

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
Minutes of Meeting
September 22, 2011

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, September 22, 2011, at 3:00 p.m. in the Council Room of the Wytheville Municipal Building at 150 East Monroe Street, Wytheville, Virginia..

MEMBERS PRESENT

William F. Snyder
Dana Pack

Tom Jones
Foy Patton

MEMBERS ABSENT

Linda DiYorio, Chairman
Dave Elmore, Vice Chairman
Jennifer Atwell

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

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

CITIZENS' TIME

Past Chairman Snyder welcomed Wythe "Bucky" Sharitz to the meeting. He asked if there were any persons present who would like to address the Board during citizens' time. There being none, Past Chairman Snyder proceeded with the meeting.

APPROVAL OF MINUTES—August 25, 2011

Past Chairman Snyder asked if there were any corrections, additions, or questions regarding the minutes of the August 25, 2011, meeting. There being none, Past Chairman Snyder asked for a motion to approve the August 2011 minutes as presented. Mr. Jones made a motion, seconded by Mr. Pack, to approve the minutes as presented. The motion passed unanimously.

APPROVAL OF INVOICES

Past Chairman Snyder asked if there were questions or discussion regarding the invoices for September 2011. Dr. Hawthorne mentioned that there was a copy of the Branch Highways invoice attached to the check register for the Board to review. He also stated that the Branch Highways and Evatran checks will be held until reimbursements are received from Wythe County and the Tobacco Commission for these payments.

Past Chairman Snyder asked if there were any further questions or discussions and asked if there was a motion to approve the invoices from August 2011. Mr. Pack made a motion, seconded by Mr. Patton, to approve the invoices as presented. With no further discussion, the motion passed unanimously.

Joint IDA of Wythe County Check Register For the Period From August 26, 2011 through September 22, 2011

Check #	Date	Payee	Amount
6438	9/22/11	Alan R. Hawthorne	4,664.94
6439	9/22/11	David L. Elmore	212.29
6440	9/22/11	Dana R. Pack	212.29
6441	9/22/11	Foy W. Patton	212.29
6442	9/22/11	Jennifer W. Atwell	212.29
6443	9/22/11	Linda DiYorio	212.29
6444	9/22/11	Tom Jones	212.29
6445	9/22/11	Virginia M. Goodwin	1,673.56
6446	9/22/11	William F. Snyder	212.29
6447	9/22/11	Appalachian Power	93.82
6448	9/22/11	Alan Hawthorne - Reimbursement	1,144.08
6449	9/22/11	Anthem Southeast Dental	59.12
6450	9/22/11	Anthem Blue Cross and Blue Shield	1,035.92
6451	9/22/11	Branch Highways, Inc.	465,109.55
6452	9/22/11	CenturyLink	128.66
6453	9/22/11	Evatran, LLC	209,032.43
6454	9/22/11	Mellon Trust of New England, NA	587.00
6455	9/22/11	Principal Life Insurance Co.	141.42
6456	9/22/11	Robert G. Moore	1,100.00
6457	9/22/11	Sprint PCS	73.29
6458	9/22/11	VA Economic Dev Association	225.00

6459	9/22/11	Virginia Goodwin - Reimbursement	2.76
6460	9/22/11	Xerox	8.97
Total			\$686,566.55

OLD BUSINESS

LOT 24 UPDATE

Dr. Hawthorne updated the Board on the Progress Park Lot 24 activity. He reported that there were no significant comments made during the public comment period required by the US Army Corp of Engineers for the resolution of the US Fish and Wildlife Service before completing the permit. The public comment period ended on August 31 and the Indian tribes were allowed a comment for a one week period after that. No significant comments were received. Discussions and negotiations continue with the Fish and Wildlife Service regarding the stream buffering issue. Dr. Hawthorne added that he has been working with Scott Farthing to develop a Stream Protection Plan that would be incorporated into the site review plan for the building construction and erosion and sedimentation control permits for other construction. They will be presented to the US Fish and Wildlife Service for review and approval.

Dr. Hawthorne reminded the Board that they would be touring Lot 24 prior to the October Board meeting. He also mentioned that Tom Elliot, Executive Director of aCorridor will be conducting a tour on the same day with a site consultant.

Dr. Hawthorne noted that the next scheduled progress meeting with Branch Highways will be held on Wednesday, October 12, beginning at 9:30 a.m. at the site trailer.

INDUSTRY SPECIAL RECOGNITION AWARD SELECTION

Past Chairman Snyder reported on the September 9 meeting of the Industry Special Recognition Award Committee. The members in attendance were Foy Patton, Tom Jones, William Snyder, Linda DiYorio and Joint IDA staff member, Virginia Goodwin. Past Chairman Snyder stated that the committee's recommendations for the 2011 award were Quadrant Engineering Plastic Products and Mid-Atlantic Manufacturing and Development, Inc. Past Chairman Snyder asked the Board if it was their pleasure to score each company and accept the winner to be the one with the highest score. The Board agreed. Past Chairman Snyder noted that each member received an Award Scoring Sheet prior to the Board meeting. He asked that they score the two candidates, Quadrant Engineering Plastic Products and Mid-Atlantic Manufacturing and Development, Inc. according to the criteria listed on the sheet. He also mentioned that they had additional information with their package that described the community and civic activities of each company. After completing the sheets and tallying the scores, Ms. Goodwin announced that Quadrant Engineering Plastic Products had prevailed with a score of 87 to Mid-Atlantic's 86. Past Chairman Snyder asked the Joint IDA staff to contact Quadrant Engineering Plastic Products and assist with any arrangements needed for their attendance at the W-W-B Chamber of Commerce annual dinner to be held on November 14 where the award will be presented.

QUAIL HABITAT UPDATE

Dr. Hawthorne and Mr. Rosenberger with the Outreach and Education Division at Virginia Tech met with Branch Highways representatives regarding substituting the seed now used on Lot 24. He noted that they discussed a type that would be suitable for providing feed for quail. Dr. Hawthorne spoke with Mr. Rosenberger about the potential of leasing, for a small fee, quail habitat plots from current manufacturers' properties to allow habitats to be established. He noted that the cost of the program could come from grants that would be given to an individual person and not a company or government agency. The individual would then be responsible for the seeding and upkeep of the habitats. Gatorade and other Progress Park companies may be approached to investigate leasing areas around their facilities for the habitats.

Dr. Hawthorne noted that the rail and road corridors, and the power lines were also discussed to see if they would be proper habitats. Mr. Rosenberger will look more closely at these areas. Dr. Hawthorne added that these areas may not have to be disturbed and recommended that there not be any seeding done on unsold property. Dr. Hawthorne spoke with Mr. Rosenberger regarding Fairview Park as a recommended habitat. He stated that Fairview Park is a more open area that may not be suitable for what they are looking for, but that the area would be studied after they complete their findings at Progress Park.

Dr. Hawthorne asked the Board if it was their recommendation to endorse the establishment of quail habitats within the industrial parks. Mr. Jones asked if any of the seed included Autumn Olive. Dr. Hawthorne stated that it was all grass seeding and that much of the previous seeding that has been done already serves as a good habitat for quail, which has contributed to their increase in population in the area. Past Chairman Snyder asked who will provide the cost for a different seed mix, if recommended. Dr. Hawthorne stated that the federal funds cannot be provided to a government entity or company, but only to individuals. He stated that he hopes that an adjustment to the seed mix can be done at no additional cost. Dr. Hawthorne stated that he should have an estimate in a couple of weeks. Past Chairman Snyder asked if there was a motion to endorse the plan for seeding of quail habitats in both Progress Park and Fairview Park, if it was found suitable. Mr. Patton made a motion, seconded by Mr. Pack, to endorse the plan for seeding in both Progress Park and Fairview Park for quail habitats.

Dr. Hawthorne stated that he will be writing a letter to Cellell Dalton, Wythe County Administrator and to the Wythe County Board of Supervisors telling them of the endorsement of the Joint IDA Board. He will be asking them for their consideration and approval of the plan.

OTHER

There was no other old business.

NEW BUSINESS

ANNUAL DINNER MEETING AND AWARD WITH W-W-B CHAMBER OF COMMERCE—NOVEMBER 14, 2011

Dr. Hawthorne mentioned that the 2011 Wytheville-Wythe-Bland Chamber of Commerce dinner will be held on November 14 at the Wytheville Meeting Center. He stated that the cost of

sponsoring a table is approximately \$500.00, but that the staff would check on the exact amount. Past Chairman Snyder asked the Board if there was a motion to sponsor a table at the Chamber of Commerce dinner. Mr. Patton made a motion, seconded by Mr. Pack, to sponsor a table at the Chamber of Commerce dinner. With not further discussion, the motion passed unanimously.

FOLLOW-UP DISCUSSION FROM WYTHE COUNTY TECHNOLOGY CENTER

Dr. Hawthorne discussed the tour of the Wythe County Technology Center that the Board participated in prior to the Board meeting. He noted that the Board members had numerous questions and that there were good discussions regarding the center and its activities. Dr. Hawthorne added that during recent meetings with various economic development organizations education has been an important theme of discussion with these groups. He mentioned that the Virginia Department of Education has adopted several workplace characteristics for students that would provide them with fundamental skills such as computer usage, basic level math and reading abilities, as well as other pertinent assets for the job market. Dr. Hawthorne noted that Virginia is doing a good job of using credentialing of the students, but that he was sensitive to the fact that the cost of credentialing is an extra expense to the school system. He would like to see the businesses and industries step forward and assist financially with the credentialing aspect of the programs.

The Board continued with their discussion and highlighted points such as how the economy affected the construction trade, the outdated industrial equipment being used to train students in the technology center, etc. Mr. Pack was impressed with the assistance that is given to the juniors and seniors at each high school, but expressed his concern regarding the loss of the Career Coaches in the local middle schools and the impact that it has on getting younger students interested in particular trades. The Board feels that it is crucial to get the students interested in the opportunities available in manufacturing to them at the technology center at an earlier age rather than waiting until they reach high school to communicate the information to them. Dr. Hawthorne spoke about the discussions that he has been involved in concerning dual credit programs for the technology center. He stated that dual credit classes would provide students at the center the ability to focus on the career and technical aspects of their education, as well as enhance their post secondary education components.

Past Chairman Snyder asked that the Board keep the information that they had learned during the tour today in mind and to think of ways that the Joint IDA might be able to offer assistance to the Wythe County Technology Center in their efforts to provide quality education to their students. He noted that the Wythe County Board of Supervisors, as well as the Joint IDA, must continue to support the education system and provide economic development to ensure that there are places of employment for the students upon graduation. Wythe County needs to continue to provide a good quality of life, jobs, and opportunities for the students. Mr. Pack noted that he enjoyed the tour and that he now better understands the obstacles and situations that the technology center faces.

MANAGEMENT DISCUSSION AND ANALYSIS NARRATIVE FOR AUDIT

An updated Management Discussion and Analysis (MD&A) narrative for the 2010-2011 audit was distributed to the Board prior to the meeting. Dr. Hawthorne explained that this copy had a revised last section and updated the graphics compared to the prior draft with which they were provided. He noted that there was a brief discussion added in the report regarding the Small

Business Financing Authority loan to Smyth-Wythe Airport Commission for the Mt. Empire Airport for terminal construction.

Past Chairman Snyder asked if there needed to be any action taken on the MD&A narrative. Dr. Hawthorne stated that the report was for the Boards information, but that he welcomed any comments, questions, or refinements to the report. If there were no questions or concerns the report will be forwarded to the auditors at Robinson, Farmer and Cox to allow them to complete their reports. The audit report will be submitted to the Board upon completion.

I-81 JOINT RESOLUTION

A copy of the I-81 Joint Resolution was distributed to the Board prior to the meeting. Dr. Hawthorne explained that approximately five years ago there was a joint resolution submitted to the Virginia Department of Transportation (VDOT) for enhancement to the I-81 and I-77 corridor. VDOT incorporated most of the recommendations, which included that the existing I-77 corridor stay the same and that there be a new I-81 corridor constructed. The proposed resolution endorses enhancement of the road system to include access to Progress Park. The connector road will be approximately one mile from Progress Park and would help with the local traffic situation.

The I-81 Joint Resolution, which has already been adopted by the Wythe County Board of Supervisors, and the Wytheville-Wythe-Bland Chamber of Commerce, will be presented at the public hearing to be held at the Wytheville Meeting Center on Wednesday, September 28 from 4:00 to 6:00 p.m. The Town of Wytheville and the Town of Rural Retreat will consider the resolution during their respective council meetings next week.

Dr. Hawthorne suggested that the Joint IDA Board adopt the resolution as presented. Past Chairman Snyder asked if there was a motion to adopt the I-81 Joint Resolution as presented. Mr. Pack made a motion, seconded by Mr. Jones, to adopt the I-81 Joint Resolution as presented. With no further discussion, the motion passed unanimously.

RURAL VIRGINIA SUMMIT REPORT

Dr. Hawthorne gave a report on the 2011 Virginia Rural Summit held on September 12 and 13. He noted that the Rural Virginia Center is staffed by Glen Sink and Thelma Burris. The focus of the summit was on advanced manufacturing, infrastructure, healthcare, and education, with a large part centered on economic development for the citizens in rural Virginia. Dr. Hawthorne added that there was an economic overview presented by the Virginia Economic Development Partnership's (VEDP) consultant, John Rhodes. Mr. Rhodes had recently completed an assessment of the aCorridor region for VEDP. His session focused around people as a resource with a theme of education. Mr. Rhodes showed the realistic look at where rural Virginia stands now and what the realistic opportunities are for the region. Dr. Hawthorne noted that there are currently no programs expanding to accommodate Rural Virginia and that the Department of Agriculture has been the key leader in what is currently being done. He suggested that the Joint IDA continue to partner with several agencies to assist in obtaining the resources needed for our area. Dr. Hawthorne feels that the Joint IDA has information that can be shared with other organizations in rural Virginia.

Past Chairman Snyder spoke briefly about the One Care of Southwest Virginia, Inc.'s health report and article in the newspaper on the "Blueprint for Substance Abuse and Misuse Prevention,

Treatment and Control.” He noted that he was critical of the report and still has some critical feelings, but since reading the report he has a definition of the science regarding it. Past Chairman Snyder stated that One Care did put together a critical story about a problem that needs to be corrected in our area. Dr. Hawthorne appreciated Past Chairman Snyder’s interest and thanked him for reading and giving his comments about the report.

REMINDER: TOUR OF PROGRESS PARK LOT 24 PROJECT PRIOR TO OCTOBER BOARD MEETING

Dr. Hawthorne reminded the Board that they will be touring Lot 24 in Progress Park prior to the regular Board meeting in October. The Board is to meet at the Wytheville Municipal Office at 1:30 p. m. and will carpool to the site. Dr. Hawthorne asked Wythe “Bucky” Sharitz to join the group for the tour.

PROJECT UPDATES

Dr. Hawthorne updated the Board on current projects. He reported that the option to purchase Lot 35 had been extended and that necessary paperwork had been initiated. He added that a potential prospect, who would be a heavy water user, has self-selected to opt out because of compatibility issues with Gatorade and Pepsi. He noted that the company has looked at other areas because of the compatibility issue.

OTHER

International Economic Development Council Conference (IEDC) - Dr. Hawthorne reported on the IEDC conference recently held in Charlotte, NC. He noted that there were three different provinces from Canada and a community from Mexico that were accredited during the meeting. He added that the majority of the participants were from the United States and included individuals distant states such as Alaska, Washington, Arizona, and California. Dr. Hawthorne reported that the program for the conference was broad and diverse. He mentioned that Mark Vitner, Managing Director and Chief Economist for Wells Fargo Securities, spoke to the group on the economy. He added that the economic situation is not particularly encouraging. Mr. Vitner mentioned the financial market situation in Europe, jobs recovery, job loss, and the overall economic recovery. Dr. Hawthorne added that it was sobering to hear how far the economy was down and that it would more than likely take a decade of growth to make up for what has been lost.

Dr. Hawthorne mentioned that there were various sessions during the conference that he found to be useful. He added that there were approximately 25 to 30 consultants from around the world in attendance who responded to how the RFI’s (Response for Information) were put out. They talked about projects that use existing buildings. He noted that using existing buildings provided a better situation for projects to meet infrastructure needs.

Dr. Hawthorne added that he does not see Lot 3 or Lot 8 in Progress Park being sold until some of the existing building inventory goes down. He noted that speed to operations is an important competitive advantage once the mega-project site (Lot 24) is ready for occupancy. Dr. Hawthorne also mentioned that, during the conference, there was emphasis on data center activity.

Board Working Session - Dr. Hawthorne made a recommendation that the Board hold a working session to discuss personnel and budget issues. He noted that there are also Crossroads Regional Industrial Facility Authority issues that will be need to be discussed. Dr. Hawthorne asked the Board if they would be available to meet on Thursday, October 13 at 3:00 p.m. in the Joint IDA conference room. Past Chairman Snyder asked the members if that date and time would be agreeable with the Board members present, all Board members present agreed. The Joint IDA staff will contact the Boards members who are absent to see if they will be available on October 13. If scheduling works, a notice will be provided regarding the Working Session.

ADJOURN

There being no other business, Past Chairman Snyder adjourned the meeting at 4:55 p. m.

William F. Snyder, Immediate Past Chairman

Attest:

Virginia M. Goodwin, Secretary