News From Economic Development of MEAG Power

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Executive Brief

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Northern Region
Leadership
Existing Industry
Downtown
Quality of Life
Education
Infrastructure
Labor
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Buildings

Infrastructure Has A Role

in economic prosperity and recovery

In the not-so-glamorous world of infrastructure, the city of Newnan is getting it right.

Newnan's Wahoo Creek Water Pollution Control Plant has been selected as the first place winner of the U.S. Environmental Protection Agency's 2008 National Clean Water Act Recognition Award.

The selection was based on demonstrated creativity and outstanding operations and maintenance practices, among plants across the country.

Newnan drew the attention with its innovative composting facility that in 180 days transforms 120 tons of solids weekly, along with other tree waste, into high grade compost.

Newnan also employs technology to drive exemplary operations and maintenance. With in-house talent, they built software systems that document, chart, and send reminders on equipment performance.

Utilities General Manager Dennis McEntire. said that one of the most important things they do is protect the environment during the process of reintroducing wastewater into streams. "It's imperative to get wastewater that is safe to put back into the streams," said McEntire.

Infrastructure is often a difficult challenge for communities. Building new infrastructure and rehabilitating existing works is expensive. Projects must compete with other needs in the budgets of

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revenue-strapped federal, state, and local governments. Georgia is a case in point.

According to the Georgia Municipal Association's 2008 Capital Needs Survey, cities, not including Atlanta, will need $7 billion over the next five years for funding infrastructure projects. Include Atlanta, the figure doubles.

Infrastructure issues usually don't make exciting front-page news. The benefits of infrastructure maintenance, such as shoring up a sewer system, are not something most constituents will notice. And the return on investment in infrastructure can take many years beyond the planning horizon of many elected officials, so the temptation is strong to delay infrastructure maintenance.

Infrastructure supports economic productivity and higher living standards.

But with all its challenges, Georgia economic developers and city leadership understand the importance of infrastructure to economic growth. A sound infrastructure supports economic growth and productivity; increases in productivity are in turn linked to higher living standards, rising levels of employment and incomes, and lower prices for goods and services. Infrastructure also supports business investment and innovation.

A recent report by the Cadmus Group for The U.S. Conference of Mayors, determined that water and wastewater infrastructure investment stimulates the nation's economy and creates jobs. For every one dollar of water and sewer infrastructure investment, it is estimated that Gross Domestic Product increases by $6.35 in the long-term. For each additional dollar spent on operating and maintaining the water and sewer industry, the increase of revenue or economic output for all industries is increased by $2.62 in that year.

In addition, for every one job added in water and sewer 3.68 jobs are created in the national economy to support that job.

Infrastructure funding has been identified by the U.S. Conference of Mayors, the Georgia Municipal Association, the National Conference of State Legislatures and the National League of Cities, as critical to Georgia's and our nation's economic recovery.

GMA executive Director Jim Higdon sums it up this way. "...cities without the tools and resources necessary to address the statewide infrastructure funding crisis not only jeopardize the quality of life for residents and visitors, but it also threatens the state's future economic development, environmental quality and the public's health and safety - all of which depend on adequately financed capital infrastructure."

More Innovation in Fairburn - Batter up!

This time last year, the city council of Fairburn unveiled a downtown initiative for a city-owned four-acre multi-college campus to be opened for classes October 2008. It happened this fall, on schedule, for Georgia Military College and its 560 students in this new satellite location.

Fairburn is hopeful Atlanta Tech and Georgia State University will be the next to lease the second building on the campus.

Now, the city is looking to turn 30 to 40 acres into four top notch championship baseball fields for tournament play, including a stadium seating facility. With a feasibility study complete and private investors in line, the plan is to have the fields ready in the fall of 2009. Little league baseball and softball is the world's largest organized youth sports program. Tournaments can span two weeks and consists of up to 200 teams. A community in Texas hosted 42 teams for one week last summer and saw more than a $900,000 economic impact.

Strand Reopens in Marietta

The Strand Theatre has been a part of the Marietta Square since it was the area's movie house in the 1930s. After shutting down in 1976, the theater has been used as a venue for various things including a flea market and a church. In 2002, The Friends of the Strand began raising money to restore the classic movie house.

The Strand re-opened December 2008, complete with a $4 million facelift. Taking the stage will be a production of "Beauty and the Beast" by The Strand's resident company, the Atlanta Lyric Theatre.

The new Strand includes an orchestra pit, 531 seats, two reception areas and a rooftop terrace.

44% Water, sewer, stormwater and drainage projects account for 44% of the $7 billion five-year infrastructure capital improvement needs of Georgia cities, according to Georgia municipal leaders.

Bubba Burger invested $2 million in its Elberton facility for new freezer capacity and a fourth production line. The expansion brings 30 new jobs over the next 12 months.

Waste Not, Want Not in Barnesville

Business is looking greener in Barnesville and that is because of two newcomers Piedmont Green Power and Greenco Environmental.

Piedmont Green Power, a $160 million investment on 50 acres, will produce electrical energy from biomass. The plant will create energy by utilizing waste materials from logging areas and land clearings, materials that would otherwise end up in landfills or left to rot. Piedmont will produce enough energy to serve 40,000 homes and will begin operations in 2011. As a biomass plant, it will create clean, sustainable energy without carbon dioxide emissions, a greenhouse gas, believed to contribute to climate change.

Greenco Environmental is Georgia's first food waste composting facility. By combining large quantities of food, yard and wood waste, the company creates high quality organic compost with zero landfill contribution.

Greenco is the first commercial food waste composting operation to complete the two-year permitting process with the Environmental Protection Division (EPD) of Georgia.

Greenco provides an economic waste hauling and disposal option to many of Greater Atlanta's food processing and landscape companies. The raw materials (food, yard and wood waste) are hauled to the 32-acre facility and after 90 days, the waste has been transformed into organic compost which is sold in bulk to farmers and manufacturers of bagged garden products.

President Tim Lesco praised the leadership in Barnesville who helped him launch his dream.

Made To Order Concrete Panels

MC Precast Has New Operations in Newnan

MC Precast now in Newnan makes concrete building systems or panels to order for its customers. Based on specifications for a client's site, the plant makes a proprietary form of hollow core concrete called Spancrete. The panels are lighter in weight than other concrete, yet reinforced with steel. The product is built to withstand tornadoes, earthquakes and fires.

"We can construct floor panels for multi-story buildings as well as the exterior wall panels that can be 50 feet wide," explains owner Mack Rhaney.

The plant is located on 40 acres in Newnan's South Industrial Park and interestingly enough the production facility is out of doors. With buildings for administrative functions, Rhaney explains the production environment is similar to general construction work. "In the South, we only lose 15-20 days a year due to weather by producing product outside."

Before coming to Newnan, the company was leasing space in Forest Park but that campus would not accommodate plans for additional product lines to serve new markets.

Infrastructure Big For KIA

"On December 10, the state opened a new I-85 exit, exit 6, to support Kia" explains West Point City Manager Ed Moon.

"Kia Boulevard and Parkway also opened. Plus, we are mid-point in a $10 million wastewater treatment plant," he adds.

By third quarter 2009 over $22 million in infrastructure will be in place for Kia operations.

Numbers tell the story about this project - one car manufacturer, 30 suppliers locating nearby (five in West Point alone), and 7,000 jobs.

"We are hoping we are a bright spot in the nation's economic downturn," concludes Moon.

Masters In The Marketplace

Two highly successful manufacturers in North Georgia are expanding, each with a technology-based strategy to meet market needs. Bentley Dye Services in Calhoun, a 38-year corporate veteran, purchased 42 acres in the McDaniel Station Business Park that will become home to a new state-of-the art polyester extrusion plant to serve a new class of carpet manufacturers. Historically, Bentley has served the high-end wool carpet industry with the nation's largest wool dying operations.

"We believe polyester offers economic advantages as well as product quality for mid-grade carpet markets. With the price of oil dictating the destiny of nylon fiber, polyester offers great potential for the carpet industry," explains President Danny Freeman.

At a cost of $30 million, this family-owned business is launching an energy efficient, environmentally friendly yarn extrusion process. The plant will be climate controlled for workers' comfort. The company is already known for its innovative processes for wool, one of which is patent pending. It plans to make its mark with polyester fibers as well.

Japanese tire manufacturer, Toyo Tire North America, in Cartersville is investing in a second expansion following its 2004 opening. "We have had an aggressive growth strategy from the outset," explains President Jim Hawk. The newest investment of $270 million will more than double the output of the two-year old plant, increasing unit output from 2 million to 5.2 million by 2011.

Tires are manufactured using Toyo's highly-automated and proprietary tire production system, a system designed for multi-product small-lot production, which reduces overall space needs and production lead times.

Toyo serves the tire replacement market through a network of independent dealers. The brand has been ranked "No. 1 for Product Quality" for eight consecutive years in surveys conducted by *Tire Review*, a North American trade magazine.

Special Focus

Award Winning Plants

Blue Bird in LaFayette Wins Shingo Bronze

The coveted Shingo Awards for manufacturing excellence recognize world class operations. LaFayette Blue Bird won the 2008 Shingo Bronze Medallion. In the 20 years of the award, Blue Bird is only the fifth Georgia manufacturing facility to win an honor. Blue Bird representatives will be recognized at the 2009 Shingo Conference in San Diego.

Mohawk in Calhoun Wins Walmart Supplier Award

The Mohawk Home division of Mohawk Industries has been named the first recipient of Walmart's Supplier Sustainability Award for energy use management, waste reduction, transportation adjustments, use of recycled materials and sustainable general business operations. Mohawk's employee awareness campaign called Greenworks was one of the reasons cited for Mohawk's selection.

General Mills in Covington recognized by Governor

This fall Governor Perdue personally recognized General Mills' water conservation record. The plant has trimmed its water consumption by an average of 46 percent or about 5.3 million gallons a month which is enough to supply water to 1,000 homes. The conservation strategies also save General Mills about $840,000 in annual water costs.

Buildings and Parks

View available Georgia buildings at www.locationgeorgia.com. For more information call Oleta Herron at 800-946-4642.

• Cartersville - Highland 75 is the name for Cartersville-Bartow County Joint Development Authority's new corporate park. It was named for its view of highlands as it sits on Interstate 75. The park includes over 700 acres with the first phase of development on 70 acres. The city and county found a development partner, TPA Realty, known best for developing Technology Park in Atlanta. TPA Realty will develop the park with a series of build-to-suit and speculative buildings. The city and county invested $25 million in land and infrastructure.

• Griffin - Citizens voted for a SPLOST this November in support of acquiring and developing 600 acres for a mixed-use development near the Green Valley Industrial Park. Construction will begin the first quarter of 2009.

• Marietta - Emerson Overlook is a mixed-use development with about 45,000 square feet of ground floor class 'A' office space, 32 luxury condominiums ranging in size from 1,100 to 3,000 square feet and over 200 parking spaces. Emerson Overlook offers spaces with views of the surrounding mountains and all the amenities of the square in downtown Marietta. The grand opening was in November.

• LaFayette - City officials are moving forward with permitting and land preparation in the existing industrial park in hope of luring an automotive supplier to the North Georgia community. Volkswagen is investing $1 billion in a manufacturing plant in nearby Chattanooga, Tn.

Emerson Overlook

Norcom Inc. of Norcross Moves Headquarters to Griffin

Norcom Inc., manufacturer of school, office and home supplies, purchased the Cooper Standard Automotive facility for $21.25 per square foot or roughly $4 million.

The 200,000 square foot building was constructed in 1993 on approximately 20 acres. The building became available in summer 2006. The facility provides Norcom rail access.

Norcom Inc. in Griffin

Quintiles, Biotech Firm, Chooses Marietta

Georgia is fast becoming a leader in attracting biotech firms. Quintiles Transnational selected Marietta for a consolidation of its clinical development services, doubling its current space. It invested $19 million in the expansion, retaining 450 jobs and adding 400 more high-level positions through 2011.

Quintiles has been named to *Computerworld* magazine's 2008 list of the "100 Best Places to Work in Information Technology."

The average salary for biotech companies in Georgia is $61,500, about $20,000 higher than the average for other private industry sectors.

Make A Note

• Elberton is one of 12 pilot communities in the Department of Community Affairs' Communities of Opportunities initiative.

• Workforce - America's Promise has issued a new guidebook to help communities address the problem of high school dropouts. The guidebook, entitled Grad Nation, contains ready-to-print tools and links to online resources. www.americaspromise.org

• Financial crisis - The Milken Institute, an independent think tank, offers an easy-to-read table of Congress' bailout allocations at www.milkeninstitute.org/pdf/barthqf.pdf

MEAG Power is a public generation and transmission corporation providing wholesale electricity to Georgia's public power utilities. MEAG Power is Georgia's third largest power supplier.

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Location Georgia offers statewide economic development services to expanding businesses. We also provide communities economic development support in aerial photography, advertising support, strategic planning facilitation and various other services through strategic alliances.

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