

Richmond County Industrial Development Authority – Meeting Minutes  
June 29, 2017

Members Present:

John M. Heaggans  
E. Peyton Motley, Jr.  
Meredith M. Smith  
Deborah G. Bass

Also Present

R. Morgan Quicke, County Administrator  
Hope Mothershead  
Ted Cole  
Dan Siegal

Absent

Stan Terhune  
J. Paul Welch  
Russell G. Brown

Mr. Quicke called the meeting to order at 7:00 P.M.

Mr. Quicke noted that since the Chairman was no longer a part of the IDA, a new chairman must be elected to officiate the meeting.

“On a motion made by E. Peyton Motley, Jr., the Members voted: John M. Heaggans - aye; E. Peyton Motley, Jr. - aye; Meredith M. Smith – aye; Deborah G. Bass - aye: to nominate Meredith M. Smith as Chairperson of the IDA.”

“On a motion made by Meredith M. Smith, the Members voted: John M. Heaggans - aye; E. Peyton Motley, Jr. - aye; Meredith M. Smith – aye; Deborah G. Bass - aye: to nominate E. Peyton Motley, Jr. as Vice-Chairperson of the IDA.”

“On a motion made by E. Peyton Motley, Jr., the Members voted: John M. Heaggans - aye; E. Peyton Motley, Jr. - aye; Meredith M. Smith – aye; Deborah G. Bass - aye: to nominate R. Morgan Quicke as Secretary of the IDA.”

Mr. Quicke addressed the members and provided a background as follows:

The Board of Supervisors voted 5-0 on June 8<sup>th</sup> to recommend to the IDA, the approval of the Lease Revenue Bond. (Resolution Attachment “A”)

This \$2,000,000 Bond will be funded yearly within current revenue structure and will not need an increase to the Real Estate or Personal Property Tax Rate.

- Planned construction of two new Richmond County Facilities:
  - Richmond County Animal Shelter (2500 Sq Ft) - \$300,000
  - Richmond County EMS Facility (6500 Sq Ft)- \$1,500,000
- Construction to begin Fall 2017
- EMS Facility to be located at Richmond County Community Park, adjacent to Richmond County Fair Grounds.
- Animal Shelter to be located at former Richmond County Intermediate School, behind the recently demolished facility.
- The current EMS Facility (Attachment “B”), which is located along 360 beside the Handy Store, was the former home of the Richmond County Volunteer Rescue Squad, and was built in the 1960’s. The current facility has been outgrown by both people and the size of equipment needed. The current facility is two bays, two deep, which house a rehab truck, a reserve medic together with the first and second run medic units. The Department of Emergency Services is in need of a new ambulance in the fall of 2017; however, it is not able to be housed in the facility due to the size. Proposed EMS Facility, (Attachment “C”).
- Richmond County does not currently operate an Animal Shelter. Animal Shelter services are provided by Westmoreland County per contract. Westmoreland County has increased the costs of utilizing their space quite a bit, therefore the Board of Supervisors has decided it is in the best interest of the County to construct and operate our own facility. (Proposed Shelter, Attachment “D”).

Dan Siegel from Sands Anderson explained General Obligation Debt and Lease Revenue Financing that the County is able to take advantage of. Within the Lease Revenue Financing, the Lease Payment is mirrored to the Debt obligation, which keeps the liability off of the IDA.

Ted Cole from Davenport and Company presented the financing options to the Members. The two options for financing are as follows and are set forth in more detail in (Attachment “E”):

1. **Virginia Resources Authority (VRA)** – Up to 25-year amortization, interest only payments first three years, rates anticipated to be set between 3.75% and 4.10%, fixed for term of loan, note not pre-payable within the first 10 years, yearly program costs of 0.0125% of outstanding principal, debt reserve required in escrow equal to highest debt payment through life of loan, between \$240,000 and \$310,000.
2. **Union Bank and Trust** – Up to 20 year amortization, interest only payments first three years, first 10 years locked in at 2.24%, years 11-20 to be adjusted to market rates. Note pre-payable in full or in part at anytime with no yearly fixed costs.

Mr. Quicke shared a Debt Service Spreadsheet with the Members showing Richmond County current debt, anticipated debt, total debt and debt surplus (Attachment "F")

Mr. Quicke noted that he would like to choose the best option for Richmond County to meet our goals in 2017, with the outlined capital projects, as efficiently as possible, all while making sure we are planning for the future, by allowing ourselves future debt reserves, to ensure future capital projects are well positioned without having to go back to the tax payer in full.

Mr. Quicke noted that that recommendation from the Board of Supervisors is the Union Bank and Trust – 15 year loan at 2.24% for the first 10 years, subject to market adjustment in years 11-15.

Chairperson Smith asked if the timing with Westmoreland County Animal Shelter has been worked out so that the new shelter will be available when the current contract ends. Mr. Quicke added that the new facility should be complete by July 1, 2018. If not, Westmoreland County would be asked for an extension of the contract terms.

Chairperson Smith asked about plans for the current EMS facility. Mr. Quicke noted that at this time a use for the building has not been determined and if a use is not determined, the property will be considered surplus and put up for auction.

Dan Siegel reviewed the Resolution with the Members (Attachment "G")

"On a motion made by John M. Heaggans and seconded by Deborah G. Bass, the Members voted: John M. Heaggans - aye; E. Peyton Motley, Jr. - aye; Meredith M. Smith – aye; Deborah G. Bass - aye: to approve the proposed Resolution."

Chairperson Smith asked for approval of the minutes from the December 15, 2016 meeting.

"On a motion made by Deborah G. Bass and seconded by John M. Heaggans, the Members voted: John M. Heaggans - aye; E. Peyton Motley, Jr. - aye; Meredith M. Smith – aye; Deborah G. Bass - aye: to approve the minutes from the December 15, 2016 meeting."

Meeting was adjourned at 7:45 P.M.