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Board of Directors Minutes October 6, 2009 Meeting

Michael Martin, Chair of the CAEZ Board of Directors, called the meeting to order at 6:30 p.m. A quorum was established.

Board Members Present: Michael Martin, Linda Rhodes, Mike Pierson, David Boothe, Ken Eskew, John Gibson, Joe Hoffman, Earl McCune, Birl O'Dell, Janine Potasnik, Peter Silitch, and Doyle Tawney.

Board Members Absent: Russell Deering, Mike Chapman, Larry Dent, Earl Elliott, and Malcolm Parker.

Approval of the September 1, 2009 Meeting Minutes: Birl O'Dell made a motion to approve the September 1, 2009 meeting minutes, seconded by Ken Eskew. **Motion carried.**

Approval of the September 1, 2009 Annual Meeting Minutes: Peter Silitch made a motion to approve the September 1, 2009 meeting minutes, seconded by Ken Eskew. **Motion carried.**

Treasurer's Report: Ken Eskew made a motion to approve the September 2009 treasurer's report as presented, seconded by Peter Silitch. **Motion carried.**

Housing Committee: The Committee did not meet this month.

Two home repair loans were closed last month. One was for a well and the other a septic system. The septic system has been completed.

CAEZ is ready to close on the property on Chestnut Street in Spencer. An appraisal has to be completed. The purchase agreement has been mailed to the Mayor for signature and a drawdown request will be sent in to WV Housing Development Fund. Jim Cooper from Spencer Newspapers will be doing an article on the CHDO project.

Connie and Tammie were looking at some property in Clay. The owner stated he would put water and electric to the site. The perk test was done and the property would not perk. Other options are being pursued. CAEZ is looking for another piece of property for Clay.

All the paperwork has been mailed in for the second round of CHDO funding in the amount of \$400,000.00.

Economic Development Committee: The Committee did meet this evening.

Clay County: At the JG Bradley Campground, the sewer problem is still being worked on. Bobby Lewis with USDA is trying to find CAEZ funds to be used with the other USDA funds. The project may have to go back out to bid. The first bid was to put in actual septic systems for each cabin but the soil perked too fast and the State Health Department will not approve it. The approximate cost for a wastewater treatment plant is \$400,000.00. They are now looking at a moss system which will cost approximately \$250,000.00. The lodge will probably be completed before the septic is in.

Concerning the EDI grant (Senator Byrd's office) for the completion of the lodge, the information has been sent for the funding. More environmental information is needed.

The bids will be opened October 14, 2009 for the renovation for the Day Care at Valley Fork at the Clay County Commission meeting. Six companies came to the Pre-Bid Hearing. The project has to be completed within sixty days after the contract is signed.

Connie, Michael, and Mike Pierson met with Jeff Wood from the Division of Energy and John Goroncy and Mike Isabella from CONSOL. This was concerning the Clay/Nicholas Highway project which was started with Amvest several years ago, which would be to construct a roadway as part of their Post Mine Land Use permitting process. CONSOL bought the property and is now conducting Fola business. This road would connect the Elk River with Route 19 in Summersville. The Land Use Master Plan may have to be revised. It was also discussed about the rail up to Swandale. According to Bill Bright, the owner of the coal operations has the first right of refusal to purchase the rail. Jeff Wood also has several business opportunities for CONSOL. A business may be interested in locating near a rail. The Port Authority is very interested in the construction of the road and what it could mean to connecting I-79 to Route 19.

Concerning the property in Clay, WV Housing Development Fund has the paperwork and is working through the documents that go with the transfer of the property.

A local hunting club would like to purchase Robo Deer. CAEZ as an organization cannot donate to this cause but each individual can contribute.

At the old Swandale Store, there are some concrete piers that the owner wants moved. Connie has contacted Roger Nutter with the BC&G Railroad to move them. The piers will be used to set the cabins on.

Fayette County: Connie and Michael will be meeting with a representative from the Brownsfield at the Dearing Building in Mt. Hope for Phase II environmental.

Connie and Michael have a meeting with WD Smith concerning the possibility of constructing a 30,000 square foot building on the last usable five acres in the park. There is an additional 39 acres above the park.

Michael was notified that he had been approved for several grants through the Stimulus funds. One concern is it may be hard to find the local match for each grant.

Nicholas County: Connie and a few Board members attended the Business Coal Forum.

Nettie/Leivasy is moving along well. The Summersville Industrial Park will house one new business, Frito Lay. There will be a grand opening for that company.

Roane County: Water will be coming to the Amma Industrial site. There is a new business prospect near the Amma site.

Loan Committee: The Committee did meet this evening.

The Loan Committee reviewed one loan application for \$15,000.00 at 4.5% for six years, payment being \$238.11 per month starting December 2009. This loan would be made to an auto repair business in Braxton County. He has two loans with CAEZ now and has always been current. The Loan Committee approved to recommend this loan to the Board. Birl O'Dell made a motion upon the recommendation of the Loan Committee that the loan for \$15,000.00 at 4.5% for six years at \$238.11 per month be approved, seconded by Ken Eskew. **Motion carried.** It was suggested that loan applicants purchase Key Employee Insurance to cover the loan in case something happens to them.

Property that was purchased by USDA Loan #3 has been in the possession of CAEZ for several months. It was asked if CAEZ could keep the truck for occasional use if the expense was not great. The Loan Committee approved to recommend this issue to the Board. Peter Silitch made a motion upon the recommendation of the Loan Committee that CAEZ keep the truck for occasional use if it is not a great expense to CAEZ, seconded by Ken Eskew. **Motion carried.**

The loan status was reviewed. Certified letters will be sent to loans that are in default; SBDC #1, Micro Loan #13, and #14. The attorney will write a letter to Micro Loan #7 and USDA #1. Business Loan #8 was discussed. It was suggested that CAEZ's attorney send a letter to the company. Several arrangements had been made with Business Loan #8 on alternative re-payment options and all have not been kept.

New Business: Connie suggested that CAEZ archive the older files. Connie has spoken with the owner of the local storage business and they would rent the storage space for \$20.00 per month if CAEZ pays one year in advance. Peter Silitch made a motion that CAEZ rent a storage unit for a year for \$20.00 per month, seconded by David Boothe. **Motion carried.**

Bios are needed from certain board members along with pictures for the website. It is almost complete.

Other: Mike Pierson stated that at the last meeting there were questions on the Memorandum of Understanding between CAEZ, Clay County Commission, and the Business Development Authority. One was the job description of the Economic Development Coordinator for Clay County. The purpose of the coordinator would be to represent businesses and to work with existing businesses in the county and to bring businesses in to the county. There would be one representative from CAEZ, one from the Clay County Commission, and one from the Business Development Authority. Another question was the By Laws of the Clay County Business Development Authority and their standing with the State of West Virginia. There was another BDA for Clay County. This one is no longer in existence. The current BDA is in good standing with the state and the By Laws are being reviewed and updated. There would be a commitment of three years. The County Commission would provide the office space for the coordinator and process the payroll and can offer benefits if necessary. The West Virginia University Extension Office will be providing Board training and it was suggested that CAEZ members attend. Linda Rhodes stated that she has been trained in conflict resolution and offered her services to CAEZ, Clay County Commission, and the BDA. Connie suggested that each entity make a list of goals that each wants to see completed in Clay County. These goals will be prioritized and given to the Economic Development Coordinator to research. Peter Silitch made a motion to authorize the Executive Director to pursue the Steering Committee concept with the Clay County Commission and the Clay County Business Development Authority, seconded by Linda Rhodes. **Motion carried.**

Roger Nutter from the BC & G Railroad Cooperative addressed the CAEZ Board. His concern is that CAEZ is helping everything else in the five county area but not the railroad project. The sewer problem has been ongoing for three years. He stated that because the campground does not have sewer, they missed out on revenue this year. Mr. Nutter also said that businesses have donated time and equipment and there are no tax credits for them. He feels that the communication is very weak between CAEZ and the BC&G Railroad Cooperative. Members of the audience stated their concern as well. The status of the sewer problem is finding funding and getting approval from the State Health Department. There have been three different sewer systems plans put together, but all the money that

is available for the system is \$60,000.00. Bobby Lewis is trying to find funding for this project. Jay Carper, Clay County Sanitarium, and the State Health Department stated that a septic system will not be permitted for use. A moss system may work but will cost approximately \$250,000.00 and all monies are not available. Eddie Facemire with Critters Enterprises is working on the plans for the moss system. Mr. Nutter stated that the moss system has been approved by the State Health Department. Connie continues to work on this issue and others. She is now completing the environmental review for a \$190,000.00 grant that CAEZ has secured with Senator Byrd's office for the completion of the lodge building.

Linda Rhodes made a motion to adjourn at 7:40 p.m., seconded by Ken Eskew. **Motion carried.**

Next Board Meeting: Tuesday, November 3, 2009, at 6:00 p.m. at the CAEZ Office.

Russell Deering and Malcolm Parker called to say they would not be attending the Board meeting this evening.

Monthly Activity Report for October 2009

October 1, 2009 – Worked on Board Packets

October 2, 2009 – Worked on Board Packets

October 5, 2009 – Administration

October 6, 2009 – Administration

Meeting with CONSOL

Economic Development Committee Meeting

Loan Committee Meeting

Board Meeting

October 7, 2009 – Mt. Hope – Meeting with WD Smith, Michael Martin – Technology Building

October 8, 2009 – Meeting with engineer and subcontractor at Valley Fork

October 9, 2009 – Administration

October 12, 2009 – HOLIDAY – Office Closed

October 13, 2009 – Administration

October 14, 2009 – Clay County Commission meeting, open bids Valley Fork Daycare

Meeting with John Mallet, WVDO

Worked on Micro Loan Application

October 15 and 16, 2009 – Community Works in WV Annual Meeting, Charleston

October 19, 2009 – CAEZ Staff meeting

Housing Meeting

Worked on Micro Loan Application

Meeting with Mike Pierson and Mike Boggs

Looked at property in Clay

October 20, 2009 – Met with Micro Loan applicant – closed loan

Worked on Housing

Meeting with John Comerchi and Cheryl Wolfe, USDA on possible additional funding for sewer system at the campground

October 21 and 22, 2009 – Worked on Housing

October 23, 2009 – Administration

Meeting in Mt. Hope with EPA at Dearing Building. Meeting with WD Smith, Elmo Johnson, Scott Johnson, and Michael at ARC Office on plans for Technology Building

Looked at property in Clay

October 26, 27, and 28, 2009 – Connie – ARC Conference

Office Staff – Administration/Housing/Worked on Board packets

October 29, 2009 – Worked on Board packets

October 30, 2009 – Administration