

1 **VIRGINIA TOBACCO INDEMNIFICATION AND COMMUNITY**
2 **REVITALIZATION COMMISSION**

3 701 East Franklin Street, Suite 501
4 Richmond, Virginia 23219
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9 Southwest Economic Development Committee Meeting
10 Monday, October 4, 2010
11 11:00 a.m.
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13 Russell County Conference Center
14 Lebanon, Virginia
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1 **APPEARANCES**

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3 The Honorable Phillip P. Puckett, Chairman

4 The Honorable William C. Wampler, Jr.

5 Ms. Linda P. DiYorio

6 The Honorable Joseph P. Johnson, Jr.

7 The Honorable James S. Cheng

8 Secretary of Commerce and Trade

9 Mr. H. Ronnie Montgomery

10 David S. Redwine, DVM

11 Israel O’Quinn

12

13 **COMMISSION STAFF**

14 Mr. Neal Noyes, Executive Director

15 Mr. Ned Stephenson, Deputy Executive Director

16 Mr. Timothy J. Pfohl, Grants Program Administration Manager

17 Ms. Sarah Capps, Grants Coordinator, Southside Virginia

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4 SENATOR PUCKETT: Let me call the meeting
5 of the Southwest Economic Development Committee to order.
6 Let me also take this opportunity to welcome you all to great
7 Southwest, most of you live in the Southwest so this is not
8 anything new to you. I'm going to ask Neal to call the roll and
9 we'll try to move as quickly as possible.

10 MR. NOYES: Secretary Cheng?

11 SECRETARY CHENG: Here.

12 MR. NOYES: Ms. DiYorio?

13 MS. DIYORIO: Here.

14 MR. NOYES: Delegate Johnson?

15 DELEGATE JOHNSON: Here.

16 MR. NOYES: Mr. Montgomery?

17 MR. MONTGOMERY: Here.

18 MR. NOYES: Mr. O'Quinn?

19 MR. O'QUINN: Here.

20 MR. NOYES: Senator Puckett?

21 SENATOR PUCKETT: Here.

22 MR. NOYES: Mr. Redwine?

23 MR. REDWINE: Here.

24 MR. NOYES: Mr. Stallard?

25 MR. STALLARD: (No response)

1 MR. NOYES: Senator Wampler?

2 SENATOR WAMPLER: Here.

3 MR. NOYES: You have a quorum Mr.
4 Chairman.

5 SENATOR PUCKETT: Thank you. I would
6 entertain a motion for approval of the minutes of 7-15-10. It's
7 been moved and seconded, all in favor say aye. (Ayes).
8 Opposed no. (No response). Motion carries. That brings us to
9 the presentation of the grant proposals. I'll call on Tim.

10 MR. PHOFL: Very quickly the Committee
11 announced the FY11 Southwest Economic Development funds
12 and applications were received June 2nd and the Committee
13 met July 15th and left several projects on the table. Our
14 primary business today is to address those projects that were
15 tabled in July. The 7 items including one that was sent to you
16 by the Research and Development Committee in July. The one
17 item you don't need to deal with today is 2120 UVA Wise on
18 the dental school strategic blueprint. That's been approved in
19 the reserve fund to match the Coalfield Economic Development
20 Authority money so no further action is needed by your
21 committee today on that.

22 We'll start off with proposal 2110, the Town of
23 Honaker, the Honaker Heritage Center. The packet you have
24 has updated information that we received after meeting with
25 the applicant and that's all in the packet, hopefully you can

1 pinpoint that very quickly. The staff at this point is prepared
2 to recommend an award of \$205,000 for the Honaker Heritage
3 Center.

4 DELEGATE JOHNSON: Mr. Chairman, I don't
5 know how we're going to go about this for voting or what have
6 you but as I mentioned the last time the Town of Honaker in
7 Russell County as I recall has received no award, nothing from
8 the Tobacco Commission. I think we should help them a little
9 more than \$205,000. At the appropriate time I would like to
10 make a motion that we add something to it. I notice we've got
11 a balance over here. I just think people up there were great
12 tobacco producers and they're entitled to more money.

13 SENATOR PUCKETT: The floor is open for any
14 kind of motion you'd like to make Delegate Johnson.

15 DELEGATE JOHNSON: Id' like to hear from
16 them, what is the least amount you think you can get by with?

17 UNIDENTIFIED: We're certainly appreciative
18 of anything the Tobacco Commission can see fit to approve.
19 The Mayor is here with me and we're working and have been
20 working for a couple of years trying to put all this together.
21 It's a small project in a small town. A lot of effort in the
22 heritage and tourism is a big deal. There are other higher
23 profile larger impact projects and certainly have been
24 deserving of some funding in the past. This will be a stop on
25 all the trails in Southwest Virginia just like around the

1 mountain, part of Appalachia Bike Trail and others. This
2 center will be sort of an anchor to the downtown to bring
3 people to the community. We'll certainly continue looking for
4 funding should that be necessary. As I said we're very
5 appreciative of any consideration that the Tobacco
6 Commission can give us.

7 DELEGATE JOHNSON: Mr. Chairman, I'd
8 move that we add \$50,000 to make it \$250,000.

9 SENATOR WAMPLER: Mr. Chairman, it's not
10 that I would oppose the motion, in fact might support it, I
11 would prefer we go through the balance of the projects. We
12 don't know what the account balance might be at the end of
13 this.

14 DELEGATE JOHNSON: Then I'll withdraw my
15 motion and just wait.

16 SENATOR PUCKETT: The motion has been
17 withdrawn and I apologize for not giving a little bit of direction
18 on that. We'll move through the projects and then we'll come
19 back and open the floor for a motion such as Delegate
20 Johnson offered at that time. Anyone else like to speak on
21 2110. All right, Tim.

22 MR. PHOFL: The second project on your list is
23 submitted by Lee County Board of Supervisors for Stone
24 Mountain Multi-Use Trail Phase II. They're requesting just
25 under \$300,000. We have met with the county

1 representatives, they have DCR funding for phase I of their
2 trail including trail head and given the fact that this is trail
3 routing that would be approved with Commission funding it is
4 virtually ready to go and start generating revenues for the
5 Southwest Regional Recreational Authority in the form of rider
6 permits. Staff is now prepared to recommend full funding of
7 that proposal.

8 SENATOR PUCKETT: Anyone here to speak on
9 this proposal?

10 MR. WAMPLER: I'm Michael Wampler only if
11 need be.

12 SENATOR PUCKETT: It seems like you got all
13 you asked for.

14 MR. WAMPLER: Yes.

15 MR. PHOFL: The third item submitted by the
16 Town of Nickelsville for the Nickelsville Community Multi-Use
17 Medical Facility requesting \$680,000. The staff's
18 recommendation in July was no funding. It's been requested
19 by members for the Chairman to bring this back for
20 discussion today. We've had some dialogue with the Town
21 whereas in July it looked like they were not going to receive
22 funding from the community development block grant
23 program. They missed the funding cut by one little point and
24 DHCD is prepared to provide funding for the project. The
25 Town has also initiated dialogue with USDA on the community

1 facilities program. It was brought to my attention last week
2 that the Virginia Community Capital has a community medical
3 facility financing program. That in addition to Appalachian
4 Regional Commission funding appear to offer some viable
5 funding alternatives. Staff is prepared to suggest that this
6 project be tabled at this point and that the Town explore those
7 funding resources.

8 SENATOR PUCKETT: Thank you. Anyone
9 here to speak on this on behalf of the project?

10 MR. DIXON: I'm Danny Dixon and we
11 certainly would be comfortable with that approach. We've
12 come to the Tobacco Commission to ask for funding primarily
13 to use equipment facilities. The CDBG funding would be used
14 to acquire and renovate existing facilities which are partly
15 ready. So it seems to make sense we wait until we see about
16 that funding. We've been very much encouraged about, over
17 the last few months, we certainly support the Commissions
18 decision to do that.

19 MR. REDWINE: Do you expect to hear on
20 that?

21 MR. DIXON: We've been told to expect to hear
22 the last of November early part of December. Thank you.

23 SENATOR PUCKETT: Any other comments?
24 All right Tim.

25 MR. PHOFL: Proposal 2106 Tazewell County

1 IDA Pocahontas Trail System Phase I, this is the second of two
2 ATV trail proposals. This is Phase I in the program today.
3 Initially they're requesting \$300,000 and the Committee tabled
4 it in July. The staff met with Tazewell County representatives
5 and they have private foundation funding that had pledged
6 additional money if the County can show the ability to raise
7 trail funds from other sources. The \$50,000 offer the County
8 indicated they could build a short connector do some trails
9 that are in development in Western Virginia. The connector
10 would begin in downtown Pocahontas to generate some
11 commercial spending particularly in Pocahontas and Tazewell
12 County. The staff is prepared to support a \$50,000
13 recommendation for 2106.

14 SENATOR PUCKETT: Anyone here to speak on
15 2106?

16 MR. SPENCER: I'm Jim Spencer. Senator
17 Puckett, I'm here to answer any questions.

18 SENATOR PUCKETT: Thank you Jim.

19 MR. PHOFL: We can jump over 2120, UVA
20 Wise Dental School. The proposal I noted was approved and
21 reserved. That brings us to 2115, the Virginia Coalfield
22 Coalition installation of fiber optic infrastructure, electronics,
23 towers and data backhaul capacity for project with wireless
24 providers in Southwest Virginia. Initially submitted as a \$7.7
25 million project, the staff has met numerous times with the

1 applicant. A \$2.5 million revised request this year would be
2 the first of three years of anticipated proposals of \$2.5 million.
3 The summary of the project is attached and staff recommends
4 support of this initial award of \$2.5 million.

5 SENATOR PUCKETT: Anyone here to speak on
6 that?

7 UNIDENTIFIED: Other than to say thank you.

8 MR. NOYES: Mr. Chairman, I would point out
9 and remind the Committee this is year one of what we envision
10 three years of support for this initiative. Will be expecting to
11 see this project a few more times to get these towers built and
12 get this capacity, a broadband capacity out to as many people
13 as possible. Thank you Mr. Chairman.

14 SENATOR PUCKETT: Thank you Neal.

15 MR. PHOFL: 2109 Wise County IDA, Wise
16 County Utility Scale Solar Industry Project. This is a \$2.5
17 million request that was tabled in July. Staff is recommending
18 it be tabled again to allow the applicant to continue to pursue
19 their intended partnership with the utility that would come in
20 and build additional solar capacity adjacent to the Wise
21 County site. The applicant has also indicated that in lieu of
22 tabling today, they would request that an amount just over
23 \$152,000 and it's noted in your packet to accomplish
24 engineering needs, attract additional federal grant
25 opportunities and potential utility investment. Staff

1 recommendation is to table. On behalf of the applicants, we
2 would note that a request for engineering funds.

3 SENATOR PUCKETT: Anybody wish to speak
4 to 2109.

5 MR. LOFCUR-CHUN: Mr. Chairman, I'm Bob
6 Lofcur-Chun. We appreciate the Commission giving us, table
7 our application and give us more time to work with the utility
8 in the area. At the same time as Mr. Phofl pointed out, also
9 asking for \$152,000 special projects be granted. That's not in
10 lieu of our \$2.5 million request but we're still pretty much
11 focused on making good progress with our utility partner.
12 Also as you note from correspondence sent to you with our
13 land partner, we're focused on developing and building solar
14 farms on coal land and that's our main focus. I noted that
15 something was said about the other Wise County Project. We
16 have indeed communicated with each other and we've talked
17 to each other and we're two very different projects. Our
18 project is specifically focused on building and developing solar
19 farms on post-mined land. Specifically to make Wise County
20 the center of the coal industry procurement and construction
21 industry. We also feel as reflected in our correspondence is a
22 very strong energy between our project and the other project
23 from Halifax County which is renewable utility – we believe
24 these two projects represent very important pillars in moving
25 renewable energy forward in Virginia. We think this is a great

1 fit. The request today for \$152,000 while the \$2.5 is being
2 tabled is focused on a geotechnical survey and design
3 engineering and also PJM. So that \$152,000 goes into all
4 that. There was also a little over \$30,000 in kind services
5 being contributed to match against the \$152,000. We believe
6 that grant request will greatly facilitate us moving forward in
7 our relationship with Alpha and also our discussions with
8 Dominion.

9 MR. NOYES: Are any of these agreements with
10 Alpha and Dominion with any utility taking off the electricity,
11 are any of those executed?

12 MR. LOFCUR-CHUN: Not yet but we are or I
13 have been corresponding and I'm working with Paul from
14 Alpha and Mr. Stergen and his responsibility, they're looking
15 at other companies that would form a strategic fit with the
16 company. He's bidding on two acquisitions in the past two
17 weeks. We are talking about some property in Wise County.
18 He sent me a map identified some and looking at satellite
19 photos and that will be working on that property in the next
20 couple of weeks. There's a letter from them as far as their
21 intention in working with us. We feel very good about that
22 and it's very much a win win situation. The company can save
23 money and at the same time meeting the regulatory
24 requirements and at the same time we can build solar there
25 and create a higher economic need for the properties that are

1 out there.

2 MR. NOYES: Members of the Committee, my
3 only concern would be is that by approving an amount for
4 engineering and as you're aware there is a competing or a
5 second proposal before the Special Projects Committee. It
6 would be sending a signal that would favor this project over a
7 second project. It seems to me we would want to wait and see
8 that agreements are actually in place and the staff can review
9 those and make an informed recommendation on merits of the
10 project to the Committee. Thank you Mr. Chairman.

11 SENATOR PUCKETT: Senator Wampler.

12 SENATOR WAMPLER: Following up on the
13 director's comment, so Tim, correct me if I misstate but staff's
14 recommendation in Special Projects is to table Lenowisco's
15 application for further deployment of solar until we can get
16 through all of them, is that correct?

17 MR. PHOFL: That is correct.

18 SENATOR WAMPLER: Thank you Mr.
19 Chairman.

20 SENATOR PUCKETT: Anyone else wish to
21 speak? All right Tim.

22 MR. PHOFL: The last project and I'll spend a
23 little time because this was sent to you by the R & D
24 Committee in July so you have not yet discussed it. This is
25 proposal 2132, Wise County Industrial Development

1 Authority, the carbonite product and coal oil liquids. This was
2 initially committed to the R & D Committee. They sent it over
3 to your committee in July. \$1.5 million request to rehabilitate
4 a former coal load out facility in Wise County that's owned by
5 a private partner to build a production facility that would use
6 already patented processes for the removing of all mercury
7 content from coal prior to firing in power plants and industrial
8 boilers. The process has been tested successfully in two
9 demonstration plants, three large Southeastern U.S. utilities
10 have signed confidential agreements to ascertain more of the
11 technical benefits of burning carbonite and a national
12 petroleum refiner has tentatively agreed to produce the
13 byproduct of coal from this process. The plant would initially
14 process 100,000 tons of coal annually and could grow to
15 500,000 tons annual production. In addition to the \$6
16 million, the proposal states private partners have committed
17 \$18.5 million that would mean 25 new jobs at the 25 acre site.
18 Staff recommends the award of \$1.5 million contingent on
19 commitment of all private funding and public permitting
20 necessary to implement the project.

21 SENATOR PUCKETT: Anyone here to speak.

22 DR. WOLFE: I'm Dick Wolfe and I'm here
23 representing the corporation. There's two other partners in
24 the coal business, Jerry Warton and the other is Jim Justice.
25 They own coal operations in Virginia. For the past 20 years

1 we've been developing this technology with the Department of
2 Energy. Now the conditions are much better than they were
3 10 or 15 years ago because oil prices are high, we do need a
4 mercury free product and we have patented a new process to
5 remove all the mercury from coal. Dominion is very interested
6 in this. We really have four things that's now has happened to
7 make this Wise County site project a viable project. We have
8 two major coal companies put up \$18 to \$20 million and we
9 have Dominion Power that needs a mercury free product and
10 we have patents on this process. Coal liquids are selling now
11 for as much as \$70 a barrel which is the price of crude oil. We
12 have Marathon Oil Company involved with us. This would be
13 the first clean coal technology project in Virginia and in the
14 nation so we have an opportunity to use Virginia coal in a very
15 clean way. During the past year we spent over \$500,000
16 already doing the engineering and the feasibilities and I have
17 these reports at the site. So we're ready to go and we'd like to
18 have the state, we'd like to have your support. With that
19 support we feel certain that we can finalize all this. Thank
20 you.

21 SENATOR PUCKETT: Does anyone else wish
22 to comment? Any questions?

23 SENATOR WAMPLER: Tim, would you help
24 me shepherd some of these through. Dr. Wolfe, thank you for
25 bringing this application to us. We didn't get the information

1 in the normal cycle and we haven't had a chance to review the
2 material as we have the other projects. They may be pointed
3 but they're not adversarial. I have to ask the question because
4 I don't know what the answer is. Mr. Chairman, if you'd give
5 me a little boundary with a series of questions.

6 SENATOR PUCKETT: You have that Senator
7 Wampler.

8 SENATOR WAMPLER: I want to preface this
9 and I'm really speaking to the Committee when I say this.
10 Staff works very hard to make sure that the agreements that
11 we execute as a Commission are adhered to. I think
12 sometimes we're too quick to award dollars without
13 understanding what the performance agreement is going to be.
14 When I look at an application of this magnitude and we have
15 the ability to leverage \$1.5 million in its initial phase leverage
16 \$20 million perhaps which I think is a good outcome by
17 anybody's measurement. What is absent in the application
18 and perhaps it's just silent and does not describe what
19 happens to the intellectual property once we go through this
20 two year period. Would the manufacturing remain in Wise
21 County at this facility or would we find it shipped to one of the
22 utilities, a partner. I don't know that I have that much of an
23 appetite to make that investment only to find that
24 manufacturing going outside of the Commonwealth of Virginia
25 like we're having with the R & D Committee. My question Tim

1 would go to the performance agreement. Twenty-five jobs and
2 an R & D silo is one thing but what happens after that or do
3 we know?

4 MR. PHOFL: You raise a good point, staff is
5 silent on the issue of the opportunity fund and how that could
6 potentially play a role in this. If we use an opportunity fund
7 type of performance agreement with this it would be as
8 stringent as any commitment that we make of opportunity
9 funds to ensure that jobs and investments continue to benefit
10 the region. One possible approach.

11 MR. NOYES: Dr. Wolfe, are you familiar at all
12 with the Tobacco Region Opportunity Fund?

13 DR. WOLFE: A little bit.

14 MR. NOYES: Concerning the employment that
15 is promised, the private investment that is promised, its
16 formula driven and in this instance the request didn't come
17 through the TROF fund. My sense is or my recommendation
18 to the Committee would be that should the Committee decide
19 to recommend to the Commission to approve this that a TROF
20 formula and not the formula itself but dollars would be spent
21 by the recommendation but the clawback provisions that
22 apply in this instance exactly as they would under the TROF
23 process. We would have that private sector investment that's
24 promised in the application and the jobs. That's part of what
25 Senator Wampler is saying.

1 DR. WOLFE: That's a good point. This is a big
2 project. We do have two major coal companies, another major
3 coal company is standing by and in the coal industry we'd like
4 to see this come forth and your money is key and we can't
5 build this plant with \$1.5 million, it's a \$20 million plant. I
6 can assure you once we get this commitment, we can have a
7 timeframe with these guys to step up. They've actually already
8 stepped up for a half million dollars of engineering studies so
9 we're ready to go. The Virginia Coal has been tested
10 successfully. If we can get through this first hurdle, I can
11 bring everything together.

12 MR. NOYES: Do you understand the
13 performance agreement should the Committee recommend
14 approval, the performance agreement concerning private
15 investment and the employment would be a part of all this.

16 DR. WOLFE: I would agree with that.

17 SENATOR WAMPLER: Would the intellectual
18 property remain in Wise County or would it be exported to
19 another manufacturer or manufacturing facility with the
20 county anticipating a request for a refund of it's pro rata share
21 because the jobs go outside of the county? Carl, what would
22 your answer be to that?

23 MR. SNODGRASS: I haven't heard nothing
24 about that whatsoever. Correct me if I'm wrong but
25 intellectual property would be in Wise County and the

1 investment would be in Wise County and stay in Wise County.

2 DR. WOLFE: That's correct. The corporation
3 will be established in Virginia. The intellectual property
4 patents have already been issued for the past year. We have
5 new patents coming. We proved this thing out. The project in
6 Wise County would be the key corporation's location. It will be
7 expanded right there in Virginia not from 100,000 tons but up
8 to maybe as much as a million tons.

9 SENATOR WAMPLER: I'd like to slow this
10 down one more time and I understand what I think staff is
11 going to ask them to do and that is, that if we invest in this to
12 the commercialization or we're an angel investor or venture
13 capitalist, we expect the manufacturing to benefit our
14 investment and to be realized in the out years and if that's not
15 the case, it's a very tough decision to have to go back and tell
16 the IDA in the given locality we're going to ask for those dollars
17 back and that's our fiduciary responsibility. It's a subject I
18 don't fully choose to talk about, it's a major undertaking.

19 MR. STEPHENSON: Mr. Chairman, the
20 applicant seems to indicate their intent to maintain the use of
21 this IP in Wise County. Hearing that, it would seem
22 appropriate that the normal TROF contract should include
23 that promise for a time certain during which it may not go
24 anywhere else. The time period I have in my mind is five
25 years, you may want to make that longer but if that's

1 satisfactory to the applicant that would be a long process with
2 appropriate penalties if it doesn't happen.

3 SENATOR WAMPLER: I would take the staff's
4 recommendation and say we give them until the full
5 Commission where they're able to work with the applicant and
6 work out what the correct year is. I don't know that I would
7 do that on the fly but I would concur with Ned, that's a
8 window I think that's reasonable, if the applicant, Wise
9 County, Virginia or Virginia Carbonite concurs with that.

10 One other small point, \$300,000 for services
11 that I saw in the application. What's that about?

12 DR. WOLFE: There has to be some
13 renovations to this building, provide the rail as well as the
14 parlor to bring that all up to speed. This use to be a different
15 project. This used to be SYN fuel project but now it's going to
16 be renovated.

17 SENATOR WAMPLER: The \$300,000 is for
18 contractual services and if these are tax exempt proceeds, we
19 have to be very careful it's not for salaries is basically what it
20 boils down to. So you're representing that wouldn't be for
21 salaries?

22 DR. WOLFE: Agreed.

23 SENATOR WAMPLER: The environmental
24 permitting, if you capture using my term the waste, where do
25 you put it?

1 DR. WOLFE: Basically you're removing
2 mercury which is a big issue. When you vaporize coal, the
3 mercury goes over into the liquids and then it's refined at the
4 refinery. You would recover that. Mercury today is, we get
5 mercury today from the oil refineries because mercury exists
6 in oil as well as coal. Now we're taking coal apart in the liquid
7 phase and in the solid phase and the carbonite that is left over
8 is mercury free.

9 SENATOR WAMPLER: The only reason for
10 that question was the Committee understand that it wasn't as
11 though we were asking it to be landfill so to speak. There
12 could be a secondary market?

13 DR. WOLFE: Yes.

14 SENATOR WAMPLER: I think that's all I have.

15 SENATOR PUCKETT: Any other comments to
16 2132? All right Tim, does that complete your portion?

17 MR. PHOFL: That completes it Senator.

18 SENATOR PUCKETT: You've heard the
19 discussion on all projects before the Committee at this time. I
20 remind you again that 2120 is not really before us, it's already
21 been approved in the reserve fund. The floor is open for any
22 kind of motion that you want to make concerning what's
23 before us.

24 SENATOR WAMPLER: Fresh on our minds if
25 you wish to take them in a block I would say application 2132

1 the carbonite project while we concur with staff's
2 recommendation, we allow staff the opportunity to work with
3 the applicant and company and make sure that questions of
4 preserving the performance agreement is advantageous to all
5 and report back to the full Commission accordingly.

6 SENATOR PUCKETT: Senator Wampler, you
7 want to take that out of the block?

8 SENATOR WAMPLER: I would make a formal
9 motion to include it in the block, so moved.

10 SENATOR PUCKETT: You've heard the motion
11 on 2132, is there a second?

12 MR. REDWINE: Second.

13 SENATOR PUCKETT: It's been moved and
14 seconded on 2132, any further discussion? All in favor of the
15 motion and adding that to 2132 as stated say aye. (Ayes).
16 Opposed. (No response). The motion carries.

17 DELEGATE JOHNSON: Mr. Chairman, I renew
18 my motion that we give \$50,000 more to 2110.

19 SENATOR WAMPLER: I'll second it.

20 SENATOR PUCKETT: It's been moved and
21 seconded that we add \$50,000 to 2110, the Town of Honaker
22 that would be a total of \$255,000. Is there any further
23 discussion? The motion has been made and seconded. All in
24 favor say aye. (Ayes). Those opposed. (No response). The
25 motion carries.

1 C. H. WALLACE: I'd just like to say thank you
2 for your consideration in helping us on this project.

3 SENATOR PUCKETT: Thank you Mayor
4 Wallace.

5 SENATOR WAMPLER: I move that we accept
6 the block as amended.

7 SENATOR PUCKETT: We have a motion on
8 the floor that the block as amended be approved. Is there a
9 second?

10 DELEGATE JOHNSON: Second.

11 SENATOR PUCKETT: It's been moved and
12 seconded, any discussion on that motion? All those in favor
13 say aye (Ayes). All opposed like sign. (No response) The
14 motion carries. That leaves us a balance of \$1,966,281, is
15 that right Tim?

16 MR. PHOFL: Yes, sir.

17 SENATOR PUCKETT: The next item on the
18 agenda is the next meeting.

19 MR. NOYES: Mr. Chairman, that's at your
20 discretion. I think we need to hear more on 2109 and it's
21 counterpart in special projects and I'll advise Senator Wampler
22 and yourself when those are ready.

23 DELEGATE KILGORE: Nickelsville.

24 SENATOR PUCKETT: I'll just tell you all we'll
25 let you know when that's going to happen.

1 MR. NOYES: Please leave at our place the
2 signed vouchers.

3 MR. PHOFL: Mr. Chairman, a quick note to
4 the applicants that these proposals will be presented to the
5 full Commission the last Thursday in October the 28th. It's
6 only a recommendation at this point.

7 SENATOR PUCKETT: Thank you Tim. It's
8 now time for public comment, does anyone want to say
9 anything? Doug, do you want to say anything, we haven't
10 recognized you but glad to have you with us.

11 SECRETARY DOUG DOMENECH: No,
12 interesting and I was able to travel with Jim Cheng and
13 Secretary Duffey and Rick Brown to see the Commission in
14 action.

15 SENATOR PUCKETT: We're glad to have the
16 Governor's cabinet in Southwest and we certainly appreciate
17 you all being here, maybe you can find us some more money.

18 SECRETARY DOMENECH: I think all the
19 money is here.

20 SENATOR PUCKETT: Glad you found it. If
21 there's no further comments then I'll entertain a motion to
22 adjourn.

23 DELEGATE JOHNSON: So moved.

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25 PROCEEDINGS CONCLUDED

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CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at Large, do hereby certify that I was the court reporter who took down and transcribed the proceedings of the VIRGINIA TOBACCO INDEMNIFICATION AND COMMUNITY REVITALIZATION COMMISSION, Southwest Economic Development Committee Meeting when held on Monday, October 4, 2010, at 11:00 o'clock a.m. at the Russell County Conference Center, in Lebanon, Virginia.

I further certify this is a true and accurate transcript to the best of my ability to hear and understand the proceedings.

Given under my hand this 15th day of October, 2010.

Medford W. Howard
Registered Professional Reporter
Notary Public for the State of Virginia at Large
MY COMMISSION EXPIRES: October 31, 2010
CERTIFICATE NUMBER: 224566