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Board of Directors Minutes

June 1, 2010 Meeting

Michael Martin, Chair of the CAEZ Board of Directors, called the meeting to order at 6:30 p.m. A quorum was established.

Board Members Present: Michael Martin, Russell Deering, Linda Rhodes, Earl McCune, Micki Boggs, David Boothe, John Gibson, Joe Hoffman, Birl O'Dell, Mike Pierson, Peter Silitch, and Doyle Tawney.

Board Members Absent: Irene Cantrell, Mike Chapman, Earl Elliott, Ken Eskew, Anthony Hofstad, and Bob Mullins.

Approval of the May 4, 2010 Meeting Minutes: David Boothe made a motion to approve the May 4, 2010 meeting minutes, seconded by Birl O'Dell. **Motion carried.**

Treasurer's Report: Russell Deering made a motion to approve the May 2010 treasurer's report as presented, seconded by Peter Silitch. **Motion carried.**

Housing Committee: The Committee did not meet this month. There has been no progress on the New Home Construction loan.

CHDO Update – CAEZ staff is receiving scholarships for training in Pittsburgh in August. CAEZ staff will also have to become loan originators. They are in the process now of getting the paperwork completed and will schedule an appointment to take their test.

WVHDF has asked CAEZ if they want to apply for Round III Certification 2012 for CHDO in the amount of \$400,000.00. The Finance Committee reviewed the paperwork and voted to recommend to the CAEZ Board that CAEZ commit \$20,000.00 for the Round III CHDO in 2012. Peter Silitch made a motion upon the recommendation of the Finance Committee that CAEZ commit \$20,000.00 for Round III of CHDO 2012, seconded by Earl McCune. **Motion carried.**

Concerning the NSP program in Fayette County, there are four pieces of property identified for possible purchase. These homes are either foreclosed or abandoned. The attorney is completing preliminary title searches on two of the properties. Connie will be completing the drawdown for the purchase of two of the properties; one is rehabilitation and the other demolition/new construction. Paperwork is needed for the other two pieces of property. CAEZ advertised for an architect for the NSP Project. CAEZ only received one bid which was from Appalachian Design Group. They will produce architect and construction drawings for four sites, 3 new construction sites and one rehabilitation. The bid amount was \$24,900.00. Peter Silitch made a motion that the CAEZ Board of Directors accepts the bid in the amount of \$24,900.00 from Appalachian Design Group to produce architect and construction drawings for four sites, 3 new construction sites and one rehabilitation for the NSP Project, seconded by Birl O'Dell. **Motion carried.**

Economic Development Committee: The Committee did meet this evening.

Braxton County: Peter stated that the Central Appalachian Arts and Crafts Cooperative is under new management and will be opening in the hotel in Sutton. Peter will ask the Braxton County Development Authority if they will give their support.

Clay County: Connie reported that she will contact Dave Cramer with the Department of Highways concerning the Fola Road to set up a meeting.

Amanda Moore, Economic Development Coordinator for Clay County, applied for a scholarship to the Basic Economic Development Education training. She attended the Community Development Institute training in Bridgeport and made several contacts. She has several business retention/expansion visits. She will be working with John Mallot, West Virginia Development Office. Last month she went to the Greater Kanawha Resource Conservation and Development Meeting and met with Jackie Byers and spoke about Americorps workers for Clay County. Ms. Byers is working with the quilt tour, painting the quilt design on the barns, which includes the Elk River. This could coincide with the Elk River Byways project. She will be attending the WV Sustainable Community Meeting which will give her information on beautification projects for the town.

Mike Pierson gave a report on Capitol Resource Agency. They will no longer be doing the weatherization program. They are now interviewing for an Executive Director and CFO. The state is holding funding until further notice.

The first LPN class from the college will graduate in July. The CNA class has 18 students for the summer semester. There is a SPOKES class at the college which helps adult students upgrade their skills to take college courses.

Connie will be meeting with a representative from RESA at the daycare at Valley Fork. They may be interested in operating the daycare.

CAEZ will be applying to the Youth Advantage Program to have students work at the campground and college.

The architect and engineers will be redoing the plans for the lodge. Each room needs a door to the outside for a fire escape. The plan should be finished with the next few days. CAEZ is waiting on the approval of the county sanitarian and the state sanitarian on the sewer system for the campground. CAEZ received a \$5,000.00 FOCUS Grant for the completion of a procedurals manual for the lodge and campground.

Solomon Secret, an outdoor drama, lost its sublease on Forest Land Group's property. The group has asked that CAEZ allow the drama to use the campground until another place is found. The drama is two weekends in September. They will carry their own insurance and will pay for the water and electric that is used. It can be good marketing for the campground because the drama is very popular. Peter Silitch made a motion to allow the usage of the property for the Solomon Secret Drama in September 2010, seconded by Linda Rhodes. **Motion carried.** Connie will also check with the land owner and the BC&G Railroad Cooperative to see what their opinion is on the matter.

WYAP – LP Radio, a nonprofit organization, has been in existence for 12 years and broadcasting for five years in Clay County. Andy Waddell is requesting that if the Clay County Commission purchases the parking lot where the radio is housed now, they will need a space to put the radio

station. He asked if CAEZ would be willing to allow the use of the campground to the radio station. Several activities are held throughout the year at the radio station. This could help market the campground. Representatives from WYAP – LP will also meet with the BC&G Railroad Cooperative for review. This summer the radio station will be offering three - three day weekend celebrations, Memorial Day, Independence Day, and Labor Day, in the month of June they will be offering Friday night corn hole challenges and movies, in the month of July they will be offering bingo, and in August it will go back to corn hole competitions and movies. The Committee voted to recommend to the CAEZ Board that the Executive Director be authorized to pursue the issue with WYAP - LP Radio and for Connie to research the legal issue of the usage of the property and bring it back to the Board for review. Peter Silitch made a motion upon the recommendation of Economic Development Committee that the Executive Director be authorized to pursue the issue with WYAP - LP Radio and for Connie to research the legal issue of the usage of the property and bring it back to the Board for review, seconded by Earl McCune. **Motion carried.**

Fayette County: Consol Energy donated \$15,000,000.00 to the Boy Scouts to build a foot bridge across a ravine on their property to allow easier passage.

Nicholas County: Russell Deering contacted the Mayor of Richwood to see if there was any property available for the CHDO project. There may be property in Craigsville as well.

Roane County: Connie will write a letter to the Roane County Board of Education, the Roane County Commission, and send a copy to Doyle Tawney asking them to reconsider their decision of selling the Newton school property.

Connie received a letter from the West Virginia Housing Development Fund concerning the property with Roane Rural Housing. RRH has four lots on Summit Street in Spencer and funds that will also be transferred to CAEZ. Two homes will be built on the property.

CAEZ has been awarded the NSP project funding, the property with Roane Rural Housing, and Phase I and II of the CHDO project. The grant application is being prepared for Phase III of CHDO. CAEZ has approximately \$1,360,000.00 for the construction of homes in the CAEZ five county service area. CAEZ is proposing that two homes will be constructed in Clay, three homes in Spencer, and four homes in Fayette.

Mustang Survival has started a satellite operation and now has 51 employees and plan to add 18 more. A shell is constructed behind Wal-Mart at Spencer in another month. A new business will be moving there.

Loan Committee: The Loan Committee did not meet. The loan status was reviewed. SBDC Loan 1 is due for two months. Connie has spoken with the applicants with SBDC 2 and USDA 3 and he will be sending in interest payments. Connie spoke with the loan applicant for Micro Loan 15 and 16 and he stated he would be sending in payments as soon as possible. All other past due accounts, letters will be mailed. Business Loan #8 contacted Connie and stated that a prospective buyer from Tennessee would be coming to look at his business.

Finance Committee: The Finance Committee reviewed the CAEZ Budget for 2010 – 2011. The line item for the utilities was decreased from \$3,500.00 to \$3,000.00 and a new line item for the web page advertising for \$500.00. Also, there was a typographical error on the revenue section under CHDO (sale of 2 homes) it should be CHDO (sale of 1 home). The Finance Committee approved to

recommend to the CAEZ Board that the 2010 – 2011 CAEZ Budget amendments be approved. Peter Silitch made a motion upon the recommendation of the Finance Committee that the 2010 – 2011 CAEZ Budget amendments be approved as stated above, seconded by Linda Rhodes. **Motion carried.**

The Finance Committee reviewed the amended 2010 – 2011 budget. The Finance Committee approved to recommend that amended budget be approved for the 2010 – 2011 fiscal year. Linda

Rhodes made a motion upon the recommendation of the Finance Committee to approve the 2010 – 2011 CAEZ Fiscal Budget, seconded by Peter Silitch. **Motion carried.**

Other: CAEZ had two requests for donations. CAEZ has contributed to the Apple Festival and Workforce WV in the past. They were asking for any contribution that CAEZ could afford. The Finance Committee approved to recommend that the CAEZ Board contribute as much as they can but no more than what was contributed last year. Peter Silitch made a motion upon the recommendation of the Finance Committee that CAEZ contribute as much as they can but no more than last year to the Apple Festival and Workforce WV, seconded by Mike Pierson. **Motion carried.**

Michelle handed out the Bylaws for review to the Board. It was asked if anyone had any questions or revisions; please bring them back at the next meeting.

Michael stated that his latest short film won an Academy Award and he will be traveling to Los Angeles to accept the award.

New Business: None.

Birl O'Dell made a motion to adjourn at 7:28 p.m., seconded by Russell Deering. **Motion carried.**

Next Board Meeting: Tuesday, July 6, 2010, at 6:00 p.m. at the CAEZ Office.

Irene Cantrell, Anthony Hofstad, and Earl Elliott called to say could not attend the Board meeting this evening.

Monthly Activity Report for June 2010

June 1, 2010	Bid Opening for NSP Project Economic Development Committee Meeting Finance Committee Meeting Board Meeting
June 2, 2010	Met with Chuck Nicholson, RESA at Valley Fork Daycare
June 3, 4, and 7, 2010	Worked on Administration
June 8, 2010	Meeting with Laura Kemprye – Federal Home Loan Bank
June 9, 2010	Visited property in Nicholas County
June 10, 2010	Worked on Mary Mason grant/NMLS

June 11, 2010	Worked on Administration
June 14, 2010	Worked on Administration Worked on Board Packets
June 15, 2010	Worked on Administration Meeting with CHDO property owner Worked on Mary Mason Grant/NSP Meeting with Amanda Moore, Mike Pierson, and Mike Boggs
June 16, 2010	Visited property in Nicholas County Meeting at the Development Office – NSP Meeting – Volunteer WV
June 17, 2010	Tammie and Michelle - Fingerprints Worked on Board Packets
June 18, 2010	Visit Spencer property Worked on Board Packets Met with architect on campground project
June 21, 2010	WEST VIRGINIA DAY - OFFICE CLOSED
June 22, 2010	Worked on Board Packets NSP Meeting Administration
June 23 and 24, 2010	Worked on Board Packets NSP Meeting Administration
June 25, 2010	Worked on Board Packets Worked on Mary Mason Grant
June 28, 29, and 30, 2010	Administration Worked on Board Packets Worked on NSP Worked on Mary Mason Grant