

**EAST TENNESSEE DEVELOPMENT DISTRICT  
EXECUTIVE COMMITTEE MEETING**

**MARCH 6, 2018  
MINUTES**

The East Tennessee Development District's Executive Committee held a meeting on Tuesday, March 6, 2018, at the Rothchilds Conference Center in Knoxville, TN. The following Executive Committee members were present:

Johnny Merritt, Mayor of Lutell  
E.L. Morton, Campbell County Mayor  
Ron Woody, Roane County Executive  
Roland (Trey) Dykes III  
Donald Mull, Mayor of Alcoa  
Terry Frank, Anderson County Mayor  
Crystal Ottinger, Cocke County Mayor  
Tim Yates, Monroe County Mayor  
Dale Perdue, Scott County Mayor  
Larry Waters, Sevier County Mayor

**Guests**

Don Woods, ADC  
Rick Yakubic, ETDD  
Gary Holiway, ETHRA  
Shaunta Wilson, Claiborne County Development Representative  
Sam Owens, Claiborne County  
Mark Potts, Mayor of Jefferson City  
Aaron Bradley, ETHRA  
Bryan Hall, Monroe County Economic Development Agency  
Jack Qualls, Loudon County Economic Development Agency  
Daryl Brady, Congressman Phil Roe's Office

## **CALL TO ORDER**

Chairman Johnny Merritt called the meeting to order.

## **MINUTES**

Chairman Johnny Merritt presented the minutes of the February 6, 2018 meeting to the Executive Committee for approval. Sevier County Mayor Larry Waters made a motion to approve the minutes as presented, it was seconded by Roane County Executive Ron Woody, and the minutes were unanimously approved.

## **TREASURER'S REPORT**

The Treasurer's Report for the month ending January 31, 2018 was presented by Member at Large Roland (Trey) Dykes III. Anderson County Mayor Terry Frank made the motion to accept the report as presented and it was seconded by Roane County Executive Ron Woody 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 2018 CDBG applications to ECD Nashville on February 23<sup>rd</sup> of 2018. We submitted applications for Parrottsville (fire truck), Anderson County (fire hall), Rocky Top (fire truck), Caryville (fire truck), Dandridge (water line), Cocke County (water line), Jefferson County (wastewater improvements), Harrogate (wastewater improvements), Loudon County (fire project), Madisonville (wastewater improvements), Claiborne County (water line), Union County (ambulance), Clinton (ambulance), Tazewell (housing), Cumberland Gap (wastewater improvements) and New Market (fire communications). 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.

## **Home Program**

Mr. Bobrowski reported THDA recently announced that they will be accepting HOME program applications again this year. This program has not been available for the past several years and we are glad to see it come back. The HOME program provides grant funds for owner occupied housing rehabilitations for low and moderate income persons. On March 29<sup>th</sup> we will submit applications for Winfield, Sunbright and Union County.

We are also finishing up our Emergency Repair Program for the Elderly effort for FY 2018. We have expended over \$260,000 of grant funds for housing repairs and we were awarded a supplemental grant for \$220,000 for the balance of 2018. 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.

## **ETDD Workplan Overview**

Mr. Bobrowski reported that our proposed work program for the upcoming year has not changed significantly from prior years. It looks like we will again have a contract to complete the Public Needs Infrastructure Inventory; we will again have a solid waste planning contract and contracts for historic preservation and housing planning. Our planning advisory service is thriving – we added three new communities recently – Claiborne County, Huntsville and Winfield - and that brings our total to 36. We do not anticipate that we will need to increase the contract amounts for this program next year. TDOT has indicated that we will again contract with them to continue the management of the two Rural Planning Organizations that were formed to serve all or portions of fourteen counties within the ETDD region. Of course, we will focus on grant application work and grant administration work with particular emphasis on the CDBG, ARC, EPA Region IV grants, FEMA fire fighters, HOME and TDOT Enhancement programs.

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 still ranked highly in the State of Tennessee both in terms of loan activity and value of loans. In December we completed the administration of our in-house Small and Minority Owned Business loan program and paid off the capitalization loan we had with the TN Department of Treasury.

Mr. Bobrowski asked the Chairman for a recommendation to adopt the Workplan to the Board of Directors. Monroe County Mayor Tim Yates made a motion to recommend the Workplan to the full Board, and it was seconded by Roane County Executive Ron Woody and approved by all.

## **ETDD Budget Overview**

Mr. Bobrowski reported our proposed budget for the upcoming year has not changed significantly

from prior years. We are in the state's budget again this year for \$150,000 plus an additional \$50,000 and we have received contracts from the federal ARC and EDA for planning work again this year. In fact, our EDA was recently increased by \$14,000 due to the work of our national organization NADO. We will again be adding about \$290,000 into our budget to fund the local planning work component – these are funds that are derived from contractual fees paid to the development district by the 36 communities that we provide local planning services to. In general, our budget is stable and we do not anticipate any problems with our funding sources.

In terms of expenditures, our expense level is essentially the same as last year, the primary increases being in the salary and fringe benefit line items. We will present to the Executive Committee a proposed cost of living increase for our employees beginning in July, however, this will depend on the status of our funding sources at that time. We have an extremely well-funded reserve fund that will allow us to remain in good shape in terms of meeting cash flow requirements.

Mr. Bobrowski asked the Chairman for a recommendation to adopt the proposed budget to the Board of Directors. Roane County Executive Ron Woody made the motion to adopt the budget to the full board, and it was seconded by Campbell County Mayor E. L. Morton and approved all.

### **ETDD Local Assessments**

Mr. Bobrowski reported that our annual assessments, membership dues is based on .16 cents per capita for each jurisdiction in the development district. Our numbers are based on the 2010 Census which is getting really dated so they remain the same this year about \$188,000 total. This money is very important to our organization to meet specific needs and move around to match grants throughout the year. It also shows support from our local governments.

Mr. Bobrowski asked the Chairman for a recommendation to adopt the Assessments to the Board of Directors. Anderson County Mayor Terry Frank made the motion to adopt the Assessments to the full board, and it was seconded by Loudon County Development Representative Jack Qualls and approved by all.

### **LUCA Overview**

Mr. Bobrowski touched briefly on the LUCA program that the 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 have compared the list of addresses they have from the 2010 census to the statewide 911 address data and have identified addresses that are on one list but not the other. The LUCA process involves verifying the addresses that are in question. Some communities have registered with the census to use their own forces to verify their addresses. Others have declined to participate or not responded at all. For entities (counties and municipalities) that did not register, you will fall under a Tennessee “state participant” review. This review will focus on high priority areas in each county, which in most cases probably means areas of new growth or new group housing. It will NOT be a

comprehensive review of all your addresses due to the enormity of the project, staffing limitations, and time constraints. The state LUCA liaison for unregistered entities will be Dennis Pedersen, Director of GIS Services under the Tennessee Department of Finance & Administration. ETDD is currently investigating and, if possible, may participate as a reviewer for the state. If we do so, we will require support and participation from our district communities. The process is still under investigation, but if we participate with you, you will need to provide assistance by reviewing unresolved addresses in your jurisdiction. We will collect the address data from you and then enter it into a data base that will be transmitted to the TN GIS Service. Be aware that once we have the address data from the census bureau and the state, we will only have 120 calendar days to complete the entire process and return the review for the district.

**Why is LUCA important?** While LUCA is voluntary, it is one step in preparation for the 2020 decennial census that will help the Census Bureau conduct an accurate population count. An accurate count is important for several reasons, including the following:

- Apportioning representation among states as mandated by Article 1, Section 2 of the U.S. Constitution.
- Drawing congressional and state legislative districts, school districts, and voting precincts.
- Enforcing voting rights and civil rights legislation.
- Informing planning decisions of federal, state, and local government, and organizational decisions of businesses and non-profits.
- **Distributing federal dollars.**

If ETDD assists in the state LUCA review, we ask that you consider participating with us to ensure the best possible results for your community. Please feel free to contact me at to discuss the matter further. When we receive the raw data from the State or the Census Bureau, we will be back in touch.

### **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 April 10<sup>th</sup> back at the ETHRA offices.

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

### **OTHER BUSINESS**

## **Pension Plan Resolutions for Money Purchase Plan and 457(b) Plan**

ETDD Financial Officer, Rick Yakubic, presented a resolution regarding the East Tennessee Development District Money Purchase Pension Plan to amend the disbursements of funds from being made at the end of a calendar year to allow disbursements at any time during the year. Also, with the upcoming retirement of ADC Director, Don Woods, a change in the trustee was made from Don Woods to Rick Yabubic.

Chairman Johnny Merritt asked for a motion be made to accept the adopting resolution. Sevier County Mayor Larry Waters made the motion to accept the resolution, and it was seconded by Monroe County Mayor Tim Yates and approved by all.

ETDD Financial Officer, Rick Yakubic, presented a resolution regarding the East Tennessee Development District 457(b) Plan to change the trustee from ADC Director, Don Woods to ETDD Financial Officer Rick Yakubic.

Chairman Johnny Merritt asked for a motion be made to accept the adopting resolution. Loudon County Development Representative Jack Qualls made the motion to accept the resolution, and it was seconded by Anderson County Mayor Terry Frank and approved by all.

## **Audit Committee**

Chairman Johnny Merritt asked Campbell County Mayor E.L. Morton to present. Mayor Morton stated the audit committee met prior to this meeting and accepted the recommendation for Rodefer Moss to continue their services to the East Tennessee Development District for internal audit. Mayor E.L. Morton made the motion to accept the recommendation, and it was seconded by Roane County Executive Ron Woody and approved by all.

## **ADJOURNMENT**

With no other business the meeting was adjourned.