

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

July 11, 2022

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:13 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 206, Danville, Virginia. Present was City of Danville Member J. Lee Vogler, Jr., Pittsylvania County Members present were Chairman William V. Ingram, Jessie Barksdale, and Alternate Darrell Dalton. Vice Chairman Sherman M. Saunders and Alternate Dr. Gary P. Miller were absent.

City/County staff members attending were: 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, Pittsylvania County Director of Finance Kim Van Der Hyde; 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.

Chairman William V. Ingram presided.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE JUNE 13, 2022, MEETING

Upon **Motion** by Mr. Barksdale and **second** by Mr. Vogler, Minutes of the June 13, 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. 2022-07-11-5A, APPROVING A MEMORANDUM OF AGREEMENT WITH THE VIRGINIA DEQ

City of Danville Director of Economic Development Corrie Bobe noted that Delegate Danny Marshall put forth legislation to speed up processes regarding due diligence and site preparation for industrial parks around the Commonwealth. One particular piece that was also supported by the Virginia DEQ was related to stormwater management. Localities had the opportunity to opt into local administration of stormwater management permits; the City of Danville does handle that in-house. With the new legislation put into place on July 1, 2022, if there were properties owned through regional authorities, and there was a participating locality, then the participating locality has the ability to oversee the stormwater management permit for that RIFA park. As part of the regulations, DEQ has asked that each locality that wants to enter into this agreement, enter into a formal memorandum of agreement between, in this case, the City of Danville, Pittsylvania County and the Regional Authority so that moving forward, for example, with the Mega Site, the City of Danville can oversee that permit process in-house, which staff feels will help expedite the process for the clients.

Mr. Vogler **moved** for adoption of *Resolution No. 2022-07-11-5A, approving that certain Memorandum of Agreement by and among the Authority, the Virginia Department of Environmental Quality, the City of Danville, Virginia and Pittsylvania County, Virginia for the*

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

July 11, 2022

administration of a Virginia Stormwater Management Program by the City of Danville, Virginia at the Authority's Southern Virginia Megasite at Berry Hill project, located in Pittsylvania County, Virginia.

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

VOTE: 3-0
AYE: Barksdale, Ingram, Vogler (3)
NAY: None (0)

5B. CONSIDERATION OF RESOLUTION NO. 2022-07-11-5B, AUTHORIZING THE EXECUTION OF TIMBER SALE CONTRACT WITH HOPKINS LUMBER CONTRACTORS

Pittsylvania County Director of Economic Development Matt Rowe explained staff had brought forward to the Board options on timbering the property at the Mega Site, and received feedback from them that they first wanted to get a forestry consultant, which staff did. The forestry consultant has since brought back a contract for the timber. Staff reviewed this based upon forestry norms for prices; it was based upon the various types of timber on the property itself, and it was competitive. Two prerequisites of this was a Forestry Management Plan which the consultant has put together, submitted, and it meets the requirements; also, an insurance provision of the buyer. The insurance provision has not been provided yet; the buyer was on vacation, but the consultant has spoken with the buyer, and they have no issues with the insurance number that RIFA requires. Typically, that was about \$3M of insurance coverage. Staff was recommending the Board accept and approve the contract.

Authority Attorney Michael Guanzon noted the term for the timbering would be through the end of February next year. Mr. Rowe stated the consultant believes they were looking at \$1M to \$1.2M in value of timber based upon the species, the BVH of the trees and also the speed of getting timber out. As soon as everything was signed off on and goes back to them, they were looking at two weeks when they go in and begin; the company believes they can be done in three or four months.

Mr. Barksdale **moved** for adoption of *Resolution No. 2022-07-11-5B, authorizing the negotiation, execution and delivery of a Timber Sale Contract by and between the Authority and Hopkins Lumber Contractors, Inc., a Virginia corporation, for the sale of timber within the Authority's Southern Virginia Megasite at Berry Hill project, located in Pittsylvania County, Virginia, with a variable sales price based on tree species type.*

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

VOTE: 3-0
AYE: Barksdale, Ingram, Vogler (3)
NAY: None (0)

5C. FINANCIAL STATUS REPORTS AS OF JUNE 30, 2022

Authority Treasurer Michael Adkins gave the Financial Status report as of June 30, 2022, beginning with the \$7.3M Bonds for Cane Creek which had no activity during the month of June. General Expenditures for Fiscal Year 2022 show staff has moved \$90,000 from the Unrestricted Fund Balance to General Expenditures; this will help cover legal invoices as the year was closed out, and there will also be some reimbursements to the City and County.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

July 11, 2022

RIFA paid \$96,246.47 to Christian and Barton for ongoing General Counsel services, \$359 to the Institute for meals, \$93 for monthly utilities, and the insurance renewal with VERSA/VML for the annual premium. Berry Hill Funding Other than Bonds had an expenditure to Transcontinental Gas Pipeline Company of \$40,000 for the evaluation of pipelines at Berry Hill, and to Dewberry for \$53,450 for work completed under Amendment #33. Under Lots 1 and 2 at the Megasite, staff transferred just under \$2M to the Cyber Park Site Development. There were no changes to the Water and Sewer at Berry Hill for the month of June. Cyber Park Site Development shows the incoming funding of a little less than \$2M which will cover the Sellers Brothers contract. Rent, Interest and Other Income show RIFA received \$500 for the sign lease from Axxor, the monthly storage rent from AEP for \$1,500, Pittsylvania County submitted their half of MEP rent of just over \$3,500 and RIFA also received \$10,000 of an escrow refund from Enviva. Under expenditures, the Institute received their monthly payment of just under \$22,000 for the Hawkins Building property maintenance fee and also paid the MEP rent for June to the Institute for about \$7,150.

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

VOTE: 3-0
AYE: Barksdale, Ingram, Vogler (3)
NAY: None (0)

6. CLOSED SESSION

At 12:54 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:

[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.]

- 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

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

July 11, 2022

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. Barksdale and carried by the following vote:

VOTE: 3-0
AYE: Barksdale, Ingram, Vogler (3)
NAY: None (0)

RETURN TO OPEN SESSION

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

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. Barksdale and carried by the following vote:

VOTE: 3-0
AYE: Barksdale, Ingram, Vogler (3)
NAY: None (0)

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

July 11, 2022

7. COMMUNICATIONS

Mr. Vogler noted he appreciated the hard work of the staff and the Board; it was a wonderful team and was excited to see where they continued to go. Mr. Barksdale noted it was a good meeting and Mr. Dalton thanked everyone for their good work. Mr. Ingram stated they were grateful for the work that staff did, was proud of the team and thanked them for their work.

Meeting adjourned at 1:00 p.m.

APPROVED:

s/ William V. Ingram
Chairman

s/ Susan M. DeMasi
Secretary to the Authority