

**JOINT INDUSTRIAL DEVELOPMENT AUTHORITY**  
**Minutes of Meeting**  
**February 22, 2018**

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, February 22, 2018, at 3:00 p.m. in Council Room of the Wytheville Municipal Building at 150 East Monroe Street, Wytheville, Virginia.

**MEMBERS PRESENT**

David Kause, Chairman  
Wes Mabe, Vice Chairman  
Charlie White  
David Carpenter

**MEMBERS ABSENT**

Dicky Morgan  
Matthew Clarke  
John Silva

**EX-OFFICIO MEMBERS PRESENT**

C. Wayne Sutherland, Jr., Wytheville Town Manager

**EX-OFFICIO MEMBERS ABSENT**

Jason Childers, Rural Retreat Town Manager  
Stephen Bear, Wythe County Administrator

**JOINT IDA STAFF PRESENT**

David Manley, Executive Director  
John Matthews, Associate Director  
Virginia Crockett, Administrative Assistant

**DETERMINATION OF QUORUM**

Chairman Kause called the meeting to order and determined a quorum to be present. Chairman Kause offered the invocation and led the Pledge of Allegiance.

## CITIZENS' TIME

Chairman Kause welcomed Karen Akers and Patricia Bevil with the Virginia Employment Commission, Jennifer Atwell, Wytheville-Wythe-Bland Chamber of Commerce, and Wayne Sutherland, Wytheville Town Manager, to the meeting. Chairman Kause asked if there was anyone who would like to address the Board during citizens' time. There being none, Chairman Kause continued with the meeting.

## APPROVAL OF MINUTES—January 25, 2018

Chairman Kause asked if there were any questions or discussion regarding the minutes from January 2018 and he asked for a motion to approve. There being none Mr. Mabe, seconded by Dr. White, made a motion to approve the January 2018 minutes as presented. With no further discussion, the motion passed unanimously.

## FINANCIAL REPORTS AND APPROVAL OF INVOICES

Chairman Kause asked if there were any questions or concerns regarding the invoices or reports. Mr. Carpenter asked about the accounts receivable. Mr. Manley responded that the amount reflected was based on jurisdiction appropriations for the quarter. Mr. Mabe asked about the Smyth-Wythe Airport payment. Mr. Manley answered that it was the final payment to the Virginia Small Business Facility Authority for the airport loan that the Joint IDA had been carrying for several years. Mr. Carpenter also asked about the printing bill for Staples in Richmond. Mr. Manley responded that he ran out of business cards while in Richmond for the General Assembly session and had a quantity printed. Chairman Kause asked if there were any further questions. There being none, Chairman Kause asked if there was a motion to approve the invoices as presented. Mr. Carpenter, seconded by Mr. Mabe, made a motion to approve the invoices for February 2018. With no further discussion or questions, the motion passed unanimously.

**Joint IDA of Wythe County  
Check Register  
February 1, 2018 through February 28, 2018**

<b>Check #</b>	<b>Date</b>	<b>Payee</b>	<b>Amount</b>
EFT	2-22-18	Appalachian Power Company	217.94
EFT	2-22-18	CenturyLink	159.22
EFT	2-22-18	First Bank – MasterCard	611.16
EFT	2-22-18	Robert G. Moore	1,100.00
EFT	2-22-18	Xerox Corporation	40.08
7546	2-22-18	David Manley	96.39
7547	2-22-18	Town of Wytheville	16,935.63
7548	2-22-18	Virginia Small Business Authority	41,043.68
<b>Total</b>			<b>\$ 60,204.10</b>

## **STAFF REPORT – ASSOCIATE DIRECTOR**

### **Workshops**

Work Ready Communities – February 7, Abingdon, VA

### **Meetings**

B2B Engage – Continued Client Management Software Training  
Business Services Unit  
Branch Botanicals  
Chamber Tourism Committee  
CRIFA  
Economic Vitality Committee – Evolution Wytheville  
Industry Salary and Benefits Survey Planning  
FAM Tour Planning  
Properties -     Commercial Real Estate Agents  
                    Property Owners  
                    Retail Coach  
Revolving Loan Fund Recipients and Inquiries  
Small Business Assistance  
Smart Scale VDOT Discussion  
VEDA: Public Policy Conference Call  
Wythe-Bland Young Professionals and Steering Committee

### **Upcoming Events**

**Manufacturing Round Table** – March 21, 8-9:15 am at the Wytheville Meeting Center

## **STAFF REPORT – EXECUTIVE DIRECTOR**

### **New and Expanding Business Activity**

- **Responded to inquiries from**
  - VEDP
  - VIAA
  - Entrepreneurs
  - Existing industry
  - Evolution Wytheville Participants
  - Media
  
- **Business Contacts and Meetings**
  - Wythe County BOS Economic Development Committee
  - Stephen Bear, County Administrator
  - Dan Tolley, Branch Botanicals
  - SWVA Wedding group
  - Randy Rose, VEDP Workforce
  - Aaron Farmer, The Retail Coach

- Will Kline, The Retail Coach
- Mariya Hurwitz, PepsiCo
- Scott Bortz, Peed & Bortz
- Matt Clarke, Clarke Precision Machine
- Jay Langston, VEDP
- Josh Lewis, VIAA
- Katherine Asbury, BRCEDA
- Robert Dunn, The Stump Companies
- John Smolak, AEP
- John Griffith, AEP
- Downtown Wytheville Economic Vitality Committee
- Rob Renaud, Boy Scouts of American
- Donnie Necessary, VDOT
- John Dew, VDOT
- Paul Prideaux, Michael Baker, Intl.
- Joe Wilkins, WCCH
- Chad Arnold, First Community Bank
- Kim Ellett, VEDP compliance
- Shalita Lee, Klockner (new HR mgr.)
- John DeLuca, Pepsi Bottling New River (new plant director)
- Joe Gillespie, VEDP BRE
- Sandi McNinch, VEDP General Counsel
- Scot Farthing, Wythe County Attorney
- Cathy Pattison, Citizen and Wytheville Town Council candidate

### **Noteworthy or Other Activities**

- Met with two prospective candidates
- Economic gardening follow-up, tour of Clarke Precision Machine
- Opportunity Zone webinar
- IEDC CEcD exam prep webinar
- CRIFA Board of Directors meeting
- Drafter CRIFA incentive proposal for expansion project
- VEDA conference calls re: public policy
- VEDA ad hoc reciprocity and membership committee
- SVAMCOE Board of Directors
- Drafted board rotation and term limit policy for SVAMCOE
- Compliance close-out for Coperion expansion, grants
- Compliance monitoring for Evatran
- Two RFI responses (Movement, Gingerbread)
- Audit review for CRIFA
- Reviewed and edited minutes
- Reviewed financial reports
- Credit card reconciliation
- Revolving loan fund work
- The Retail Coach working group update
- Budget work

## Upcoming

- GO Virginia regional council meeting – 3/6/2018
- Tenure Awards luncheon – 3/29/2018
- Golf Tournament – 5/17/2018
- SWVA Economic Forum – 5/17/2018

## OLD OR UNFINISHED BUSINESS

### REVOLVING LOAN FUND UPDATE

Mr. Manley noted that the letters were sent as approved during the January meeting to the loan recipients who were behind in payments. The letters were sent signature required. He said that two of the three had been delivered already, but he had not checked the last one yet today. He added that a response was demanded by March 8. Two had already made contact as a result of the letter, but specific plans were pending. The specific plan must be in place by March 8. He was pleased with the discussions that had taken place.

Mr. Carpenter asked for clarification about the letter asking recipients to make payment arrangements. Mr. Manley answered that the minutes are not necessarily exact as to what the letter said since the letter was drafted after the meeting. Mr. Carpenter said that from his understanding we are expecting them to “make arrangements”, then you cannot give them much time to decide. Mr. Manley did state that March 8 was the date to make necessary arrangements for payment. Mr. Manley said he would email the letter to the Board members for their review.

Mr. Carpenter mentioned that he was concerned about the Womble loan. Mr. Manley stated that she was one of the responses, but the information she disclosed would have to be discussed in closed session. The matter was tabled to be discussed in closed session.

Mr. Carpenter asked if that was the only response. Mr. Manley answered that Ms. Rogers contacted staff and stated that she was working on catching up. She was recovering from a slow winter and employee theft/embezzlement. Mr. Carpenter asked about Sarah Yelton. Mr. Manley responded that she operated a store called Root'd Threads and, as he understands, it has gone to an online only store. He noted that she has made her payments up until this month. Miss Crockett noted that she had left her a message about her payment being late, but she has not responded as of today.

## OTHER

Retail Coach – Mr. Manley noted that he did receive another update this week and there is positive movement. He mentioned that he can speak about specific names in closed session. Mr. Manley will be writing a letter to the County and the two Towns to determine their will to proceed. He is not expecting an answer until near the end of the contract term, which is May 15, but the Joint IDA would be prepared to proceed however the jurisdictions wanted.

CRIFA Management Agreement – Mr. Manley stated that the annual agreement between CRIFA and the JIDA to manage their finances was renewed by the CRIFA board. He noted that CRIFA meets once or twice a year and the JIDA does handle all financial activity, minutes, meeting schedules, and their yearly audit. Chairman Kause asked if the agreement just needs to be mentioned or should there be a vote to approve. Mr. Manley stated that it is an ongoing extension of an agreement and the JIDA Board would need to vote for approval to proceed. Mr.

Carpenter asked how much time it takes to complete their work and if there was a Board. Mr. Manley answered that the payment of \$1,000 is what is offered annually to cover the expenses and the Board consists of six members. The appointees are Mayor Trent Crewe and Town Manager Wayne Sutherland from Wytheville, Board Member Ryan Lawson and County Administrator Stephen Bear from Wythe County, and Board Member Adam Kidd and County Administrator Dr. Eric Workman from Bland County. Mr. Carpenter asked if the CRIFA Board had any problems or comments regarding the JIDA managing their affairs and Mr. Sutherland answered no. Chairman Kause asked if there were any questions regarding the CRIFA Management Agreement and if there was a motion to approve the management agreement between the JIDA and CRIFA. Mr. Carpenter, seconded by Mr. Mabe, made a motion to approve the management agreement for the 2017-2018 year. With no further discussion, the motion passed unanimously.

## **NEW BUSINESS**

### **ANNUAL REPORT**

Mr. Manley discussed the Annual Report for the past calendar year. He noted that it was largely complete and ready for comments and feedback. He asked the Board to look over the report and give feedback in the next week so the report could be completed. Mr. Manley stated that if he does not hear anything in the next week or so, the report will be published. He added that each Board member received a one-page report on Wythe County demographics and economic data for their information in the meeting packet.

### **FY 2018-2019 BUDGET DRAFT**

Mr. Manley noted that annually a letter is received from the Wythe County Board of Supervisors requesting a draft budget. The letter was received in February and required submission of a budget request by the end of the month. Mr. Manley stated that each Board member has a copy of the working document that is used to request funds from the County and two Towns. He mentioned that this is not the actual budget that will be adopted, but a worksheet budget used to develop the appropriation request. Mr. Manley explained that once the jurisdictions approve the appropriation amounts the actual operating budget would be created using those figures subject to JIDA board approval. Mr. Manley mentioned he would go through any of the entries that the Board would like to have explained. He added that the budget was similar to that of the previous fiscal year and the most significant change was a \$12,000 net increase. The change was based on actual expenses that are received from the Town of Wytheville HR office for benefits, which have increased. Mr. Manley explained that he had spoken to Mr. Sutherland and adopted his guidelines on how he prepares his budget when it comes to HR costs. Mr. Carpenter asked if the VAAA is staying where it is. Mr. Manley stated that if the Board will remember the budget was amended in August because Wythe County agreed to increase the per capita amount to \$1.25 per person. Wythe County covered the entire cost in 2017 and this year it will spread across all three of the jurisdictions per capita. Mr. Carpenter asked if that will be agreed to. Mr. Manley stated that it is being requested and will be up to the jurisdictions to approve. Mr. Carpenter asked if the airport loan is complete. Mr. Manley answered that this fiscal year was the final one. Chairman Kause asked if anyone had any further questions and asked that everyone look at the budget over the next couple of weeks and make suggestions, if needed. Mr. Carpenter stated the only category that concerned him was professional development going down. Mr. Manley explained that he will be able to take his certification test in the coming fiscal year and there will be fewer mandatory classes that he would have to attend. Mr. Carpenter also asked about accounting which went up by \$500. Mr. Manley noted that \$4900 of the \$5000 was used this year on the audit, and based on recent pricing trends, increasing the amount would be necessary. Mr. Manley noted that he had re-negotiated the cell phone contract for a savings and that copying expense savings had been realized as well, yielding lower budget amounts. Mr. Carpenter had a question about business development. Mr. Manley mentioned that was formerly known as business retention and attraction expenses and that this was a simpler, more comprehensive category title. Mr.

Carpenter stated that \$5500 was budgeted last year and the new amount is \$7500, but only \$2300 has been used. Mr. Manley explained that there will be additional amounts used this Spring, expending the budgeted amount. Mr. Carpenter asked what it entails. Mr. Manley stated that it is any activity that the JIDA undertakes when working to attract a new business or assist existing businesses be successful and expand. He mentioned that it includes any project related expenses, anything having to do with a prospect visit, or any attraction activities used to reach out to prospects. He added that it also includes retention of existing businesses including luncheons, meetings, and to put on educational events. Mr. Carpenter stated that if another \$2300 is spent that would only add up to \$4600 and not \$5500, but the budget has been increased to \$7500. Mr. Manley answered that elected officials have suggested that the JIDA needs to be out and doing more marketing, so in turn it will cost more in the coming year. Mr. Carpenter asked what the increase activities will be. Mr. Manley stated that increased activity would be commensurate with the strategic marketing plan adopted by the board in the previous year.

### **TENURE AWARDS LUNCHEON**

Mr. Manley mentioned that the date has changed to Thursday, March 29 at Bolling Wilson Hotel at 12:00 pm due to a scheduling conflict.

### **OTHER**

None

### **PROJECT UPDATES**

Closed session.

### **CLOSED SESSION AS PERMITTED BY CODE OF VIRGINIA §2.2-3711(A)(5)**

Vice Chairman Mabe moved that the Board of Directors of the Joint IDA of Wythe County enter closed session as permitted by the Code of Virginia section 2.2-3711(a)(5) to discuss unannounced prospective business or industry and 2.2-3711(a)(7) to discuss actual or probable litigation.

The motion was seconded by Mr. Carpenter.

Roll Call Vote:

Yea – David Carpenter  
Dr. Charlie White  
Chairman David Kause  
Wes Mabe

Nay – None

Absent during vote: Dickie Morgan  
John Silva  
Matthew Clarke

Mr. Mabe then moved that the Board of Directors of the Joint IDA of Wythe County re-enter open session and further certify with an affirmative vote that the only matters discussed in closed session were matters permitted and identified.

The motion was seconded by Mr. Carpenter.

Roll Call Vote:

Yea – Dr. Charlie White  
Chairman David Kause  
David Carpenter  
Wes Mabe

Nay – None

Absent during vote: John Silva  
Dickie Morgan  
Matthew Clarke

**ADJOURN**

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

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David Kause, Chairman

Attest:

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Virginia M. Crockett, Secretary