

The Industrial Development Authority
of Russell County, Virginia
Agenda Packet
Thursday, June 9, 2016
Bonanza Family Restaurant
5:00 P.M.

Virginia Code

Closed Sessions 2.2-3711

- 1. Personnel**
- 3. Acquisition/Sale of Property**
- 4. Privacy of Individuals**
- 5. Prospective Business**
- 7. Legal**

June 9, 2016

AGENDA

The Industrial Development Authority of Russell County Virginia will hold its regular monthly meeting on June 9, 2016, at **Bonanza Family Restaurant**, Main Street, Lebanon, Virginia, and beginning at 5:00 PM.

- 1. Call to Order**
- 2. Roll Call**
- 3. Welcome Guests**
- 4. Amend Agenda for Business not on Agenda**
- 5. Approval of Minutes**
- 6. Approval of Financial and Treasurer's Report**
- 7. Reorganization – Election of Officers**
- 8. Daycare Facility – Suzanne Potts (Page A1-A17)**
- 9. VCEDA Loan Extension (Page A18-A22)**
- 10. DSS Lease Discussion**
- 11. Shell Building Marketing Contract Update**
- 12. Attorney's Report**
- 13. Committee Reports**
- 14. Old Business**
- 15. New Business**
- 16. Closed Session as permitted by Virginia Code #2.2-3711**
- 17. Adjourn Meeting**

Attachments

- a. Discovery Daycare Documents (Page A1 – A17)**
- b. VECEDA Loan Extension (Page A18 – A22)**

May 12 2016

The Regular monthly meeting of the Industrial Development Authority of Russell County, Virginia was held on May 12, 2016, at the Bonanza Family Restaurant, Main Street, Lebanon, Virginia, and beginning at 5:00 P.M.

MEMBERS

PRESENT: Tony Dodi, Chairman
Roger Sword, Vice Chairman
J. C. Boyd, Member
Scott Gilmer, Member
Mike Hincer, Member
Sam Whited, Member
Mike Duty, Member

STAFF: Carlton Elliott, Financial Officer
Ben Chafin, Attorney

ABSENT: Tom Cook, Member
Becki Joyce, Member

The Chairman called the meeting to order at 5:13 P.M.

Secretary called the roll and recorded the roll call.

APPROVAL OF MINUTES

Upon motion made by Roger Sword, second by J.C. Boyd and duly approved by the Industrial Development Authority of Russell County, Virginia to approve the minutes of April 14th meeting as presented.

The vote was:

Yea: R. Sword, J. Boyd, S. Gilmer, M. Hincer, M. Duty, S. Whited

Nay: None

Absent: T. Cook, B. Joyce

FINANCIAL REPORT

Financial report was presented by Carlton Elliott

Upon motion made by J.C. Boyd, second by Mike Duty, and duly approved by the Industrial Development Authority of Russell County, Virginia to approve the Financial Report of April 14, 2016 as presented and to pay all bills as presented.

The vote was:

Yea: R. Sword, J. Boyd, S. Gilmer, M. Hincer, M. Duty, S. Whited

Nay: None

Absent: T. Cook, B. Joyce

LEBANON INN

The VCEDA loan payments on the hotel are to be based on net profit. Lebanon Inn is asking this basis to be after tax liability. The IDA is of the opinion the net profit should not include tax expense. The agreement is between Lebanon Inn and VCEDA, therefore the IDA took no action at this time.

NEWMARK CONTRACT ON SHELL BUILDING

The attorney presented a draft of the contract with Tommy Turner of Newmark in regards to marketing the shell building. The draft included a flat fee commission of \$75,000.00 or with a build-out max commission of \$99,998.00.

ATTORNEY'S REPORT

No Report

COMMITTEE REPORT

No Report

CLOSED SESSION

Upon motion made by Scott Gilmer, second by J.C. Boyd and duly approved by the Industrial Development Authority of Russell County, Virginia to go into Closed Session as permitted by, VA Code#2.2-3711 (3) Property (5) Prospective new business that has not been previously announced, VA Code 2.2-3711 (7) Legal.

The vote was:

Yea: R. Sword, J. Boyd, S. Gilmer, M. Hinchler, M. Duty, S. Whited

Nay: None

Absent: T. Cook, B. Joyce

RECONVENE TO PUBLIC SESSION

Upon motion made by Jay Boyd, second by Mike Duty, and duly approved by The Industrial Development Authority of Russell County, Virginia, the Chairman called the meeting back into regular session and requested the "Certification Motion after reconvening in Public Session".

The vote was:

Yea: R. Sword, J. Boyd, S. Gilmer, M. Hinchler, M. Duty, S. Whited

Nay: None

Absent: T. Cook, B. Joyce

CERTIFICATION AFTER RECONVENING IN PUBLIC SESSION

The Industrial Development Authority of Russell County, Virginia hereby certifies that, in the closed session just concluded, nothing was discussed except the matter or matters (1) specifically identified in the motion to convene in closed session and (2) lawfully permitted to be so discussed under the provision of the Virginia Freedom of Information Act cited in that motion.

The Roll Vote Was:

J. C. Boyd	Yes	Mike Hinchler	Yes
Tom Cook	Absent	Becki Joyce	Absent
Tony Dodi	Yes	Roger Sword	Yes
Mike Duty	Yes	Sam Whited	Yes
Scott Gilmer	Yes		

ACTION FROM CLOSED SESSION

Upon motion made by J.C. Boyd, second by Mike Duty, and duly approved by the Industrial Development Authority of Russell County, Virginia authorizing the attorney and Chairman to proceed with the contract negotiation with Tommy Turner of Newmark to market the shell building at \$1.5 million dollars. Any further changes to the contract will be approved by a phone call vote of the IDA.

The vote was:

Yea: R. Sword, J. Boyd, S. Gilmer, M. Hinchler, M. Duty, S. Whited

Nay: None

Absent: T. Cook, B. Joyce

ADJOURNMENT

Upon motion made by Mike Hinchler, second by Mike Duty, and duly approved by the Industrial Development Authority of Russell County, Virginia to adjourn this meeting at 7:56 P.M.

The vote was:

Yea: R. Sword, J. Boyd, S. Gilmer, M. Hinchler, M. Duty, S. Whited

Nay: None

Absent: T. Cook, B. Joyce

Carlton Elliott

PO Box 1396
Lebanon, VA 24266

Invoice May 30, 2016

Russell County IDA
PO Box 2378
Lebanon, VA 24266

Bookkeeping Service	\$750.00
Postage Agenda Packages	16.25
Total	\$766.25

Carlton Elliott

Government Center Rents Collected

Date	Description	Amount
6/2/2016	Dmme	5104.50
6/2/2016	VA Coal	1441.85
6/2/2016	WIB	740.00
		7286.35



249 De Lee Drive
 Kingsport, TN 37663
 Phone: 423-239-5431
 Fax: 423-239-9733

Invoice #: 00015058

Date: 5/23/16

Page: 1

Ship To:

Industrial Development Authority of Russell Co
 P.O. Box 1150
 Honaker, VA 24260

Description	Amount	Tx
RCI16003, URL renewal, one year, RussellCountyIDA.org	\$20.00	X

Your Order #:

Shipping Date:

Terms: Net 15 days from date of invoice. A Finance charge of 1.5% per month is charged on past due invoices.

Sales Tax: \$0.00
 Total Amount: \$20.00

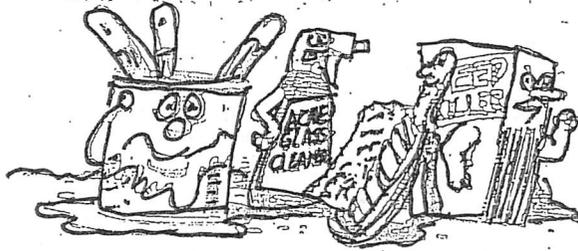
Amount Applied: \$0.00

Balance Due: \$20.00

Bill To:

Industrial Development Authority of Russell Co
 P.O. Box 1150
 Honaker, VA 24260

SUSANS CLEANING SERVICE
 261 WARNER SUB-DIVISION RD
 LEBANON VA 24266



Date	AMOUNT:
Cleaning MAY 2016 MAY 3-4-6	
MAY 10-11-13	
MAY 17-18-20	
MAY 24-25-27	
MAY 31	

TOTAL

\$ 1516.⁴⁵⁰

Thank you
 Susany Boeling

CHAFIN LAW FIRM, P.C.

A. Benton Chafin, Jr.
Attorney at Law

44 East Main Street
Post Office Box 1210
Lebanon, Virginia 24266
Phone: (276) 889-0143
Fax: (276) 889-1121
Website: <http://www.chafinlaw.com>

M. Katherine Patton
Attorney at Law

May 24, 2016

**Russell County Industrial
Development Authority
c/o Nelson A. Dodi
P. O. 2378
Lebanon, VA 24266**

RE: Billing from April 21, 2016 through May 24, 2016

Dear Tony:

Enclosed please find a statement for services rendered from April 21, 2016 through May 20, 2016, in the amount of \$775.00.

**Note: Billing may not be complete through the date listed above.*

PLEASE PAY THIS AMOUNT:

\$ 775.00

If you have any questions, please do not hesitate to contact me.

Very truly yours,
CHAFIN LAW FIRM, P.C.

By:


A. BENTON CHAFIN, JR.

Encl. (As noted)

BILLING FOR RUSSELL COUNTY IDA

(APRIL 21, 2016 THROUGH MAY 24, 2016)

FILE	FILE No.	AMOUNT
DSS Building	05-G-2054.36	\$ 25.00
General File	92-G-2054	\$ 350.00
Lebanon Inn	11-G-2054.53	\$ 100 .00
Newmark Grubb Shell Building	15-K-2054.66	\$ 300.00
TOTAL		\$ 775.00

Chafin Law Firm, P.C.

44 East Main Street
P.O. Box 1210
Lebanon, VA 24266
Telephone: 276-889-0143
Fax: 276-889-1121

May 24, 2016

Invoice No. 33766

RUSSELL COUNTY INDUST. DEVELOPMENT
DEVELOPMENT AUTHORITY
NELSON A. DODI, CHAIRMAN
P. O. BOX 2378
LEBANON, VA 24266

Client Number: 05-G-2054.36 IDA.DSS BUILDING
Matter Number: 05-G-2054.36 IDA.DSS Building
For Services Rendered Through 5/24/2016.

Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
5/5/2016	ABC	Letter to Patrick Brunty, Director, RCDSS	0.20	\$25.00
			Billable Hours / Fees:	<u>0.20</u> <u>\$25.00</u>
			Flat Charge Hours / Fees:	

Timekeeper Summary

Timekeeper ABC worked 0.20 hours at \$125.00 per hour, totaling \$25.00.

Payment Detail

<u>Date</u>	<u>Description</u>	<u>Amount</u>
5/18/2016	Check Number 5381	(\$300.00)
Total Payments Received:		<u>(\$300.00)</u>

Continued On Next Page

Client Number: 05-G-2054.36
Matter Number: 05-G-2054.36

5/24/2016
Page: 2

Current Invoice Summary

Prior Balance:	\$ 300.00	
Payments Received:	(\$300.00)	Last Payment: 5/18/2016
Unpaid Prior Balance:	<u>\$ 0.00</u>	
Current Fees:	25.00	
Advanced Costs:	\$0.00	
TOTAL AMOUNT DUE:	<u>\$25.00</u>	

Thank You for Letting Us Serve You.
Payment Due Upon Receipt.

Chafin Law Firm, P.C.

44 East Main Street
P.O. Box 1210
Lebanon, VA 24266
Telephone: 276-889-0143
Fax: 276-889-1121

May 20, 2016

Invoice No. 33674

RUSSELL COUNTY INDUST. DEVELOPMENT
DEVELOPMENT AUTHORITY
C/O NELSON ANTHONY DODI
P. O. BOX 2378
LEBANON, VA 24266

Client Number: 92-G-2054 IDA.GENERAL FILE

Matter Number: 92-G-2054 IDA.General File

For Services Rendered Through 5/20/2016.

Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
5/2/2016	ABC	Meeting with Tony Dodi and Jonathan Belcher	0.70	\$87.50
5/10/2016	ABC	Review Agenda for May Meeting	0.30	\$37.50
5/12/2016	ABC	Phone call to Attorney General's Office	0.20	\$25.00
5/12/2016	ABC	May monthly meeting	0.00	\$200.00
			Billable Hours / Fees:	1.20
			Flat Charge Hours / Fees:	\$150.00
				\$200.00

Timekeeper Summary

Timekeeper ABC worked 1.20 hours at \$125.00 per hour, totaling \$150.00.

Timekeeper ABC - flat charges totaling \$200.00.

Payment Detail

<u>Date</u>	<u>Description</u>	<u>Amount</u>
5/20/2016	Check Number 5381	(\$225.00)
5/20/2016	Check Number 5381	(\$30.00)
Total Payments Received:		(\$255.00)

Continued On Next Page

Client Number: 92-G-2054
Matter Number: 92-G-2054

5/20/2016
Page: 2

Current Invoice Summary

Prior Balance:	\$255.00	
Payments Received:	(\$255.00)	
Unpaid Prior Balance:	<u>\$0.00</u>	Last Payment: 5/20/2016
Current Fees:	\$350.00	
Advanced Costs:	\$0.00	
TOTAL AMOUNT DUE:	<u>\$350.00</u>	

Thank You for Letting Us Serve You.
Payment Due Upon Receipt.

Chafin Law Firm, P.C.

44 East Main Street
P.O. Box 1210
Lebanon, VA 24266
Telephone: 276-889-0143
Fax: 276-889-1121

May 24, 2016

Invoice No. 33768

RUSSELL COUNTY INDUST. DEVELOPMENT
NELSON A. DODI, CHAIRMAN
P. O. BOX 2378
LEBANON, VA 24266

Client Number: 11-G-2054.53 IDA.LEBANON INN, LLC
Matter Number: 11-G-2054.53 IDA.Lebanon Inn, LLC.General file
For Services Rendered Through 5/24/2016.

Fees				
<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
5/9/2016	ABC	Phone conference with Jamie Oliver and letter to him	0.80	\$100.00
			Billable Hours / Fees:	
			<u>0.80</u>	<u>\$100.00</u>

Timekeeper Summary

Timekeeper ABC worked 0.80 hours at \$125.00 per hour, totaling \$100.00.

Current Invoice Summary

Prior Balance:	\$0.00
Payments Received:	\$0.00
Unpaid Prior Balance:	<u>\$0.00</u>
Current Fees:	\$100.00
Advanced Costs:	\$0.00
TOTAL AMOUNT DUE:	<u><u>\$100.00</u></u>

Thank You for Letting Us Serve You.
Payment Due Upon Receipt.

Chafin Law Firm, P.C.

44 East Main Street
P.O. Box 1210
Lebanon, VA 24266
Telephone: 276-889-0143
Fax: 276-889-1121

May 24, 2016

Invoice No. 33767

RUSSELL COUNTY INDUST. DEVELOPMENT
DEVELOPMENT AUTHORITY
NELSON A. DODI, CHAIRMAN
P. O. BOX 2378
P. O. BOX 1150
LEBANON, VA 24266

Client Number: 11-G-2054.53 IDA.LEBANON INN, LLC
Matter Number: 11-G-2054.53A IDA.Lebanon Inn Re: Holiday Inn Project
For Services Rendered Through 5/24/2016.

Payment Detail

<u>Date</u>	<u>Description</u>	<u>Amount</u>
5/18/2016	Check Number 5381	(\$87.50)
Total Payments Received:		(\$87.50)

Current Invoice Summary

Prior Balance:	\$87.50	
Payments Received:	(\$87.50)	Last Payment: 5/18/2016
Unpaid Prior Balance:	\$0.00	
Current Fees:	\$0.00	
Advanced Costs:	\$0.00	
TOTAL AMOUNT DUE:	\$0.00	

Thank You for Letting Us Serve You.
Payment Due Upon Receipt.

Chafin Law Firm, P.C.

44 East Main Street
P.O. Box 1210
Lebanon, VA 24266
Telephone: 276-889-0143
Fax: 276-889-1121

May 24, 2016

Invoice No. 33770

RUSSELL COUNTY INDUST. DEVELOPMENT
NELSON A. DODI, CHAIRMAN
P. O. BOX 2378
LEBANON, VA 24266

Client Number: 15-K-2054.66 (Contract) IDA.Newmark Grubb Shell Bldg.
Matter Number: 15-K-2054.66 IDA.Newmark Grubb Shell Bldg. (Contract)

For Services Rendered Through 5/24/2016.

Fees				
<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
5/11/2016	ABC	Various e-mails and phone calls with Tommy Turner and Chairman; review and revise proposed contract with NGKF	1.80	\$225.00
5/17/2016	ABC	Phone call with Chairman	0.20	\$25.00
5/18/2016	ABC	Revisions to Contract; e-mail to Tommy Turner	0.40	\$50.00
Billable Hours / Fees:			2.40	\$300.00

Timekeeper Summary

Timekeeper ABC worked 2.40 hours at \$125.00 per hour, totaling \$300.00.

Continued On Next Page

Client Number: 15-K-2054.66
Matter Number: 15-K-2054.66

5/24/2016
Page: 2

Current Invoice Summary

Prior Balance:	\$0.00
Payments Received:	\$0.00
Unpaid Prior Balance:	<u>\$0.00</u>
Current Fees:	\$300.00
Advanced Costs:	\$0.00
TOTAL AMOUNT DUE:	<u><u>\$300.00</u></u>

Thank You for Letting Us Serve You.
Payment Due Upon Receipt.

Chafin Law Firm, P.C.

44 East Main Street
P.O. Box 1210
Lebanon, VA 24266
Telephone: 276-889-0143
Fax: 276-889-1121

May 24, 2016

Invoice No. 33769

RUSSELL COUNTY INDUST. DEVELOPMENT
DEVELOPMENT AUTHORITY
NELSON A. DODI, CHAIRMAN
P. O. BOX 2378
LEBANON, VA 24266

Client Number: 13-K-2054.58 (Lease) IDA.YMCA

Matter Number: 13-K-2054.58 IDA.YMCA (Lease)

For Services Rendered Through 5/24/2016.

Payment Detail

<u>Date</u>	<u>Description</u>	<u>Amount</u>
5/18/2016	Check Number 5381	(\$37.50)
Total Payments Received:		(\$37.50)

Current Invoice Summary

Prior Balance:	\$37.50	
Payments Received:	(\$37.50)	Last Payment: 5/18/2016
Unpaid Prior Balance:	\$0.00	
Current Fees:	\$0.00	
Advanced Costs:	\$0.00	
TOTAL AMOUNT DUE:	\$0.00	

Thank You for Letting Us Serve You.
Payment Due Upon Receipt.

Chafin Law Firm, P.C.

44 East Main Street
P.O. Box 1210
Lebanon, VA 24266
Telephone: 276-889-0143
Fax: 276-889-1121

May 24, 2016

Invoice No. 33771

RUSSELL COUNTY INDUST. DEVELOPMENT
DEVELOPMENT AUTHORITY
NELSON A. DODI, CHAIRMAN
P. O. BOX 2378
P. O. BOX 1150
LEBANON, VA 24266

Client Number: 16-K-205458A (Lease) IDA. Lease of YMCA (former space)
Matter Number: 16-K-2054.58A IDA. Lease of YMCA (former Space)
For Services Rendered Through 5/24/2016.

Payment Detail

<u>Date</u>	<u>Description</u>	<u>Amount</u>
5/18/2016	Check Number 5381	(\$62.50)
Total Payments Received:		(\$62.50)

Current Invoice Summary

Prior Balance:	\$62.50	
Payments Received:	(\$62.50)	Last Payment: 5/18/2016
Unpaid Prior Balance:	\$0.00	
Current Fees:	\$0.00	
Advanced Costs:	\$0.00	
TOTAL AMOUNT DUE:	\$0.00	

Thank You for Letting Us Serve You.
Payment Due Upon Receipt.

**Bank Recap Report
For All Document Types**

Document Date Range: From: 050116 To: 053116

IDA of Russell County VA (IDA)

Bank FB&T Operating Account

Document /	Docum ent	Check Number	Comment/ Check Payee Name	Document Amount	Bank Balance
				Beginning	279,857.70
5/6/2016	Deposit		CASH RECEIPT DEPOSIT	1,400.00	281,257.70
5/6/2016	Deposit		Deposit	24,651.90	305,909.60
5/12/2016	Deposit		CASH RECEIPT DEPOSIT	740.00	306,649.60
5/12/2016	Check	000208	Dodi, N.	1,335.25	305,314.35
5/12/2016	Check	000209	Duty, M.	184.70	305,129.65
5/12/2016	Check	000210	Sword, R.	184.70	304,944.95
5/12/2016	Check	000211	Whited, S.	184.70	304,760.25
5/12/2016	Check	000212	Boyd, J.	184.70	304,575.55
5/12/2016	Check	000213	Gilmer, S.	184.70	304,390.85
5/12/2016	Check	000214	Cook, E.	184.70	304,206.15
5/12/2016	Check	000215	Hincher, M.	184.70	304,021.45
5/12/2016	Check	000216	Joyce, B.	184.70	303,836.75
5/12/2016	Check	002452	Bonanza	155.00	303,681.75
5/12/2016	Check	005380	Bailey Engineering	132.73	303,549.02
5/12/2016	Check	005381	Chafin Law Firm, PC	742.50	302,806.52
5/12/2016	Check	005382	Nelson A. Dodi	210.18	302,596.34
5/12/2016	Check	005383	Carlton Elliott	766.25	301,830.09
5/12/2016	Check	005384	Hillhouse Graphic Design	2,990.00	298,840.09
5/12/2016	Check	005385	Starnes, Inc	66.00	298,774.09
5/12/2016	Check	005386	Susan's Cleaning Service	1,516.00	297,258.09
5/12/2016	Check	005387	Russell County Board	10,866.90	286,391.19
5/17/2016	Check	W00037	Internal Revenue Service	278.67	286,112.52
5/18/2016	Deposit		Deposit	3,500.00	289,612.52
5/31/2016	Interest		Bank Strmnt	23.76	289,636.28
				Ending	289,636.28

**Bank Recap Report
For All Document Types**

Document Date Range: From: 050116 To: 053116

IDA of Russell County VA (IDA)

Bank Code: FB&T Motel Account

Document/ Check	Docume nt Type	Check Number	Comment/ Check Payee Name	Document Amount	Bank Balance
				Beginning Balance:	282.74
5/10/2016	Check	002449	Virginia Small Business	5,287.86	5,005.12-
5/18/2016	Deposit		Deposit	18,599.45	13,594.33
5/24/2016	Check	002450	Cumberland Plateau	3,247.30	10,347.03
5/24/2016	Check	002451	Virginia Coalfield Economic Motel Payment	4,779.74	5,567.29
5/24/2016	Check	002452	Virginia Coalfield Economic Motel Payment	2,685.10	2,882.19
5/24/2016	Check	002453	Virginia Coalfield Economic Motel Payment	2,599.45	282.74
				Ending	282.74

Bank Recap Report
For All Document Types
Document Date Range: From: 050116 To: 053116

IDA of Russell County VA (IDA)

Bank Code: FB&T - Steel Fab

Document/ Check	Document Type	Check Number	Comment/ Check Payee Name	Document Amount	Bank Balance
				Beginning Balance:	40,402.96
5/6/2016	Deposit		Deposit	35,145.98	75,548.94
5/6/2016	Check	002645	Town of Lebanon VA	22,099.16	53,449.78
5/6/2016	Check	002646	Virginia Coalfield	12,249.85	41,199.93
5/31/2016	Interest		Bank Stmt	4.61	41,204.54
				Ending	41,204.54