

**JOINT INDUSTRIAL DEVELOPMENT AUTHORITY**  
**Minutes of Meeting**  
**March 25, 2010**

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, March 25, 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**

Dave Elmore, Vice Chairman  
Tom Jones  
Jennifer Jones

Linda DiYorio  
Dana Pack

**MEMBERS ABSENT**

William Snyder, Chairman  
Foy Patton

**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**

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

**CITIZENS' TIME**

Vice Chairman Elmore welcomed Jack Hunley to the meeting and asked if there were any persons present who would like to address the Board during citizens' time. There being none, Vice Chairman Elmore proceeded with the meeting.

## **MAYOR TRENT CREWE—RAIL IN VIRGINIA**

Mayor Trent Crewe spoke briefly about the Rail Advisory Board and rail in Virginia. Mayor Crewe has been on the Rail Advisory Board for the past six years and currently serves as the Board's Chairman. The Board is a nine-member body appointed by the Governor and provides recommendations to the Commonwealth Transportation Board on approximately \$12 million in funding per year. This fund, known as the Rail Enhancement Fund (REF), receives a portion of the revenue from the rental car tax in Virginia. Projects funded tend to focus on capacity enhancements (i.e., switches; sidings). Mayor Crewe reported that, over the history of the REF, 25 projects have been approved, 15 completed, and 11 more will be approved this year.

Mayor Crewe's presentation included highlights about the improvements to the rail system between Washington, D.C. and Richmond, VA, Virginia's "higher" speed rail and contracts with Amtrak, the passenger service from Lynchburg, VA to New York, NY, and the proposed concept of bus service from Bristol to provide a link with existing passenger rail service at Lynchburg. He also touched on agreements with the military to move personnel by rail, the intermodal facility in Elliston, and how the railroads dealt with snow removal this past winter.

## **APPROVAL OF MINUTES—February 25, 2010, meeting**

Vice Chairman Elmore asked if there were any questions regarding the minutes of the February 25, 2010 meeting. There being none, Vice Chairman Elmore asked for a motion to approve the minutes. Ms. Jones made a motion, seconded by Ms. DiYorio, to adopt the minutes as presented. The motion passed unanimously.

## **APPROVAL OF INVOICES**

Vice Chairman Elmore asked if there were any questions concerning the invoices. Dr. Hawthorne noted that the check written to the Joint IDA in the amount of \$500,000.00 was the deposit for the money market account discussed in the February meeting. He added that there has been a change in the bank where the account will be opened. First Bank of Virginia had made an error when they quoted interest rates. The bank had quoted business account rates and not public fund rates, which were considerably lower. After further research, it was found that Stellar One had better rates on public fund accounts. Prior to the Board meeting, Dr. Hawthorne discussed the matter with Chairman Snyder and since the Board had approved the opening of the account during the February meeting, Chairman Snyder approved changing the bank option to Stellar One. Dr. Hawthorne read the Authorization Resolution for the account to the Board members.

Ms. Jones asked about check number 6073. Dr. Hawthorne explained that the check was for services from legal counsel for the Lot 24 project. Mr. Pack made a motion, seconded by Mr. Jones, to approve the invoices. With no further discussion, the motion passed unanimously.

## Joint IDA of Wythe County

### Check Register

For the Period From February 26, 2010 through March 25, 2010

Check #	Date	Payee	Amount
6052	3/25/10	Alan R. Hawthorne	\$4,263.10
6053	3/25/10	David L. Elmore	207.79
6054	3/25/10	Dana R. Pack	207.79
6055	3/25/10	Foy W. Patton	207.79
6056	3/25/10	Jennifer W. Jones	207.79
6057	3/25/10	Linda DiYorio	207.79
6058	3/25/10	Patrick G. Burton	2,507.68
6059	3/25/10	Tom Jones	207.79
6060	3/25/10	Virginia M. Goodwin	1,527.28
6061	3/25/10	William F. Snyder	207.79
6062	3/25/10	Appalachian Power	186.18
6063	3/25/10	Alan Hawthorne - Reimbursement	239.48
6064	3/25/10	Anthem Southeast Dental	81.78
6065	3/25/10	Anthem Blue Cross and Blue Shield	1,402.52
6066	3/25/10	Century Link	170.66
6067	3/25/10	Joint IDA of Wythe County	500,000.00
6068	3/25/10	Mellon Trust of New England, NA	685.00
6069	3/25/10	Principal Life Insurance Co.	152.94
6070	3/25/10	Robert G. Moore	1,100.00
6071	3/25/10	Southern Economic Development	225.00
6072	3/25/10	Sprint PCS	72.35
6073	3/25/10	Vandeventer Black LLP	3,542.29
6074	3/25/10	Xerox	20.56
<b>Total</b>			<b>\$517,631.35</b>

### OLD BUSINESS

### LOT 24 UPDATE

Dr. Hawthorne informed the Board that the contract with Branch Highways (BHI) has been executed. BHI is currently working on preliminary design and environmental permitting tasks. The entrance permit application to the Virginia Department of Transportation will show Wythe County as the owner of the property. Dr. Hawthorne mentioned that Governor McDonnell and representatives of the Virginia Economic Development Partnership will be traveling around the state promoting economic development in the coming year and that Progress Park and Lot 24 may be included in their visits.

Dr. Hawthorne reported that Mr. Dalton wanted to hold off on off-site architect/engineer services selection until after the County budget process is complete. As a result, grant applications for the

off-site work will also be delayed. Off-site construction could be delayed by a year. Dr. Hawthorne asked the Board if they had any questions or concerns about the Lot 24 project. There being none, Vice Chairman Elmore continued with the meeting.

## **INDUSTRY APPRECIATION GOLF TOURNAMENT—MAY 12, 2010**

Mr. Elmore reported on the Industry Appreciation Golf Tournament committee meeting held on March 19, 2010. He stated that everything is moving forward and golf teams are being solicited. Patrick Burton reported that the Joint IDA has received several responses from companies and individuals who are willing to serve as hole and reception sponsors. Patrick stated that he will be asking Board members for assistance in coming weeks. He will provide a sign-up sheet at the next meeting to allow Board members, if available, to volunteer for activities and responsibilities that need to be done during the tournament. Patrick will contact Erick at the Wytheville Golf Club to discuss the set-up of tables and other coordination issues.

## **HB 1298**

Dr. Hawthorne updated the Board on the status of HB 1298 that was introduced in the House of Delegates by Delegate Crockett-Stark. A technical change was made to clarify that the locality qualification criteria is an unemployment rate that is 150% or more of the state-wide average and not 150% greater than the state-wide average. The Bill dropped the job threshold for certain non-manufacturing projects from 50 to 25 for qualifying localities, which currently puts Wythe County in a competitive position. The Bill was approved in both the House of Delegates and the State Senate and is awaiting Governor McDonnell's signature. Mr. Elmore asked if data center servers were considered machinery. Dr. Hawthorne stated that they were not because it is not considered to be a manufacturing facility.

## **OTHER**

Money Market account Authorization Resolution - Vice Chairman Elmore asked Dr. Hawthorne if the Authorization Resolution needed further action. Dr. Hawthorne stated that the Board would have to approve the resolution. Vice Chairman Elmore asked if there were any questions regarding the resolution and if there was a motion to approve. Mr. Jones made a motion, seconded by Mr. Pack, to approve the Authorization Resolution for the Stellar One Money Market account. With no further discussion, the motion passed unanimously.

## **AUTHORIZATION RESOLUTION**

WHEREAS, the Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat ("Joint IDA") wishes to establish a Money Market account for public funds at Stellar One bank located at 320 West Main Street, Wytheville, Virginia; and

WHEREAS, Dr. William F. Snyder, Chairman, Linda DiYorio, Treasurer, and Dr. Alan Hawthorne, Executive Director, will act as Agents of the account and will exercise all powers associated with operation of the account; and

WHEREAS, the aforementioned agents will have authority to endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with Stellar One.

NOW THEREFORE, be it resolved that aforementioned officers are hereby authorized to open and operate said money market account on behalf of the Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat.

Adopted this 25th day of March 2010.

## **NEW BUSINESS**

### **ENTREPRENEUR EXPRESS WORKSHOP—APRIL 29, 2010**

Patrick Burton reported on the Entrepreneur Express Workshop. He noted Ms. Jones distributed copies of a flier advertising both the Entrepreneur Express Workshop and the Social Media Workshop to the Board members. He noted that the Wytheville-Wythe-Bland Chamber of Commerce was instrumental in arranging the Social Media Workshop, and providing an enhanced learning opportunity for small business owners and entrepreneurs. Patrick added that the online registration link is up and working. He reported that there have been several registrations so far.

Vice Chairman Elmore noted that the event seems to be an informative tool and is well attended. Dr. Hawthorne mentioned that similar events are held across the State and that some communities sponsor more than one per year. He added that there is an ongoing need for this workshop.

### **SYNERGY PARK POTENTIAL**

Dr. Hawthorne gave an update on the concept of an energy generation facility in Progress Park. The concept features a reliable, non-coal, somewhat green source of electrical power for data centers, Lot 24, and existing Progress Park industries. There could also be co-generation of steam for Gatorade and Lot 24 prospects and perhaps significant business for Norfolk Southern. Green attributes of the concept include use of recycled water, reduced greenhouse gas emissions, and a local energy source. Power and steam could also be available for a Lot 24 prospect. The concept would include power plant cooling with recycled water from the sewage treatment plant. For the project to be a success, a grant would be required and a large data center would need to be developed on a similar timeline with the generation facility. There will need to be competitive electrical rates and the ability to swap a few peak days for lower base electricity costs.

VEDP representatives encouraged Dr. Hawthorne to do additional investigation into the Synergy Park potential. After meeting with a CH2MHill consultant to discuss the concept further, Dr. Hawthorne believes that, while the concept has good points, it will probably be extremely difficult to make it economically viable. Dr. Hawthorne stated that he will continue to examine the emerging natural gas sector.

### **VEDA SPRING CONFERENCE**

Dr. Hawthorne reported on the Virginia Economic Developers Association's (VEDA) spring conference held on March 11 and 12. The keynote speaker for the conference was the Commonwealth of Virginia's newly appointed Economic Advisor, Bob Sledd. Jim Cheng, Secretary of Commerce and Trade was also in attendance.

Dr. Hawthorne stated that Mr. Sledd's focus would be strategic and that he was impressed with his views and expertise. Mr. Cheng addressed Governor Bob McDonnell's strategic plan for economic development over the next 4 years. Lieutenant Governor Bill Bolling will focus on job creation. The Governor will form an advisory board for strategic planning which should include members of VEDA. Dr. Hawthorne feels that economic development in the Commonwealth of Virginia will benefit from the team of Bob Sledd, Bill Bolling, and Jim Cheng. Dr. Hawthorne mentioned that it was a successful conference and he is working to bring the 2011 VEDA summer membership luncheon to Wytheville. The event would be held at the Meeting Center.

## **PROJECT UPDATES**

Dr. Hawthorne updated the Board on current projects. He mentioned that Congressman Boucher will be making an announcement on Tuesday, March 30, involving the entire region. Dr. Hawthorne added that he had a meeting scheduled with a prospect in March, but the meeting was cancelled and will be re-scheduled in May. He stated that there are some other prospect visits that may materialize and that activity is slowly increasing.

## **OTHER**

Commuting Patterns for Wythe County - Dr. Hawthorne presented to the Board information regarding the commuting patterns for Wythe County. The data was compiled from federal and state Labor Management Information which included the Longitudinal Employer-Household Dynamics Program (LEHD). The LEHD compiles information from Census data, surveys, administrative records, local transportation, local employment, and local immigration dynamics. The updated commuting patterns show where people who work in Wythe County live, as well as, where people who live in Wythe County work. Dr. Hawthorne noted that not all employment is reported. Dr. Hawthorne identified the following initial conclusions that could be drawn from the data: private sector (PS) employment by Wythe County firms grew 25%; there was only a small increase in Wythe County PS jobs filled by Wythe Countians; most of the increase in new Wythe County PS jobs was by residents living outside Wythe County, with the majority coming from outside the immediate region; of the PS increase in jobs, more than 50% was due to the goods producing sector, with the goods producing firms employing over 42% more; 27.5% of the net new goods producing jobs were filled by Wythe Countians with about 44% filled by near-by neighbors and 29% by those living outside the immediate area; the number of Wythe Countians working in private sector firms grew by 11% while those working in goods producing firms grew by 13.7%; the majority of new private sector employment of Wythe Countians occurred outside Wythe County; two-thirds of the increased number of Wythe Countians working in the goods producing sector were employed by Wythe County firms; and Smyth and Radford were the only other significant gainers of Wythe County good producing workers.

Draft letter of endorsement for Career Coaching in Wythe County - Dr. Hawthorne noted that he would be drafting a letter to be signed by Chairman Snyder to express support for the Career Coaching program in the Wythe County School system. Dr. Hawthorne felt it was important to send a letter since the Joint IDA assisted with obtaining grants to begin the Career Coaching program. The letter will be forwarded to both Dr. Lee Brannon, Wythe County School Superintendent and Cellell Dalton, Wythe County Administrator.

**ADJOURN**

There being no other business, Vice Chairman Elmore adjourned the meeting at 4:58 p. m.

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David L. Elmore, Vice Chairman

Attest:

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Virginia M. Goodwin, Secretary