

**OHIO VALLEY REGIONAL DEVELOPMENT COMMISSION**  
**Executive Committee Meeting**

***Minutes***

*May 27, 2010*  
*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 at 1:35 pm and stated that a quorum was present and welcomed everyone to the Pike County Government Center in Waverly, Ohio. Mr. Proud recognized OVRDC Finance Director, Rebecca Banchy-McIlwain indicating this will be Mrs. Banchy-McIlwain's last Executive Committee Meeting since she will be retiring effective June 1, 2010. Mr. Proud then asked Mrs. Banchy-McIlwain to lead the attendees in the Pledge of Allegiance to the American Flag.

**Executive Committee Members:**

	Present	Proxy	
Roger Rhonemus, Adams County Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Debora Plymail, Adams County Member-at-Large	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Margery Paeltz, Brown County Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Ben Houser, Brown County Private Sector	<input type="checkbox"/>	<input type="checkbox"/>	_____
Bob Proud, Clermont County Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Ken Morrison, Clermont County Member-at-Large	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Jack DeWeese, Fayette County Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Doug Marine, Fayette County Private Sector	<input type="checkbox"/>	<input type="checkbox"/>	_____
Joe Foster, Gallia County Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Lori Neal, Gallia County Member-at-Large	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Gary Heaton, Highland County Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Charles Stevens, Highland County Private Sector	<input type="checkbox"/>	<input type="checkbox"/>	_____
Tom Walton, Jackson County Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Rick McNelly, Jackson County Private Sector	<input type="checkbox"/>	<input type="checkbox"/>	_____
Les Boggs, Lawrence County Commissioner	<input type="checkbox"/>	<input type="checkbox"/>	_____
Rick Griffith, Lawrence County Private Sector Representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Harry Rider, Pike County Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Roger Kemper, Pike County Member-at-Large	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Doug Corcoran, Ross County Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Joseph Sulzer, Mayor of Chillicothe	<input type="checkbox"/>	<input type="checkbox"/>	_____
Tom White, Ross County Private Sector	<input type="checkbox"/>	<input type="checkbox"/>	_____
Mike Crabtree, Scioto County Commissioner	<input type="checkbox"/>	<input type="checkbox"/>	_____
Jane Murray, Mayor of Portsmouth	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Gary Coleman, Scioto County Member-at-Large	<input type="checkbox"/>	<input type="checkbox"/>	_____
Eugene Collins, Sr., Scioto County Minority Representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Tom Morgan, Vinton County Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
Rick Reynolds, Vinton County Member-at-Large	<input type="checkbox"/>	<input type="checkbox"/>	_____

**OVRDC Staff Present:**

*John Hemmings, OVRDC Executive Director*  
*Rebecca Banchy-McIlwain, OVRDC Finance Director*  
*Michele Throckmorton, OVRDC Development Director*  
*Juanita Bragg, OVRDC Bookkeeper/Network Administrator*  
*Jason Gillow, OVRDC Research/Planning Specialist*  
*Sharon Clark, OVRDC Administrative Assistant*

**Guests Present:**

*Gary Abernathy, Representative for Senator Voinovich*  
*Tom Arnold, ODOT District 8*  
*Sam Brady, Jackson County Economic Development Specialist*  
*Cindy Cunningham, Representative for Congressman Zack Space*  
*Jennifer Jacobs, Jackson County Economic Development Director*  
*Ben Keller, Fayette County*  
*Fred River, ODOT District 9*  
*Lynn Stevens, USDA Rural Development*  
*Ted West, Pike County Commissioner*  
*Pete Wilkes, Pike County Community and Economic Development Director*

**2. APPROVAL OF MINUTES**

Mr. Proud stated that a draft of the April 22, 2010 Executive Committee Meeting Minutes was mailed to members, along with the meeting notice and he asked for any corrections or additions. John Hemmings, OVRDC Executive Director, indicated there was a correction to the "Executive Committee Members Present" section. Mr. Hemmings said the minutes indicated Lonnie Best was listed as a proxy for Doug Malone and he was actually a proxy for Les Boggs, Lawrence County Commissioner. Mr. Proud asked for a motion to approve the minutes with this correction.

**IT WAS MOVED BY TOM WALTON AND SECONDED BY MARGERY PAELTZ TO APPROVE THE MINUTES OF THE APRIL 22, 2010 EXECUTIVE COMMITTEE MEETING AS CORRECTED. THE MOTION PASSED.**

**3. FINANCE REPORT**

Mr. Proud introduced Doug Corcoran, OVRDC Treasurer. Mr. Corcoran referred to Tab #3 in the packet which included the Balance Sheet for April 30, 2010 and asked if there were any questions. Being none, Mr. Proud asked for a motion to accept the Finance Report as presented.

**A MOTION WAS MADE BY KEN MORRISON AND SECONDED BY TOM MORGAN TO ADOPT THE FINANCE REPORT AS PRESENTED AND THE MOTION CARRIED.**

Mr. Corcoran also extended best wishes to Mrs. Banchy-McIlwain on her retirement and thanked her for the many years of service and dedication to our region.

**4. DIRECTOR'S REPORT**

John Hemmings, OVRDC Executive Director was introduced by Mr. Proud. Mr. Hemmings referred to Tab #4 and highlighted the various sections.

Mr. Hemmings advised on April 26, 2010, he, along with Misty Casto of Buckeye Hills-Hocking Valley Regional Development District and Greg DiDonato of the Ohio Mid-Eastern Governments Association presented Senator George Voinovich with an Ohio University themed Longaberger basket for his tireless efforts to improve the lives

of the people of Appalachia Ohio. The presentation took place at the Voinovich School for leadership and Public Affairs at Ohio University in Athens, Ohio. A photo of this presentation was included in the Director's Report.

Mr. Hemmings advised on April 30, 2010 he attended the Eastern Ohio Development Alliance (EODA) meeting in Walnut Creek, Ohio. At the meeting, he along with Misty Casto of Buckeye Hills-Hocking Valley Regional Development District, Greg DiDonato of the Ohio Mid-Eastern Governments Association, and John Getchey of the Eastgate Regional Council of Governments presented Congressman Zack Space with the NADO Congressional Leadership Award. The four Ohio Local Development Districts nominated Congressman Space for the NADO Congressional Leadership Award because of his advocacy on behalf of the 23 million people of the nation's Appalachian Region and especially for those living in his district. A photo of this presentation was included in the Director's Report.

On April 20, 2010, Mr. Hemmings, along with Jason Gillow, OVRDC Research/Planning Specialist met with Jim Brushart and the planning staff from ODOT District 9 Office to present them the SR 32, US 35 & US 50 Corridor Economic Development Report and talked with the ODOT staff about pursuing funds to follow-up with a Transportation Access Plan. Mr. Hemmings advised ODOT District 9 did follow up after the meeting with an application for ODOT Standard Research Project funds to its Central Office for \$500,000.

Mr. Hemmings referred to news articles from the Chillicothe Gazette regarding the recent announcement from the MASCO Corporation that they plan to close the Mill Pride facility in Waverly and a secondary site in Seal Township in 2011 which would result in the loss of over 1,216 jobs between the two sites. He and Michele Throckmorton, OVRDC Development Director attended a meeting on April 29<sup>th</sup> in Pike County conducted by Lisa Patt-McDaniel, Director of the Ohio Department of Development. Four task forces were set up that included: Workforce Development, Community Development, Marketing and Redevelopment and Executive Committee. Mrs. Throckmorton will be serving on the Community Development Committee and Mr. Hemmings will be serving on the Marketing and Redevelopment Committee.

Mr. Hemmings included information in the Director's Report advising ARC is getting ready to update their Strategic Plan and they are planning webinars in June for those interested in participating.

Mr. Hemmings included information advising the Appalachian Regional Commission is compiling "Stories from the Home Front" to help travelers and residents understand the full impact of the Civil War on our region. He advised that if anyone had a story about a person or place in Appalachia affected or impacted by the Civil War to submit the story on-line at <http://www.arc-cw150stories.com>. This project is commemorating the Civil War's 150<sup>th</sup> Anniversary (CW 150). All 32 counties in the Appalachian region of Ohio will have two stories featured on a guide (or storyboard) and then the website that will be developed for this project will contain additional stories. The deadline is June 5, 2010.

Mr. Hemmings referred to a notice from Ohio.gov advising under the Hiring Incentives to Restore Employment (HIRE) Act, enacted March 18, 2010, two new tax benefits are available to employers who hire certain previously unemployed workers ("qualified employees"). The first, referred to as the payroll tax exemption, provides employers with an exemption from the employer's 6.2 percent share of social security tax on wages paid to qualifying employees, effective for wages paid from March 19, 2010 through December 31, 2010. In addition, for each qualified employee retained for at least 52 consecutive weeks, businesses will also be eligible for a general business tax credit, referred to as the new hire retention credit, of 6.2 percent of wages paid to the qualified employee over the 52 week period, up to a maximum credit of \$1,000.

## 5. OLD BUSINESS

(a) OVRDC Code of Ethics/Conflict of Interest and Sexual Harassment Compliance Forms

Mr. Hemmings reminded the Executive Committee members to complete the OVRDC Code of Ethics/Conflict of Interest and Sexual Harassment Compliance Form for 2010 if they have not done so, and advised forms were available today for their convenience.

(b) RBOG Hardwood Kiln Feasibility Study and Marketing Plan

Mr. Hemmings advised in 2007 we received a Rural Business Opportunity Grant from USDA Rural Development to do a feasibility study for construction of a cooperative hardwood dry kiln that would serve 5 counties, Scioto, Jackson Pike, Gallia, and Vinton. The study has been completed and will be mailed to the advisory committee, and will also be placed on our web site. Mr. Hemmings stated that when this process began, there was interest from many lumber companies, but since the lumber industry has been adversely affected by recent economic conditions, he feels these companies may wait until the economy improves to move forward with any of the recommendations from the project.

(c) EDA Economic Development District Partnership Planning Grant Amendment

Mr. Hemmings advised that last year the Executive Committee passed a resolution for OVRDC to apply for a 3-year EDA administration award. Mr. Hemmings said OVRDC applied and received the award and was then invited by EDA to submit an amendment to add \$30,000 to the original award. OVRDC sent the amendment to EDA and received the award documents today which will add \$30,000 to our budget over the next 3 years. The award documents have been signed by Mr. Proud and will be returned to EDA this week.

## 6. NEW BUSINESS

(a) Loan Review Committee Recommendations

Rebecca Banchy-McIlwain, OVRDC Finance Director advised the Loan Review Committee met on May 25, 2010 at the OVRDC Office in Waverly and recommended the following changes and she requested a motion to adopt the recommendations of the committee:

- The RLF Loan Administrators will be changed from Executive Director and Finance Director to Executive Director and Development Director.
- Write-off of two loans to Jenkins & Wills dba Village Market in Scioto County in the amount of ARC - \$42,131.75 and EDA - \$31,578.81.
- Write off of loan to Plum Street Bakery in Brown County in the amount of \$24,471.38.

**A MOTION WAS MADE BY KEN MORRISON AND SECONDED BY MARGERY PAELTZ TO APPROVE THE RECOMMENDATIONS OF THE LOAN REVIEW COMMITTEE. THE MOTION CARRIED.**

(b) Audit/Finance Committee Recommendations

Mrs. Banchy-McIlwain advised the Finance Committee met on May 20, 2010 at the OVRDC Office in Waverly. Members of the Finance Committee are John Hemmings, OVRDC Executive Director, Bob Proud, OVRDC Chairman, Roger Rhonemus, OVRDC Vice Chairman and Doug Corcoran, OVRDC Treasurer (was unable to attend Finance Committee meeting) and Rebecca Banchy-McIlwain, Finance Director. Also attending the meeting was Juanita Bragg, OVRDC Bookkeeper and attending the audit portion of the meeting was Kathy Lambert representing the audit firm of Whited Seigneur Sams & Rahe, LLP (WSSR):

- 2011 General Fund Budget

The Committee recommended the distribution of the per capita (general fund) resolutions to member counties for fiscal year 2011 to be based on the 2009 population estimates. The Committee recommended retaining the present per capita rate amount of .17 cents per person per

county. Mrs. Banchy-McIlwain referred to Tab #6b, a chart with the 2010 and 2011 amounts and with the approval of the Finance Committee's recommendation, the general fund amount would decrease by \$5.00 (from \$112,009 in 2010 to \$112,004 in 2011). She advised the resolutions would be distributed to counties present today and mailed to those not present. Mr. Proud asked for a motion to accept this recommendation.

**A MOTION WAS MADE BY ROGER RHONEMUS AND SECONDED BY MARGERY PAELTZ TO APPROVE THE FINANCE COMMITTEE'S RECOMMENDATION FOR THE 2011 GENERAL FUND BUDGET TO RETAIN THE PER CAPITA RATE AT 17 CENTS USING THE 2009 POPULATION ESTIMATES FOR EACH COUNTY. THE MOTION CARRIED.**

- Ohio Compliance Supplement – Designating Depositories

Mrs. Banchy-McIlwain advised it is required by the Auditor of the State of Ohio to designate and identify depositories every five years. Therefore, the committee recommended we designate our depositories as required by the State Auditor's office. Our deposit banks are US Bank, Fifth Third Bank and Desco Federal Credit Union. Mr. Proud asked for a motion to approve the list of depositories:

**A MOTION WAS MADE BY KEN MORRISON AND SECONDED BY MARGERY PAELTZ TO APPROVE THE RECOMMENDATION OF THE FINANCE COMMITTEE TO DESIGNATE DEPOSITORIES OF THE OHIO VALLEY REGIONAL DEVELOPMENT COMMISSION AS US BANK, FIFTH THIRD BANK AND DESCO FEDERAL CREDIT UNION. THE MOTION CARRIED.**

- Audit Report of OVRDC's Financial Statements for the Year Ended 12/31/09

Mrs. Banchy-McIlwain advised the draft audit report of the financial statements has been received for the period ending December 31, 2009 with one material weakness and no findings or questioned costs on any of our federal programs. OVRDC does have to provide a management response to the audit report to the CPA firm of Whited Seigneur Sams & Rahe, LLP (WSSR), who will then submit it to the Auditor of the State of Ohio for their review. Once the audit is approved, the Auditor of State will post OVRDC's Financial Statements on the Auditor of State's web site. When OVRDC is notified of this posting we will include the link to view the audit on the Auditor's web site in our E-Newsletter. Mrs. Banchy-McIlwain stated the Finance/Audit Committee approved the report and recommended it be submitted to the OVRDC Executive Committee for approval. Upon approval of the Executive Committee and submission of the management response to WSSR, it will be advanced to the State Auditor's office for review.

**MOTION WAS MADE BY DOUG CORCORAN AND SECONDED BY TOM MORGAN TO APPROVE THE DRAFT AUDIT REPORT AND ADVANCE IT ALONG WITH THE MANAGEMENT RESPONSE TO THE AUDITOR OF THE STATE FOR REVIEW. THE MOTION CARRIED.**

- (c) Appalachian Development Highway System Update

Mr. Hemmings referred to Tab #6c which gives the status of the Appalachian Development Highway System (ADHS) Ohio Corridors as of September 30, 2009 from ARC. The Portsmouth Bypass and Waverly Bypass are still to be completed.

- (d) USDA Rural Development Rural Energy for America Program

Mr. Hemmings referred to Tab #6d from USDA Rural Development announcing that USDA is accepting applications for grants and loan guarantees in the Rural Energy for America Program (REAP) until June 30, 2010. The Rural Energy for America Program provides funds to agricultural producers and rural small businesses to purchase and install renewable energy systems and make energy efficiency improvements. More information on how to apply for funding is available in the April 26, 2010 Federal Register.

(e) GIS Workstation Computer

Mr. Hemmings advised the GIS computer used by Jason Gillow, OVRDC Research/Planning Specialist, needs to be replaced. He stated the system is not adequate for Jason to produce his work in a timely manner. The plan is to purchase a GIS workstation instead of a desktop computer and the cost will be \$6,707.20. Mr. Hemmings asked the Executive Committee for approval to move forward with the purchase.

**A MOTION WAS MADE BY GARY HEATON AND SECONDED BY HARRY RIDER TO REPLACE THE OVRDC GIS COMPUTER WITH A GIS WORKSTATION FOR A COST OF UP TO \$6,707.20. THE MOTION CARRIED.**

(f) HR 4705 (\$50 Dollar Bill) Draft Resolution #2010/05-04

Mr. Hemmings referred to Tab #6f and the draft resolution opposing proposed federal legislation (HR4705) by Congressman McHenry from North Carolina proposing President Ronald Reagan replace President Ulysses S. Grant on the \$50 dollar bill.

**A MOTION WAS MADE BY TOM MORGAN AND SECONDED BY MARGERY PAELTZ TO APPROVE RESOLUTION #2010/05-04 THAT THE OHIO VALLEY REGIONAL DEVELOPMENT COMMISSION FINDS AND DETERMINES THAT THE COMMISSION WISHES TO EXPRESS ITS OPPOSITION TO ANY LEGISLATION WHICH WOULD CHANGE THE FACE OF THE \$50 FEDERAL RESERVE NOTE. THE MOTION CARRIED.**

(g) Tiger II Discretionary Grants Program

Mr. Hemmings referred to Tab #6g which included information from the Department of Transportation regarding TIGER II Discretionary Grants Program. TIGER II Discretionary Grant Program is a \$600 million competitive grant program for surface transportation projects. Pre-applications are due on July 16, 2010 and final applications are due on August 23, 2010. Funding is available to units of government including states, local governments, port authorities, and multi-jurisdictional entities. Awards can be \$10-\$200 million, with up to an 80% grant rate. \$140 million is reserved for projects in rural areas, where 100% of costs are eligible for funding and awards can be as low as \$1 million. Up to \$35 million is available for planning grants. Mr. Hemmings stated that further information about the program would be provided in an upcoming OVRDC e-newsletter.

(h) ARC Community Energy Projects

Mr. Hemmings referred to Tab #6h which included a notice he received from the Appalachian Regional Commission (ARC) announcing the Fourth Round of a Grant Competition to assist Appalachian communities in leveraging renewable-energy and energy-efficiency resources to revitalize their economies. ARC expects to provide eight to ten awards of up to \$75,000 each, for a total of \$545,000 in awards to successful applicants. The deadline for application submissions is August 31, 2010. Selections will be announced in fall 2010. A webinar will be held on June 23 at 10:00 a.m. to answer questions from prospective applicants. Nonprofit organizations, government entities, and public education institutions located within the Appalachian Region are eligible to apply. Private, for-profit organizations are not eligible to apply. For additional information visit [www.arc.gov/energy](http://www.arc.gov/energy).

**7. ANNOUNCEMENTS**

Mr. Proud referred to the announcement section of the packet.

**8. OVRDC MEETINGS**

Mr. Proud advised the next Executive Committee Meeting is scheduled for 1:30 pm, Thursday, June 24, 2010 at the Pike County Government Center. A Personnel Committee Meeting will be held also on Thursday, June 24, 2010 at 11:00 am at the OVRDC Office in Waverly.

**9. ADJOURN**

Mr. Proud invited members and guests to remain after the meeting adjournment to attend a surprise retirement reception for Rebecca Banchy-McIlwain, OVRDC Finance Director. There being no other business. Mr. Proud asked for a motion to adjourn.

**A MOTION WAS MADE BY ROGER RHONEMUS AND SECONDED BY KEN MORRISON TO ADJOURN THE MEETING AT 2:35 PM. THE MOTION CARRIED.**

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John W. Hemmings III, Executive Director & Commission Secretary

APPROVED:

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Bob Proud, Chairman

Attachment: Resolution #2010/05-04