

**EAST TENNESSEE DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING**

**JUNE 11, 2019
MINUTES**

The East Tennessee Development District's Executive Committee held a meeting on Tuesday, June 11, 2019, at the ETHRA offices 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
Mike Byrd, Grainger County Mayor
Rollen (Buddy) Bradshaw, Loudon County Mayor
Brian Langley, Morgan County Executive
Larry Waters, Sevier County Mayor
Kent Calfee, State Representative
Evelyn Gill, Member at Large

Guests

Rick Yakubic, ETDD
Pam May, County Development Representative
Jane Jolley, Knox County
Tammy Merritt, Congressman Fleischmann's Office
Cindy Boshears, Congressman Fleischmann's Office
Richard Kirkland, Monroe County Development Representative
Stacy Chambers, Monroe County
Kimberly Smith, U.S. Census

CALL TO ORDER

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

MINUTES

Chairman E.L. Morton presented the minutes of the May 14, 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 Roane County Executive Ron Woody, and the minutes were unanimously approved.

TREASURER'S REPORT

The Treasurer's Report for the month ending April 30, 2019 was presented by Jefferson County Mayor Mark Potts. Mayor Potts 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

Mr. Bobrowski announced before moving on to the Director's report, he wanted to mention that there have been some significant changes in our budget projections for next year since we passed the budget in March. It was on a level to justify a budget amendment, some numbers have increased and some decreased. Financial Officer Rick Yakubic will go over those changes with you.

Mr. Yakubic went over the budget amendment stating the areas that were affected. EDA (Economic Development Administration) increased from 63,000.00 to 70,000.00. ECD was decreased from 200,000.00 to 180,000.00. TDEC, Solid Waste, was up from 65,000.00 to 94,102.00. RPO was up 11%, and hoping it will go up a little more. He stated that we are still in negotiations with TDOT. On the expenditure side, Salaries are up, which is due to some job increases with the staff. Debbie Sudhoff took Don Woods position as ADC Manager, which increased Fringe Benefits by \$9,000.00.

Anderson County Mayor Terry Frank made a motion to accept the budget amendment as presented, and it was seconded by Member at Large Evelyn Gill and approved by all.

Mr. Bobrowski also wanted to report to you about a letter we received addressed to the Board of Directors regarding a liability not recorded in our audit for last year. It relates to retirement benefits that we don't offer to our employees. The Comptroller's Office picked up on it and says we should report it and re-state our audit. After talking with our auditors, they feel we should not report it

since it is not offered to our employees. We will be communicating with the Comptroller's Office and also sending a formal letter in response saying we should not report that liability, we do not offer it, we never have, and reporting it is inaccurate. Rick will be continuing to do some further investigation on this with the Comptroller's office to see how it is worded. But did want to let you know that any letter that we get addressed to the Board of Directors, we will inform you.

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

Grants Update

The first item to report on:

Mr. Bobrowski said that we are kind of in a lull for grant applications. We are waiting on the FEMA Firefighters grant program to open up – we expect that to happen any day now and then we will have 30 days to submit applications.

Multi-Modal Grant Program

Mr. Bobrowski reported one program that is now open is the TDOT Multi-Modal grant program. This application process involves the submission of an Intent to Apply package to TDOT by June 28th. They will evaluate all of the submissions that they get and then invite a select group to submit a full application. Program funds are only available to cities or counties. The grant is a 95 % grant with a 5% local share requirement. Up to \$950,000 is available for each projects. Funds can be used for pedestrian crossing improvements, sidewalks, bike lanes, ADA improvements, transit stops, park & ride facilities and traffic calming improvements. If you interested in submitting a package by June 28th please give us a call and we would be happy to help. We are currently working with Anderson County, New Tazewell, Rutledge, Sweetwater, Wartburg, Rocky Top, Caryville, Oneida and Newport.

ARC Workforce Development Grant

The ARC recently released information on a new grant program that is available to all local governments, workforce development agencies, educational institutions, and other relevant agencies in the ARC region. The initiative enables impacted communities to develop local and regional workforce development solutions aligned with existing economic development strategies and community partnerships to promote new, sustainable job opportunities and long-term economic vitality.

This program is designed to:

- implement innovative approaches to address the economic and workforce-related impacts within each of the regions;

- provide enhanced training and support activities to dislocated workers (including displaced homemakers), new entrants in the workforce, incumbent workers, and, particularly in the Appalachian region, individuals affected by substance use disorder (i.e., opioids, meth, heroin, and other substances) who reside in the eligible areas;
- support workforce development activities that prepare eligible participants for good jobs in high-demand occupations aligned with a state, regional, or community economic development strategy; and,
- foster expanded capacity and leveraging resources to address participants' needs through the workforce system in the Appalachian regions.

Awards will be made for amounts ranging from \$150,000 up to \$2.5 million. A local match is not required for this program. The application deadline is July 15, 2019.

Agribusiness Loan Program

Mr. Bobrowski mentioned that we are still looking for applications for our new loan program from the TN Dept. of Agriculture. 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. I will be placing a press release in most of your local newspapers in the next few days in order to make sure that the word gets out in your community regarding the availability of this program. We have \$200,000.00 to lend with a soft threshold of \$25,000.00. If you know of any projects, let Mr. Bobrowski know.

Grant Updates

Some good news for our region, site development grants were recently approved for Claiborne County (\$94,500) and for Jefferson City (\$500,000).

Also, three applications for school bus funding from the Volkswagen settlement were recently approved by TDEC. The Oneida Special School District will receive \$371,250 and the Scott County School District will receive \$247,500. I also understand that the Morgan County School District will receive about \$140,000 although we did not actively participate in that application. Finally, an Emergency Solutions Grant has been awarded to the Scott County Homeless Shelter in the amount of \$78,000 to support their operations in the areas of Shelter, Rapid Rehousing and Data Collection.

State Legislative Update

To follow up on our conversation last month regarding the \$19,333 cut in our state appropriation. You asked that I prepare a letter that we could send to the legislature in order to express our opinion on the cut. A copy of the proposed letter is in your packets. It is not a long letter so I will read it out loud and then you can respond with suggestions if you like. I would like to send a copy of the letter to each member of our house and senate regional legislative delegation.

Representative Kent Calfee also suggested that we forward a copy to the Governor and the Tennessee Department of Finance & Administration Commissioner, Stuart McWhorter.

Salary Schedule Overview

Mr. Bobrowski mentioned last month 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. In FY 2019, the total salary level for all employees was about \$914,940. The new proposal outlines a 3% raise for the ETDD staff which increases the total salary level for the agency to \$947,271, a net increase of about \$32,331 over last year for the District. About \$11,000 of this increase relates to an existing employee being promoted to Don Woods old job as Manager of the Areawide Development Corporation and getting a substantial increase in her salary. This amount has been factored into our FY 2020 fiscal year budget and we can 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 salary changes by Anderson County Mayor Terry Frank, and it was seconded by Claiborne County Mayor Joe Brooks and approved by all.

Awards Banquet Update

I wanted to remind everyone that our Awards Banquet will be held on Thursday, July 11th 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:

1. Rocky Top Water System Rehabilitation Project (Rocky Top)
2. Townsend Recreation Center and City Hall (Townsend)

3. Campbell County Solid Waste Program Upgrades (Campbell County)
4. Claiborne County Rural Water Lines Projects (Claiborne County)
5. Claiborne County Asset Based Planning Project (Claiborne County)
6. Broadband Expansions in Newport Utilities Service Area (Cocke County)
7. Rutledge City Hall and Community Center (Rutledge)
8. Hamblen County Fire Trucks Purchase (Hamblen County)
9. Jefferson County Water Line Extension Project (Jefferson County)
10. Eastbridge Site Improvements (Knox County)
11. Historic Lyric Theatre Renovations (City of Loudon)
12. Madisonville Water Tank (Madisonville)
13. Roane County Fire Trucks Purchase (Roane County)
14. New Hanger at Scott County Airport (Scott County)
15. New Sevierville Fire Station (Sevierville)
16. Oak Grove School National Register Listing (Union County)

Calendar Matters

Mr. Bobrowski announced several meetings are coming up that he wanted to make sure you are aware of:

The next Executive Committee meeting is scheduled for July 11th at the Venue in Lenoir City at 5 p.m. immediately prior to our Awards Banquet. Also, we propose to take our summer break in September this year and hold an August Executive Committee meeting.

Other Business

Kimberly Smith is again with us to provide an update on US Census activities in the region. She presented a 2020 Census operational timeline on how the Census will invite everyone to participate and respond.

ADJOURNMENT

With no other business, Chairman E.L. Morton entertained a motion to adjourn and it was seconded by Roane County Executive Ron Woody.