



**MEETING MINUTES
BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY**

**Bedford County Administration Board Room
122 E. Main Street
Bedford, VA 24523
March 1, 2018
5:30 p.m.**

Economic Development Authority:

Present:

Mickey Johnson, Chairman - Dist. 2; Matthew Braud - Dist. 4; Jim Lusk - Dist. 5; Kelly Harmony, Vice-Chairman - Dist. 6; Jim Messier - Dist. 7

Absent: Dennis Novitzke - Dist. 1; Wyatt Walton - Dist. 3

Staff Present: Carl Boggess - County Administrator; Traci Blido – EDA Secretary; Patrick Skelley – County Attorney; Pam Bailey - Marketing & Business Development Coordinator

Staff Absent: None

Transcriber: Julia Peters

Guests: Edgar Tuck - County Supervisor District 2; Brian Key, BRWA Executive Director; Gregg Zody, Community Development Director; Mary Zirkle - Town of Bedford Economic Development Coordinator; Norm Walton - Perkins and Orrison, Inc.; Tom Bell, developer, Thomas Builders of Virginia.

(1) APPROVAL OF AGENDA

Mr. Johnson asked for approval and/or any amendments to the Authority's March 1, 2018 agenda.

Mr. Braud moved, seconded by Mrs. Harmony, to approve the March 1, 2018 EDA agenda, as presented.

Voting yes: Mr. Johnson, Mr. Braud, Mr. Lusk, Mrs. Harmony, Mr. Messier

Voting no: None

Adopted Unanimously

(2) APPROVAL OF MEETING MINUTES - February 1, 2018

Mr. Johnson asked for approval and/or any amendments to the Authority's regular February 1, 2018 meeting minutes.

Mr. Braud moved, seconded by Mrs. Harmony, to approve the February 1, 2018 meeting minutes, as presented.

Voting yes: Mr. Johnson, Mr. Braud, Mr. Lusk, Mrs. Harmony, Mr. Messier

Voting no: None

Adopted Unanimously

(3) SPECIAL APPEARANCES

A. New London Pump Station and Sewer Allocation

Norm Walton, an engineer from Perkins and Orrison, requested use of the Route 460 New London pump station for a future residential development. Mr. Bell from Thomas Builders of Virginia has a purchase contract on a property with plans to build hotels and 160 single family homes and wants to petition the county to rezone a portion of the property to accommodate townhouses. The estimated impact to the pump station from this development would be an 8% increase, and the developer would provide the funds needed to make improvements to the pump station for the increase in flow of sewage and they are not asking for county funds. BRWA was approached first, but Mr. Walton and Mr. Bell were informed that the EDA had financed the pump station and would have to give permission to increase the capacity of the pump station. Mr. Lusk asked if our sewer lines would be overloaded from this new residential development after an increase in sewage flow from the LU School of Engineering when it is completed and when other companies locate to the industrial park. Mr. Norm Walton stated that BRWA provided estimates that included future development, as long as the increase does not exceed what is currently planned. Mr. Bell is looking to cover the added 8% increase from the residential units. Mr. Braud and Mr. Johnson asked if the sewer lines would have to be upgraded to handle the additional use and Mr. Walton responded that he did not believe the sewer lines would need increasing, but the pump station would need upgrading. Mr. Key from the BRWA stated that the sewer lines in the park are not the point of connection that the residential development would tie into and there is plenty of room for increased capacity. Current capacity is 748 gpm and the actual usage is 50-60 gpm. Since the County paid for the system, the Authority would have to decide how much allocation they would want to reserve for the park and how much they want to allow for other development and development that has not been planned currently. Mr. Boggess stated this request will force the Board of Supervisors and the Planning Commission to make a plan because the request is outside of the scope of the EDA and input is needed from both the Board of Supervisors and the Planning Commission. He recommended keeping the allocation as is until the Board of Supervisors and Planning Commission can give some direction. Discussion followed and consensus of Authority members was to leave the pump station as is until the BOS, Planning Commission and BRWA have been consulted. No action taken by the EDA at this time.

B. BRWA Economic Development Policy

BRWA Executive Director, Brian Key explained the points of the new economic development policy of the BRWA. There are three components to calculate how much funding the BRWA can provide: locality match, construction costs, and revenue allocation. Disbursement of funds would be over a five year period and reimburse the developer at the end of each year. He further explained a couple possible scenarios and noted the BRWA funding would subsidize or help out a locality's participation, and application for these funds must come from the locality, not the developer. Mr. Key answered questions from the staff and Authority members and said this is the direction the BRWA is moving and they want to do more to encourage new businesses.

(4) REPORTS

A. Economic Development Director's Report

Mrs. Blido reported staff have focused on helping existing businesses in the county as the Governor announced Innovairre this month for the \$4.85 million investment which includes 12 new jobs and 72 jobs saved with a workforce of approximately 320-340. Hopefully you will hear soon from the Governor on two other companies we've been working on in Bedford County. Staff have been involved in workforce development as well, attending a print industry talent pipeline meeting with about 10 printing firms. Bedford County public school representatives also attended this meeting which opened discussions on how to help prepare young people for employment at these companies. Liberty University's CERE won a \$300,000 grant with Go Virginia last week and will use the grant for specialized testing equipment in energy labs for training purposes in electromagnetic compatibility. Mrs. Blido will join several Ag Board members, and FFA students and will be attending the Governor's Agricultural Trade Conference. Ms. Bailey is working with Dr. Tony Francis of Bedford Public Schools to have an Ag tour for guidance counselors to promote more interest in agricultural fields. Mrs. Blido also worked with Bob Bailey regarding the broadband white space technology test site they have now. She was able to send him e-mail addresses of some households interested in participating in the test of equipment. Mr. Messier asked about any updates on the high cost of broadband in New London that was discussed last meeting. Mrs. Blido reported that Shentel worked with the tenants in the New London Business Center and came up with a solution to help the smaller companies and it will also be a selling point for companies in the future.

B. Monthly Financial Report

No financial report to review for this month's meeting.

C. Monthly Accounts Payable Report – Bills that have been paid

Staff reviewed the accounts payable report with the EDA.

(5) TOWN OF BEDFORD

A. Bedford Update

Ms. Zirkle reported that there is no news on the hotel. She will be traveling to talk with the Tobacco Commission on Monday. She is working on a revitalization plan for the Bridge Street corridor. They will be using an EPA grant to do this revitalization plan and are planning a one-day workshop bringing many businesses together to see if they can get a concept for which they can get funding. There will be more to come regarding this project. Ms. Zirkle received a good tour of the former Rubatex properties, along with Traci Blido. Finding the right business for that space may be more challenging than originally thought, but there is a lot of potential with its 10 acres on a rail line. She also said that the Town is struggling with broadband issues as well.

(6) NEW LONDON BUSINESS AND TECHNOLOGY CENTER

A. Update on Site Development Work

Mr. Boggess stated the grading of Lots 3b and 4 is essentially completed. Some moving of dirt is still needed, but they are close to being done.

B. Authorization to pay final substation payment

Discussion followed regarding the correspondence and final substation payment to Southside Electric Cooperative for the substation in the New London Business and Technology Center. Mr. Boggess recommended the Authority members pay this bill out of EDA funds. If the Authority chooses to approve a shell building, the funds could partially come from the Board of Supervisors through the CIP. He noted the county will not have a capacity issue for a very long time now.

Mr. Messier moved, seconded by Mr. Braud to authorize final substation payment to Southside Electric Cooperative.

Voting yes: Mr. Johnson, Mr. Braud, Mr. Lusk, Mrs. Harmony, Mr. Messier

Voting no: None

Adopted unanimously

C. Authorization to approve negotiation of amendment to grading contract for Lot 7

Mr. Boggess received the grading plans for Lot 7 from Hurt & Proffitt which he provided to the Authority members. This lot is 6.25 acres and Mr. Bays will do the grading at the same unit prices as Lots 3b and 4. Mr. Boggess recommended grading the additional lot while the equipment is still on site. He estimated the price will be approximately \$125,000.

Mr. Braud moved, seconded by Mr. Messier to authorize the County Administrator act as agent for the EDA to negotiate the price for grading of Lot 7 not to exceed \$150,000

Voting yes: Mr. Johnson, Mr. Braud, Mr. Lusk, Mrs. Harmony, Mr. Messier

Voting no: None

Adopted Unanimously

D. Discuss proposal for new shell building

Mr. Boggess discussed with the Authority the budgetary proposal for the shell building of 40,000 square feet from Coleman-Adams Construction Inc. Possible lot locations were also discussed. Mrs. Blido noted she had spoken with John Loftus who is in charge of sites and buildings for the State. He said that if we built a shell building between 20,000 and 100,000 square feet, we would have a business in it before we have it built.

Mr. Messier moved, seconded by Mr. Braud, to authorize staff to develop an invitation for bid of construction of a 40,000 square foot shell building.

Voting yes: Mr. Johnson, Mr. Braud, Mr. Lusk, Mrs. Harmony, Mr. Messier

Voting no: None

Adopted Unanimously

(7) BEDFORD CENTER FOR BUSINESS

Mrs. Blido sent the EDA members an e-mail about the LED lights. The CVCC staff were thrilled with the new lights, but they were so bright in the offices that dimmers needed to be installed. The lights have proven to be a success and she asked the EDA to authorize up to \$3,000 to pay for the installation of the LED dimmers.

Mr. Lusk moved, seconded by Mr. Braud to approve up to \$3,000 for the installation of the LED dimmers for CVCC

Voting yes: Mr. Johnson, Mr. Braud, Mr. Lusk, Mrs. Harmony, Mr. Messier

Voting no: None

Adopted Unanimously

(8) MONTVALE CENTER FOR COMMERCE

Nothing to report.

(9) ALL OTHER EDA BUSINESS AS MAY BE APPROPRIATE

A. Ratify Innovairre Incentive

Mrs. Blido reported that the Governor announced the Innovairre incentive that the state approved with the EDA, Tobacco Commission, and Virginia Jobs Investment Program. She asked the EDA to ratify the incentive given to Innovairre which was voted on in a previous closed session. The incentive included \$60,000 for \$4.4 million in equipment plus 12 new jobs and an enhanced grant based on what the company pays in machinery and tools tax on an annual basis as specified in the signed performance agreement. The enhanced grant would give a cash grant equivalent of 70% based on the \$4.4 million of what they pay in tax on the equipment the first year, 60% in the second year and so on until 30% in the fifth year. The \$60,000 was a one-time incentive up front.

Mr. Braud moved, seconded by Mrs. Harmony to ratify the Innovairre incentive and authorize the Chairman to sign all pertaining agreements.

Voting yes: Mr. Johnson, Mr. Braud, Mr. Lusk, Mrs. Harmony, Mr. Messier

Voting no: None

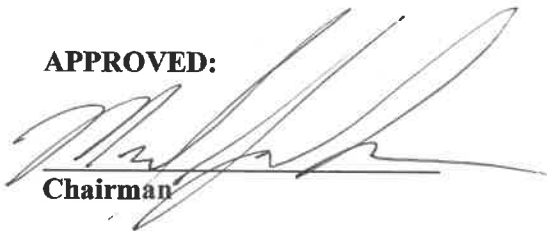
Adopted Unanimously

Mr. Boggess reported that the maintenance staff will be moving within the next couple weeks into their new office spaces.

(10) ADJOURNMENT

7:00 - p.m.

APPROVED:



Chairman



Secretary

