

**EAST TENNESSEE DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING
SEPTEMBER 12, 2023
MINUTES**

The East Tennessee Development District's Executive Committee held a meeting on Tuesday, September 12, 2023, at ETHRA, 9111 Cross Park Dr., Ste D-100, Knoxville, TN. The following Executive Committee members were present:

Ron Williams, Mayor of Farragut
Brian Langley, Morgan County Executive
Glenn Jacobs, Knox County Mayor
Rob Mathis, Cocke County Mayor
Terry Frank, Anderson County Mayor
Ed Mitchell, Blount County Mayor
Mike Byrd, Grainger County Mayor
Bill Brittain, Hamblen County Mayor
Mark Potts, Jefferson County Mayor
Jerried Jeffers, Scott County Mayor
Larry Waters, Sevier County Mayor
Elaine Davis, State Representative

Guests

Harold Edwards, ETDD Regional Planner
Riley Lovingood, Senator Bill Hagerty's office
Tammy Merritt, Congressman Fleishmann's office
Sarah Fansler, Congressman Burchett's office
Rebecca Foster, Congressman John Rose' office
Anthony Newport, Scott County Development Rep
Gary Holiway, ETHRA
E.L. Morton, ETHRA

CALL TO ORDER

Chairman Ron Williams called the meeting to order.

MINUTES

Chairman Ron Williams presented the minutes of the July 11, 2023, meeting to the Executive Committee for approval. Vice Chair Brian Langley made a motion to approve the minutes as presented, it was seconded by Jefferson County Mayor Mark Potts and the minutes were unanimously approved.

Chairman Ron Williams then recognized the legislative guests that have joined the meeting today.

TREASURER'S REPORT

The Treasurer's Report for the 12 Months Ending June 30, 2023, was presented by Treasurer Rob Mathis. Treasurer Mathis noted that the Year-to-Date ending fund balance was \$160,121 to the good. The annual audit is still going on, but no material changes are expected. No other exceptions were noted. Representative Elaine Davis made the motion to accept the report as presented, it was seconded by Vice Chair Brian Langley, and it was approved by all.

Treasurer Mathis continued with the review of the Month Ending July 31, 2023. He noted that the revenues were a little down, but that is to be expected at this time. As with last month's budget, the annual audit is still going on, but he doesn't expect any material changes.

Director Rick Yakubic added a couple things. In July we have a very front-loaded income but that is typical. We also got some extra money from the State this year. So, would the board prefer to see an amendment, so you don't see those variances, or does the Committee want to keep it as it is? If the preference is to keep the variances, Rick can present those at the next meeting. Chairman Ron Williams asked for comments on the question.

- Jefferson County Mayor Mark Potts asked for clarification on the difference and Hamblen County Mayor Bill Brittain asked what would the auditors prefer?
- Blount County Mayor Ed Mitchell asked Mr. Yakubic if there was a "downside" to keeping the budget in the current format and he said not really.
- Hamblen County Mayor Bill Brittain made the motion to accept the July report as presented, it was seconded by Jefferson County Mayor Mark Potts and was approved by all.

DIRECTOR'S REPORT

Mr. Yakubic, ETDD Executive Director gave his director's report. Highlights included:

- Upcoming RPO meetings, both North and South, will be held on November 16, 2023.
- All the CDBG-CV Food Insecurity grants have been awarded, there were 8. So, once the grant contracts come out, we can do press releases if those communities wish to do so. Blount County Mayor Ed Mitchell asked if there were any changes in award amounts from last year since their Community Action Agency receives the funds. Rick said that he wasn't aware of any differences.

- TACIR Surveys are currently ongoing. If you are a community respondent, please update the needed documents and return them to Tyler Foster.
- The CEDS Workforce Group Community Action Team that we initiated has begun their meetings. Rick's goal is for them to be the "go to group" for workforce development issues. This would include Benchmarking other places, K-12 areas and other areas. We are convening the meeting, but the community will lead this initiative.
- ETDD's audit field work was completed in August and hopefully will be ready for the Audit Subcommittee in October, but if not, it will be in November. Mr. Yakubic will update the Subcommittee soon.
- Today is the RSVP deadline for our Celebration, with one of the largest attendances ever. There isn't a meeting, just a time to celebrate all the great work happening in our region.

Rick also discussed the Committee's upcoming topical issues. There have been many topics suggested for the Committee's discussions including AI, Cybersecurity, Regional Workforce, Economic Development, the Opioid/Fentanyl Epidemic and its cost to the communities. Do any of those topics work for next month?

Chairman Ron Williams asked for suggestions.

- Hamblen County Mayor Bill Brittain suggested discussing the reappraisal process and Representative Elaine Davis agreed. There is proposed legislation to change the frequency of reappraisals to every 1, 2 or 5 years. The Language was also suggesting that each county needs to invest more in those departments since higher review frequency would take more financial resources. Maybe we should invite someone from the Comptroller's office? This sparked a discussion by committee members that included:
 - Secretary Glen Jacobs said their county was reviewing this every year now.
 - Sevier County Mayor Larry Waters said the changes would cause mass confusion.
 - Blount County Mayor Ed Mitchell shared that they will be doing them every year now and have had to increase staff. Mayor Jacobs echoed their annual review process and needing more staff as well.
 - Scott County Mayor Jerried Jeffers and Blount County Mayor Ed Mitchell both said that their property taxes had to increase a lot.
 - Mayor Jacobs said it is hard to explain the cost changes to homeowners. It also impacts them differently. It affects lower income people more than higher income homeowners. Hamblen County Mayor Bill Brittain said the increase has less impact on commercial landowners as well.

TOPIC DISCUSSION – LEGISLATIVE AGENDA

Anderson County Mayor, and Legislative Subcommittee Chair Terry Frank shared that the subcommittee met online on August 15th and had a good discussion. Most everyone here has had a chance to look through these State and Federal Recommendations, which are from prior years. The Committee dusted off the language and updated it. All proposed changes are in red on the documents in your packets.

On the State Legislative Recommendations, a couple changes were noted on #14. The first was a typo to be corrected. The Second was the discussion that centered around this topic. It reflected a critical need in everyone's counties on this issue. Our local jails are really the mental health facilities in East TN. Representative Davis, we appreciate all the discussion that is taking place in the legislature right now, and we have also strengthened the language in this Recommendation.

And the State of Tennessee, thanks to the Governor and the Legislature, have also initiated some grant programs to support EMS, outlined in #17, and the Subcommittee recommended some language to support that and to support the expansion of that.

Also since there is a lot going on in the nuclear area, the Subcommittee added new language for this in #7. Especially since the governor, General Assembly and our federal leaders are all working really hard on this because of energy capacity issues, so the subcommittee wanted to put some things in there.

On the Federal Legislative Recommendations, the Subcommittee just cleaned up some language here too. Including the UPF Project in Oak Ridge. Since the federal appropriations are continuing to flow, we just added the language “through completion” there to clarify.

The same thing for the federal to include that language under nuclear capabilities to focus on the energy needs for our area.

Other minor changes weren’t detailed to the Committee, although Chair Terry Frank offered to do so. Chairman Ron Williams called for questions. Those questions/discussion points are below:

- Blount County Mayor Ed Mitchell questioned the nuclear alternative. The nuclear calendar takes 10 years, but they are shutting down the coal plants now. TVA has told Blount County that they can’t recruit any high use companies now because blackouts/brownouts would become more prevalent. TVA doesn’t seem to be keeping up with demand. Why is coal now “off” and nuclear “on”?
- Anderson County Mayor Terry Frank suggested that this would be a good topic for a speaker. There is a lot of discussion, and some legislation is working its way through the process to put federal dollars into streamlining regulations that create the long, drawn-out process. Also cost shifting some of that regulatory process back onto the government instead of the entity implementing the project/process. Currently there is so much cost up front that doing the project isn’t financially feasible. The bill passed, overwhelmingly. So, there is a lot of bi-partisan support for nuclear.
- Mayor Frank continued that at the local level, the Clinton Utility Board could scale back and not turn things completely off, just lower the voltage. That process doesn’t harm equipment, facilities, etc. But some of the smaller utilities don’t have the ability to do that. So, Anderson County is talking to TVA about some of these things too.
- TVA needs to hear from local communities about these issues. Now that local communities are required to tell TVA when new businesses come online, that is signaling an issue/problem to the locals.
- Also with winter storm Elliott, the utilities buy and sell power, but when a storm like this happens and there is no energy to buy, then we have a capacity problem. We as the communities need to say, we have to get to work to fix this.
- Representative Elaine Davis asked a question about when TVA was closing Bull Run and Mayor Frank said in 2024. Nuclear capability won’t be in place by then.
- Blount County Mayor Ed Mitchell said that China was opening new coal fuel plants weekly, but we are shutting ours down. There is a “tipping point” coming, local utility companies can’t keep up. And now TVA has just raised their rates. Sevier County Mayor Larry Waters said we are shutting down coal plants, stopping gasoline powered car manufacturing and ramping up electric cars. Then what?

- Blount County Mayor Ed Mitchell said windmills don't work, solar breaks even, but not for 30 years! Sevier County Mayor Larry Waters said federal policy is also discouraging the use of natural gas.
- Chairman Ron Williams said that without hydroelectric dams, we would be in deep trouble already.
- Cocke County Mayor Rob Mathis, Blount County Mayor Ed Mitchell and Sevier County Mayor Larry Waters are concerned about this move from fossil fuels to electric. Especially when we don't admonish other world powers from their reliance. It seems America is moving on its own away from all fossil fuel energy sources, but other countries aren't.
- Can we strengthen the Federal Recommendations to have stronger language? Anderson County Mayor made some suggestions, as did other mayors.
- Representative Elaine Davis suggested we put the Bull Run closure issue in both the state and federal Legislative Agendas. The governor has heard from some legislators, but he needs to hear it and use his leverage. She is really concerned, and multiple mayors voiced their agreement with her.
- Mayor Ed Mitchell said that Europe has small cell small footprint nuclear, but America doesn't. But we do have the technology to do this type of nuclear facility.
- Scott County Mayor Jerried Jeffers said that TN could be a leader. We have the technology and the know-how; we just need to get past the regulations and push it.
- Blount County Mayor Ed Mitchell said the funding is all in research not implementation. Like the plasma reactor stuff in Oak Ridge.
- Sevier County Mayor Larry Waters said that something we could do here, is really ask to keep Bull Run open. Their scrubbers are now low emissions, we need to keep it online until there is something else to replace it.
- Rick asked if we should contact Bert Robinson and Mike Arms presentation by TVA? and ask them to come to the next meeting instead of the Comptroller.
- Mayor Terry Frank asked that when we approach TVA to help guide their presentation that we want to learn more about the board's capacity concerns for providing energy to the Valley. We are the Development District, and we can't continue to develop without the power to develop.
- Blount County Mayor Ed Mitchell said that he is having to say no to industries who want to relocate here...TVA says there is no power.

Adjournment

Mr. Chairman, we need a motion to adjourn the meeting. Vice Chair Brian Langley made a motion to adjourn the meeting, it was seconded by Hamblen County Mayor Bill Brittain and was approved by all.