



**Directors**  
James Taylor  
Ray Tuck  
Tommy Loflin  
Eric Johnsen  
Steve Baffuto

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

## Minutes

Friday, September 21, 2018 – 8:30 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

Doug Winstead - Chair, Presiding

The Economic Development Authority of Montgomery County, Virginia held a regular meeting on Friday, September 21, 2018 at the Montgomery County Government Center, Christiansburg, VA. Those in attendance were: Chair Norman Winstead; Vice-Chair John Tuttle; and Directors: Tommy Loflin, Eric Johnsen, and Tay Taylor. Also in attendance were: Brian Hamilton, Economic Development Director; Craig Meadows, County Administrator; Marty McMahon, County Attorney; Angie Hill, Finance Director; Nancy Turner, Program Assistant; Ashlyn Shrewsbury, Project Manager; and Rachel Cline, Economic Development Assistant. Absent were Directors: Steve Baffuto and Ray Tuck. Also absent was: Brenda Rigney, Project Manager.

### **OPENING REMARKS**

#### **Declaration of Quorum**

Chair Winstead declared a quorum was present, and called the meeting to order at 8:31 A.M.

#### **Approval of Agenda**

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

#### **Introduction of Guests**

There were no guests present.

### **CONSENT AGENDA**

#### **Approval of Minutes of the August 21, 2018 meeting- Exhibit Tab 1**

On a motion by Director Taylor, seconded by Vice-Chair Tuttle, and carried unanimously, the minutes dated August 21, 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 August 31, 2018, included in the agenda packet. She pointed out that they have more cash at the end of August, around \$103,000, but that there were also payables including debt payment, the electric bill, and a small bill to Hurt & Proffitt for the stormwater pond. She said that the maintenance reserve went down from the previous month because the County appropriated funds to cover the stormwater repairs.

On the second page of the report, Ms. Hill mentioned that the operating revenue is on track with the prorated budget. Professional services will continue to go up because of the stormwater engineering, and Ms. Hill asked whether the EDA would like to make adjustments to the report to reflect the County’s contribution to avoid appearing as if the entire professional services budget for the fiscal year has already gone over, to which the directors agreed. Mr. Hamilton added that none of that \$62,500 appropriated by the Board of Supervisors had been spent yet, as the engineering work is covered out of the \$16,000 appropriated in the last fiscal year. The \$62,500 is only for the contractor, and will likely be paid within the next 30 days.

On a motion by Director Taylor, seconded by Director Loflin, and carried unanimously, the Treasurer’s Reports dated August 31, 2018, were accepted as presented.

**INTO CLOSED MEETING**

On a motion by Director Taylor, seconded by Vice-Chair Tuttle, 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 2018012
2. Project 2018013
3. Project 2018025
4. Project 2018028

**OUT OF CLOSED MEETING**

On a motion by Director Taylor, seconded by Director Johnsen, 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 Vice-Chair Tuttle, seconded by Director Johnsen, 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>
Norman Winstead		Ray Tuck	Ray Tuck
John Tuttle		Steve Baffuto	Steve Baffuto
Tommy Loflin			
Eric Johnsen			
James Taylor			

## **GENERAL BUSINESS**

### **Marketing Calendar – Exhibit Tab 3**

Ms. Shrewsbury presented the marketing calendar for fiscal year 2019. She pointed out that they were only awarded one event from VEDP this year, AUVSI Xponential at the end of April, which focuses on drones and unmanned systems. She said that they have attended the AUVSI event for the last three years, and that it fits very well with their targeted industries. They were also supposed to attend the VEDA Fall Conference the previous week, but it was cancelled due to impending weather from Hurricane Florence.

Ms. Shrewsbury said that most of their other marketing for the year will be through partnering with Onward NRV, and many will also involve working with VEDP, who have recently gotten a new executive director and are in the process of reorganizing and adjusting their goals. Ms. Shrewsbury explained that they are trying to work closely with VEDP to make sure to get their

name out there so they will be remembered for future projects. She mentioned a trip she took with Onward and VEDP in August where she got to meet their new staff, and said that they seem to have a positive vision moving forward.

Mr. Hamilton added that the VT CRC Media Day that took place earlier in the week went very well, and that there were several magazines and international publications represented, along with local groups such as the Roanoke Times. Mr. Hamilton said that he, along with Onward's Charlie Jewell, did one interview with a site selection magazine and another with a pharmaceutical publication.

### **Virginia Jobs Investment Program**

Mr. Hamilton explained that the General Assembly cut \$3 million from the 2020 budget, and that VEDA is asking for letters in support of restoring funding to the programs that help companies in areas such as retraining employees, which Montgomery County has utilized a great deal in the past. He said that Montgomery County had sent in a support letter, and that the EDA could write one as well, but that it was up to the directors if they wanted to get involved. The directors discussed whether or not they wanted to send in a letter, but made no official decision at the time.

### **Go Virginia – Exhibit Tab 4**

Mr. Hamilton discussed Go Virginia, explaining that to apply for a grant, there has to be a minimum of two localities applying together. He said that he met with Randy Wingfield from the Town of Christiansburg to talk about them doing water and sewer for FBCP Phase II, which would qualify as the second locality required for the Go Virginia application. If the Town agrees to commit to providing water and sewer, the next step in the application process would be to take it to the Board of Supervisors, then to fill out the actual application. There are still a lot of steps to be taken in the process, such as talking more to VDOT about additional funding on their end and a request to the Board of Supervisors for funding on the County's part, but Hurt & Proffitt are working on getting all of the necessary documents updated so the application can get underway if it is approved by all parties.

On a motion by Vice-Chair Tuttle, seconded by Director Loflin, and carried unanimously, the EDA approved moving forward on the Go Virginia application based on approval by the Town of Christiansburg to invest in water and sewer for the project.

### **Technology Manufacturing Building Stair Repair/Replacement**

Mr. Hamilton reminded the directors of the need to either repair or replace some of the outside staircases at the TMB, and that the existing plans do not meet today's standards. He said that he spoke with the Town of Blacksburg and found out that they will need an architect drawing and a weld inspector, and based on that consultation, staff recommends a new set of stairs rather than to try and repair the old ones.

Mr. Hamilton said that he is in talks with Tom Koontz about a new set of plans, and that besides updating the handrails to meet current codes, the big change to the new stairs will be having slats

instead of a solid platform so that rain and snow can fall through instead of puddling on the stairs and leading to quicker erosion.

Mr. Hamilton explained that until they get actual bids, they are not entirely sure of what the cost to replace the stairs will be. One welder gave a rough estimate of \$6,200 per staircase, in which case they would probably only worry about the two worst staircases for the time being. He also said that the cost for the new drawings from the architect is in the budget under engineering services, but the funds for the actual stairs will have to be requested out of the maintenance reserve held by the County.

### **Market Information**

Mr. Hamilton said that, as suggested by the directors at the last EDA meeting, he began looking into marketing information on the TMB. He met with Tom Bland, the real estate assessor for the County, who said that based on the lease review, he believed the building is worth \$104 per square foot, or about \$10.4 million, less a 5% or more commission for a commercial realtor. If sold at that price, the \$8.4 million still owed could be repaid and still leave around \$1.5 million.

The directors suggested reaching out to a few commercial realtors to start evaluating what they think of the building and what type of commission fees they might charge. Mr. Hamilton said he would begin talks with a few realtors out of Roanoke.

### **Falling Branch Corporate Park Stormwater Pond – Exhibit Tab 5**

Mr. Hamilton reminded the directors that they recently executed a contract with the lowest bidder for the stormwater repairs at a price of \$62,500. However, recent heavy rains washed both forebays out completely, meaning that the repair work now exceeds the original scope of the contracted work. Mr. Hamilton said that there have been discussions of around \$4,000 for a change order to cover the now expanded amount of work beyond the original \$62,500 appropriated by the Board of Supervisors, and asked that the EDA preauthorize moving forward with that change order.

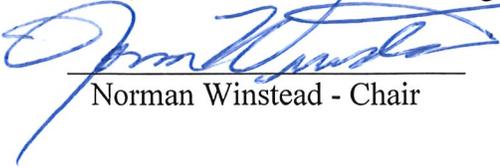
On a motion by Director Johnsen, seconded by Director Lofflin, and unanimously carried, the EDA authorized entering into a change order up to \$6,000 subject to confirmation that the Board of Supervisors will appropriate further funds to cover the cost.

### **DISH Network Update**

Mr. Hamilton gave a brief recap on the Dish building, which Crest View Funds withdrew their contract on due to lack of interest. He said that CBRE has been retained to either sell the building outright at \$3.7 million, or to lease it triple net at \$7 per square foot, with the smallest lease size being 50,000 square feet. Mr. Hamilton said that they showed the building to one existing industry twice, and that there is another group out of Roanoke potentially interested as well.

**ADJOURNMENT**

The meeting was adjourned at 9:53 A.M. The next meeting will be held Tuesday, October 16, 2018, at 11:30 A.M. at the Montgomery County Government Center in Christiansburg, VA.



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Norman Winstead - Chair



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Brian T. Hamilton, Secretary/Treasurer