

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

August 8, 2016

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:30 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Danville, Virginia. Present were City of Danville Members Vice Chairman Sherman M. Saunders, Fred O. Shanks, III and Alternate J. Lee Vogler. Pittsylvania County Members present were Chairman Jessie L. Barksdale and Robert Warren; Alternate Elton W. Blackstock was absent.

City/County staff members attending were: City Manager Ken Larking, Deputy City Manager Earl Reynolds, Pittsylvania County Administrator Clarence Monday, City of Danville Director of Economic Development Telly Tucker and Assistant Director of Economic Development Corrie Teague, Pittsylvania County Director of Economic Development Matt Rowe, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Director of Finance Michael Adkins and Assistant Director of Finance Patricia Conner, City of Danville Senior Accountant Henrietta Weaver, Clement Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi.

Also present were Shawn Harden of Dewberry & Davis, City of Danville Mayor John Gilstrap, Council Members Gary P. Miller, L.G. "Larry" Campbell, Jr., and Madison Whittle.

**PUBLIC COMMENT PERIOD**

No one desired to be heard.

**APPROVAL OF MINUTES FOR THE JULY 11, 2016 MEETING**

Upon **Motion** by Mr. Shanks and **second** by Mr. Warren, Minutes of the July 11, 2016 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

**NEW BUSINESS**

Mr. Barksdale noted there were several guests attending today's meeting and Mr. Tucker introduced Mr. Kevin Sloane, Chairman of Overfinch who thanked the RIFA Board for welcoming them to Danville. Mr. Tucker introduced Mr. Alex Sloane, and Mr. Drake Masters who will be heading up the Danville Facility who also thanked everyone for their support. Mr. Tucker also recognized Mr. Even Feinman from the Virginia Tobacco Commission. Mr. Tucker showed a short video on Overfinch and Mayor Gilstrap and Chairman Barksdale presented gifts to Mr. Kevin Sloane.

**5A. CONSIDERATION – REQUESTS FROM WG INVESTMENTS, INC., AND GUILFORD WHITETAIL MANAGEMENT FOR ONE YEAR HUNTING LEASES AT BERRY HILL**

Pittsylvania County Director of Economic Development Matt Rowe explained staff received a request for a lease and wanted to review with the Board the activity that will be happening in Berry Hill. Mr. Rowe reviewed the areas that are being requested for the hunting leases, noting Phase I construction with the conditional permit should be moving forward with the solicitation process shortly. Project Lignum has been discussed as well as Project 950 and there is also utility construction with water and sewer lines going through the park. The entire park is going to have some form of activity. Mr. Rowe noted people being out there is not going to be conducive to hunting and will also present, from staff's perspective, a safety

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

August 8, 2016

issue. Staff wanted to make sure Board members were aware of all of the activity going on and staff also expects further news coming in the next several days concerning activity in Berry Hill.

Mr. Guanzon explained a few months ago, the RIFA Board had adopted renewal of an area for a hunting lease and right before it was presented to Guilford Whitetail Management, staff alerted him to all the work that would be happening in the park. Staff had to cut a portion of the land out of the middle; it was presented to Guilford and they declined. When that happened, WG Investments asked for a portion; Guilford Whitetail didn't want both so they asked for one piece as well. At that point, staff discussed it and in light of the development for the Utilities, the Williams Transco Gas Pipeline Expansion that was already approved, the permit, the water and sewer and the Purchase and Sales Agreements that are being worked on, staff noted it was not going to be a good idea to have anymore hunting activities in those areas. Mr. Guanzon noted this information was for the Board to make a decision if they should chose to renew one, both or none of the leases and take out the hunting leases altogether.

Mr. Rowe noted there are water and sewer lines going to Lot 12, in addition to potentially as far as the rail spur area. Mr. Shanks questioned the timing on the water and sewer on that particular piece and the railroad spur and Mr. Rowe explained Phase I is not under consideration for the hunting lease at all; with the water and sewer that is sooner rather than later and that water and sewer goes all the way down Berry Hill, through the various lots, and it is very important for various projects. Mr. Shanks noted he wouldn't want the Board to sign leases with imminent construction and wanted to make sure they actually are imminent. Mr. Saunders noted with all the activities going on and proposed activities, he is reluctant to take any action with regard to the requests. Mr. Saunders noted his thinking was just leave it as is, not only for safety reasons but because of other activities going on.

Mr. Warren noted RIFA will have one lease left if it takes no action on this particular lease and that would be a sod lease; Mr. Rowe noted there is also a hay cutting lease. Mr. Warren noted the new group that came forward is made up entirely of either Danville or Pittsylvania County citizens; he would like to be sure RIFA lets them know that RIFA certainly takes them into consideration if it was going to do any leases, they would be moved to the front. Mr. Barksdale noted his position was that RIFA do no hunting leases to anyone. Mr. Vogler noted his agreement and RIFA's focus moving forward should be on economic development.

Mr. Guanzon noted the Board had two choices, first to have an affirmative motion that there will be no hunting leases in the Mega Park or the Board could decide not to do anything at all in which case there will be no action taken on these items.

Mr. Shanks made a **Motion** *that there be no further hunting leases signed for the Mega Park*; the Motion was **seconded** by Mr. Saunders and carried by the following vote (Resolution 2016-08-08-5A - no written Resolution):

VOTE: 4-0  
AYE: Barksdale, Warren, Saunders, Shanks (4)  
NAY: None (0)

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

August 8, 2016

**5B. FOLLOW UP ON REVENUE REFUNDING BOND - CANE CREEK PROJECT**

City of Danville Director of Finance Michael Adkins explained both the City and the County passed their support resolutions, all related documents were received, reviewed and executed and staff has received a confirming email from Patrick Dixon at Wells Fargo that the money had settled so RIFA has successfully refinanced those bonds. No further action is needed.

**5C. CONSIDERATION – RESOLUTION 2016-08-08-5C – ADJUSTMENTS TO BUDGET**

Mr. Adkins explained as they close out each fiscal year, staff reviews the RIFA Budget and how the expenditures are lining up. Staff does need to transfer money from the contingency line item to the legal expenses line item; staff is requesting a transfer of \$21,000. There has been a lot of extra activity, especially with Berry Hill, several projects, the pipeline and work that needed to be done for the easement there.

Mr. Saunders **moved** adoption of Resolution No. 2016-08-08-5C *approving request by the Authority's Treasurer for end of fiscal year adjustments to the budget.* [no written resolution]

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

VOTE: 4-0  
AYE: Barksdale, Warren, Saunders, Shanks (4)  
NAY: None (0)

**5D. FINANCIAL STATUS REPORT AS OF JULY 31, 2016**

Mr. Adkins reviewed the Financial Status report as of July 31, 2016, noting there is a mixture of FY16 and FY17 schedules. On the current FY17, for the end of July, bond expenditures for Cane Creek show one expenditure of \$2,262 for legal expenses. Under General Expenditures for FY16, staff pro formed this anticipating the approval of the \$21,000 movement from contingency to legal; RIFA had \$75,746 for legal, \$31 for utilities and \$285 for meals. At this point, those are the final expenditures for 2016 unless staff receives additional invoices. The current year, FY17 General Expenditures, show RIFA has received funding from both the City and County of \$75,000 from each in support of the RIFA budgets; that was the only activity for July. Spending for the Mega Park Funding Other than Bonds shows no activity for the month of July and Berry Hill Mega Park Lot 4 Site Development shows no expenditures. For FY16, RIFA did receive Interest of \$458 and paid \$18,875 to the Institute for Advanced Learning and Research for the Hawkins' Building Management Fee. The FY17 Rent, Interest and Other Income Realized shows RIFA received almost \$18,876 from the Institute for rent for the Charles Hawkins' Research Building and monthly rent of \$300 from Securitas.

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

VOTE: 4-0  
AYE: Barksdale, Warren, Saunders, Shanks (4)  
NAY: None (0)

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

August 8, 2016

**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.]*

At 12:59 p.m. Mr. Saunders **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting:

A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended ("Virginia Code"), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business's interest in locating its facilities in one or more of the Authority's projects located in Pittsylvania County, Virginia, and/or Danville, Virginia;

Mr. Shanks continued the **Motion**:

B. As permitted by Virginia Code § 2.2-3711(A)(40) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development); and

C. As permitted by Virginia Code §§ 2.2-3711(A)(3) and (29)(i) for discussion or consideration of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and (ii) for discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.

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

VOTE: 4-0  
AYE: Barksdale, Warren, Saunders, Shanks (4)  
NAY: None (0)

D. On **Motion** by Mr. Saunders and **second** by Mr. Shanks and by unanimous vote at 1:40 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;

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

August 8, 2016

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. Warren and carried by the following vote:

VOTE: 4-0

AYE: Barksdale, Warren, Saunders, Shanks (4)

NAY: None (0)

**7. COMMUNICATIONS**

Mr. Saunders thanked staff for putting this meeting together as well as inviting the guests. Also thanks to Pittsylvania County, and to Mayor Gilstrap for being here as well.

Mr. Shanks thanked staff for all the hard work they have done.

Mr. Vogler thanked Mr. Gwaltney and the Institute for the fantastic lunch and thanked staff for the great job they are doing.

Mr. Warren thanked staff, complimented the City and the entire RIFA project, it really presents itself well and is a good example to other areas to try to develop the same type of relationship. Staff has been outstanding and has done a great job. Mr. Warren thanked Mr. Guanzon for all he does.

Mr. Barksdale thanked staff for their work and noted it was a pleasure to represent the Pittsylvania County Board of Supervisors and in the good company of Mr. Larking and Mr. Saunders on their trip abroad. Mr. Barksdale thanked Mr. Tucker and Mr. Rowe for their planning; everything worked out quite well and thanked Mr. Shanks for chairing the last meeting, and staff for the good work everyone does.

The Meeting adjourned at 1:45 p.m.

  
Chairman

  
Secretary to the Authority