

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

July 12, 2021

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:11 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 206, Danville, Virginia. Present were City of Danville Members Chairman Sherman M. Saunders, J. Lee Vogler, Jr., and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Vice Chairman Ronald S. Searce and Robert W. Warren. Alternate Vic Ingram was absent. *Dr. Miller entered the meeting at 12:14 p.m.*

City/County staff members attending were: City Manager Ken Larking, Pittsylvania County Director of Economic Development Matt Rowe, County Project Manager Kattie Saunders, City of Danville Project Manager Kelvin Perry, Christian & Barton Attorney Michael C. Guanzon, and Secretary to the Authority Susan DeMasi. Also present were Brian Bradner and Shawn Harden from Dewberry. *City of Danville Director of Finance/Authority Treasurer Michael Adkins, and City of Danville Accountant Henrietta Weaver, attended the meeting electronically.*

Chairman Sherman M. Saunders presided.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE JUNE 14, 2021 MEETING

Upon **Motion** by Mr. Vogler and **second** by Mr. Warren, Minutes of the June 14, 2021 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION NO. 2021-07-12-5A AUTHORIZING NEGOTIATION OF A GROUND LEASE WITH THE CITY OF DANVILLE AND PITTSYLVANIA COUNTY IDAS

City of Danville Project Manager Kelvin Perry explained this was a ground lease to construct a 30,000 square foot shell building, which would be a triple net lease, and a joint project between both IDAs. The IDAs will be responsible for the construction and maintenance of the parking lot and driveway, and access to Lot 10B. After September 1, 2022, the City and County IDAs may purchase the lot for \$1,000.00.

Mr. Warren **moved** for approval of Resolution No. 2021-07-12-5A, *Authorizing the Negotiation, Execution and Delivery of a Ground Lease with the Industrial Development Authority of Danville, Virginia, a Political Subdivision of the Commonwealth of Virginia, and the Pittsylvania County Industrial Development Authority, a Political Subdivision of the Commonwealth of Virginia, for a Portion of that Certain Real Property Containing Approximately 10.17 Acres (PIN 78359), Commonly Known as Lot 10B, in the Authority's Cyber Park Project, Located in the City of Danville, Virginia, under which the Lessee, at its Expense, would cause to be Installed an Approximately 30,000 Square Feet Building and Related Parking Lot and Driveway.*

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

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AYE: Searce, Warren, Saunders, and Vogler (4)
NAY: None (0)

Pittsylvania County Director of Economic Development Matt Rowe introduced Kattie Saunders, the County's new Project Manager.

5B. REPORT ON CONTINUATION OF SERVICES FOR LOTS 1 AND 2 AT SVM AT BERRY HILL

City Manager Ken Larking explained this was an extension of services with Dewberry, to hire someone to do an historical review of potentially significant sites on Lot 1 and 2 of the Megasite and to take whatever necessary action was needed. Mr. Rowe noted as part of the grading and permitting process with DEQ and DHR, as well as identifying historic elements on the property, a mitigation plan and historical reporting had to be done in order to obtain a permit. This was not out of the ordinary and it was expected in the budget process. Half of the project was being paid for by the Tobacco Commission, a Megasite Grading Grant, and half by RIFA funds; the total dollar amount was about \$38,600. Dewberry had an intricate knowledge of the features since they actually identified these assets as part of the Quest Site Certification process. Mr. Rowe stated he believed the County Administrator and City Manager saw that this would be like a sole source contract due to the nature of the information. The RIFA Board owns all the information that has been gathered by Dewberry, and any other consultant they paid for. If the Board wanted to try and bid this out, they could, but it would probably be a three to four week process for another consultant to get up to speed due to the intricate nature of the site. Brian Bradner of Dewberry stated that WSP was their sub-consultant for cultural resources, they have been very involved in all the work that was done collectively at the park. Likewise, this was a result of the work they have been doing directly with the Department of Historic Resources at the same level; they have a very good rapport and a very good relationship with them.

Legal Counsel to the Authority Michael Guanzon noted at the last meeting, there was approved an amendment to the by-laws that so long as the City Manager and the Country Administrator were in agreement, the dollar amount was under the \$50,000 threshold, and it follows the other type of procedure with single source policy, then it was compliant with the new by-law addition.

Mr. Warren **moved** that the *continuation of services with Dewberry for Lots 1 and 2 of the Southern Virginia Megasite at Berry Hill Project* be approved.

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

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

5H. FINANCIAL STATUS REPORTS AS OF JUNE 30, 2021

Authority Treasurer Michael Adkins gave the Financial Status report as of June 30, 2021 beginning with the Cane Creek Bonds which showed no expenditures for June. General Expenditures for Fiscal Year 2021 show RIFA did have a reimbursement for Bannister Bend

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Farm for a wetland credit of \$4,780; the expense had been originally paid out of the contingency line item, so the contingency line item was reimbursed with this payment from Bannister. Other expenditures included \$233 for meals and \$31 for monthly utilities. Funding Other than Bonds for Berry Hill showed RIFA expended \$1,375 to Dewberry for work completed under Amendment #27. RIFA closed on the loan with the Tobacco Commission Resources Authority; under the Funding Section, the last line shows RIFA received \$4.5M of the loan proceeds. On the same day the proceeds were received, they were expended to AEP for the relocation of the 69kV line. Lots 1 and 2 Site Development at Berry Hill show no activity for June, Water and Sewer at Berry Hill show RIFA expended \$11,250 to Dewberry for work completed under Amendment #28 and \$180,474 to Haymes Brothers for continued work under Phase 1 of the Sanitary Sewer system. Rent, Interest and Other Income show RIFA received \$22,817 from the Institute for the Hawkins' Building, \$2,000 from Capital Outdoor Incorporated for a lease, and earned \$30 in interest. Under Expenditures, because of timing, RIFA expended two months to the Institute, \$45,634, for the Hawkins' Building.

Mr. Scarce **moved** to accept the Financial Report as presented; the Motion was **seconded** by Mr. Vogler and carried by the following vote:

VOTE: 4-0
AYE: Scarce, Warren, Saunders, and Vogler (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 12:22 p.m. Mr. Vogler **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; and

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

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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); and

C. 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; and

D. As permitted by Virginia Code § 2.2-3711(A)(8) for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel.

E. As permitted by Virginia Code § 2.2-3711(A)(29) for discussion of the award of a public contract involving the expenditures of public funds where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.

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

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

RETURN TO OPEN SESSION

On **Motion** by Mr. Scarce and **second** by Mr. Vogler and by unanimous vote at 12:55 p.m., the Authority returned to open meeting. (Reinstatement/Unmuting of Conference Line.)

Mr. Scarce **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

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. Vogler and carried by the following vote:

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

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COMMUNICATIONS

There were no Communications from Board Members.

Mr. Rowe noted he wanted to congratulate the Board on getting the site certification through Quest Site Solutions for the Megasite; that was many years coming and this body has been working hard on it. They were working on the base for the sign at the Megasite this week, and the sign should be completed in the next two to three weeks.

Mr. Saunders noted a special thanks to Mr. Rowe and staff for the work they do for the region and thanked the Board for the what they do as well.

Meeting Adjourned at 1:00 PM

APPROVED:

s/ Sherman M. Saunders
Chairman

s/ Susan M. DeMasi
Secretary to the Authority