

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY

Minutes of Meeting

January 28, 2016

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, January 28, 2015, at 3:00 p.m. in the Council Room of the Wytheville Municipal Building at 150 East Monroe Street, Wytheville, Virginia.

MEMBERS PRESENT

David Kause, Chairman
David Carpenter
Dicky Morgan
John Silva

Charlie White
Jennifer Atwell
Wes Mabe

MEMBERS ABSENT

None

EX-OFFICIO MEMBERS PRESENT

C. Wayne Sutherland, Jr., Wytheville Town Manager

EX-OFFICIO MEMBERS ABSENT

R. Cellell Dalton, Wythe County Administrator
Jason Childers, Rural Retreat Town Manager

JOINT IDA STAFF PRESENT

David Manley, Executive Director
John Matthews, Associate Director
Virginia Crockett, Administrative Assistant

DETERMINDATION OF QUORUM

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

CITIZENS' TIME

Chairman Kause welcomed Wayne Sutherland, Wytheville Town Manager, and Patricia Bevil from the Virginia Employment Commission to the meeting and asked if there was anyone present who would like to address the Board. There being none, the meeting continued.

FY 2014-2015 FINANCIAL AUDIT REVIEW – CORBIN STONE

Mr. Manley introduced Mr. Corbin Stone, a partner with Robinson, Farmer, Cox Associates, who serves as auditor for the Joint IDA. Mr. Stone went through and explained all journal entries made by the auditors to the 2014-2015 Joint IDA audit with the Board members. He explained all findings and mentioned that the procedure on how to perform the year end journal entries were discussed with the Joint IDA staff prior to the Board meeting. Mr. Stone noted that the information for the journal entries will be forwarded to Ms. Crockett to be made prior to the audit each year. He also noted that there were no problems found with the bookkeeping or the audit and that all files are in appropriate order and found easily when the audit is performed.

Chairman Kause asked if there were any questions regarding the audit and if there was a motion to approve the audit as presented. Mr. Carpenter made a motion, seconded by Mr. Morgan, to accept the audit as presented. With no further discussion, the motion passed unanimously.

Mr. Manley asked if it was the Board's pleasure to place the audit on the website. Mr. Carpenter answered that he would suggest that only the Trial Balance be put on the website.

ELECTION OF VICE CHAIRMAN

Chairman Kause opened the floor for nominations of Vice Chairman. Mr. Carpenter nominated Mr. Mabe. Chairman Kause asked if there were any further recommendations. Mr. Carpenter moved that the nominations be closed, Dr. White seconded the motion, to close nominations. Mr. Mabe thanked everyone for their confidence in him and stated he would do his best to fulfill the position to the best of his ability. With no further discussion, Mr. Mabe was elected by acclamation.

APPROVAL OF MINUTES—December 3, 2015

Chairman Kause asked if there were any questions or discussion regarding the December minutes. Mr. Manley pointed out that there was a mistake regarding the Manufacturing Technology Council should be Manufacturing Technology Center and determination of a quorum has an extra be in it. Mr. Mabe noted that there was a spelling error on page 410 where see should be seek instead. Chairman Kause asked if there were any further questions regarding the minutes. There being none he asked if there was a motion to accept the minutes as corrected. Mr. Mabe made a motion, seconded by Mr. Morgan, to approve the December minutes as corrected. With no further discussion, the motion passed unanimously.

APPROVAL OF INVOICES

Chairman Kause asked if there were any questions or discussion regarding the invoices for January 2016. Mr. Silva asked if the CenturyLink bill problem had been resolved. Mr. Manley stated that JIDA staff contacted CenturyLink and was able to get it resolved after months of issues. Ms. Atwell asked about the marketing consultant for future video projects. Mr. Manley explained that they are being called future video projects because they have not been edited yet. At the time the video was shot over Progress Park the legality of drone flyovers was not clear, so we did not want to cause the videographer any headaches by documenting that he flew over during that certain period with a drone. Mr. Manley added that since the videos had not been completed that the JIDA was going to call them future video projects for a liability shield for all parties.

Mr. Carpenter had a question regarding the vendor First Bank. He stated that everything is lumped into that vendor, so he asked if he could assume that they are not the vendor, they are the payee, whom the check is being written to. Mr. Manley stated yes and that all receipts are attached to the statement. Mr. Carpenter stated that there are times when he cannot create all of the vendors when some of them are small. Ms. Crockett explained that the vendor First Bank is actually for the credit card which is paid by electronic funds transfer every month and that all receipts are attached to the credit card statement with the invoices that Chairman Kause has if he would like to review them. Mr. Carpenter stated that he understood now that it was the credit card and not just lumped into payment to the bank. Ms. Crockett stated that she could put the actual vendor with the explanation on the invoice if the Board would prefer. Mr. Carpenter added that there would be no need, but he was thinking that in the future it would be hard to lookup information since it was just lumped into the credit card. Mr. Manley mentioned that it has been done before, but that usually there are so few that the staff could go back to the category that it is coded to and find them easily. Mr. Silva felt that he would think that it would be easier to find if the vendor was included so it would be known where the items came from. Ms. Crockett stated that it would be no problem to add that information to the invoice. Chairman Kause asked what constitutes the amount in the continuing education. Mr. Manley stated that it includes conferences and any fees associated with them. Chairman Kause asked if travel and meals are kept separate. Mr. Manley added that the staff had a conversation with Corbin Stone, the auditor, regarding the coding of items and he answered that it was discretionary and if we were traveling to a conference it could be categorized as a conference if it is the JIDA's preference. He mentioned that if it was regular operational travel associated with doing the business of the JIDA it will more than likely be in the travel category. He added that the JIDA has to sometimes submit continuing education budgets when we apply for scholarships, so the more accurate and inclusive you can make that number the better. Mr. Manley stated that Mr. Stone said it was a discretionary choice and that either one is acceptable. Mr. Carpenter asked Mr. Manley what he preferred. Mr. Manley stated that he liked putting all of the conference expenses together. Mr. Carpenter stated that he would agree that traveling, lodging, and meals for continuing education should be lumped up into continuing education. He added that it could be line itemed under that category. Mr. Manley stated that he agreed, but that it is a more honest representation of what that part of the work costs and what the operational travel costs are.

Mr. Manley mentioned that he would like to point out for Mr. Carpenter since he was new that the bills in the back of the financial package is where the invoices were entered that have been paid. He said that each bill, no matter how it was paid, is included so that the Board will have the necessary information regarding each transaction. He added that this process gives the JIDA an easy record of what was paid during the month.

Chairman Kause asked if there was any benefit to purchasing the Enterprise for two years. Mr. Manley answered that it saves a few dollars for the two-year subscription.

Mr. Manley pointed out to Mr. Carpenter that there is a First Bank invoice located with the other invoices that shows each transaction on the credit card. Mr. Carpenter mentioned that was where he was basing his information from.

Mr. Mabe asked about the aCorridor membership in the amount of \$6,659 for the third quarter. He mentioned that the JIDA is paying \$25,000 plus for membership. Mr. Manley answered that the amount is based on \$1.00 per capita for our County and that because they did not have an executive director for a large amount of the past year they reduced the contribution by 10 percent, so 90 percent of the normal fees were paid. He added that next year it will increase back up to the \$29,235 because the executive director position has been filled. He added that whatever the census shows are how the fees are determined. Mr. Manley explained that the aCorridor is a regional economic development agency and that every jurisdiction participating pays into the organization on a per capita basis. He added that Smyth County had pulled out last year, but they are likely going to come back as a member according to what he'd heard. Mr. Carpenter asked what the benefits of the aCorridor were. Mr. Manley stated that Josh Lewis, the new executive director, just visited with the Wytheville-Wythe-Bland Chamber of Commerce Board very recently and he will be coming to talk to the Joint IDA Board perhaps at the February or March meeting depending on activity. He mentioned that Mr. Lewis was hired recently, attended the JIDA Open House, and that some of the Board members had actually met him. Mr. Lewis will report on his activity and strategies.

Mr. Silva asked when the JIDA began paying the \$29,235. Mr. Manley answered that the JIDA has been paying that amount since 1999 every year. Mr. Morgan asked if the aCorridor was a regional organization. Mr. Manley said that it is the Mt. Rogers Planning District and that every region in Virginia has a regional economic development marketing group. Fairfax County does not, however they have a larger staff of their own. Mr. Silva mentioned that a better question would be that Smyth County had dropped out last year, so when they come back in the wealth will not be shared and the amount paid will be reduced. Mr. Manley stated that it is based on \$1.00 per resident in your County which is how it is billed, so Smyth County will pay approximately \$31,000 or \$1.00 for each person in their population. Mr. Silva asked what the return on the invested capital was with this organization. Mr. Manley stated that a dollar value could not be drawn from its activities and that it would be impossible to say. The reason Smyth County essentially pulled out was a personality conflict with the old director and now with the new director they have agreed to participate again. Mr. Mabe asked if Mr. Lewis could be approached to see if he would come to the next month JIDA Board meeting to hear what he does to promote the JIDA within the region or state or whatever they do for us. Mr. Morgan asked if the aCorridor is sort of an umbrella for all of the local IDA's. Mr. Manley stated that what the state of Virginia would like for them to do is to be a funnel for all projects to our region. They would then theoretically collect all the responses and send them back to Virginia officials. Mr. Manley noted that the Wythe County JIDA has been doing it without one for about a year and have been doing well with it. He mentioned that Mr. Lewis is new, energetic, and qualified. He has met with Mr. Manley and Mr. Matthews and he participated in something that will be mentioned later in the meeting and the JIDA staff does intend to have him attend one of the Board meetings to speak. Mr. Carpenter asked if the organization goes out and gets business for us or is he just a funnel for us to go back to the state. Mr. Manley asked for Mr. Sutherland's assistance in explaining the position of the aCorridor because he understood that it was to become more of a marketing arm for the organization members mainly because the IDA's don't have marketing budgets per say. Mr. Sutherland stated that it was going to be a marketing arm and that there are private partners like AEP, Norfolk Southern, and others that contribute to the organization also. Mr. Sutherland noted that the JIDA is not actually the member that it is Wythe County that is the member and the payment to the organization is being funneled through the JIDA to the aCorridor. Mr. Manley stated that the JIDA is the pass through entity for membership as it's not a discretionary part of the operating budget. Mr. Morgan asked if the aCorridor will market for Wythe County and for other localities. Mr. Sutherland stated that yes they do. Mr. White asked how long Wythe County has been a member. Mr. Manley answered that it was since the inception, he was sure. Mr. Sutherland added that it was probably twenty years or more.

Mr. Sutherland mentioned that the State of Virginia would not usually contact the local economic development offices, but would filter all information regarding prospects through the aCorridor and they would contact the economic development directors. Mr. Silva stated that he feels that Wythe County's biggest competitor is Washington County. He asked what position the aCorridor director would be in when soliciting for both Wythe County and Washington County. Mr. Manley stated that Mr. Lewis will not be handling individual projects and added that the Wythe County JIDA actually does the proposals and the incentive packages in conjunction with the County, the Towns, and the State. The aCorridor is a marketing entity and will be going back to more of the model where the state distributes projects to Mr. Lewis and then he distributes it to all localities in his region. If the jurisdiction is interested in participating, we will participate, if we are not interested or unable for whatever reason, we will not.

Mr. Morgan asked if the aCorridor director would receive the information from the prospects and if he would distribute it out to the jurisdictions. Mr. Manley answered yes, but currently each jurisdiction is still handling all of their prospects because there are so many ongoing ones to switch at the present time. Mr. Manley mentioned that the Wythe County JIDA has been directly working with VEDP and not using Mr. Lewis because he just started his position and there are too many active/live projects that have been ongoing that are of significant importance and have been for some time now. Mr. Silva stated he understands going forward that will change. Mr. Manley answered that it depends on the policy makers at VEDP. Mr. Morgan asked what VEDP was. Mr. Manley mentioned that it is the Virginia Economic Development Partnership for the Commonwealth of Virginia, the state economic development agency. Mr. White stated that like Mr. Sutherland just said, it is not the decision of the Joint IDA to stay a member or not. Mr. Manley added that it was not, but that it was the County's decision. Mr. Manley stated that it is not the Joint IDA's funds. The JIDA is a pass through for the County and only write the check for the membership. Mr. Carpenter stated that in concept it would be nice to meet Mr. Lewis as a Board to understand what he does for the JIDA. Mr. Manley stated that he has asked that Mr. Lewis attend an upcoming board meeting to speak with the Board members. He mentioned that Mr. Lewis was just too new to ask him to do it previously or at present and that Mr. Lewis is just starting and needs to get some understanding of the position before going to various groups to state what his responsibilities and duties to the jurisdictions will be. Chairman Kause stated that during the last aCorridor meeting Mr. Lewis introduced him and got started, but he had to turn to others for a little more direction. Mr. Manley added that he is learning from the executive directors of the jurisdictions in a lot of ways also, so he will need some time to get accustomed to the position. Mr. Kause mentioned that in the hiring standpoint the aCorridor did a good job of getting the people vetted and they really did some challenging testing with those applying to see if they could think on their feet and make some things happen. He noted that Mr. Lewis was at the top of the list when it came to the candidates. Chairman Kause added that Mr. Lewis has moved to the area, actually to Wytheville, and he thinks he will be good and energetic.

Mr. Silva mentioned that if you would look at Washington County they are growing tremendously and they had succeeded in projects competing against Wythe County. Mr. Manley stated that depending on the project or company, Wythe County may not have been able to compete. Mr. Manley noted that Wythe County has not lost anything to Washington County since he has been on the job. Mr. Silva noted that there is a lot of retail going up. Mr. Manley noted that retail is not what the JIDA does to a great extent. Mr. Silva stated that he disputed that. Mr. Manley stated he was entitled to. Chairman Kause stated that should be our dilemma. Mr. Silva noted that Wythe County has more than Progress Park and more than the logistics. Mr. Manley stated that if Mr. Silva would look at the reports on a monthly basis he would see that the JIDA works with lots of different people in lots of different sectors. Mr. Silva stated that he knows of two projects that located in Washington County – two truckstops, retail enterprises. Mr. Manley stated that there are a number of truck stops in the area. Chairman Kause stated that he knows of a truck stop going up in Bland, but not of another one. Mr. Silva stated that he knows there is prime real estate in Rural Retreat, but not on the highway that needs to be marketed to those that are aggressively going up and down Interstate 81. Mr. Manley stated that that scenario has a lot to do with the property owner. Mr. Silva stated that it has to do with the agreements with the McDonalds franchise also. Mr. Sutherland stated that Wythe County is looking to a retail consultant that will do retail marketing along the I-81 corridor. Mr. Silva stated that it would be job creation and a good tax base for the town and county. Mr. Mabe asked if that was something that the aCorridor was supposed to do, the marketing. Mr. Manley, Chairman Kause, and Mr. Carpenter all stated that he was not involved in retail, but industrial. Mr. Silva stated that the JIDA should be retail, if the aCorridor is not. Mr. Manley stated that the JIDA does as much retail as time allows and that the JIDA's priorities, as set by the funding bodies, have been given an order and we work in that order and retail is actually probably fifth of the five priorities. Chairman Kause stated that there were several serious meetings regarding what the JIDA's priorities and purpose actually were and what the function would be, and also what the top categories are and he agrees with Mr. Manley's statement.

Mr. Carpenter asked about the Appalachian Power account, Unit A and Unit B. Mr. Manley stated that there are two meters on the building because it is able to be split into two separate offices. Mr. Carpenter asked about the Southwest Signs, if the sign has been completed. Mr. Manley stated that it had but would be discussed in the Associate Director's report.

Chairman Kause asked if he could get a motion to approve the invoices. Mr. Carpenter made a motion, seconded by Mr. Silva, to accept the invoices as presented. With no further discussion, the motion passed unanimously.

**Joint IDA of Wythe County
Check Register
For the Period from January 01, 2016 through January 28, 2016**

Check #	Date	Payee	Amount
EFT	1-11-16	CenturyLink	302.73
EFT	1-28-16	Appalachian Power	160.02
EFT	1-28-16	CenturyLink	187.85

EFT	1-28-16	First Bank	1,770.74
EFT	1-28-16	Robert G. Moore	1,100.00
7379	1-28-16	Mt. Rogers - @Corridor	6,659.00
7380	1-28-16	Southwest Signs	300.00
7381	1-28-16	SVAM	25.00
7382	1-28-16	Town of Wytheville	24,377.97
7383	1-28-16	Wytheville Enterprise	85.20
7384	1-28-16	Wytheville Office Supply	3.75

Total **\$ 34,972.26**

STAFF REPORT – ASSOCIATE DIRECTOR

Conferences & Workshops

Webinar: VEDA Public Policy Update and General Assembly Preview – January 8

Meetings

Bill Smith – Properties
 Commonwealth Budget Hearing – Spoke on workforce and Enterprise Zones
 CRIFA
 Crisp Manufacturing
 Denise Walters (Coperion) & Lea Lofty (VA Jobs Improvement Program)
 Downtown Wytheville Economic Restructuring Committee
 Jim Collins – SPX moving to Mid-Atlantic Building in Rural Retreat
 Mindy Diehl – New Business/RLF
 Perry Hughes (WCC) and Melinda Robinett (Wythe Co. Schools) – Workforce Development
 Project Mockingbird
 Project Tiger
 Susan Harwood – Properties
 Wayne and Che Roop – Properties
 Wythe-Bland Young Professionals and steering committee

Startup Wythe In

The committee has begun planning for the 2016 Startup Wythe In program. Fundraising will start in February, and the 2016 goal is \$22,000. The committee is interested in creating a development grant that would act as a discretionary fund for program participants.

Enterprise Zone Reporting & Boundary Adjustment

The Enterprise Zone Boundary Adjustment was submitted to and accepted by the Department of Housing and Community Development. The adjustment is retroactive to the beginning of 2015. DHCD requested follow-up maps and shapefiles to reflect the addition, which have been created and submitted.

Fairview Sign

The JIDA has finished updating the Fairview Industrial Park sign to reflect company name changes that have occurred. The cost of this update was \$300.00

The updates included: Acrylife Inc. changed to CFE, Inc.; ACP Precision Machining changed to Clarke Precision Machining; Horizon Healthcare changed to Southern Pharmacy; added was Schaffner North America.

Scholarship Application

Applying for a scholarship through the Virginia Economic Development Association that will go towards my basic economic development course this spring. The course is accredited by the international Economic Development Council and is part of the path towards the IEDC Certification.

STAFF REPORT – EXECUTIVE DIRECTOR

New or Expanding Business Activity

- Responded to inquiries from

- Local Industry
- Entrepreneurs
- Site selection consultants
- VEDP
- Tobacco Commission
- Real estate investors
- AEP
- Local real estate investor
- Contractor
- Various citizens

Ongoing Projects

- ACP clawback complete (new ownership)
- Evatran clawback negotiations still underway
- Budget prep
- Annual report production
- SET (Stronger Economies Together) information gathering in Marion

Site Visit

- Project Tiger scheduled
- Virtual site visit two weeks ago

New or Notable

- Tobacco Commission visit to Center of Excellence locations in Bluefield and Abingdon
- Discussion with Wytheville Town Council during work session
- Danny G appearance and interview
- Virginia Business magazine interview (Mason Adams)
- Recognition by SB&D magazine “Best Small Town Industrial Site” and “Best Tier 1 Auto Supplier Site” – Progress Park and PP Lot 24 respectively
- Holiday open house positive feedback
- Two expected announcement in Q1 2016, third in second quarter likely
- Appomattox incident

Meetings/Business Contacts

- Wayne and Che Roop – walk through of properties
- Mike Randle, Southern Business & Development magazine
- Josh Lewis, aCorridor
- Stephen Versen – Project Manager, Virginia Department of Agriculture and Consumer services
- Perry Hughes, Director of Workforce Development – Wytheville Community College
- Box DiMarino and Denise Walters – Coperion Corp. workforce discussion
- Wythe Co. Board of Supervisors Economic Development Committee
- Matthew Clarke, Clarke Precision Machine
- Synergistic Concepts, LLC (funding, capital raise for proposed project)
- Bil Smith re: housing availability
- Bob Russo, property owner
- Tim Pennington, Schaffner MTC
- Downtown Wytheville Economic Restructuring Committee
- Peter Argue, Somic America
- Warren Hammer, VEDP (Tiger, Vireo)
- Sandi McNinch, General Counsel – VEDP
- Stacey Richardson, Executive Secretary to Virginia Tobacco Region Revitalization Commission
- Ned Stephenson, Deputy Director, VaTRRC
- Cellell Dalton, County Administrator (numerous)
- Wythe-Bland Young Steering committee
- CRIFA board of directors
- Supervisor Gary Houseman
- Katherine Goodwin, St. Research Project manager – EDP
- John Smolak, Ec. Dev. Director – AEP (Project Tiger, marketing)
- David Denny, Consultant – Sanford Holshauser (VEDA CEDA committee)
- Lennie Gail Mitcham, SVAM Exec. Dir.

- Project Mockingbird meeting in Wytheville; various teleconferences
- Craig Barbrow, USDA Rural Development
- Melinda Robinett, Wythe Co Public Schools
- Wythe County BOS regular meeting, closed session
- John Longshore, Global Location Strategies (Tiger)
- Didi Caldwell, Global Location Strategies (Tiger)
- Rob Watson, AEP Columbus Ex. Dev. Office (mapping)
- James Anderson, Longwood Elastomers
- Vivian Womble, Coffee & Crumbs
- WYVE sales staff
- Lane Dellinger, GJ Hopkins Electrical & Mechanical Contractors
- Steve Semones, Balzer & Assoc. engineers
- Green Faircloth, Atmos
- Dan Motley, Norfolk Southern
- John Griffith, Appalachian Power
- Wayne Sutherland, Town of Wytheville
- Dan Tolley, Project Mockingbird
- Misty Jackson and Barbara Sewell, Three Rivers Media

Upcoming:

- IEDC certification training class – Baltimore, MD, last week of February
- Meet the Consultants – Atlanta, GA, mid-March
- Budget presentation to Joint Governing Bodies on February 29
- Annual report publishing
- Distribution and publishing of JIDA audit
- Website improvements

OLD BUSINESS

BUDGET CALENDAR

Mr. Manley reported the Board has a copy of the 2016-2017 budget for their review. He stated that he has been asked to present the budget at the joint governing bodies meeting being held on Monday, February 29. He noted that, as the Board could see, the budget has to be to the Wythe County Board of Supervisors by February 29 and it will be sent to the Town of Wytheville and the Town of Rural Retreat at the same time and also presented at the meeting that day. Mr. Manley stated that the JIDA has planned for a 1.1 percent increase overall and that the Board would notice that some things the JIDA was able to decrease spending on and on others there was an increase. He noted that there is an expected small surplus this year that was able to be done in 2015-2016 also. The 2015-2016 surplus, along with the 2016-2017, surplus is contributing to the return of a three to four-month reserve fund which was agreed to at a meeting of the joint governing bodies last year. The joint governing bodies wanted the JIDA to return to a healthy but not excessive reserve fund, so the JIDA is aiming toward a three to four-month level for operations. He mentioned that this year's contribution is reflected in the reserve fund line item and that it was approximately \$10,000. Mr. Morgan asked what would that put the reserve amount up to. Mr. Manley stated that it would be approximately \$90,000 to \$100,000 in reserves. Mr. Morgan asked if audit costs were actually decreasing. Mr. Manley answered that they did. He added that when the accounting system was switched over and the JIDA began doing the reports that we are doing now, we were able to save time and money. Chairman Kause asked to what extent the audit expenses had gone down. Mr. Manley stated that it was much less than bargained for initially. Mr. Manley added that budget items that decreased were decreased because of historical spending based on real numbers. There were several other questions regarding the amounts from the Board members, but most regarded individual budget needs and decreases. Mr. Manley stated that there was no action to be taken on this budget request until after presentation to the governing bodies. He added that the actual budget will be brought back to the Board for approval once it is approved by the governing bodies and allocations are awarded. Mr. Mabe asked where the joint governing bodies will be. Mr. Sutherland stated that it is usually in the 911 conference room, but he was not sure where it would be held this year. Mr. Manley will let the Board know as soon as the location has been established.

IRS MILEAGE RATE CHANGE FOR 2016

Mr. Manley mentioned that the 2016 mileage rate has decreased from \$0.575 to \$0.54 per mile. He stated that the new rate will be adopted unless the Board felt otherwise. Chairman Kause stated that he did not think action needed to be taken.

HOLIDAY OPEN HOUSE REPORT

Mr. Manley stated that the Holiday Open House was held this year as it had once been. He mentioned that there were many people invited in that afternoon and that the JIDA ended up with 40 plus people throughout the two and one-half hours. There was a lot of positive feedback and it was nice just to be able to talk to people without the pretense of your job being in the way. It was a good afternoon for people to be able to socialize and it was just a pleasant afternoon all-in-all. Mr. Manley thanked all of the Board members who attended and noted that the JIDA will do it again next year.

TENURE AWARDS

Ms. Crockett stated that the tenure awards luncheon will be held on March 24 at 12:00 noon at the Boling Wilson Hotel. Mr. Manley stated that there are approximately eight or nine recipients along with the Industry of the Year award that will be given at the luncheon to Coperion.

FEBRUARY BOARD MEETING DATE CHANGE (2-18-16)

Mr. Manley mentioned that the February Board meeting change is due to his being out of town at one of his continuing education classes on the date of the normal meeting. He noted that this is the only time that this class is being offered this year, so he really did not have much option in moving it. He added that the date had been approved during the December meeting, but he wanted to remind the Board members of the change.

OTHER

Crisp Manufacturing – During Mr. Matthews report Mr. Carpenter discussed the issues with Crisp Manufacturing.

Appomattox Incident – During Mr. Manley's report there was discussion regarding the Appomattox funding incident that was featured in the paper recently. He assured board members that significantly more due diligence activities take place with Joint IDA projects than were illustrated in that incident. Our organization goes a step further in getting payback guarantees on grant funds awarded.

NEW BUSINESS

2015 IN REVIEW

Mr. Manley mentioned that Dr. White had mentioned that he thought that it would be beneficial if the JIDA presented an annual report. He stated that one has never been done in the organization. He added that this is the first publication of a yearly review of the activities of the JIDA for the past year. Mr. Manley noted that the Board has in front of them a copy of the 2015 In Review for the Joint IDA. He mentioned that he wanted to compile something that could be presented to other individuals such as the Wythe County Board of Supervisors, the Wytheville and Rural Retreat Town Councils, and other interested parties, such as citizens, or media, etc. Mr. Manley stated that any individual could look over the report and see just what the JIDA does and why. He mentioned that this is by no means an all exhaustive sort of list, but there is a lot of information included in the report. A few items he highlighted included the decrease in unemployment and the increase in payroll and noted that there is certainly proof that the economy has grown in this area. One thing that will be interesting is the startup firms which will not be known for a few more months. He pointed out a few other highlights in the report. Mr. Carpenter asked if the report would be posted on the web page. Mr. Manley stated that if it was the Board's pleasure it would be added on Friday. He stated that he invited questions, if the Board had any. Mr. Mabe asked if there has been any success in creating a report of the number of contacts on the website. Mr. Manley stated that he is working on the report for the Board. He noted he can look at it on screen, but has not been able to produce a written report. Mr. Silva asked who updated the content of the website. Mr. Manley answered that the JIDA staff updates the website. Chairman Kause asked Dr. White if this report is what he was looking for. Dr. White stated that it is what he wanted and that he liked the report and thanked Mr. Manley for producing it. Mr. Manley stated that a press release could be done, if the Board wanted. With no further discussion, the meeting continued.

REVOLVING LOAN FUND APPLICATION

Mr. Matthews distributed information about a loan application for Mr. Donnie Bales. He explained that Mr. Bales had a previous loan with the Joint IDA from the Revolving Loan Fund and is two payments away from paying that one off. He is coming back for a \$3,500 loan for video equipment which is called a Movi Gimbel which is basically an instrument that the video camera sits in that stabilizes it for smoother, better quality, footage. Mr. Matthews asked that everyone look through Mr. Bales financial statements. He mentioned that being a \$3,500 loan it qualifies for the Entrepreneur Micro-Loan at zero percent interest which are the same terms that the JIDA had for his first loan. Mr. Matthews noted that the collateral for this loan has been stepped

up quite a bit. Mr. Bales is offering a Canon C-300 camera and also a Canon C-100 camera. He added that he thinks that it is a straight forward application and that he would suggest approval. Mr. Manley asked that Mr. Matthews mention Mr. Bales payment history. Mr. Matthews stated that Mr. Bales has been paying on time and actually pays more on each payment. Mr. Mabe asked if Mr. Bales was the gentleman who paid \$1,000 on his first payment. Mr. Manley stated that he did pay it for the first payment, significantly more than was due. Mr. Mabe asked why the loan is zero percent. Mr. Manley explained because it is such a small loan the Joint IDA wanted to encourage small businesses to ask for the funds. He noted that no money is being lost on it. Mr. Matthews added that what is explained on the Revolving Loan Fund brochure is that for loans up to \$5,000 the borrower would not incur any interest charges. Mr. Silva stated that he saw that Mr. Bales paid an extra amount on his first payment. Mr. Manley mentioned that Mr. Bales is the person who is doing the video for the Joint IDA. He noted that his mother-in-law just passed away at a very young age and that they have been out of town for quite a bit for the last three or four weeks. He noted that if this had not happened the video would have been shown at the meeting today. Mr. Carpenter asked what the video was for. Mr. Manley stated it was Progress Park. Mr. Mabe asked if it was the drone that was discussed earlier. Mr. Manley answered that yes it was. Ms. Atwell asked if Mr. Bales had a business plan on file. Mr. Matthews noted that the simple business plan had been completed and was attached to the back of the loan information. Mr. Manley stated that the documents that the Board had, by Federal privacy rules, cannot be let out of the chambers, so they will need to be collected. Mr. Morgan asked if the Canon C-300 and the C-100 was more than adequate for collateral. Mr. Matthews stated that they definitely are. Mr. Manley stated that they are valued at thousands of dollars a piece. He added that they are high definition video cameras. Dr. White suggested approval based on Mr. Bales's history and based on the JIDA's recommendation. Chairman Kause asked for a motion to approve, reject, or reconsider the loan. Dr. White made a motion, seconded by Mr. Silva, to approve the loan to Mr. Bales. With no further discussion, the motion was approved unanimously. Mr. Manley did mention that there will be an agreement signed that details all of the repayment specifics between Mr. Bales and the Joint IDA.

Chairman Kause mentioned that while the Revolving Loan Fund Committee was being talked about, he asked if any of the Board members would like to join the committee. He noted that if not he was going to ask that Mr. Manley go out and see if he could recruit some more individuals from businesses in the downtown area, so that when there is a meeting they can just walk over to the JIDA office and be there. Mr. Silva asked what was involved. Mr. Manley stated that when an application is received a poll is sent out to the committee members to find the best agreeable date and if a quorum can be established. The committee gathers and the application information is gone over and discussed. He noted that larger loans have more detail and the committee either approves, denies, or makes recommendations to the entire JIDA Board. Mr. Mabe asked if it was monthly or just when there is a request. Mr. Manley stated that it was based on when needed or as applications were filed. Mr. Morgan and Mr. Silva asked if it could be done on a conference call. Mr. Manley stated that the applications cannot be circulated via e-mail due to privacy regulations and that the documents are protected by Federal privacy rules. Mr. Silva asked if Skype could be used. Mr. Morgan asked if the meetings could be done in the afternoon. Mr. Manley stated they scheduled according to responses of availability from members via a poll with the goal being as much participation as possible and certainly a quorum for action to be taken. Mr. Matthews stated that a Doodle poll is sent out that includes several days with various times of day and the members mark when they are available. The staff then chooses the date and time based on the information and the ability to acquire a quorum. Mr. Manley mentioned that the larger the committee, the larger the quorum needs to be. Mr. Mabe asked the size of the committee currently. Mr. Manley answered five. Mr. Mabe stated that he felt that you may not want to go above five. Mr. Manley stated the problem is that the JIDA experienced difficulties in securing a quorum during some previous instances. There are a lot of schedule conflicts, weather, and other things that cause them lately. He added that the JIDA wants to make sure that the applications can be acted on in a timely fashion. Mr. Silva asked where the meetings were held. Mr. Manley stated in the JIDA office. Dr. White asked the rule on the quorum. Mr. Manley stated that it was the majority, three of five, four of six. The Board consensus was that the loan committee stay at five. Mr. Carpenter asked if the Board was looking for spots to replace. Mr. Manley stated that if Chairman Kause would like, he could sit down and email current members and ask who would like to continue to serve. Chairman Kause stated that would be a good idea. Mr. Mabe asked if they are appointed on a yearly basis or is it just serve at their pleasure. Chairman Kause stated it was at their pleasure. The suggestion was to send an email and ask the present members if they wish to stay on the committee. Further information regarding the current loans was discussed. Mr. Manley will contact the current members and report back to the Board.

OTHER

None

PROJECT UPDATES

Mr. Manley stated that the only project that needed to be reported on today was Project Tiger. He stated that it was a 350 job prospect at full build-out. He noted that the company will be visiting next week.

Mr. Silva asked if there has been a geological test report. Mr. Manley stated that he is waiting to hear back from the individuals involved. He noted that any problems can and will be fixed according to his communications with the County.

Mr. Silva asked if information regarding other projects needed to be discussed. Mr. Manley stated no, but would mention that one is a facility expansion only and one will be between 20 and 30 jobs and a net investment among the two will be approximately \$20,000,000. Negotiations on both are underway.

Some discussion was held regarding the Ag Expo Center and whether or not the JIDA was involved.

ADJOURN

There being no other business, Chairman Kause adjourned the meeting at 4:45 p.m.

David Kause, Chairman

Attest:

Virginia M. Crockett, Secretary