

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
Minutes of Meeting
December 17, 2009

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, December 17, 2009, at 3:00 p.m. in the Council Room of the Wytheville Municipal Building located at 150 East Monroe Street, Wytheville, Virginia.

MEMBERS PRESENT

William Snyder, Chairman	Linda DiYorio
Dave Elmore, Vice Chairman	Dana Pack
Tom Jones	Foy Patton
Jennifer Jones	

MEMBERS ABSENT

None

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

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

CITIZENS' TIME

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

APPROVAL OF MINUTES—November 19, 2009, meeting

Chairman Snyder asked if there were any questions regarding the minutes of the November 19, 2009 meeting. There being none, Dr. Snyder asked for a motion to approve the minutes. Mr. Jones made a motion, seconded by Mr. Pack, to adopt the minutes as presented. The motion passed unanimously.

APPROVAL OF INVOICES

Chairman Snyder asked if there were any questions concerning the invoices. Mr. Elmore made a motion, seconded by Mr. Patton, to approve the invoices. With no further discussion, the motion passed unanimously.

Joint IDA of Wythe County

Check Register

For the Period From November 20, 2009 through December 17, 2009

Check #	Date	Payee	Amount
5994	12/17/09	Alan R. Hawthorne	\$4,329.91
5995	12/17/09	David L. Elmore	207.79
5996	12/17/09	Dana R. Pack	207.79
5997	12/17/09	Foy W. Patton	207.79
5998	12/17/09	Jennifer W. Jones	207.79
5999	12/17/09	Linda DiYorio	207.79
6000	12/17/09	Patrick G. Burton	2,518.24
6001	12/17/09	Tom Jones	207.79
6002	12/17/09	Virginia M. Goodwin	1,536.60
6003	12/17/09	William F. Snyder	207.79
6004	12/17/09	Appalachian Power	100.37
6005	12/17/09	Alan Hawthorne - Reimbursement	251.45
6006	12/17/09	Anthem Southeast Dental	81.78
6007	12/17/09	Anthem Blue Cross and Blue Shield	1,402.52
6008	12/17/09	Chamber of Commerce	125.00
6009	12/17/09	Embarq	173.06
6010	12/17/09	VOID	0.00
6011	12/17/09	Principal Life Insurance, Co.	152.94
6012	12/17/09	Robert G. Moore	1,100.00
6013	12/17/09	Sprint PCS	69.53
6014	12/17/09	VA Economic Dev Assoc.	300.00
6015	12/17/09	Virginia Goodwin - Reimbursement	105.86
6016	12/17/09	Wytheville Office Supply	57.99
6017	12/17/09	Xerox	267.86
6018	12/17/09	Mellon Trust of New England, NA	570.00
Total			\$14,597.64

OLD BUSINESS

LOT 24 UPDATE—LEGAL COUNSEL REVIEW OF CONTRACT DOCUMENTS

Dr. Hawthorne reported that he has been working with Branch Highways, Inc. (BHI) on the Design/Build Institute of America's (DBIA) standard documents for contracting. There are two components associated with the DBIA documents: the agreement between the owner and the design/build contractor for the lump sum of the contract; and the general conditions between the owner and the design/build contractor.

There have been several iterations back and forth with the latest information being sent to BHI during the last week. It was anticipated that the BHI response would be received back at the beginning of this week. Actually, the response was received approximately thirty minutes prior to today's Board meeting. Dr. Hawthorne stated that he did have a chance to briefly look over the information and BHI has agreed to about 80% of the proposed changes. There are a few outstanding issues to be addressed such as time extensions for completion of work and responsibility for permits. Dr. Hawthorne made copies of the draft documents available for interested Board members.

Dr. Hawthorne will be working with Chairman Snyder to get the draft contract ready for review by legal counsel. Dr. Snyder asked whether BHI had the documents reviewed by their legal counsel. Dr. Hawthorne stated that they had not. Dr. Hawthorne indicated that he will seek comments from Cellell Dalton, Wythe County Administrator.

During the November meeting a committee was formed to select legal counsel. The committee chose Vandeventer Black LLP from Norfolk, Virginia. Vandeventer Black has previous experience working with design/build construction projects. Dr. Hawthorne noted that the firm has worked with contractors and government entities. The company is knowledgeable, has relevant experience, and also understands that what the Joint IDA was looking for was review of the draft document that the Joint IDA puts together. The committee believed that Vandeventer Black was the superior vendor.

Dr. Hawthorne reported that the County has received indications of further budget cuts from the state. Dr. Hawthorne stated that Mr. Dalton has asked him to look at the project to determine if there can be any additional cutbacks. Dr. Hawthorne will explore reduced scope options with BHI. There were also questions regarding the time frame of the project and ownership of the property. Wythe County is proceeding with an RFP for procurement of services related to offsite construction. Dr. Hawthorne indicated that the County should be cautious about expenditure of funds on project activities prior to execution of grant agreements. Dr. Hawthorne will meet with Mr. Dalton on December 18 to discuss the questions and issues at hand.

Chairman Snyder mentioned that another round of economic stimulus is being discussed at the Federal level and that State and Local governments could be getting more funds for projects.

Mr. Elmore asked whether the Joint IDA would be promoting the completed site as a mega-site. Dr. Hawthorne stated that he would not advise such promotion because typically mega-sites were for auto assembly plants.

Dr. Hawthorne asked that the Board authorize Chairman Snyder to execute and sign any contracts or documents necessary to facilitate moving ahead with the project. Ms. DiYorio made a motion, seconded by Mr. Elmore, to grant authority to Chairman Snyder to sign the necessary documents needed to facilitate the project. Dr. Snyder asked if there was any discussion. There being none, the motion passed unanimously.

Chairman Snyder added that he is confident that the Board of Supervisors is fully committed and that he looks forward to getting the necessary documents and contracts in place to be able to take advantage of attractive rates.

INDUSTRY TENURE AWARDS CEREMONY JANUARY 28, 2010

Patrick Burton distributed a list of the 2010 Industry Tenure award recipients to the Board members. Dr. Hawthorne mentioned that he asked Dr. Charlie White, Wytheville Community College President, if he would be willing to be this year's luncheon speaker. He noted that Dr. White graciously accepted the invitation, if the Board agrees.

Dr. Snyder asked whether the recipients had been in continuous business for the number of years listed. Dr. Hawthorne noted that the list was compiled from the records over the past ten years. He also noted that the criteria vary and that most of the recipients were associated with the industrial parks and are mostly manufacturing companies. Some are not located in the industrial parks. The Board may need to refine the criteria for future awards in order to ensure consistency.

Mr. Elmore recalled from the November meeting that Ms. DiYorio suggested that the Board members call to extend a personal invitation to the recipients. Mr. Elmore asked if it would be appropriate, at this meeting, to assign each Board member the companies they need to contact. Patrick Burton indicated that he had a sign-up sheet and he asked Mr. Patton to contact Mr. Tibbs from Rural Retreat Mills. Mr. Elmore stated that he would contact Camrett Logistics, Southwest Specialty Heat Treat, MTC Transformers, and Coperion. Ms. Jones said that she could contact Mark Umberger of Umberger Contractors.

Dr. Hawthorne stated that letters of invitation would be mailed on Friday, December 18, if the Board approved Dr. White as the speaker. Mr. Pack made a motion, seconded by Ms. DiYorio, to approve Dr. Charlie White as the speaker for the event. With no further discussion, the motion passed unanimously.

Ms. Jones asked staff to inform the Board members of the recipients' RSVP status so they would know who to call. Patrick Burton stated that he would email a reminder contact list, contact information, and RSVP status to each Board member.

Dr. Hawthorne noted that the elected and administrative officers of each jurisdiction will also be invited to the event.

TICRC R&D GRANT PROPOSAL STATUS

Dr. Hawthorne reminded the Board that they approved a resolution to apply for a Research and Development grant to the Tobacco Indemnification and Community Revitalization Commission

(TICRC) on behalf of Evatran LLC. Dr. Hawthorne reported that there were a total of 16 grant applications submitted to the TICRC and that only two applications were continued through to the vetting review process. The Joint IDA application was among those chosen to continue for further review. Dr. Hawthorne thanked Ms. DiYorio for her assistance during the process and welcomed any observations she had to share with the Board. Ms. DiYorio added that there were several good projects and that individuals from Virginia Tech and UVA, as well as other researchers, will be in charge of the vetting process. After the vetting phase is complete, the review comments will be returned to the TICRC R&D committee prior to its January 11 meeting.

OTHER

Arnie Wodtke - Dr. Hawthorne mentioned that he had the pleasure of having lunch with Arnie Wodtke prior to today's Board meeting. Mr. Wodtke retired from Gatorade, moved to South Carolina, and has been substitute teaching and taking courses for a teaching certificate.

NEW BUSINESS

VISITS BY VT FACULTY OF HIGH PERFORMANCE MANUFACTURING CENTER

Patrick Burton gave a brief summary of a visit by Virginia Tech engineering faculty to two manufacturing facilities in Wythe County and Rural Retreat. Prior to the visit, Dr. Hawthorne scheduled visits to Gatorade and Klockner for the group. The group was looking to visit some of the more technologically advanced facilities in this part of the state. The faculty were interested in building relationships with company management, providing assistance through the university, and securing opportunities for student research.

VEDP VIDEO CLIP PRODUCTION OF WYTHE COUNTY ADVANCED MANUFACTURERS

Dr. Hawthorne indicated that communications staff from the Virginia Economic Development Partnership (VEDP) had visited Wytheville to film clips for a marketing video about advanced manufacturing in Virginia, building off the numerous awards that Virginia has received for being the "best place to do business." Included in the video will be Gatorade and Wytheville Technologies. Carolyn Dankowski, Plant Manager at Gatorade, and Peter Argue, Plant Manager at Wytheville Technologies, met with the film crew and provided their impressions of doing business in Virginia and described the general processes at their respective plants. Dr. Hawthorne is hoping to eventually obtain a copy of the video to have available to show in the local school classrooms to encourage students to pursue jobs in advanced manufacturing.

Dr. Hawthorne mentioned that he spoke with Preston Wilhelm of the Virginia Department of Business Assistance (VDBA) regarding two items that the Joint IDA needs assistance with. The first item is development of a video regarding advanced manufacturing for outreach to area high school students. He was willing to assist with that project. Dr. Hawthorne also asked Mr. Wilhelm for assistance in assembling a training/recruiting video for water and wastewater operators in the area. Cellell Dalton had approached Dr. Hawthorne regarding the retirement of operators in the sector and how the pool of operators is limited. Mr. Dalton asked if the Joint IDA could facilitate assistance with an approach to training and recruiting in that area. Mr. Wilhelm agreed that VDBA

would assist with that effort as well.

UPDATE OF VEDA ANNUAL MEETING AND VEDP ALLIES MEETING

Dr. Hawthorne and Patrick Burton attended the annual Virginia Economic Development Association (VEDA) and the Virginia Economic Development Partnership Allies meetings during the first part of December.

The VEDP allies meeting showcased a briefing from a VEDP economist. There were high quality presentations regarding the smart grid and associated research. Dr. Hawthorne had an opportunity to speak several individuals concerning the follow-up vetting process of the Tobacco Commission to gain insight to how it worked. He spoke with Sandy McNinch regarding the ownership of the Lot 24 land and about the recovery zone bond financing. He also discussed foreign direct investment with Jeff Anderson.

Dr. Hawthorne was elected Vice-President of VEDA for 2010 with the anticipation that he will be elected to serve as President the following year. 2011 will be the organization's 30th anniversary, and as most of the Board members know, Robert Ely Johnson was the founding president of VEDA. Dr. Hawthorne's hope is to hold the June 2011 networking meeting in Wytheville.

The VEDA meeting program was focused on the use of social networking in economic development. Dr. Hawthorne indicated that he has asked Virginia Goodwin to follow some of the networking sites to see what other economic development organizations are doing and how it might benefit the Joint IDA. One goal of using social networking is to drive individuals to existing economic development websites.

PROPOSED AMENDMENT TO LARGE DATA CENTERS SALES TAX EXEMPTION

In 2008 the Virginia General Assembly passed a sales tax exemption amendment that applies to large data centers. To qualify the data centers had to invest \$150 million dollars, hire at least 50 employees, and pay 1.5 times the prevailing wage in the community. For those qualifying centers, the sales tax on servers and the associated equipment was exempt, which provided a very significant incentive. During the last 2 years, there has been a clear trend toward large data centers that can actually be operated with less than 50 people. Delegate Crockett-Stark is working to add a clause to the legislation that lowers the job requirements in distressed communities to qualify them for the tax exemption. The amendment will drop the hiring requirement from 50 individuals to 25. The current Wythe County Enterprise Zone incentive requires that such data centers hire 25 individuals and pay 2 times the prevailing wage of the community. Pairing the sales tax exemption with what is currently available will strengthen future data center recruitment efforts for Wythe County.

BUDGET COMMITTEE APPOINTMENTS

Dr. Hawthorne reported that he is in the process of preparing the 2010-2011 budget. The budget will be available to the Board at the January 2010 meeting. Dr. Hawthorne asked that Chairman Snyder appoint a budget committee to review and discuss the budget prior to submission to the Board. Chairman Snyder commented that the committee traditionally consisted of the members of

the Executive Committee. Those assigned to the committee were Chairman Snyder, Linda DiYorio, and Dave Elmore. The Joint IDA staff will schedule a meeting of the committee in January prior to the regular Board meeting.

RURAL RETREAT INDUSTRIAL PARK SIGN

Dr. Hawthorne stated that during the November Board meeting he and Patrick Burton were approached by Rural Retreat Town Manager Raymond Matney regarding the Rural Retreat Industrial Park sign. Mr. Matney told them that the town was currently installing new directional signs throughout Rural Retreat. He asked if the Joint IDA could replace the Industrial Park sign to match the new signs being installed. Dr. Hawthorne expressed concern about the message that could be sent by spending money to replace a sign that is not that old or deteriorated. Ms. Jones asked if the sign posts could possibly be painted to make the sign more attractive. She also mentioned that she had noticed during the past weekend that one panel on the back of the Fairview Industrial Park sign had blown off. Joint IDA staff will investigate the sign at Fairview Industrial Park and will try to obtain an estimate for repairs.

Mr. Patton stated that the estimated cost of the new Rural Retreat signs is approximately \$350.00. Mr. Pack asked if Rural Retreat was changing all of their signs. Dr. Hawthorne said that they were and that the contents of the sign would remain the same, but only the appearance/style would change. Dr. Snyder asked if the signs were reflective. Dr. Hawthorne answered that yes they were reflective. Mr. Elmore asked that this matter be put on hold to allow the Board members time to look at the new signs throughout Rural Retreat. He also asked if this matter was time sensitive. Dr. Hawthorne responded that it was not. This item will be added to the January 2010 Board meeting agenda.

FINANCIAL DISCLOSURE STATEMENTS—DUE JANUARY 15, 2010

Dr. Hawthorne told the Board that the Financial Disclosure Statements are the same as in past years. The Board members were required to fill out the more difficult Statement of Economic Interests, but a letter was received from the Office of the Governor, Secretary of the Commonwealth Katherine Hanley, which indicated that the Financial Disclosure Statement would be sufficient for the Joint IDA Board members. The Board members were asked to check with their jurisdictions to see which form they require. Copies will be available to the Board members, if needed. The forms are to be submitted to the jurisdictions by January 15, 2010.

PROJECT UPDATES

Ms. DiYorio made a motion to enter into a closed session as permitted by Section 2.2-3711(a)(5) of the Virginia Freedom of Information Act, Code of Virginia to discuss unannounced projects. The motion was seconded by Ms. Jones, and passed unanimously. Ms. DiYorio made a motion, and Mr. Pack, seconded, to reconvene in an open session. The motion passed unanimously. Ms. DiYorio moved that the Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat certify that, in the closed meeting just concluded, nothing was discussed except the matter (1) specifically identified in the motion to convene in a closed meeting and (2) lawfully permitted to be so discussed under the provisions of the Virginia Freedom of Information Act cited in that motion. The motion was seconded by Mr. Pack, and passed.

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Joint Industrial Development Authority of Wythe County, Wytheville and Rural Retreat has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires a certificate by the Joint Industrial Development Authority of Wythe County, Wytheville and Rural Retreat that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Joint Industrial Development Authority of Wythe County, Wytheville and Rural Retreat, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certificate resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Joint Industrial Development Authority of Wythe County, Wytheville and Rural Retreat.

The following roll call vote was required after the motion for certification:

AYES:	William Snyder	Tom Jones
	Dana Pack	Dave Elmore
	Linda DiYorio	Jennifer Jones
	Foy Patton	

NAYS: None

ABSENT DURING MEETING: None

ABSENT DURING VOTE: None

OTHER

Post Office box - Dr. Hawthorne discussed the Joint IDA Post Office box. During past years the Post Office box has been kept due to the stability of receiving mail in the event of the Joint IDA office moving to another location. There are three important factors to consider before discontinuing the Post Office Box. They are: (1) it will be money saving because there will no longer be a yearly fee and payment of mileage back and forth to the Post Office will be eliminated, (2) office stability is good, in a good location, and the relationship with the landlord is positive, and (3) there is no longer a need to order letterhead stationary because it is printed in the office. Dr. Hawthorne suggested that the Post Office Box be dropped and the Joint IDA begin having the mail

delivered to the physical address. Dr. Snyder asked if there were any objections. Mr. Jones asked about how the mail would be received on Saturday since the office was closed and there would be no one available to get the mail from the mailbox. Dr. Hawthorne stated that, since there is not an outdoor mailbox, we could request that the mail be held on Saturday and delivered on Monday. With there being no objections from the Board, the staff will take the necessary steps required to have the mail delivered.

Roanoke Times article - Patrick Burton passed around an article for the Board to review that was featured recently in the Roanoke Times about area tourist destinations. Dr. Hawthorne stated that this was positive attention and recognition for Wytheville and Wythe County.

Bob Huff Chevrolet - auto restructuring - Dr. Hawthorne mentioned that during the past week both the House and Senate passed a bill that included an arbitration process to enable GM dealerships to appeal their closing. Patrick Burton will be attending a session regarding the local Bob Huff Chevrolet Dealership. The session will focus on ways to provide and organize information that will assist the Huffs in appealing the closure of their dealership.

Golf Tournament - Mr. Elmore stated that there would be a Golf Committee meeting prior to the January Board meeting to discuss the 2010 tournament. He asked that the Golf Tournament be added to the January agenda to allow an update on the committee meeting.

ADJOURN

There being no other business, Chairman Snyder adjourned the meeting at 4:30 p. m.

William Snyder, Chairman

Attest:

Virginia M. Goodwin, Secretary