

Unsealed by Board of Commissioners 04/13/2015.

**SEALED MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
February 25, 2013 – CLOSED SESSION**

Per NCGS 143-318.11 (a) (3) to consult with an attorney and (4) to discuss matters relating to expansion of industries, closed session was entered into at 9:13 p.m. Present were Chairman Hawkins, Commissioners Chapman, Hogsed and Lemel, County Manager Artie Wilson, Planning and Economic Development Director Mark Burrows, County Attorney Tony Dalton and Clerk to the Board Trisha Hogan.

Project Bottle

Planning and Economic Development Director Mark Burrows provided an update on Project Bottle since the last meeting. He continues to have conversations with a local business owner that is seeking to expand. He has been in contact with a private developer about the possibility of them constructing a new facility for the local business and the developer has done a great deal of due diligence on the potential construction of a 105,000 sq. ft. building. The building has been priced to fit on the lot currently owned by TVS. The private developer has put together a cost range beginning with including everything the business owner would want in a facility. The biggest item driving the cost is the land. The goal is to offer a facility at \$4.25 per sq. ft.

Mr. Burrows said there is an indication that TVS may be willing to look at the land price further if they knew there was ongoing operational synergy between them and the local business. However, the local business being discussed here has not been made known at the business owner's request.

The Manager's major concern is the liability of the County. He and Mr. Burrows have tried to structure this potential project where the local business owner or the private developer assumes the risk, not the County. If the project moves forward, the Manager said staff may potentially ask Commissioners to consider working with TVS to facilitate the purchase of land by the private developer. The developer would then construct a facility and lease it to the business owner so there is no interaction between the County and the private developer. Should there need to be a subsidy, that would occur between the County and the local business. The City could become involved as well. There has also been discussion with the State about grant opportunities. The net gain to the County and City should this project become a reality is property taxes generated that could be used to offset any type of subsidy that may be needed. The Manager and Mr. Burrows have a meeting scheduled with the business owner tomorrow to get an update.

The Manager believes the County should do what it can to help an existing business remain here and potentially expand, as long as the County does not assume the risk. If the County is unable to help the business, it may relocate to another county and take the jobs with it. His recommendation would be for Commissioners to authorize staff to negotiate a land price with TVS with an upper cap and continue discussions with the local business owner. It will be up to the business owner and the private developer to get the lease price down to an amount the business owner is agreeable to. Staff also asked for authority to facilitate a meeting with the business owner and TVS. Commissioners were supportive of these continued conversations and staffs' recommendations.

Biodiesel

Mr. Burrows also provided an update on the biodiesel project. Since the last meeting, he and the Manager met with the stakeholders to analyze their basic request being whether or not the County can provide a level of municipal solid waste (MSW). The analysis is that approximately 80% of the County's waste stream could be a feedstock for this company. There would be a capital investment on their part of about \$20 million with the creation of over 40 jobs with varying pay.

The challenge with this project is that the County does not control everything that goes across the tipping scale at the landfill. The other challenge is the stakeholder is having conversations with other counties about bringing in their MSW to convert into renewable diesel, 20% of which is not usable and will likely end up in the County's landfill. The Manager has been reviewing sample ordinances about how to deal with issues like these. He and others are working on a potential model for the flow of MSW and the cost impact to the County.

This project fits with the efforts in Western North Carolina to create renewable energy. If this project moves further along, there would be other issues for the County to consider, such as the possibility of industrial revenue bonds.

Chairman Hawkins moved to leave closed session, seconded by Commissioner Chapman and unanimously carried.

Mike Hawkins, Chair
Transylvania County Board of Commissioners

ATTEST:

Trisha M. Hogan, Clerk to the Board