

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY

Minutes of Meeting

August 22, 2013

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, August 22, 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.

SOUTHWEST REGIONAL ENTERPRISE CENTER—PRESENTATION BY BOB KIRBY, BUSINESS ANALYST

Bob Kirby, Business Analyst for the Southwest Regional Enterprise Center (SREC), introduced himself to the Board and gave a brief background of his work history. He mentioned that he is now the full-time analyst for Wythe and Bland Counties, replacing Mike Forrest who recently retired and who was half-time in the position. Mr. Kirby thanked the Board for allowing the SREC to use space in the Joint IDA office. He noted that the mission statements of the Joint IDA and of the SREC were similar, but had different target markets. Mr. Kirby stated that the SREC's position was to reach out to small to mid-size business clients, while the Joint IDA targeted group was toward larger ones. A spreadsheet showing the summary of activity for the

Town of Wytheville and Wythe and Bland Counties from 2010 to-date was distributed to the Board members. The summary sheet showed the number of clients served and the status of their business. Mr. Kirby stated that he is in the process of going out into the communities to introduce himself and describe the various opportunities and information available to potential business clients through SREC. Mr. Kirby thanked the Board for allowing him to come and introduce himself and share the background of activities of the SREC.

CITIZENS' TIME

Chairman DiYorio welcomed Wayne Sutherland, Wytheville Town Manager, to the meeting and Tim Reeves, Member of the Wythe County Board of Supervisors, 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.

APPROVAL OF MINUTES—JULY 25, 2013

Chairman DiYorio asked if there were any corrections, additions, or questions regarding the minutes of the July 25, 2013, meeting and if there was a motion to approve the minutes as presented. There being none, Ms. Atwell made a motion, seconded by Mr. Pack, 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 August 2013. Mr. Kause asked about check #6926 to Friends of Southwest Virginia. Chairman DiYorio explained that the Friends of Southwest Virginia was a 501(c)3 organization that supports the the groups Crooked Road and ‘Round the Mountain.’ The service are starts in Franklin County and goes all the way to Lee County, in the tip of far southwest Virginia. Dr. Hawthorne explained that this particular check was for payment for registration to an upcoming economic development conference that the group would be holding. This conference is an example of the broader focus on economic development that has been discussed in our strategic planning sessions. 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. Dixon made a motion, seconded by Mr. Patton, to approve the invoices for August 2013. With no further discussion, the motion passed unanimously.

**Joint IDA of Wythe County
Check Register
For the Period From August 1, 2013 through August 31, 2013**

Check #	Date	Payee	Amount
6917	8-22-13	Alan R. Hawthorne	\$ 3,094.92
6918	8-22-13	Kimberly B. Simmons	2,579.35
6919	8-22-13	Virginia M. Goodwin	1,793.70
6920	8-22-13	Appalachian Power	104.03

6921	8-22-13	Alan Hawthorne - Reimbursement	219.89
6922	8-22-13	Anthem Southeast Dental	69.78
6923	8-22-13	Anthem Blue Cross and Blue Shield	2,163.67
6924	8-22-13	Branch Highways, Inc.	318,519.99
6925	8-22-13	CenturyLink	140.57
6926	8-22-13	Friends of Southwest Virginia	125.00
6927	8-22-13	ACS/BNY Mellon HSA	850.00
6928	8-22-13	The Mount Rogers Dev. Partnership	7,308.45
6929	8-22-13	Principal Life Insurance Co.	42.81
6930	8-22-13	Robert G. Moore	1,100.00
6931	8-22-13	Virginia Goodwin - Reimbursement	5.13
6932	8-22-13	Xerox	19.16

Total **\$ 338,136.45**

OLD BUSINESS

LOT 24/LOT 30 UPDATE/CELEBRATION EVENT - SEPTEMBER 10 AT 11:00 A.M.

Dr. Hawthorne updated the progress of the Lot 24 and Lot 30 projects. He stated rain, again, has played havoc with the work on both lots. Dr. Hawthorne visited the sites earlier in the day, and indicated that equipment is stopped, and there are pools of water, as well as mud, in abundance.

Dr. Hawthorne stated that plans were being worked on for the September 10 ceremony, and it was originally envisioned that the general public would be invited to tour the site following the main ceremony. He added that with the site being in the shape that it is in, along with it not being complete, he suggested that we postpone inviting the public until after the completion of the lot sometime in the fall. Dr. Hawthorne mentioned that he was concerned about the safety of a site tour with the current site conditions. He stated that the first plan was to have the tents setup on the Lot 24 site with parking near the tents, but again with the uncertainty of the weather, and the condition of the site, the backup plan is to set the tents up in the cul-de-sac with an alternative site for parking using shuttles to bring the guests to the site. Dr. Hawthorne pointed out that there was a lot of hard work being put into the event and that the sponsor, Branch Highways, Inc., was also working hard to make sure that the ceremony was high quality and a complete success.

Chairman DiYorio added that currently 60 people have accepted the invitation to the ceremony with the anticipation of approximately 160 attending. She mentioned that there is a wide variety of people from the jurisdictions, funders, legislators, etc., who have been invited. She added that we are currently working on having a small band play patriotic music and the National Anthem, the ROTC presenting the colors, and the agenda of speakers is being compiled. She did note that Governor McDonnell did indicate that he was unable to attend. Chairman DiYorio stated that Branch Highways, Inc. has been terrific to work with and that they were offering and providing tents, tables, chairs, table cloths, the meal, traffic controllers, and numerous other items, as well as their personal expertise in planning the ceremony. She mentioned that the Board would need to thank them for all that they have done in making this event a success. She added that Jeremy Farley, Wythe County Public Information Officer, will be in charge of the press. She mentioned that there were some further ideas discussed for parking and that Wytheville Community

College, a vacant lot, and other places were being worked on. Dr. Hawthorne mentioned that the local Sheriff's Department would not be able to assist with traffic control due to a shortage of officers, but he was sure that the logistics would be worked out soon.

Chairman DiYorio stated that each individual involved will certainly keep working to make this an enjoyable event for everyone.

WORKING SESSION HIGHLIGHTS—STRATEGIC PLANNING, SEPTEMBER 2013

Chairman DiYorio stated that she was not in attendance at the beginning of the August strategic planning meeting and asked the Board for their views. Mr. Kause stated that he now understands that the jurisdictions are interested in having the Joint IDA more involved in economic development and not just industrial development, to be an integral part, not in charge, but there for information, advice, and assistance when needed. Mr. Dixon stated that he thought the session reiterated what was discussed during the first session. He noted that the Town Council, the Wythe County Board of Supervisors, and representatives from these groups have desires for the Joint IDA to broaden what they are currently doing, not change, but add additional focus to include economic development, as well as industrial development. He added that how much additional focus was unknown at the present time. Mr. Dixon added that Cellell Dalton, Wythe County Administrator, did affirm that Wythe County would be supporting the Joint IDA. He mentioned that providing more information and assistance to the jurisdictions would require better communication between the Joint IDA and the jurisdictions. He stated that the Joint IDA Board knows the direction and the destination, but needed to work on how to get there. Mr. Pack stated that both Mr. Kause and Mr. Dixon covered the working session information well, but that he felt that there was still a lot of work to do on the planning. Mr. Sutherland, Wytheville Town Manager, stated that he thought the Board had a good idea of what the jurisdictions are needing.

Dr. Hawthorne alluded to the conference that he would be attending sponsored by the Friends of the Southwest. He stated that this conference, which focuses on a major state and regional initiative toward non-industrial, and non-traditional economic development, will allow him the opportunity to participate and acquire more information regarding the broader topic of economic development in the strategic planning discussion. Some of the examples that Dr. Hawthorne suggested was input and assistance to the individuals involved in the Agriculture Center with financing information assistance. He added that he could offer assistance to the group focused on downtown revitalization by working to add the downtown area to the Enterprise Zone when the renewal application is submitted next year. He stated that there was still acreage available between our current Enterprise Zone size and the maximum allowed. He will work with the town identify an area (must be a minimum of 10 acres) and appropriate local EZ incentives. Dr. Hawthorne stated that the Enterprise Zone could consist of two non-contiguous areas in different locations. Dr. Hawthorne noted that the Joint IDA Board would have to discuss other examples that could support a broader economic development efforts. He stated that there are a range of activities that the Joint IDA could do, such as gathering information, but that the Enterprise Zone specifically would need to be acted upon soon in order to get the information included in the renewal. Mr. Sutherland, Wytheville Town Manager, agreed and stated that it was a wonderful idea for acreage in the Town of Wytheville to be included in the Enterprise Zone.

Mr. Sutherland, Wytheville Town Manager, spoke about the downtown revitalization group, their forming, and the assistance that the Town of Wytheville will be providing to them. He noted that the Town of Wytheville is committed to the Main Street program and once the group is completely formed that they will be considered a non-profit, independent, stand alone, organization who may need

assistance in getting started. He mentioned that members of the group cannot be employees of the Town of Wytheville, the Joint IDA etc., because they will be a non-profit organization. Mr. Patton asked if the Joint IDA should meet with the group. Mr. Sutherland stated that they are not fully organized or ready to meet with others yet. Chairman DiYorio asked that a message be sent to the group stating that the Joint IDA could be a resource for them for information, etc. Dr. Hawthorne stated that the Joint IDA could share information and fill specific requests as asked. The Board asked if they were allowed to attend the meeting. Mr. Sutherland stated that the next meeting is on Thursday, August 29 at 5:30 p.m. in the VHDA Conference room. Mr. Atwell and Ms. Simmons will attend the meeting.

Chairman DiYorio asked Mr. Reeves, Wythe County Boards of Supervisors member, about the Agriculture Center. Mr. Reeves stated that the group is planning to locate the Agriculture Center between exits 77 and 80 off of Interstates 81 and 77, behind the Old Fort Western Store. He stated that the group has acquired 50 acres there and that they are a non-profit group looking to establish an expo center at the location. He mentioned that the group acquired some funds by selling the old horseshow grounds and that the Farm Bureau has donated \$50,000 towards the building of the center. Mr. Reeves stated that a committee has been formed including himself, Cellell Dalton, Wythe County Administrator, and Gene Horney, Wythe County Board of Supervisor's member. The committee has been talking with U. S. Representative Morgan Griffith and Delegate Terry Kilgore for assistance and input. Ms. Atwell stated that the group needed assistance with writing grants to help with their structure. Mr. Reeves mentioned that the Virginia Department of Transportation will be putting in an entrance to the property, but it depends on what they will have there. He mentioned that Mr. Dalton had spoken with Rural Development and that himself, Mr. Dalton, and Mr. Horney will be meeting next week with Jeremy Farley, Wythe County Public Information Officer and Grants Writer, to ask for his assistance in applying for grants for the group.

OTHER

September Working Session - Ms. Atwell asked about the working session date for September 2013. Dr. Hawthorne stated that since the ceremony was being held on September 10 that it would be up to the Board as to what they would like to do. Mr. Patton and Mr. Kause stated that another day during the same week would be okay with them. Mr. Patton asked what the focus of the meeting would be in September. Chairman DiYorio stated that the Board would need to begin writing down information for the strategic plan. Chairman DiYorio asked the Board if Thursday, September 12, at 3:00 p.m. would be suitable for the Board to meet. There was a consensus to meet on September 12 at 3:00 p.m. The meeting will be held in the Joint IDA Conference room.

NEW BUSINESS

INDUSTRY OF THE YEAR AWARD COMMITTEE APPOINTMENTS

Chairman DiYorio mentioned that a committee would need to be appointed for the Industry of the Year Award selection. Chairman DiYorio asked Ms. Atwell, Mr. Pack, and Mr. Patton if they would serve on the committee, all agreed to serve. Ms. Atwell mentioned that D & D Trophies had been sold, but that the name of the company, telephone number, and address all remained the same. The Joint IDA staff will contact the committee members to set a meeting date.

DRAFT MANAGEMENT DISCUSSION AND ANALYSIS NARRATIVE FOR AUDIT

Dr. Hawthorne mentioned that the Board members received a draft copy of the Management

Discussion and Analysis (MD&A) for the audit held in July. He noted that he had just received the audit summary from Robinson, Farmer, Cox Associates. Dr. Hawthorne stated that the MD&A was in the same format as in previous years and that it is a part of audit requirements. It is technically management's report to the Board. He asked that the Board review the MD&A and inform him of any questions or concerns that they may have.

Chairman DiYorio asked if the MD&A needed to be approved by the Board. Dr. Hawthorne stated that he would just need to receive any concerns that the Board may have by the first of the next week. Mr. Dixon asked if it was okay not to respond if they had no concerns. Dr. Hawthorne stated that, if he did not hear from any of the Board members by Tuesday, August 27 he would submit the MD&A to the auditors. Mr. Kause asked what "notes" meant in the analysis. Dr. Hawthorne stated that "notes" are part of the actual audit. He added that after submission of the MD&A he will probably have the final report from the auditors in September.

CHANGE NOVEMBER 14 REGULAR MEETING TO A NOVEMBER 7 STRATEGIC PLANNING WORK SESSION

Chairman DiYorio stated that there was a suggestion to change the November 14 regular Board meeting to a Working Session on November 7 to continue work on the Strategic Plan. Mr. Dixon asked, to verify, that there would not be a regularly scheduled meeting on November 14. Chairman DiYorio stated that would be correct. Ms. Atwell told the Board members that the Wytheville-Wythe-Bland Chamber of Commerce annual dinner is scheduled for Thursday, November 14, beginning at 6:00 p.m. Chairman DiYorio stated that the December 19 meeting will be moved to December 12.

NEWSLETTER (SUMMER NEWSLETTER WILL BE DELAYED TO INCLUDE LOT 24 EVENT)

Dr. Hawthorne told the Board that the summer newsletter would be delayed to allow the inclusion of the Lot 24 celebration event. He noted that the newsletter will be distributed the week following the ceremony.

PROJECT UPDATES

Dr. Hawthorne gave an update on recent prospect activity. He noted that an European water project will be visiting a site in Wythe County on October 21. He added that there is also a formal proposal out to a company for expansion and noted that a site visit has been made, and the Joint IDA is following up with incentive program information to the company. Dr. Hawthorne stated that there are two other projects on hold and that expansion with one company will not occur until the company formally purchases the property. He added in the second expansion project the lease on the property does not expire for two years and that the company is now working on other priorities at present and further discussions are expected closer to this lease expiration date.

Dr. Hawthorne mentioned that the Board members may remember that in 2012 a data center developer made a site visit and added that a another member of their executive team will be coming again. No specific project exists, but the certification by AEP has again triggered their interest. He mentioned that on Friday, August 16, a well known site consultant was traveling through the area and stopped to visit Progress Park and view Lot 24. He noted that the consultant was impressed with the infrastructure and stated that, "this is the most beautiful spot in the world." Dr. Hawthorne stated that Progress Park and

Lot 24 made a very positive impression on him and that he feels assured that he would be spreading the information around to his clients.

OTHER

Habitat for Humanity property - Chairman DiYorio mentioned that the yard at the Habitat for Humanity office needs to be mowed. Ms. Simmons was asked to contact them about the mowing.

Appalachian Power data center site advertisement - Dr. Hawthorne stated that each Board member received a copy of the data center advertisement that Appalachian Power Company placed in the August 2013 edition of the Virginia Business magazine. He noted if anyone would like additional copies they were available in the Joint IDA office.

Bank Resolution - Dr. Hawthorne noted that the Board would need to take formal action to approve the signature changes for the Joint IDA bank accounts to remove Carolyn Dankowski and add Bill Dixon. Chairman DiYorio asked if there was a motion to allow the Joint IDA Chairman, Vice Chairman, Treasurer, and Executive Director to sign new signature cards and bank resolutions for the Joint IDA bank accounts at First1Bank. Mr. Jones made a motion, seconded by Mr. Dixon, to allow the Executive Officers, as well as the Executive Director to sign new signature cards and bank resolutions for the Joint IDA bank accounts at First1Bank. With no further discussion, the motion passed unanimously.

Substance Abuse Coalition - Kimber Simmons, Associate Director for the Joint IDA, stated that the Wythe-Bland Substance Abuse Coalition would be holding a Community Resource Health Fair at Elizabeth Brown Park on Thursday, September 5, from 11:00 a.m. until 2:00 p.m. Food will be provided by the Probation and Parole regional office. In case of inclement weather, the event will be moved inside the old recreation building.

Affordable Care Act - Dr. Hawthorne stated that he had been participating in webinars and receiving various information updates regarding the changes being made on October 1 to begin implementation of the Health Insurance Exchanges portion of the Affordable Care Act. He noted that there are certain mandates that will take effect at that time and that he would inform the Board of what the financial impact would be to the Joint IDA.

Wytheville Community College 20th Anniversary Celebration - Mr. Dixon mentioned that Wytheville Community College will be celebrating its 50th Anniversary on September 28 at the college. He did not know about invitations at this time.

ADJOURN

There being no other business, Chairman DiYorio adjourned the meeting at 4:05 p.m.

Linda DiYorio, Chairman

Attest:

Virginia M. Goodwin, Secretary