

KING GEORGE COUNTY ECONOMIC DEVELOPMENT AUTHORITY
April 12, 2007

The Chairman, Mr. Glen Moore, called the regular meeting of the King George County Economic Development Authority to order at 6:00 p.m. in the Conference Room of the Smoot Memorial Library, at 9533 Kings Highway, King George, Virginia, with a quorum being present. Mr. Glen Moore, Mr. Terry Moore, Mr. Ballenger, Mr. Beverly, Ms. Churchill, Ms. Philbrick, and Mr. Zilic were in attendance. Mr. Bryan David, County Administrator and Mrs. Theresa O'Quinn, Deputy County Administrator were also in attendance.

Amendments to the Agenda:

On a motion by Mr. Terry Moore, seconded by Ms. Churchill, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Mr. Beverly Aye; Ms. Churchill Aye; and Ms. Philbrick Aye, the King George County Economic Development Authority amended the agenda to delete the following closed session references: State Code Section 2.2-3711(A)7 for briefings by staff members pertaining to actual litigation, where such briefing in open meeting would adversely affect the negotiating or litigating posture of the public body regarding King George County vs. American Glass Industries, Inc. and State Code Section 2.2-3711(A)30 for discussion of the award of a public contract involving the expenditure of public funds, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body.

Approval of Minutes:

On a motion by Mr. Terry Moore, seconded by Ms. Churchill, and carried by a 5-0-1 vote, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Ms. Churchill Aye; Ms. Philbrick Aye, and Mr. Beverly Abstaining, the King George County Economic Development Authority approved the minutes of the regular meeting of the March 8, 2007, as presented.

On a motion by Ms. Churchill, seconded by Mr. Terry Moore, and carried by a 5-0-1, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Beverly Aye; Ms. Churchill Aye; Ms. Philbrick Aye, and Mr. Ballenger Abstaining, the King George County Economic Development Authority approved the minutes of the special meeting of the January 19, 2007, as presented.

Treasurer's Report:

On a motion by Mr. Ballenger, seconded by Mr. Terry Moore, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry W. Moore Aye; Mr. Ballenger Aye; Ms. Churchill Aye; and Ms. Philbrick Aye, the King George County Economic Development Authority authorized payment of the following invoices, as presented, totaling \$485.40

- \$6.16 to Dominion Virginia Power for sign lighting at Industrial Park
- \$479.24 to Sands Anderson Marks and Miller

NOTE: Mr. Zilic's name does not appear in the listing of EDA members voting on the motions listed above because he arrived after vote had been taken on those motions.

Public Comment:

The Chairman opened the floor for public comment. There being none, the Chairman closed that portion of the meeting.

Unfinished Business:

Status Report on Wilson Duerden, Lot 14

Mr. David report that the signed deed for Lot 14 in the Industrial Park has been received and was duly recorded in the King George County Courthouse with the Clerk of the Circuit Court on March 20, 2007.

Notated Maps of the King George Industrial Park

In follow up to a request from the EDA members, Mrs. O'Quinn distributed maps of the Industrial Park which provided details on each lot's location, tax map and parcel number and acreage. Mrs. O'Quinn extended her thanks to Mr. Kyle Conboy, GIS Coordinator, for his assistance in getting the maps prepared for presentation to the EDA.

Financial Report

Mrs. O'Quinn discussed the contents of the financial report provided by the Acting Finance Director including the EDA's financial obligations due to Sun Trust Bank in January of 2008 in the amount of \$2,250,000 and the loan from the County in the amount of \$1,000,000.

Planning and Budget for Business Appreciation Event on May 17, 2007

Mrs. O'Quinn discussed various aspects of the upcoming Business Appreciation Reception to be held on March 17, 2007. The theme for Business Appreciation Week this year is "Virginia – The Foundation of American Business. Mrs. O'Quinn requested approval of the EDA of a budgeted amount for this event. Last year, the budgeted amount approved by the EDA was \$5000.

Mrs. O'Quinn presented information from the Journal Press, Inc. regarding a quote to publish, print, and mail invitations to all those who hold a current business license in King George County and provided a copy of the proposed invitation for the EDA's review. The cost for the service is anticipated to be approximately \$1200.00. Mr. Beverly suggested that the King George High School DECA Club membership be approached about creating and printing the invitations and a donation made to that organization for their efforts. Due to time constraints, Mrs. O'Quinn suggested the recommendation by Mr. Beverly be considered and planned earlier for next year's event and contact the appropriate high school faculty sponsor for the DECA program about publishing and printing these invitations. Mrs. O'Quinn did inform the EDA that she and the County Administrator recently met with the DECA students and in follow up to that meeting the students were given an assignment to write a paper based on the presentation. She has invited the DECA sponsor, Mrs. Dee Strauss and the student who receives the highest grade on this project to the upcoming event so that student can be duly recognized for his/her efforts.

Mr. Beverly expressed his concerns about the use of a caterer from outside the County for this event. However, due to time constraints and the fact that contact has already been made with the current caterer, the consensus was to continue with Dori Ferrell as this year's caterer and begin searching earlier in 2008 for a King George business to cater this event, as well in to begin in depth discussions with the EDA directors about all of the details that go into planning such an event, placing such discussion on the agenda in early October/November 2007.

Mrs. O'Quinn also shared some ideas regarding program content for this year's reception based on suggestions made at the conclusion of last year's event. A business card exchange table will be made available to those business owners in attendance and each business owner will have the opportunity to

participate in a “Business Roll Call” where each owner will introduce themselves and share a little about their particular business.

There was also some discussion regarding having the Business Visitation Questionnaire available at the business reception on the 17th for those business owners who wish to fill one out and a suggestion was also made to have a sign up sheet whereby business owners could let the EDA know if they would like a visit by the EDA Directors and County staff. Ms. Philbrick, Mr. Beverly, and Mr. Terry Moore expressed an interest in attending the next scheduled business visitation.

On a motion by Mr. Terry Moore, seconded by Mr. Ballenger, and carried by a 6-1 vote, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Ms. Churchill Aye; Ms. Philbrick Aye; Mr. Zilic Aye; and Mr. Beverly Nay, the King George County Economic Development Authority authorized the Deputy County Administrator to proceed with those things necessary to prepare for and host the reception, in recognition of Business Appreciation Week, for King George County businesses on the 17th day of May 2007 with a budget of \$7,000.

Status Report on EDA vs. American Glass Industries, Inc.

Mr. David reported on the recent Court case involving the EDA and American Glass Industries, Inc. and informed the Directors that the EDA now owns Lot 2 in the Industrial Park.

New Business:

Status Report on Lots in King George Industrial Park relative to Section 18 of the Protective Covenants and Restrictions/Retention of Hefty and Wiley, P.C. for Legal Representation

The County Administrator discussed with the EDA the recommended process for notifying lot owners in the Industrial Park when the 18-month construction improvement deadline has expired. Once the 18-month deadline expires, the EDA has a six month window in which to buy back the lot. In discussions with Mr. Britton, County Attorney, regarding this process, Mr. Britton and the County Administrator recommended that the EDA engage the services of an attorney to assist in the interpretation and enforcement of these covenants and restrictions and in corresponding with the various lot owners regarding this process. Mr. David suggested that the EDA consider acquiring the services of Mr. William Hefty to serve as general counsel to the EDA with the understanding that other attorneys would be retained for routine real estate matters and bond financings. Mr. David further explained that he has drafted a letter to the lot owners in the Industrial Park who are approaching or have exceeded the 18-month deadline for improvements to the lots and would like to have legal review of the letters prior to sending.

On a motion by Ms. Philbrick, seconded by Ms. Churchill, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Mr. Beverly Aye; Ms. Churchill Aye; Ms. Philbrick Aye; and Mr. Zilic Aye, the King George County Economic Development Authority authorized the County Administrator to send a letter to Mr. William H. Hefty, Esq. of the firm of Hefty & Wiley, P.C. accepting the proposal to serve as general counsel to the EDA, under the terms outlined in Mr. Hefty's letter of April 9, 2007.

Business Visitation Program

Mrs. O'Quinn reported on the recent visit made to CSC in Dahlgren as part of the EDA's business visitation program. Mrs. O'Quinn was accompanied by Mr. Zilic and Ms. Churchill who also shared information about their visit. During discussions about retention and/or recruitment of employees, one issue which was most important to employees was the availability of quality child care. A suggestion was made to follow up with

the Rappahannock Area YMCA, Inc. regarding the provision of before and after school care within their program structure. Additional business visits will be scheduled in the future and Mrs. O'Quinn will be contacting members of the EDA for availability to participate. Mr. Zilic suggested that perhaps the creation of a short biographical sketch of each EDA member would be useful to distribute during the business visits to provide a little more information about the EDA members and their background and would also be useful to place on an EDA link on the County's website.

Mrs. O'Quinn also suggested, and received concurrence from the Directors, to order business cards for the EDA members and will contact the local newspaper about the possibility of printing the cards

Update on Fredericksburg Regional Alliance Activities

Mrs. O'Quinn reported on a recent meeting she attended sponsored by the Virginia Economic Development Partnership concerning global logistics and supply chain management. She also discussed a presentation by Mr. Gene Bailey, President, Fredericksburg Regional Alliance, at a recent King George Chamber of Commerce meeting and referenced an article in the Virginia Business Magazine and King George's representation in the article. Mrs. O'Quinn also reported on a meeting she attended on May 10, 2007 at the FRA Headquarters with representatives of the Virginia Economic Development Partnership (VEDP) and was able to share with those in attendance that the King George EDA had in fact begun a business retention and expansion program. The VEDP presented information regarding a software program being underwritten by those at the State level which encourages localities to further establish business retention and expansion programs and assists the local EDA's with providing analytical assistance with the information gained by visits to local businesses regarding their expansion plans, etc. Mrs. O'Quinn invited the EDA members to attend an upcoming meeting where this software will be demonstrated.

Proposed Appointment of County Administrator as Secretary/Treasurer

Mr. David presented a recommendation to the EDA proposing the EDA appoint the County Administrator as Secretary/Treasurer. The County Administrator currently serves in this capacity for the King George County Service Authority. Mr. David explained that as the EDA is getting more involved in issues involving the industrial park and other issues which require documents to be signed, sometimes on short notice, having the County Administrator serving in this capacity would allow him to sign necessary documents when needed on behalf of the EDA.

On a motion by Ms. Churchill, seconded by Mr. Ballenger, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Mr. Beverly Aye; Ms. Churchill Aye; Ms. Philbrick Aye; and Mr. Zilic Aye, the King George County Economic Development Authority appointed the County Administrator to serve as Secretary/Treasurer of the EDA.

Information Items:

Mrs. O'Quinn requested and received consensus from the EDA Directors to proceed with ordering promotional items to be presented to King George business owners on behalf of the EDA at the upcoming Business Appreciation Week reception, keeping within the approved total budget for the event.

Closed Session:

On a motion by Mr. Terry Moore, seconded by Mr. Zilic, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Mr. Beverly Aye; Ms. Churchill Aye; Ms. Philbrick Aye; and Mr. Zilic Aye, the King George County Economic Development Authority went into closed session pursuant to State Code Section 2.2-3711(A)3 for discussion and consideration of the

acquisition of real property for a public purpose and the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body relative to property in the King George Industrial Park and acquisition of other appropriate lands in King George County suitable for industrial development; and State Code Section 2.2—3711(A)5 for discussion concerning a prospective business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community and invited the County Administrator and Deputy County Administrator.

On a motion by Mr. Terry Moore, seconded by Mr. Beverly, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Mr. Beverly Aye; Ms. Churchill Aye; Ms. Philbrick Aye; and Mr. Zilic Aye, the King George County Economic Development Authority returned to public session and certified that only public business matters lawfully exempt from open meeting requirements by Virginia law, and only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered.

On a motion by Ms. Churchill, seconded by Mr. Terry Moore, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Mr. Beverly Aye; Ms. Churchill Aye; Ms. Philbrick Aye; and Mr. Zilic Aye, the King George County Economic Development Authority authorized the County Administrator to do those things necessary for the EDA to exercise its option on Lot #15 currently owned by Wilson Duerdon, LLC since the owner of Lot #15 has indicated by certified letter that he wishes to offer subject lot for sale to the EDA, as Right of First Refusal, per Section No. 5 of the Declaration of Protective Covenants and Restrictions, and the County Administrator consulting with legal counsel prior to exercising this option.

There being no further business to come before the EDA, the Chairman adjourned the meeting.