

VIRGINIA: County of Lee, to-wit:

At the Recessed Joint Meeting of the Lee County Board of Supervisors and the Lee County Economic Development Authority in the Conference Room of the Lee County Airport Terminal on August 25, 2021 at 5:30 p.m. thereof.

MEMBERS PRESENT: D. D. Leonard, Chairman
Sidney Kolb
Larry Mosley
Charles Slempp, Jr.

MEMBERS ABSENT: Robert Smith

OTHERS PRESENT: Dane Poe, County Administrator
Stacy Munsey, County Attorney
Greg Edwards
Paul Johnson
Mark Long
Chad Hines
Liz Myers
Ray Blair
A.J. Hatmaker
Rick Callahan
Cathy Wider
Richard Johnson

OTHERS ABSENT: Jeny Hughes, Administrative Assistant

MEETING CALLED TO ORDER

The meeting was called to order at 5:42 p.m.

ECONOMIC DEVELOPMENT NOTE

Mr. Mosley stated the note is not to pressure the Economic Development Authority into repaying the note now. Somewhere down the road when the Board members change this would have the debt recorded and the County may get the money back.

Mr. Leonard stated that basically the Board of Supervisors is asking that the EDA acknowledge the money is owed to the County.

Mr. Mosley asked if anyone knew the total amount of the loans.

Mr. Edwards stated the amount of the note the EDA has is \$400,000.00, and a lot of the statute of limitations is out. There is one note of \$50,000.00 that has not yet matured; there was another loan of \$50,000.00 with nothing attached to it. He added that the EDA would like to be included in the County budget.

Mr. Paul Johnson stated that the EDA does not have a budget for operating expenses like the other counties in this area. He feels the Board is asking the EDA to sign a note for expenses that they should be getting a budget for.

Mr. Edwards added that the Board has forgiven debts with other organizations. The EDA has cut down to the minimum needed for operations.

Mr. Mosley stated that the Board has always tried to help the EDA when needed.

Mr. Leonard stated that he can understand the points being made, but there is still a moral obligation to repay a debt.

Mr. Johnson asked what the Board thought the borrowed money was used for.

Mr. Poe stated that of \$451,875.00 loaned to the EDA, \$411,000.00 was used to pay claw back to the Tobacco Commission for the Elite Apparel and GreenUSA projects and \$56,000.00 was provided for operating expenses, which were partially offset by the \$20,000.00 repayment.

Mr. Kolb asked Mr. Edwards if he was saying only \$100,000.00 is enforceable now.

Mr. Edwards stated that one note will expire next year, and there was money given that did not have a note that is within a three year period.

Mr. Poe stated that he emailed the Board of Supervisors a copy of a spreadsheet that had all the figures.

Mr. Kolb stated that the reason he started looking into this is because the County is broke and someone said to him if the County could get back the money loaned to the EDA over the years there would not be a problem. So he looked into the amount owed and a payment plan. As far as the statute of limitations, the count does not start until the loan was supposed to have been paid off. He added that if the Economic Development Authority wanted to be included in the budget it needs to send a formal request to the Board.

Mr. Edwards stated that the County is the fiscal agent for all governmental agencies.

Mr. Johnson asked how much money is being requested to be put on a note.

Mr. Kolb stated his figure is \$55,000.00.

Mr. Johnson asked when that amount of money was given to the EDA.

Mr. Kolb stated that one note was signed in 2016 for \$50,000.00 the other loan was in 2018 and there is no note on that amount.

Mr. Johnson stated that \$50,000.00 over 5 years would be \$10,000.00 and could be considered operating costs.

Mr. Kolb asked why GreenUSA and Elite Apparel were not sued.

Mr. Edwards stated that he does not know.

Mr. Kolb asked the status of the St. Charles buildings.

Mr. Edwards stated that there have been a few people look at those.

Mr. Kolb stated the he knew of two people that had looked at those and he sent both of them, and asked how the buildings are being marketed.

Mr. Edwards stated they have not been marketed.

Mr. Kolb stated that the EDA says they have done everything they could do for income but has not tried to market these buildings, so it does not seem like that is doing everything that could be done.

Mr. Edwards stated that the EDA would just give the buildings to the County.

The EDA passed a unanimous motion to give the St. Charles buildings to the County.

Mr. Johnson stated that the EDA has marketed their buildings and that was costing \$5,000.00.

Mr. Leonard stated that there is a moral obligation to sign the note on the loan.

Mr. Johnson stated that if the note is not going to be enforced it would be a lie to sign. He added that \$50,000.00 over a 5 year period would be \$10,000.00 per year which would equal their operating costs.

Mr. Mosley stated that the EDA needs to prepare a budget and present it to the Board.

Mr. Johnson stated that could be done, that there are educational services and other things that could be done, but the EDA does not have funds to do so.

Mr. Leonard stated that everyone needs to work hand in hand to make things work, and the EDA is an important part of the County.

Mr. Blair stated the EDA does not have the funds to pay the money back and the Supervisors are wanting a way to hold the EDA accountable for the money. He asked what could be done together to solve this problem completely.

Mr. Slemph stated it should not be one side or the other side, it should be one unit.

Mr. Blair stated that if the EDA was making more money and bringing more business to the County there would not be a problem.

Mr. Edwards stated that VCEDA provides \$3,500.00 for marketing which is paying for the website and everyone has been out looking to find ways to market on the website.

Mr. Kolb asked if the EDA has an outline of goals and the plan to get there.

Mr. Edwards stated that there is not an outline on paper.

Mr. Kolb stated he read in the EDA minutes about a County Economic Marketing Plan, but he has not seen anything on that.

Mr. Poe stated that is probably something sponsored through VCEDA or another organization to work with counties to develop a plan.

Mr. Johnson stated that he EDA has tried to focus on small businesses over the past few years and that has been successful.

Mr. Kolb asked the EDA if there was a problem with putting a plan on paper.

Mr. Edwards stated he does not have a problem.

There was discussion about tourism.

Mr. Kolb asked what the Board could do to help with economic growth.

Mr. Edwards stated that it is difficult to explain, it has to start from the top down. It is going to take leadership trying to do things; it cannot come from just a political subdivision.

There was discussion on the airport and internet services.

Mr. Kolb stated that there have been some great discussions, but he would like some closure on the notes.

The EDA voted to adjourn their meeting.

CLOSED SESSION

It was moved by Mr. Kolb, seconded by Mr. Mosley, to enter Closed Session pursuant to Code Section 2.2-3711 A.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, 2.23711 A.8, Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter, and 2.23711 A.29., Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, 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. Upon the question being put the vote was as follows.

VOTING AYE: Mr. Kolb, Mr. Leonard, Mr. Mosley, Mr. Slemp

Mr. Slemp left the meeting at 8:03 p.m.

CERTIFICATE OF CLOSED SESSION

WHEREAS, the Lee County Board of Supervisors has convened a Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires a Certification by this Lee County Board of Supervisors that such Closed Meeting was conducted within Virginia law;

NOW, THEREFORE, BE IT RESOLVED, that the Lee County Board of Supervisors hereby certified that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from Closed Meeting in which this Certification Resolution applies and (ii) only such public business matters as were identified in the Motion convening the Closed Meeting were heard, discussed or considered by the Lee County Board of Supervisors.

Upon the question being put the vote was as follows.

VOTING AYE: Mr. Kolb, Mr. Leonard, Mr. Mosley

It was moved by Mr. Kolb, seconded by Mr. Leonard, to expand the sale area for the timber at the Transfer Station property, establish a minimum size, establish a bond requirement and set a reserve amount as discussed. Upon the question being put the vote was as follows.

VOTING AYE: Mr. Kolb, Mr. Leonard, Mr. Mosley

CLOSED SESSION

It was moved by Mr. Kolb, seconded by Mr. Mosley, to enter Closed Session pursuant to Code Section 2.23711 A.7., Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigation posture of the public body; and consultation with legal counsel employed or retaining by a public body regarding specific legal matters requiring the provision of legal advice by such counsel, 2.23711 A.8, Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter. Upon the question being put the vote was as follows.

VOTING AYE: Mr. Kolb, Mr. Leonard, Mr. Mosley

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Upon the question being put the vote was as follows.

VOTING AYE: Mr. Kolb, Mr. Leonard, Mr. Mosley,

It was moved by Mr. Kolb, seconded by Mr. Mosley, to adjourn. Upon the question being put the vote was as follows.

VOTING AYE: Mr. Kolb, Mr. Leonard, Mr. Mosley

CHAIRMAN OF THE BOARD

CLERK OF THE BOARD