

**KING GEORGE COUNTY ECONOMIC DEVELOPMENT AUTHORITY**  
**May 8, 2008**

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 Board Room of the Revercomb Building, 10459 Courthouse Drive, King George, Virginia, with a quorum being present. Mr. Glen Moore, Mr. Terry Moore, Mr. Ballenger, Ms. Churchill, and Mr. Zilic were in attendance. Mr. Hughes and Ms. Philbrick were absent. Mrs. Theresa O'Quinn, Economic Development Director, was also in the attendance.

**Approval of Minutes:**

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; Ms. Churchill Aye; and Mr. Zilic Aye, the King George County Economic Development Authority approved the minutes of the regular meeting of April 10, 2008, as presented.

**Treasurer's Report:**

Mrs. O'Quinn presented for approval the payment of a recent charge on her County credit card of \$865.39 for travel expenses related her recently attended WebLOCI training at Georgia Tech and payment of an invoice in the amount of \$4,950.00 from Robinson, Farmer Cox Associates for the recent EDA Audit for a total expenditure of \$5,815.39.

On a motion by Ms. Churchill, seconded by Mr. Zilic, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Ms. Churchill Aye; and Mr. Zilic Aye, the King George County Economic Development Authority approved the expenditures in the amount of \$5,815.39, as presented.

**Public Comment:**

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

**Report from Director of Economic Development:**

Mrs. O'Quinn provided a written report to the EDA for their review and comment and discussed with the EDA the following items:

- ❖ Mid-Atlantic Precast closing has been delayed due to an unexpected death of staff member of the legal staff representing Mid-Atlantic. Mr. Stone also had requested approval for the construction, on the proposed site, of a pre-fab metal building with metal exterior walls. This type of exterior construction is permitted and the EDA Chairman gave Mrs. O'Quinn permission to send a letter of approval to Mr. Stone.
- ❖ Has responded to a new prospect pertinent to the King George Industrial Park
- ❖ Discussed with the Chairman of the Board of Supervisors regarding the scheduling of a joint work session with the EDA and the Board on matters pertinent to economic development in King George, discussing the financial status of the EDA, and goals and expectations related to the industrial park. Other key staff will participate in that process, i.e., Planning Commission members, Community Development personnel, etc. This request for a work session will be presented to the Board of Supervisors at the May 20<sup>th</sup> meeting. Mrs. O'Quinn requested the EDA Directors provide any dates that would be a conflict for scheduling in the months of June and July.

- ❖ The Certificate of Deposit at Union Bank has a current balance of \$644,114.67 with an interest rate of 4.43%, and will decrease to approximately 3% as of June 25, 2008, as a result of current market conditions. EDA Directors suggested the mailing address be updated and that Mrs. O'Quinn's name be added to the CD, making it easier to verbally obtain information.
- ❖ Mrs. O'Quinn discussed the recent refinancing of the EDA Revenue Note of \$2.25M with Suntrust, originally issued in 2003, and the requirement that after three years of issue yield restrictions exist on interest earned on the remaining note proceeds (approximately \$700,000+) as compared to interest due upon receiving the note. Related to that, the EDA is in the process of procuring under an emergency procurement an Arbitrage Service Provider to review the EDA's 2003 five year bond issuance and corresponding investment activity to determine if any funds are subject to IRS rebate calculations. A contract was presented for approval and signature to secure these arbitrage services. A legal review will also be conducted to determine what projects the note proceeds could be used to finance, i.e., funding infrastructure for the additional acreage adjacent to the industrial park, Parcel 21-73A.  
On a motion by Mr. Ballenger, seconded by Ms. Churchill, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Ms. Churchill Aye; and Mr. Zilic Aye, the King George County Economic Development Authority authorized the engagement of Bingham Arbitrage Rebate Services to conduct a review of the 2003 Industrial Development Authority Revenue Note for \$2.25M and authorized the Chairman to sign all necessary documentation.
- ❖ Dahlgren Education and Research Institute funding continues to move forward with the General Assembly approving a nearly \$1.5 billion bond package for capital construction projects, which includes the Dahlgren project. Simultaneously, the University of Mary Washington is completing due diligence efforts for the proposed land purchase for the facility.
- ❖ Orientation held on April 29, 2008 regarding the VA Scan program, with 12 people participating. Orientation session led by John Loftus of the Virginia Economic Development Partnership (VEDP). Mrs. O'Quinn shared details of the VA Scan program and the value of this program in dealing with prospects.
- ❖ Business Visitation program on going. Mr. Zilic and Mr. Grzeika, along with Mrs. O'Quinn, recently visited SCCI in Dahlgren. Both Mr. Zilic and Mrs. O'Quinn shared information about that visit. Mr. Zilic shared a suggestion from SCCI that it would be helpful to their recruiters to have marketing material to distribute with information related to the benefits of living in King George County. Mr. Zilic suggested that this would be a worthwhile project for the EDA to coordinate.
- ❖ Further discussion regarding a planned tour of other industrial parks. A visit to Greenville and Emporia Counties Industrial Parks will be planned at a later date. However, in follow up to a Global Logistics Forum Mrs. O'Quinn recently attended in Richmond, the Director of Economic Development in Prince George County has extended an invitation for the EDA to tour their facilities, as has Isle of Wight. The date of June 6<sup>th</sup> has been offered as a possibility to visit Prince George County. EDA members to advise Mrs. O'Quinn of their availability.
- ❖ Business Appreciation Week reception to be held on Thursday, May 15, 2008 at 6:00 p.m. at the King George Citizens Center.
- ❖ EDA By-Laws presented with changes recommended at the April 10<sup>th</sup> meeting. EDA will vote on changes and adopt the amended by-laws at the June meeting.
- ❖ Declaration of Protective Covenants and Restrictions governing the industrial park are still under legal review by Hefty and Wiley.
- ❖ Mrs. O'Quinn continuing to research information regarding the use of a broker to market the King George Industrial Park and how Fredericksburg utilized the service of a broker to market properties in the Fredericksburg area.

Unfinished Business:

*By-Laws as approved by the EDA at the April 10, 2008 meeting and Subsequent Review by Hefty & Wiley, Legal Counsel*

As previously discussed the proposed changes have been incorporated into the EDA's current by-laws and will be adopted at the June meeting of the EDA.

**New Business:**

*Renewal of VACo General Liability and Public Officials Liability Insurance*

Documentation is being prepared to submit to the Virginia Association of Counties relative to the renewal of the EDA's General Liability and Public Officials Liability Insurance. The cost of the insurance for FY2007-08 was \$750.00 and should remain about the same for FY2008-09. Further details will be provided to the EDA at the June meeting.

**Information Items:**

Mrs. O'Quinn distributed a press release from Ms. Caifa of Birchwood Power regarding J-Power USA Development Company, Ltd. co-investing in a 242-megawatt power plant owned by an affiliate of GE Energy Financial Services. JPOWER USA is purchasing a 49.5 percent equity interest in Birchwood Power Partners, L.P. from the affiliate of the GE unit that retains 50.5 percent.

***Financial Report***

Mr. Moore inquired as to where the balance left in the revenue note is shown on the financial report. The balance sheet provided to the EDA is for the operating fund only, referred to as Fund 16. However, the balance of the revenue note is shown in the current EDA audit as restricted assets and is held in Fund 15. A balance sheet depicting fund balances for Fund 15 will be provided to the EDA at future meetings, along with the operating fund balance sheet.

**Closed Session:**

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; Ms. Churchill 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 or consideration of 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 regarding land within the King George Industrial Park and land adjacent to the King George Industrial Park; and State Code Section 2.2-3711(A)5 for the purpose of discussing a prospective business or industry where no previous announcement has been made of the business' or industry's interest in locating its facilities in the community and invited the Director of Economic Development.

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; Ms. Churchill 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.

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