

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

October 15, 2019

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:16 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Drive, Room 206, Danville, Virginia. Present were City of Danville Members Chairman Fred O. Shanks, III, Sherman M. Saunders and Alternate J. Lee Vogler. Pittsylvania County Members present were Vice Chairman Robert W. Warren and Ronald S. Searce; Alternate Elton Blackstock was absent.

City/County staff members attending were: City Manager Ken Larking, Deputy City Manager Earl Reynolds, County Administrator David Smitherman, Project Manager Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe, Assistant County Administrator for Planning & Development Gregory Sides, Project Manager Susan McCullough, City of Danville Director of Finance Michael Adkins, City of Danville Accountant Henrietta Weaver, Christian & Barton Attorney Michael Guanzon, and Secretary to the Authority Susan DeMasi. Also present were Brian Bradner and Shawn Harden from Dewberry & Davis.

**PUBLIC COMMENT PERIOD**

No one desired to be heard.

**APPROVAL OF MINUTES OF THE SEPTEMBER 9, 2019 MEETING**

Upon **Motion** by Mr. Saunders and **second** by Mr. Searce, Minutes of the September 9, 2019 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

Chairman Shanks noted Item 6C under the Closed Session needed to be removed from the Agenda. Mr. Searce **moved** to remove Agenda Item 6C from the Closed Session. The Motion was **seconded** by Mr. Saunders and carried by the following vote:

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

**NEW BUSINESS**

**5A. CONSIDERATION OF RESOLUTION NO. 2019-10-15-5A, APPROVING NON-FINANCIAL SUPPORT FOR THE GO VIRGINIA COALITION**

County Administrator David Smitherman explained Go Virginia Region 3 has asked both local industrial facility authorities to join Go Virginia, as organizations stating their support. The SR RIFA board approved this at their last meeting; it has been requested that the Danville Pittsylvania RIFA join as an organization, and a publicly listed supporter of Go Virginia.

Mr. Warren **moved** for adoption of *Resolution No. 2019-10-15-5A, a Resolution approving that Certain Statement of Non-Financial Support for the Go Virginia Coalition and Consenting to be Listed as a Coalition Member Strengthening Virginia's Economic Development.*

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

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

**5B. CONSIDERATION OF RESOLUTION NO. 2019-10-15-5B, RATIFYING A \$200.00 ADJUSTMENT TO THE MOWING SERVICES FEE APPROVED UNDER RESOLUTION NO. 2019-09-09-5A**

Pittsylvania County Director of Economic Development Matt Rowe explained the original contract was for about \$3,500. The Board had requested staff to go back to the contractor to see if they would do an amendment for bush hogging and maintaining the existing house on Lot 3; they came back with a \$200 charge. Staff was asking for ratification of that.

Mr. Saunders **moved** for adoption of *Resolution No. 2019-10-15-5B, ratifying a \$200.00 Adjustment to the Mowing Services Fee Approved Under Resolution No. 2019-09-09-5A, for One-Time Mowing and Clearing Services Related to the Authority's Southern Virginia Megasite at Berry Hill Located in Pittsylvania County and the Cane Creek Centre Industrial Park Project Located in Pittsylvania County and Danville, Virginia.*

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

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

**5C. CONSIDERATION OF RESOLUTION NO. 2019-10-15-5C, AUTHORIZING A MEMORANDUM OF UNDERSTANDING FOR THE INSTALLATION OF UTILITY SERVICES AND THE PROVISION OF WATER AND SEWER SERVICES FOR THE AUTHORITY'S SOUTHERN VIRGINIA MEGASITE AT BERRY HILL**

City Manager Ken Larking explained City Council and the Board of Supervisors have approved this; it was now before RIFA for their approval. Staff was very close to having a finalized MOU. Mr. Shanks questioned if the Service Authority was aware RIFA was trying to get this worked out before the announcements were made and Mr. Guanzon noted their counsel has been involved in the drafting of this agreement. Mr. Larking noted there were a couple minor things that the PCSA's attorney wanted changed; the agreement has to be finalized and everyone needs to be in agreement to that.

Mr. Warren **moved** for Adoption of *Resolution 2019-10-15-5C, a Resolution Authorizing the Negotiation, Execution and Delivery of a Memorandum of Understanding – Megasite with the Authority, the County of Pittsylvania, Virginia, the City of Danville, Virginia, and the Pittsylvania County Service Authority, for the Installation of Utility Services and the Provision of Water and Sewer Services for the Authority's Southern Virginia Megasite at Berry Hill, Located in Pittsylvania County, Virginia.*

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

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

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**5D. CONSIDERATION OF RESOLUTION 2019-10-15-5D, APPROVING AMENDMENT NO. 28 WITH DEWBERRY ENGINEERS, INC.**

Brian Bradner with Dewberry explained this was for work associated with the extension and expansion of the water and sewer infrastructure in the Mega Site, primarily to extend service to Lot 7. The scope of the work and timing has been coordinated with staff and Danville Utilities.

Mr. Saunders **moved** for Adoption of *Resolution 2019-10-15-5D, a Resolution Approving Amendment No. 28, dated October 9, 2019, to Contract dated February 9, 2009, with Dewberry Engineers Inc., a New York Corporation, Professional Services Related to the Mega Park Master Plan, to Provide Water and Sewer Infrastructure Services to Lot 7 of the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, at a Lump Sum Fee of \$614,040.00, to be Funded by the City of Danville, Virginia and Potential Funds from a Tobacco Region Revitalization Commission Grant.*

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

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

**5E. FINANCIAL STATUS REPORTS AS OF SEPTEMBER 30, 2019**

Authority Treasurer Michael Adkins gave the Financial Status report as of September 30, 2019, beginning with the \$7.3M Cane Creek Bonds, noting RIFA expended \$6,896 to Christian and Barton for legal fees and \$165 to Dewberry for continued wetland monitoring. FY 2019 General Expenditures show RIFA paid \$12,318 to Christian and Barton for legal counsel, \$277 for meals and \$31 for monthly utilities. There were no expenditures for the Berry Hill Funding Other than Bonds, Lot 4 or Lot 8 Site Development. For Water and Sewer, RIFA expended \$141,089 to CW Cauley and Son for Phase I of the water construction. RIFA also received \$100,000 which was Pittsylvania County's local share on the TCR Grant #3011. Rent, Interest and Other Income for September shows RIFA received \$25,412 from the Institute for the Hawkins' Building, \$442 in interest income and received \$630,000 from the Tobacco Commission for the TROF Grant for Harlow; \$25,412 was paid to the Institute for maintenance of the Hawkins' Building. Mr. Adkins noted RIFA made their last bond payment on the Berry Hill bonds in September, with a little over \$56,000 left in the escrow account for that debt service. That should be able to be pulled back and become part of the Unrestricted Fund Balance for RIFA.

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

VOTE: 4-0  
AYE: Warren, Searce, Shanks, Saunders (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*

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*attorney-client privileged.]*

At 12:29 p.m. Mr. Saunders **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purposes:

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;

B. As permitted by Virginia Code § 2.2-3711(A)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) 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 (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) (information relating to the negotiation and award of a specific contract pertaining to the Authority’s Southern Virginia Megasite at Berry Hill project, Cyber Park project and/or Cane Creek Centre project, where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2-3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority’s projects subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease);

D. As permitted by Virginia Code §§ 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or 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.

E. As permitted by Virginia Code §§2.2-3711(A)(7) for consultation with Michael C. Guanzon, Christian & Barton, LLP, legal counsel to the Authority, and briefings by staff members or consultants pertaining to probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the Authority.

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

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

D. On **Motion** by Mr. Warren and **second** by Mr. Saunders and by unanimous vote at 1:50 p.m., the Authority returned to open meeting.

E. Mr. Warren **moved** for 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

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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. Saunders and carried by the following vote:

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

**COMMUNICATIONS**

Mr. Warren noted staff, in the recent past, had indicated the possibility of RIFA timbering in Berry Hill, or other RIFA properties, and requested staff research that and come back to the Board with recommendations.

Mr. Guanzon noted RIFA had passed Resolution 2019-06-10-5B in June, the Mid-Atlantic Broadband MBC for the communication site easement. That document has been sent over to legal counsel, and it was up to them to finish it. Resolution 2019-08-12-5D passed in August for the Mills property on route to the Mega Park, that transaction closed in the last month. Mr. Guanzon noted because the City and the County are closed on Veterans' Day, under the by-laws, the next RIFA meeting will be moved to Tuesday, November 12, 2019.

Mr. Shanks thanked staff and Dewberry Engineers for the work they do, it was very much appreciated.

Meeting adjourned at 1:56 p.m.

APPROVED:

s/Fred O. Shanks, III  
Chairman

s/Susan M. DeMasi  
Secretary to the Authority