

# **MEETING DATES AND SPECIAL EVENTS**

The Scott County EDA will hold a special called meeting on **Friday, June 18, 2010** at 4:00 p.m. at the Scott County Administrative Offices located at 336 Water Street in Gate City to enter into closed session to discuss lease negotiations. All meetings are open to the public

The next Scott County EDA meeting will be **MONDAY, JUNE 28TH** at 6:00 p.m. in the Board Room of the Virginia Coalfield Economic Development Authority offices located in Lebanon, Virginia.

**THERE WILL BE NO JULY CHAMBER OF COMMERCE MEETING.**

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## SCOTT COUNTY ECONOMIC DEVELOPMENT AUTHORITY Meeting Minutes May 4, 2010

### VIRGINIA

A meeting of the Scott County Economic Development Authority was held on Tuesday, May 4, 2010 at 6:00 p.m. in the Board Room of the Scott County Administrative offices located at 336 Water Street in Gate City, Virginia

### ROLL CALL OF MEMBERS

Chairman Joe Fuller called the meeting to order. There was not a formal roll call; however, the following members were present/absent as indicated:

Robert Etherton	Present
Dewayne Vermillion	Present
Charles Fugate	Present
Joe Fuller	Present
Sherry Hilton	Absent
Phil Smith	Present
Bill Franklin	Present

### OTHERS PRESENT:

John H. Kilgore, Jr. – Director  
Sally Kegley – EDA Attorney

### MINUTES

Phil Smith made a motion, duly seconded by Dewayne Vermillion, to approve the March 24th, 2010 minutes as submitted.

VOTING: AYE: Robert Etherton; Dewayne Vermillion; Charles Fugate; Joe Fuller; Phil Smith; Bill Franklin  
NAY: None  
ABSENT: Sherry Hilton

## PUBLIC COMMENTS

Mr. Tom Borie stated he was in attendance to learn more about the EDA and build community relationships. The Chairman welcomed Mr. Borie.

## FINANCIAL MATTERS

Copies of both the EDA expenditure report (32% remaining), and the Crooked Road Tech Center (CRTC) report (36% remaining) were distributed.

John reported that he and Joe met with the Board of Supervisors Budget Committee. They initially wanted to delete the maintenance and repairs line item in the tech center budget, which was \$14,500; however, they discussed cutting \$4,500 from that line, leaving \$10,000. They also wanted to cut the EDA budget by \$9,000, which would be less than the 2009-10 budget after the Board of Supervisors made the \$5,000 mid-year cut. These numbers may change.

John advised that Joe and he could still go back to the budget workshop and ask them to reinstate some of the funding.

Sally advised that the full Board will have a meeting on May 18<sup>th</sup>.

## DIRECTOR'S REPORT

We had one new prospect and continue to follow up with existing leads generated locally, regionally, and through the state. We continue to work with the regions and the state on marketing initiatives. The Director participated in the following meetings and events:

- Participated in a local economic developers meeting with TVA and NETRIDA to discuss marketing initiatives for the region
- Attended the Workforce Investment Board meeting on March 25<sup>th</sup>
- Participated in a presentation to Congressman Boucher by TVA, Powell Valley Electric Cooperative, and LENOWISCO on April 6<sup>th</sup> to highlight our distinct advantages to technology-based companies
- Attended the Crooked Road Executive meeting on April 8<sup>th</sup>
- Attended the Adventure Tourism workshop in Norton on April 9<sup>th</sup>
- Attended the Scenic Byways committee meeting on April 22<sup>nd</sup>
- Participated in a DDA and EDA committee meeting on April 12<sup>th</sup> with Joe Fuller and Charles Fugate to discuss issues surrounding dissolution
- Attended a VCEDA meeting for local economic developers on April 13<sup>th</sup>, and participated in a meeting at our office with Penny and Joe Gillespie with VEDP and Marketta Horton from VCEDA to discuss updates for the regional and state websites on April 15<sup>th</sup>
- Met with Chris Starnes from LENOWISCO and Jay Dixon and Robert Etherton at Bush Mill to discuss the plan for the facility.
- Attended COREnet, a marketing initiative, with VEDP April 17<sup>th</sup> – 21<sup>st</sup>.

- Attended the Virginia Tobacco Commission meetings of Research and Development and Southwest on April 28<sup>th</sup> and 29<sup>th</sup>. Applications are due June 2<sup>nd</sup>.

There will be a "Trail Awareness Day" on May 27<sup>th</sup> to highlight trails within the county. The event is being organized by Kathie Noe, Tourism Director, with the EDA assisting.

Joe asked about the status of the solar panel for the Clinchfield Heritage Wayside. John said it is on order, and the cost is less than \$500.

## DDA

Joe reported that he, Charles, and John met with DDA representatives on April 12<sup>th</sup>. Joe said it was a very good meeting. The DDA asked the EDA for a vote to express our interest at our March meeting; however, we did not vote because three members were absent. The DDA would like to have something from the EDA for their June meeting.

At the April 12<sup>th</sup> meeting, discussion included the river channel and responsibilities, and the 9.5 acres. Joe thinks it is to our advantage to control the channel and not have a third party involved, and he doesn't see any great liability other than maintenance.

The way Joe and Charles approached the DDA on the 9.5 acres was that the EDA would get marketing dollars from the sale of the property. One suggestion was, as an example, if we sell the property, we would get 10% for marketing, and the remaining funds would be divided among the four entities by the established formula.

The DDA has not voted on this, but that is the proposal that was left with them. Joe added that the DDA voted to resolve contingent on several things. Joe would like permission from this Board for Charles and Joe to meet with the DDA for further discussions along these lines.

Joe provided a breakdown of the monies that were supposed to have been given to Scott County with a revised figure totaling \$1,901,361. There was an error of \$150,000, which was counted twice by the DDA.

Bill indicated that, if Joe and Charles are satisfied with the figures, then he would be too. It was the consensus of the Board for Joe and Charles to continue discussions with the DDA.

## DUFFIELD INDUSTRIAL PARK SIGN

The current Duffield Industrial Park sign is in front of Tempur, and is damaged by age and weather. The sign is also outdated because some industries are no longer in the park. The DDA gave the sign to the EDA years ago, and the EDA is responsible for the sign.

Joe said that the old sign needs to be removed, and a new sign installed near the park and ride area. A new sign is also needed for the Scott County Regional Business and Technology Park.

After a brief discussion, Phil and Bill volunteered to work on the sign issue.

Charles Fugate made a motion, duly seconded by Bill Franklin, authorizing the cost of new park signage and the removal of the old sign in Duffield with up to \$5,000 to be taken out of budget line items 6099 and/or 5840, and the remainder taken from the EDA account.

VOTING:	AYE:	Robert Etherton; Dewayne Vermillion; Charles Fugate; Joe Fuller; Phil Smith; Bill Franklin
	NAY:	None
	ABSENT:	Sherry Hilton

John added that the Gateway project will enhance the corridor from the Duffield Primary School to U.S. 23, and the EDA can take a lead role by placing attractive signage.

#### BUSINESS APPRECIATION MONTH

May has been designated Business Appreciation Month throughout the Commonwealth of Virginia, with May 16 – 22 as Business Appreciation Week. In recognition of this designation, the following resolution was passed. Robert Etherton made the motion, duly seconded by Phil Smith:

WHEREAS, Governor Robert F. McDonnell has recognized May 16-22, 2010, as BUSINESS APPRECIATION WEEK in the COMMONWEALTH OF VIRGINIA, and called this observance to the attention of all citizens; and,

WHEREAS, Virginia and its localities recognize that jobs and investment follow private businesses that seize opportunities to expand markets, develop new products, and invest in equipment that improves productivity; and

WHEREAS, the citizens of the County of Scott benefit from the jobs and investment that business creation, growth and expansion provide; and

WHEREAS, the County of Scott has joined the Commonwealth in developing a business climate of opportunity to encourage entrepreneurial risk-taking, investment, and job growth; and

WHEREAS, businesses in the County of Scott play a significant role in growing the economy of the Commonwealth when they assume market risks to reap the rewards of pursuing opportunity; and

WHEREAS, Business Appreciation Week increases public awareness of the valuable contributions that businesses make throughout our community.

NOW, THEREFORE, we, the Scott County Economic Development Authority do hereby recognize May as BUSINESS APPRECIATION MONTH, and specifically, May 16-22, 2010 as BUSINESS APPRECIATION WEEK in the County of Scott, and call this observance to the attention of all our citizens.

VOTING:	AYE:	Robert Etherton; Dewayne Vermillion; Charles Fugate; Joe Fuller; Phil Smith; Bill Franklin
	NAY:	None
	ABSENT:	Sherry Hilton

## BUSH MILL

John said that Bush Mill had to have a county entity to apply for VDOT Enhancement funds. The Board of Supervisors designated the EDA to submit an application. An award of \$200,000 was granted. An agreement between the Bush Mill Foundation and the EDA is necessary.

John said that a 20% match from the Tobacco Commission has already been received, so the EDA would not be expending any funds.

Robert said that the money would be used for restoration of the mill and the wheel. Phil asked who makes up the Bush Mill Foundation Board. Robert replied that board members included Jay and Carol Dixon, himself, Francis Perry, along with others. They serve three-year terms. They are also looking for people to serve on the board.

Robert also said that one of the trustees is still living and worked with the Board of Supervisors and School Board to transfer the mill to the Southwest Virginia Community Foundation.

Sally had two observations on the agreement:

1d – *“submit invoices to EDA no more frequently” add “but at least monthly”*

3 – add *“Upon termination, should any expenses be due to VDOT, the foundation will be the responsible reimbursing party.”*

Dewayne Vermillion made a motion, duly seconded by Phil Smith, to accept the Memorandum of Understanding for the Bush Mill project with changes in language suggested by the county attorney.

VOTING:	AYE:	Dewayne Vermillion; Charles Fugate; Joe Fuller; Phil Smith; Bill Franklin
	NAY:	None
	ABSTAIN:	Robert Etherton
	ABSENT:	Sherry Hilton

## APPALACHIAN SUSTAINABLE DEVELOPMENT (ASD)

John said that the appraisal from ASD was recently received; however, there is a need to extend their option to June 30<sup>th</sup>.

Bill Franklin made a motion, duly seconded by Robert Etherton, to extend the ASD option to June 30<sup>th</sup>, 2010.

VOTING:	AYE:	Robert Etherton; Dewayne Vermillion; Charles Fugate; Joe Fuller; Phil Smith; Bill Franklin
	NAY:	None
	ABSENT:	Sherry Hilton

## MEMBER COMMENTS

None

## CLOSED SESSION

Robert Etherton made a motion, duly seconded by Charles Fugate, to enter into closed session pursuant to Virginia Code Section 2.2-3711 for the purpose of discussing A.3 Real Estate, and A.5 Prospects.

VOTING:	AYE:	Robert Etherton; Dewayne Vermillion; Charles Fugate; Joe Fuller; Phil Smith; Bill Franklin
	NAY:	None
	ABSENT:	Sherry Hilton

## OPEN SESSION

Phil Smith made a motion, duly seconded by Bill Franklin, to exit Closed Session and re-enter Open Session.

VOTING:	AYE:	Robert Etherton; Dewayne Vermillion; Charles Fugate; Joe Fuller; Phil Smith; Bill Franklin
	NAY:	None
	ABSENT:	Sherry Hilton

## CERTIFICATION OF CLOSED SESSION

WHEREAS, the Scott County Economic Development Authority 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 2.2-3712 of the Code of Virginia requires a certification by the Scott County Economic Development Authority that such closed meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Scott County Economic Development Authority 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 executive meeting to which this certification 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 Scott County Economic Development Authority.

### APPROVAL:

Robert Etherton	Yes
Dewayne Vermillion	Yes
Charles Fugate	Yes
Joe Fuller	Yes
Sherry Hilton	Absent
Phil Smith	Yes
Bill Franklin	Yes

## UNNAMED COMPANY FEE AGREEMENT

Dewayne Vermillion made a motion, duly seconded by Robert Etherton, approving the 4.5% fee agreement for a yet unnamed company.

VOTING:	AYE:	Robert Etherton; Dewayne Vermillion; Charles Fugate; Joe Fuller; Phil Smith; Bill Franklin
	NAY:	None
	ABSENT:	Sherry Hilton

## UNNAMED COMPANY LEASE

Charles Fugate made a motion, duly seconded by Robert Etherton, approving a lease as stated with a \$35 per sq. ft. build-out allowance for a yet unnamed company for the annual amount of \$30,153.48. The Chairman and Secretary are also authorized to execute the fee agreement and lease, which includes the consultant fee (consultant hired by the company) of \$108.21 per month.

VOTING:	AYE:	Robert Etherton; Dewayne Vermillion; Charles Fugate; Joe Fuller; Phil Smith; Bill Franklin
	NAY:	None
	ABSENT:	Sherry Hilton

## FEDERAL ECONOMIC DEVELOPMENT ADMINISTRATION

John said that Bob Gittler with the Federal EDA recently visited the Crooked Road Tech Center. Penny met him and toured the building, and he was very impressed. We have a grant application submitted to the Federal EDA for the build-out of Phase II of the tech center.

## CALENDARS

Bill said he had a conflict with the meeting scheduled for May 26<sup>th</sup>. John asked the Board to consider meeting on June 1<sup>st</sup> because the Tobacco Commission applications are due on June 2<sup>nd</sup>, and we will need to pass resolutions for the applications. No changes were made concerning the meeting date.

## VCEDA

John said that VCEDA has stated that they would still like to host a meeting at their office. John suggested the Board could combine the June and July meetings; however, this was up to the discretion of the Board.

## LENOWISCO

LENOWISCO wants to host a meeting and invite the Lee, Wise, and Scott Counties and the City of Norton economic/industrial development board members. The meeting date will be confirmed.

## ADJOURNMENT

Bill Franklin made a motion, duly seconded by Phil Smith, to adjourn the meeting to Wednesday, May 26<sup>th</sup>, 2010 at 6:00 p.m. in the Board Room of the Scott County Administrative Offices.

VOTING:	AYE:	Robert Etherton; Dewayne Vermillion; Charles Fugate; Joe Fuller; Phil Smith; Bill Franklin
	NAY:	None
	ABSENT:	Sherry Hilton