

**Directors**  
James Taylor  
Ray Tuck  
John Tuttle  
Eric Johnsen  
Steve Baffuto



*Tommy Loflin*  
**Chairman**  
*Norman Winstead*  
**Vice-Chairman**  
*Brian T. Hamilton*  
**Secretary/Treasurer**  
*Martin M. McMahon*  
**Attorney**

Minutes  
Tuesday, May 15, 2018 – 11:30 A.M.  
Board of Directors Regular Meeting  
Economic Development Authority of Montgomery County, Virginia  
Montgomery County Government Center  
755 Roanoke Street, Suite 2H, Christiansburg, VA  
Tommy Loflin - Chair, Presiding

The Economic Development Authority of Montgomery County, Virginia held a regular meeting on Tuesday, May 15, 2018 at the Montgomery County Government Center, Christiansburg, VA. Those in attendance were Chair Tommy Loflin; Vice-Chair Norman Winstead; and Directors: Eric Johnsen, Steve Baffuto, and John Tuttle. Also in attendance were: Brian Hamilton, Economic Development Director; Craig Meadows, County Administrator; Marty McMahon, County Attorney; Angie Hill, Finance Director; Brenda Rigney, Project Manager; Ashlyn Shrewsbury, Project Manager; and Rachel Cline, Economic Development Assistant. Absent were Directors: James Taylor and Ray Tuck.

**OPENING REMARKS**

**Declaration of Quorum**

Chair Loflin declared a quorum was present, and called the meeting to order at 11:38 A.M.

**Approval of Agenda**

On a motion by Vice-Chair Winstead, seconded by Director Tuttle, and carried unanimously, the agenda was approved.

**Introduction of Guests**

There were no guests present.

**CONSENT AGENDA**

**Approval of Minutes of the April 17, 2018 meeting- Exhibit Tab 1**

On a motion by Director Johnsen, seconded by Vice-Chair Winstead, and carried unanimously, the minutes dated April 17, 2018 were approved as presented.

**DEPARTMENT OF ECONOMIC DEVELOPMENT**

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**Review and Acceptance of the Treasurer’s Report – Exhibit Tab 2**

Ms. Hill presented the financial statement dated April 30, 2018, included in the agenda packet. She explained that net assets were much the same as the previous month. She also mentioned that the EDA reserve has not changed since last month, and that it is not going to go up at the end of this fiscal year because Backcountry got two years’ worth of incentives this year. She said that on the statement of revenue, things are still pretty much on target, and that the statement of cash flow is showing an increase of \$619 since July, which isn’t much, but is better than decreasing.

On a motion by Vice-Chair Winstead, seconded by Director Johnsen, and carried unanimously, the Treasurer’s Report dated April 30, 2018 was accepted as presented.

**Discussion of FY 19 Officers**

**Resolution Declaring Date of Annual Meeting – Exhibit Tab 3**

**RESOLUTION DECLARING DATE OF ANNUAL BOARD OF DIRECTORS MEETING**

Be It Resolved, by the Economic Development Authority of Montgomery County, Virginia that the annual meeting for Fiscal Year 2019 will be the May 15, 2018, Board of Directors meeting.

On a motion by Vice-Chair Winstead, seconded by Director Johnsen, and carried unanimously, the resolution declaring the date of the annual Board of Directors Meeting was accepted.

**Report from Nominating Committee**

Chair Loflin informed the group that Director Tuttle, had expressed interest in being included in elections, and that Vice-Chair Winstead was willing to continue serving as an officer. He also confirmed with Mr. Hamilton, Ms. Rigney, and Mr. McMahan that they will remain in their current positions.

Chair Loflin opened the floor for other nominations, but there were none.

**Election of Officers**

On a motion by Vice-Chair Winstead, seconded by Director Johnsen, and carried unanimously, the officers for FY 19 were elected as follows:

FY 2018-2019

Chair:	Doug Winstead
Vice-Chair:	John Tuttle
Secretary/Treasurer:	Brian Hamilton
Assistant Secretary/Treasurer:	Brenda Rigney
Legal Council:	Marty McMahan

**INTO CLOSED MEETING**

On a motion by Vice-Chair Winstead, seconded by Director Johnsen, and carried unanimously, BE IT RESOLVED, The Economic Development Authority hereby enters into Closed Meeting for the purpose of discussing the following:

§2.2-3711

(5) Discussion concerning a prospective business or industry or the Expansion of an existing business or industry where no previous announcement has been made of the businesses or industries interest in locating or expanding its facilities in the Community

1. Project 2018013
2. Project 2018014
3. Project 2018021
4. Project 2018022

**OUT OF CLOSED MEETING**

On a motion by Director Johnsen, seconded by Vice-Chair Winstead, and carried unanimously,

BE IT RESOLVED, The Economic Development Authority hereby ends its Closed Meeting and returns to Regular Session.

**CERTIFICATION OF CLOSED MEETING**

On a motion by Director Johnsen, seconded by Vice-Chair Winstead, and carried unanimously,

WHEREAS, The Economic Development Authority of Montgomery County, Virginia has convened a closed meeting on this date in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires certification by the Economic Development Authority of Montgomery County, Virginia that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED, That the Economic Development Authority of Montgomery County, Virginia hereby certifies that, to the best of each Director'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 certification resolution applies; and (ii) only such public business matters as were identified in the motion conveying the closed meeting were heard, discussed, or considered by the Economic Development Authority of Montgomery County, Virginia.

The vote on the foregoing motion was as follows:

<u>Aye</u>	<u>Nay</u>	<u>Absent During Vote</u>	<u>Absent During Meeting</u>
Tommy Loflin		Ray Tuck	Ray Tuck
Norman Winstead		James Taylor	James Taylor
John Tuttle			
Eric Johnsen			
Steve Baffuto			

## **GENERAL BUSINESS**

### **VEDP Site Characterization Contract – Exhibit Tab 4**

Mr. Hamilton informed the group that VEDP had awarded the Site Characterization Grant to go toward getting FBCP Phase II evaluated for the site readiness program, which requires verification by an independent engineer. Hurt & Proffitt's cost for the evaluation process was \$4,000, and the grant will cover half of that cost.

Mr. Hamilton pointed out a performance agreement with VEDP included in the agenda packet that assures that they will use the money for the site characterization process, and if it is not done correctly, they will pay the money given by the grant back. Hurt & Proffitt will execute the site characterization, and then VEDP will send a check to reimburse half of the cost.

On a motion by Vice-Chair Winstead, seconded by Director Johnsen, and carried unanimously, the EDA approved the performance agreement as presented, subject to approval by legal counsel.

### **Dish Networks**

#### **Dish Flyer – Exhibit Tab 5**

Mr. Hamilton reminded the group that Crest View Funds, a group out of Tennessee, has a contract on the Dish building and plan to close in June. The property will be purchased speculatively for lease, likely at a lease rate of about \$15 per square foot, and Mr. Hamilton said they have been working with Crest View to get the available space listed on the appropriate databases.

He also mentioned that Dish sent out a warn notice of an up to 570 employee layoff on May 15, 2018, as with a layoff notice you have to give a 30-day notice and include the maximum number of possible layoffs, meaning they will likely remain closer to the original number of 150 layoffs that Dish projected at the beginning of their relocation process. He said that Dish is still looking for a new site in Christiansburg, and remain interested in moving to the NRV Mall, although the Blacksburg Children's Museum recently took one of the spaces that they liked. Mr. Hamilton also explained that they had asked Dish about bringing in VEC's rapid response team to talk to employees about other job opportunities in preparation for potential layoffs, but Dish turned down the offer.

**Falling Branch Corporate Park  
Stormwater Pond – Exhibit Tab 6**

Mr. Hamilton gave a brief update on the timeline of the repairs to the stormwater pond in the FBCP. Hurt & Proffitt submitted their proposal in February, after which the EDA asked for bids on the engineering work to ensure they were getting the best price. This, along with heavy rain delaying the pond being pumped out, has pushed the 60-day process that should have wrapped up in the end of April to actually finish toward the end of May. Mr. Hamilton explained that being behind schedule is not a huge issue, though, as there are no hard set deadlines with the Town of Christiansburg to get the work done.

The repair work should go out to bid around the end of May, and the bid process will probably last around two to three weeks to allow for more competitive bids. The repairs themselves will likely take about three to four months, and should be completed by the fall. Mr. Hamilton told the group that the biggest issue will be cost, as they will likely need to have work done on Forebay 2 while repairing Forebay 3, as it has started taking on more stress as well. The money for the engineering work has already been appropriated by the Board of Supervisors, and there is around \$93,000 in the EDA Maintenance Reserve, but higher costs in the repair process would require additional funds.

**Pave Corporate Drive (Lot 2) Road – Exhibit Tab 7**

Mr. Hamilton said that there have been four or five projects this year alone interested in FBCP Lot 2, which is served by water and sewer, has fiber and electric, and feeds into the stormwater pond, but does not currently have a paved road, which adds extra time and money onto development if a company were to locate on the property. He pointed out a nearly \$417,000 cost estimate for extending Corporate Drive, a price that has gone up significantly over the last ten years or so.

Mr. Hamilton discussed the possibility of applying for VDOT economic development access funds, which would provide a \$500,000 grant at a 1-to-1 match up to \$800,000. He said that it is a nine-month process to get funds from the Commonwealth Transportation Board, and they have to go through a state environmental process of two months. He added that the County would need a \$2 million investment to qualify the road.

When asked if getting a \$2 million investment on Lot 2 would be any trouble, Mr. Hamilton said that it could be a concern, but added that Polymer Solutions was \$2.9 million with a roughly \$2.3 million building on Lot 8. He also mentioned that another option could be to turn Lot 2 into several smaller lots like the TORC property, since they would still have the former Cox land to offer as bigger property.

Mr. Hamilton pointed out that extending the road into Lot 2 is something that will have to be done eventually anyway, and that right now it is not showing a level of readiness for potential prospects. He explained that under the latest policy, they would have five years to get the investment, then pay 20% per year. Applying for these funds would have to be a joint effort with the County and the Town of Christiansburg, and the Town will likely want the County to agree to paying back the funds should a \$2 million investment not be found.

He said that bringing this to the EDA is the first step, and that if the EDA thinks it is a good idea, they will proceed. The directors gave a positive consensus, and the idea will be taken on to the Town and County for discussion.

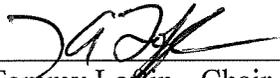
### **ECONOMIC DEVELOPMENT DIRECTOR'S REPORT**

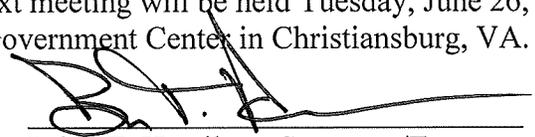
Mr. Hamilton informed the group that he will be out of town for Select USA the following month on the third Tuesday, meaning the next EDA meeting will be shifted to June 26 instead. He said that they will also likely have the stormwater bids back by that point.

Mr. Meadows added that he had mentioned to the Board of Supervisors again the idea of a joint meeting between the BOS and the EDA, suggesting a possible work session during an upcoming meeting. He said that several board members gave favorable consideration, so he will continue to work on setting that up. The meeting would be open to the public.

### **ADJOURNMENT**

The meeting was adjourned at 12:38 P.M. The next meeting will be held Tuesday, June 26, 2018, at 11:30 A.M. at the Montgomery County Government Center in Christiansburg, VA.

  
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Tommy Lottin - Chair

  
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Brian T. Hamilton, Secretary/Treasurer