

**MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE COUNTY OF CAMPBELL, VIRGINIA**

September 25, 2006

The regular meeting of the Board of Directors of the Industrial Development Authority of Campbell County, Virginia, was held in the Community & Economic Development Conference Room, County Office Building, Rustburg, Virginia, on September 25, 2006.

The Directors present were:

Vance Driskill, Chairman
Robert Kennedy
Lewis Robertson
John Yates
Malcolm Morris
George Rosser

Also Present:

J. Michael Davidson, Economic Development Director
David Hawkins, Overby, Hawkins, Selz & Wright

Mr. Driskill called the meeting to order at 7:44 pm.

The July 24, 2006 meeting minutes were presented for review. On a motion by Mr. Yates, seconded by Mr. Robertson and duly adopted by unanimous vote, the minutes were approved as presented.

Matters from the Economic Development Director

// Mr. Davidson presented the IDA with a Project Updates Report. Discussions were held relating to existing industry prospect activity. Mr. Davidson reported that there were no legitimate prospects for either Dan River or Tarkett Wood. Following a general discussion of the project updates Mr. Davidson presented the IDA with an executive summary of the data collection for the CEDS update. The process of collection and the sources of the data were explained to the IDA by Mr. Davidson. Mr. Davidson explained that a review of this data would assist the IDA in better understanding the conditions in the county. The items covered were: population, median income, employment, economy, worker age, agriculture, commercial- retail, and industrial development.

Mr. Driskill inquired about the status of the work fair in the Brookneal area that was mentioned at the last meeting. Mr. Davidson explained that due to losing staff and receiving limited assistance from the VEC. Efforts are still underway to identify companies that will participate in a work fair. Mr. Davidson reported that efforts will continue to hold a work fair as resources are available.

Mr. Morris inquired about the Seneca Commerce Park and previous discussions to construct a building on site. Mr. Davidson responded that it was still a consideration. Mr. Davidson reported that there was funding in place to do another virtual building on the Seneca Park. Mr. Morris stated he thought a smaller building of about 10,000 sq. ft. would fill up as fast as they could be built. A general discussion followed.

// Next, Mr. Davidson advised the IDA that when Sanfacon decided to provide property and liability insurance coverage on the Brookneal building the IDA selected to continue carrying the public officials insurance coverage. The cost of the public official's coverage was relatively low. Unfortunately the cost is higher than originally anticipated. To obtain public officials liability coverage you must have a

package deal that includes some liability and crime coverage. The cost of insurance is \$900.00 higher than originally reported. The total cost is \$1,463.00. Three quotes were received and this amount is in line. Presently we need to stay with VaCorp until next year. We will obtain quotes prior to renewing the policy next year to see if we can save some money.

// Next, Mr. Davidson apprised the IDA of the IDA industrial properties update. It was reported that Banker Steel is in production at the new facility. Present reports state there are 30 employees on site. It was reported that progress continues to move slow at the Sanfacon building from a perspective of production and employment. It is now expected to be November before significant employment or production will begin. There was a fire at the Sanfacon site last week. There was some smoke damage but no property damage.

// Next Mr. Davidson reported that the FY 06 county audit was ongoing. To date most of the issues identified by the auditors has resulted in the IDA and staff taking corrective actions. Mr. Davidson reported the Accounting and Financial Procedures presented to the IDA in July has been incorporated and placed in action. Mr. Davidson advised the IDA that there has been a tremendous growth in financial activity over the past several years. This growth is requiring changes in the accounting procedures to properly tract and account for the amount of funds passing through the IDA. A meeting is scheduled for September 26 with the auditor for a final review. Mr. Davidson advised the IDA he would bring the final recommendations to the November meeting. Mr. Davidson submitted a September financial statement for IDA review. Mr. Yates inquires regarding the collateral accounts for the Thomasville building. Mr. Davidson informed the IDA that neither of the collateral accounts were included in the financial statement but would be it the next statement. There were no further questions concerning the information in the financial statement.

// Mr. Davidson advised the IDA that it is time to hold annual elections. Since the IDA adopted an internal operating policy that officers would hold office for two years and since this election is a mid-term election it could be held at this meeting or deferred to the November agenda. It was the consensus of the IDA to hold elections in November.

// Mr. Davidson apprised the IDA of the annual Board of Supervisors retreat to be held on October 20, 2006. The Chairman and Vice-Chair have been invited to attend and participate in the retreat.

Matters from the Chairman

// Mr. Driskill stated there were no items from the Chairman.

Matters from IDA Members

// Mr. Rosser inquired concerning the cost over runs on Seneca Commerce Park. A general discussion was held regarding the Seneca Commerce Park cost over runs.

After general discussion of the before mentioned matters, no other business was presented for consideration. By motion of Mr. Whitesell, seconded by Mr. Yates, the meeting adjourned at 8:50 pm. The next meeting will be held on Monday, November 27, 2006.

Vance Driskill, Chairman

George Rosser, Secretary-Treasurer