

**EAST TENNESSEE DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING**

**MARCH 12, 2019
MINUTES**

The East Tennessee Development District's Executive Committee held a meeting on Tuesday, March 12, 2019, at the Rothchild Conference Center in Knoxville, TN. The following Executive Committee members were present:

E.L. Morton, Campbell County Mayor
Ron Woody, Roane County Executive
Roland (Trey) Dykes III, Member at Large
Mark Potts, Jefferson County Mayor
Terry Frank, Anderson County Mayor
Joe Brooks, Claiborne County Mayor
Crystal Ottinger, Cocke County Mayor
Glenn Jacobs, Knox County Mayor
Brian Langlely, Morgan County Executive
Jeff Tibbals, Scott County Mayor
Larry Waters, Sevier County Mayor
Jason Bailey, Union County Mayor

Guests

Rick Yakubic, ETDD
Jane Jolley, Knox County Development Representative
Stacey Chambers, Monroe County
Richard Kirkland, Monroe County Development Representative
Sharon Heidel, Morgan County Development Representative

CALL TO ORDER

Chairman E.L. Morton called the meeting to order.

MINUTES

Chairman E.L. Morton presented the minutes of the February 12, 2019 meeting to the Executive Committee for approval. Anderson County Mayor Terry Frank made a motion to approve the minutes as presented, it was seconded by Cocke County Mayor Crystal Ottinger, and the minutes were unanimously approved.

TREASURER'S REPORT

The Treasurer's Report for the month ending January 31, 2019 was presented by Jefferson County Mayor Mark Potts. Member at Large Roland (Trey) Dykes III made the motion to accept the report as presented and it was seconded by Scott County Mayor Jeff Tibbals 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:

CDBG Grants

Mr. Bobrowski reported that our staff submitted 2019 CDBG applications to ECD Nashville on February 22nd of 2019. The state typically funds between 60 and 70 applications per year. We submitted applications from Anderson County and Jefferson County for waterlines; Blount County, Hamblen County, Rocky Top and Winfield for a fire truck; Union County for fire equipment; Campbell County, Monroe County and Scott County for ambulances; and Dandridge, Norris, Rockwood and White Pine on wastewater projects. The state received about 130 applications from across the state so the program remains very competitive. I expect them to fund around 60 projects this year. We should hear about the winners in September.

The CDBG program remains the only viable public infrastructure program that is available to communities so it is extremely important that we advocate for this program whenever we have discussions with federal legislators. The program has not been well supported at the federal level and has consistently lost funding over the past several years. This translates into fewer and fewer grants at the local level and we have really started to feel the pinch in the last couple of years.

ARC Grant Programs

Mr. Bobrowski was pleased to report that four of the eight pre-applications that we submitted were selected for preliminary funding. White Pine was funded for an interconnection with Morristown Utilities, the Arthur Sewanee UD in Claiborne County was funded for a new water tank that will serve a middle school, Campbell County was selected for additional broadband expansions, and Hamblen County received funds for an inmate drug program.

Solid Waste Programs

Mr. Bobrowski was also pleased to report that none of the fifteen solid waste grant requests that we submitted were selected for funding. Campbell County, Monroe County, Morgan County, Union County and Hamblen County all received assistance for upgrading their convenience centers, Hamblen received a used oil grant and Anderson County and Union County received education and outreach grants. The total amount received was \$474,000.

We also received word that a \$400,000 disaster grant from the Economic Development Administration has been tentatively approved for Sevier County. The grant would fund an alternate electrical feed to a major water intake center on Douglas Lake.

ETDD Budget Overview

Mr. Bobrowski presented just a brief overview of the budget. Our proposed budget for the upcoming year is a little less than last year. All of the funds that we get seem to be in place and assured for the next year. We have heard from all of our federal partners that we are getting another 3 year grant contract from the Economic Development Administration. ARC will fund for another year. We will receive money from the Tennessee Department of Transportation to fund our RPO's for another year. We will continue to do our regional solid waste planning and our historic preservation planning. We will also continue to do an annual infrastructure survey. All these funds contribute to our budget.

In terms of our expenditures, our expenses are all related to staff and fringe benefits. They are about \$20,000.00 less projected than our revenues and plan to break even. We will present to the Executive Committee a proposed cost of living increase for our employees which begins July 1st and we will send out those proposed increases in June. We have a healthy well-funded reserve fund that will allow us to remain in good shape in terms of meeting cash flow requirements.

ETDD Workplan Overview

Mr. Bobrowski presented our proposed work program for the upcoming year which has not changed significantly from prior years. We do a lot of grant administration, grant applications, we work in Economic Development and Solid Waste Planning. We have our community planners that staff the

planning commissions throughout the region. We are always busy doing what we always do to benefit our local governments and we have not changed a lot over the year.

One new area of focus that we hope to add to our workplan is rural economic development. I am sure most of you have heard that one on Governor Lee's main priorities is an increasing priority on rural economic development. In fact his first Executive Order was all about rural development and directed each state agency to develop a plan for focusing resources on rural areas. Rural economic development was again mentioned in his State of the State address as a priority. I feel like this is a special opportunity for the development district to participate in this state-wide effort. There are many different programs that potentially could benefit rural areas but we simply do not have the staff capacity to assist local governments with accessing many of these programs. We think that the addition of a staff person that would focus on these new programs, especially programs that deal with broadband expansion, downtown redevelopment, workforce training related to the opioid crisis and infrastructure development would be a very impactful way to participate in the new initiative.

The Areawide Development Corporation continues to be active in the field of small business financing. Our recent loan activity is not where we would like it to be but we are optimistic about the loans being developed in our pipeline and these should keep the ADC ranked highly in the State of Tennessee both in terms of loan activity and value of loans. We are also pleased that Debbie Sudhoff, former Business Development Officer for the ADC, has been chosen to become the Manager of the ADC by their Board of Directors.

Census PSAP Overview

Mr. Bobrowski mentioned that ETDD is continuing to work with the US Census on various preliminary count projects. We have been designated by the census as the coordinator for Participant Statistical Areas Program or PSAP for all 16 of our counties. The 2020 Census Participant Statistical Areas Program (PSAP) allows invited participants to review and update selected statistical area boundaries for 2020 Census data tabulation following U.S. Census Bureau guidelines and criteria. The Census Bureau also will use the statistical areas defined for the 2020 Census to tabulate data for the annual American Community Survey (ACS) estimates and the Economic Census. Standard statistical geographies include: Census tracts and Block groups. The 2020 Census PSAP is the only opportunity prior to the 2020 Census to review and update the selected statistical areas. The Census Bureau uses the statistical areas defined for the 2020 Census to tabulate data for the ACS throughout the decade. We will be working with GIS folks in the eight counties that have active GIS capabilities and actually doing the revisions for the eight counties that do not have in house capabilities. Those counties have the materials that they need to review and we expect to hear back from them within the next 30 days. We have 120 days to finish and we are in good shape to meet the deadline.

Calendar Matters

Mr. Bobrowski announced a couple of meetings that are coming up.

The next Executive Committee meeting is scheduled for April 9th back at the ETHRA offices. And for a long term hold - we have also scheduled our Annual Awards Banquet for Thursday, July the 11th – we are going to go back to The Venue in Lenoir City for this event this year.

Other Business

Mr. Bobrowski congratulated Campbell County and recognized Mayor E.L. Morton for the Rebuild Tennessee Award in recognition of the Elk Valley Broadband Expansion Project that was presented at our Tennessee Development District Association meeting that was held in Nashville on March 4th.

ADJOURNMENT

With no other business, a motion was made to adjourn by Roane County Executive Ron Woody and seconded by Member at Large Roland (Trey) Dykes III, and approved by all.