

April 22, 2004

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, April 22, 2004, at 3:00 p.m. in the Council Room of the Rural Retreat Municipal Building, 307 South Main Street, Rural Retreat, Virginia.

#### **MEMBERS PRESENT**

Steven D. Irvin, Chairman	Joseph W. Freeman, Vice-Chairman
George T. Johnstone, Treasurer	Robert J. Ayers
Gerald Brewer	Danny B. Gordon
William F. Snyder	

#### **EX-OFFICIO MEMBERS PRESENT**

Raymond E. Matney, Rural Retreat Town Manager

#### **EX-OFFICIO MEMBERS ABSENT**

R. Cellell Dalton, Wythe County Administrator  
Wayne Sutherland, Wytheville Town Manager

#### **DETERMINATION OF QUORUM**

The meeting was called to order and a quorum determined to be present by Mr. Irvin, Chairman. Mr. Irvin thanked Authority members for their attendance. The invocation was given by Mr. Gordon, and the Pledge of Allegiance was led by Mr. Irvin.

#### **CITIZENS' TIME**

Mr. Irvin stated the next agenda item is Citizens' Time. He inquired if there are persons present who wish to address the board during Citizens' Time. Dr. Hawthorne announced that Klöckner Pentaplast of America, Inc., a leading manufacturer of plastic packaging and technical films, is expanding its facility in the Rural Retreat Industrial Park. In response to growing customer demand, the company is adding a new TDO (transverse-direction oriented) film tentering line to produce shrink film for labeling applications. Following is a copy of the press release.

#### **PRESS RELEASE**

##### **KLÖCKNER PENTAPLAST EXPANDS OPERATIONS IN RURAL RETREAT INDUSTRIAL PARK**

RURAL RETREAT—Klöckner Pentaplast of America, Inc., a leading manufacturer of plastic packaging and technical films, is expanding its facility in the Rural Retreat Industrial Park. In response to growing customer demand, the company is adding a

new TDO (transverse-direction oriented) film tenting line to produce shrink film for labeling applications. Shrink label films are used for full-body shrink-sleeve label, bottle capsule (cap seal), tamper-evident band, and multi-pack applications. These films are typically printed for highly decorated labels that provide food and consumer products with 360-degree graphics. In 2002, Klöckner Pentaplast announced a major expansion of the Rural Retreat facility to accommodate additional rigid film production capacity. Klöckner Pentaplast currently employs approximately 300 people at its Rural Retreat facility where a range of rigid film products is produced.

Klöckner Pentaplast president Michael Tubridy said “Our work force as a whole, and certainly our employees here in Rural Retreat, have a history of success at achieving excellent performance for our customers. It is encouraging to find new avenues for expansion and to continue to invest in our future.”

“We are excited about the world-class facility that Klöckner Pentaplast operates in Rural Retreat,” said Steve Irvin, Chairman of the Joint Industrial Development Authority. “When Klöckner Pentaplast is successful, Wythe County and Rural Retreat are successful.”

Founded in the U.S. in 1977, Klöckner Pentaplast of America, Inc., is the largest producer of high-quality rigid films in the Americas. The company's product line includes vinyl, polyester, polypropylene, high-impact polystyrene (HIPS), BAREX<sup>®</sup>, ACLAR<sup>®</sup>-laminated, COC-laminated and -coated, and PVDC-coated films for pharmaceutical, medical device, food, electronics, and general-purpose thermoform packaging, as well as printing and specialty applications.

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RELEASE: 4/22/04

#### **Contacts:**

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Klöckner Pentaplast of America  
Rural Retreat, VA 24368  
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Executive Director  
Joint IDA of Wythe County  
(276) 223-3370  
[DirectorJIDA@wytheville.org](mailto:DirectorJIDA@wytheville.org)

#### **APPROVAL OF MINUTES - MARCH 25, 2004**

Mr. Gordon informed the members that the minutes of the March 25, 2004, meeting should be corrected to reflect that the Duke Energy pipeline case article that he discussed was in the *Roanoke Times*. Motion was made by Mr. Gordon that the minutes of the regular meeting held on March 25, 2004, be approved as corrected, seconded by Mr. Ayers, and passed unanimously.

## APPROVAL OF INVOICES

Dr. Snyder asked about check #4223, Louis Brossy. Dr. Hawthorne commented that this is Mr. Brossy's commission for the sale of the timber in the Ivanhoe Industrial Park. Mr. Irvin asked about check #4216, Local Government Investment Pool. Dr. Hawthorne explained that funds were transferred to this account in order to obtain a higher interest rate. Mr. Gordon asked about check #4233, Town of Wytheville Postage. Dr. Hawthorne explained that this is reimbursement to the Town of Wytheville for postage. Mr. Brewer made a motion to approve the invoices as presented seconded by Mr. Johnstone and passed unanimously.

### Joint IDA of Wythe County Check Register

For the Period From Mar 26, 2004 to Apr 22, 2004

Filter Criteria includes: Report order is by Check Number.

Check #	Date	Payee	Amount
4211	3/31/04	Linda D. Lester	811.42
4212	4/8/04	U S Cellular	34.30
4213	4/8/04	VA Dept. of Taxation	429.25
4214	4/8/04	First Bank of Virginia	2,677.04
4215	4/15/04	Linda D. Lester	739.07
4216	4/16/04	Local Govt. Investment Pool	70,000.00
4217	4/22/04	Sprint	125.29
4218	4/22/04	Sprint	14.56
4219	4/22/04	Robert G. Moore	1,100.00
4220	4/22/04	Treasurer of Virginia	45.00
4221	4/22/04	Xerox	146.80
4222	4/22/04	American Electric Power	72.62
4223	4/22/04	Louis Brossy	3,048.00
4224	4/22/04	Southern Economic Dev. Council	175.00
4225	4/22/04	Bankcard Services	164.63
4226	4/22/04	Wytheville Enterprise	37.80
4227	4/22/04	Quill Corporation	71.42
4228	4/22/04	Mike Webb-Reimbursement	17.25
4229	4/22/04	Trigon	1,389.18
4230	4/22/04	Trigon Dental	102.67
4231	4/22/04	Companion Life Insurance Co.	79.32
4232	4/22/04	Fort Dearborn Life Ins Co.	31.95
4233	4/22/04	Town of Wytheville - Postage	93.68
4234	4/22/04	Alan Hawthorne - Reimbursement	145.50
4235	4/22/04	JIDA Petty Cash	22.28
4236	4/22/04	Chamber of Commerce	20.00
4237	4/22/04	Michael B. Webb	2,049.48
4238	4/22/04	Alan R. Hawthorne	3,364.14
4239	4/22/04	Virginia Employment Commission	97.63

4240	4/22/04	Linda Lester-Reimbursement	25.13
Total			87,130.41

## **OLD BUSINESS**

### **INDUSTRY APPRECIATION GOLF TOURNAMENT COMMITTEE UPDATE**

Mr. Ayers updated the board on the Industry Appreciation Golf Tournament. The golf tournament will be held on May 13, 2004, at the Wytheville Country Club followed by a reception. Mr. Irvin thanked the committee for their efforts in coordinating the tournament and reception.

### **PBG OPEN HOUSE UPDATE**

Dr. Hawthorne informed the members that the Pepsi Bottling Group open house is June 4, 2004, at 9:00 a.m. Mr. Gordon asked if there are plans to present Pepsi Bottling Group with a gift. Dr. Hawthorne commented that Mr. Gordon's question will be explored further. Mr. Irvin asked the board members to notify Ms. Lester if they plan to attend the open house.

### **MUSSER LUMBER CDBG WATER/WASTEWATER PROJECT UPDATE**

Mr. Webb provided an update on Musser Lumber CDBG Water/Wastewater project. Mr. Irvin asked if the Joint IDA would be managing the grant. Mr. Webb commented that the grant is being managed by the Joint IDA.

### **MINUTES OF JOINT IDA ON WEBSITE**

Ms. Lester informed the board that the minutes of the Joint IDA board meetings are on the website.

## **OTHER**

Dr. Hawthorne updated the board on several old business items. The board addressed the feedback from the member jurisdictions regarding the name of Industrial Development Authority vs. Economic Development Authority. The board agreed to monitor the progress of this issue and address at a later date. The Virtual Building RFP proposals were presented to the Crossroads RIFA board on Monday, April 19. Crossroads RIFA has entered into negotiations with Thompson & Litton for the virtual building program. Dr. Hawthorne reported that Ms. Lester has contacted Mr. Blair regarding the proposal to sell approximately 22 acres of authority property in the Ivanhoe Industrial Park to the Ivanhoe Bridle Club, Inc. Mr. Blair made a verbal counter-offer of \$1,200 per acre. Mr. Brewer made a motion to decline Mr. Blair's counter-offer and to withdraw the Joint IDA's proposal contained in the March 16 letter to the Ivanhoe Bridle Club, Inc. Motion was seconded by Mr. Johnstone and passed.

## **HIGHLIGHTS OF BOARD WORKING SESSION**

Dr. Hawthorne reported most of these items have been, or will be, covered elsewhere on today's agenda.

### **VEDA SEMINAR "POSITIONING YOUR ECONOMIC DEVELOPMENT ORGANIZATION AS THE SOLUTION FOR WORLD-CLASS PROSPECTS: MANUFACTURING SECTOR" - SUMMARY REPORT**

Mr. Webb provided an update on the VEDA Seminar that he attended entitled "Positioning Your Economic Development Organization as the Solution for World-Class Prospects Manufacturing Sector." Mr. Webb discussed the labor issues and provided the positive and negative outlooks for manufacturing. Mr. Webb stated that Virginia is 7th in nation for productivity (NJ #1), 4th highest % population w/ undergrad degrees, 25th for % population w/ High School diplomas, 13th in the nation for electrical rates, 5th in the nation for lowest workers' comp rates, and 1st in the nation for lowest unemployment insurance rates. Recommended local strategies are: (1) monitor the local labor situation and champion increased training/education, (2) well-planned capital improvements plan, (3) virtual building program, (4) seek to maximize existing industry relationships, and (5) keep aware of current market conditions. Dr. Snyder asked if there were discussions regarding the Smyth County Demand Study. Mr. Webb commented that the study was not discussed.

### **U.S. DEPARTMENT OF COMMERCE REPORT "MANUFACTURING IN AMERICA" SUMMARY**

Mr. Webb provided a summary of the U.S. Department of Commerce's Report "Manufacturing in America" released in January 2004. This report reviewed issues affecting manufacturing, which consists of three chapters. Chapter One covers issues and trends, Chapter Two covers manufacturers' experiences with issues that the government must tackle, and Chapter Three offers recommendations.

### **FAIRVIEW INDUSTRIAL PARK REAR LOTS PRESENTATION**

Dr. Hawthorne gave a presentation to the board that outlined a plan to complete the development of the Fairview Industrial Park. The plan is as follows: (1) grading three small pads using fill from within Fairview Industrial Park, (2) extend the road and utilities, (3) sell three small developed sites with relatively small acreage, (4) try to sell balance as non-industrial property, and (5) work with subdivision and perhaps zoning. Some of the issues relating to the financing of the project are: (1) refining the cost estimates, (2) seeking funds for road & water, (3) determine whether there is interest in excess property, (4) obtaining more data in order to make a final decision, and (5) should we continue with the process. Consensus of the board was to proceed with the development of the plan that Dr. Hawthorne outlined.

### **UPDATE OF CAPITAL IMPROVEMENTS PLAN**

The board reviewed the Candidate Industrial Development Related Capital Improvements Update 2004. Dr. Hawthorne commented that minor revisions to the list have been made from last year and noted that many of the items that were classified as Priority A are currently underway, with

good progress having been made on a regional water system, interior infrastructure for Progress Park, graded lots in Progress Park, and a virtual shell building program. In the Priority B items, some of which are also underway, the construction of a small business incubator to be located in the Wytheville area has been added. The lead effort for this project will come from the Southwest Regional Enterprise Center board. This has been added to the list to emphasize the importance of the local entrepreneurial small business sector as a significant component of our diversified economic development plan. Finally, the possible future needs for a new industrial park in the western end of Wythe County. Although we view the capacity of Progress Park being adequate to meet the needs of Wythe County for at least the next five years (hence a Priority D rank), we do perceive a need and an opportunity for an industrial park that would especially serve Smyth County, Wythe County, and Rural Retreat. Dr. Snyder recommended forwarding a copy of this list to the Towns of Wytheville and Rural Retreat. Mr. Gordon made a motion to accept the Candidate Industrial Development Related Capital Improvements Update 2004 as presented. Motion was seconded by Dr. Snyder and passed.

### **REVIEW OF FINANCIAL STATEMENTS THROUGH 3/31/04**

Dr. Hawthorne noted that the financial statements through 3/31/04 will be presented at a future meeting.

### **OTHER**

Dr. Hawthorne commented that he received a request from Gerald Gallimore, General Manager, Citizens Cable Vision, requesting assistance in Citizens' search for a suitable site along Peppers Ferry Road near Progress Park for a fiber optic communication shed. The request has been mailed to Mr. Dalton. Dr. Hawthorne commented that he viewed the ability to offer redundant and a competitive source of fiber optic service to Progress Park as a plus and would hope that Wythe County might be able to offer Citizens' a workable site.

Dr. Hawthorne informed the board that he made a presentation to the Wythe County Planning Commission on Monday, April 19, 2004.

Dr. Hawthorne provided an update on projects.

### **ADJOURN**

Mr. Irvin asked if there was any further business to come before the Authority. There being none Mr. Irvin adjourned the meeting at 5:20 p.m.

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Steven Irvin, Chairman

ATTEST:

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Linda Lester, Secretary