

March 25, 2004

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, March 25, 2004, at 3:00 p.m. in the Council Room of the Wytheville Municipal Building, 150 East Monroe Street, Wytheville, Virginia.

**MEMBERS PRESENT**

Steven D. Irvin, Chairman	Joseph W. Freeman, Vice-Chairman
George T. Johnstone, Treasurer	Robert J. Ayers
Danny B. Gordon	William F. Snyder

**MEMBERS ABSENT**

Gerald Brewer

**EX-OFFICIO MEMBERS PRESENT**

Wayne Sutherland, Wytheville Town Manager

**EX-OFFICIO MEMBERS ABSENT**

R. Cellell Dalton, Wythe County Administrator  
Raymond E. Matney, Rural Retreat Town Manager

**DETERMINATION OF QUORUM**

The meeting was called to order and a quorum determined to be present by Mr. Irvin, Chairman. Mr. Irvin thanked Authority members for their attendance. The invocation was given by Mr. Gordon, and the Pledge of Allegiance was led by Mr. Irvin.

**CITIZENS' TIME**

Mr. Irvin stated the next agenda item is Citizens' Time. He inquired if there are persons present who wish to address the board during Citizens' Time. There being none, he proceeded with the agenda.

**PRESS RELEASES FOR NEW AND EXPANDING MANUFACTURERS**

Dr. Hawthorne announced that Diversified Manufacturing, Inc., a Wytheville-based start-up contract manufacturer, provides a local outsourcing option to Wythe County manufacturers. While labor-intensive manufacturing operations have continued to move away from the United States, DMS offers an alternative approach to companies in the Wytheville area who may be forced to reduce costs of labor-intensive manufacturing operations in their facilities. The privately held corporation, incorporated in 2003 with primary ownership by Amy Shelton and

Randy Shelton, reduces production costs by removing many of the overhead expenses of their customers. Prior experience in the temporary services sector and other human resource management activities by the principals has allowed DMS to focus on the labor-intensive side of manufacturing. Although their wages are higher than most off-shore options, savings of shipping costs, timeliness, and efficient communications allow DMS to compete effectively in this sector. The company, currently operating from facilities in Fairview Industrial Park, employs approximately 65 people and provides services for several local manufacturers. DMS has also attracted business from other states that might well have moved out of the country. Following is a copy of the press release.

## **PRESS RELEASE**

### **DIVERSIFIED MANUFACTURING SOLUTIONS SUPPORTS WYTHE COMPANIES**

WYTHEVILLE—Diversified Manufacturing Solutions, Inc., a Wytheville-based start-up contract manufacturer, provides a local outsourcing option to Wythe County manufacturers. While labor-intensive manufacturing operations have continued to move away from the United States, DMS offers an alternative approach to companies in the Wytheville area who may be forced to reduce costs of labor-intensive manufacturing operations in their facilities. The privately held corporation, incorporated in 2003 with primary ownership by Amy Shelton and Randy Shelton, reduces production costs by removing many of the overhead expenses of their customers. Prior experience in the temporary services sector and other human resource management activities by the principals have allowed DMS to focus on the labor-intensive side of manufacturing. Although their wages are higher than most off-shore options, savings of shipping costs, timeliness, and efficient communications allow DMS to compete effectively in this sector. The company, currently operating from facilities in Fairview Industrial Park, employs approximately 65 people and provides services for several local manufacturers. DMS has also attracted business from other states that might well have moved out of the country.

"We appreciate how DMS is keeping jobs in our community," Alan Hawthorne, Executive Director of the Joint Industrial Development Authority of Wythe County, said. "The alternative in many communities has been for facilities to close and move their operations off-shore leaving only unemployed workers behind. DMS provides basic employment in addition to offering an excellent resume-building opportunity to individuals in initial or transitional situations as they acquire skills and experience for higher-paying positions."

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RELEASE: 3/25/04

#### **Contact:**

Ms. Amy Shelton  
Plant Manager  
Diversified Manufacturing Solutions, Inc.  
(276) 228-5523

Dr. Alan Hawthorne  
Executive Director  
Joint IDA of Wythe County  
(276) 223-3370  
[DirectorJIDA@wytheville.org](mailto:DirectorJIDA@wytheville.org)

Dr. Hawthorne also announced that based on soon-to-be released data, Wythe County again ranks among Virginia's leading jurisdictions in various per capita economic development performance measures. For calendar year 2003, Wythe County ranked 11<sup>th</sup> in capital investment, 7<sup>th</sup> in job creation, and 3<sup>rd</sup> in project announcements resulting in an average ranking that places Wythe County as the top ranked county within the Commonwealth. (Radford City was the top ranked city and jurisdiction in combined rating.) The actual performance values were: capital investment – \$1.37 M/ 1,000 population, job creation – 11.3 jobs/1,000 population, and announcements – 0.25 announcements/1,000 population. This performance follows on the 2002 rankings where Wythe County was the top ranked jurisdiction based on the combined ranking. Following is a copy of the press release.

## **PRESS RELEASE**

### **WYTHE COUNTY TOP RANKED IN ECONOMIC DEVELOPMENT MEASURES**

WYTHEVILLE—Based on soon-to-be released data, Wythe County again ranks among Virginia's leading jurisdictions in various per capita economic development performance measures. For calendar year 2003, Wythe County ranked 11<sup>th</sup> in capital investment, 7<sup>th</sup> in job creation, and 3<sup>rd</sup> in project announcements resulting in an average ranking that places Wythe County as the top ranked county within the Commonwealth. (Radford City was the top ranked city and jurisdiction in combined rating.) The actual performance values were: capital investment – \$1.37 M/ 1,000 population, job creation – 11.3 jobs/1,000 population, and announcements – 0.25 announcements/1,000 population. This performance follows on the 2002 rankings where Wythe County was the top ranked jurisdiction based on the combined ranking.

Larger announcements in 2003 included the \$31 M expansion of Wytheville Technologies, Inc., resulting in the creation of 102 new jobs and the \$3 M expansion of Musser Lumber resulting in the creation of 45 new jobs. Several other smaller expansions were also announced.

Three-year average rankings, which tend to smooth out the impact of a single large project, especially in jurisdictions with small populations, resulted in Wythe County again as the top ranked jurisdiction based on a three-year combined ranking with individual three-year rankings of 5<sup>th</sup> in capital investment, 3<sup>rd</sup> in job creation, and 1<sup>st</sup> in announcements.

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RELEASE: 3/25/04

#### **Contact:**

Dr. Alan Hawthorne  
Executive Director  
Joint IDA of Wythe County  
(276) 223-3370  
DirectorJIDA@wytheville.org

Mr. Steven D. Irvin  
Chairman  
Joint IDA of Wythe County  
(276) 223-4317

**NEW RIVER REGIONAL WATER AUTHORITY PRESENTATION - CELLELL DALTON**

Mr. Dalton was unable to attend the board meeting; therefore his presentation for the New River Regional Water Authority has been deferred for a future meeting.

**APPROVAL OF MINUTES - FEBRUARY 26, 2004**

Motion was made by Dr. Snyder that the minutes of the regular meeting held on February 26, 2004, be approved as presented, seconded by Mr. Johnstone and passed. Mr. Gordon asked if the board meeting minutes are posted on the Joint IDA website. Dr. Hawthorne noted that the minutes are not posted on the Joint IDA website but could be added. Ms. Lester will proceed with adding the minutes to the Joint IDA website.

**APPROVAL OF INVOICES**

Mr. Irvin asked about check #4194, Robinson, Farmer, Cox Associates. Dr. Hawthorne commented that this is the audit fee for the Crossroads RIFA, which is part of the contracted services of the Joint IDA. Mr. Irvin inquired about check #4205, Southwest Signs. Ms. Lester commented that this invoice represents the addition of J. Z. Utility Barns to the Rural Retreat Industrial Park sign. Mr. Gordon made a motion to approve the invoices as presented seconded by Mr. Ayers and passed unanimously.

Joint IDA of Wythe County  
Check Register

For the Period From Feb 27, 2004 to Mar 25, 2004

Filter Criteria includes: Report order is by Check Number.

Check #	Date	Payee	Amount
4179	2/27/04	Linda D. Lester	666.72
4180	3/11/04	Robert G. Moore	1,100.00
4181	3/11/04	U S Cellular	34.06
4182	3/11/04	First VA Bk-Fed. Tax Deposit	2,585.22
4183	3/11/04	VA Dept. of Taxation	411.82
4184	3/15/04	Linda D. Lester	739.07
4185	3/25/04	Trigon	1,389.18
4186	3/25/04	Trigon Dental	102.67
4187	3/25/04	Danny B. Gordon	225.00
4188	3/25/04	George T. Johnstone	225.00
4189	3/25/04	Gerald L. Brewer	225.00
4190	3/25/04	Joseph W. Freeman	225.00
4191	3/25/04	Robert J. Ayers	225.00
4192	3/25/04	Steven D. Irvin	225.00
4193	3/25/04	William Snyder	225.00
4194	3/25/04	Robinson, Farmer, Cox Assoc.	1,600.00

4195	3/25/04	Xerox	146.80
4196	3/25/04	Robert G. Moore	1,100.00
4197	3/25/04	Sprint	125.29
4198	3/25/04	Alan R. Hawthorne	3,364.14
4199	3/25/04	Michael B. Webb	2,049.48
4200	3/25/04	Alan Hawthorne - Reimbursement	477.88
4201	3/25/04	Fort Dearborn Life Ins Co.	31.95
4202	3/25/04	Companion Life Insurance Co.	79.32
4203	3/25/04	American Electric Power	81.42
4204	3/25/04	Sprint	18.46
4205	3/25/04	Southwest Signs	90.00
4206	3/25/04	Bankcard Services	20.07
4207	3/25/04	Duke's Printing	86.00
4208	3/25/04	Town of Wytheville - Postage	45.49
4209	3/25/04	Mike Webb-Reimbursement	13.50
4210	3/25/04	JIDA Petty Cash	66.89
Total			18,000.43

## **OLD BUSINESS**

### **REVIEW BIDS AND AWARD IVANHOE TIMBERING CONTRACT**

Dr. Hawthorne introduced Lou Brossy, Consulting Forester. Mr. Brossy has served as the consultant for exploring the options with moving of the timber in the Ivanhoe Industrial Park. Mr. Brossy presented the bid results to the board for their review and approval. Mr. Gordon made a motion to accept the Turman Lumber Company, Inc. bid with a one-year contract. Motion was seconded by Dr. Snyder and passed.

### **INDUSTRY APPRECIATION GOLF TOURNAMENT COMMITTEE UPDATE**

Mr. Ayers updated the board on the Industry Appreciation Golf Tournament. The golf tournament will be held on May 13, 2004, at the Wytheville Country Club followed by a reception. Dr. Hawthorne stated that the initial plan to have the Economic Development Symposium prior to the golf tournament has been postponed for a later date.

### **VIRTUAL BUILDING PROPOSALS DUE 3/31/04**

Dr. Hawthorne explained that the Virtual Building Program RFP authorized by Crossroads RIFA must be submitted by March 31, 2004. The contract award will be made after evaluation by a panel consisting of the Crossroads RIFA board.

## **OTHER**

No other old business to discuss.

## **HIGHLIGHTS OF BOARD WORKING SESSION**

Dr. Hawthorne reported most of these items have been, or will be, covered elsewhere on today's agenda.

At the March 11 board working session, the following actions were taken: (1) The board agreed to include documentation of commitment regarding restrictions on the use of Authority-owned property located across Route 94 to the West of Mr. Good's currently leased facility, as long as manufacturing is conducted in the building, (2) The board agreed to communicate to the member jurisdictions that the board's position is officially neutral on whether the member jurisdictions have any interest in exploring a name change from IDA to EDA, and (3) The board agreed to sell approximately 22 acres of authority property in the Ivanhoe Industrial Park to the Ivanhoe Bridle Club, Inc.

### **PURCHASE AND SALE AGREEMENT WITH IVANHOE BRIDLE CLUB, INC.**

Dr. Hawthorne explained that a letter was mailed to Mr. Blair on March 16, 2004, notifying him of the board's decision to sell approximate 22 acres of authority property in the Ivanhoe Industrial park to the Ivanhoe Bridle Club, Inc. Assuming that the terms are acceptable to the Ivanhoe Bridle Club, a binding Purchase and Sale Agreement that specifies the terms and conditions will be mailed to the Ivanhoe Bridle Club.

### **UPDATE ON STATE ECONOMIC DEVELOPMENT ACTIVITIES**

Dr. Hawthorne provided a report to the board on the VEDA Spring conference that he attended on March 20, in Williamsburg. He also provided a report on a meeting that he attended today that was held at Wytheville Community College with Workforce Investment Board representatives and Barbara Bolin, Special Advisor to the Governor on Workforce.

Dr. Hawthorne informed the board that Shannon Blevins, VDBA Workforce Services Project Manager, organized a meeting that included staff from the Virginia Economic Development Partnership, Wytheville Community College, VEC, Bob Perkins and Frank McDonald with Mid-Atlantic Manufacturing and Hydraulics, Inc., to discuss recruitment and pre-employment training for Mid-Atlantic Manufacturing, Inc. The meeting was held March 23 in the Joint IDA conference room.

### **ONE OF INITIAL VEDA ROBERT ELEY JOHNSON SEMINAR SCHOLARSHIPS AWARDED TO MR. WEBB**

Dr. Hawthorne informed the board that the Virginia Economic Developers Association (VEDA) created a scholarship program to honor its founding president, Robert Eley Johnson. The scholarships cover the registration cost of attending VEDA's Professional Development Seminars. Five Robert Eley Johnson Scholarships are being awarded for each seminar. VEDA selected Mr. Webb as one of the recipients of the scholarship to attend the March 30 session in Blacksburg, Virginia, entitled "Positioning Your Economic Development Organization as THE

Solution for World-Class Prospects.”

**OTHER**

Dr. Hawthorne distributed a copy of a *Roanoke Times* article “Intermodal facility could recouple Roanoke with railroad past” to the board for their review and discussion at the next working session meeting.

Dr. Hawthorne advised the board that a proclamation endorsing Business Appreciation week has been prepared and forwarded to Mr. Matney for the jurisdictions to consider at the joint governing bodies meeting on March 29. Following is a copy of the proclamation.

**Business Appreciation Week Joint Proclamation**

**WHEREAS**, the citizens of Wythe County, Wytheville, and Rural Retreat benefit from a diverse economic base, and;

**WHEREAS**, the businesses and industries of Wythe County are an essential component of this economic base, and;

**WHEREAS**, these businesses and industries provide employment opportunities, pay taxes, support community activities, and provide valuable community leadership, and;

**WHEREAS**, the citizens of Wythe County, Wytheville, and Rural Retreat wish to convey their appreciation for the contributions made by these local businesses and industries.

**NOW, THEREFORE, BE IT PROCLAIMED** that the governing bodies of Wythe County, Wytheville, and Rural Retreat, hereby designate May 16–22, 2004, as **Business Appreciation Week** concurrent with the state-wide designation as recognized by Governor Mark R. Warner and urge all citizens to express their appreciation for the contributions made by local business and industry.

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Wythe B. Sharitz, Chairman  
Wythe County Board of Supervisors

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Trenton G. Crewe, Jr., Mayor  
Town of Wytheville

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D. F. “Jim” Bear, Jr., Mayor  
Town of Rural Retreat

ATTEST:

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Laura Heldreth, Clerk of Council

Dr. Hawthorne commented that he attended two DHCD workshops in Abingdon on March 24, 2004. The workshops covered the 2004 ARC Telecommunications Initiative and Virginia's 2004 ARC Entrepreneurship Initiative. Dr. Hawthorne explained that one of the lessons learned from the past several years has been the recognition that communities need to have a well-conceived telecommunications plan prior to significant specific efforts toward broadband infrastructure development. Hence, DHCD is now requiring such a plan before they will fund any ARC development initiatives. Development of these community plans is a category that they will fund under the initiative. Dr. Hawthorne will recommend at the March 29 joint governing bodies meeting that if the governing bodies so desire (and commit to matching funds), the Joint IDA will submit a proposal in response to the ARC Telecommunications Initiative RFP by the May 19 deadline. Additionally, the Joint IDA would support the study by providing in-kind support in the amount of \$2,000 matching that proposed for each jurisdiction.

Dr. Hawthorne reminded the board that the budget committee meeting with the Board of Supervisors is March 24, at 9:00 a.m.

Dr. Hawthorne informed the board that he has received an inquiry from an individual that has expressed the desire to purchase the Ivanhoe Industrial Park.

Mr. Irvin inquired about the recent *Wytheville Enterprise* article regarding the ruling in the Duke Energy pipeline case. Mr. Gordon commented that the *Wytheville Enterprise* article discussed a federal appellate court ruling that upheld the ruling that Duke Energy could take possession of the land it needed to build its \$289 million natural-gas pipeline in Southwest Virginia. This was a reaffirmation of a spring 2003 federal judge's ruling and does not change anything about the project. The ruling was based upon an appeal made by property owners in Wythe, Carroll, Patrick and Henry counties.

## **ADJOURN**

Mr. Irvin asked if there was any further business to come before the Authority. There being none Mr. Irvin adjourned the meeting at 4:20 p.m.

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Steven Irvin, Chairman

ATTEST:

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Linda Lester, Secretary