



**MEETING MINUTES
BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY**

**County Administration Building
122 E Main St
Bedford, VA 24523
April 2, 2015
5:30 P.M.**

Economic Development Authority:

:Present:

Dennis Novitzke – Dist. 1; Mickey Johnson – Dist. 2; Wyatt Walton – Vice Chairman, Dist. 3; Matthew Braud, Dist. 4; Jim Lusk – Chairman, Dist. 5; Kim McCabe, Dist. 6; Paul Kelbaugh, Dist. 7

:Absent: None

Staff Present: Traci Blido – EDA Secretary; Carl Boggess – County Attorney; Jessica Hupp – Transcriber

Staff Absent: Mark Reeter – County Administrator

(1) APPROVAL OF AGENDA

Mr. Lusk asked if anyone had any changes they wished to make to the agenda.

Mr. Walton moved, seconded by Mr. Braud, to approve the April 2, 2015 agenda, as presented.

Voting yes: Mr. Novitzke, Mr. Lusk, Mr. Kelbaugh, Mr. Braud, Mr. Johnson, Ms. McCabe, Mr. Walton

Voting no: None

Adopted unanimously

(2) APPROVAL OF MEETING MINUTES – March 12, 2015

Mr. Lusk asked for approval and/or amendments to the Authority's March 12, 2015 meeting minutes.

Mr. Braud moved, seconded by Mr. Kelbaugh, to approve the March 12, 2015 meeting minutes, as presented.

Voting yes: Mr. Novitzke, Mr. Lusk, Mr. Kelbaugh, Mr. Braud, Mr. Johnson, Ms. McCabe, Mr.

Walton

Voting no: None

Adopted Unanimously

(4) REPORTS

a. Economic Development Director's Report

Mrs. Blido stated the Farmers Markets are kicking off the season this month. Mrs. Blido reported that this year, the Bedford YMCA will run both Bedford markets, with one being held at the Y Pavilion on Tuesdays, another being held at the Centertown Pavilion on Fridays, and a first Saturday of the month community market at the Centertown Pavilion. Mrs. Blido stated the Centertown Pavilion has been given a facelift, with new flower beds, hanging baskets, picnic tables and more.

Mrs. Blido reported that the Forest Farmers Market manager did a survey of her vendors and projected that from one third of the vendors who responded, the Forest Market sells well over \$300,000 per season, and sees between 200 and 400 attendees a day during the outdoor season.

Mrs. Blido reported that the Annual Bedford Chamber Awards took place this past Thursday. This years' awards included Fostek as Best Large Business, Town Kitchen as Best Small Business, the D-Day Memorial as Best Non-Profit, and the Bedford Farmers Market at the Y as Best Agri-Business.

Mrs. Blido reported that the Board of Supervisors should be adopting the FY15-16 budget on Monday, April 27 and, if approved, the EDA should receive the same amount of funds as the previous year.

Mrs. Blido thanked Mr. Lusk for attending the legislative meeting held by Delegate Dr. Scott Garrett last week where he discussed workforce needs of the region. Mrs. Blido stated she is hearing more and more about the need for skilled workers and how it is becoming a top concern. The Workforce Innovation & Opportunity Act (WIOA) was recently passed at the federal level and will change how we work with and utilize various workforce training and service delivery systems for job seekers and employers. Mrs. Blido reported that the International Economic Development Council did a study among economic developers and found that the lack of skilled labor increased as a top concern from 14% before 2012 to 54% this year. Mrs. Blido reported that she invited Chris Markham from Central Virginia Manufacturing (CVM) to attend a recent regional workforce meeting to discuss his needs as a local company and the overall workforce needs of our county. CVM just finished the production of a food-grade sushi conveyor machine for a Fortune 50 company, and expects more calls for similar jobs.

Mrs. Blido reported that Trident Seafoods will be officially closing tomorrow, and that she has been working closely with anyone that can help place their workers in new positions. Of the companies she has worked with, Frito Lay is expecting to hire a few Trident employees, and Valley Processing has been talking to Trident employees as well.

Mrs. Blido stated that Virginia Industrial Development Authority (VIDA) training will be coming up at the end of the month which both Mickey and Dennis will be attending. Mrs. Blido stated she also plans to attend to get a better idea of what EDA members are learning at VIDA training sessions.

Ms. McCabe asked about what type of limitations the County's skilled workforce has, to which Mrs. Blido explained we need more workers with 2-year technical degrees in careers such as HVAC, welding, and machine technicians. Mrs. Blido stated that BSTC used to have these programs, but most of the time students' teachers and counselors aren't telling them about the wages for these types of jobs, and are pressing them more toward a 4-year degree program. Mrs. Blido stated that we need to change the view of these types of career paths. Mr. Novitzke asked if there were training programs at companies in the area such as apprenticeships. Mrs. Blido stated they've discussed the need for more apprenticeships, but most of the time these positions aren't advertised correctly or the companies aren't addressing the correct crowd.

b. Monthly Financial Report

Mrs. Blido reviewed the monthly financial report with the EDA.

c. Monthly Accounts Payable Report – bills that have been paid

The Authority members present reviewed the recently paid bills, as presented. Mr. Lusk asked if the \$3,500 charge for electric is normal for CVCC, to which Ms. Hupp stated that was pretty standard.

d. Existing Business Report

Ms. Hupp reported that she attended the Virginia Economic Developers Association conference in Norfolk, Virginia and the Artisan Center of Virginia's conference in Charlottesville. Ms. Hupp stated both conferences were beneficial and highlighted topics related to our local economy, such as agri-business.

Ms. Hupp stated the Bedford One program hosted two tours this month. The first tour took place March 18 at a physical therapy and dentistry office. The second tour took place today at Griffin Pipe and Sentry Equipment. Ms. Hupp reported that the students had a great experience at both tour locations, and that many of the students were interacting with tour guides and asking about potential job opportunities. Ms. Hupp stated that the Human Resources Manager at Sentry mentioned that Sentry seems to get the last pick of students with vocational training from CVCC. However, the high schools have a great dual enrollment program that will give students their certification in welding upon graduation, which Sentry stated many of their hired welders don't have. This puts students in the dual enrollment program at a great advantage over other applicants.

Ms. Hupp stated the department newsletter will be coming out in April, and will highlight TEVA's new government contract, renovations to the Bedford Centertown Pavilion, CVM's food grade conveyor, and more. Ms. Hupp stated the Governor's office has discussed making May Business Appreciation Month. Staff plans to arrange the quarterly roundtable meeting during May as a business appreciation event at a location in Forest and in Bedford. Staff will also be placing a business appreciation ad in the paper, which has been done for several years in the past.

Mrs. Blido stated that she has picked two possible days for the EDA's annual planning day, including Friday, June 26, from 9 a.m. – 1 or 2 p.m. or 12 – 5 p.m., or Saturday, June 27. Mrs. Blido stated it would be easier to get Draper Aden to attend on a Friday. Mr. Braud asked for a draft agenda of the planning day for the next meeting to get an idea of what will be discussed. Mrs. Blido mentioned that having our

accountant at the planning day meeting to discuss the possibility of larger projects would be beneficial. Mr. Boggess suggested having the meeting at CVCC Bedford since the master plan is for the Bedford Center for Business. EDA members agreed that Friday, June 26 in the early morning to afternoon would be best for their schedules.

(4) Old Business

A. Property Management plan overview

Mr. Lusk stated he would suggest moving this to the planning day meeting.

(5) New Business

(6) New London Business & Technology Center

A. Capital Considerations

1. Improvements

a. NL seeding/CAER landscaping

Ms. Hupp stated that the seeding quote was provided in the agenda packet from A-Plus. Ms. Hupp stated that Mr. Henderson suggested the EDA use matting with the seeding, considering the banks are on a slope. If we get heavy rain the straw and seed may wash onto the sidewalks.

Mr. Walton asked where the bank was and how large it was. Ms. Hupp stated there is 20,000 square feet of bank that needs seeding. Mr. Lusk stated the bank in the picture is on a 45 degree angle, so most likely the straw would not stay in place.

Mrs. Blido stated she is open to suggestions from EDA members on whether some trees may need to come down in the park in order to clean up its appearance.

Mr. Kelbaugh moved, seconded by Mr. Braud, to approve the seeding in New London by A-Plus landscaping at a cost of \$3,825.

Voting yes: Mr. Novitzke, Mr. Lusk, Mr. Kelbaugh, Mr. Braud, Mr. Johnson, Ms. McCabe, Mr. Walton

Voting no: None

Adopted unanimously

b. Authorization to pay final substation bill

Mr. Boggess stated the last bill for the substation has come in, and that he had a conversation with Mike Bender concerning why the project went over. Mike stated that labor costs were higher than they expected, and that the substation lot itself had a lot of rock that needed to be removed. Mr. Bender also explained that the underground distribution cost was higher and that it was a result of higher labor costs. Mr. Boggess stated that the electronic meter reading that was shown on the final bill was in fact budgeted for, just not set out as a separate line item on the estimate, and is required of all substations.

Mr. Boggess explained to new EDA members that Southside Electric has agreed if we use between six to seven megawatts of power, they would pay us back the entire cost of the substation. Since we have not

currently met that amount of usage, they have given us a credit instead for the megawatts that are currently being used, in the amount of \$380,000. The EDA should receive roughly \$500,000 for every megawatt of power that is used from new construction in the New London Business and Technology Center. Mrs. Blido stated that Simplimatic's power should contribute to that figure, and that we have until December 31, 2017 to bring in new companies and electrical loads.

Mrs. Blido stated that she would need approval from the EDA to use funds from their cash account to pay for going over budget.

Mr. Walton moved, seconded by Ms. McCabe, to approve the use of cash account funds to pay for substation cost overage.

Voting yes: Mr. Novitzke, Mr. Lusk, Mr. Kelbaugh, Mr. Braud, Mr. Johnson, Ms. McCabe, Mr. Walton

Voting no: None

Adopted unanimously

Mr. Walton asked if there were any CIP funds left over from the substation project, and if so, if the EDA gets to keep them. Mrs. Blido stated there is no more CIP funding left, and that the Board of Supervisors (BOS) make the decision as to where those left over CIP funds go. Mrs. Blido stated we will not be getting any CIP funding next year.

Mr. Walton asked about the demolition of the Washington Street buildings and if we needed to put in a new request with the BOS. Mr. Boggess stated the BOS will not give funds to demolish those buildings. Mrs. Blido stated that Charlie Kolakowski was recently asking about what to do with those buildings, and plans to call a meeting with the Town and County to discuss future plans for the property.

B. Operating Considerations

1. Operating Expenses

(8) Bedford Center for Business

A. Capital Considerations

1. Improvements

a. Master plan monthly update

Mrs. Blido reported that she spoke to Carolyn today from Draper Aden, as well as with Virginia A&E, who completed their reports for the CVCC facility. Faith McClintic is also looking through her notes from the stakeholders' interview, and compiling it into a report for the EDA. Mr. Lusk stated he would like to see a draft of Faith's report before seeing the final presentation from Draper Aden.

B. Operating Considerations

1. Operating Expenses

(9) Montvale Center for Commerce

A. Capital Considerations

B. Operating Consideration

1. Review of covenants

Mrs. Blido stated that she is getting more and more requests for fuel-related and crane-related prospects for the Montvale Center for Commerce, especially on its graded lot. Mrs. Blido stated that when she gets these types of requests, she explains that the park is not zoned for that type of heavy industrial operation, and the covenants would be an obstacle to changing it. Mrs. Blido stated she wants to make sure that the EDA is okay with her sticking to these covenants and by-laws.

Mrs. Blido walked the EDA through current for-sale properties in the Montvale Center for Commerce, and identified which pieces of property prospects find most appealing. Mrs. Blido explained that the covenants state no businesses with petroleum, asphalt, or trucks are allowed on these properties.

Mr. Johnson asked why we don't allow those types of businesses to locate in the park. Mr. Walton explained that many people in Montvale felt they got a bad deal when the fuel tanks were located there several years back and that it ruined the scenery. As a result, when the Montvale Park was put together, the county promised not to do the same thing again.

Mr. Lusk stated he could understand petroleum operations aren't allowed, but doesn't understand why the crane operation wouldn't be allowed. Mr. Walton said there is a junk yard on the other side of that area and residents are always complaining about it.

Mrs. Blido explained that with the petroleum operation, there would be eight to ten trucks coming through every day filling up. This type of operation would likely be a shell building with trucks parked continuously on the lot, with the option for renting and fixing equipment.

Mrs. Blido stated she would like the EDA to think about this before planning day and they could discuss it further at that time.

(10) All Other EDA Business as may be appropriate

A. Closed Session

Mr. Kelbaugh moved, seconded by Mr. Braud, that the Bedford County Economic Development Authority go into a closed session under Section 2.2-3711(A)(5) discussion or consideration concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community and Section 2.2- 3711(A)(7) for consultation with legal counsel and briefings by staff members pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigation posture of the public body.

Voting yes: Mr. Novitzke, Mr. Braud, Mr. Lusk, Mr. Kelbaugh, Mr. Johnson, Ms. McCabe, Mr. Walton

Voting no: None

Adopted unanimously

Authority member Mr. Lusk made a motion, seconded by Authority member Mr. Kelbaugh, to go back into regular session.

Voting yes: Mr. Novitzke, Mr. Braud, Mr. Lusk, Mr. Kelbaugh, Mr. Johnson, Ms. McCabe, Mr. Walton
Voting no: None
Adopted unanimously

On a motion made by Authority member Mr. Lusk, which was seconded by Authority member Mr. Kelbaugh, which carried on a vote of yes, the following resolution was adopted:

Whereas, the Bedford County Economic Development Authority has convened a Closed Meeting on this the 2nd day of April 2015, pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

Whereas, §2.2-3712 of the Code of Virginia requires a certification by the Bedford County Economic Development Authority that such closed meeting was conducted in conformity with Virginia Law.

Now, Therefore Be It Resolved on this 2nd day of April 2015, that the Bedford County Economic Development Authority does hereby certify 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 closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting was heard, discussed or considered by the Bedford County Economic Development Authority.

<u>MEMBERS:</u>	<u>VOTE:</u>
Dennis Novitzke	Yes
Matthew Braud, Vice-Chairman	Yes
Wyatt H. Walton, III	Yes
James A. Lusk, Chairman	Yes
Mickey Johnson	Yes
Kimberly A. McCabe	Yes
Paul C. Kelbaugh	Yes

(11) Adjournment

- 6:55 p.m.

APPROVED:



Chairman



Secretary