

Big Sandy Area Development District
Board of Directors Meeting
March, 26, 2019 – 11:30 – District Meeting Room

MEMBERS PRESENT

Mayor Andrew Scott, Chair
Judge-Executive Mark McKenzie, V. Chair
Judge-Executive Matthew Wireman, 2nd V. Chair
Ms. Nita Collier, Secretary
Judge-Executive Robbie Williams, Treasurer
Judge-Executive Bill Davis
Judge-Executive Ray Jones, by proxy Mr. Reggie Hickman
Mayor Les Stapleton
Mayor Bill Mike Runyon
Mayor Pete Shepherd
Mayor Ed Daniels
Mayor Jimmy Carter, by proxy Mr. Brad Slone
Mayor Sam Howell, by proxy Mr. James Reynolds
Mr. Chase Caudill
Mr. Don Cecil
Mr. Steve Goble
Mr. Reggie Hickman
Mr. Lyndon Butcher
Mr. Jimmy Salyer
Ms. Nita Collier
Mr. Mark Gooch
Ms. Susan Howard, by proxy Ms. Rhonda Blanton

GUESTS PRESENT

Ms. Jill Horn, Field Rep. - Transportation Cabinet
Representative Ashley Tackett Laferty
Ms. Elaine Belcher, Floyd Chronical
Mr. Kevin Howard, Summit Engineering
Ms. Lori Elam, AppalReD
Ms. Donna McClure, Senator Mitch McConnell's office
Ms. Lisa Estep, Pikeville Medical Center
Ms. Juanita Deskins, Pikeville Medical Center

STAFF PRESENT

Mr. Ben Hale
Ms. Terry Trimble

Mr. Joe Jacobs

Mr. Greg Salyer

Mr. Chris Bailey

Ms. Retha Mullins

Ms. Sharlet Butler

Mr. Brandon Montgomery

Mr. Jarrod Gibson

Ms. Misha Curnutte

Mr. Steve Jones

Ms. Lanette Pinson

Ms. Janice Prater

Ms. Liz Hamilton

Ms. Sharon May

Ms. Brenda Power

Ms. Angela Slone

Ms. Peggy McKenzie

After a quorum was determined to be present, the chair took the liberty of introducing guests. He then requested a motion to amend and approve the agenda to include Ms. Donna McClure with Senator Mitch McConnell's office and to add discussion regarding Municipal Franchise. Motion by Mayor Ed Daniels and Mr. Brad Slone amended and approved the agenda as amended.

Ms. Donna McClure announced to the board that Congressman Hal Rogers, Governor Matt Bevin and the Secretary of Transportation Cabinet would be hosting a National USA Drone Conference luncheon at the Hazard Community and Technical College on Saturday March 30, 2019 at 11:00 a.m. They hope all will be able to attend.

Mayor Scott spoke to the board about HB354 in the Senate that repeals the local bank franchise tax on January 1, 2022. While legislative leaders and the banking industry have provided assurance that there was no intent to impact local taxes, inadvertent language in the legislation nullifies the tax relied upon by cities after 2021. If left uncorrected, the mistake will result in a collective estimated loss of more than \$18 million in revenues for cities that impose the tax on financial institutions. However, the senate still has a bill they could use to fix it. Contact your representative and have language struck. Representative Tackett encouraged everyone to call their legislators. She said they may be able to attach an amendment to Bill 458 to affect core counties.

The minutes for the January 22, 2019 meeting were reviewed and approved with a motion and a second from Mayor Pete Shepherd and Judge-Executive Mark McKenzie. Motion carried.

Mr. Greg Salyers gave the financial report. He told the board that as of the end of February we have \$535,000 cash in the bank. We have \$53,000 in our ED RLF account, and \$10,000 in various AML accounts. We are currently 67% through the year and have had a lot of turn over. Our travel budget is underspent due to staff changes and our contracts are a little underspent. It may be necessary to revise the budget before the end of the year. A motion and second by Mr. Don Cecil and Mr. Brad Slone approve the minutes. Motion passed.

Four projects were sent through E-Clearinghouse since January. They are as follows:

- Magoffin County Fiscal Court – Magoffin County Industrial Park Infrastructure Water - \$1,254,100
- Pikeville – Pikeville Medical Center Children’s Hospital – 6,300,000
- ARC Counties – 2019 Fahe HOME/AHTF/ARC - \$1,367,800
- Floyd County Fiscal Court – DR4388 Floyd County Acquisition - \$285,600

A motion and a second by Judge-Executive Robbie Williams and Mr. Mark Gooch approved the report.

Old Business

Mr. Hale explained to the board that the JFA was an ongoing saga that was still being sorted out. HB 200 struck language on how the formula was to be calculated. DLG is trying to help.

Mr. Hale then explained to the board that after advertising to cities and counties and then to the general public to bid on the 1999 Ford Crown Victoria Sedan and no takers, he recommended that the board allow staff to bid. Sealed bids from staff to Greg Salyers would be accepted through COB April 3, 2019. A motion by Mayor Ed Daniels and Mayor Pete Shepherd approved his recommendation. Motion passed.

New Business

The chair asked for full board ratification on three personnel telephone polls to the Executive Committee on February 11, 2019. They were Ms. Michelle Sode – Service Advisor / Case Manager; Mr. Christopher Bailey – Transportation Planner; and Ms. Christi Brown, ED Specialist with Martin County Economic Development Authority, by contract through Big Sandy ADD. A motion to approve all three positions was made by Judge-Executive Robbie Williams, seconded by Mayor Ed Daniels. Motion carried.

Each year our Aging Plan is updated for the Cabinet for Families and Children. It requires full board approval. A motion and a second by Mr. Brad Slone and Mayor Pete Shepherd approved the plan. It is available on our website for review. Motion passed.

Judge-Executive Mark McKenzie made a request to the board to spend \$17,500 of their ADF Funds to purchase a 2016 Ford Explorer for the Johnson County Sheriff’s office. A motion and a second by Mayor Bill Mike Runyon and Judge-Executive Mark McKenzie approved the request. Motion carried.

Directors Comments

The Department for Aging and Independent Living requires a specific training provided by their cabinet for our board in order for our Aging Programs to receive funding from them. They require 100% of the Executive Committee and 70% of the remaining board members. They will be providing zoom (face-to-face) trainings on April 16 – 9:00 – 12:00; May 17 – 9:00 – 12:00; and June 12 – 1:00 – 4:00. Our conference room is available for these. Live and recorded webinars will be also provided on several other dates in April, May and June for all three sessions.

Mr. Hale attended a live webinar on Opportunity Zones. He explained to the board that the Governor nominated several counties. Opportunity Zones are low-income, distressed and contiguous districts where investors can receive significant federal tax breaks and deferrals for investing in a variety of economic development projects. Gov. Bevin submitted Kentucky's nominations on March 21. On April 9 the Treasury Department certified those nominations, designating 144 Kentucky census tracts as Opportunity Zones. All of the Big Sandy Counties have some OZ designation.

- Opportunity Zones are effective for 10 years and are intended to assist both existing businesses and new businesses.
- Opportunity Zones can be used for redevelopment of blighted amenities and other infrastructure.
- Opportunity Zones should be used to create wealth and jobs: the goal is to make communities self-sufficient.

Joe Jacobs told the board of an ARC Power Grant he'd been working on that was recently announced. It's a \$1,500,000 investment from the Appalachian Regional Commission to the East Kentucky Advanced Manufacturing Institute (eKAMI), a workforce development training program serving the entire Eastern Kentucky region.

There being no more business, the meeting adjourned.