# BOARD OF SUPERVISORS
# STAFFORD COUNTY, VIRGINIA
# SPECIAL MEETING
# MINUTES
# DECEMBER 28, 2023

**CALL TO ORDER** – A special meeting of the Stafford County Board of Supervisors was called to order by Dr. Pamela Yeung, Chairman, at 4:00 p.m. on Tuesday, December 28, 2023 in Board Chambers, George L. Gordon, Jr. Government Center, 1300 Courthouse Road, Stafford VA.

**ROLL CALL** – The following members were present: Dr. Pamela Yeung, Chairman; Thomas C. Coen, Vice-Chair; Tinesha O. Allen *(joined remotely at 4:12 p.m.)*; Meg Bohmke; Darrell E. English; Monica L. Gary; and Crystal L. Vanuch.

Also, in attendance were Randal E. Vosburg, County Administrator; Rysheda McClendon, County Attorney; Cheryl Giles, Deputy Clerk; various staff members; and other interested parties.

Dr. Yeung announced that Ms. Allen had requested to participate in the meeting remotely and would be calling in shortly.

Mr. Coen motioned, seconded by Ms. Gary, to allow Ms. Allen to participate remotely in the meeting.

The Voting Board tally was:

| | | |
|---|---|---|
| Yea: | (6) | Bohmke, Coen, English, Gary, Vanuch, Yeung |
| Nay: | (0) | |
| Absent: | (1) | Allen |

**ADDITIONS - DELETIONS AND APPROVAL OF THE REGULAR AGENDA**

Mr. Coen motioned, seconded by Ms. Gary, to approve the Consent Agenda as presented.

The Voting Board tally was:

| | | |
|---|---|---|
| Yea: | (6) | Bohmke, Coen, English, Gary, Vanuch, Yeung |
| Nay: | (0) | |
| Absent: | (1) | Allen |

**PRESENTATIONS BY THE PUBLIC - I (3 MINUTES EACH)**

Dr. Yeung read the protocol for public presentations.

1. Suzanne Hensell, 5 Bridgecreek Court, Rock Hill District, stated that she and her husband had recently learned about a proposed data center and were attempting to learn as much as they could. She said that they had genuine concerns regarding increased infrastructure needs, higher electricity demands, and noise pollution. She said that these issues have arisen as consequences of similar facilities in Loudoun County and Prince William County.

   Ms. Hensell asked what the urgency behind this proposal was, as a special meeting had been called with short notice coinciding with two major federal holidays that would limit public participation. She also requested compelling evidence to support the claims made about the benefits of the data center for the County and its residents, as well as addressing their concerns. She said that she wanted to discuss how it brought value to the County.

   Ms. Hensell said that in 1988, her husband and she purchased their first home in Stafford County for a number of reasons, but one of the main reasons was to escape the hustle and bustle, noise, and traffic in Northern Virginia. She said that at the time, there was a popular bumper sticker that said, “Don’t Fairfax Stafford.” She said that she believed they were approaching that sentiment. She said that she wanted them to take a moment and learn from the experiences of Loudoun County and Prince William County. She said that they should address their residents’ concerns before welcoming data centers into Stafford County and considering the potential issues they may bring to the County.

2. Tryst Hensell, Jr., 5 Bridgecreek Court, Rock Hill District, said that he had lived in Stafford for an even longer period, as he graduated from Stafford High School in 1980. He said that he recalled that during that time, Stafford High School experienced significant growth between 1980 and 1981, so half the County from Potomac Creek south went in the morning and the other half went in the afternoon. He said that he believed they would not stop growth, as people wanted to live there. He said that this County’s inability, which he had mentioned before, including Phil Hornung, who was on this Board, had led to some issues.

   Mr. Hensell said that the County’s inability to hold developers accountable for their promises had caused problems. He said that for instance, the Embrey Mill’s master plan called for proffering two elementary schools and one middle school. He said that there were several thousand houses in that area, yet he had not seen any progress on those schools. He said that when he heard about this increased depreciation, as he reviewed the documents as quickly as possible, starting at 50% and within five years accelerating the depreciation to tax personal property at only 5% of its value after five years, he was unsure if it was a good deal for the County.

Mr. Hensell said that this situation reminded him of the people who were selling items after the derecho at what they claimed to be the best price, and must let them know within the next 24 hours. He said that if it was Amazon's approach to operate in this manner, it was their way of doing business. He said that they did not have a tax base or revenue stream that would be affected by their absence. He said that he was surprised at the fact that Loudoun County's data center consumed more power annually in Virginia Beach, Norfolk, Newport News, and Chesapeake combined.

Mr. Hensell asked what would happen if, as mentioned in the document, multiple data centers were involved and who would be affected by potential brownouts due to increased demand for electricity. He said that although they currently had enough power for their development needs, this new situation might put a significant strain on it. He said that unless the third unit at North Anna was being started up, which he did not believe was the case, he wondered who would lose access to power. He said that lastly, before deciding on the location of Bucky's, he requested that public opinions be considered.

3. Henry Thomassen asked how many of the Supervisors had actually visited data centers. He said that those that had would know what he was talking about. He said that he had the same question for the Stafford IDA, but they were not here. He said that his concern was not about the data centers themselves; rather, it was regarding the process. He said that he agreed with his fellow speakers who had already expressed their concerns about the process. He said that it appeared to be rushed, and he was unsure if this meeting was intended for approval or simply served as a formality.

   Mr. Thomassen said that for example, Amazon had already purchased the property, exchanged money, and taken title. He said that as a corporate individual, he found it important to address these issues. He said that he understood that there was no way the Amazon lawyers would have approved the purchase unless this was a completed deal. He said that he had spoken to the investors of the previous owners. He said that they were informed on November 15 that this was a done deal. He said that they had already received their payment. He said that if this data center did not proceed, Amazon would sue the County extensively.

   Mr. Thomassen asked what they were doing here if the approval had already been given, according to Amazon and the previous owners. He said that the transparency was unclear. He said that secondly, he would like to see a disclosure statement for any potential conflicts of interest in every proposal or presentation made by the IDA to the Board. He said that he had discovered a conflict of interest in this deal and also found conflicts of interest in other deals that had been approved by this Board. He said that it was simply a disclosure statement, similar to the disclaimer found in an accounting statement that adhered to all accounting records.

Mr. Thomassen said that he would like to see that statement and all related materials presented to the Board due to the numerous conflicts of interest in the past. He said that while they were a small town, it was essential for individuals with potential conflicts to recuse themselves from decision-making processes.

Mr. Thomassen said that the transparency in this matter had been insufficient. He said that this meeting appeared to be a sham because the deal had already been approved, and Amazon was aware of that fact. He said that he was unsure why they were gathered there since their input seemed to hold little significance. He said that in the past, he had advocated for increased transparency, genuine meetings, and active listening to citizens' concerns.

4. Kristin Maxson, 1816 Richmond Highway, stated that they were there because there were three groups: economic development, local performance, which was likely a report but could not find it in her search, and Amazon Data Services. She said that they could find results but not current results related to Amazon Data Services. She said that there had been changes in the proffer statement since the initial one, which was called the final.

   Ms. Maxson said that the Economic Development Authority and Stafford County she had searched for, and discovered an August 14, 2019 document. She said that there were not many documents available after that date. She said that they were hurting, and reminded them that brick-and-mortar establishments had collapsed, and one or possibly two small businesses would replace them. She said that they would like the Board to reconsider supporting small businesses. She said that a multi-million dollar investment, and December 12, 2023, the Board of Supervisors held a budget work session and requested $1.1 billion.

   Ms. Maxson said that the Board identified a shortfall of $7 million. She said that it was unclear whether they had determined its status yet. She said that the public appreciated individuals skilled in mathematics. She said that with the two-for-one offer, she was unsure if it was buy two and get one or buy one and get one.

   Ms. Maxson said that Stafford, Virginia had been designated as a census area on the web and would conduct a turnover audit on December 29. She said that on December 22, a special meeting of the Economic Development Authority took place. She said that there they could find a document related to this meeting attached. She said that they might search for it elsewhere, but she believed that it was unlikely that they would locate it.

   Ms. Maxon said that under the agenda and minutes of the meeting, she discovered the Economic Development Local Performance Agreement for 2023. She said that she was unsure if it had been signed, but she provided the information. She said that they were concerned about civil rights. She said that regarding R23, which ended in the same number, a concern regarding civil rights had been raised. She said that the R-Board mentioned civil rights in the bond document. She said that the community sought to maintain a strong stance on their civil rights.

5. Susan Depp, 8 Baldwin Drive, said that regarding data centers, whether loved or despised, were a source of controversy. She said that she thought it was a pretty good location and had no problem with what they wanted to do, as it was just the way things were these days. She said that the controversy surrounding Amazon's tax deal was the reason for their meeting today. She said that last year, Amazon generated $514 billion in sales, making them an enormous company. She said that however, they sought a tax agreement with the residents of Stafford County.

   Ms. Depp said that the data center would bring them millions in tax revenue. She said that this was great, because residents were tired of paying all the taxes for County services. She said that last year, Amazon Web Services experienced a remarkable 29% growth in sales. She said that they had invested $15 million in these 50 acres, three and a half weeks ago, to build their data centers.

   Ms. Depp said that the location in Northern Virginia was ideal due to its proximity to fiber optic cabling and high-power tension lines. She said that they offered the perfect combination of location, quality of life, and other advantages for this deal. She said that when two companies collaborated on a deal, they had teams of attorneys and contract specialists who worked out the deal line by line, paragraph by paragraph, to get the best deal for each side. She asked who was doing that for the residents of Stafford County. She asked where their experts were to work out the best deal for them.

   Ms. Depp said that they had numerous advantages in their favor and they should strive for a better deal. She said that the tax deal could be improved. She said that after the 60% tax rebate period had concluded, and if they invested more than $6 billion in capital investments, they still provided a 10% rebate to them, but if they invest $10 billion, then they must offer a 15% rebate. She questioned why they were giving away so many concessions. She requested that they hire contract specialists to negotiate on their behalf with Amazon and secure the best agreement they could.

6. (Speaker did not provide name or address), England Run, said that she was surprised at how quickly this was being pushed through. She said that historically, Stafford had been a County that people had looked down on regionally and were considered a poor County. She said that this was an opportunity for them to do things right. She said that there were similar data centers

in Fauquier County and other nearby areas. She said that the reason for this was because the area was safe, as they had very few tornadoes, hurricanes, and had minimal temperature variance.

Speaker said that they did not have tornadoes or floods. She said that the expected damage and risk were already mitigated. She said that if they moved further south, they would face hurricanes. She said that if they moved further north, it would be colder with snow, leading to road blockages or other issues. She said that there was a reason why so many data centers were located there; it was not just the government and Quantico.

Speaker said that they were in a favorable position, and she urged them to utilize this advantage instead of caving in. She said that he was there to represent the citizens, who voted for the Board to represent their interests. She said that based on the limited information she had seen on Facebook, it appeared that they had assembled a deal that primarily represented the corporation.

Speaker said that while corporations had an obligation to generate profits as part of their business plan, she emphasized that it was crucial to ensure that these profits were not being made at the expense of taxpayers. She said that the taxpayers would be bearing the burden of these additional costs repeatedly. She said that the Board needed to exercise caution, slow down this process, conduct more hearings, and proceed in accordance with proper protocol. She said that she was not against the deal itself. She said that she was against the manner in which it was being executed and the potential negative impact on taxpayers.

7. Emily Shilts, 37 Serene Hills Drive, Fredericksburg, Virginia, said that as an attorney for a federal executive agency, part of her job involved reviewing large defense contracts. She said that during this process, she encountered ambiguous and confusing aspects in the contract that likely left others feeling similarly perplexed. She said that uncertainties led to numerous questions from both herself and others online. She said that to address these concerns, it was essential for individuals to have an opportunity to voice their questions and receive clear answers.

   Ms. Shilts said that while they appreciated being heard, a more interactive format with question-and-answer sessions would provide the necessary reassurance for many people, including herself. She said that they had likely heard a considerable amount of information tonight that suggested it was not primarily an anti-data center stance but rather questioning whether the implementation was being carried out in the most beneficial manner for Stafford County and its citizens.

Ms. Shilts said that the timing of this discussion had left many people perplexed. She said that it appeared unusual to have this debate between two holidays when some individuals who might want to contribute their opinion were unavailable. She said that consequently, she requested that they organize a town hall event where attendees could ask questions and receive answers from the applicant and the EDA prior to making a decision.

Ms. Shilts said that before this decision was made, she would like to briefly address a few issues. She said that one issue was that it appeared the counsel for the EDA, the attorney they typically relied upon for legal advice, had some involvement in representing the applicant in this case. She said that even if they did recuse themselves from acting as EDA's attorney in that situation, people tended to rely on their attorney's experience and advice. She said that moving from one side of the table to the other did not change this relationship.

Ms. Shilts said that if this was indeed the case, it raised a conflict of interest that warranted reviewing how the EDA reached its current position. She said regarding page one of the resolution that it mentioned things that both the Board and the EDA were interested in, such as local business and generating economic development for citizens. She said that the Board was also concerned with the economic welfare of the citizens and job creation for them. She said that the contract, as currently written, did not adequately address these objectives.

Ms. Shilts said that this was a performance agreement; however, the only guaranteed performance appeared to be on the County side. She said that in the applicant's section, it specified that this agreement would not permit the County to compel the company to create jobs. She said that there was no requirement for the company to create any specific number of jobs. She said that the jobs created by the company were subject to the cloud computing cluster grant for the state of Virginia, which stipulated that they should be at 1.5% of the prevailing local rate. She said that this agreement did not address this matter.

8. Matthew Shilts, Hartwood District, said that he read the 27-page document until 3 a.m. the previous night, although his wife might have done a better job since she was more skilled at it. He said that he had identified several points that stood out to him. He said that there were numerous errors in the document, not just grammatical mistakes, but also ones that could result in significant financial losses.

   Mr. Shilts said that it was a legally binding contract, as everyone knew; an agreement that served as their sole basis in court. He said that what was said behind closed doors would not matter when they went to court. He said that it did not matter what was promised. He said that there were lots of intentions in the document. He said that they used words like 'intend,' 'intend,' and 'estimate.' He asked why there were no specifics in the contract.

Mr. Shilts said that there were no specific dollar amounts mentioned that they would provide, nor were there specifics regarding infrastructure or job provisions. He said that they stated that they might create up to 100 jobs; however, it was an upper limit, and there was a clause stating that they did not have to meet this requirement. He said that consequently, there was no obligation for them to fulfill anything. He said that the only requirements were on Stafford. He said that this agreement appeared to be entirely one-sided to him, which was a situation he would not personally enter into and definitely would not vote for.

Mr. Shilts said that there was no doubt about it; this was a bad contract. He said that even if one agreed with wanting Amazon or data centers as a whole, this contract was bad. He said that one could not sign this in good faith. He said that there was no way. He said that they would end up litigating it later on repeatedly at their expense. He said that that was what they said in the contract and what they were setting up to litigate later on. He said that he did not agree with it as it currently stood. He said that he believed that it had been rushed and needed to be halted.

**NEW BUSINESS**

ITEM 1. COUNTY ADMINISTRATION; APPROVE AN ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT WITH AMAZON DATA SERVICES, INC. AND THE ECONOMIC DEVELOPMENT AUTHORITY OF STAFFORD COUNTY (EDA).

Mike Morris, Deputy County Administrator, said that work began approximately one year ago in December 2022 regarding the performance agreement. He said that the state legislature passed the incentive structure for this agreement in March 2023. He said that the Virginia Economic Development Partnership (VEDP), along with Governor Youngkin, requested that they agree to participate in this agreement or incentive program.

Mr. Morris said that a letter was sent in December 2022 stating that they would consider participating in this agreement or incentive program. He said that the Board was briefed numerous times on this matter, and it led them to the opportunity to pass the incentive agreement tonight. He said that with that, he would be glad to address any questions. He said that department staff were present to answer questions, and Amazon's representatives were also there to address questions if desired.

Ms. Gary said that she had a brief inquiry regarding those incentives. She asked Mr. Morris for clarity for the public and understanding the process, as Governor Youngkin proposed these incentives. She asked that he provide her with the number of counties that decided to participate in this initiative across the state.

Mr. Morris said that he was uncertain about the precise number of facilities throughout the state but knew that there were five in their region alone. He said that other regions also had some, but he was unsure of the exact total number.

Ms. Gary asked if it was fair to say that, in order to be competitive within their region, there was a consensus regarding how they were all operating in this context and addressing data center issues and potential incentives.

Mr. Morris said that potential incentives for attracting data centers to Virginia included the creation of a structure that all municipalities could follow. He said that the state had tried to facilitate this through a specific framework, aiming to make it easier for data center projects to be developed and approved across different regions in Virginia.

Ms. Bohmke said that in the agreement, there was a reference back to December 2022 as it related to the rollback taxes and when the process started. She asked who chose December 2022 and for what reason. She asked why it was not November 14, 2023.

Mr. Morris said that he believed that it was the last year of available tax records.

Ms. McClendon said that ultimately, that was the date specified in the agreement. She said they could request a representative from the Commissioner of the Revenue's Office to address why that specific date was chosen.

Michael Keyes, Chief Deputy of the Commissioner of the Revenue's Office, said that regarding the selection of the date, he did not possess any information regarding that matter. He said that he was aware of the tax dollars allocated at that time. He said that he did not know why that specific date was chosen for the contract.

Ms. Bohmke said that from the way she read the agreement, it appeared to be the starting point for the increase in tax revenue.

Mr. Keyes said that he agreed, and that was how he read it as well.

Ms. Bohmke said that someone chose the date and she wanted to understand why that specific date was selected instead of November of this year or March or April. She said that if she understood correctly, there was a reference in the document to other data center sites and discussed multiple sites. She asked whether this site could be completed while others may not be built or completed and if the agreement still would stand as it was currently.

Mr. Morris said that was correct. He said that the agreement included a minimum infrastructure requirement, which stipulated that they must construct a specific amount prior to receiving infrastructure reimbursement or incentives.

Ms. Bohmke asked what happened if that investment was not made in Stafford County.

Mr. Morris said that there would be no payments.

Ms. Bohmke asked Ms. McClendon if it was clearly stated in the agreement.

Ms. McClendon asked Ms. Bohmke to repeat her question.

Ms. Bohmke said that specifically, if the first one was constructed, while others mentioned in the agreement were not built or listed as specific sites, referred to as sites, plural. She asked, in this scenario where no sites were built so no payments were made, what other financial risks does the County face.

Ms. McClendon said that the agreement was structured around reaching a specific monetary target rather than a certain number of sites. She said that if they managed to achieve the required infrastructure improvement amount, regardless of the sites involved, that was the triggering point. She said that it focused on dollar amounts instead of sites.

Ms. Bohmke said that it was the dollar amount for those additional sites. She also said that one constituent mentioned the Economic Development Administration did hire outside counsel. She asked if this statement was accurate.

Mr. Morris said that was correct. He said that outside counsel handled all negotiations and drafting of the agreement.

Ms. Bohmke said that the document referred to a point of contact. She said that she had discussed the matter with the Treasurer’s Office regarding Amazon’s platform for requesting invoices and payments. She asked if they were certain that their system was set up correctly, ensuring that utility staff would submit necessary documents without requiring intervention from the Treasurer’s Office. She asked if they were familiar with the details of this process.

Mr. Morris said that the reports required to get to the County must be received in a written form so that they had all of the information that would then be requested to be paid. He said that it was not an electronic process.

Ms. Bohmke said that she believed it was an electronic process on an electronic platform.

Mr. Morris said that the actual payment to them may be electronic payment, but they must receive first invoices that were proof of what had been spent before electronically sending them money. He said that they could discuss with Amazon the preferable mode of payment.

Ms. Bohmke said that her issue was with who would be doing the processing of the payments rather than the form of payment. She said that the Treasurer's Office received and accounted for funds, but they were not really the agency that would be processing all of the payments because they were not in the know of that.

Mr. Morris said that was correct.

Ms. Bohmke asked if it was correct that that would be handled outside of the Treasurer's Office.

Mr. Morris said that they would request a payment that the Treasurer's Office would then wire.

Ms. Bohmke said that those details should be worked out with the utility agreement.

Mr. Morris said that it would follow their standard payment process through their Finance Department.

Ms. Bohmke said that the Treasurer's Office had expressed that those details had not been confirmed. She said that her last question was related to the time sensitivity. She asked why the Board was meeting today to consider making the item time sensitive.

Mr. Morris said that at the previous closed session, the Board had requested they hold this meeting this evening.

Ms. Vanuch said that she would try her best to ask some of the questions brought forward from the community. She said that in closed session, the Board had the opportunity to ask a lot of questions, but the public did not receive that information. She asked if staff could speak to the depreciation schedule listed in the agreement and why it was listed on such an aggressive platform.

Mr. Keyes said that the agreement was worked out with the Commissioner and the Commissioners of several counties around the region, and it was designed to be competitive with what other localities were doing. He said that without that depreciation schedule, Stafford would not be competitive to make it a spot for data centers to consider.

Ms. Vanuch said that in 2018 or 2019, Commissioner Mayausky had worked diligently at the state level to pass legislation enabling Stafford County to create a separate data center tax. She said that this initiative allowed the County to become more competitive in securing data centers. She said that prior to this legislation, Stafford County struggled to attract such facilities. She said they could discuss the specifics of the agreement, including the depreciation schedule and tax rates listed, to help people better understand its implications.

Mr. Keyes said that Ms. Vanuch was correct, unfortunately; however, he was unable to provide a detailed explanation of how that situation came about off the top of his head, as he was not prepared for this specific question. He said that what Ms. Vanuch said was accurate. He said that the process in question was integral to enabling a conversation like this today. He said that without that prior work leading up to this point, he believed there would be no such meeting taking place, because Stafford might not have been on the radar for data centers, and they would likely focus on the surrounding counties instead.

Ms. Vanuch said that she wanted to put their findings into terms that the community could understand. She said that several years ago, Stafford County noticed that many localities, such as Loudoun County, were receiving data centers. She said that this was a significant source of revenue. She said that at the time, the Board decided to be competitive and collaborate with the state to establish a separate data center personal property tax for Stafford County. She said that this would result in different charges compared to what constituents pay for personal property taxes due to the high value and volume of computer equipment required to remain competitive.

Ms. Vanuch said whether they agreed or not, this was the starting point. She said that the Governor passed legislation with the General Assembly to make Virginia a competitive locality for data centers and attract more data centers in the state. She said that they developed an economic development incentive, and certain localities could decide whether or not they wanted to participate in those incentives. She said that many of the incentives found in the agreement were part of that state program.

Ms. Vanuch said that she did not want to say that they were entirely non-negotiable because some terms were negotiable; however, the values, depreciation schedule, and rates were not truly negotiable from Amazon's perspective. She said that it was because they had collaborated at the state level to secure that support that those numbers could be seen in the agreements.

Ms. Vanuch said she regretted that they had to have the meeting on a day between holidays, and she agreed with the perspective that it appeared as if they were attempting to conceal something from the public. She said that her personal opinion may be outweighed by the collective decision-making process of the Board. She said that unfortunately, many attendees had to visit during their holiday break to address concerns when they could have done so in the normal course of business.

Ms. Vanuch said that she would like to address some aspects of the agreement regarding job creation specifics. She said that while the term “intent” was mentioned multiple times, there were no requirements for creating jobs. She asked how this came about and why the word “intent” was used instead of requiring actual job creation.

Mr. Morris said that the focus of the incentive agreement was based on tax revenue generated rather than the number of jobs created. He said that as a result, it was referenced that they aimed to generate jobs; however, the repayment was not contingent upon job creation but rather on the tax revenue generated.

Ms. Vanuch said that in the past, it was challenging to modify the agreement; however, they may need to improve background reporting to help the community understand its implications better. She said that regarding the revenue from the approved data center, discussions about its approval were held earlier. She said that the rezoning or proffer amendment was indeed approved on November 14. She said that this meeting specifically focused on the performance agreement. She asked for insights into that aspect.

Mr. Morris said that it depended on the replacement cycle of the servers based on their depreciation value within the building. He said that the amount depended on the depreciation replacement of those servers and that there were multiple projections available. He said that the agreement covered $6 billion of investment until it was repaid. He said that the first building would not reach the $6 billion mark. He said that if all projected revenue transpired, it could contribute between $600 and $700 million in County tax revenue until 2050.

Ms. Vanuch said that a chart would be helpful for the public if the item came back before the Board at the January 2 meeting. She said that she was not against data centers or Amazon; however, she believed that their current approach was insufficient in conveying the benefits to the community. She said that while staff members understood the benefits, it appeared that the message was not effectively reaching the public.

Ms. Vanuch said that this was the first time a meeting had taken place between Christmastime and the New Year at the Board level and it was surprising to see attendees who were unfamiliar to them participating and commenting. She said that she would like to see a solution that allowed them to guide their constituents on what they can expect. She said that in the future, they should be able to reflect on the Board’s decision and determine it was a good deal. She said that she did not believe they possessed what was required to perform to the County standards.

Mr. Coen said that one of the things that was raised about doing this during the normal business process was whether the next normal business meeting where something like this could be discussed would be on January 16, which was the second meeting in January.

Mr. Morris said that the initial meeting was typically the organizational meeting. He said that typically, no official business was conducted during this session; thus, it would take place during the second meeting on January 16.

Mr. Coen said that if an item were scheduled for January 2, there would need to be some special arrangements made to accommodate the timing.

Mr. Morris said that was correct.

Mr. Coen said that they would either have to hold a special meeting to address the item on January 2 or wait until the middle of January.

Mr. Morris said that was correct.

Mr. Coen clarified that their legal teams and advisors had been working on the agreement for about a year.

Mr. Morris said that the first meeting regarding a performance agreement took place in April 2023, involving County staff, Amazon representatives, and legal personnel.

Mr. Coen said that a public hearing was held in November.

Mr. Morris said that it was correct. He said that they had discussed various consequences of community impacts regarding the positioning of the buildings in that area.

Mr. Coen asked if they received public comment.

Mr. Morris said yes.

Mr. English said that he had a question.

Becky Ford, Amazon representative, said she was able to answer questions.

Mr. English asked if Amazon had requested the special meeting.

Ms. Ford said she believed the request stemmed from a closed session of the Board.

Mr. English asked who was representing the EDA.

Mr. Payne said that he had recused himself from reviewing the performance agreement, and Sands-Anderson was representing the EDA during the review process.

Mr. English asked if delaying the item for two weeks would impact the applicant.

Ms. Ford said that it would, and they would like to commence as soon as possible.

Ms. Allen asked if the incentive agreement was entirely based off the Governor's model.

Mr. Morris said that the structure of the performance agreement and the framework for it was set up by the legislature.

Ms. Allen clarified that this was not drafted by the County or by Amazon.

Mr. Morris said that the format was developed by the state legislature. He said that there were some minor aspects negotiated, but the overall structure of the agreement and the incentives were established by the state legislature.

Ms. Gary asked for information regarding Amazon's experience working with the County's attorneys and whether it had been challenging to collaborate with them.

Ms. Ford said that she would not characterize their experience with the County attorneys as vastly different from other attorneys they had worked with. She said the County attorneys advocated on behalf of the County for terms in the agreement that were deemed necessary to support the inner workings of the County.

Ms. Gary said that her understanding was that the County attorneys strongly advocated for certain matters. She asked if this was an accurate assessment.

Ms. Ford said that was accurate. She said that as described by the County Administrator and several others, they had been working with County staff since 2019 when the original terms of the tax rate for data center equipment and accelerated depreciation were established. She said that this was what attracted them to Stafford County and the Fredericksburg region. She said that they began meeting with County staff in April to work through more detailed aspects of those terms, meaning that in order for AWS to invest $6 billion over time, they required confidence that they would have a positive business climate.

Ms. Ford said that the incentive terms had been in development for an extended period. She said that a significant portion of the work that the attorneys did in finalizing the agreement was reflected in the legal terms and conditions. She said that the County attorneys advocated and worked diligently to ensure that the provisions were within County standards.

Ms. Gary clarified that the County attorneys represented the best interests of the County while maintaining a positive working business relationship.

Ms. Ford said that was correct.

Mr. Vosburg said he had participated in several meetings with both their staff and regional staff members. He said he could assure the Board that the agreement before them was commendable. He said he believed it was the best agreement in the region due to its unique features. He said he was convinced that their agreement provided superior protection for their citizens from a government standpoint compared to those in the region. He said that during regional meetings, there had often been deference to Stafford and its approach.

Mr. Vosburg said that staff members from various departments, including legal, utility, capital construction, administrative, had invested a significant amount of time into crafting this agreement. He said that it was not something hastily put together at the last minute. He said that they had conducted thorough research and due diligence. He said that as the final jurisdiction in the region to approve the agreement, they were well-positioned to benefit from their knowledge of how similar agreements had played out in other jurisdictions. He said that as the County Administrator, he believed that this agreement represented the best option in the region.

Mr. Gary said that this topic had been discussed extensively and the work had been ongoing for many months and even years prior. She said that she not only toured the data centers but also requested visits to those with older equipment and louder noises. She said that upon recording these environments using her phone, she could only hear a little bit of traffic and what sounded like a hawk flying by. She said that she had taken due diligence to ensure the protection of citizens in this area, which was her primary goal and role.

Ms. Gary said there were still some energy concerns, and in the future, they can continue to address these issues as Amazon refined its practices. She said they would push for the best solutions. She said they all required a functional solution, which was in their best interests. She said that to ensure progress, they needed to address issues requiring constant monitoring and resolution.

Ms. Gary said some individuals claimed that the situation had already been resolved, labeling it a sham. She said she did not call the meeting a sham; rather, she acknowledged that sometimes processes can feel or appear that way due to progression. She said that she had consistently communicated with her constituents and maintained accessibility for their questions. She said many of them supported this initiative, as they believed it would greatly benefit the County. She said their area had numerous needs, and if the current proposal were to fall apart, they might face challenges such as not being able to eliminate the car tax in a few years or address overcrowding in their schools.

Ms. Gary said they had numerous needs, making it crucial for her to ensure that they did not accept the first or second offer from Amazon. She said she advocated for better terms and more initial investment, and she was grateful that they had reached this point. She said that she believed their attorneys had done an excellent job in this matter. She said that they were likely securing the best deal in the region due to their efforts, and every Board member was striving to perform their due diligence to benefit the County and negotiate good deals. She said that they had reached a very good position with that.

Ms. Gary said that as for this meeting and its inconvenience, she had communicated with her constituents. She said as a representative, she made decisions in the interest of the entire County. She said that given that they had worked on this matter for some time now, it was not a recent creation or an attempt to rush through a decision. She said that she would support moving it forward and hoped that the Board did the same.

Ms. Gary said this action aligned with their best interests and the relationship they had established with Amazon. She said that if the Board did not agree, she understood the concerns of her colleagues. She said that she strove to maintain trustworthiness through open communication.

Dr. Yeung said that she had one question regarding Amazon's delivery timelines in comparison to other counties. She said that this factor contributed to their decision to expedite the process. She asked about the delivery schedule and what potential issues might arise if this plan did not materialize.

Ms. Ford said that it was a complex question. She said that they currently had customer demand requiring them to be on a very aggressive timeline. She said they covered the specifics of the deal structure and the amount of work that staff had invested in it. She said that this particular timeline exceeded their initial expectations. She said that originally, they anticipated being under construction at this point. She said that further delays would limit their ability to deliver for their customers and hinder the dollars going onto the tax rolls for Stafford County.

Ms. Ford said she wanted to mention the job creation aspect; there was a concern about its absence. She said that she would like to ensure that the Board understood that job creation requirements were tied to the state incentive package. She said the job creation requirements were specific to Stafford County and required a minimum of 75 jobs created initially. She said that as they progressed with infrastructure reimbursements for the Cloud Computing Infrastructure Grant Fund, the state would reimburse them based on the actual direct jobs that they created in the County. She said that the jobs, although not specified in the Stafford County grant, represented a genuine commitment from their company to the County.

Dr. Yeung said that Amazon could not commence material investment in the County without this approval. She asked if this did not happen, would Amazon be able to move forward by investing in other counties such as King George, Spotsylvania, and Caroline County.

Ms. Ford said that they did.

Ms. Gary motioned, seconded by Mr. Coen, to deem the matter time sensitive.

Ms. Vanuch said that it was proposed to make the matter time sensitive due to their bylaws requiring the Board to designate new business items as time sensitive for action. She said that if not, they could not proceed with it. She said that the item required five votes from the Board members in order to be voted on at the meeting. She said that failure to achieve that would result in the item being moved to the January 2 meeting under unfinished business.

Ms. Vanuch said that the decision to hold this meeting was a split decision. She said that in their last closed session, the Board gave direction to have this meeting during the Christmas break. She said that some Board members were not in agreement with that. She said she was one of them. She said she initially favored moving it forward because their attorneys originally advised them that it would likely be voted on during the first meeting in February.

Ms. Vanuch said that in the initial discussion, she proposed moving the matter to the January 2 meeting. She said that some Board members responded by suggesting a special session instead. She said that this decision led to the loss of several Board members due to it not aligning with their usual business practices. She said that typically, they brought forth items at the first meeting of the Board, particularly those that had been in progress for an extended period during their organizational Board meetings. She said that they had never had a meeting in the middle of the holiday season before. She said that they had not rushed something like this through because they had worked hard on it, and their staff had put in considerable effort as well.

Ms. Vanuch said that this approach built distrust within the community. She said that they required two items to make the item time sensitive, which they did not have. She said the first was providing an answer as to why December 2022 was chosen as the date for the entire incentive package. She said the second issue was regarding a revenue chart that could be shared with everyone attending, watching online, and incorporated into the background report to demonstrate projected revenue incentives from moving forward with this agreement.

Ms. Vanuch said that she would vote against designating it time sensitive. She said that after this discussion, they may receive unanimous support from the Board if the issue returned in January.

Ms. Gary said that she was committed to ensuring transparency, which involved discussing how the meetings were conducted. She said that some questions that could potentially delay this process should have been raised during the meeting setup. She said that they were not for a reason. She said that there was an attempt to delay this, although she would not speculate on the reasons. She said that it was crucial for the public to understand that appearances could be misleading. She said they could have resolved this more effectively in advance, and she was disappointed with the current situation.

Ms. Gary said that in the past, they had undertaken actions outside of normal procedures, including instances where the sheriff's department received pay increases due to their importance and the necessity for proactive measures. She said that this was a situation in which they could be proactive, as they were present and able to act now. She said she still supported this initiative.

Mr. Coen said that after their closed session, there were two items to address. He said the discussion centered on whether these two tasks would be completed and something would be done at the January 2 meeting, which was unusual as new business was not typically handled during this meeting. He said the alternative was to say that these tasks were of such importance to the County that they should be addressed immediately if the two tasks were completed. He said that if either of those tasks did not happen, then it would have been postponed until January at some point. He said that in any case, it would involve a special meeting. He said that waiting for the normal process would mean waiting until January 16, unless there was a special meeting.

Mr. Coen said that doing something special after January 1 was acceptable, while doing it prior was not. He said that when this was discussed during a public hearing, the project consisted of three parts: the first, which they had approved, was a generalization of the project; the second, explained at the public hearing, was the focus of their discussion; and the third, also explained at the hearing, concerned water elements and utilities. He said that this latter part would not receive a public hearing, instead, it would be presented as new business before the County.

Mr. Coen said that he found it inconceivable to think that doing it on January 2, when people would not know about it unless they were obsessively looking, was any different than doing it today. He said that in some minds, it was. He said that since this topic had been discussed publicly since April, they had been considering data centers as a subject since last December. He said that in fact, some of them had been working on this for 5 and a half years. He said that the Commonwealth of Virginia had been pushing and working on this initiative since 2019. He said that they were the only one that had not progressed this far in the process.

Mr. Coen said he considered it time sensitive because either they made it time sensitive today or they postponed it for a few days from now. He said he did not see the logic in that. He said that there would not be a public session by January 2, which meant they were either waiting and delaying it to January 16, potentially causing issues for the County regarding its long-term goals of shifting the tax burden from residential persons to other entities and reducing the number of new homes built.

Mr. Coen said that he would vote to make it time sensitive. He said he did not think that it would pass; it would likely happen sometime next year. He said that this was detrimental to the County as a whole. He said there appeared to be a different perspective on what served the County's best interests.

Mr. English said that he wanted to inform everyone that he supported data centers as they generated significant revenue. He said he opposed this special meeting as it had affected someone. He said his priority was the constituents. He said that during the previous discussion, it appeared that something questionable had occurred. He said that waiting until January 2 would not be an issue. He said there were enough concerned individuals present who argued that it seemed shady. He said he wanted to wait until January 2 because he wanted people to understand the origin of the taxes and how they were calculated. He said he supported data centers but believed that rushing this meeting as they did was not ideal.

Ms. Bohmke said that the suggestion that one reason for not voting in favor of the data center was due to the December 22 date was false. She said that today, she had a half-hour conversation with the County attorney regarding the entire performance agreement, which her colleagues were unaware of because she did not share everything she was working on with them. She said that she was curious and asked the Deputy County Administrator about the origin of the December 22 date, as it seemed to be an arbitrary choice that no one could explain. She said that while this detail was not significant in the agreement, it did prompt further discussions with the County Attorney.

Ms. Bohmke said that because the Board voted in favor of the data center on November 14, she was in favor of the performance agreement. She said that she personally voted against the data center on November 14 due to having one resident 50 feet away and another within 250 feet. She said that considering what Amazon had proffered regarding decibel levels, she believed that there may be issues in the future, especially after meeting with retired NASA scientists about how sound travels and accumulates in the area. She said that she voted against the data center; however, given that the Board supported it, as they proceeded, unless there were significant obstacles, she will likely support moving forward with the data center. She said that this specific location was not ideal for a data center, but she would go with the will of the Board.

Mr. English asked if the matter would come back during the January 2 meeting if the matter was not deemed time sensitive.

Dr. Yeung said that it would return as new business at the January 16 meeting.

Mr. English said that he would like the matter to return at the January 2 meeting to allow more time to gather information.

Dr. Yeung asked what would change in the time until the January 2 meeting. She asked if they would meet with constituents, answer their questions, or amend the performance agreement. She asked if the issues were about the performance agreement or about the time of the meeting.

Ms. Gary said that if they proceeded with delaying the matter, it would involve moving the discussion to the second meeting instead of the next one, which was within the normal procedure. She said the only significant change that she could identify was the shift in leadership on the Board. She said that she would like to draw attention to this matter. She said that for those who followed political developments, please take note if this issue appeared as an achievement on the new chair or vice-chair's record. She said that they should be able to handle this task today without any issues, and there was no reason why they could not accomplish this.

Dr. Yeung called the vote.

Ms. Allen said that she was serious about conducting official business for the County. She said that she did not know what others would achieve between now and January 2. She said this was not outside the norm. She said that until the Board became a serious body and actually cared about the business of the County, they would be unable to move forward.

Ms. Allen said that she would vote yes. She said that she also supported January 2.

The Voting Board tally was:

| | | |
|---|---|---|
| Yea: | (4) | Allen, Coen, Gary, Yeung |
| Nay: | (3) | Bohmke, English, Vanuch |

Dr. Yeung said that the motion failed since it required five votes to pass.

**ADJOURNMENT**

At 5:15 p.m., Chairman Yeung adjourned the December 28, 2023 Stafford County Board of Supervisor's special meeting.

Randal E. Vosburg
County Administrator

Dr. R. Pamela Yeung
Chairman