

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
August 10, 2015

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:10 p.m. on the above date in the Danville Regional Airport Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Fred O. Shanks, III and Alternate J. Lee Vogler. Pittsylvania County Members present were Vice Chairman Coy E. Harville, James A. Snead and Alternate Brenda H. Bowman. Chairman Sherman M. Saunders entered the meeting at 12:30 p.m.

City/County staff members attending were: City Manager Joe King, Pittsylvania County Administrator Clarence Monday, Director of Economic Development Telly Tucker, Assistant Director of Economic Development Corrie Teague, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Director of Public Works Ric Drazenovich, 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.

Mr. Harville asked for a **Motion** to Amend the Agenda to add a New Item 5D. Mr. Shanks moved to *add New Item 5D to the Agenda*, the Motion was **seconded** by Mr. Snead.

Mr. Harville noted a copy of the new item was provided.

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

VOTE: 4-0
AYE: Harville, Snead, Shanks, Vogler (4)
NAY: None (0)

PUBLIC COMMENT PERIOD

No one desired to be heard.

4. APPROVAL OF MINUTES FOR THE JULY 13, 2015 MEETING

Upon **Motion** by Mr. Shanks and **second** by Mr. Vogler, Minutes of the July 13, 2015 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION – RESOLUTION 2015-08-10-5A – ENDORSEMENT OF DANVILLE URBANIZED AREA MPO FOR VIRGINIA HOUSE BILL 2 GRANT FUNDS

Director of Public Works Ric Drazenovich explained in 2014, the General Assembly adopted House Bill 2 which changed the way highway improvement projects are going to be selected. Projects are going to be prioritized using several factors: congestion mitigation, economic development, accessibility, safety and environmental quality. Mr. Drazenovich further explained in places like northern Virginia, congestion is weighted more heavily; in rural areas, economic development will be weighted more heavily. Staff, over the past few months, met with numerous VDOT representatives, discussed the needs in highway improvements in Danville and Pittsylvania County and how they should be submitted and

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
August 10, 2015

prioritized. Staff has determined that access improvement to Berry Hill Road and improvements to the intersection should be submitted and would be viable candidates. House Bill 2 encourages the municipalities and MPOs to scale a project to a size where the cost benefit would be a high ratio. Mr. Drazenovich noted there is a resolution in front of the Board to endorse and recommend the Danville MPO and Pittsylvania County applications. Mr. Drazenovich notes it will have to be modified as it says "Danville MPO" only and the resolution notes the Berry Hill Road widening and the intersection as one project. After further discussion, and after staff submitted this resolution, Rick Youngblood, who is handling this to VDOT, suggested those two projects should be separate and that there would be a better chance of getting them both funded. The MPO would submit the intersection project and the County could submit the road widening project.

Mr. Drazenovich noted VDOT is putting together the estimate cost of these projects and submitting it on the City and County's behalf. One thing that has to be done to estimate the road widening project cost is to take core samples all the way down Berry Hill Road at quarter mile increments, ten foot deep, to see the subgrade. That determines if the whole road needs to be replaced or just new, wider shoulders and emergency exit lanes on the shoulders. The entity submitting the application has to absorb the cost and staff's estimate is \$32,000. Greg Sides noted he believed it would be good for RIFA to endorse both projects.

Mr. Drazenovich noted staff has talked about modifying the Resolution to add "and Pittsylvania County" at each location where it says MPO. In effect, if staff modifies the resolution, the RIFA board would be endorsing both the MPO and Pittsylvania County for both projects.

Mr. Snead **moved** adoption of **Resolution 2015-08-10-5A** *a Resolution of endorsement and recommendation of Danville Urbanized Area Metropolitan Planning Organization for Virginia House Bill 2 Program Grant Funds for Fiscal Year 2017, regarding State Road 311 (Berry Hill Road) access and widening project.*

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

Mr. Snead questioned if the \$32,000 amount was for both the widening and the intersection and Mr. Drazenovich noted the \$32,000 is for the subgrade exploration for the road widening. Mr. Drazenovich believed work had recently been done on the intersection so they have that information.

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

VOTE: 4-0
AYE: Harville, Snead, Shanks, Vogler (4)
NAY: None (0)

Mr. Drazenovich noted the first amendment staff is proposing is in the first paragraph, second line, after Metropolitan Planning Organization, staff would like to add "and Pittsylvania County" so that it supports both of the applications.

Also, on the fourth "WHEREAS", first line, where it says Danville Urbanized Area Metropolitan Planning Organization, after that add "and/or Pittsylvania County."

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
August 10, 2015

The third change is after "THEREFORE, BE IT RESOLVED," Item 1, second line, after "Metropolitan Planning Organization" staff would like to add "and/or Pittsylvania County's application".

The last change, if the Board is in agreement, to authorize the \$32,000, staff needs to add a number under "THEREFORE, BE IT RESOLVED," to read "authorize up to \$32,000 for Cane Creek for core sampling for the length of Berry Hill Road."

Mr. Shanks questioned if Mr. Drazenovich meant to say Cane Creek and Mr. Drazenovich noted no, that was an error; Mr. Harville noted it would be from the North Carolina line to Route 58.

Mr. Shanks questioned in the beginning paragraph of the Resolution was it the "Danville Urbanized Area Metropolitan Planning Organization" or is it Danville-Pittsylvania County Metropolitan Planning Organization. Mr. Drazenovich noted he believed it was just Danville and Mr. Sides noted he believes the Urbanized Area designation is Danville. Mr. Harville noted his agreement.

Mr. Shanks **moved** adoption of the amendments to the Resolution. The motion was **seconded** by Mr. Vogler and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Shanks, Vogler (4)
NAY: None (0)

5B. CONSIDERATION – RESOLUTION 2015-08-10-5B – ACCEPTING GRANT #3011

City of Danville Director of Economic Development Telly Tucker explained last month the Board had passed a resolution for the relocation of an electric line or water system improvement. The water system project was approved and staff simply needed to rename the application. What is in front of the Board is the letter of agreement with the new project description installing a 20" water line from the North Carolina/Virginia state line to Oak Ridge Road, connecting to the existing 16" line previously installed for Berry Hill industrial park. This line will eventually be extended from the state line and connected to the water system in Eden, North Carolina. The supplemental information that was submitted with the application is included in the letter of agreement including the Phase II water system improvement breakdown and also the grant conditions.

Mr. Snead **moved** adoption of **Resolution 2015-08-10-5B** a *Resolution accepting a Grant #3011, consistent with the application submitted pursuant to Resolution 2015-03-09-5A, to the Tobacco Indemnification and Community Revitalization Commission (the "Commission") in the amount of \$2,241,567.00 for water system improvements Phase II (Virginia System) work to the Authority's Berry Hill Industrial Park Project, in Pittsylvania County, Virginia, and authorizing the Chairman or Vice Chairman of the authority to execute and deliver, on behalf of the authority, that certain letter of agreement dated May 21, 2015, between the Authority and the Commission for such grant funds, and any other necessary documents pertaining thereto.*

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

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
August 10, 2015

Mr. Harville questioned Mr. Tucker about the breakdown on page 14, the City and County portion, and Mr. Tucker noted it was 10%. Mr. Harville questioned Mr. Monday if this was in the County's budget and Mr. Monday noted it was part of the economic development funds.

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

VOTE: 4-0
AYE: Harville, Snead, Shanks, Vogler (4)
NAY: None (0)

5C. FINANCIAL STATUS REPORT AS OF JULY 31, 2015

City of Danville Director of Finance Michael Adkins noted that the \$7.3M Cane Creek Bond shows \$1,045 to Dewberry for the Wetlands Monitoring. General Expenditures for FY15 paid out in July show the normal monthly expenses with meals at \$243, Utilities \$33 and Legal Expenses just under \$6,000. There is a new sheet representing the FY16 budget under General Expenditures which shows no expenditures from the FY16 monies as of July 31st, but Mr. Adkins noted staff has encumbered all the accounting fees that relate to the audit of FY15. Mega Park Funding Other Than Bonds show no expenditures to report for July. Berry Hill Mega Park Lot 4 Site Development also shows no expenditures. The Rent, Interest and Other Income Realized shows the \$17,606 monthly fee to the Institute for the Hawkins' Building Property Management Fee paid in July.

Mr. Shanks **moved** to accept the Financial Report as of July 31, 2015 as presented; the Motion was **seconded** by Mr. Vogler and approved by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Shanks, Vogler (4)
NAY: None (0)

5D. CONSIDERATION OF RESOLUTION 2015-08-10-5D APPROVING DEED OF EASEMENT TO THE CITY OF DANVILLE FOR CANE CREEK CENTRE PROJECT

Director of Economic Development Telly Tucker noted this was a previously approved relocation and Mr. Guanzon noted at the time, the metes and bounds were not identified, this is just confirming that.

Mr. Snead **moved** adoption of **Resolution No. 2015-08-10-5D** a *Resolution approving that certain Deed of Easement to the City of Danville, Virginia, pertaining to the relocation of a Utilities Easement in the Authority's Cane Creek Centre Project located in Pittsylvania County, Virginia, as approved by Resolution 2014-02-10-5A.*

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

VOTE: 4-0
AYE: Harville, Snead, Shanks, Vogler (4)
NAY: None (0)

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
August 10, 2015

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 12:30 p.m., Mr. Vogler **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; and

B. 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 Berry Hill Industrial Park 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; and

C. As permitted by Section 2.2-3711(A)(3) of the Code of Virginia, 1950, as amended, for discussion or consideration of the acquisition of real property for addition to one of the Authority's projects, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

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

VOTE: 4-0
AYE: Harville, Snead, Shanks, Vogler (4)
NAY: None (0)

D. On **Motion** by Mr. Snead and **second** by Mr. Shanks and by unanimous vote at 12:57 p.m., the Authority returned to open meeting.

E. Mr. Shanks **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

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
August 10, 2015

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. Snead and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Shanks, Vogler (4)
NAY: None (0)

7. COMMUNICATIONS

Mr. Snead noted the Boy Scouts in the Dan River District are redoing the old Grange Building in Ringgold and asked about the old garage on the large property which is owned by RIFA. They are requesting some of the old boards for their project; Mr. Snead asked if they can get to the old garage. Mr. Harville noted he believed that should be referred to Mr. Drazenovich and Mr. Sides, to let them review that and come back to the Board with their recommendations.

Ms. Bowman reminded everyone of the *State of the Region, State of the City and County*, the next morning at 7:30 a.m. at the Institute for Advanced Learning and Research.

Mr. Harville noted his appreciation for the concern from members; by the next meeting he should be finished with his radiation treatments.

There were no further communications from Board Members or Staff.

The Meeting adjourned at 1:00 p.m.


Chairman


Secretary to the Authority