



Grayson County Economic Development Authority

P. O. Box 217; Independence, VA 24348

May 17, 2022

MEETING MINUTES

Members Present

Joseph M. Killon
Christopher J. Butler
Justine Jackson-Ricketts
Gary Rascoe
Elizabeth Hash
Elisa Blevins
Todd Cannaday

Staff Present

William L. Shepley
Mitchell L. Smith
Leesa A. Gayheart
Lyndsie Young
Deb Jones
Tracy Cornett

Advisory Members

Amanda Shore
Darin Young

Guests

Jake Tabor - VIAA
Sarah Torres
Mary Tomlinson

OPEN MEETING

Mr. Shepley opened the meeting and explained that the hope was to have 10 members but according to our attorney, Grayson County can only have 7 members. Therefore, we would like the others interested in serving to be as an advisory member then everyone present introduced themselves.

ELECTION OF OFFICERS

Chair: Mr. Rascoe nominated Mr. Butler; duly seconded by Mrs. Hash. Motion carried 7-0.

Vice Chair: Mrs. Hash nominated Mr. Rascoe; duly seconded by Mrs. Blevins. Motion carried 7-0.

Mr. Butler then spoke and talked about his vision of having a pro-active EDA verses a reactive authority. Mr. Butler read the Code of Virginia definition of an EDA and the different areas they can look at. Mr. Butler noted the EDA needs to explore what the EDA can do (for) verses what the EDA is against. Mr. Shepley then spoke about the development of an Ag Committee which led to the hiring of an Ag Economic Development Director.

Secretary: Consensus for Mr. Smith or the person in his position.

APPROVAL OF MINUTES

Mrs. Hash made the motion to approve the regular meeting minutes from October 19, 2021; duly seconded by Mr. Rascoe. Motion carried 7-0.

FINANCIAL REPORT

Mrs. Gayheart covered the balances and noted the current balance is \$738,794.74. Mr. Butler inquired about how the balance gets replenished and Mr. Shepley explained that 1% of the budget is normally placed into the budget. After some discussion Mr. Killon made the motion to approve the financial report; duly seconded by Mr. Rascoe. Motion carried 7-0.

OLD BUSINESS

None

NEW BUSINESS

- Cresthaven Dairy – Sarah Torres

Ms Torres presented their presentation on their operation for Cresthaven Farms Creamery proposal noting that the family has been farming in Grayson County since the 1700's and in order to keep producing milk, they must diversify their business and adding a creamery would be one way to do this. Currently there are 10 active dairy operations with revenues at approximately \$5M and slightly less than 1,000 milking cows. The highest production/cow dairy in Virginia for more than 25 years is in Grayson County which is home to a seasonal, pasture-based dairy that markets 95% of its milk through its own cheese which is sold in 28 states. Cresthaven is 1 of only 2 dairies in Grayson County that still sell fluid milk (a 3rd dairy sells cheese). The family started milking cows in Grayson County in the 1930's – 1977 – 193 dairies in GC (avg 15 cows); 1997 – 48 dairies (avg 49 cows); 2017 – 16 dairies (73 cows); Cresthaven has milked 185-200 cows since 1980 and has made it through major economic crashes in the industry (2008-2009, 2016-present). Productivity – top dairy in the state of Virginia for milk production per cow for over 30 years; daily milk production is currently 103lbs/cow – 13 gallons per cow (enough fluid milk for 70 people); March 2022 – shipped 546,628 lbs of milk – 17,633 lbs/day – 2,050 gallons – 450127 lbs is milk base; 96,501 lbs of excess – 362 gal/day received lower price for; would continue to sell to coop and process excess, initially). Community Outreach – farm tours since 1980's – public elementary school classes, daycares, and homeschool groups); FFA Student Sponsorship; Charitable donations; Live Christmas nativity scenes. Why a Creamery: volatile milk prices paid to producer + skyrocketing feed, maintenance, and labor costs = dairy disaster; added products = increase profit margin – farmer makes more for finished product than selling milk to middle-man; paid less money per cwt for milk that is produced over the base amount, but charged the same for hauling it – hauling bill is more than 10% of their check and is likely going to rise more. This past week, Litchfield High School and Middle School kicked off their bulk milk program which was a HUGE success. The students were thrilled that the cartons are GONE! From now on, students will enjoy fresh, LOCAL milk delivered from a dairy farm only 40 minutes away. Refills are free and going forward, the price for milk at lunch will stay the same. Volunteers were Litchfield dairy farmers, First District Association staff and good friend

Erin – thank you all for your commitment this past week. At the end of the week they noticed: Every single day the kids were constantly talking about how much they loved the taste; they were drinking more milk; some student who don't normally take milk tried it and love it; the wasted milk was a fraction of what it was with cartons – before, the middle school could fill a 5 gallon bucket or more per day and now the waste was about 1 gallon each day with the high school students being even less; staff had less garbage to remove at the end of lunch periods; not many spills – students were encouraged to fill their glass appropriately before returning to their seat; a huge thank you to the middle and high school staff for their patience, positivity, and hard work during this time of transition. Asking for: feasibility study needed before investing in processing; working with VA FAIRS – will provide business plan, allowing them to make an informed decision about starting the creamery; should we proceed, we would need grant funding for working capital, so we choose not to pursue grant funding of the study; requesting \$10,000 from the EDA to help pay for the study, which we trust will reveal whether a creamery would be advantageous for Cresthaven Farms and Grayson County. After some discussion, Mr. Cannaday motioned to fund the \$10,000 to Cresthaven; duly seconded by Mr. Killon. Motion carried 7-0. Mrs. Gayheart noted that an invoice from Cresthaven Farms would be needed in order to receive the funding.

- o EDA Discussion of Direction for 2022 – Mr. William L Shepley, County Administrator

Mr. Shepley covered the term limits for the EDA Members (NEED TO LISTEN TO TAPE) Mrs. Blevins – 2yr term; Ms. Jackson-Ricketts – 2yr term; Mr. Killon – 1yr term; Mrs. Hash – 3yr term; Mr. Rascoe – 3yr term; Mr. Butler – 4yr term; Mr. Cannaday – 1yr term. Ms. Blevins requested a 1yr term and Mr. Cannaday accepted her 2yr term. Mrs. Hash made the motion to approve all members terms; duly seconded by Mr. Cannaday. Motion carried 7-0.

Mrs. Gayheart explained about ZenCity which is a tool to survey the community – future for Grayson County and let the EDA be the first survey. Mr. Shepley suggested to give a ZenCity presentation at the next meeting. Mr. Shepley introduced Deb Jones our Grant Writer who attends the meetings by phone.

Mr. Butler asked to add public comment(s) to the agenda and bring by-laws update to the next meeting. Mr. Shepley explained that it can be added with a 3-minute limit per person.

- o McAllister Mills Agreement

Mr. Smith covered the Tobacco Region Opportunity Fund (TROF) Grant Repayment Agreement noting that the company failed to meet its obligations per the Grant Agreement and the Company is required to repay \$35,893.36 (once per quarter - \$2,893.36) back to the EDA the unearned portion of the Grant. The County will then make an annual payment to the Tobacco Commission. Mr. Cannaday made the motion to approve the repayment agreement; duly seconded by Mr. Rascoe. Motion carried 7-0.

- o Whitetop Community Services Building

Mr. Shepley explained that the heating/air conditioning systems in the community center building are in disrepair. There are 3 heating systems and 4 air conditioning systems in the building and all the heating systems and 2 of the 4 air conditions systems need to be replaced – each of these systems are original to the building. Earlier this year \$10,000 of

Covid Relief funds were provided and 2 of the 4 air conditioning units have been replaced. Concerns for the lack of adequate heat in the building will cause the tenants that rent space in the building to seek other options which includes a beauty salon, a pharmacy and a professional office – additional tenants for the remaining space are being recruited but problems with the mechanical systems brings the discussions to a stand-still. Mr. Revels is requesting Mr. Shepley approach the EDA to solicit a grant of \$18,000 to make the needed repairs – Mr. Revels is concerned that the current tenants will opt out of their leases and will seek space in other facilities outside the community which would cause financial harm to the non-profit community center organization that not only provides space to business tenants, but also provides space for the community library and the meeting space used by District III for community lunches and functions for citizens in the area. After some discussion, Mr. Cannaday made the motion for the Whitetop Community Services building to go back to the County for funding; duly seconded by Mr. Killon. Motion carried 7-0.

EXECUTIVE SESSION

None

MEETING TIME CHANGE

Next meeting is scheduled for June 7th which is incorrect and should be June 21st at 3pm. Discussion regarding the time of the meeting took place and Mrs. Hash made the motion to change the meeting time to 4pm; duly seconded by Mr. Cannaday. Motion carried 7-0.

ADJOURN

Mrs. Hash made the motion to adjourn; duly seconded by Mr. Killon. Motion carried 7-0.