

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
Minutes of Meeting
January 28, 2010

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, January 28, 2010, at 3:00 p.m. in the Council Room of the Wytheville Municipal Building located at 150 East Monroe Street, Wytheville, Virginia.

MEMBERS PRESENT

William Snyder, Chairman	Linda DiYorio
Dave Elmore, Vice Chairman	Dana Pack
Tom Jones	Foy Patton
Jennifer Jones	

MEMBERS ABSENT

None

EX-OFFICIO MEMBERS PRESENT

None

EX-OFFICIO MEMBERS ABSENT

R. Cellell Dalton, Wythe County Administrator
C. Wayne Sutherland, Jr., Wytheville Town Manager
Raymond E. Matney, Rural Retreat Town Manager

DETERMINATION OF QUORUM

Chairman Snyder called the meeting to order and determined a quorum to be present. Patrick Burton offered the invocation, and Chairman Snyder led the Pledge of Allegiance.

CITIZENS' TIME

Chairman Snyder asked if there were any persons present who would like to address the Board during citizens' time. There being none, Chairman Snyder proceeded with the meeting. Chairman Snyder welcomed Jim Coen and Roger Frye and later acknowledged Bucky Sharitz' arrival and welcomed him to the meeting.

JIM COEN AND ROGER FRYE, WIB/VEC—EMPLOYMENT/UNEMPLOYMENT UPDATE

Jim Coen with the Workforce Investment Board and Roger Frye from the Virginia Employment Commission gave informative presentations regarding the activities of the Workforce Investment Board, the One-Stop Center in Wytheville, and employment/unemployment services for Wytheville, Wythe County, and surrounding areas.

Mr. Coen updated the Board on the status of the One-Stop center and gave an overview of the services that will be available. The site of the center will be in the current VEC location with additional space being utilized in the Department of General Services warehouse located next door. Mr. Jones asked what the square footage of the facility would be. Mr. Coen said the facility will be approximately 8,000 sq. ft. Ms. DiYorio asked if the Workforce Investment Board worked with Mt. Rogers Adult Education on GED classes. Mr. Coen stated that they did and that Mt. Rogers will have an office located in the new facility.

Mr. Frye summarized the employment/unemployment activities for Wytheville, Wythe County, and the surrounding area. He noted that for a period of approximately two weeks after January 4, 2010, there were 1,115 visitors and 662 telephone calls received by the Virginia Employment Commission office in Wytheville. There are currently 14 employees located in this office, which includes two hearing officers. Mr. Frye was able hire a Re-employment Specialist with stimulus funds. The sole focus of the Re-employment Specialist will be to assist clients with re-employment services and efforts. He added that currently the National unemployment rate is at 9.7 percent, Virginia is at 6.7 percent, and the local unemployment rate is about 10.0 percent.

Mr. Frye also reported the following: on-the-job training is receiving more emphasis now and has fewer restrictions; Acument's dislocated workers will receive Trade Act benefits; and the coming problem with people running out of unemployment benefits.

APPROVAL OF MINUTES—December 17, 2009, meeting

Chairman Snyder asked if there were any questions regarding the minutes of the December 17, 2009 meeting. There being none, Dr. Snyder asked for a motion to approve the minutes. Ms. DiYorio made a motion, seconded by Mr. Pack, to adopt the minutes as presented. The motion passed unanimously.

APPROVAL OF INVOICES

Chairman Snyder asked if there were any questions concerning the invoices. Mr. Jones made a motion, seconded by Ms. Jones, to approve the invoices. With no further discussion, the motion passed unanimously.

Joint IDA of Wythe County

Check Register

For the Period From December 18, 2009 through January 28, 2009

Check #	Date	Payee	Amount
6019	1/28/10	Alan R. Hawthorne	4,263.10
6020	1/28/10	Patrick G. Burton	2,507.68
6021	1/28/10	Virginia M. Goodwin	1,527.28
6022	1/28/10	Appalachian Power	198.70
6023	1/28/10	Alan Hawthorne-Reimbursement	450.57
6024	1/28/10	Anthem Southeast Dental	81.78
6025	1/28/10	Anthem Blue Cross and Blue Shield	1,402.52
6026	1/28/10	D&D Trophies	420.00
6027	1/28/10	Embarq	168.29
6028	1/28/10	Wytheville Enterprise	38.60
6029	1/28/10	Mellon Trust of New England	685.00
6030	1/28/10	Principal Life Insurance Co.	152.94
6031	1/28/10	Robert G. Moore	1,100.00
6032	1/28/10	Sprint PCS	72.35
6033	1/28/10	Wytheville Meeting Center	100.00
6034	1/28/10	Xerox	341.84
6035	1/28/10	Old Stage Restaurant	522.06
Total			\$14,032.71

OLD BUSINESS

LOT 24 UPDATE

Dr. Hawthorne indicated that the construction contract with Branch Highways is awaiting project approval by the County Board of Supervisors.

Dr. Hawthorne reported that he met with County Attorney Scott Farthing to finalize the draft agreement for Lot 24 between the Joint IDA and Wythe County. The agreement states that Wythe County will convey the land for an interim period to the Joint IDA and after 5 years the land will revert back to the County. Dr. Hawthorne asked the Board if they had any questions or concerns.

Dr. Snyder informed the Board members that they needed to consider and/or approve signing the agreement with the County. He added that the Board needed to approve the authority to sign the documents to include both the Chairman and the Vice Chairman. Dr. Snyder stated that he would be unavailable from February 8, 2010 until March 3, 2010, so it may be necessary for the Vice Chairman to sign the documents during his absence. Ms. DiYorio made a motion, seconded by Ms. Jones, to grant the authority to sign any necessary documents, when needed, to both the Chairman and the Vice Chairman. Mr. Jones asked if Lot 24 would have to be sold as one lot or if it could be broken up. Dr. Hawthorne stated that the Joint IDA would try to sell Lot 24 as one lot. Dr. Snyder added that it was important to remember that there are smaller sites available in Progress Park. With no further discussion, the motion passed unanimously.

INDUSTRY TENURE AWARDS LUNCHEON REPORT

Chairman Snyder reported that all Board members were present for the tenure awards luncheon. He also asked for comments from the Board regarding the event. Mr. Pack stated that he appreciated the work that the staff did and that everyone seemed to enjoy the event. Dr. Hawthorne stated that he received several positive comments. He added that Carole Pratt with the Virginia Economic Development Partnership was impressed with the program. Dr. Hawthorne complimented the Board on assisting with making calls to the award recipients to encourage them to attend. Dr. Snyder said that he appreciated Carole Pratt's attendance. He also thanked the Board for attending and mingling with the company representatives.

Patrick Burton added that there was a better turnout this year than there was last year, and he thanked Mr. Patton, Ms. DiYorio, Ms. Jones, Mr. Elmore, and Mr. Pack for their assistance in contacting the recipients to encourage their attendance.

INDUSTRIAL PARK SIGNS

Dr. Hawthorne reported that he had looked at the sign at Fairview Industrial Park and that the sign is in need of repair. The plan for repairs is to get a quote and if the estimate is high, Dr. Hawthorne and Patrick Burton will purchase the items needed from Lowe's and repair the sign themselves.

Mr. Elmore stated that he had looked at the sign at Rural Retreat Industrial Park. He said that he liked the older sign better than the new because it is easier to read and follow. It is his opinion that there is no need to replace the sign. Mr. Elmore added that at the current time the Board needs to set priorities on spending and he thinks replacing the sign should not be a priority. Mr. Pack also looked at the Rural Retreat sign and he too liked the old sign compared to the new. He stated that the new signs were hard to read and asked how important it was to replace the old sign. Dr. Hawthorne stated it was not a priority at present. Ms. Jones agreed that the sign should be left as it is. Chairman Snyder asked for a motion on the sign. Mr. Elmore made a motion, seconded by Mr. Pack, to leave the sign as it is. Chairman Snyder asked if there was any discussion. Ms. DiYorio mentioned that she did not want to abandon Mr. Patton on the issue. Mr. Patton stated that he understood that there are priorities on spending. Patrick Burton stated that he did notice the legs of the Rural Retreat sign could use some sanding and repainting because they appeared to be slightly damaged when the sign was previously moved and suggested that he and Dr. Hawthorne repair it when they repair the Fairview Industrial Park sign. Mr. Elmore mentioned that the Scouts were always looking for Eagle Scout projects and maybe repairing the sign could be considered for a scout project. With no further discussion, the motion passed unanimously.

VDBA VIDEO PROJECT

Dr. Hawthorne reported on the video project that he was working on with the Virginia Department of Business Assistance (VDBA). Joint IDA staff, along with Frank Strickler of the VDBA, met with representatives of local advanced manufacturers and with a team from the water/wastewater facilities in Wytheville and Wythe County to discuss producing videos to be used by the career coaches in the local school system. The videos will be used to raise awareness of employment opportunities in manufacturing and in the water/wastewater operator fields. Dr. Hawthorne added that Stephanie Surrett from VDBA is helping facilitate the production process.

OTHER

None

NEW BUSINESS

ENTREPRENEUR EXPRESS WORKSHOP—APRIL 29, 2010

Dr. Hawthorne reported that, after little response was received from area co-sponsors, he has been communicating with various groups around the area regarding lower key, less expensive Entrepreneur Express Workshop events held in other localities. After careful consideration, it has been decided that this year's regular Entrepreneur Express Workshop will again be held at the Wytheville Meeting Center as scheduled on April 29, 2010. The Joint IDA will explore the possibility of sponsoring the event at less expensive venues in the future.

FY 2010-2011 BUDGET COMMITTEE REPORT

The budget committee report was not given because copies of the budget were not provided to the Board at this meeting. Discussions regarding the budget will be moved to the February 2010 meeting.

2010 INDUSTRY APPRECIATION GOLF TOURNAMENT

Mr. Elmore gave a report on the 2010 Industry Appreciation Golf Tournament Committee meeting. He indicated that this year's tournament will not be a joint effort with the Wytheville-Wythe-Bland Chamber of Commerce. The tournament date is Wednesday, May 12, 2010. The next committee meeting is scheduled for Friday, February 5, 2010, at 2:00 P. M. in the Joint IDA conference room. Mr. Elmore stated that any assistance the Board members could provide during the tournament would be appreciated and he encouraged everyone to attend the meeting next Friday.

2010 W-4'S

Dr. Snyder asked that all Board members fill out and turn in a 2010 W-4 form to the Joint IDA office. Mr. Elmore asked whether the W-4 needed to be completed yearly. Dr. Hawthorne stated that it does not, but the IRS recommends they be completed yearly.

EXPIRING COPIER LEASE

Dr. Hawthorne reported that the 5-year lease on the office copier expires in 2010. Xerox has given the Joint IDA three options to consider for replacement of the copier/lease. The first option is to keep the current copier and the same lease at an estimated cost of \$3,470.12 a year. The second option is to get a new copier and lease at the estimated cost of \$3,360.56 a year. The third option is to purchase the current copier at a one time cost of \$1,196.00. The third option has a no-cost lease that includes replacement parts, service, and ink. There will be a quarterly charge for copies averaging approximately \$300.00 per quarter. Regarding option three, Dr. Hawthorne stated that, after the one-time payment of \$1,196.00 for the copier is paid, the per year cost to the Joint IDA will be about one-tenth of what it has been in the past. Dr. Snyder asked for a motion on which

option the Board prefers. Mr. Patton made a motion, seconded by Mr. Pack, to choose option three. With no further discussion, the motion passed unanimously.

SOMIC AMERICA FORMATION (SEE PRESS RELEASE)

Dr. Hawthorne briefly discussed the January 19, 2010, press release regarding Somic America, Inc. Somic America was formed by the merger of Wytheville Technologies, Inc. and Brewer Automotive Components, Inc.

PRESS RELEASE

Somic America Brings Together Two Wythe Manufacturers

WYTHEVILLE - Effective January 1, Wytheville Technologies, Inc. (WTI) and Brewer Automotive Components, Inc. (BAC) completed a merger to form Somic America, Inc. The newly formed company will continue to operate manufacturing facilities in Virginia and Maine, supplying components to North American auto makers, including Toyota and Subaru. The merger gives the company direct access to machining and plating capabilities and will make the company more competitive in the challenging climate of the automotive industry. WTI has been a major supplier of material and plating services to BAC for several years.

Prior to the merger, Somic Ishikawa was a partial owner of both WTI and BAC. Somic Ishikawa, along with WTI and BAC, was a key player in early development of Progress Park, a premier regional industrial park located in Wythe County. Reflecting on the company's evolution, Somic America's Vice President of Operations, Peter Argue, noted, "WTI and BAC have flourished in Wythe County. Unifying these companies under the Somic America umbrella provides a strong foundation for the company's future growth in the North American market."

Somic America is a wholly owned subsidiary of Somic Ishikawa of Hamamatsu, Japan. Somic America manufactures suspension and steering components at three manufacturing facilities, two in Wytheville, Virginia, and one in Brewer, Maine. The Brewer facility opened in 1989, with the Virginia operations commencing in 2000.

Release Date: January 19, 2010

PROJECT UPDATES

Dr. Hawthorne reported that there has been some routine activity in projects during the past month. Becky Coleman from Congressman Boucher's office brought to the area a group representing a digital television provider who is looking to possibly create 100 jobs in the region. Dr. Hawthorne thanked Patrick Burton for working with Tom Elliott to facilitate the meeting. He also thanked Dr. Charlie White and his staff at Wytheville Community College for their assistance and for providing meeting space for the group.

OTHER

Century Link - Dr. Hawthorne discussed the letter distributed to the Board members that was received from Lottie Ryans, General Manager of CenturyLink regarding a bill that is currently in the Virginia General Assembly. The Bill, HB 387, could have a severe impact on CenturyLink's ability to continue broadband service in 34 rural counties and 7 cities they serve in Virginia which includes Wythe County. Tom Elliott, Executive Director of Virginia's aCorridor, researched the bill and found it to be a "bad" bill for our area and he encouraged the Joint IDA Board to contact Delegate Terry Kilgore opposing the bill. Mr. Elmore made a motion, seconded by Mr. Pack to approve composing/ mailing a letter signed by the Joint IDA Chairman opposing HB 387. With no further discussion, the motion passed unanimously.

Ivanhoe property trees - Dr. Hawthorne was contacted by Cellell Dalton, Wythe County Administrator, regarding a call he received from a property owner who has land adjoining the Joint IDA property in Ivanhoe. The property owner has concerns about trees on the Joint IDA property potentially falling on his residence and has asked that the trees be removed. Dr. Hawthorne distributed pictures that were taken of the trees. He stated that the Joint IDA staff will contact Mr. Louis Brossy to get a rough assessment of the commercial value of the trees and explore the possibility of logging the property. Dr. Hawthorne noted that in the past there was also a group of individuals who would cut down trees at no charge and then provide the wood to the local community for heating. A primary concern will be safely taking down the trees while avoiding the adjoining residence and the road. Dr. Hawthorne stated that the plan, unless the Board provides other guidance, is to seek a logging assessment for the property and move forward if the assessment is positive.

Comments-Lot 24 - Bucky Sharitz, Wythe County Board of Supervisors Chairman, spoke briefly regarding the Lot 24 project. He stated that the County budget process has brought up issues and concerns regarding the development of Lot 24, particularly in light of additional State budget cuts. The Board of Supervisors recessed on Tuesday, January 26, and will meet on Monday, February 1, to continue discussions. A decision regarding the project will likely be made during the meeting on Monday.

ADJOURN

There being no other business, Chairman Snyder adjourned the meeting at 4:55 p. m.

William Snyder, Chairman

Attest:

Virginia M. Goodwin, Secretary