

# Economic Development Authority of Patrick County

Meeting of May 20, 2014

Present: Glenn Roycroft, Chair; Dale Puckett, Vice Chair; Clayton Kendrick, Ron Haley, Terry Dalton

Also Present: Kyle Laux, Davenport & Company, LLC; Paul Jacobson, SandsAnderson PC; Karl Weiss, Board of Supervisors; Tom Rose, County Administrator; Denise Stirewalt, Professional Administrative Associate; Wilma Pendleton, Marketing Director

Absent: Bill Clark, Secretary; Brenda Roberson; Danny Foley, Board of Supervisors

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A meeting of the Economic Development Authority of Patrick County was held on May 20, 2014 at 6:00 PM in the third floor conference room of the Patrick County Veteran's Memorial Building.

Mr. Roycroft called the meeting to order. The agenda was presented for approval. On motion by Mr. Haley, seconded by Mr. Puckett and carried, the authority approved the May 20, 2014 agenda.

Voting Aye: Glenn Roycroft, Chair; Dale Puckett, Vice Chair; Clayton Kendrick, Ron Haley, Terry Dalton

Voting Nay: N/A

Abstaining: N/A

The minutes of the April 10, 2014 meeting were presented for approval. On motion by Mr. Puckett, seconded by Mr. Haley and carried, the authority approved the April 10, 2014 minutes.

Voting Aye: Dale Puckett, Vice Chair; Clayton Kendrick, Ron Haley, Terry Dalton

Voting Nay: N/A

Abstaining: Glenn Roycroft

## **FINANCE REPORT (BILLS):**

Mr. Rose presented the EDA finance report. (Finance report is available). After discussion in executive session, on motion by Mr. Haley and seconded by Mr. Kendrick and carried, the authority approved the financial report and approved the payment of bills.

Voting Aye:

Voting Nay: N/A

Abstaining: N/A

## **PUBLIC COMMENT PERIOD**

Mr. Rose introduced Kyle Laux with Davenport & Company, LLC; financial advisor for the Natural Gas Pipeline, and Paul Jacobson with Sans Anderson; bond legal counsel.

Mr. Laux presented an overview of the project, including financing options. The two options are to obtain financing thru VRA (Virginia Resource Authority) or to obtain traditional bank financing.

VRA financing involves obtaining funds through a state bond pool available for infrastructure projects. This option is backed by the state; however, there is an early payoff penalty. The benefit of utilizing VRA is to take advantage of their strong AAA credit rating, which translates to low interest rate. An application has been filed with VRA; however, neither EDA nor Patrick County is obligated at this time.

Direct bank loan financing involves Davenport submitting bids for the best terms & rates. This option is more flexible, allowing EDA/Patrick County to choose the method of payment, length of time, and any special provisions.

Davenport is recommending a dual tract approach – using both VRA and bank financing. Mr. Rose stated that we may apply for partial funding through our TIC Allocation as well.

Mr. Jacobson reported that EDA could retain ownership of the pipeline and lease it to the County. Rates would not be regulated by the State Corporation Commission (SCC).

## **OLD BUSINESS**

Feasibility Study - Mr. Rose reported that Interim Hospitality Management Co toured the County for potential sites for a hotel. The study is estimated to be complete by mid-June.

Results - Mr. Rose reported that EDA has obtained Maintenance/Service Agreements with Cummins Atlantic for the generators at Results.

## **EXECUTIVE SESSION**

On motion by Mr. Dalton, and seconded by Mr. Clark and carried unanimously; the meeting was called into Executive Session under the appropriate codes of Virginia to discuss Legal matters [Section 2.2-3711(A) (7),]; [1950 Code of Virginia], Real estate [Section 2.2-3711(A) (3), 1950 Code of Virginia], and Contracts [Section 202-3711 (A) (29)], 1950 Code of Virginia.

Voting Aye: Glenn Roycroft, Chair; Dale Puckett, Vice Chair; Clayton Kendrick, Ron Haley, Terry Dalton

Voting Nay: N/A

Abstaining: N/A

**RECONVENE**

On motion by Mr. Dalton and seconded by Mr. Kendrick and carried unanimously; the meeting was reconvened by the appropriate codes. A roll call vote was taken with unanimous vote that only the items listed above were discussed during Executive Session.

Voting Aye: Glenn Roycroft, Chair; Dale Puckett, Vice Chair; Clayton Kendrick, Ron Haley, Terry Dalton

Voting Nay: N/A

Abstaining: N/A

**ADJOURNMENT**

Being no further business to discuss, on motion by Mr. Haley, seconded by Mr. Puckett and carried unanimously; the meeting was adjourned.

Voting Aye: Glenn Roycroft, Chair; Dale Puckett, Vice Chair; Clayton Kendrick, Ron Haley, Terry Dalton

Voting Nay: N/A

Abstaining: N/A

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Chairman

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Date

**NEXT MEETING: June 12, 2014**