

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

October 27, 2011

The regular meeting of the Board of Directors of the Industrial Development Authority of Campbell County, Virginia, was held in the multi-purpose conference room of the Haberer Building, Rustburg, Virginia, on October 27, 2011.

The Directors present were:

K. William Kirk, Vice-Chairman  
George Rosser, Secretary-Treasurer  
D. Vance Driskill  
Larry Dalton  
Geraldine Pettigrew  
Greg Morris

The Directors absent were:

Lewis Robertson, Chairman

Also Present:

J. Michael Davidson, Economic Development Director and Assistant Secretary-Treasurer  
Frank Wright, Jr., Esq., IDA Attorney  
Brandon S. Turner, IDA Staff Support

// Vice-Chairman Kirk called the meeting to order at 7:30 p.m.

// Vice-Chairman Kirk asked the members if they had any corrections or additions to the meeting minutes from the July 28, 2011 meeting. With no corrections or additions given, a motion to approve minutes was made by Mr. Driskill and seconded by Mrs. Pettigrew and duly adopted by unanimous vote of the members present.

**Matters from the Economic Development Director**

// Mr. Davidson opened the meeting by informing the Authority that Christy Holt has left her position as administrative assistant due to being offered a position outside of the County. He mentioned that, because she was still within the probationary period, the County's hiring freeze does not apply to this position and interviews have been set-up for the next few weeks. The new administrative assistant should be on board by the first week of January.

// Mr. Davidson next reviewed the IDA's financial report. He stated that there are no major changes to account balances except for added interest. Mr. Davidson informed the Authority of

an outstanding invoice with Georgia-Pacific that resulted from a bonding issue in 1999. This bond was for Georgia-Pacific to purchase equipment to burn wood waste materials onsite; however, over time this waste became valuable and Georgia-Pacific began selling the material. There was also an issue with regulations changing that impacted the project. This raised a question as to whether or not the bonding could keep its tax-exempt status retroactive to the issuance of the bonds based on the fact that it was not waste but was a marketable product. Georgia-Pacific's attorneys have convinced the IRS that the company was in compliance with the regulations at the time of the bonding; there will be no penalties levied on the bond. Due to work on this issue, Frank Wright Jr. has invoiced the IDA for \$512.50; Mr. Davidson has mailed letters to Georgia-Pacific requesting reimbursement.

// Mr. Davidson next spoke on project updates. He mentioned that prospect activity ebbs and flows with the economy, but there is presently activity in the marketplace. Mr. Kirk inquired as to whether the County receives prospects from the World Economic Development Alliance; Mr. Davidson noted we receive more leads from WEDA than any other organization. He briefly spoke on the partnership with the Lynchburg EDA that enables the County to get a higher-level package from WEDA, affording Lynchburg and Campbell County more visibility, name recognition, and attendance at trade shows.

Mr. Davidson spoke on the Seneca Park Sewer; he has submitted an application for the Phase 3 project, instillation of gravity sewer lines throughout the park, and should hear by January 2012 as to whether or not it is approved. The Tobacco Commission gave permission for the County to hold off on Phase 2 of the project, the pump station, due to Phase 1 being completed approximately 6-8 months late due to environmental concerns from the Army Corps of Engineers. The County will now combine Phases 2 and 3 into one project, which should reduce construction costs. Mr. Davidson hope to put the project out to bid in February/March 2012, with completion aimed at late winter/early spring 2013.

Mr. Davidson informed the Authority of the instillation of 3-phase power to Seneca Commerce Park. He gave a brief history of the 3-phase power situation; it does not exist in the back section of the park. It will cost approximately \$250,000 for AEP to install 3-phase power to this section; this is an included component in Phase 2 of the sewer project.

Mr. Davidson also mentioned the County has applied for another Tobacco Commission Grant, titled the Central Virginia Livestock Improvement Grant, in the amount of \$750,000. This grant is similar to the Beef Initiative, in terms of livestock-handling equipment, but also includes dairy cows and smaller livestock such as goats and sheep.

Mr. Davidson stated that he has increased existing business visitation since July 1<sup>st</sup>, and has completed ten visits so far. He indicated that, while it may not sound like a lot, each hour spent at a visit requires approximately three hours of additional office work. He is encouraged by the responses that have been given by visited employers.

// Mr. Davidson next gave a briefing on the Brookneal/Campbell County Airport, stating the organization has received a grant from the Federal Aviation Department and the Virginia Department of Aviation for the installation of the 15,000 gallon above-ground AV fuel tank. While it will take a while to garner significant traffic, this is a way for the airport to generate needed revenue.

// Mr. Davidson spoke on the Altavista EDA and its newly-developed Economic Development Strategic Plan. The cornerstone of this plan is to hire an Economic Development Director for the Town, and is seeking a \$100,000 budget to support this position. The Strategic Plan will be presented to town council in November.

// Mr. Davidson briefed the Authority on unemployment numbers for the County, and spoke on the importance of this data in comparing our locality with others.

// Mr. Dalton inquired as to the stability life of the aviation fuel. Mr. Davidson stated it is more stable than regular gasoline, and that recirculation pumps and filters in the tank will keep the fuel stable. He also stated that this project is largely being funded by user fees through the Federal Aviation Administration and Virginia Department of Aviation; the Brookneal/Campbell County Airport Authority will pay approximately \$12,000 of the costs. Mr. Kirk inquired of the Airport Authority was still in need of financial support from the IDA; Mr. Davidson stated that the BCCAA will approach the IDA for a loan in early 2012 to purchase fuel to fill the fuel tank. Completion of this project is anticipated for February/March 2012.

Mr. Davidson informed the Authority that the fuel tank will be double-walled, but does not know at this point if it is stainless steel/ceramic or stainless steel/stainless steel; this could not be included in the project specifications. There was some concern about the durability of the stainless steel/ceramic tank, should it be chosen; however, Mr. Davidson stated this is a tested and approved material.

// Mr. Davidson stated he did not have any updates concerning prospect activity, so he did not feel a closed session was necessary; the Authority agreed. Mr. Driskill inquired about projects that come up and disappeared; Mr. Davidson spoke on one prospect that was strongly interested in Altavista due to the soon-to-be re-opened biomass power plant. This prospect needed a reliable source of steam, and was interested in the old Lane site. Campbell County/Altavista put together an incentive package worth \$6 million; Mississippi offered \$5 million in incentives plus a \$95 million interest free loan, so the project went to Mississippi.

### **Matters from the Chairman**

// Mr. Kirk, Vice-Chairman, did not have any updates for the Authority.

### **Matters from IDA Members**

// There were no further comments or questions from the Authority.

// With nothing further presented for consideration, upon a motion by Mr. Rosser, seconded by Mrs. Pettigrew, and duly adopted by unanimous vote of the members present, the Campbell County Industrial Development Authority adjourned at 8:05 p.m. The next meeting will be held on January 26, 2012 at 7:30 p.m. in the Board Level Conference Room, Haberer Building, in Rustburg, Virginia.

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Lewis Robertson, Chairman

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George Rosser, Secretary-Treasurer