

OHIO VALLEY REGIONAL DEVELOPMENT COMMISSION
Executive Committee Meeting

Minutes

November 19, 2009
Pike County Government Center
Waverly, Ohio

Chairman: *Bob Proud*
Vice-Chairman: *Roger Rhonemus*
Treasurer: *Doug Corcoran*

1. WELCOME AND CALL TO ORDER

Bob Proud, OVRDC Chairman, called the meeting to order and stated that a quorum was present and welcomed everyone to the Pike County Government Center in Waverly, Ohio. Mr. Proud then asked, Blaine Beekman, Pike County Commissioner, to lead the attendees in the Pledge of Allegiance to the American Flag.

Those in attendance were as follows:

Executive Committee Members:

Mike Crabtree, Scioto County Commissioner
Jack DeWeese, Fayette County Commissioner
Paul Harrison, Gallia County Member-at-Large
Frank Hirsch, Proxy for Doug Corcoran, Ross County Commissioner
Ken Morrison, Clermont County Member at Large
Margery Paeltz, Brown County Commissioner
Jud Paul, Proxy for Russ Brewer, Adams County Chamber of Commerce
Bob Proud, Clermont County Commissioner
Roger Rhonemus, Adams County Commissioner
Harry Rider, Pike County Commissioner
Charles Stevens, Highland County Private Sector Representative
Thomas White, Ross County Private Sector Representative

Staff:

John Hemmings, OVRDC Executive Director
Rebecca Banchy-McIlwain, OVRDC Finance Director
Sherrie Lanier, OVRDC Development Director
Sharon Clark, OVRDC Administrative Assistant

Guests:

Angie Atwood, Columbus Regional Airport Authority
Blaine Beekman, Pike County Commissioner
Nan Cahall, Representative Senator Voinovich
Cindy Cunningham, Representative Congressman Zach Space
Ben Keller, Fayette County
Katherine Mills, Columbus Regional Airport Authority
Fred River, ODOT District 9
Lynn Stevens, USDA Rural Development
Ted West, Pike County Commissioner
Robin Williams, City of Waverly

2. APPROVAL OF MINUTES

Mr. Proud stated that the draft of the October 22, 2009 Executive Committee meeting minutes was mailed to members, along with the meeting notice. He asked for any corrections or additions to the minutes. Mr. Proud then asked for a motion to approve the minutes.

IT WAS MOVED BY MARGERY PAELTZ AND SECONDED BY CHARLES STEVENS TO APPROVE THE MINUTES OF THE OCTOBER 22, 2009 EXECUTIVE COMMITTEE MEETING. THE MOTION PASSED.

3. FINANCE REPORT

Mr. Proud advised OVRDC Treasurer, Doug Corcoran was not available to attend the meeting and introduced Rebecca Banchy-McIlwain, OVRDC Finance Director who presented the financial report for Doug Corcoran, OVRDC Treasurer. Mrs. Banchy-McIlwain referred to Tab #3 and the September 30, 2009 Balance Sheet which reflected the total assets of 643,663.33; total liabilities of \$65,338.07 and total equities of \$578,325.26 and a balance of \$0.00. Mr. Proud asked for a motion to adopt the Finance Report as presented.

MOTION WAS MADE BY HARRY RIDER AND SECONDED BY FRANK HIRSCH TO ADOPT THE FINANCE REPORT AS PRESENTED AND THE MOTION CARRIED.

4. SPEAKER

Mr. Hemmings introduced guest speakers Katherine Mills and Angela Atwood, representatives of the Rickenbacker Business Development, FTZ/International Trade Department of the Columbus Regional Airport Authority.

They explained that FTZs (Foreign Trade Zones) are designated areas located within the geographical territory of the US, but which are deemed to be outside the territory of the US for Customs purposes. There are over 250 FTZs across the US. The FTZ covering Central and Southern Ohio is the Rickenbacker Foreign-Trade Zone (FTZ #138), which was established in 1987. The Columbus Regional Airport Authority has the grant from the Foreign-Trade Zones Board, part of the US Department of Commerce, to operate and maintain FTZ #138. If your company is importing or exporting, it may be able to save money and increase profits by operating in a Foreign-Trade Zone (FTZ). Companies can make use of the benefits of an FTZ to help them compete globally by lowering the cost of doing business.

Earlier this year, the Foreign-Trade Zones Board (FTZB) in Washington introduced a new voluntary program called the Alternative Site Framework (ASF) to allow grantees to designate and manage general-purpose zone sites. The primary goal for the program is to, "Improve Grantees' ability to bring competitiveness benefits of FTZs to (a) broad range of companies." The main features of the ASF will greatly increase flexibility to designate sites via simple minor boundary modification actions and provide greater focus on FTZ designation at sites that are actually being used. Under the ASF, a grantee would initially propose in an application to the Board:

- A Service Area (typically one or more specified counties, with letters of support from those counties); and,
- "Magnet" sites(s) – a Magnet site is a site intended to draw future users (as opposed to a "usage-driven site" that is designated to meet a specific user's need.

If counties are in their potential service area and want to be included in FTZ #138, please contact Kathy Mills, Business Development Manager at CRAA (Columbus Regional Airport Authority) at 614/409-3606.

Ohio has ten FTZ's across the state, and each one of them has the ability to participate in the ASF Program. In most cases, your county could be serviced by multiple FTZs. However there are two reasons for your county to become part of FTZ #138's Service Area: (1) No charge for county participation. Fees would be paid by the company that will receive the benefit of using the FTZ; and (2) The Columbus Regional Airport Authority (CRAA) is one of the few FTZ's in the nation to have dedicated staff members managing and promoting the program. Their staff has the ability to visit your county and explain the program to companies, local officials, etc. They can assist companies in determining if the FTZ program is right for them.

5. DIRECTOR'S REPORT

Mr. Hemmings referred to Tab #5 and highlighted various sections. He indicated on October 22, 2009, Sherrie Lanier attended a Passenger Rail Project Information Meeting in Chillicothe. The meeting was schedule by State Representative Raymond Pryor to address concerns that Southern Ohio will be left out of the proposed 3C Corridor System, should it be completed. Representative Pryor is scheduling a meeting with the committee and the Ohio Rail Development Commission to further discuss the issue.

Mr. Hemmings also advised during the month of October, Kim Reynolds worked on preparing for Ohio Public Works Commission Round 24. She also worked on the formation of the Ohio Public Works District 15 Full Integrating Committee of which the current member's terms have expired. OPWC applications for Round 24 funding were due to OVRDC by 10-16-09.

Mr. Hemmings advised OVRDC is partnering with the OU Voinovich School on a grant they recently received funded by the EDA to provide assistance to sub-regions that have been impacted by the closure of large manufacturing plants, and will be contracted to complete some scope of work activities for the project.

Mr. Hemmings advised Bob Hickey, Ohio EDR Director said he was retiring in January 2010 and introduced Ean Johnson who will be working temporarily with Ohio on EDA Projects until a permanent replacement is announced. It was recommended by the committee that Mr. Hemmings contact our legislators advising how important Mr. Hickey's position is to our southern Ohio area and that he write a letter of commendation to Mr. Hickey.

Mr. Hemmings advised that in October OVRDC requested USDA Rural Development for an extension on the Rural Business Opportunity Grant (RBOG) project timeframe and an amendment to the project budget. A letter was received on October 26, 2009 stating that the extension had been granted until March 31, 2010 (the budget amendment was also approved in November). The extension and budget amendment will allow staff to complete additional tasks, such as a business plan, that the USDA Rural Development recommended be added to the project's scope of work.

Mr. Hemmings referred to a press release following the Director's Report advising the President will announce his intent to nominate Earl F. Gohl, Jr. to be the Federal Co-Chair of the Appalachian Regional Commission.

Mr. Hemmings advised that on November 18, the Senate Environment and Public Works Committee approved legislation (S. 2778) reauthorizing the Economic Development Administration (EDA) at \$500

million annually through FY2013. The bill now awaits floor consideration in the full Senate. The House Transportation and Infrastructure Committee has not yet developed a companion measure, but is expected to begin developing the House companion bill in January 2010. The five-year Senate reauthorization bill makes several significant changes. These include: 1) restores the federal share for EDA projects to their pre-2006 levels/the Senate bill relaxes the qualifying criteria and, for the first time, actually puts EDA's match rates into law/currently, EDA match rates exist solely in regulation; 2) outlines specific roles and responsibilities for Economic Development Districts (EDDs)/by placing the roles and responsibilities of the EDDs in statute, the functions of EDDs are protected from revision during the regulatory process; and 3) increases funding for planning grants if the agency's overall budget increases during the annual appropriations process/this provision is intended to include upward adjustments in EDD partnership grants.

6. OLD BUSINESS

a. Network/Data Server Update

Mr. Hemmings advised this item was tabled in November of 2008. The present network server which is over 5 years old, has a tape back-up. Our back-up is now done offsite by Advantage Data System (ADS). We received quotes (without the tape back-up) for purchase of a new server at \$4,938.80. Since our procurement policy indicates any purchase under \$5,000 can be approved by the Executive Director and a fiscal officer of the agency, the new server has been ordered.

b. OVRDC Health Insurance Decision

Mr. Hemmings advised Anthem was chosen as the provider, with a \$2,000 deductible plan and a 5% premium share by employees. He advised discussions with our insurance broker will begin regarding next year's insurance costs in early 2010.

c. Amendment EDA/EDD Planning Application

Mr. Hemmings referred to Tab #6c, the amended draft resolution #2009/10-08, authorizing OVRDC to submit a three-year EDA planning grant application for approval for the period of January 1, 2010 through December 31, 2012. The amended section stated that the Ohio Valley Regional Development Commission does hereby agree to enter into this grant award and authorizes the Commission Chairman to sign and submit said grant application and any subsequent EDA requested amendments, along with all supporting documentation to the Economic Development Administration for the federal amount up to \$194,451 to be matched with non-Federal cash and in-kind contribution in the amount up to \$83,337. Mr. Hemmings asked for a motion to adopt the amended Draft Resolution #2009/10-08.

MOTION WAS MADE BY PAUL HARRISON AND SECONDED BY ROGER RHONEMUS TO APPROVE THE CHAIRMAN OF OVRDC TO SIGN AND SUBMIT THE AMENDED THREE YEAR EDA PLANNING GRANT FOR 2010-2012 AND ANY SUBSEQUENT EDA REQUESTED AMENDMENTS, ALONG WITH ALL SUPPORTING DOCUMENTATION TO THE ECONOMIC DEVELOPMENT ADMINISTRATION FOR THE FEDERAL AMOUNT UP TO \$194,451 TO BE MATCHED WITH NON FEDERAL CASH AND IN-KIND CONTRIBUTION IN THE AMOUNT UP TO \$83,337. THE MOTION CARRIED. (COPY OF RESOLUTION ATTACHED)

d. OVRDC Broadband Committee

Mr. Hemmings referred to Tab #6d and the Broadband Committee Form. He asked for those interested in serving on a Broadband Committee to complete the form and return it to Sharon Clark at the OVRDC Office. The committee is being formed to give counties the opportunity to comment if the recent Connecting Appalachia application for broadband coverage is approved.

7. **NEW BUSINESS**

a. OPWC/District #15 Contract

Mr. Hemmings advised every year OVRDC contracts with Ohio Public Works Commission to serve as liaison with District #15 which covers eleven OVRDC counties, in the amount of \$65,000. Mr. Hemmings requested authorization to enter into a contract for 2010.

A MOTION WAS MADE BY CHARLES STEVENS AND SECONDED BY ROGER RHONEMUS TO AUTHORIZE THE EXECUTIVE DIRECTOR OF OHIO VALLEY REGIONAL DEVELOPMENT COMMISSION TO ENTER INTO A CONTRACT WITH OHIO PUBLIC WORKS COMMISSION DISTRICT #15 TO SERVE AS LIAISON FOR YEAR 2010 ON BEHALF OF THE 11 COUNTIES IN THE AMOUNT OF \$65,000. THE MOTION CARRIED.

b. General Fund 2010 Budget Approval

Rebecca Banchy-McIlwain, OVRDC Finance Director referred to Tab #7b and reported that every year we approve the general fund budget. She said it is our per capita budget based on the annual per capita membership fee from the counties. Mr. Proud asked for a motion to approve the general fund budget.

IT WAS MOVED BY MARGERY PAELTZ AND SECONDED BY HARRY RIDER TO APPROVE THE OVRDC 2010 GENERAL FUND BUDGET, THE MOTION CARRIED.

c. AAT Marketing Manager Contract

Mrs. Banchy-McIlwain advised OVRDC has served as Fiscal Agent for the Appalachia Adventure Trail Project which ends December 31, 2009. She advised an extension has been requested to extend the contract to July 31, 2010 and a response has not been received from ARC.

She requested a motion, if the extension is approved, to retain Carolyn Rizutto-Conley as Manager at the rate of \$16 per hour until the contract is completed on July 31, 2010.

A MOTION WAS MADE BY CHARLES STEVENS AND SECONDED BY FRANK HIRSCH TO APPROVE RETAINING CAROLYN RIZUTTO-CONLEY AS MANAGER OF THE AAT PROJECT IF APPROVAL FOR AN EXTENSION TO JULY 31, 2010 IS RECEIVED FROM ARC. THE MOTION CARRIED.

d. Loan Review Committee Recommendations Regarding RLF Plans

Mrs. Banchy-McIlwain advised the Loan Review Committee met at the OVRDC Office on November 3, 2009 and recommended the following changes to the RLF Plans and she requested a motion to adopt the recommendations of the committee:

- Change the full time equivalent (FTE) job threshold from \$15,000 to \$35,000.
- Change the maximum amount available to a single borrower from \$100,000.00 to \$200,000.00. Therefore the ARC/RLF maximum amount will change from \$100,000.00 to \$200,000.00; the EDA/RLF maximum amount will change from \$75,000.00 to \$100,000.00.
- Change the Plan to allow refinancing of existing debt through the ARC/RLF only.

A MOTION WAS MADE BY TOM WHITE AND SECONDED BY ROGER RHONEMUS TO ADOPT THE RECOMMENDATIONS OF THE LOAN REVIEW COMMITTEE FROM ITS NOVEMBER 3, 2009 MEETING. MOTION CARRIED.

e. Economic Recovery Coordinator Contract

Mr. Hemmings advised the Tri-County Economic Recovery Strategy Advisory Committee met yesterday regarding approval of a new contract with the Economic Recovery Coordinator, Rafeal Underwood. Mr. Hemmings requested this item be tabled until January to give proper review of the existing contract deliverables before approval of a new contract.

A MOTION WAS MADE BY KEN MORRISON AND SECONDED BY HARRY RIDER TO TABLE THE APPROVAL OF THE ECONOMIC RECOVERY COORDINATOR CONTRACT UNTIL JANUARY 2010. THE MOTION CARRIED.

8. ANNOUNCEMENTS

Mr. Proud referred to the November Announcement Section and advised the tentative 2010 schedule for the Executive Committee Meetings was included in the packet.

Mr. Hemmings provided information on submitting requests for Water Resources Development Act (WRDA) funds, on the FY2009 Staffing for Adequate Fire and Emergency Response Program, and the USDA New Era Rural Technology Competitive Grants Program (RTP).

9. OVRDC MEETINGS

Mr. Proud advised the next Executive Committee Meeting is scheduled for 1:30 pm, Thursday, January 28, 2010 at the Pike County Government Center.

10. ADJOURN AND INKIND

There being no other business, Mr. Proud wished everyone a Happy Holiday season and asked for a motion to adjourn.

MOTION WAS MADE BY MARGERY PAELTZ AND SECONDED BY CHARLES STEVENS TO ADJOURN THE NOVEMBER 19, 2009 EXECUTIVE COMMITTEE. THE MOTION CARRIED.

John W. Hemmings III, Executive Director & Commission Secretary

APPROVED:

Bob Proud, Chairman

Attachments: Amended Resolution #2009/10-08