

**EAST TENNESSEE DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING**

**JUNE 12, 2018
MINUTES**

The East Tennessee Development District's Executive Committee held a meeting on Tuesday, June 12, 2018, at the ETHRA offices in Knoxville, TN. The following Executive Committee members were present:

Johnny Merritt, Mayor of Luttrell
E.L. Morton, Campbell County Mayor
Ron Woody, Roane County Executive
Roland (Trey) Dykes III
Donald Mull, Mayor of Alcoa
Crystal Ottinger, Cocke County Mayor
Bill Brittain, Hamblen County Mayor
Don Edwards, Morgan County Executive
Dale Perdue, Scott County Mayor
Larry Waters, Sevier County Mayor
Ken Yager, State Senator

Guests

Rick Yakubic, ETDD
Gary Holiway, ETHRA
Sarah Fansler, Knox County
Mark Potts, Mayor of Jefferson City
Jack Qualls, Loudon County Development Representative
Tracey Edwards, Senator Bob Corker's Office

CALL TO ORDER

Chairman Johnny Merritt called the meeting to order.

MINUTES

Chairman Johnny Merritt presented the minutes of the May 11, 2018 meeting to the Executive Committee for approval. Morgan County Executive Don Edwards made a motion to approve the minutes as presented, it was seconded by Hamblen County Mayor Bill Brittain, and the minutes were unanimously approved.

TREASURER'S REPORT

The Treasurer's Report for the month ending April 30, 2018 was presented by Member at Large Roland (Trey) Dykes III. Campbell County Mayor E.L. Morton made the motion to accept the report as presented and it was seconded by Scott County Mayor Dale Perdue and it was approved by all.

DIRECTOR'S REPORT

Terry Bobrowski, ETDD Executive Director, gave his Director's report:

Grants Update

There are several items to report on:

ARC Grants

Mr. Bobrowski reported we are still working on a number of POWER grants through the Appalachian Regional Commission. The POWER program is a congressionally funded initiative that targets federal resources to help communities and regions that have been affected by job losses in coal mining, coal power plant operations, and coal-related supply chain industries due to the changing economics of America's energy production and the coal economy. Looks like our applications will probably be submitted in the second round of applications will be accepted on July 27th. These are good sized grants – starting at \$400,000 and going up to \$1.5 million dollars.

We got some really good news last month in regard to the ARC pre-applications that we submitted last December. Looks like seven of our ten projects will be funded including dredging work to improve Loudon's downtown, wastewater improvements to serve a new marina in Rockwood, purchase of equipment for a new welding class in the Scot County TCAT, a new reservoir study in Huntsville, a new water tank at the 407 exit in Dandridge, new wastewater improvements in

Sharps Chapel in Union County and new water system improvements in Morgan County. All of these are really great projects and we look forward to submitting the final application documents to ECD by the end of the month.

EDA Disaster Grant Funding

Mr. Bobrowski mentioned we are also still working on several grant applications that relate to disaster related funding that is available through the Economic Development Administration. Projects in Roane County and in Sevier County are being developed.

We are also finishing up our Emergency Repair Program for the Elderly effort for FY 2018. We have expended over \$560,000 of grant funds for housing repairs and we have about \$3,500 remaining from the original allocation last July and a supplemental grant that we received in December of 2017. This is a very popular program and we work with small housing providers in your communities to get these grant funds out there working to benefit the elderly population.

Other Grants

We are also working on solid waste reduction grants for Campbell County, Union County, Scott County and Grainger County. Forestry grants for Harrogate, Loudon and Union County, and Dog Park grants for Cumberland Gap, Caryville and Union County.

Public Records Policy Overview

Mr. Bobrowski stated that he recently learned last month at a conference that every local government was supposed to adopt a public records policy by July 31st of last year. Since we are recognized as a unit of local government by the State of Tennessee, this legislative requirement also applies to us. Luckily I was assisted by Elisha Hodge, Legal Consultant for MTAS, and I was able to get the approved format for the policy from the Comptrollers website. Included in your folders is a copy of the proposed public records policy for the East Tennessee Development District. It covers how Tennessee residents may request access to the records of the East Tennessee Development District, how we respond to requests and the establishment of costs for copying records. Since this is a legal requirement, Mr. Bobrowski would ask that a motion be offered to approve the policy.

A motion was made to approve the Public Records Policy by Loudon County Development Representative Jack Qualls and seconded by Morgan County Executive Don Edwards and approved by all.

LUCA Overview

I just wanted to update you briefly on our progress with the LUCA program in support of the upcoming 2020 US Census will be conducting in connection with the 2020 Census. LUCA stands for Local Update of Census Addresses. Basically, the Census Bureau wants to verify local addresses before they start the count. They called on us to assist with the verification of addresses in nine counties - Campbell, Claiborne, Cocke, Grainger, Monroe, Morgan, Scott, Sevier and Union. We were initially told that we would be working on 45,000 addresses but that turned out to be more like 75,000 addresses.

Last month we hired three interns from the UT Geography Department to assist us with the data entry work and we began working on the project on Monday the 13th. So far we have completed about 20% of the work – equally spread out among the nine counties so we are making great progress. Given that we have to have all data submitted to the State by Friday, July 13th we probably won't be able to deal with all 75,000 addresses but will certainly make a big difference in the number of addresses that are in question.

At some point in the near future we may be asking local governments to assist us with determining the status of a particular address that we are unable to deal with on the computer.

Salary Schedule Overview

Mr. Bobrowski mentioned that we pulled together our proposed salary levels for all of our employees for next year. We emailed that information out to all Executive Committee members a couple of weeks ago for your review. Last year in FY 2018, the total salary level for all employees was \$991,087. The new proposal outlines a 3% raise for the ETDD staff which increases the total salary level for the agency to \$913,185 a net decrease of \$77,902 over last year for the District. The decrease is due to Don Woods recent retirement and the expectation that his position will remain open for most of FY 2019. The total increase for the remaining ETDD employees over the next year is about \$26,700.

This amount has been factored into our FY 2019 fiscal year budget and we can easily accommodate the proposed increase.

Mr. Chairman, we propose to implement any approved changes on July 1 so I would ask for a motion to consider the approval of the salary proposal. I think Rick has a copy of the salary information if anyone would like to review it or ask a question.

A motion was made to approve the proposed salary schedule by Morgan County Executive Don Edwards and it was seconded by Member at Large Roland Trey Dykes, III and approved by all.

TN Dept. of Agriculture Loan Program

Mr. Bobrowski mentioned that we have been asked by the Tennessee Department of Agriculture to initiate a new small business loan program that would be focused on agricultural businesses. The program would be funded by a \$200,000 grant from Agriculture that we would then re-lend to agriculture businesses. The loans would be small – typically in the \$25,000 range – and would be used for buildings and equipment such as processing equipment, beehives, irrigation, livestock handling equipment and grain storage. We would not be buying tractors, trucks or funding operating expenses or normal maintenance. The Upper Cumberland has a successful program that has been in existence for several years and Ag is very interested making these funds available in the ETDD region. Since this is a rather large addition to our work plan, I thought I would run it by the Executive Committee to see if there are any objections to us undertaking this new obligation.

A motion was made to approve the Agriculture Loan Program by Campbell County Mayor E. L. Morton and seconded by Hamblen County Mayor Bill Brittain and approved by all.

Opportunity Zone Designations

Many of you will recall that the State requested your assistance in recommending to them census tracts that could be designated as Opportunity Zones. The Opportunity Zone Program is a new community development tool established by the U.S. Congress in the Tax Cuts and Jobs Act of 2017. This new tool is designed to drive long-term capital to low-income communities. The new law provides a federal tax incentive for investors to re-invest their capital gains into Opportunity Funds, which are specialized vehicles dedicated to investing in designated low-income areas.

Governors in each state are tasked with nominating a certain number of eligible census tracts to be designated as opportunity zones. Each state may nominate up to 25% of its low-income census tracts, and must submit these recommendations to the Secretary of the Treasury no later than March 21, 2018. The Tennessee Department of Economic and Community Development (TNECD) has now released a list of Opportunity Zone designations and we have two census tracts in Anderson County, three in Blount County, one in Claiborne County, two in Cocke County, two in Hamblen County, eight in Knox County, two in Loudon County, one in Monroe County, one in Roane County, one in Scott County and two in Sevier County. I will be contacting each community with a list of the eligible census tracts in the near future.

Awards Banquet Update

I wanted to remind everyone that our Awards Banquet will be held on Thursday, July 12th this year at the same facility we used last year - the Venue in Lenoir City. The facility worked really well last year and we expect to have a great crowd again this year – invitations went out at the end of May and we are getting a really good response so far. We have developed a great list of awards this year and they are:

2018 Award Banquet Projects

1. Bethel Church National Register Listing (Hamblen County)
2. Grainger County Solid Waste Program (Grainger County)
3. Friendsville City Hall and Community Center (Blount County)
4. Dandridge Dock (Jefferson County)
5. Rockwood 150 Year Anniversary (Roane County)
6. LCUB Headquarters Facility (Loudon County)
7. Madisonville Wastewater Treatment Plant (Monroe County)
8. Wartburg City Hall (Morgan County)
9. Clinton Downtown Certification (Anderson County)
10. Telos Infrastructure Improvements (Campbell County)
11. Claiborne County Asset Based Planning Project (Claiborne Co.)
12. Scott County Asset Based Planning Project (Scott County)
13. Sevierville Recreational Improvements (Sevier County)
14. Coker County Energy Efficiency Improvements (Coker County)
15. Thunder in the Park Festival Development (Union County)

We also plan to hold an Executive Committee meeting prior to the awards banquet. I am pleased to report that the Venue has a great meeting room for this and we will be able to meet in a comfortable and private setting.

Calendar Matters

Several meetings are coming up that I wanted to make sure that you are aware of:

The next Executive Committee meeting is scheduled for July 12th at the Venue in Lenoir City starting at about 5 pm.

We have also scheduled our Annual Awards Banquet for Thursday, July the 12th – we will be going to back to the Venue in Lenoir City for our event this year.

Mike Arms wanted me to mention the ATVG summer meeting that will be held in Tuscumbia, AL on July 18th and 19th. If anyone needs information on that meeting I have a flyer you can have. Also, the Fall ATVG meeting will be held in Gatlinburg although I do not have the specific dates for that meeting yet.

Other Business

No other business

ADJOURNMENT

With no other business a motion was made to adjourn by Morgan County Executive Don Edwards and it was seconded by City of Alcoa Mayor Don Mull and approved by all.