loan that was approved. Mr. Carpenter asked if both parties checks have been distributed. Mr. Manley noted that they had been.

Mr. Carpenter asked about the cash flow. Mr. Manley stated that it was cash flow within the month. Mr. Carpenter understood and asked about the bank service charge. Mr. Manley stated that there are sometimes banking-related charges that will be refunded from time to time. Mr. Carpenter made a motion, seconded by Mr. Silva, to accept the financial reports as presented. With no further questions or concerns, the motion passes unanimously.

**Joint IDA of Wythe County
Check Register
February 1, 2017 through February 28, 2017**

Check #	Date	Payee	Amount
EFT	2-21-17	Appalachian Power Company	166.86
EFT	2-21-17	First Bank – MasterCard	1,294.42
EFT	2-21-17	Robert G. Moore	1,100.00
EFT	2-21-17	CenturyLink	156.00
7464	2-21-17	David Manley – Reimbursement	273.03
7465	2-21-17	Town of Wytheville	15,995.17
7466	2-21-17	Virginia Small Business Authority	41,323.97
7467	2-21-17	Wytheville Office Supply	557.07
Total			\$ 60,866.52

STAFF REPORT – ASSOCIATE DIRECTOR

Meetings

Downtown Vitality Committee
 New River/Mount Rogers Workforce Invest Board
 Properties - Commercial Real Estate Agents
 Zachary Cochran
 Quadrant Site Visit
 Retail Coach
 Revolving Loan Fund Recipients & Inquiries
 Stephen Moret Visit & Gatorade Site Visit
 Wythe-Bland Young Professionals and steering committee
 Wythe County Board of Supervisors

Wythe Manufacturing Council

The WMC meeting took place on February 16 at Wytheville Community College. Perry Hughes spoke about programs available through WCC, as well as future initiatives, and gave a tour of the training facilities. The floor opened to the manufacturers about workforce training and needs. Below are a few items we will be working towards that came from the discussion:

- Open communication with K-12, WCC, and manufacturers
- Introduce SVAM’s education programs to K-12 ex: tours, videos, general information
- Identify existing apprenticeship programs that could be used as a model for Wythe County
- Tour the Technology Center at the next Wythe Manufacturing Council

Manufacturing Career Fair

The career fair will be held on March 8 at the Wytheville Meeting Center from 9am-12pm. Below are the businesses planning to attend. Resource tables will also be set up for businesses and job seekers the day of the fair. We are currently working to spread the word to job seekers.

AccuForce
AmcOR Rigid Plastics
Atsumi Car Equipment
AtWork
BAE Systems
Coalfield Services
General Dynamics
General Engineering Co.
Hollingsworth & Vose
Innovative Millwork Technologies

Klöckner
Mohawk Industries
Pasco Atlantic
Phoenix Packaging Operations
Quadrant Engineering Plastic Products
Skyway Outdoor, Inc.
Somic America
Utility Trailer Manufacturing Company
VanGuard Furniture
Workforce Unlimited

STAFF REPORT – EXECUTIVE DIRECTOR

New or Expanding Business Activity

- Responded to inquiries from
 - VIAA
 - Downtown business owners
 - Alternative energy company
 - Int'l business consultant
 - VEDP
 - Real estate broker
 - Property owner
 - Site selection consulting firm
 - Solar energy co. representative (X3)

Business Contacts and Meetings

- Stephen Moret, VEDP CEO
- Jay Langston, VEDP advisor
- Aviva Shapiro Frye, Virginia-Israel Advisory Board
- Green Faircloth, Atmos Energy
- Vince Barnett, VEDP VP
- Land owner and alternative energy companies
- Rosa Lee Jude, Wytheville CVB/Tourism Director
- Kimber Simmons, NR/MR Workforce Investment Area
- Kelly Cofer, the Retail Coach
- Matt Petro, Retail Strategies
- Josh Lewis, Virginia's Industrial Advancement Alliance
- Mary Jane Umberger, HR Alliance LLC
- Downtown Wytheville Economic Vitality Committee
- Stephen Bear, County Administrator
- John Smolak, Ec. Dev. Director – AEP
- Dan Tolley, Branch Botanicals
- Chuck Johnson, Acrylife
- Eric Crowgey
- Stephanie Surrect, SVAM CoE
- Pandy Brazeau, VEDP
- Alexandra Seegers, SSOE Group
- Barbara Sewell, Three Rivers Media

- Todd Wolford, Downtown Wytheville, Inc.
- Connie Long, VEDA
- Mark Bloomfield
- John Loftus, VEDP
- Michaela Martin, VEDP

Other Activities

- Visit by new VEDP CEO Stephen Moret and Jay Langston
 - Media availability (2x TV, multiple newspaper, 1x radio)
- Project DOL Visit
- Wythe Manufacturing Council
- Workforce Development Board meeting
- Continued work on developing 2016 annual report; updating data and activities
- Updated project list/VEDP database /project manager(s)
- Website update – board, board meetings, minutes, schedule
- Budget planning for FY 17-18
- Voiceovers for Manufacturing Career Fair radio spots
- Reviewed and edited minutes
- Reviewed financial reports
- Credit card reconciliation
- Met with loan applicant/borrowers
- WC BOS Economic Development Committee
- WC BOS regular evening meeting with closed session presentation
- Orientation for new Joint IDA Board Member Matt Clarke
- Tenure Awards Luncheon – speaker, logistics, etc.

Retail Consulting

- Visit from Kelly Cofer, CEO, The Retail Coach
 - Checked unpublished references

Upcoming

- Manufacturing Career Fair – March 8, 2017 @ Wytheville Meeting Center
- Road show for board meetings

OLD BUSINESS

NEW BOARD MEMBER APPOINTMENT, INTRODUCTION OF NEW MEMBER

Mr. Manley stated that the Wythe County Board of Supervisors appointed Matthew Clarke to the Joint IDA's Board of Directors. Mr. Clarke represents Wythe County for a four-year term and it will end on October 31, 2020. Mr. Clarke introduced himself to the Board. Vice Chairman Mabe welcomed Mr. Clarke to the Board and stated that the Board looks forward to working with him. He mentioned that Mr. Clarke's experiences in manufacturing will be an asset to the Joint IDA Board.

MARKETING PLAN ADOPTION

Mr. Manley stated that adoption may be a bit premature because Mr. Carpenter had some additional comments to add to the plan. Mr. Manley will make the changes and the plan should be complete for adoption during the next regular meeting. Mr. Carpenter discussed some thoughts on the plan's impending changes.

TENURE AWARDS LUNCHEON UPDATE

Mr. Manley reported that there were approximately 30 in attendance at the Tenure Awards Luncheon that was held at the Boling Wilson Hotel Ballroom. He noted that he appreciated the attendance there from the Board and jurisdiction members and that more than two-thirds of the companies were in attendance. Mr. Manley mentioned the companies who received awards and thanked the Wytheville Office Supply who's been the chief sponsor of the event for many years.

Mr. Manley stated that the Board had planned to present Danny Gordon, who retired from WYVE/WXBX, a resolution during one of the regular Board meetings. However, after some discussion it was found appropriate that the presentation be made during the Tenure Awards Luncheon. Mr. Manley read the Resolution that was presented to Mr. Danny Gordon at the luncheon. Mr. Gordon was appreciative of the award and thanked the Joint IDA for the recognition during brief remarks.

RETAIL CONSULTING STATUS

Mr. Manley stated that chief administrative officials and most appointees from each jurisdiction to the retail consulting working group attending a recent meeting with Kelly Cofer of Tupelo, MS, CEO of The Retail Coach. He noted that Retail Coach is a firm that the JIDA had spoken with previously who proposed an alternate arrangement to that of Retail Strategies that had been discussed previously. It was his assessment that the appointed officials felt positively about Mr. Cofer's presentation. He also mentioned the longevity of Mr. Cofer's work experience as well as the pricing differential versus what was previously discussed. The three governing bodies were going to discuss with whom to proceed and work would begin shortly. He noted that the Joint IDA would remain contracting party and that this board would be updated regularly.

WYTHE MANUFACTURING COUNCIL

Information regarding the Wythe Manufacturing Council was discussed during the staff reports.

ANNUAL REPORT DRAFT

Mr. Manley mentioned that, much like the marketing plan, the report is not ready for approval. There have been various other events that have taken precedence over its completion. He noted that as soon as the new draft is completed it will be emailed to the Board members.

OTHER

None

NEW BUSINESS

GRANT COMPLIANCE MONITORING

Mr. Manley distributed a copy of the status of the grantees, provided to the Wythe County Board of Supervisors Economic Development committee, that must be reported by April of each year to various entities at the Commonwealth-level. The report monitors the job creation, capital investment, and average wage based on various performance agreements. Mr. Manley mentioned that there are currently three active grantees which are:

Schaffner, whose performance agreement date is October of 2018 which are Commonwealth Opportunity Funds in the amount of \$175,000, Tobacco Commission Opportunity Funds in the amount of \$60,000, and Wythe Opportunity Funds in the amount of \$87,500. The total cash out on this project investment is \$522,500. Per the agreement 79 jobs were promised, 37 have been hired full-time with 20 that are going to go from temp-to-hire shortly. The average wage promised was \$38,517 which at last report was actually over \$50,000. Capital investment is reportedly halfway to the agreed amount. Schaffner will have until October 2018 to complete what it agreed to.

Coperion, has a December of 2017 performance agreement date. COF funds were in the amount of \$75,000, TROF funds were \$80,000, Wythe Opportunity Funds were \$50,000, with total cash being \$205,000. They promised to create 22 jobs and have created 35 at an average wage of \$70,737 which exceeded the promised wage by a significant amount. Finally, they promised a \$3.0 million capital investment and have realized a \$4.1 million capital investment.

Branch Botanicals, the performance agreement has just been out since May of 2016. They are nearing construction of their facility and have done some limited local hiring. They have three full-time employees, three subcontractors they intend to transition to full-time employees. Currently that have average wages of \$66,779 and that exceeds what is promised as well.

Mr. Morgan asked when the agreements were initiated for Schaffner. Mr. Manley answered that it was initiated in 2015. Mr. Morgan confirmed that they'd achieved these goals in the time-frame reported. Mr. Manley stated yes and they still have approximately one and one-half years to complete per the agreements. There was further discussion regarding management changes at Schaffner, and other minor issues.

Mr. Bear stated that the Board of Supervisors relies on the Joint IDA to track the information for the grants and he thanked Mr. Manley for his efforts in gathering the necessary information and following up for the annual reports. Mr. Manley stated that the report is only required annually, but that the Joint IDA keeps in touch with the companies on a regular basis to monitor their efforts in following the requirements.

VEDP VISITS

Mr. Manley reported that there have been two VEDP visits since the January Board meeting. One visit was from John Loftus, Building and Sites Director, who is responsible for all of the real estate that is available in the Commonwealth of Virginia with the VEDP, which are existing buildings, green field sites, spec buildings, etc. Mr. Loftus has been with VEDP for a long time and he brought with him his new colleague Michaela Martin. There was quite a bit of time spent with them during their visit and visits were made to selected sites.

Another visit was from Mr. Stephen Moret the new CEO of VEDP. The Joint IDA staff oversaw gathering the media for that visit to this area. The information was on two local news channels, multiple newspapers, and at least one radio station. Mr. Manley felt that it was a good success to let everyone know that he was here locally spending meaningful time learning about our area, our priorities, our sites, and our communities in general. He mentioned that Mr. Moret has said, unsolicited, in several settings that he considers a chief responsibility to make sure rural Virginia is not being left behind. While in Louisiana, Mr. Moret had successfully worked for advancement in rural communities and not just in the more urban areas. Mr. Moret was taken to Gatorade for a

a discussion with plant director Chad Delagrange and with Regional Transportation Manager David Kause. Mr. Manley felt positively about the time spent especially considering Mr. Moret had followed up multiple times since leaving. Vice Chairman Mabe mentioned that any publicity that is received in regards to the VEDP will go a long way in getting Wythe County and what it can offer into the manufacturers eyes. He stated that he believes it is a positive step. Vice Chairman Mabe thanked Mr. Manley for sending the information links to each Board member regarding his visit.

Other VEDP activity was discussed.

MANUFACTURING CAREER FAIR

Mr. Manley thanked Mr. Matthews for all his hard work in setting up the Career Fair. He stated that he feels it will be quite successful. Mr. Matthews stated that there will be a roving computer lab that the Workforce Investment Board has control over, so potential employees will be able to apply online at the Career Fair or even work on resumes. He mentioned that there will also be various resource individuals in attendance to assist in any way possible. Mr. Manley added that there are four major sponsors of the event which include: the Workforce Development Board, the Joint IDA, the Town of Wytheville, and Three Rivers Media. There are several other partners, as well, from all over the region.

GOLF TOURNAMENT

Mr. Manley noted that the previous leads on the annual golf tournament have been Vice Chairman Mabe and Mr. Matthews. Mr. Matthews stated that May 18 has been scheduled with the Country Club and noted that before the next meeting the invitations will be distributed to the potential golf groups. Vice Chairman Mabe mentioned that, unless someone objected, he would happily head the golf tournament up again this year. No objections were made.

OTHER

Mr. Manley mentioned that each Board member should notice that they have a Board and Staff Member update. Mr. Morgan submitted a change, Mr. Carpenter will have an email update, and Mr. Manley asked if there are any others corrections to please let the staff know.

PROJECT UPDATES

None

IF NEEDED: CLOSED SESSION AS PERMITTED BY CODE OF VIRGINIA §2.2-3711(A)(5)

None

ADJOURN

There being no other business, Vice Chairman Mabe adjourned the meeting at 4:00 p.m.

Wes Mabe, Vice Chairman

Attest:

Virginia M. Crockett, Secretary