

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

February 9, 2015

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:18 p.m. on the above date in the Danville Regional Airport Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Chairman Sherman M. Saunders, Fred O. Shanks, III and Alternate J. Lee Vogler. Pittsylvania County Members present were James A. Snead and Alternate Jerry A. Hagerman; Vice Chairman Coy E. Harville was absent.

City/County staff members attending were: City Manager Joe King, County Administrator Clarence C. Monday, Director of Economic Development Telly Tucker, Assistant Director of Economic Development Corrie Teague, City of Danville Finance Director/Authority Treasurer Michael Adkins, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Assistant Director of Finance Patricia Conner, Governmental Affairs Consultant Linwood Wright, Clement Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi.

Also present were Dewberry and Davis Project Manager Shawn Harden and Brian Bradner.

Mr. Saunders noted that Mr. Harville will be absent today and Mr. Hagerman will be voting in his place.

**PUBLIC COMMENT PERIOD**

No one desired to be heard.

**APPROVAL OF MINUTES FOR THE JANUARY 12, 2015 MEETING**

Upon **Motion** by Mr. Snead and **second** by Mr. Shanks, Minutes of the January 12, 2015 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

**NEW BUSINESS**

**5A. CONSIDERATION OF RESOLUTION 2015-02-09-5A REVISING THE AUTHORITY'S AMENDED AND RESTATED BYLAWS**

Mr. Shanks **moved** adoption of Resolution No. 2015-02-09-5A, *revising the Authority's Amended and Restated Bylaws to eliminate the requirement for staggered Board terms and to clarify that so long as a Member of the Board is otherwise qualified to serve, such Member shall remain in office until a successor is duly appointed by the appropriate Governing Body of the Member Locality.*

The Motion was **seconded** by Mr. Snead.

Mr. Guanzon explained that Authority bylaws, when they first started required staggered terms, but staggered terms are not required by the Virginia Code. The Bylaws are going to remove that requirement to reflect actual practice. The other item addresses if there is a delay in the time a governing body makes an appointment to RIFA. For example, if a member is on the Board of Supervisors and an official appointment has not been made to RIFA, the current member can stay on RIFA until their successor is appointed or the current member's term is renewed. Each member is on RIFA until their governing body replaces

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them or renews them, unless that person does not win their election to the Board or Council and are no longer a member of the governing body.

The Motion was **carried** by the following vote:

VOTE: 4-0  
AYE: Snead, Hagerman, Saunders, Shanks (4)  
NAY: None (0)

**5B. CONSIDERATION OF RESOLUTION 2015-02-09-5B APPROVING SUPPLEMENT TO DECLARATION OF PROTECTIVE COVENANTS FOR CANE CREEK CENTRE**

Mr. Snead **moved** adoption of Resolution No. 2015-02-09-5B, *approving that certain Supplement to Declaration of Protective Covenants for the Authority's Cane Creek Centre project, which adds to that project the following properties of the Authority: (i) Lots Nos. 1, 2, 3, 4 and 5 (GPINs 2347-23-1845 and 2347-23-1806), located in Pittsylvania County, Virginia, purchased from Joseph A. Dabbs and Jean P. Dabbs in April 2014; and (ii) Lots Nos. 26, 27, 28 and 29 (GPIN 2347-23-6507), located in Pittsylvania County, Virginia, purchased from Laura Johnson in August 2014.*

The Motion was **seconded** by Mr. Shanks.

Mr. Guanzon explained these are two sets of properties RIFA purchased in 2014. At the time of the purchase, they were zoned Residential; the zoning application was completed to change the zoning to Industrial. This brings them officially into the Cane Creek park, including the Protective Covenants.

The Motion was **carried** by the following vote:

VOTE: 4-0  
AYE: Snead, Hagerman, Saunders, Shanks (4)  
NAY: None (0)

**5C. UPDATE ON THE AUTHORITY'S BERRY HILL INDUSTRIAL PARK PROJECT**

Shawn Harden, Dewberry Engineers, noted the Wetland Permit for Berry Hill was revised and resubmitted for the Phase I development, which includes the original Lots 4 and 5. The revised permit was based on the concept plans previously shared; Option II was selected by staff and includes up to 217 acres of pad development of which 134 acres is contiguous. This Option also includes the rail, water and sewer infrastructure. The City of Eden has brought sanitary sewer to the state line; RIFA will have to tie into that force main. The permit will allow about 3.4M square feet of building area, depending on what the industry would need and how their facility is laid out. The permit includes about seven acres of wetland disturbance and just under 6,500 linear foot of stream channel impacts. The original permit, which included Lot 3, a 900 acre lot, had just over 36,000 linear foot of stream channel and over 20 acres of wetland impacts. Dewberry submitted the revised application to the Corp on September 23, 2014; on January 13, 2015, the Corp issued the permit for the thirty day comment period, and as of last week staff scheduled a meeting with the Corp on February 23, 2015 to sit down, review the permit, see if they have any questions and work through the permit process. The preliminary feedback has been

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positive. Dewberry is currently in the process of doing a jurisdictional determination which is when the wetlands and stream channels have been flagged in the field and surveyed, the Corp comes out and walks the site. They look at Dewberry's maps versus what they see in the field. To date, there has been almost 450,000 linear foot of stream channel and wetlands perimeter flags. Dewberry has received JD confirmations on Lots 3, 4, 5, 10, 11 and the utility line impacts on 12. That brought the total of confirmed linear footage to 224,556. Dewberry is still waiting for the Corp to confirm Lots 1, 2, 3A, 6, 7, 8, 9, 12 and all the area between the rail and the river. In response to Mr. Shanks question, Mr. Harden explained there are very few sections of the rail that are tangent. RIFA has to come off that rail at a tangent section and Dewberry pretty much has that locked down in order to get up the hill.

Mr. Vogler requested elaboration on the positive feedback staff is receiving from the Corp and Mr. Harden noted a major item was when Dewberry resubmitted the permit. Mr. Harden spoke with Jean Richardson, the Corp representative, she read through it and compared the numbers to the original permit. Dewberry basically cut them in thirds and she was very happy with that progress. She knows they took out the large lot, and the permit is much smaller and more manageable. Mr. Hagerman asked if staff ever meets members of the Corp and Mr. Harden noted they did, fairly regularly; Mr. Hagerman stated when Mr. Harden knows they are going to come around, he would like to meet them.

Mr. Shanks questioned if the site specific justification is totally taken care of now from the Corps perspective and Mr. Harden noted they are well on their way to it. The market study done by Jones Lang LaSalle and the market exhibits that Dewberry prepared based on the market study, takes out a lot of the speculation; staff is never going to be able to eliminate all of it. The Corp actually reviewed Jones Lang LaSalle's study and they agree with it. Outside of having an industry in place, that is as close as RIFA is going to get to them agreeing.

Mr. Harden further explained the field delineation and survey has been done for the whole park. For the confirmation they will go out there with the Corp for each one of the lots that are left. Unfortunately as time goes on, flags that have been put out in the field go away. The day before the Corp comes out there, Dewberry will go back out and refresh the flags. Everything in this permit has been reviewed by the Corp and RIFA has been issued a Preliminary Jurisdictional Determination that is good for five years. Jean Richardson has stated once the whole park has been approved by the Corp, she is going to issue a new preliminary JD which will start the five year clock at that point for the whole park.

Mr. Shanks questioned Mr. Harden, Dewberry was involved with a stricter definition of wetland than started with; what would happen if the EPA changes their definition this spring as rumored. Mr. Harden noted what RIFA already has in place and confirmed is grandfathered. He is not sure of the answer if the rest of those lots haven't been confirmed.

**5D. FINANCIAL STATUS REPORT AS OF JANUARY 31, 2015**

Authority Treasurer Michael Adkins reviewed the Financial Status Report as of January 31, 2015 beginning with the \$7.3M Bonds for Cane Creek showing no expenditures for the month of January. General Expenditures for January show just over \$3,000 expended including \$2,769.00 for Clement Wheatley, \$238.00 for meals and \$33.00 for the monthly utilities. There were no expenditures for January for the Mega Park or Berry Hill Mega Park

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Lot 4. Rent, Interest and Other Income showed rents received of \$13,346.00 from IALR which represents two months, \$300.00 from Securitas and \$1,200.00 for Mountain View Farms. The only payment for this month is the monthly building maintenance to the Institute of \$6,673.00. The unaudited statement balance sheet reports a debt service payment for the bonds related to Cane Creek.

Mr. Snead questioned how much the Authority had left to grade and Ms. Connor noted the amount is approximately \$6,150,000. Staff has only drawn the permit fee from the grant; the \$6.2M from the Tobacco Commission was reduced by the \$57,840.00 water protection permit fee; what is left is for grading.

Mr. Snead **moved** to approve the Financial Report as presented. The Motion was **seconded** by Mr. Shanks and carried by the following vote:

VOTE: 4-0  
AYE: Snead, Hagerman, Saunders, Shanks (4)  
NAY: None (0)

**6. CLOSED SESSION**

*[During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.]*

A. At 12:41 p.m. Mr. Shanks **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting as permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended, for discussion concerning one or more prospective businesses or industries where no previous announcement has been made of that business' or industry's interest in locating or expanding its respective facilities in one of the Authority's projects located in Pittsylvania County, Virginia.

The Motion was **seconded** by Mr. Snead and carried by the following vote:

VOTE: 4-0  
AYE: Snead, Hagerman, Saunders, Shanks (4)  
NAY: None (0)

On **Motion** by Mr. Shanks and **second** by Mr. Snead and by unanimous vote at 1:28 p.m., the Authority returned to open meeting.

Mr. Snead **moved** adoption of the following Resolution:

WHEREAS, the Authority convened in Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia, 1950, as amended, requires a Certification by the Authority that such Closed Meeting was conducted in conformity with Virginia Law;

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NOW, THEREFORE, BE IT RESOLVED that the Authority hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted by the open meeting requirements of Virginia Law were discussed in the Closed Meeting to which this Certification Resolution applies, and (ii) only such public business matters as were identified in the Motion convening the Closed Meeting were heard, discussed, or considered by the Authority.

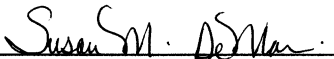
The Motion was **seconded** by Mr. Shanks and carried by the following vote:

VOTE: 4-0  
AYE: Snead, Hagerman, Saunders, Shanks (4)  
NAY: None (0)

**COMMUNICATIONS**

There were no communications from Board Members or Staff.

MEETING ADJOURNED AT 1:31 P.M.

  
Secretary to the Authority

  
Chairman