

**EAST TENNESSEE DEVELOPMENT DISTRICT  
EXECUTIVE COMMITTEE MEETING**

**JANUARY 14, 2020**

**MINUTES**

The East Tennessee Development District's Executive Committee held a meeting on Tuesday, January 14, 2020, at the ETHRA offices in Knoxville, TN. The following Executive Committee members were present:

Ron Woody, Roane County Executive  
Roland (Trey) Dykes III, Member at Large  
Mark Potts, Jefferson County Mayor  
Joe Brooks, Claiborne County Mayor  
Terry Frank, Anderson County Mayor  
E.L. Morton, Campbell County Mayor  
Bill Brittain, Hamblen County Mayor  
Brian Langely, Morgan County Executive  
Jason Bailey, Union County Mayor  
Evelyn Gill, Member at Large

**Guests**

Rick Yakubic, ETDD  
Gary Holiway, ETHRA  
Jane Jolley, Knox County Development Representative  
Mike Foster, City of Rocky Top  
Anna Beth Walker, Claiborne County Development Representative  
Tammy Merritt, Congressman Fleischmann's Office  
Maxine Gernert, Congressman Fleischmann's Office  
Justin Ball, State of TN Dept. of Treasury

## **CALL TO ORDER**

Chairman Ron Woody called the meeting to order.

## **MINUTES**

Chairman Ron Woody presented the minutes of the December 10, 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 Morgan County Executive Brian Langley, and the minutes were unanimously approved.

## **TREASURER'S REPORT**

The Treasurer's Report for the month ending November 30, 2019 was presented by Claiborne County Mayor Joe Brooks. Anderson County Mayor Terry Frank made the motion to accept the report as presented and it was seconded by Campbell County Mayor E.L. Morton, and it was approved by all.

## **APPOINT A NOMINATING COMMITTEE**

Chairman Ron Woody stated that each year the Chair appoints a Nominating Committee to recommend a slate of officers to the full Board during the annual business meeting that will be held on March 10, 2020. Chairman Woody would like to appoint the following members to the Nominating Committee:

Anderson County Mayor Terry Frank, Chair  
Morgan County Executive Brian Langley  
Hamblen County Mayor Bill Brittain  
Cocke County Mayor Crystal Ottinger  
Jefferson County Mayor Mark Potts  
Campbell County Mayor E.L. Morton

The Nominating Committee will be provided with historical data regarding past officers by ETDD in the near future. The Nominating Committee will meet immediately prior to the February ETDD Executive Committee meeting and report its recommendations to the full Committee.

## **DIRECTOR'S REPORT**

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

Mr. Bobrowski mentioned that the Board received a letter from the Comptroller's office and a copy is in your packets. It simply states that our 2019 audit has been received and has been accepted by the state.

Also, Mr. Bobrowski said he is pleased to report that 100% of our membership dues have been paid by our 72 jurisdictions for the 2019-2020 program year.

## **Grants Update**

### **CDBG Grants**

Mr. Bobrowski stated that ETDD staff is working hard on the preparation of 2020 CDBG grant applications. The 2020 applications are due in Nashville on February 28<sup>th</sup> of 2020. We are working on applications for Norris (wastewater), Jefferson City (wastewater I&I line), Anderson County (water line) Hamblen County (fire truck), Union County (fire truck), White Pine (wastewater plant), Parrottsville (fire truck), New Tazewell (fire truck), Loudon County (water tank), Loudon (fire truck), Roane County (ambulance) and Oakdale (fire truck).

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 although it received a small increase in funding this year. 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.

### **Historic Preservation Grants**

Mr. Bobrowski mentioned that we routinely submit applications to assist with the preservation of cultural assets in our region. This year the applications are due in Nashville on January 31<sup>st</sup>. We are submitting applications for projects in Monroe County and in Claiborne County.

### **FEMA Fire Fighters Grant Program**

Many of you are waiting to apply for fire-fighting grants that are provide by FEMA. We keep hearing that the application round will open up soon but it has not yet. We expect that it will in the very near future. I believe that we have a comprehensive list of everyone that wants to apply but if you think you need to be added to our list please give us a call and we would be happy to assist you. I was pleased to learn that the State of Tennessee is starting a new program this year through

the Department of Commerce and Insurance that will also fund fire protection projects. The new fund will also provide the match for grants that are awarded from other programs.

### **Home Program**

THDA recently announced that they will be accepting HOME program applications again this year. The applications will be due in Nashville on March 5<sup>th</sup>, 2020. The HOME program provides grant funds for owner occupied housing rehabilitations for low and moderate income persons. We would be happy to assist anyone who might be interested in submitting an application.

### **Agribusiness Loan Program**

Mr. Bobrowski also wanted to mention that we received \$200,000 from the TN Department of Agriculture to start a new micro loan program. The purpose of the program is to stimulate farm and agri-business income. We intend to provide low interest financing for the purchase of farm equipment and machinery in order to create new markets for locally produced farm products. Loans can be for up to \$25,000, 7 years maximum term and we anticipate the interest rate to be around 4%. Loans can be used for building, harvesting equipment, production equipment, fencing, irrigation equipment, grain storage and variety of other things. No rolling stock such as trucks or trailers are eligible. The program is up and running and we have started accepting applications.

### **Reconsideration of CEDS Update**

Mr. Bobrowski stated that each year the District prepares the Comprehensive Economic Development Strategy document as a requirement of its planning contract with the Economic Development Administration. We have completed a draft of the 2019-2020 version of the CEDS document. In compliance with the program rules, the document was reviewed by our Economic Development Committee on November 21<sup>st</sup> and their comments have been incorporated into the document. So that pretty much finished up the CEDS for this year, the overall objective of the CEDS is to provide guidance to local leaders so that future investments in economic development projects and programs can best take advantage of regional assets. The document also provides to the Economic Development Administration, US Department of Commerce, a baseline of strategic projects that are acknowledged as primary stepping stones to achieving the region's overall economic development objectives. Mr. Chairman, the 2019-2020 CEDS was recommended for approval by the Economic Development Committee and was tentatively adopted by the Executive Committee in the December. However, we learned that an improper motion was made to adopt the CEDS and we need to redo the approval. A new motion is now needed for approval.

A motion was made to adopt the CEDS document by Anderson County Mayor Terry Frank, it was seconded by Member at Large Evelyn Gill and approved by all.

## **RPO Overview and Review of Highway Projects**

Mr. Bobrowski stated we recently sponsored meetings by our North RPO and South RPO and prioritized projects that are being considered for inclusion in this year's Transportation Improvement Plan recommended to the legislature by TDOT. In the South RPO, prioritized projects included:

### **In Cocke County:**

Cosby Highway near Winton Springs Road – ROW

### **In Monroe County:**

Three sections of State Road 322, one construction and two ROW

### **In Roane County:**

US Highway 70 from SR 382 to SR 29 – construction

### **In Sevier County:**

US 321 from Buckhorn Road to SR 416 – ROW

2 miles on Veterans Blvd – ROW

US 411 from Sims Road to SR 92 – Construction

The improvements to US Highway 411 in Sevier County was ranked by the RPO as the number 1 priority in this group. Also funded by the Improve Act are ITS improvements on Interstate 40 and improvements to the Welcome Center in eastern Cocke County.

Prioritized projects from last year that were funded were the Jake Thomas Connector in Sevier County and the Newport Bypass Project.

In the North RPO, prioritized projects included:

### **In Campbell County:**

Highway 63 from Frontier Road to Claiborne County line– Construction

Highway 63 from SR 297 to Stinking Creek Road

### **In Claiborne County:**

SR 63 from Campbell County to Hall Lane – ROW and Construction

**In Grainger County:**

Two section of US Highway 11 from Rutledge to near Bean Station – Construction

**In Morgan County:**

Two section of US Highway 27 from SR 62 in Wartburg to SR 328 – construction

**In Scott County:**

SR 29 from Wolfe Creek Road to Old US 27 in Robbins – ROW

Rugby Highway from Morgan County line to SR 29 – construction

**In Union County:**

SR 33 from Knox County line to SR 144 – construction

The Union County was ranked by the RPO as the number 1 priority in the North RPO.

Prioritized projects from last year that were funded was the Interchange at SR 345 in Claiborne County.

**Legislative Agenda**

Mr. Bobrowski presented the state and federal legislative agendas last month in a preliminary fashion. We use these agendas to identify our legislative priorities to our state and federal legislative delegations. We have a large state delegation from our district – eight senators and twenty-one representatives. On the federal side we have portions of the first, second and third congressional districts within our boundaries. We sent these recommendations to our Legislative Committee for review and we did not hear any substantial comments back. We did have a request to add an additional item, #15, which says “ETDD supports new legislation which directs TennCare to reimburse ground ambulance providers at a rate not less than the current Medicare fee schedule and adding funds to the FY 2021 budget to accomplish this directive.”

Campbell County Mayor E.L. Morton asked for consideration also to add an additional recommendation to both federal and state agendas to say “ETDD supports new legislation to expand mental healthcare providers, services, bed and living facilities in support of opioid recovery, job skills training and job placement.” Mayor Morton made this in a form of a motion, and it was seconded by Hamblen County Mayor Bill Brittain and approved by all.

Chairman Ron Woody asked for a motion to approve both federal and state legislative agendas with the amendment. Member at Large Evelyn Gill made the motion to approve, and it was seconded by Anderson County Mayor Terry Frank and approved by all.

## **ETDD Retirement Programs Update**

Mr. Bobrowski reported that our current retirement fund management contract with Mass Mutual has now expired. Although our experience with Mass Mutual has generally been positive, we would like to now utilize the State's Retire Ready program as our retirement services provider. We have held extensive discussions with Retire Ready and have gotten an analysis of the internal fees we are currently paying with Mass Mutual versus the fees that would be charged if we moved our accounts to Retire Ready. The difference is pretty substantial, we currently pay almost \$32,000 to Mass Mutual for management fees on an annual basis and the State projects that they would charge about \$9,350 on an annual basis. Also, the State would provide all reporting services for us so we could also terminate our agreements with our plan administrators. There may be a small termination fee if we move our accounts that could total a little over \$6000 but we are also hearing that there would be no fee at all. However, even if this was the case, this seems to be a small price to pay for such a large annual reduction in management fees. We initiated a formal transition process and it is now time to take action to terminate our existing plan and authorize the rollover of our accounts to Retire Tennessee. We have consulted with our attorney and have been assured that our action will be legal and in compliance with all IRS rules. A copy of her statement to us is in your packets. We also have Justin Ball here with us today if anyone has any questions about Retire Tennessee.

Basically we have three different actions to take today to authorize the movement of our current retirement accounts from MassMutual to Retire Tennessee.

The first action we need to take is to terminate our existing money purchase plan. We have a copy of a resolution that does this and Mr. Chairman we need a motion to approve that resolution. This also authorizes the execution of a termination agreement.

Claiborne County Mayor Joe Brooks made the motion to approve the resolution to terminate existing money purchase plan, and it was seconded by Morgan County Executive Brian Langley and approved by all.

The second action we need to take is to adopt a new plan document that allows ETDD to establish a new 401(a) or 401(k) defined contribution plan with Retire Tennessee and transfer funds from our existing money purchase plan accounts to the new plan and to make future contributions to that plan. We have a copy of a resolution that does this and Mr. Chairman we need a motion to approve that resolution. This also authorizes the execution of an adoption agreement.

Claiborne County Mayor Joe Brooks made the motion to approve the resolution as stated, and it was seconded by Campbell County Mayor E.L. Morton and approved by all.

The third action we need to take is to adopt a new plan document that allows ETDD to establish a new 401(a) or 401(k) defined contribution plan with Retire Tennessee and transfer funds from our existing 457 plan accounts to the new plan and to make future contributions to that plan. We have a copy of a resolution that does this and Mr. Chairman we need a motion to approve that resolution. This also authorizes the execution of an adoption agreement.

Member at Large Evelyn Gill made the motion to approve the resolution as stated and authorize the execution of the adoption agreement, and it was seconded by Claiborne County Mayor Joe Brooks and approved by all.

### **Calendar Matters**

The next ETDD/ETHRA meeting will be held on February 11<sup>th</sup> here at the ETHRA offices. Also, for a long term hold, we will be holding our Annual Business meeting on March 10<sup>th</sup> at Rothchilds in Knoxville.

Also, Mike Arms wanted me to mention that the Winter ATVG meeting will be held in Murfreesboro on January 29<sup>th</sup>. I have a registration form if anyone is interested.

### **Other Business**

No other business.

### **ADJOURNMENT**

With no other business, Chairman Ron Woody entertained a motion to adjourn and was approved by all.