

LENOWISCO Planning District Commission
Board of Directors' Meeting
October 3, 2011

The LENOWISCO Planning District Commission Board of Directors met on Monday, October 3, 2011, at 5:30 p.m. in the conference room of the LENOWISCO Planning District Commission, Duffield, Virginia.

Those members present were: Mr. Ben Allen, Mr. Ronnie Shortt, Mr. Larry Mosley, Mr. Joe Herron, Mr. Bob Adkins, Mr. Robert Raines, Mr. Larry Vicars, Mr. Carl Bailey, Mr. Joe Horton, Mrs. Suzy Harrison, Mr. Homer "Pete" Sumpter, Mr. Robert Robbins, Mr. Danny Parks and Mr. Bobby Dorton. Those members absent were: Mr. Mark Carter

LENOWISCO staff members present were: Mr. Glen Skinner, Executive Director; Mr. Chris Starnes, Transportation Planning Manager; Mrs. Zetta Ferguson, Director of Project Management; Mr. Ron Flanary, Senior Advisor and Mr. Duane Miller, Deputy Director.

The Chairman, Mr. Bob Adkins, called the meeting to order at 5:34 p.m., which was followed by the invocation and pledge of allegiance.

The first order of business was the introduction of a new board member by Mr. Bob Adkins. Mr. Adkins and Mr. Skinner introduced Mrs. Suzy Harrison from St. Paul as the new LENOWISCO Board Member appointed by the Wise County Board of Supervisors.

The second order of business was approval of the minutes for the August 1, 2011, Board of Directors' meeting. On a motion by Mr. Ronnie Shortt, duly seconded by Mr. Carl Bailey, the Board unanimously approved the minutes.

The third order of business was approval of the minutes of the August 31, 2011, Board of Directors Called Meeting and Executive Committee Meeting. On a motion by Mr. Robert Robbins, duly seconded by Mr. Ben Allen, the Board unanimously approved the minutes.

The fourth order of business was approval of the agenda. On a motion made by Mr. Larry Mosley, duly seconded by Mr. Joe Horton, the Board unanimously approved the amended agenda as presented.

The fifth order of business was the presentation of the financial report by Mr. Larry Vicars. He reviewed the July and August financial reports for LENOWISCO PDC and LENOWISCO LLC. Mr. Vicars explained the new format of the financial reports stating that they are easier to read and offer more detailed information where needed. On a motion by Mr. Larry Vicars, duly seconded by Mr. Joe Herron, the Board approved the Treasurers report as presented.

The sixth order of business was the presentation of Water / Wastewater technical assistance and construction funding requests by Mr. Duane Miller:

Technical Assistance Funds

A. City of Norton – Park Avenue Waterline Replacement Design - \$10,000

Construction Funds

A. City of Norton – Park Avenue Waterline Replacement Construction - \$50,000

B. Lee County PSA – Thompson Settlement Water Project - \$160,000

C. Wise County PSA – Upper Exeter Sewer Project - \$125,000

On a motion by Mr. Carl Bailey, duly seconded by Mr. Larry Vicars, the Board unanimously approved these Construction Fund requests as presented.

The seventh order of business was the presentation of Appalachian Regional Commission applications by Mr. Chris Starnes. Mr. Starnes reported that LENOWISCO staff assisted in submitting applications for three projects (Appalachia Cultural Arts Center, Gate City Performing Arts Center and Country Cabin Outdoor Venue Enhancements). He noted that awards should be made by early 2012.

The eighth order of business was the presentation of Virginia Tobacco Commission awards by Mr. Chris Starnes. Mr. Starnes reported that the Tobacco Commission had recently made grant awards to number of projects throughout the LENOWISCO region and supplied a summary of these awards to the Board members. Mr. Vicars noted that the Tobacco Commission had tabled a number of the recreational type projects pending further work on their strategic plan.

The ninth order of business was the presentation of the Mountain Empire Older Citizens Transit Development Plan by Mr. Chris Starnes. Mr. Starnes presented the Board members a web link to a draft version of the Transit Development Plan being completed by a consultant for Mountain Empire Older Citizens Transit. Mr. Starnes requested that any Board member with a comment on the draft plan contact him so he could pass along to the appropriate persons conducting the plan development.

The tenth order of business was a presentation by Mr. Ron Flanary, Senior Advisor, regarding the

Crooked Road, Round the Mountain and Heartwood initiatives. Mr. Flanary summarized recent developments with these organizations and encouraged LENOWISCO to continue their participation in all of these initiatives. Mr. Flanary also made a presentation about the current state of Economic Development activities, including the Virginia Tobacco Commission (VTC) and the Virginia Coalfield Economic Development Authority (VCEDA), within the LENOWISCO region and made some suggestions about future efforts. Mr. Ronnie Short commented that VCEDA was more focused on large Economic Development projects rather than small business oriented developments. Mr. Bob Adkins suggested that the VTC set aside a fund for community development projects that will not be tied to Economic Development outputs. Mr. Larry Vicars noted that Kingsport, Tennessee cites approximately \$75 per day, per person in economic benefit when sporting tournaments are in town which signifies community development projects are worthwhile. Mr. Joe Horton noted that he has seen a significant increase in out of state vehicles traveling along the Crooked Road in Scott County. Mr. Robert Robbins commented that speed limits need to be raised along portions of Highway 23 and Highway 58 in Wise County, and the LENOWISCO region, to better encourage businesses to locate in this region. Mr. Starnes commented on Mr. Robbins' statement and reported that VDOT is currently studying the safety impacts of raising speed limits along portions of Highway 23 and Highway 58.

The eleventh order of business was the Executive Director's report by Mr. Glen Skinner which included the following items:

Item #1 – Mr. Skinner reported that following the called Board meeting in August, he has halted efforts to create LENOWISCO Holdings LLC and will request a refund of the application fee from the State Corporation Commission for the creation of that organization.

Item #2 – Mr. Skinner reported that LENOWISCO has been notified of a successful funding award for the Hazard Mitigation Plan in the amount of \$60,000. He noted that this Plan is similar to the plan that was completed by LENOWISCO, with the help of Thompson-Litton, five years ago. He stated that the last plan was completed by a consultant but that since this will be an update to an existing plan he plans to use LENOWISCO staff primarily to complete the update. Mr. Robert Raines questioned if the localities were on board with this plan and Mr. Skinner stated that to the best of his knowledge they are, but he would double check to be sure. He requested board action to allow LENOWISCO to enter into a contract to accept the grant funds. On a motion made by Mr. Ronnie Shortt, duly seconded by Mr. Larry Mosley, the Board unanimously approved action allowing Mr. Skinner to enter into a contract to accept these grant funds.

Item #3 – Mr. Skinner reported that the Virginia Tobacco Commission (VTC) has been withholding payments regarding the LENOWISCO Regional Site Study which is being completed by Thompson-Litton Engineers on behalf of LENOWISCO. Thompson-Litton has billed LENOWISCO approximately \$30,000 for this project which LENOWISCO has not paid yet because the VTC is withholding reimbursement payments due to the uncertainties surrounding the Broadband Project. Mr. Raines noted that these are apples and oranges and that the VTC should pay the drawdown request in a timely manner. Mr. Skinner agreed and stated that he will continue to have discussions with VTC staff regarding the issue. In order for LENOWISCO to pay its bills, Mr. Skinner asked for authorization to pay Thompson-Litton using local funds to be reimbursed by the VTC at a later date. Mr. Raines questioned how certain LENOWISCO is that the VTC will reimburse the project. Following further discussion, on a motion made by Mr. Robert Raines, duly seconded by Mr. Ronnie Short, and unanimously approved by the Board, Mr. Skinner was given authorization to pay up to \$13,500 to Thompson-Litton for this project at the current time.

The twelfth order of business was the discussion of LENOWISCO LLC by Mr. Glen Skinner. Mr. Skinner reported that the Virginia Tobacco Commission (VTC) had recently approved in principal the transfer request from LENOWISCO LLC to Powell Valley Electric Cooperative, subject to terms and guidelines set forward by the VTC Executive Committee. A tentative closing date has been set for December 1, 2011. Mr. Homer "Pete" Sumpter commented that LENOWISCO should be getting more money for the transfer. Mr. Vicars and Mr. Skinner stated that the \$570,000 figure was as high as LENOWISCO could expect to receive during deliberations at the arbitration hearing. Mr. Vicars noted that the goal at the arbitration hearing was to get the broadband service to the homes as soon as possible rather than dragging the arbitration process out further. Mr. Skinner noted that the Board of Directors had passed the arbitration agreement at a previous board meeting.

The final order of business was a public comment period opened by Chairman Bob Adkins. There were no public comments offered and the public comment period was closed.

There being no further business to discuss, Mr. Ronnie Shortt made a motion, duly seconded by Mr. Joe Horton, and followed with unanimous approval of the Board, to adjourn the meeting at 7:17 p.m.

Respectfully submitted,

GLEN A. SKINNER
Secretary