

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

April 10, 2017

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:15 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. (Mr. Vogler entered the meeting at 12:18 p.m.) Pittsylvania County Members present were Vice Chairman Jessie L. Barksdale, Robert Warren and Alternate Elton W. Blackstock.

City/County staff members attending were: City Manager Ken Larking, Deputy City Manager Earl Reynolds, City of Danville Director of Finance Michael Adkins, Pittsylvania County Economic Development Director Matt Rowe, Governmental Affairs Consultant Linwood Wright, Clement Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden and Brian Bradner of Dewberry & Davis, and Danville City Council Member Madison Whittle.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF MINUTES FOR THE MARCH 13, 2017 MEETING

Upon **Motion** by Mr. Barksdale and **second** by Mr. Shanks, Minutes of the March 13, 2017 Regular Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

Mr. Saunders welcomed Council Member Madison Whittle to the meeting and noted he would like to hear from Board Members and staff who were present for the Berry Hill Groundbreaking, to get their comments on how everything went, their thoughts, and any feedback they heard. Mr. Saunders noted he thoroughly enjoyed and appreciated the groundbreaking, was very impressed with Dewberry for all the planning they have been doing regarding Berry Hill and was especially impressed with Haymes Brothers, to turn all that earth since the first of the month. It was amazing how much work they got done in a short period of time. He thought the gathering was good, enjoyed everyone being there and thought it was well organized.

Mr. Barksdale echoed Mr. Saunders sentiment, explaining he enjoyed a song of Paul Simon's, *Born at the Right Time*, and when he is in situations like that ceremony, thinks how fortunate it was for him to be an elected official, engaged in some small part of all of this, witnessing work that was started long before he was on the RIFA Board. He thanked the individuals who handled that before he was on the Board, all the hours people had discussions and talked about this, and noted he was very proud to be on this Board.

Mr. Shanks noted he does not think there is anybody in this room that doesn't understand the historical significance of what occurred at that groundbreaking, noting he can't help but look back to 2008 when the bond market fell apart, the Board had not bought the property yet, and lenders who were lined up were gone and were not going to finance the deal. Then there was the lawsuit from the people who believed the Board was up to no good, then having to deal with the Federal government, the EPA and the newer environmental regulations. Mr. Shanks stated he looks forward to seeing great things occur there, and also to say thank you to Dewberry for getting RIFA through the environmental quagmire to where they are now.

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Mr. Blackstock noted he was unable to attend but did watch the ceremony which was streamed on line and noted he was impressed. He stated he is not always right, a lot of times he is wrong, but always tries to be honest and when Berry Hill was started, he was pessimistic. Mr. Blackstock noted he changed his mind a long time ago about this project and is thankful to the people who had the foresight to initiate this accomplishment, and appreciated the work done in the past by all the Board members, former members and staff. Mr. Blackstock stated they can't be a single entity anymore, they have to work together as a region, that is what the taxpayers expect them to do, they can set the example on the local level and is proud to be a part of it.

Mr. Warren stated Mr. Barksdale summed it up very well and would echo those comments, but also noted he stood out there that day in amazement of what can really happen when entities come together, and not just Eden, the State, Pittsylvania County or Danville but people that are in the private sector. They have a job to do, but they do it very well, with passion, noting he was speaking about Dewberry and Clement & Wheatley. Their work is very impressive, they were a very big part of the project and he appreciates them. It was amazing when State people came in, saw what was going on between Danville and Pittsylvania County and realized the value of it to the point that they are now using this as a little bit of a model of how "Go Virginia" will look. It goes to show how important it is for them to work together; a lot more can get done together rather than separate.

City Manager Ken Larking noted he would echo a lot of what was already said, being part of an historic occasion was great, and he also came in late in this process. Having Pittsylvania County and Danville, as well as North Carolina involved was an achievement and it was great to see representatives from all those areas come and speak so highly of regional cooperation; the leaders are moving the region forward in the right direction. Mr. Larking thanked the staff, Kim Custer in particular, who worked very hard to make sure the logistics of the event went off well, she did a great job.

Matt Rowe echoed what has been said; being new and coming in on the tail end was one of the things that attracted him to his position, knowing it was going to be something they could market. Mr. Rowe stated the Board did what they said they were going to do, giving staff a one of a kind marketable product in the state. Now, the pressure was on for him and Mr. Tucker to come through for the Board and the region to utilize and get the highest and best value for that piece of property. Mr. Rowe noted also that Kim Custer and Laura Ashworth really put the event together, and thanked them for doing that. It was a great event, it really shows the region can do a lot more together than apart.

Mr. Vogler noted this was many years in the making and in the five years he has been on Council and RIFA, oftentimes he has been asked what the most frustrating thing was and his answer was probably common with everyone who has been involved in it, has been the Berry Hill Mega Park; knowing RIFA had done everything they could do and still not able to see dirt get turned out there. The progress that has been made has been tremendous to watch; it was very exciting, not only what has happened already, but what will be happening in the years ahead. It took a lot of people and a lot of years to make this happen and feels very privileged to have been a small part of it. Mr. Vogler noted he looks forward to what comes next and thanked everyone involved in making this happen.

Linwood Wright noted he and Mr. Saunders are the only two people here today who were involved in the first formal session that Danville City Council and Pittsylvania County Board

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of Supervisors held; that was in 1997 in Wintergreen and they talked about developing a major industrial park jointly. That began twenty years ago. Mr. Whittle noted he was unable to attend but did see it on River City TV; City and County both working together is what it takes. Mr. Barksdale acknowledged Clement Wheatley and Mr. Guanzon; he is superman and when Mr. Barksdale leaves the meetings, he knows everything is always going to be alright. Mr. Saunders noted his agreement.

Mr. Guanzon stated it has been an honor and a privilege for his firm to represent RIFA. As a homegrown native of the area, Mr. Guanzon stated it has been amazing to think, when seeing the economic downturns and challenges to the entire region, certain individuals started to have a vision, that vision is being realized and appears to have shared hope, not only hope but excitement as to the prospects of what this region can really become. Mr. Guanzon noted he was very appreciative and congratulated everyone for not only the hard work but for keeping their minds open to see what can be accomplished with cooperation and team work.

Mr. Bradner noted on behalf of Dewberry, he can't thank the Chairman enough, the Board and everyone for allowing Dewberry to play a part in this project; being able to touch things that impact the community that is home and that are going to have a generational effect. It is gratifying, an honor and privilege to participate in that. Mr. Bradner noted a lot has been said about regional cooperation; the staff in both the City and the County are a very well-oiled machine. They have the opportunity working with other regions, what RIFA has, they do not see in other places, it is truly unique. Mr. Bradner thanked RIFA for allowing Dewberry to play a role and to be able to help RIFA help the region. Mr. Bradner noted he wanted to publicly acknowledge Mr. Harden's efforts and his team, he really lives this project, he is doing a fantastic job and thanked him for his dedication and the entire team.

Mr. Shanks noted he looks back and thinks about Lyle Lacy and his leadership during the beginning of this endeavor, he was invaluable.

NEW BUSINESS

5A. CONSIDERATION – RESOLUTION 2017-04-10-5A APPROVING A CHANGE ORDER AT BERRY HILL REGARDING RELOCATION OF POWER LINE AND AREA FOR LOADING DECK AND PLACE A SILT FENCE

Shawn Harden of Dewberry explained the City of Danville has a single-phase line that cuts across the pads; in order to make the pads better, they have asked the City of Danville to relocate that line. It does two things, it relocates the line outside of the pads, and it gives the City of Danville a new line that is visible from the road. It also sets up for the future for the City of Danville to run three-phase power from the substation to the two sanitary sewer pump stations.

Mr. Barksdale asked for clarification, in the letter from Haymes Brothers, at the very end of the letter on the clarifications "proposed cutting is not required to be performed by April 15, 2017, but if it can, it would be good." Mr. Harden explained the April 15th deadline is from RIFA's current permit which has a time of year restriction for tree removal because of the bats. That is not associated with this project and he recommends that even though it is going to be done under that contract, it stays as a separate project just for that reason.

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Mr. Barksdale **moved** adoption of *Resolution 2017-04-10-5A, approving a change order to the site development work approved under Resolution No. 2017-02-24-4A, whereby Haymes Brothers, Inc., a Virginia corporation, would also (i) clear a certain area in the Authority's Berry Hill Industrial Park project, located in Pittsylvania County, Virginia, in order for Danville Utilities to survey the route for relocation of a power line located in the Phase I grading area; (ii) clear approximately 1.5 to 2 acres for use as a loading deck; and (iii) place a 4,500 linear feet silt fence, at a lump sum price of \$36,172.*

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

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

5B. CONSIDERATION – RESOLUTION 2017-04-10-5B – APPROVING A CHANGE ORDER AT BERRY HILL REGARDING AMOUNT OF UNDERCUT

Mr. Harden explained this item is to establish a unit cost for the geotextile fabric; when they started clearing some of the wetland that they got permitted, some of the cuts that were needed to remove were getting fairly deep so they had Froehling & Robertson look at it and they recommended they could reduce the amount of undercut two or three feet by placing this fabric. The undercut is \$8 a cubic yard, this fabric is going to cost \$3 a square yard; it is a measure that is going to help RIFA save money in the future.

Mr. Barksdale noted it will cost \$3 per square yard, what is the area and Mr. Harden noted it will just be where the wet area is, about 4,000 or 5,000 square yards. Mr. Barksdale questioned Mr. Guanzon if there should be a total figure and Mr. Guanzon noted it is okay as is. That essentially reduces the undercut area that has to be done, and replaces it with the geo-fabric, there will be a net savings and there will be less undercutting. Mr. Warren noted the Resolution makes reference to it being \$8 originally per square yard and reducing it to \$3 and Mr. Harden explained the undercut unit cost in the contract is \$8 per cubic yard; if you have one square yard and have to cut three foot out, for every three foot of cut, if you place this fabric you will end up saving \$5 per square yard. Mr. Rowe asked if Mr. Harden could explain to the group this is not going to impact compaction analysis or anything like that and Mr. Harden noted no, what the geotextile does is creates a foundation for them to backfill all top loads. They cut the soil down to look at what the geotechnical engineer determines as suitable base before they place this fabric on it. It is going to be just as good as undercutting it all the way out.

Mr. Warren **moved** adoption of *Resolution 2017-04-10-5B, approving a change order to the site development work approved under Resolution No. 2017-02-24-5B, whereby Haymes Brothers, Inc., a Virginia corporation, to minimize the amount of undercut and associated costs required in the wet areas in the Authority's Berry Hill Industrial Park project, located in Pittsylvania County, Virginia, would supply and place certain geotextile fabric at a unit cost of \$3 per square yard.*

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

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

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5C. FINANCIAL REPORT AS OF MARCH 31, 2017

Authority Treasurer Michael Adkins noted under the \$7.3M for Cane Creek Centre there was no activity for the month of March. General Expenditures show RIFA expended \$271.00 for meals and \$31.00 for Utilities. Mega Park Funding Other than Bonds shows no activity for March. Berry Hill Mega Park Lot 4 shows \$3,560.00 to Dewberry for Amendment #10, the purchase of Wetland and Stream credits from Bannister Bend Farms of \$22,968.00, and \$9,600.00 to the Treasurer of Virginia for a General Construction Permit at Lot Site 4. Rent, Interest and Other Income for the month of March shows \$21,400.00 rent received from the Institute for Advanced Learning and Research for the Hawkins' Building, \$724.00 Interest Income and RIFA paid \$21,400.00 to the IALR for the property management fees related to the Hawkins' Building.

Mr. Barksdale **moved** to accept the Financial Report. 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)

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 12:51 p.m. Mr. Barksdale **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purpose:

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; and

Mr. Shanks further **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purpose:

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

Mr. Warren **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purpose:

C. As permitted by Virginia Code §§ 2.2-3711(A)(3) 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.

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The Motions were **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. Barksdale and **second** by Mr. Shanks and by unanimous vote at 1:43 p.m., the Authority returned to open meeting.

E. Mr. Barksdale **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: Barksdale, Warren, Saunders, Shanks (4)
NAY: None (0)

7. COMMUNICATIONS

Mr. Saunders thanked everyone for coming out today.

The Meeting adjourned at 1:46 p.m.


Chairman


Secretary to the Authority