

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY

Minutes of Meeting

July 25, 2013

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, July 25, 2013, at 3:00 p.m. in the Council Room of the Wytheville Municipal Building at 150 East Monroe Street, Wytheville, Virginia.

MEMBERS PRESENT

Linda DiYorio, Chairman
William Dixon
Foy Patton
David Kause

Tom Jones
Dana Pack
Jennifer Atwell

MEMBERS ABSENT

None

EX-OFFICIO MEMBERS PRESENT

C. Wayne Sutherland, Jr., Wytheville Town Manager
R. Celledal Dalton, Wythe County Administrator

EX-OFFICIO MEMBERS ABSENT

Michael S. James, Rural Retreat Town Manager

DETERMINATION OF QUORUM

Chairman DiYorio called the meeting to order and determined a quorum to be present. Mr. Dixon offered the invocation, and Mr. Jones led the Pledge of Allegiance.

**STEM NEEDS ASSESSMENT AND STRATEGIC PLAN
PROJECT—PRESENTATION BY GAIL CATRON AND CYNTHIA JARMUL**

Dr. Hawthorne introduced Dr. Gail Catron, Executive Director of the Wythe-Bland Foundation, and Cynthia Jarmul, former Executive Director of the Wythe County Public Schools Foundation of Excellence, Inc., who were speaking to the Board about the Science, Technology, Engineering, and Mathematics (STEM) initiative for the Wythe County and Bland County School system. He noted that the Joint IDA and the Wythe Manufacturing Council have been involved in early discussions regarding the STEM project and expect to continue to be involved in the program to assist the public school system in assessing and planning for an effective STEM program that provides the skills sets need by our area employers.

Dr. Catron stated that several months ago there was a sub-group of non-profit organization members formed to concentrate on STEM exploration. The individuals interested in the concept expressed the possibility of starting a STEM academy for Wythe and Bland County school students. The group expanded, and in April the Wythe-Bland Foundation funded a need assessment study for STEM education and/or an academy. The study is now getting underway. Dr. Catron stressed that internships, job experiences, and the mentoring of students are all opportunities that are needed. She added that not all students will want or need a four-year education, but two-year college graduates are very important to the businesses and industries in Wytheville, Wythe County, and Bland County, as well as to the regional workforce. She thanked the Joint IDA Board and acknowledged that the Board's interest was appreciated and that she looked forward to working with them in the future.

Cynthia Jarmul talked briefly about the Wythe County Public Schools Foundation for Excellence and its working with a community group of interested professionals in the areas of education, advanced manufacturing, and health care. The group, which is seeking to address the challenges faced in the areas of student and worker readiness in the areas of science, technology, engineering, mathematics and healthcare, intends to contract with the Virginia Tech Office of Economic Development to conduct a STEM-H Needs Assessment and Strategic Plan for Wythe and Bland Counties. The study will look at strengths and challenges in Wythe and Bland Counties in all stakeholder areas. Community leaders and members will be asked to be a part of the needs assessment process and a stakeholder group will work with VT to develop a strategic plan. The strategic plan will have specific action items for each stakeholder group. The Strategic Plan will be presented to the public in May 2014 at a STEM-H Summit. Funding for this innovative project is being provided by the Wythe-Bland Foundation.

Chairman DiYorio thanked both Dr. Catron and Ms. Jarmul for their informative presentation and stated that she was interested in finding out the results of the needs assessment.

CITIZENS' TIME

Chairman DiYorio welcomed Wayne Sutherland, Wytheville Town Manager to the meeting and asked if there was anyone present who would like to address the Board. There being none, Chairman DiYorio proceeded with the meeting. Chairman DiYorio later welcomed Cellell Dalton, Wythe County Administrator, to the meeting.

ELECTION OF OFFICERS

Chairman DiYorio noted that a copy of the current Board members was distributed to them prior to the meeting. The list includes the term expiration date for each member. She stated that the Board would need to elect Board officers at this time. Chairman DiYorio opened the nominations for Chairman. Mr. Dixon made a motion, seconded by Mr. Pack, to nominate Linda DiYorio as Board Chairman. Mr. Dixon made a motion, seconded by Ms. Atwell, to close nominations. The motion passed unanimously. Ms. DiYorio was elected by acclamation.

Chairman DiYorio continued with nominations. Chairman DiYorio opened the floor for nominations for Vice-Chairman. Mr. Jones made a motion, seconded by Ms. Atwell, to nominate

Bill Dixon as Vice Chairman. Mr. Pack made a motion, seconded by Mr. Patton, to close nominations. The motion passed unanimously. Mr. Dixon was elected by acclamation.

Chairman DiYorio opened the floor for nominations for Treasurer. Mr. Dixon made a motion, seconded by Mr. Kause, to nominate Jennifer Atwell as Treasurer. Mr. Jones made a motion, seconded by Mr. Pack, to close nominations. The motion passed unanimously. Ms. Atwell was elected by acclamation.

Chairman DiYorio noted that Virginia Goodwin was currently the Board Secretary and moved that she remain in the position. There were no concerns or questions and motion passed unanimously to elect Virginia Goodwin as Secretary. Ms. Goodwin was elected by acclamation.

With no other nominations occurring, Chairman DiYorio continued with the meeting. Dr. Hawthorne stated that he would like to thank each officer for serving, both past and present, and personally thanked Chairman DiYorio for her time and effort in serving as Chairman. He noted that the position of Chairman includes immediate response to various duties required by the Joint IDA and that Chairman DiYorio has been dedicated in carrying out that position.

APPROVAL OF MINUTES—JULY 27, 2013

Chairman DiYorio asked if there were any corrections, additions, or questions regarding the minutes of the July 27, 2013, meeting and if there was a motion to approve the minutes as presented. There being none, Mr. Pack made a motion, seconded by Mr. Dixon, to approve the minutes as presented. With no further discussion, the motion passed unanimously.

APPROVAL OF INVOICES

Chairman DiYorio asked if there were any questions or discussion regarding the invoices for July 2013. Ms. Atwell asked about check #6911 to Network Solutions. Dr. Hawthorne explained that it was to renew the domain name for the wytheida.org website for the next two years. Chairman DiYorio asked if there were any further questions or discussion and asked if there was a motion to approve the invoices as presented. There being none, Mr. Pack made a motion, seconded by Mr. Dixon, to approve the invoices for July 2013. With no further discussion, the motion passed unanimously.

Joint IDA of Wythe County Check Register For the Period From July1, 2013 through July 31, 2013

Check #	Date	Payee	Amount
6901	7/25/13	Alan R. Hawthorne	\$ 4,354.95
6902	7/25/13	Kimberly B. Simmons	2,579.35
6903	7/25/13	Virginia M. Goodwin	1,793.70
6904	7/25/13	Appalachian Power	90.84
6905	7/25/13	Alan Hawthorne - Reimbursement	144.18
6906	7/25/13	Anthem Southeast Dental	69.78

6907	7/25/13	Anthem Blue Cross and Blue Shield	2,163.67
6908	7/25/13	Branch Highways, Inc.	347,708.50
6909	7/25/13	CenturyLink	137.79
6910	7/25/13	ACS/BNY Mellon HSA	850.00
6911	7/25/13	Network Solutions	75.98
6912	7/25/13	Principal Life Insurance, Co.	42.81
6913	7/25/13	Robert G. Moore	1,100.00
6914	7/25/13	Virginia Goodwin - Reimbursement	26.86
6915	7/25/13	Wytheville Meeting Center	65.00
6916	7/25/13	Xerox	8.15
Total			\$ 361,211.56

OLD BUSINESS

LOT 24/LOT 30 UPDATE

Dr. Hawthorne updated the Board on the progress of Lots 24 and 30. He noted that the rain had again caused several delays, but construction had progressed and that the Lot 30 project is now substantially complete. He stated that the grass should be coming up soon on the lot. Dr. Hawthorne mentioned that the southern entrance to Lot 24 has been closed, waterlines are in, and that the road into the lot is paved and striped. He added that Branch Highways will need an additional 15 to 20 working days to complete the project due to the rain, but that the time of completion is near. Dr. Hawthorne mentioned the event that is being planned to celebrate the project's completion and acknowledge the funders, the local community, and everyone involved in the project. He noted that he had discussed the date with Cellell Dalton, Wythe County Administrator, as well as Chairman DiYorio, and they felt that Tuesday, September 10 would be a good day to hold the event. Chairman DiYorio has spoken with some dignitaries in Richmond. Chairman DiYorio stated that according to Mary Rae Carter, Deputy Secretary of Commerce and Trade for Rural Economic Development for the Commonwealth of Virginia, the governor's office would not be able to commit until two weeks prior to the event. Dr. Hawthorne mentioned that members from the Tobacco Indemnification and Community Revitalization Commission (TICRC), the Virginia Economic Development Partnership (VEDP), and others will also be invited. He mentioned that the media would more than likely be invited to the site approximately one-hour prior to the beginning of the event to be able to take pictures and tour the property around 10:00 a.m. and then the others invited would arrive later for the 11:00 a.m. event. Branch Highways, Inc. has agreed to provide tents and sponsor the luncheon for the event, which would be served at approximately 12:00 p.m. Dr. Hawthorne added that tours for the community are being contemplated and that it was suggested to provide hayrides on the property to re-create how the initial tour of the property was done prior to Progress Park's inception. Dr. Hawthorne ask that the Board endorse having the celebration on September 10. Chairman DiYorio asked if there was a motion to have the Lot 24 celebration on Tuesday, September 10 and to allow the Joint IDA staff to begin preparations and compile an invitation list. Mr. Dixon made a motion, seconded by Mr. Pack, to have the celebration on Tuesday, September 10 and to allow the Joint IDA staff to begin preparations for the event. With no further discussion, the motion passed unanimously.

WORKING SESSION HIGHLIGHTS—STRATEGIC PLANNING, AUGUST 2013

Chairman DiYorio discussed the Joint IDA's working session held on July 11 with the jurisdictions regarding strategic planning. She mentioned that it was suggested that the Joint IDA change its focus from just industrial development to also include a broader economic development emphasis. She asked each of the Board members their thoughts on the meeting's progress and if they felt the discussion was productive. The Board responses ranged from some disappointment to very informative and they mentioned that further discussions would need to be held with the Joint IDA Board and again in a joint meeting with the jurisdictions. Chairman DiYorio asked Mr. Sutherland his views on the meeting and he noted that he thought that it was a good meeting and opened up an opportunity for the governing bodies to work more closely with the Joint IDA. Chairman DiYorio added that she knows that the Town of Wytheville is excited about going in a different direction with the addition of economic development to the Joint IDA's focus. Dr. Hawthorne suggested that the Joint IDA Board meet again to discuss what direction needs to be taken. Chairman DiYorio asked the Board if they would be able to attend a working session on Thursday, August 8 at 3:00 p.m. in the Joint IDA Conference Room. There was a consensus to meet on August 8. Cellel Dalton, Wythe County Administrator, joined the meeting. Chairman DiYorio asked Mr. Dalton his views on the joint working session with the jurisdictions. Mr. Dalton asked if there would be additional meetings with the jurisdictions and noted that Wythe County has several other committees, including a tourism committee, who were excited about discussing the possible changes.

OTHER

Ivanhoe property, old Health Department building, and signage for GigaPark promotions - Ms. Atwell asked if the Ivanhoe property and Health Department building had been sold. Dr. Hawthorne stated that the land has not been sold and he thought there was some activity with the Health Department building. Ms. Atwell also asked if anything had developed regarding the GigaPark promotions signage for the industrial parks. Dr. Hawthorne stated that he had not heard any further information regarding the signage, but that he would have the Joint IDA staff research the status of that project.

George Wythe Hotel and StellarOne Bank building - Chairman DiYorio mentioned that work will be continuing on the George Wythe Hotel building and that the Virginia Department of Corrections: Probation and Parole are now occupying the top floor of the StellarOne Bank building on main street.

Goodwill - Mr. Dixon mentioned that Goodwill is currently in the process of erecting a new building across from Bojangles.

NEW BUSINESS

EOY FINANCIAL STATEMENTS

Chairman DiYorio mentioned that the Board received a copy of the End-of-Year Financial Statements. Dr. Hawthorne stated that revenues are as predicted with an unexpected addition of \$6,000 for past industrial revenue bond management fees from Klöckner Pentaplast. He added that costs were below budget due to his unpaid time off, vacation accrual being down, as well as mileage, lodging and long-term disability costs being below budget. Chairman DiYorio asked if there were any questions or concerns regarding the End-of-Year Financial Statements. There being none, the meeting was continued.

AUDIT ENGAGEMENT LETTER

Chairman DiYorio stated that each Board member had received a copy of the audit engagement letter. She noted that it was comparable to the letters received from the auditors in the past and asked if there were any questions or comments, and if there was a motion to authorize Dr. Hawthorne to sign the letter to engage the auditors. Mr. Dixon made a motion, seconded by Mr. Patton, to authorize Dr. Hawthorne to sign the audit engagement letter to begin the audit process. With no further questions or comments, the motion passed unanimously.

AUDIT COMMITTEE MEETING REPORT

Ms. Atwell reported on the Audit Committee meeting held on Wednesday, July 26. She noted that the audit background information and material was reviewed and discussed. Ms. Atwell added that there were a few questions, but no problems were identified. Mr. Dixon stated that the reports looked to be in order and he saw no problems. Dr. Hawthorne noted that the Joint IDA is ready for the auditors and that they had rescheduled from September to August 5 and 6 for both the Joint IDA and the Crossroads Regional Industrial Facility Authority audits.

PROJECT UPDATES

Dr. Hawthorne updated the Board on current projects. He noted that there is a proposed visit in the works and that a couple of different lots have been offered for the project. He is currently working with the Virginia Economic Development Partnership (VEDP) and Tom Elliott, Executive Director of Virginia's aCorridor on the projects. He mentioned that he is currently working with Wythe County about water needs for another prospect who may make a visit in the fall and is working with VEDP on a variety of other items. Dr. Hawthorne added that one project that there was previous concern about will be working out their lease before expanding and another has been delayed because of a bankruptcy associated with the property being acquired. He noted that the bank involved is working to clear up the matter and that the transition should occur this fall.

OTHER

TICRC meeting - Chairman DiYorio noted that the Tobacco Indemnification and Community Revitalization Commission will be meeting on Tuesday, August 13 to discuss the Tobacco Region Opportunity Fund program. She added that she is not sure if she will still be in attendance, since her appointment has expired. Dr. Hawthorne noted that Tom Elliott, Executive Director of Virginia's aCorridor will be in attendance to speak at the meeting. He added that he did not expect to be in attendance at the meeting.

Southwest Virginia Alliance for Manufacturing (SVAM) - Kimber Simmons reported that she had recently attended the SVAM meeting held at Wytheville Community College. She noted that there were approximately 20 to 25 people in attendance. She added that the meeting was informative. Items discussed were the Healthcare Act and what it means to small and large businesses, the Virginia National Guard's efforts to promote the hiring of returning soldiers, and the Summit Corporation from Johnson City talking about "Risk Management" and how to lower workers' compensation premiums. Ms. Simmons mentioned that she was able to speak with a representative from Somic and noted that she and Dr. Hawthorne will be setting up a visit with the new site manager of Klöckner Pentaplast.

Joint meeting with jurisdictions following August working session - Mr. Pack asked that another joint working session be scheduled after the Joint IDA's August working session to discuss the strategic plan further. Chairman DiYorio noted that there will be additional working sessions with the jurisdictions.

New River Port of Entry - Chairman DiYorio mentioned that the Customs Agent staffing the Port of Entry located in the New River Valley will be no longer be there and mentioned that she felt that it was a major mistake on the Commonwealth of Virginia's part to do away with it. Dr. Hawthorne mentioned that he had recently been on a conference call with Senator Warner regarding the sequester and the Port of Entry was mentioned during that conversation. He noted that Senator Warner and others in the Commonwealth were concerned about the sequester because Virginia is exposed to the results of it more than other states and if it continues it will be far worse for Virginia.

Next Working session regarding Strategic Planning - Dr. Hawthorne mentioned that the next monthly working session would fall on Thursday, September 12 (only two days after the Lot 24 Event) and asked if the Board would like to schedule that date or wait until after the August 8 meeting to set the next date. The Board chose to wait until after the August working session.

ADJOURN

There being no other business, Chairman DiYorio adjourned the meeting at 4:15 p.m.

Linda DiYorio, Chairman

Attest:

Virginia M. Goodwin, Secretary