

March 27, 2008

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, March 27, 2008, at 3:00 p.m. at the Council Room of the Wytheville Municipal Building located at 150 East Monroe Street, Wytheville, Virginia.

MEMBERS PRESENT

Joe Freeman, Chairman
Linda DiYorio
Dana R. Pack
Foy Patton

Tom W. Jones
David Elmore

MEMBERS ABSENT

William F. Snyder, Vice Chairman

EX-OFFICIO MEMBERS PRESENT

None

EX-OFFICIO MEMBERS ABSENT

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

DETERMINATION OF QUORUM

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

CITIZENS' TIME

Mr. Freeman asked if there were any persons present who wished to address the board during citizens' time. There being none, Chairman Freeman proceeded with the meeting.

Dr. Hawthorne presented the board with the following draft press release on Magnetic Technologies.

Magnetic Technologies Finalist for Small Business Success Story of the Year and Announces New Name

WYTHEVILLE— *Virginia Business* has named Magnetic Technologies Corporation as the 2007 Small Business Success Story of the Year Western Virginia Finalist. The coverage appears in the magazine's February 2008 issue. Effective April 8, 2008, the company will change its name to MTC Transformers, Inc., to better reflect the product it provides.

Headquartered in Wytheville, Virginia, the company designs, manufactures, and services dry electrical transformers for industrial use. The company was founded in Wytheville in 1985 and was purchased by Thomas Hough in 1998. Magnetic Technologies, soon to be MTC Transformers, has experienced phenomenal growth in a niche market, increasing revenues from \$1 million in 1998 to \$12 million in 2007. The company recently opened a repair service division in Louisville, Ohio.

According to President Hough, "It was quite an honor to be selected as the Western Virginia Finalist for the Small Business Success Story of the Year. This is a valuable recognition of our transformation and success. Continuing the transition, we are changing our name and logo to more closely reflect our electrical transformer product focus."

"It's rewarding to see the success of one of our local entrepreneurs be recognized in such a visible fashion. Magnetic Technologies has again proven the value of quality custom service," said Joint IDA Chairman Joe Freeman.

The *Virginia Business* article is available at http://www.virginiabusiness.com/index.php/section_news/article/a-revamp-and-expansion-pays-off-for-old-line-manufacturer/193/

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APPROVAL OF MINUTES-February 28, 2008, board meeting

Mr. Elmore made a motion, seconded by Mr. Jones, to adopt the minutes as presented. The motion passed unanimously.

APPROVAL OF INVOICES

Dr. Hawthorne commented that check # 5530 was misprinted and reprinted on check#5531. Check # 5530 was voided. Dr. Hawthorne stated that check # 5525 to Mike Webb was for his accumulated vacation time. Ms. DiYorio made a motion, seconded by Mr. Pack to approve the invoices. With no further discussion, the motion passed unanimously.

Joint IDA of Wythe County

Check Register

For the Period From February 29, 2008 through March 27, 2008

| Check # | Date | Payee | Amount |
|----------------|-------------|-----------------------------------|------------------|
| 5508 | 3/27/08 | Alan R. Hawthorne | 4,241.39 |
| 5509 | 3/27/08 | David L. Elmore | 207.79 |
| 5510 | 3/27/08 | Dana R. Pack | 207.79 |
| 5511 | 3/27/08 | Danielle M. Skeens | 1,827.80 |
| 5512 | 3/27/08 | Foy W. Patton | 207.79 |
| 5513 | 3/27/08 | Joseph W. Freeman | 207.79 |
| 5514 | 3/27/08 | Linda Diyorio | 207.79 |
| 5515 | 3/27/08 | Tom Jones | 207.79 |
| 5516 | 3/27/08 | William F. Snyder | 207.79 |
| 5517 | 3/27/08 | Appalachian Power | 114.50 |
| 5518 | 3/27/08 | Int'l Economic Dev Council | 345.00 |
| 5519 | 3/27/08 | Robert G. Moore | 1,100.00 |
| 5520 | 3/27/08 | Sprint PCS | 83.08 |
| 5521 | 3/27/08 | Embarq | 133.48 |
| 5522 | 3/27/08 | Va Municipal Liability Pool | 741.50 |
| 5523 | 3/27/08 | Wytheville Meeting Center | 375.00 |
| 5524 | 3/27/08 | Xerox | 267.86 |
| 5525 | 3/27/08 | Michael B. Webb | 2,537.67 |
| 5526 | 3/21/08 | Anthem Blue Cross and Blue Shield | 1,545.21 |
| 5527 | 3/27/08 | Virginia Employment Commission | 27.42 |
| 5528 | 3/27/08 | First Bank of Virginia | 3,397.31 |
| 5529 | 3/27/08 | VA Dept Of Taxation | 537.56 |
| 5530 | 3/27/08 | Alan Hawthorne - Reimbursement | |
| 5531 | 3/27/08 | Alan Hawthorne - Reimbursement | 542.93 |
| 5532 | 3/27/08 | Anthem Southeast Dental | 74.23 |
| 5533 | 3/27/08 | Principal Life Insurance Co. | 77.50 |
| Total | | | 19,423.97 |

OLD BUSINESS

ENTREPRENEUR EXPRESS WORKSHOP-APRIL 10, 2008

Dr. Hawthorne remarked that there had been some interest in the upcoming workshop with most of the participants being from outside Wythe County. He asked that everyone help market the

event. Chairman Freeman commented that he had posted the flier on the bulletin board at Longwood Industries and was aware that some employees were signed up for the event. Dr. Hawthorne remarked that the Wytheville Enterprise would be doing an article on the workshop, which should help draw some attention to the event. Dr. Hawthorne presented the board with a press release on the event also.

Entrepreneur Express—Resources to Help Small Businesses Grow

WYTHEVILLE—The Joint IDA, along with other local sponsors, is participating in a state effort to bring resources to Wythe and Bland counties that will help business owners and potential entrepreneurs establish and grow their businesses. *Entrepreneur Express: Moving Your Business Forward* is a workshop designed to provide information on available business resources and practical, hands-on training covering key elements of business practice. The event will be held **April 10 from 9:00 until noon at the Wytheville Meeting Center**, 333 Community Center Boulevard, next to Wytheville Community College. For registration information, visit www.wytheida.org/files/EExpress.pdf. Admission is free and lunch will be provided to those who have preregistered.

The Joint IDA views early stage and small companies as a vital part of our local economy and is pleased to support Entrepreneur Express, which has been successful in other localities across the Commonwealth, with over 800 Virginians having already participated. This partnership of governmental and private organizations supporting small business growth offers business owners an efficient and cost effective way to learn about resources available from a range of service providers. Workshop segments include: how to start and operate a business, growing an existing business, marketing strategies, financing, and available support resources. Participants receive a resource directory that provides “how to” information for many types of enterprises including tourism-related businesses, agricultural businesses, and retail operations. Organizations partnering to offer this series of workshops supporting entrepreneurial efforts throughout the Commonwealth include the Virginia Department of Business Assistance, the Virginia Tourism Corporation, Virginia Cooperative Extension, the Small Business Development Center (SBDC) Network, SCORE, the Virginia Economic Bridge, the Virginia Electronic Technology Center, the Virginia Economic Developers Association, the Virginia Business Incubator Association, the Virginia Community College System, and the Virginia Association of Chamber of Commerce Executives. Local sponsors in addition to the Joint IDA are Wytheville-Wythe-Bland Chamber of Commerce, Bland County Economic Development Authority, and Southwest Regional Enterprise Center.

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INDUSTRY APPRECIATION GOLF TOURNAMENT-MAY 15, 2008

Ms. Skeens reported that the golf committee met had met several times and the event was progressing well. Ms. Skeens reported that they had received many hole and reception sponsorships already and plans were on schedule at this point.

OTHER

There was no other old business.

NEW BUSINESS

WMC SAFETY COUNCIL

Dr. Hawthorne advised that the new Wythe Manufacturing Council safety group initiative had met recently. He reported Mt. Rogers IDC had hosted the event. Dr. Hawthorne stated that the Wythe Manufacturing Council's interest in this group was to help ensure safety. He stated that businesses who have strong safety programs often get reduced rates from their insurance groups. He also added that safety was another marketing tool that goes into play when attracting new businesses to our county. Dr. Hawthorne stated that Gatorade and Klöckner already have safety groups in house and yet they are participating to enhance and support other manufacturers. Dr. Hawthorne stated this was a great opportunity to network and share resources. Dr. Hawthorne commented that Keith Thompson with Manufacturing Technology Center will serve as the program coordinator of the subgroup, helping to facilitate the program. Mr. Freeman stated this was invaluable to manufacturers. Mr. Elmore added that Mr. John Caldwell would be a great resource for this subgroup.

STRATEGIC PLAN INITIATIVES UPDATE

Dr. Hawthorne commented on an upcoming meeting with VDOT that would be addressing the issues at Exit 77 . He stated this initiative continues to move forward and he would keep the board up to date on this situation.

POTENTIAL BUSINESS PARK PROPERTY UPDATE

Dr. Hawthorne gave an update on the exploration of the business park stating that the property of interest could not be donated and plans are back to square one. He further discussed that the SREC was looking into suitable areas. He stated at this time, the business park initiative is on hold.

VEDP/VEDA REPORT

Dr. Hawthorne gave an update on his recent VEDP visit and the VEDA spring meeting. Dr. Hawthorne spent the morning at VEDP. VEDP's, Liz Povar set up the meeting that resulted in a productive networking session. He stated that General Assembly updates were reported at the VEDA meeting with key points on the Governor's Opportunity Fund being affected. He stated that the resources for this fund are being scaled back, and this could have a huge impact on this area. Dr. Hawthorne stated that he was able to tour the marine science program at William &

Mary during an afternoon breakout. One aspect of this program involves research on algae for biodiesel use.

PROPOSED ENTERPRISE ZONE AMENDMENT

Dr. Hawthorne presented the board with the proposed enterprise zone amendment to incorporate additional land east Gator Lane including lot 41, a rail served lot. At this time, Dr. Hawthorne also presented the board with a suggested boundary adjustment providing the opportunity to bring state incentives to additional sites. He also presented a proposed local incentive for high investment, high wage non-manufacturing companies as was proposed in the Joint IDA's strategic plan updates. Dr. Hawthorne stated once the changes are approved, he would send them to Mr. Dalton where the Board of Supervisors will hold a public hearing to make the amendment. Ms. DiYorio made a motion to endorse the amendment as presented including the boundary adjustment. Mr. Pack seconded the motion. With no further discussion, the motion passed unanimously.

POSTING OF JOB OPENING

Dr. Hawthorne presented the board members with a proposed advertisement budget for the Associate Director position. He stated the ads would begin as soon as possible and that the deadline for applications would be April 25, 2008. Ms. DiYorio asked if the ad would be included in the Roanoke Times Current section. Dr. Hawthorne stated that it would not, but would be in the classified section. Dr. Hawthorne stated the position would also be advertised on the Internet, VEDA and VEC with coverage spanning the eastward region. Mr. Elmore asked what the selection process involved and how the interviews are conducted. Dr. Hawthorne stated he would take applications and present only the applicants that meet the requirements to the committee for interviews. He continued that there is a set number of common questions that will be asked. Mr. Elmore commented it is good practice to have two interviews. Mr. Jones asked if Mr. Webb was right out of college when he was hired. Dr. Hawthorne replied that Mr. Webb had worked in economic development for one year prior to being selected. Mr. Elmore made a motion to approve the ad proposal as presented. Ms. DiYorio seconded the motion. With no further discussion, the motion passed unanimously.

PLAN TRIP TO NEW RIVER WATER PLANT

Dr. Hawthorne discussed the possibility of touring the water plant in April. He stated this trip was planned back in the fall but was postponed due to inclement weather. He asked if the board would like to tour the facility on Thursday, April 17, 2008 at 1:00 p.m. The board agreed on this date and time. Dr. Hawthorne stated anyone who wanted to meet for lunch at Peking prior to the tour was welcome. Ms. Skeens stated she would send out a reminder at the beginning of the week.

PROJECTS UPDATE

Dr. Hawthorne gave an update on current projects.

OTHER

Dr. Hawthorne commented that Governor Tim Kaine had visited Gatorade recently and reported that the company spoke highly of the workforce in our area.

Ms. Skeens reminded the board members that the April board meeting would be in Rural Retreat.

ADJOURN

There being no other business, Mr. Freeman recessed the meeting at 4:07 p.m until the tour of the New River Water Plant.

Joseph W. Freeman, Chairman

Attest:

Danielle M. Skeens, Secretary