

May 27, 2004

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, May 27, 2004, at 3:00 p.m. in the Conference Room of the Wythe County Law Enforcement & Judicial Center, 245 South Fourth Street, Wytheville, Virginia.

MEMBERS PRESENT

Steven D. Irvin, Chairman	Joseph W. Freeman, Vice-Chairman
George T. Johnstone, Treasurer	Robert J. Ayers
Gerald Brewer	Danny B. Gordon
William F. Snyder	

EX-OFFICIO MEMBERS PRESENT

Wayne Sutherland, Wytheville Town Manager

EX-OFFICIO MEMBERS ABSENT

R. Cellell Dalton, Wythe County Administrator
Raymond E. Matney, Rural Retreat Town Manager

DETERMINATION OF QUORUM

The meeting was called to order and a quorum determined to be present by Mr. Irvin, Chairman. Mr. Irvin thanked Authority members for their attendance. The invocation was given by Mr. Gordon, and the Pledge of Allegiance was led by Mr. Irvin.

CITIZENS' TIME

Mr. Irvin stated the next agenda item is Citizens' Time. He inquired if there are persons present who wish to address the board during Citizens' Time. There being none, he proceeded with the agenda.

APPROVAL OF MINUTES - APRIL 22, 2004

Motion was made by Mr. Gordon that the minutes of the regular meeting held on April 22, 2004, be approved as presented, seconded by Mr. Johnstone, and passed unanimously.

APPROVAL OF INVOICES

Dr. Hawthorne explained that checks #4254, Andy Akers, and #4255, Austinville Limestone, represent the cost of gravel and hauling for the construction of a private road accessing property from SR 658 via an easement granted by the Virginia Department of Game and Inland Fisheries in the Ivanhoe Industrial Park. Dr. Hawthorne noted that check #4250, Robinson, Farmer, and

Cox Associates, is the Crossroads RIFA audit fee and check #4256, Wytheville Golf Club, represents the cost of the Industry Appreciation Golf Tournament and Reception held on May 13. Mr. Gordon made a motion to approve the invoices as presented seconded by Mr. Brewer and passed unanimously.

Joint IDA of Wythe County
Check Register

For the Period From Apr 23, 2004 to May 27, 2004

Filter Criteria includes: Report order is by Check Number.

Check #	Date	Payee	Amount
4241	4/30/04	Linda D. Lester	739.07
4242	5/13/04	First Bank of Virginia	2,646.44
4243	5/13/04	VA Dept Of Taxation	423.44
4244	5/13/04	U S Cellular	38.50
4245	5/14/04	Linda D. Lester	666.72
4246	5/27/04	Sprint	125.29
4247	5/27/04	Sprint	28.19
4248	5/27/04	American Electric Power	57.82
4249	5/27/04	Bankcard Services	101.72
4250	5/27/04	Robinson, Farmer, Cox Assoc.	2,540.00
4251	5/27/04	The Mount Rogers Dev Partnership	6,899.75
4252	5/27/04	Alan Hawthorne - Reimbursement	719.88
4253	5/27/04	Mike Webb-Reimbursement	42.38
4254	5/27/04	Andy Akers	960.00
4255	5/27/04	Austinville Limestone	1,278.66
4256	5/27/04	Wytheville Golf Club	4,911.04
4257	5/27/04	Xerox	146.80
4258	5/27/04	Int'l Economic Dev Council	325.00
4259	5/27/04	Southwest Signs	85.00
4260	5/27/04	Trigon	1,389.18
4261	5/27/04	Trigon Dental	102.67
4262	5/27/04	Companion Life Insurance Co	79.32
4263	5/27/04	Fort Dearborn Life Ins Co	31.95
4264	5/27/04	Linda Lester-Reimbursement	12.38
4265	5/27/04	JIDA Petty Cash	59.48
4266	5/27/04	Town of Wytheville - Postage	24.03
4267	5/27/04	Michael B. Webb	2,049.48
4268	5/27/04	Alan R. Hawthorne	3,364.14
Total			29,848.33

OLD BUSINESS

INDUSTRY APPRECIATION GOLF TOURNAMENT COMMITTEE UPDATE

Mr. Ayers reported that the Industry Appreciation Golf tournament held on May 13, 2004, at the

Wytheville Country Club was a great success. Mr. Irvin thanked the committee for their efforts in coordinating the tournament and reception and reported that he had received favorable comments.

PBG OPEN HOUSE UPDATE

Dr. Hawthorne informed the members that the Pepsi Bottling Group open house is June 4, 2004, at 9:00 a.m.

MUSSER LUMBER CDBG UPDATE

Mr. Webb provided an update on the Musser Lumber CDBG Water/Wastewater project.

FAIRVIEW REAR LOTS UPDATE

Dr. Hawthorne provided an update on the rear lots in the Fairview Industrial Park. Consensus of the board was to discuss the Fairview Industrial Park rear lots in the next board working session.

IVANHOE INDUSTRIAL PARK UPDATE

Dr. Hawthorne provided an update on the Ivanhoe Industrial Park. He reminded the board that a resolution was adopted on January 22, 2004, authorizing the sale of real estate located in the Ivanhoe Industrial Park to Commonwealth Manufacturing. The Joint IDA attorney has been notified to prepare the deed for the sale of this property with an anticipated closing date by the end of June.

Dr. Hawthorne shared a letter and a harvest inspection report with the board from David Jones, Technician, Virginia Department of Forestry regarding the evaluation of the Ivanhoe timber harvesting. The Department of Forestry evaluated the timber harvesting operation of Turman Sawmill, Inc. on May 13, 2004. Evaluating timber harvesting operations is one of the duties of the Virginia Department of Forestry.

Mr. Webb provided a handout of property values in Ivanhoe for the board's review. Consensus of the board was that it must obtain and evaluate additional information to make a properly informed decision regarding what are appropriate uses for the Ivanhoe Industrial property and the correct price to offer the property for sale. Detailed discussions are deferred until the next working session meeting.

OTHER

Dr. Hawthorne updated the board on several old business items. Crossroads RIFA has entered into a contract with Thompson & Litton to develop a Virtual Building Program for Progress Park. Crossroads RIFA has submitted an Economic Development Grant Program application for water and sewer services to serve industries locating in the southern portion of Progress Park. The Joint IDA office sign has been installed and the rails are to be installed before the Business Connection After Hours scheduled for June 10.

Mr. Freeman reported that the Chamber of Commerce Community Vision Task Force has taken the lead in developing a vision statement to share with key leaders and organizations so that they can begin to develop specific plans and action items that will result in favorable outcomes for the community. The goals represented in the vision statement - Jobs and Economic Vitality and Rural Character and Natural Beauty Preservation - will not happen without good planning based on a shared community vision.

NEW BUSINESS

DUKE ENERGY WITHDRAWS SCC APPLICATION FOR DUKE ENERGY WYTHE, LLC

Dr. Hawthorne reported that Duke Energy has withdrawn the SCC application for Duke Energy Wythe, LLC. The company is getting out of the merchant energy business in the Southeast and concentrating on its other plants in the North, Midwest and West, reducing its overall electricity generation by a third.

U.S. DOC ECONOMIC DEVELOPMENT ADMINISTRATION EXCELLENCE IN RURAL ECONOMIC DEVELOPMENT AWARD 2004

Dr. Hawthorne informed the board that the 2004 EDA Excellence in Economic Development Award winners have been announced. The Joint IDA ranked third in the category of Excellence in Rural Economic Development.

JOINT IDA HOSTING CHAMBER AFTER HOURS EVENT AT NEW OFFICES

Dr. Hawthorne reminded the board that the Joint IDA is hosting a Chamber of Commerce Business Connection After Hours on Thursday, June 10.

APPROVE VML INSURANCE PROPOSAL

The board reviewed the VML insurance renewal proposal. Mr. Irvin recommended increasing the uninsured motorist coverage. Mr. Gordon made a motion to approve the VML Insurance renewal proposal and to increase the uninsured motorist coverage based upon Mr. Irvin's recommendation. Motion was seconded by Mr. Brewer and passed.

REPORT ON VEDP/VEDA TRIPS

Dr. Hawthorne briefed the board on his VEDP and VEDA trips.

VA TECH CENTER FOR PUBLIC ADMINISTRATION AND POLICY MPA INTERN

Dr. Hawthorne reported that he received a request from Brent Blevins for a summer internship at the Joint IDA. Mr. Blevins is currently studying Public Administration at the Center for Public Administration and Policy at Virginia Tech. Mr. Blevins accepted an internship with another

organization.

FINANCIAL STATEMENTS UPDATE

The board reviewed the year ending April 30, 2004, Joint IDA of Wythe County Revenue and Expenses by Fund and Balance Sheet. Mr. Irvin recommended contacting Mr. Hodges requesting his counsel regarding the outstanding balance on the nonperforming RLF loan.

PROJECT UPDATES

Dr. Hawthorne provided an update on projects.

PROGRESS PARK RURAL DEVELOPMENT MARKETING RBEG

Dr. Hawthorne informed the board that USDA Rural Development has requested that the remaining funds for the RBEG entitled "Technical Assistance with Marketing Plan Development and Implementation for Progress Park" be de-obligated. The RBEG was awarded to provide technical assistance to qualifying small businesses seeking to locate in Progress Park. While the Joint IDA successfully assisted several small businesses in expanding at other locations that better matched their needs, the Joint IDA has been unable to attract a qualifying business opportunity to Progress Park. Additionally, the Progress Park marketing efforts envisioned in the original RBEG proposal do not fit well within the technical assistance to small business focus of the RBEG program. This will allow USDA Rural Development to redeploy resources to an application with a better match to the program's objectives. Mr. Johnson made a motion to de-obligate the remaining RBEG funds for this project seconded by Mr. Brewer and passed.

OTHER

Mr. Webb reported that Camrett Logistics has offered to allow the Joint IDA to advertise Progress Park on the company's truck trailers. He presented recommendations made by the Advertising Committee. Consensus of the board was to discuss further at the June 24 board meeting.

The board reviewed the management agreement between Crossroads RIFA and the Joint IDA for management and support services for the operation of the Crossroads RIFA. Dr. Hawthorne noted that the only change from the prior agreement is the term, which is July 1, 2004 through June 30, 2005. Mr. Gordon made a motion to approve the Crossroads RIFA Management Agreement as presented seconded by Mr. Ayers and passed unanimously. Following is a copy of the agreement.

Management Agreement

This Agreement is made between the Crossroads Regional Industrial Facility Authority (Crossroads RIFA) and the Joint Industrial Development Authority of Wythe County (Joint IDA).

WHEREAS, the Crossroads RIFA goal is to support and encourage regional collaboration in economic development by providing cost and revenue sharing projects for member jurisdictions, and

WHEREAS, the Crossroads RIFA desires staff and office support to plan, implement, and manage such operations as determined desirable and appropriate by its Board of Directors, and

WHEREAS, the Joint IDA has the desired expertise to provide such support, and

WHEREAS, the Joint IDA Board of Directors has determined that providing such support is consistent with its goals of promoting economic development in Wythe County,

THE PARTIES NOW HEREWITH AGREE:

SERVICES: Management and support services for the operation of the Crossroads RIFA to include executive leadership, office support, record keeping, planning, promotion, professional services, and other such services as shall be determined necessary and consistent with afforded operating budget shall be provided by the Joint IDA.

TERM: The term of this agreement shall be from July 1, 2004 through June 30, 2005.

BUDGET: Funding for the desired level of services shall be mutually agreed upon and approved as part of this agreement and may be amended by mutual agreement thereafter.

TERMINATION: This agreement may be terminated by either party with a 120 day written notice or at any time by mutual consent.

/s/ Wythe B. Sharitz

Wythe B. Sharitz, Chairman

Crossroads Regional Industrial Facility Authority

/s/ Steven D. Irvin

Steven D. Irvin, Chairman

Joint Industrial Development Authority of Wythe County

Dr. Hawthorne informed the board that the New River Valley Economic Development Alliance has contacted him and requested a letter of support for a USDA Rural Business Opportunity Grant to help facilitate the Alliance's "Opening International Markets for Rural Communities" initiatives. Mr. Gordon made a motion to authorize Dr. Hawthorne to send a letter of support stating that the Joint IDA supports the concept of expanding Foreign Trade Zone #238. Motion was seconded by Dr. Snyder and passed.

ADJOURN

Mr. Irvin asked if there was any further business to come before the Authority. There being none, Mr. Irvin adjourned the meeting at 5:15 p.m.

Steven Irvin, Chairman

ATTEST:

Linda Lester, Secretary