

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
June 9, 2014

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:21 p.m. on the above date in the Danville Regional Airport Conference Room, 424 Airport Drive, 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 Coy E. Harville, James Snead and Alternate Jerry A. Hagerman.

City/County staff members attending were: City Manager Joe King, Deputy City Manager Ken Larking, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Finance Director/Authority Treasurer Barbara Dameron, City of Danville Assistant Finance Director Michael Adkins, Director of Public Works Ric Drazenovich, Project Manager Corrie Teague, Clement & Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi.

Chairman Coy Harville introduced Michael Adkins, City of Danville's Assistant Finance Director who will be the Treasurer for RIFA effective July 1, 2014.

Mr. Harville noted he would like to add to the agenda Michael Adkins, City Interim Finance Director as RIFA Treasurer to replace Barbara Dameron effective July 1, 2014. The Board could have a Motion effective July 1, 2014; Mr. Saunders **moved** to approve the Motion effective July 1, 2014. The Motion was **seconded** by Mr. Shanks and carried by the following vote:

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

Mr. Harville noted he wanted to amend the Agenda to add the previous Motion. Mr. Shanks **moved** to amend the agenda. The Motion was **seconded** by Mr. Saunders and carried by the following vote:

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

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF MINUTES FOR THE MAY 12, 2014 MEETING

Upon **Motion** by Mr. Snead and **second** by Mr. Shanks, Minutes of the May 12, 2014 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. – UPDATE ON EXISTING INDUSTRIES WITHIN THE AUTHORITY'S PROJECTS

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Project Manager Corrie Teague noted U.S. Green Energy has sold their building in Cane Creek to one of their directors to enable the company to repay some debts related to the building construction. With the proceeds, USGE paid back a loan, with interest, to the IDA of over \$413,000 and as far as staff is aware, USGE has paid all of its outstanding indebtedness for the building construction and has entered into negotiations to complete two other remaining items for the building. Production should start up in the next two weeks, determined by when they get new parts for one of their laminators. They have employed two salesman, one on the East Coast and one on the West Coast to initiate sales for the company; they also have several large contracts in negotiations.

Mr. Saunders questioned if the number of employees originally planned to be hired had changed and Ms. Teague noted she had not heard an updated number. Mr. Shanks noted he believed that number was 372, and asked how many other employees there are that she is aware of and Ms. Teague noted those two are the only two she can account for. The source of their information is from Bob Bennett of USGE. Additional employees will be determined by the number of contracts they acquire. Mr. Harville requested another update at the next RIFA meeting in July.

Mr. Saunders questioned Mr. Guanzon regarding the sale by USGE of their building, did that require any change of documentation or procedures on the part of RIFA. Mr. Guanzon noted from RIFA's perspective, when they completed the construction, that satisfied what RIFA asked them to do. The IDA is the entity that has a continuing relationship with them directly under the incentives they provided to them. Mr. Shanks asked Ms. Teague to update the Board on additional employees with respect to the pending contracts.

5B. CONSIDERATION – RESOLUTION NO. 2014-06-09-5B – RATIFYING RESIDENTIAL CONTRACT OF PURCHASE AND ADDENDUM FOR PURCHASE OF LOTS 26, 27, 28 AND 29 ON TOM FORK ROAD

Mr. Snead **moved** adoption of *Resolution No. 2014-06-09-5B, ratifying that certain residential Contract of Purchase and Addendum dated May 27, 2014, for the purchase by the Authority of Lots 26, 27, 28 and 29, fronting on Tom Fork Road, located in Pittsylvania County, Virginia (GPINs 2347-23-6507), at a purchase price of \$14,000.00, from Laura Dean Johnson as seller; such contract and addendum include without limitation an earnest money deposit of \$700.00, and a minimum study period of 90 days; and the property would be added to, and made part of, the Authority's Cane Creek Centre project.*

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

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

5C. FINANCIAL STATUS REPORT AS OF MAY 31, 2014

Authority Treasurer Barbara Dameron gave the Financial Status report as of May 31, 2014 beginning with the \$7.3M Bonds for Cane Creek, under Other Expenditures, RIFA expended \$249,780 to reimburse the IDA for the grading cost for Zeyuan Flooring. Under General Expenses, \$5,100 was expended in May: \$4,860 to Clement & Wheatley for Legal, \$233 for Meals and \$26 for Utilities. On Berry Hill Mega Park Lot 4 Site Development, RIFA

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expended \$16,770 to Dewberry Engineering for time and material billing that was not previously budgeted for project Cavalier; \$49,230 was also expended to Dewberry for Lot 4, \$95,000 to Jones, Lang, LaSalle for the Market Feasibility Study and \$8,540 to Wetland Studies and Solutions. Under Revenues, rents listed include the Institute, Guilford and Osborne. RIFA expended \$9,383 to the Institute for the Administration Fee.

Mr. Saunders **moved** to approve the Financial Report as of May 31, 2014 as presented. The Motion was **seconded** by Mr. Snead and carried by the following vote:

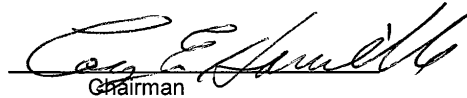
VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

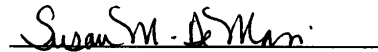
Mr. Harville recognized Ms. Dameron on her leaving the City, noted it was pleasure to have been able to work with her on RIFA and its various projects and presented Ms. Dameron with a parting gift. Ms. Dameron noted it has been a pleasure to work with everyone and will miss them. Board members and staff thanked Ms. Dameron, noting she was always available to answer questions, a pleasure to work with and wished her the best of luck at her new position.

COMMUNICATIONS

There were no communications from the RIFA board and staff.

MEETING ADJOURNED AT 12:43 P.M.


Chairman


Secretary to the Authority