

**PRINCE EDWARD COUNTY
INDUSTRIAL DEVELOPMENT AUTHORITY
MEETING MINUTES**

**County Administrator's Office – 3rd Floor Prince Edward County
9:00 a.m., September 20, 2023**

The Prince Edward County Industrial Development Authority strongly encourages citizen participation in public meetings through in-person participation, written comments, and/or remote participation via Zoom:

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Meeting ID: 841 8482 3216

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The IDA intends to comply with the Americans with Disabilities Act. Should you need special accommodations, or have questions, please contact the Prince Edward County Administrator's Office, at 434-392-8837.

MEMBERS PRESENT IN PERSON: Quincy Handy
Edgar Jones
Mike Montgomery, Vice-Chairman
Brad Watson, Chairman
Joyce Yeatts

MEMBERS PRESENT BY PHONE: Tim Tharpe

ABSENT: Robert Atkinson

ALSO PRESENT: Chelsey White, Director of Economic Development & Tourism/Clerk to the Industrial Development Authority; Douglas Stanley, County Administrator; Terri Atkins Wilson, IDA Attorney; Rhett Weiss, Chairman & CEO of DEALTEK, Ltd.; Sean Howard, IT Director

Call to Order

At 9:03 AM., there being a quorum present, Mr. Watson welcomed everyone and called the September 20, 2023, IDA Meeting to order.

Nominations and Election of Officers

Mr. Watson asked for nominations for the annual election of officers. Mr. Montgomery nominated Mr. Watson to continue as Chairman and Ms. Yeatts seconded. Ms. Yeatts nominated Mr. Montgomery to continue as Vice-Chairman, and Mr. Watson seconded. Mr. Watson nominated Ms. White as Secretary-Treasurer (Clerk) and Mr. Handy seconded. There was a vote for all three officer positions at once. The motions were approved by the following vote:

| | | | |
|------|-----------------|-------------|-----------------|
| Aye: | Quincy Handy | Nay: (none) | Abstain: (none) |
| | Edgar Jones | | |
| | Mike Montgomery | | |
| | Tim Tharpe | | |
| | Brad Watson | | |
| | Joyce Yeatts | | |

Meeting Minutes

Ms. White presented the June 25, and August 11, 2023, IDA meeting minutes. Mr. Watson asked if there were any edits to be made to the minutes or if there was a motion for them to be approved. Mr. Watson made a motion to approve the minutes, and Mr. Montgomery seconded. The motion was approved by the following vote:

| | | | |
|------|--------------|-------------|-----------------|
| Aye: | Quincy Handy | Nay: (none) | Abstain: (none) |
| | Edgar Jones | | |

Mike Montgomery
 Tim Tharpe
 Brad Watson
 Joyce Yeatts

Treasurer's Report

Ms. White presented the Treasurer's Report:

**Treasurer's Report
 September 15, 2023**

| Deposits since the last report (June 22, 2023) | |
|---|---------------------|
| Paris Ceramics – Waterjet Payment | \$3,774.25 |
| Paris Ceramics – 286K Equipment Loan payment | \$5,267.49 |
| Paris Ceramics – Waterjet Payment | \$3,774.25 |
| Paris Ceramics – 286K Equipment Loan payment | \$5,267.49 |
| June Interest Payment | \$583.06 |
| July Interest Payment | \$609.21 |
| Ferrum College Bond Annual Payment | \$3,000 |
| August Interest Payment | \$597.00 |
| Paris Ceramics – Waterjet Payment | \$3,774.25 |
| Paris Ceramics – 286K Equipment Loan payment | \$5,267.49 |
| Paris Ceramics – Waterjet Payment | \$3,774.25 |
| Paris Ceramics – 286K Equipment Loan payment | \$5,267.49 |
| Deposit TOTAL | \$40,956.23 |
| Disbursements since the last report (June 22, 2023) | |
| Brightspeed June Security System - 230 Kelly Lane | \$79.93 |
| DEALTEK, Ltd. - HIT Park consulting - reimbursement for out-of-pocket expenses | \$10,254.63 |
| DEALTEK, Ltd. - HIT Park consulting - reimbursement for out-of-pocket expenses | \$8,062.33 |
| Perkins & Orrison - 5 Pillar Meats Plat | \$2,500.00 |
| Robinson, Farmer, Cox Associates, PLLC - Audit of financial statements for year ended June 30, 2022 | \$2,800.00 |
| 4Imprint - Tablecloths for Data Center Conference | \$336.75 |
| Dominion Energy VA - July and August Security System - 230 Kelly Lane | \$169.94 |
| DEALTEK, Ltd. - September Invoice - Consulting Services | \$8,000.00 |
| Timmons Group - HIT Park - EWST and BMP HIT Park | \$77,500.00 |
| Timmons Group - HIT Park - Offsite Utilities | \$69,700.00 |
| Disbursements TOTAL | \$179,403.58 |
| August 2023 Benchmark Statement Balance | \$699,975.76 |
| Available Balance as of September 15, 2023 | \$559,555.06 |

MONTHLY REVENUE

Waterjet Equipment Loan | \$200,000 | \$3,774.25 monthly payment | \$51,224.09
 Waterjet Equipment Loan | \$200,000 | \$3,774.25 monthly payment | \$47,663.27
 Waterjet Equipment Loan | \$200,000 | \$3,774.25 monthly payment | \$44,087.62
 Waterjet Equipment Loan | \$200,000 | \$3,774.25 monthly payment | \$40,497.07 balance
 286K Equipment Loan | \$286,000 | \$5,267.49 monthly payment | \$183,071.41 balance
 286K Equipment Loan | \$286,000 | \$5,267.49 monthly payment | \$178,414.16 balance
 286K Equipment Loan | \$286,000 | \$5,267.49 monthly payment | \$173,741.38 balance
 286K Equipment Loan | \$286,000 | \$5,267.49 monthly payment | \$169,053.03 balance

Ms. White noted the last report was on June 22, 2023, and the Timmons Group disbursements are reimbursable through grant funding secured for the HIT Park. Mr. Montgomery motioned to approve the Treasurer's Report and Ms. Yeatts seconded. The motion was approved by the following vote:

Aye: Quincy Handy Nay: (none) Abstain: (none)
 Edgar Jones
 Mike Montgomery
 Tim Tharpe
 Brad Watson

New Business

HIT Park Consulting and Marketing Update

Mr. Weiss gave an update on his contract work regarding the HIT Park and stated that there are a few overarching themes including the following: 1. awareness of the site has heightened; 2. there has been more activity such as a site visit; 3. there are marketing opportunities available. He stated that his trip to Silicone Valley to market the HIT Park was fruitful and included face-to-face meetings. Mr. Weiss mentioned that in November, there will be a Data Center Dynamics (DCD) conference in Loudoun, northern Virginia that has worldwide reach and that if the IDA decides to participate, it will need to decide what kind of presence the HIT Park should have. Mr. Weiss mentioned that the HIT Park brochure may look familiar but it has changed almost completely. One important difference is that the hypothetical substation is on the same side of the powerlines now. Mr. Montgomery asked if the HIT Park would be considered a small-scale site at conferences and Mr. Weiss responded no, it is considered large. He also mentioned that the HIT Park doesn't have the problem of people protesting powerlines as they already exist on-site. He stated that on the brochure, he took out the sentence about the amount of power available because the capacity will change. He stated that there are currently 100 megawatts available today. Mr. Watson asked if the lake and pond could be used as water sources for a proposed data center. Mr. Weiss responded that he has been asked that question, as well as how big the lake and ponds are, and if they can be filled in. Mr. Watson asked why they weren't being called more by prospects since northern Virginia land prices are so high with no available power. Mr. Weiss responded that the water infrastructure issue is a risk factor as well as data latency and the data travel time. Mr. Weiss mentioned there is an interesting marketing opportunity for the IDA with DCD in northern Virginia in November which includes either participating as a Small Pop sponsor and having a designated small booth or hosting a luncheon as a sponsor. He furthered that instead of a sponsor like Google or Amazon, DCD would be interested in having a landowner, such as the county/IDA on behalf of the HIT Park, be a sponsor which is a unique opportunity. He explained that for \$26,500, the county/IDA can host a lunch of about 30, and a minimum of 18, highly vetted people. Mr. Weiss stated that he would be able to talk to people about the HIT park for 30 minutes, get a list of people who attended, and speak to them after. DCD will allow a co-sponsor for the lunch. He furthered that the Small Pop option would be a booth for \$12,000. He also mentioned that DCD also has a "Rent a Living Room" option for \$31,000. Mr. Stanley mentioned it would be one-on-one for the lunch versus trying to attract prospects from a group of 850 conference attendees. Mr. Watson asked what they would do if they didn't have a booth. Mr. Stanley answered that they would do what they did last year which was walk around and speak with people. Mr. Stanley stated that it would be easier and smoother with a booth, a backdrop, and handouts to draw people in instead of trying to get attention from people while walking around. Mr. Watson asked if it was smart to be doing this when there is no water yet. Mr. Stanley mentioned that the IDA will be applying for grants for the water and that the county is already working on the engineering design for water lines which will take two years to build and that it will take whoever buys the property two years to build a data center anyway. Mr. Handy asked if there have been any objections the IDA needs to be ready to respond to, and if there will be any anticipated negative environmental impacts from the project. Mr. Stanley responded that the studies are going on now, and property owners have been notified since their properties had to be surveyed during this process. He also mentioned that because the HIT Park was recently re-zoned to accommodate the development of a data center, public hearings about it have already been held. He furthered that the big fear is noise pollution due to diesel generators and fans. Ms. Yeatts asked if the dump that was near the Sandy River Reservoir would have a negative impact on the water quality and Mr. Stanley answered that nothing has shown up to confirm this through testing. Mr. Weiss stated that if the water infrastructure was there today, there still wouldn't be a data center because of the substation not being there and that no site in the world is "turn-key" and ready to go, no matter how it is marketed. He brought up that a company may help fund the water infrastructure with a refund down the road. Mr. Handy asked if there will be a vetting process to ensure that companies represented at the conference are not shell companies with ulterior motives such as Chinese telecom companies that could pose cybersecurity threats. Mr. Weiss mentioned that it would be the IDA's responsibility to vet data center prospects thoroughly and the IDA has the final say on whether or not to sell the HIT Park to a prospect. He furthered that it is not unusual to say "no" to a company if the IDA doesn't want a specific type of company in the area, and stipulations can also be put on a company. Mr. Watson made a motion for the Industrial Development Authority to spend \$12,000 for the Small Pop sponsorship registration fee required to participate in the Data Center Dynamics (DCD) Connect Live Virginia 2023 Conference and Mr. Montgomery seconded. The motion was approved by the following vote:

Aye: Quincy Handy Nay: (none) Abstain: (none)
Edgar Jones
Mike Montgomery
Tim Tharpe
Brad Watson
Joyce Yeatts

Ms. White stated that research was done on branded item options to give out at the DCD Conference as a marketing tool. Mr. Stanley and Mr. Weiss stated that USB drives would be a good option because they will have all the documents about the HIT park on them ready for prospects. Ms. Yeatts motioned that the Industrial Development Authority spend up to \$1,000 on marketing tools for the DCD conference and Mr. Handy seconded.

Aye: Quincy Handy Nay: (none) Abstain: (none)
Edgar Jones
Mike Montgomery
Tim Tharpe
Brad Watson
Joyce Yeatts

Economic Development Strategic Plan Update

Ms. White explained that she applied for a \$20,000 grant on behalf of the IDA to help fund having an economic development and strategic plan completed. She stated that she should find out in a couple of weeks whether or not the grant proposal has been approved. She also mentioned that since the county is about to start the comprehensive plan update process, there will be opportunities to coordinate with the Board of Supervisors and to create a joint committee to get their input.

Paris Ceramics Equipment Loan Request

Ms. White explained that Paris Ceramics is interested in purchasing a bridge saw before the end of the year and financing it with an equipment loan from the IDA. She mentioned that Paris Ceramics currently has two loans equaling about \$205,000. She furthered that one of the Paris Ceramics loans will be paid off by the middle of next year. Ms. White stated that she has provided all of the information about this to ensure that the IDA is well-informed before they make an official equipment loan request. Mr. Watson mentioned that entertaining this idea isn't a bad idea, but a 5% interest rate is too low. Mr. Stanley stated that he was worried about being so invested in one company, but they have been good payers and this will be a good long-term investment.

5 Pillar Meats Update

Ms. White stated that 5 Pillar meats will be closing on the property, which is part of Lot 10 in the Prince Edward Business Park, on Friday. She stated that she is still waiting to hear back about the grant to help fund equipment costs that she applied for on behalf of the IDA and the company. Ms. Yeatts asked what the delay was on the closing and Mr. Stanley answered that the appraisal, title work, and loan approval were the hold-up.

Blackwood Capital Update

Mr. Stanley stated that at the recent public hearing, the Board of Supervisors approved the carwash unanimously. He explained that there is a 2-acre sliver of land near where the house was, that was referred to the county and not transferred to IDA and that the county may have to "gift" that to the IDA. He stated that the property should be closed on in 2-3 months.

WaWa Grading Easement

Mr. Stanley mentioned that the IDA may need to hold a special meeting to secure a grading easement because the developer would like to grade both sites at once. He stated that Blackwood Capital may have to use one of the IDA's lots to the rear of the site to pile and store excess soil during construction.

The Naming Industrial Park Access Road (Prince Edward Business Park).

Mr. Stanley mentioned that now that the construction of the access road has been completed, the road needs to be named. He also mentioned an entrance will need to be constructed for Tri-Boro Shelving. He stated that a few bids are ballparking around \$100,000 for this work and that he recommends building it now, rather than later to avoid a cost increase. He also stated that marketing the road for development will be a major priority. Regarding potential road names, Ms. Yeatts mentioned "Industrial Way" and Mr. Jones mentioned "Commonwealth Drive".

Mr. Weiss and Mr. Howard left the meeting at 10:19 a.m.

The closed session began at 10:20 a.m.

Closed Session

Mr. Watson called for a motion to enter a closed session. Mr. Montgomery made a motion, seconded by Mr. Handy, to convene in closed session pursuant to sections 2.2-3711(A)(3) and (5), Code of Virginia, for (3) discussion or consideration of the acquisition of real property for a public purpose, or 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 and (5) discussion concerning a prospective business or industry or the expansion of an existing 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. The motion carried:

Aye: Quincy Handy Nay: (none) Abstain: (none)
Edgar Jones
Mike Montgomery
Tim Tharpe
Brad Watson
Joyce Yeatts

Mr. Watson asked for a motion to leave the closed session. The motion was made by Mr. Montgomery, seconded by Mr. Jones, and adopted by the following roll call vote:

Aye: Quincy Handy Nay: (none) Abstain: (none)
Edgar Jones
Mike Montgomery
Tim Tharpe
Brad Watson
Joyce Yeatts

The following certification of the closed meeting was adopted in accordance with the Virginia Freedom of Information Act:

WHEREAS, the Board of the Prince Edward County Industrial Development Authority convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711(A)(3) and (5) of the Code of Virginia requires certification by the Board that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE BE IT RESOLVED that the Board of the Prince Edward County Industrial Development Authority hereby certifies that to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the Board of the IDA.

The motion was made by Mr. Montgomery, seconded by Mr. Jones, and adopted by the following roll call vote:

Aye: Quincy Handy Nay: (none) Abstain: (none)
Edgar Jones
Mike Montgomery
Tim Tharpe
Brad Watson
Joyce Yeatts

The closed session was adjourned at 10:37 a.m.

Adjournment

With no other business to discuss, Mr. Watson called for a motion to adjourn the meeting. Mr. Montgomery made a motion, seconded by Mr. Handy to adjourn the meeting. The motion was approved by the following vote:

Aye: Quincy Handy Nay: (none) Abstain: (none)
Edgar Jones

Mike Montgomery
Tim Tharpe
Brad Watson
Joyce Yeatts

The meeting was adjourned at 10:42 a.m.