

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

April 11, 2022

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:19 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 Vice Chairman Sherman M. Saunders, J. Lee Vogler, Jr., and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Chairman William V. Ingram, and Alternate Darrell Dalton. Jessie Barksdale was absent.

City/County staff members attending were: City Manager Ken Larking, Deputy City Manager Earl Reynolds, Interim County Administrator Clarence Monday, City of Danville Director of Economic Development Corrie Bobe, Assistant Director of Economic Development Barbara Fiedor, Pittsylvania County Director of Economic Development Matt Rowe, Pittsylvania County Project Manager Kattie Saunders, City of Danville Chief Financial Officer and Authority Treasurer Michael Adkins, City of Danville Budget Director Henrietta Weaver, City of Danville Accountant Tiffany Swanson-Jones, Legal Counsel to the Authority Attorney Michael C. Guanzon, and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden and Brian Bradner from Dewberry, and Danville City Council Member Madison Whittle.

Chairman Vic Ingram presided.

Authority Treasurer Michael Adkins introduced Tiffany Swanson-Jones who will be providing the accounting support for RIFA.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE MARCH 14, 2022, MEETING

Upon **Motion** by Mr. Vogler and **second** by Mr. Saunders, Minutes of the March 14, 2022, Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION NO. 2022-04-11-5A, ACCEPTING THE \$2,972,000 BID FROM JIMMY R. LYNCH & SONS

Pittsylvania County Director of Economic Development Matt Rowe explained this Resolution was the formal acceptance of the bid from Jimmy R. Lynch & Sons, Inc., for the grading of Lots 1 and 2, which was a roughly 60-acre pad site at the Southern Virginia Megasite. The winning proposed bid was \$2,972,000; staff had budgeted about \$5.2M for the project, so this was a significant cost savings to all the partners. RIFA also received a significant grant from the Business Readiness Sites Program through VEDP, which also reduces RIFA's costs as local match. Mr. Rowe commended RIFA's partners at Dewberry, Shawn Harden and Brian Bradner; the Board made the decision to make them project administrators, they worked with Connie Gibson in the County's office who also did a great job, and followed the procurement policies. They had numerous responsive bidders and received a really good bid.

Shawn Harden from Dewberry stated they did research this company fairly extensively and found they were in good standing with the state. He did call a few references and had not

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heard any bad remarks about their work ethic. They received three bids; the low bid was Jimmy R. Lynch at \$2.972M, the high bid was \$4.989M, believed RIFA received a really good bid and looks forward to working with them.

Mr. Saunders **moved** for adoption of *Resolution No. 2022-04-11-5A, a Resolution Accepting the \$2,972,000.00 Bid Submitted on or Before March 17, 2022, from Jimmy R. Lynch & Sons, Inc., a North Carolina Corporation, as the Lowest Responsive and Responsible Bidder Submitted for Southern Virginia Megasite at Berry Hill - Lot 1 and 2 Graded Pad Project, as more particularly described in that Certain Advertisement for bids Advertised on December 15, 2021, Issued by the Authority, and Being Within Available Funds.*

The Motion was **seconded** by Mr. Vogler.

Mr. Saunders questioned once they accept the bid and there was a change order that may drive the cost up, how does RIFA handle that. Authority Attorney Michael Guanzon explained if the amount was within what had been budgeted in the line item, staff will look at it and then consult with the Chairman. Depending on how large the difference would be, he would decide whether to bring it to the next meeting or go ahead and execute the change order. So long as it was within the budget RIFA had for this line item then the chairman, or vice chairman if he was not available, can make that call. Mr. Harden noted when they get a change order, they will evaluate the order; they will have a number based on what they know the expected change will be. If they come in higher than that, they will negotiate that back down into a reasonable cost to protect RIFA's money.

The **Motion** was carried by the following vote:

VOTE: 4-0
AYE: Dalton, Ingram, Saunders, Vogler (4)
NAY: None (0)

5B. CONSIDERATION OF RESOLUTION NO. 2022-04-11-5B, AUTHORIZING THE EXECUTION OF A PERFORMANCE AGREEMENT FOR A VBRSP SITE DEVELOPMENT GRANT

Mr. Rowe explained this was a team effort between the City and County. They knew they wanted to grade Lots 1 and 2 with the Tobacco Commission funds they had, but they wanted to continue to try and find ways to save value to the communities. They jointly applied for a Virginia Business Readiness Sites Program Grant of about \$1.3M and were fortunate to be awarded a grant. As part of the review process, the State brought down a consultant which has resulted in several inquiries as well, so they have received a lot of value from this particular program. Staff received the Performance Agreement regarding the grant and were presenting it to the Board for formal approval so they can accept the funds.

Mr. Dalton **moved** for adoption of *Resolution No. 2022-04-11-5B, a Resolution Authorizing the Chairman of the Authority to Execute a Performance Agreement for a \$1,312,400.00 VBRSP Site Development Grant from the Virginia Economic Development Partnership for the Authority's Southern Virginia Megasite at Berry Hill Lots 1 and 2 Graded Pad Project, Located in Pittsylvania County, Virginia, in Furtherance of Resolution No. 2022-04-11-5A.*

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

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VOTE: 4-0
AYE: Dalton, Ingram, Saunders, Vogler (4)
NAY: None (0)

5C. CONSIDERATION OF RESOLUTION NO. 2022-04-11-5C AUTHORIZING THE EXECUTION OF A REIMBURSEMENT AGREEMENT WITH TRANSCONTINENTAL GAS PIPELINE

Mr. Rowe explained this item was for the reimbursement agreement with Transcontinental Gas Pipeline. Along Oak Hill Road, there was a cathodic anode cable; it was connected to metallic material at the intersection of Oak Hill and Berry Hill Roads and it depolarizes the gas line to keep it from rusting. For the continued site readiness of the Megasite, that asset would more than likely need to be relocated, and there was a study that had to be done as part of that process. Staff has been able to negotiate with Transco the initial study fee down to \$40,000, and have been able to get approval from their partners with the Southern Virginia Regional Alliance, the County and City administration through the Danville Regional Foundation grant they have, to reimburse RIFA or whatever entity was ultimately moving forward with that study. Staff will need the Board's approval.

Mr. Guanzon explained there was a grant that was given to RIFA and not all of it had been used. When this project was put together to figure out where this line was located in the SVM, the cost seemed to fit the amount of the overage, and staff asked if they could repurpose the unused portion to pay for this. Mr. Guanzon noted it might be asked why does RIFA need to sign it, why can't the grant people pay directly to the other side. The grant people have said they didn't want to do it that way because if they were going to be getting money, they need to give money to the government agency that was doing the economic development. For purposes of local government, even though RIFA was going to get reimbursed from the unused grant it still had, they have to be the one to appropriate from their funds. RIFA has to say they have the funds, they have agreed to it, and as soon as RIFA pays, they would ask for reimbursement from SVRA.

Mr. Dalton **moved** for adoption of *Resolution No. 2022-04-11-5C, a Resolution Authorizing the Negotiation, Execution and Delivery of a Reimbursement Agreement with Transcontinental Gas Pipe Line County, LLC, a Delaware Limited Liability Company, for the Provision of Close Interval Survey Evaluation and Field Inspection Services in the Authority's Southern Virginia Megasite at Berry Hill Project, Located in Pittsylvania County, Virginia, for an Estimated Fee of \$40,000.00.*

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

VOTE: 4-0
AYE: Dalton, Ingram, Saunders, Vogler (4)
NAY: None (0)

5D. CONSIDERATION OF RESOLUTION NO. 2022-04-11-5D, AUTHORIZING THE EXECUTION OF A BMP AGREEMENT FOR 228 SLAYTON AVENUE

Shawn Harden from Dewberry Engineers explained with almost every project in Virginia, a stormwater maintenance agreement needs to be signed at the end of the project. This document was the Stormwater BMP Maintenance Agreement that will be signed by RIFA, and

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ultimately the duties of that agreement will be assigned to the Institute as the lessee of the building.

Mr. Vogler **moved** for adoption of *Resolution No. 2022-04-11-5D, a Resolution Authorizing the Negotiation, Execution and Delivery of a Best Management Practices Agreement with the City of Danville, Virginia, Related to the Construction and Maintenance of On-Site Storm Water Management Facilities at 228 Slayton Avenue, Danville, Virginia (PIN# 78360) of the Authority's Cyber Park Project.*

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

VOTE: 4-0
AYE: Dalton, Ingram, Saunders, Vogler (4)
NAY: None (0)

5E. FINANCIAL STATUS REPORTS AS OF MARCH 31, 2022

Authority Treasurer Michael Adkins gave the Financial Status report as of March 31, 2022, beginning with the Cane Creek Bonds which had no activity during the month of March. General Expenditures for Fiscal Year 2022 show RIFA expended \$1,705 to Sellers Brothers related to site prep for a prospect visit at Berry Hill; \$366 to the Institute for meals, \$94 to the City of Danville for Utilities and \$32 to Fed Ex to send closing documents related to the Aerofarms sale of land. Berry Hill Funding Other than Bonds had one expenditure to Dewberry for \$38,830 for work performed under Amendment #32. Lots 1 and 2, Water and Sewer at Berry Hill, and Cyberpark Site Development showed no activity for March. Rent, Interest and Other Income show RIFA received \$21,847 from the Institute related to Hawkins' Building Maintenance, \$1,500 from AEP for their monthly storage lease payment, \$7,150 from Pittsylvania County for rent paid to MEP, received \$40,484 from Pittsylvania County representing their share of the Harlow Incentive and \$1,040,420 from the City of Danville related to the Memorandum of Understanding for the Water and Wastewater infrastructure at Berry Hill. RIFA expended \$125,000 to Marcus & Millichap, which represented the finders commission on the sale of Aerofarms property, paid \$21,966 to the Institute for Hawkins' Building maintenance, \$7,150 to the Institute for payment of MEP's rent, and paid \$1,240,420 to Pittsylvania County for the pass through for the Memorandum of Understanding for Water and Wastewater infrastructure.

Mr. Saunders **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: Dalton, Ingram, Saunders, 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 12:39 p.m. Mr. Saunders **moved** that the Meeting of the Danville-Pittsylvania Regional

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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 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; and
- 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. Dalton and carried by the following vote:

VOTE: 4-0
AYE: Dalton, Ingram, Saunders, Vogler (4)
NAY: None (0)

RETURN TO OPEN SESSION

On **Motion** by Mr. Saunders and **second** by Mr. Vogler and by unanimous vote at 12:56 p.m., the Authority returned to open meeting.

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Mr. Vogler **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. Dalton and carried by the following vote:

VOTE: 4-0
AYE: Dalton, Ingram, Saunders, Vogler (4)
NAY: None (0)

7. COMMUNICATIONS

Mr. Saunders thanked this body for all they do for the good of the region, and thanked Mr. Whittle for attending today. He was pleased to see the City Manager and County Administrator working well together for the good of the region. To all staff and support staff, Mr. Saunders thanked them as well for what they do every single day. It was an honor to serve with the Chairman for the good of the region. Mr. Dalton thanked everyone for the great job they were doing, moving the region forward. Mr. Vogler noted his agreement and stated it was great team on this Board. Dr. Miller noted staff was doing a great job and believed they were on the cusp of some big wins. Mr. Ingram noted his agreement with what has been said; the RIFA team was phenomenal, and it was an honor to work with them.

Staff Reports

Mr. Guanzon noted he and RIFA staff were working on some potential by-law revisions that were clean up matters, to have the by-laws reflect the actual procedural practices, make sure everyone was on the same page and memorialize it.

Ms. Bobe noted at a previous meeting, staff and the board discussed changing out the signage for Cane Creek Centre as well as adding wayfinding throughout to help employees and trucks navigate through. It was put out for bid and staff only received one proposal; staff will be reviewing that over the next month and in May will make a recommendation on whether or not to move forward with that proposal.

Mr. Rowe and Ms. Bobe stated they appreciated the support, help and guidance of the Board; the growth that was being seen right now in the region would not have happened without the strong and steadfast leadership from the Board.

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Mr. Larking noted his agreement on what has been said and appreciated the leadership of the Board and the years of work that many have put in to get RIFA to this point. He also expressed his appreciation of the staff and Economic Development directors for the countless hours they put in to try to get RIFA across the finish line to improve this community.

Mr. Monday noted these were exciting times for the Authority, it was good to see the activity on the sites, and noted his agreement on what was previously said, it was really good from a staff perspective when they have the support of the Board, that goes a long way. They not only support the staff but they have confidence in them and that helps them perform at the level they were performing at. Mr. Monday thanked the Board and the staff for their work.

Meeting Adjourned at 1:05 PM.

APPROVED:

s/ William V. Ingram
Chairman

s/ Susan M. DeMasi
Secretary to the Authority