DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
April 13, 2015

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:00 p.m. on the above date in Boardroom 207, at the Institute for Advanced Learning and Research, 150 Slayton Avenue, 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 Vice Chairman Coy E. Harville and Alternate Brenda H. Bowman. James A. Snead was absent.

City/County staff members attending were: City Manager Joe King, County Administrator Clarence C. Monday, Deputy City Manager Ken Larking, Director of Economic Development Telly Tucker, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Finance Director/Authority Treasurer Michael Adkins, City of Danville Assistant Finance Director Patricia Connor, City of Danville Senior Accountant Carol Howell, Clement Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi.

Also present were Dewberry and Davis Project Managers Shawn Harden and Brian Bradner, Executive Director of IALR Jerry L. Gwaltney, Chief of Staff for IALR Frances Pettigrew, Capstone Consultant Tom Loehr, and Pittsylvania County Supervisor Jesse Barksdale.

Mr. Saunders noted the RIFA Board was pleased to be at the Institute for its meeting, in a facility that represents the Region. Citizens are hearing a lot of good things happening at the Institute, the region and good plans for the future. Mr. Gwaltney welcomed the RIFA Board and staff to the Institute and to tour the Capstone Project.

12:05 - Meeting recessed temporarily for lunch
12:27 – Meeting reconvened.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF MINUTES FOR THE MARCH 9, 2015 MEETING

Upon **Motion** by Mr. Harville and **second** by Mr. Shanks, Minutes of the March 9, 2015 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

6A. CONSIDERATION OF RESOLUTION NO. 2015-04-13-6A, TO APPROVE A ONE-YEAR RENEWAL OF THE HUNTING LEASE WITH GUILFORD WHITETAIL MANAGEMENT

Mr. Guanzon noted this is a one year renewal with the same rent and a few new provisions added that have become standard for RIFA leases including confidentiality and the right to show the property within 24 hours notice.

Mr. Shanks **moved** adoption of Resolution No. 2015-04-13-6A, *to approve a one-year renewal of the Hunting Lease with Guilford Whitetail Management, a North Carolina corporation, as Tenant, with a right of Landlord to show the demised premises upon 24-*

hours notice and the obligation of Tenant to keep the identity of any prospective business recruits confidential until a public announcement is made, if ever, or as otherwise required by law, of approximately 1,573.94 acres at the Authority's Berry Hill Project (GPINs 1366-54-5996, 1367-42-8434, 1377-01-1754 and a portion of GPIN 1356-98-0985), commonly known as the Kluttz Farm, located in Pittsylvania County, Virginia, for the uses of hunting, fishing and related outdoor recreational activities, at a total rental fee of $5,000.

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

VOTE: 4-0
AYE: Bowman, Harville, Saunders, Shanks (4)
NAY: None (0)

6B. CONSIDERATION OF RESOLUTION NO. 2015-04-13-6B, TO APPROVE A ONE-YEAR RENEWAL OF THE LEASE TO THE OSBORNE COMPANY OF NORTH CAROLINA, INC.

Mr. Guanzon noted this lease is for harvesting grass, it is the same as prior years with RIFA's standard provisions. Mr. Harville requested Mr. Guanzon remove the word pastureland and add grass hay. Mr. Guanzon noted he would make the change.

Mr. Shanks **moved** adoption of the revised Resolution No. 2015-04-13-6B, as stipulated by Mr. Harville, *to approve a one-year renewal of the Lease to the Osborne Company of North Carolina, Inc., a North Carolina corporation, of approximately 100 acres of pastureland in the Authority's Berry Hill Project (a portion of GPINs 1366-78-4718 and 1367-70-4519), commonly known as 4380 Berry Hill Road, in Pittsylvania County, Virginia; the Lease Term shall be subject to a right of Landlord to show the demised premises upon 24-hours notice and the obligation of Tenant to keep the identity of any prospective business recruits confidential until a public announcement is made, if ever, or as otherwise required by law; and the Lease shall be for the use of harvesting grass hay and incidental uses acceptable to the Authority, at a total rental fee of $1,000.*

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

VOTE: 4-0
AYE: Bowman, Harville, Saunders, Shanks (4)
NAY: None (0)

6C. CONSIDERATION OF REQUEST BY THE INSTITUTE FOR ADVANCED LEARNING AND RESEARCH

City of Danville Director of Economic Development Telly Tucker explained the City of Danville's Zoning Administrator has given RIFA approval for the proposed signage, it does meet the protective covenants and the City ordinance and simply needs the formal approval of the RIFA Board.

Ms. Bowman **moved** for adoption of a *request by The Institute for Advanced Learning and Research, a political subdivision of the Commonwealth of Virginia, to approve signage of "Gene Haas Center for Integrated Machining" on the Charles R. Hawkins Building, which is part of the Authority's Cyber Park located in Danville, Virginia.*

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

VOTE: 4-0
AYE: Bowman, Harville, Saunders, Shanks (4)
NAY: None (0)

6D. CONSIDERATION OF RESOLUTION NO. 2015-04-13-6D, APPROVING AMENDMENT NO. 8 TO CONTRACT DATED FEBRUARY 9, 2009 WITH DEWBERRY ENGINEERS INC.

City of Danville Director of Economic Development Telly Tucker explained this Resolution is for additional services provided to the Authority.

Mr. Harville **moved** adoption of Resolution No. 2015-04-13-6D, *approving Amendment No. 8 to Contract dated February 9, 2009 - Engineering Services Related to The Mega Park Master Plan - Additional Wetland Delineation Services, with Dewberry Engineers Inc., a New York corporation, for additional wetland delineation and survey for an aggregate lump sum of $325,000.00.*

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

VOTE: 4-0
AYE: Bowman, Harville, Saunders, Shanks (4)
NAY: None (0)

E. FINANCIAL STATUS REPORT AS OF MARCH 31, 2015

Authority Treasurer Michael Adkins gave the Financial Report as of March 31, 2015 beginning with the $7.3M Cane Creek Centre, noting there was no spending for March. General Expenditures for March include $10,229.00 for legal services by Clement Wheatley, $243.00 in meals and $33.00 in Utilities. Mega Park Funding Other than Bonds and Berry Hill Mega Park Lot 4 Site Development had no expenditures for the month. Rent, Interest and Other Income shows rent received from the Institute in the amount of $6,673.00, $300.00 from Securitas and a disbursement of $6,673.00 to the Institute for the monthly property management fee. Mr. Adkins noted RIFA has received funding from both the City and the County for the bond payment that is due next month.

Mr. Harville **moved** to approve the Financial Report as of March 31, 2015 as presented. The Motion was **seconded** by Mr. Shanks and carried by the following vote:

VOTE: 4-0
AYE: Bowman, Harville, Saunders, Shanks (4)
NAY: None (0)

7. 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 12:36 p.m., Mr. Harville **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting as permitted by Sections 2.2-3711(A)(5) and 2.2-3711(A)(3) of the Code of Virginia, 1950, as amended, (i) for discussion concerning a prospective business where no previous announcement has been made of the business' interest in locating its facilities in the Authority's Cane Creek Centre project located in Pittsylvania County, Virginia, and (ii) for discussion concerning the disposition of certain publicly held real property in that project, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

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

VOTE: 4-0
AYE: Bowman, Harville, Saunders, Shanks (4)
NAY: None (0)

B. On **Motion** by Mr. Shanks and **second** by Mr. Harville and by unanimous vote at 1:43 p.m., the Authority returned to open meeting.

C. Mr. Harville **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;

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: Bowman, Harville, Saunders, Shanks (4)
NAY: None (0)

8. COMMUNICATIONS

Ms. Bowman noted there was a young lady at the meeting earlier she wanted to introduce, who had to leave; today is Pittsylvania County Youth Commission Shadow Day. Students are all over the City and County, in businesses of their career choices for the future. Ms. Doss was shadowing Brian Bradner and the people at Dewberry. Students were at Centra Gretna, Centra PrimeCare in Danville, Dr. Adamson's office in Danville, Steve Padgett Honda, Dewberry, Reynolds Clark and one is riding with the Sheriff. Ms. Bowman noted the Board is looking forward to hearing back from them about their experiences and thanked

Danville's businesses for participating as well. Mr. Harville noted his appreciation to Mr. Gwaltney for hosting the RIFA Board meeting today and is looking forward to the tour. Mr. Vogler thanked Mr. Gwaltney and his staff for hosting the RIFA Board and noted the Capstone project will be a great asset for the region.

9. TOUR OF CAPSTONE INTEGRATED MACHINING TECHNOLOGY PROJECT

Mr. Gwaltney gave a brief introduction before the tour of the Capstone project, thanked the RIFA Board for approving the signage and distributed a handout showing what the new signage will look like on the building. Mr. Gwaltney gave the RIFA Board a summary of Capstone and explained that Mr. Haas has donated a $1,000,000 endowment for this program and will also give several hundred thousand dollars in scholarships to the students for the Capstone and Precision Machine program. They have put $650,000 worth of equipment in the building and that will be replaced every two years, free of charge; the students will always have current equipment. Mr. Gwaltney reviewed other donors, including DRF and Sandvik, their contributions to the project and noted over $7M will have been put into this program. Tom Loehr, who retired from Rolls Royce, has been hired and he is working with area Economic Development and the Capstone Program to develop an economic development game plan based on Capstone. Mr. Harville asked if it would be beneficial for the RIFA Board to endorse the program, in appreciation of Gene Haas and the others, and Mr. Gwaltney noted he believed it would be.

Mr. Sides and Mr. Tucker discussed marketing Capstone for economic development in the region as the program is developing its technology and the infrastructure for companies. Mr. Tucker noted his agreement with Mr. Sides, they are working with Tom Loehr on what assets the region has that need to be marketed, that companies are interested in hearing about, who are those particular suppliers that would be most likely to locate here and what methodology does the City and County use to get in front of those decision makers so that they do consider the Danville Pittsylvania County area for eventual location. In the short term, there will be some exporting of talent, but in the long term, the expectation is those firms will make location decisions here in the region.

Mr. Harville requested to Amend the Agenda to add a that a Resolution of appreciation to the donors of the Capstone Project be prepared and requested Mr. Saunders discuss this with Mr. Gwaltney and bring this back to the Board.

Members of the Board and staff were taken on a Tour of the Capstone Integrated Machining by Mr. Gwaltney.

The Meeting adjourned at 2:48 p.m.

Chairman

Susan M. DeMan
Secretary to the Authority