



## Development District Association of Appalachia

---

### BOARD OF DIRECTORS MEETING SUNDAY, JULY 29, 2012 – TUESDAY, JULY 31, 2012 BRASSTOWN VALLEY RESORT YOUNG HARRIS, GEORGIA

#### MINUTES

#### **SUNDAY, JULY 29, 2012**

President Danny Lewis welcomed Board members and others to Brasstown Valley and called the meeting to order at 4:00 p.m.

Secretary Jim Dove called the roll.

#### **Members Present:**

President/Georgia	Danny Lewis
1 <sup>st</sup> Vice President/Kentucky	Sherry McDavid
2 <sup>nd</sup> Vice President/Ohio	Misty Casto
Secretary/Georgia	Jim Dove
Treasurer/South Carolina	Steve Pelissier
Alabama	Bob Culver
Kentucky	Mike Patrick
Mississippi	Rudy Johnson
New York	Richard Zink
North Carolina	Rick Herndon
Ohio	John Hemmings
Tennessee	Susan Reid
West Virginia	Michele Craig

#### **Members Absent:**

Maryland	Leanne Mazer
Pennsylvania	Eric Bridges
Virginia	Jim Baldwin

#### **Others Present During All or Part of the Session:**

Dan Neff	ARC Local Development Districts Director
Deborah Cox	NADO Legislative Director
Ted Stiger	NADO Legislative Associate
Cameron Whitman	ARC States Representative
Earl Gohl	ARC Federal Co-Chair
Tom Hunter	ARC Executive Director
James Thompson	Georgia Department of Community Affairs
Sam Norton	Georgia Mountains RC Vice Chairman

## **APPROVAL OF AGENDA**

A proposed agenda for the DDAA Summer Board Meeting was presented. A motion to approve the agenda was made by Bob Culver and seconded by Rudy Johnson. The motion passed unanimously.

## **MINUTES OF THE MARCH 18, 2012 DDAA BOARD MEETING HELD IN WASHINGTON**

Minutes of the previous DDAA Board Meeting were distributed electronically. A motion for approval was made by Mr. Johnson and seconded by Ms. Sherry McDavid. The motion passed unanimously.

## **PRESIDENT'S REPORT**

President Lewis asked members to continue working together as we assist in bringing the Appalachian Regional Commission (ARC) and its communities to a higher standard. It is important to communicate with elected officials on all levels. As ARC and other agencies face budget challenges, it is critical that we respond to requests for assistance in contacting our representatives in Washington. President Lewis provided an overview of activities for the next three days and again stressed the importance of this meeting.

Dan Neff took the opportunity to indicate that ARC Executive Director Tom Hunter is extremely fond of the local development districts and the DDAA. There are still some misconceptions as to programs undertaken by districts and why districts are funded by both ARC and the Economic Development Administration (EDA). In addition, discussion regarding performance measures continues. ARC staff has initiated an effort to determine how "we can tell our story better". Mr. Neff emphasized that reality is fine, but be careful with perception.

Steve Pelissier mentioned two challenges facing us. First, the message we traditionally give (projects funded and dollars brought in) doesn't resonate any longer. Second, we need to improve our flexibility in areas such as technical assistance provided to local governments. John Hemmings stressed the importance of meeting with new government representatives on all levels to discuss our mission and to give specific examples of our activities. Others discussed the need to utilize our local Boards to communicate and the need to stress partnerships.

Finally, President Lewis mentioned the need to recognize outgoing NADO Director Matt Chase for his many efforts on behalf of ARC and the DDAA. There was a motion by Rick Herndon and a second by Susan Reid to prepare a resolution in regard to this sentiment. The motion passed unanimously.

## **TREASURER'S REPORT**

Treasurer Pelissier addressed the Board and expressed appreciation to staff of the Mid-Ohio Valley Regional Planning Commission for efforts related to the Treasurer's position over the past decade. He indicated that the 2012 final financial statements were received recently, and there are some still unanswered questions. He and Mr. Neff are working to gain a better understanding of those and similar documents. A copy of the Treasurer's report is attached. The summary of year-end balance sheets for FY12 shows total revenues as \$192,715, with total expenses being \$147,349. There were questions raised regarding training and annual conference revenues, as well as training expenses. The FY13 budget was also discussed. It includes a figure of \$294,000 for total revenues and expenses. Once Treasurer Pelissier becomes better acquainted with available information, the Board will be requested to amend the budget. It was noted that the DDAA account should be moved from Huntington Bank in West Virginia to BB&T in Greenville, SC. A motion to do so was made by Mr. Johnson and seconded by Ms. Reid. The motion passed unanimously. Finally, there was a motion by Secretary Dove and a second by Mr. Culver to accept the Treasurer's report as presented. The motion passed unanimously.

## **MONDAY, JULY 30, 2012**

The DDAA business meeting resumed at 8:30 a.m.

## **STATES' WASHINGTON OFFICE UPDATE**

Cameron Whitman, States' Washington Representative, provided an update to the Board. Regarding funding, she anticipates passage of a continuing resolution for a six-month period. ARC may again face attempts to eliminate the agency. She expressed appreciation to the DDAA regarding efforts to keep Congress informed of our activities. She indicated that it is her role to provide information on "the big picture", while we may be most helpful describing where we are "on the ground". She mentioned the importance of recent reauthorization of the Surface Transportation Bill, as it is closely tied to the Appalachian Development Highway System (ADHS). She emphasized that local pressure is essential to getting the ADHS finished. In closing, she reiterated that reauthorization of ARC is not going to happen and that we face challenging times in the next Congress. The proposed ARC funding level is \$64.8 million in the Senate and \$75 million in the House.

## **NADO REPORT**

Legislative Director Deborah Cox delivered the NADO report. She introduced new NADO staff member Ted Stiger to the group. She updated the Board on several matters currently of importance. The November elections will impact virtually everything. At present, the House includes 242 Republicans and 190 Democrats, with three vacancies. The Republicans are expected to maintain a majority in that body following November elections. In the Senate, 33 seats are up for election, with 23

currently occupied by Democrats and 10 by Republicans. Ten of the seats held by Democrats and three held by Republicans are ranked as tossups. The focus on government spending is unprecedented, and Congress has its lowest approval rating ever at 12%.

Ms. Cox indicated that Congress will have four huge issues to address following the election. These include: a) debt ceiling; b) tax cuts; c) sequestration; and d) annual appropriations process. Related to appropriations, the House has passed seven of twelve bills, while the Senate has passed none. Ms. Cox also gave an update on funding related to EDA, CDBG, Transportation Bill, and Farm Bill.

### **GLOBAL APPALACHIA UPDATE**

John Hemmings provided an update to the Board. He described efforts of Scott Hercik and his work with PIERS. Data is being collected on maritime shipments, i.e. where goods from each state are going. He is also developing rate haul data, and there is considerable discussion regarding logistics. Mr. Hemmings is our liaison to ETAC, and Eric Bridges is our liaison to Network Appalachia.

### **TRAINING COMMITTEE REPORT**

Misty Casto presented the Training Program, updated July 24, 2012, which includes amounts expended and budgeted amounts. A copy of that report is attached. Training Program revenue available through April 30, 2013 is slightly less than \$49,000. One change was recommended in proposed budgeted amounts for upcoming training, that being an increase in the amount budgeted for the 2013 NADO Rural Transportation Peer Learning Conference from \$5,000 to \$8,000. A teleconference for Training Committee members will be scheduled soon.

### **2013 DDAA CONFERENCE BRIEFING**

Ms. McDavid, Conference Chair, provided an update on annual conference planning. Preliminary discussions have been held already, and it is anticipated that "Appalachian Pride" will be incorporated into the theme. A humanistic approach to the conference is being planned. A number of training opportunities are being considered. These include Green Appalachia Sustainability, role of Board members, and managed care. More information will be forthcoming.

### **DDAA COMMITTEE DISCUSSION AND ASSIGNMENTS**

A list of existing Committees and membership was distributed. Individual Committees were discussed along with revised membership. An updated list will be forwarded to the Board.

## **ARC STAFF REPORT**

Mr. Neff provided an update from ARC staff. The new administrative grant process has begun. Level funding for districts is anticipated. LDDs are requested to submit administrative grant applications by early November. Mr. Neff indicated that the ARC staff is very stable, but there have been two staff departures. In closing, he indicated that at the non-voting policy meeting of a week ago, a focus was on the Highway Bill. A portion of the discussion was devoted to use of money for access roads.

## **TUESDAY, JULY 31, 2012**

The DDAA business meeting resumed at 8:45 a.m. President Lewis introduced Georgia Mountains Regional Commission Vice Chairman Sam Norton. Councilmember Norton again welcomed members to the region and expressed his appreciation for the work of LDDs throughout the region.

## **BRIEFING FROM THE FEDERAL CO-CHAIR**

Federal Co-Chair Earl Gohl provided an update to the Board. Mr. Gohl discussed the policy meeting held at ARC in the previous week. He addressed Map-21, which carried over ADHS and the access road program. The matching requirement has been eliminated, and the cap has been raised to \$3 million per year per state for the access road program. He also touched upon capital and credit issues and emphasized the need to increase business lending throughout the region. He opined that stronger CDFIs are needed. He anticipates the formation of an Appalachian CDFI, which will be in position to approach larger institutions and raise approximately \$40 to \$50 million. Mr. Gohl emphasized that ARC needs to commit resources regarding this effort. He also took the opportunity to address comments and questions from Board members.

## **EXECUTIVE DIRECTOR'S REPORT**

ARC Executive Director Tom Hunter provided a report to the Board. He expressed appreciation to President Lewis and other Georgians for Monday afternoon's tour of projects. He also expressed appreciation to the Board for honoring Bonnie Durham of Alabama for more than three decades of service related to Appalachian's matters in that state. He focused on the FY13 appropriation picture and indicated that ARC reauthorization is on the back burner pending elections and associated matters. He also discussed the Map-21 Highway Bill and its benefit to ARC. He indicated that the states currently have \$2.1 billion in "old money" to spend on ADHS, however, the amount needed to finish ADHS is estimated to be \$9 billion. In closing, he expressed appreciation for the many efforts of the Board and the LDDs.

## **OLD/NEW BUSINESS**

President Lewis invited the Board's attention to three future meetings; those being the Appalachian Region Commission meeting in Huntsville, Alabama on October 3, 2012, the DDAA Winter Board Meeting in Johnson City, Tennessee on December 2-4, 2012, and the DDAA Annual Conference in Washington, DC on March 10-12, 2013.

## **ADJOURN**

There being no further business, the meeting was adjourned.