

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
Minutes of Meeting
July 24, 2008

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, July 24, 2008, at 3:00 p.m. in the Council Room of the Wytheville Municipal Building located at 150 East Monroe Street, Wytheville, Virginia.

MEMBERS PRESENT

Joe Freeman, Chairman
Linda DiYorio
Dana Pack

Tom Jones
David Elmore

MEMBERS ABSENT

Foy Patton
William Snyder, Vice-Chairman

EX-OFFICIO MEMBERS PRESENT

None

EX-OFFICIO MEMBERS ABSENT

R. Cellell Dalton, Wythe County Administrator
Raymond E. Matney, Rural Retreat Town Manager
C. Wayne Sutherland, Jr., Wytheville Town Manager

DETERMINATION OF QUORUM

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

ELECTION OF OFFICERS

Dr. Hawthorne opened the floor for nominations for Chairman. Ms. DiYorio nominated Joe Freeman, with a second by Mr. Pack. Mr. Elmore moved that nominations be closed. The motion was seconded by Mr. Jones and passed unanimously. Mr. Freeman was elected by acclamation.

Mr. Freeman opened the floor for nominations for Vice-Chairman. Mr. Elmore made a motion, seconded by Mr. Pack, to nominate Dr. Snyder. Ms. DiYorio moved that nominations be closed. Motion was seconded by Mr. Jones and passed unanimously. Mr. Snyder was elected by acclamation.

Mr. Freeman opened the floor for nominations for Treasurer. Mr. Jones made a motion, seconded by Mr. Elmore, to nominate Linda DiYorio. Mr. Jones moved that nominations be closed. The motion was seconded by Mr. Elmore and passed unanimously. Ms. DiYorio was elected by acclamation.

Mr. Freeman asked about the Secretary/Clerk position, in light of Ms. Skeens departure from her position on the Joint IDA staff. Dr. Hawthorne replied that, traditionally the Joint IDA Administrative Assistant has served the Board in this capacity and that he would be glad to fill that role until such time as the new Administrative Assistant is fully up to speed, perhaps in December. Mr. Pack made a motion, seconded by Mr. Jones, that Dr. Hawthorne serve as Secretary/Clerk. Ms. DiYorio moved that nominations be closed. The motion was seconded by Mr. Jones and passed unanimously. Dr. Hawthorne was elected by acclamation.

CITIZENS' TIME

Chairman Freeman welcomed Wythe “Bucky” Sharitz and Jennifer Jones, who were in the audience. Mr. Freeman asked if there were any persons present who wished to address the board during citizens’ time. There being none, Chairman Freeman proceeded with the meeting.

APPROVAL OF MINUTES - June 26, 2008, meeting

Mr. Elmore made a motion, seconded by Mr. Jones, to adopt the minutes as presented. The motion passed unanimously.

APPROVAL OF INVOICES

Dr. Hawthorne presented the list of invoices. He indicated that the two checks for large amounts at the top of the list represented fund transfers to maximize investment returns on Joint IDA reserve funds. Mr. Pack asked if the check to Robert Moore was for rent for the Joint IDA office, and Dr. Hawthorne responded that it was. Ms. DiYorio asked about the effective date for the Joint IDA’s employee insurance change. Dr. Hawthorne responded that the change involved moving to another plan (i.e., Lumenos), but that Anthem is still the provider. Chairman Freeman asked if the check to the University of North Carolina was for Patrick’s class, and Dr. Hawthorne responded that it was. Mr. Pack made a motion, seconded by Mr. Jones, to approve the invoices. With no further discussion, the motion passed unanimously.

Joint IDA of Wythe County
Check Register
For the Period From July 1, 2008, through July 24, 2008

Check #	Date	Payee	Amount
5612	7/23/08	Appalachian Power	88.95
5613	7/23/08	Alan Hawthorne - Reimbursement	126.36
5614	7/23/08	Anthem Southeast Dental	75.35
5615	7/23/08	Anthem Blue Cross and Blue Shield	1,139.05
5616	7/23/08	Embarq	130.68
5617	7/23/08	First Bank of Virginia	2,669.14
5618	7/23/08	Mellon Trust of New England, NA	625.00
5619	7/23/08	Principal Life Insurance Co.	85.06
5620	7/23/08	Robert G. Moore	1,100.00
5621	7/23/08	Sprint PCS	81.57
5622	7/23/08	Univ. of North Carolina	625.00
5623	7/23/08	VA Dept Of Taxation	446.99
5624	7/23/08	Bankcard Services	87.45
5625	7/23/08	Xerox	324.64
5626	7/24/08	Alan R. Hawthorne	4,275.27
5627	7/24/08	Patrick G. Burton	2,464.74
Total			\$14,345.25

OLD BUSINESS

ANNIVERSARY CELEBRATION EVENT

Dr. Hawthorne indicated that letters had been sent to business and local government representatives to request participation on the anniversary celebration committee to explore feasibility of an event for Progress Park and, if feasible, to identify and examine options for such an event. The committee will include two company representatives (one each from Gatorade and the Wytheville Technologies group of companies) and one representative from each of the following: Wythe County, Town of Wytheville, Crossroads RIFA, and the Joint IDA plus Dr. Hawthorne. Mr. Freeman noted that he and Ms. DiYorio have agreed to work together to share duties as the Joint IDA representative on the committee. Dr. Hawthorne anticipates that an initial meeting of the committee would take place in late August.

RURAL RETREAT INDUSTRIAL PARK UPDATE

Dr. Hawthorne reported that he had received a response to the Joint IDA's inquiry about the unused Klöckner property in the Rural Retreat Industrial Park. A Klöckner executive has

proposed including this item on the agenda for a company/local government meeting in late August. In addition to the unused property issue, the Klöckner team wants to discuss machinery and tools taxes.

TOBACCO COMMISSION GRANT APPLICATION UPDATE

Dr. Hawthorne reported that proposals for the New River Regional Water Authority and the Joint IDA's Progress Park Recycled Water System PER were not funded. He indicated that the Commission's selection process was similar to that used in the past.

PERSONNEL POLICY DRAFT REVIEW

Mr. Elmore discussed the draft policy that he and Ms. DiYorio had worked to develop and the somewhat less detailed version developed by the staff. He stated that the goal was to briefly cover many workplace issues, provide guidance on "doing the right thing," help ensure compliance for ethical behavior, and involve a limited amount of administrative effort per year. He indicated that he and Ms. DiYorio believe any policy that is adopted should apply to Joint IDA Board members as well as to employees.

Mr. Elmore noted that the reason this issue was initially examined related to a premium discount that VML offered to insurance policy-holders who had adopted a personnel policy manual. Dr. Hawthorne noted that the Joint IDA's current employee conduct policy did not qualify for the discount and that, when the Joint IDA's existing policy was submitted, VML's response seemed to favor something more like a large three-ring binder document covering an exhaustive list of situations, behaviors, and restrictions. As a result, Dr. Hawthorne does not believe that either of the two draft policies would qualify for the VML discount. Ms. DiYorio stated that, at this point, the VML discount is irrelevant. She further noted that the primary issue involves doing what is right for the Joint IDA, and the Board should not wait until there is a problem. Mr. Pack agreed that sooner or later the Joint IDA would have a situation with a problem employee, and that the Board could conceivably be taken to task for not having an adequate policy in place.

Chairman Freeman asked Dr. Hawthorne if he had any comments or preferences concerning the two draft policies. Dr. Hawthorne responded that he believed the two proposed draft policies did not cover anything that is not already covered in the existing policy, and that the two draft policies open as many doors as they close concerning liability for the Joint IDA. Mr. Elmore emphasized again that a goal of the proposed policies was to avoid an administrative burden. Mr. Elmore stated that he is not certain that these policies are needed for such a small staff, but that neither of the proposed policies would create an administrative burden on the Joint IDA. Dr. Hawthorne pointed out that Joint IDA employees are appointed "at will" and can be dismissed "at will."

Chairman Freeman asked for a motion concerning the draft personnel policies. Mr. Pack made a motion, seconded by Mr. Jones, to not adopt either of the draft personnel policies. Chairman

Freeman then opened the floor for further comment. Dr. Hawthorne stated that he would develop something similar to the shorter of the two draft policies be serve as a guidance statement for employee and director conduct, but his preference would be to not have that as a formal Personnel Policy adopted by the board as he feels that it opens a legal concern about why many other items traditionally covered in a personnel manual are not addressed. Mr. Pack noted that some larger organizations and companies have entire shelves of binders and several staff devoted to personnel policies. Chairman Freeman asked for a vote on the motion before the board. The motion was approved unanimously.

Chairman Freeman expressed appreciation to Mr. Elmore and Ms. DiYorio for their work and effort on this issue.

OTHER

Dr. Hawthorne reported on the following items:

Enterprise Zone Annual Report - This report was recently submitted to the Virginia Department of Housing and Community Development (DHCD). As the local zone administrator, we are required to produce this report each year.

Enterprise Zone Amendment Package - Comments on the Joint IDA's proposed amendment, submitted in April of this year, were received from DHCD. The proposed amendment package has been forward to Wythe County for Board of Supervisors action.

Virginia Enterprise Zone Grant Program - Economic developers around the state have discussed the need to encourage the General Assembly to more fully fund this program. The Virginia Economic Developers Association has taken a formal position on this matter. Payments are generally running about 58 to 60 cents per dollar promised for job creation and investment grants. Chairman Freeman asked if this was public knowledge. Dr. Hawthorne responded that there is a caveat in the grant document language that notes the funding is subject to annual General Assembly funding.

NEW BUSINESS

VEDA SCHOLARSHIP FOR UNC BASIC ECONOMIC DEVELOPMENT COURSE

Dr. Hawthorne reported that the Joint IDA had received a \$500 scholarship from the Virginia Economic Developers Association to assist with Patrick Burton's tuition for the Basic Economic Development Course at UNC-Chapel Hill. Patrick will attend the course during the first week in August.

VEDA LEADERSHIP OPPORTUNITY

Dr. Hawthorne reported that he had been asked by VEDA's nominating committee to serve as treasurer of the group during 2009. If he agrees, he would be placed on the 2009 slate of officers and directors for the election to be held at VEDA's fall meeting. He indicated that this would be essentially a four-year commitment, involving an officer track progression of treasurer, secretary, vice-president, and president. Dr. Hawthorne asked for the Board's endorsement of his participation in VEDA leadership. Chairman Freeman asked if there were any comments or concerns from Board members. Hearing none, Mr. Freeman wished Dr. Hawthorne well in serving on VEDA's leadership team.

FLUVANNA COUNTY ECONOMIC DEVELOPMENT TEAM VISIT

Dr. Hawthorne reported that economic development representatives from Fluvanna County had visited to learn about the Joint IDA's experience in order to help them think about the next steps in elevating economic development efforts in Fluvanna County. He noted that this was an indicator of Wythe County's achievements and respect for the Joint IDA's accomplishments around the state. Chairman Freeman reported that, during a lunch meeting that he and Dr. Hawthorne shared the Fluvanna team, the group indicated that they were very impressed by what they saw and heard.

AUDIT COMMITTEE ASSIGNMENT

The audit committee will consist of Ms. DiYorio, Dr. Snyder, and Mr. Freeman. Dr. Hawthorne indicated that the committee will meet to review the audit materials package prepared in anticipation of the auditor's visit in late August or early September. The meeting will most likely take place the week before the next board meeting.

NEW MULTI-AGENCY ONE-STOP OPPORTUNITY

Dr. Hawthorne indicated that he and Mr. Elmore, along Ms. Jones and Mr. Sharitz, serve on the Workforce Investment Board's OneStop Site Selection Committee. He reported that there is currently an opportunity to co-locate offices for social services, workforce development, and employment services in Wythe County. He noted that this represents an opportunity to achieve an economy of scale in public agency facilities and increase accessibility and convenience for clients and citizens. This "OneStop" concept has been promoted by the State in recent years. The old Big Lots/Goody's building in Wytheville has been mentioned as a possible location for such a OneStop center. Dr. Hawthorne noted that renovation of the Department of Social Services' (DSS) existing space in Wytheville appears to be very expensive. Dr. Hawthorne further indicated that there may be a role for the Joint IDA to serve as master leaseholder for the building/space and sublet to key agency tenants. Mr. Elmore emphasized that DSS is a large agency and, as such, the DSS space would occupy more than 10,000 square feet of any combined

service center. Dr. Hawthorne reported that the state is looking for a commitment by August 15th. Dr. Hawthorne asked Mr. Sharitz if he had any comments to add from the County's perspective. Mr. Sharitz reported that the County had contracted with a consultant to study options and alternatives. He noted that the County is due to get a report from the consultant on August 7th. Mr. Sharitz further indicated that the general feeling among the County Board members was a preference for a local government entity or the Joint IDA to be the facility leaseholder.

VDOT TIER 2 ENVIRONMENTAL IMPACT STUDY FOR I-77/I-81 OVERLAP

Dr. Hawthorne reported that he had received a letter from VDOT announcing that the Tier 2 environmental impact study for the I-77/I-81 overlap area was getting underway. The letter requested initial comments or concerns regarding the study area, but noted that there would be other opportunities to provide input into the process. Dr. Hawthorne indicated that he would prepare a letter reiterating the Joint IDA's concerns, which were expressed a few years ago during the previous I-81 study.

ADMINISTRATIVE ASSISTANT CANDIDATE

Chairman Freeman reported that over 60 applications had been received for the Administrative Assistant position. Further, he reported that Dr. Hawthorne had reviewed and screened the application packages and had identified four leading candidates for interviews. He noted that the Joint IDA's interview committee participated in the interview and scoring process. Chairman Freeman reported that, through the interview process, the committee had identified a leading candidate. Chairman Freeman asked for a motion to accept the committee's recommendation. Mr. Pack made a motion, seconded by Mr. Jones, to accept the committee's recommendation of a top candidate to fill the Administrative Assistant position. The motion passed unanimously. Dr. Hawthorne indicated that he would extend a formal offer of employment to the selected candidate.

PROJECT UPDATES

Dr. Hawthorne reported that there are still a couple of significant on-going projects for which final location decisions have not been made. For one of the projects, an issue of concern is wastewater pretreatment. Concerning the other project, the decision by the company continues to be delayed. Dr. Hawthorne also reported that information requests were also received for a couple of smaller projects.

OTHER

Chairman Freeman asked Dr. Hawthorne if there were any other items to report. Dr. Hawthorne reported on the following items:

Business Location Ranking - *Southern Business and Development* magazine ranked Wythe County number 59 in its list of Top 100 business locations for small market areas. The ranking was based on the number of significant new industrial locations over the past 15 years.

Heritage Day Event - The Town of Rural Retreat will be holding its annual Heritage Day celebration on Saturday, July 26. This year's theme is industry and the contributions of the industrial sector to the local community. Joe Freeman will be speaking as part of the program.

ADJOURN

There being no other business, Mr. Freeman adjourned the meeting at 4:28 p.m.

Joseph W. Freeman, Chairman

Attest:

Alan R. Hawthorne, Secretary