

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY  
Minutes  
March 11, 2013

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:12 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. Pittsylvania County Members present were James Snead and Alternate Jessie L. Barksdale. Vice Chairman Coy E. Harville was absent.

City/County staff members attending were: City Manager Joe King, County Administrator Dan Sleeper, Danville Finance Director/Authority Treasurer Barbara Dameron, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Director of Economic Development Jeremy Stratton, City of Danville Director of Public Works Ric Drazenovich, City of Danville Project Manager Corrie Teague, Governmental Affairs Consultant Lynwood Wright, City of Danville Senior Accountant Patricia Conner, Clement and Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi. Also present were Dewberry and Davis Project Manager Shawn Harding.

Chairman Saunders called the Meeting to order.

Mayor Saunders questioned Authority Attorney Michael Guanzon on procedure if both the Chairman and Vice Chairman were absent from a meeting. Mr. Guanzon noted that under the terms of the By-laws, the Secretary would call the meeting to order and then hold a temporary election of a presiding officer for the sole purpose of that meeting.

**PUBLIC COMMENT PERIOD**

Former Pittsylvania County Director of Economic Development Ken Bowman appeared before the RIFA Board stating he would like to address the board regarding what happened last Monday night after the Board of Supervisors meeting. Mr. Bowman noted he hopes the Board of Supervisors will try to get out to the public as to why they wanted to dismantle the Economic Development Office for Pittsylvania County and thanked Jeremy Stratton and his office and the alliance between the County and the City. Mr. Bowman discussed the trip to China, the contact made there, and an article he wrote about the trip which appears in the current *Virginia Business* magazine. Mr. Bowman stated it has been honor and pleasure to work with each and every one here.

**APPROVAL OF MINUTES OF THE DECEMBER 10, 2012 MEETING**

Upon **Motion** by Mr. Shanks and **second** by Mr. Snead, Minutes of the February 11, 2013 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

**OLD BUSINESS**

**5A. CONSIDERATION – UPDATE ON RESOLUTION 2013-02-11-6C – DEWBERRY & DAVIS**

Authority Attorney Michael Guanzon noted at the last meeting, the assignment of two contracts from Dewberry to Dewberry's affiliate company was approved and it was conditioned on two things that staff is in the process of getting resolved. The issue was to make sure Virginia law applied and that the venue would be in Pittsylvania County or City of

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Danville depending where the project was located. Since the Dewberry affiliate is located outside of Virginia, if there is a dispute the contract would be governed under Virginia law and would be resolved within the state. Mr. Guanzon noted there is another update, just as a reminder, there was a connector road for the Mega Park that had been negotiated but had not yet been signed.

No Action is Required by the Board at this time.

**NEW BUSINESS**

**6A. REPORT – WILLIAM H. LOCK’S OFFER TO SELL TO THE AUTHORITY LOTS 3A, 3B AND 3C ON ED HARDY ROAD**

Governmental Affairs Consultant Lynwood Wright noted staff has reviewed this request and in the opinion of staff, that property adds no value to the Mega Park and they do not recommend that RIFA exercise that purchase option.

No Action is Required by the Board.

**6B. PREPARATION OF THE AUTHORITY’S AGENDA MATERIAL AND DEADLINES**

Danville City Manager Joe King noted this matter is provided to give the Board an understanding of the process staff uses to prepare agenda materials. If there are any items the Board needs to put on the agenda, members can simply notify the County Administrator if a County representative or the City Manager if a City representative and they will see that it gets placed on the agenda. Staff works almost a month ahead, the City and County staffs meet together with the Authority Attorney to go through and schedule agenda materials. Assignments are then made to respective staff members to follow up on items and prepare them for the agenda. Staff’s goal is to make sure that when the Board convenes the meeting, it has received the agenda materials the Wednesday before the Monday meeting and that the Agenda, to the extent possible, is fully informative.

**6C. UPDATE ON THE STATUS OF THE AUTHORITY’S MEGA PARK PROJECT**

Assistant County Administrator for Planning & Development Gregory Sides noted that the Tobacco Commission has projected two more years of funding for the Mega Site programs and staff was working with VDOT on the connector road. The connector road project was funded through the Tobacco Commission for the Authority to do local engineering on the alignment for the connector road from 58 to Berry Hill Road. Staff is working with VDOT to try to get them to take that project on as a VDOT project.

Shawn Harding gave a brief update on the permitting status. The permit has been submitted and staff has received the first round of comments from DEQ. The permit has been split into two individual permits, one with DEQ and one with the Army Corp of Engineers. Last Thursday, Staff received six comment letters that were forwarded to them from the Army Corp of Engineers, and are currently working on a comment letter back to the permit. Mr. Hardin noted there are two issues the EPA has brought up: there are seven “Tobacco” funded Mega Sites in the state of Virginia and why are seven needed, and the second issue is the speculative nature of the project. Mr. Drazenovich noted that one of the requirements on the permitting is minimizing the impacts to the maximum extent possible.

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However, if it is not known who is going into the pad, you can't tell them if it has been minimized. If that question can't be answered, the permit can't be completed, and the pad can't be graded. If there isn't a client and the vetting process hasn't been gone through on how small of a pad, the configuration, then you haven't given them the information that is required on the permit, and therefore, it is not a complete application. And they are also objecting to the fact that mega sites have been built and sit for many, many years and not get filled.

Mr. King explained that staff is struggling on when to bring in legislative assistance and has said once the permit is applied for and denied, is appropriate. Staff also ought to be asking Robert Hurt and others to be looking at those federal regulations. Congress has the ability to clarify that in the case of industrial development an industrial park is an industrial park and is speculative by nature. Mr. King noted he believed it would be a legitimate role to ask Robert Hurt and others to address that legislation because it is hurting communities all over Virginia and the Country.

Mr. Harden also explained that if staff came in tomorrow with an industry that wants to locate at the Mega Park, with a site plan that is done around that industry and are willing to wait until that site gets graded, they would be give a permit. Henry County has been going through this process now for 18 months on Commonwealth Crossing. Mr. Stratton stated that it is not just on mega sites, any industrial property involved here on out is going to be virtually impossible to do. The City is dealing with this on the Coleman Site.

**6D. FINANCIAL REPORT AS OF FEBRUARY 29, 2013**

Authority Treasurer Barbara Dameron gave the financial status report beginning with the Cane Creek Centre Bonds, noting there is no change except a small amount of interest. Under General Expenses, the Authority expended \$250 for meals and utilities. The Mega Park Funding Other Than Bond Funds show no changes, no expenditures. The Berry Hill Mega Park, Lot 4 Site Development now shows the amount appropriated from the Funds Available for Appropriation and also from Rent, Interest and Other Income; \$181,000 is budgeted and the Authority has expended \$57,840 for the Virginia Water Protection Permit Fee. Funds Available for Appropriation shows the \$175,000 that was transferred to the Lot 4 and page 27 shows the \$5,600 in expenditures that was also transferred to Lot 4. The Receipts for February show a total of \$5,400 that was received in rental income. Unaudited Statements show Unearned Income of \$600 from the Mountain View Farm Lease.

**7A. - CLOSED SESSION**

*Chairman Saunders noted that 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 12:45 p.m., Mr. Snead **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting as permitted by Section 2.2-3711(A)(7) of the Code of Virginia, 1950, as amended, for consultation with the Authority's legal counsel, Clement & Wheatley, and briefings by the Authority staff or consultants pertaining to probable litigation on a contract matter, where such consultation or briefing in open meeting would adversely affect the litigating posture of the Authority. "Probable

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litigation” means litigation on which the Authority’s legal counsel has a reasonable basis to believe will be commenced against a known party.

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

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

Mr. Snead also **moved** that Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting as permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended, for discussion concerning a prospective business or industry where no previous announcement has been made of the business’ or industry’s interest in locating or expanding its facilities in the Authority’s Cane Creek project.

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

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

On **Motion** by Mr. Shanks and **second** by Mr. Snead, and by unanimous vote at 1:03 p.m., the Authority returned to open meeting.

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 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: Snead, Barksdale, Saunders, Shanks (4)  
NAY: None (0)

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**COMMUNICATIONS**

Mr. Barksdale made a brief comment regarding the action of the Board of Supervisors and noted he was disappointed and ashamed of the action taken because it sends the wrong message to businesses and industry as well as citizens, taxpayers and those people whom the Board has taken an oath to look after. Mr. Barksdale stated he hopes that the Board will do the right thing, that it will devote time and energy to get the economic development interest initiatives on track and remain vigilant to do that.

Mr. Shanks noted he received a phone call from Robert Simms who owns land adjacent to the Mega Park who has indicated that the four-wheelers have taken over again and as many as seventeen to even as high as thirty, four-wheelers are crossing onto the Mega Park property. Mr. Sleeper responded that they are working with the Sheriff and City Police on that.

MEETING ADJOURNED AT 1:07 P.M.

  
Chairman

  
Secretary to the Authority