

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

September 12, 2022

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:03 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. *Dr. Miller entered the meeting at 12:08 p.m.* Pittsylvania County Members present were Chairman William V. Ingram and Jessie Barksdale, Alternate Darrell Dalton was absent.

City/County staff members attending were: City Manager Ken Larking, Interim County Administrator Clarence Monday, City of Danville Director of Economic Development Corrie Bobe, Pittsylvania County Director of Economic Development Matt Rowe – via telephone, 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, Whitt Clement, Todd Haymore, Telly Tucker, Ben Davenport and Charles Majors.

Chairman William V. Ingram presided.

**PUBLIC COMMENT PERIOD**

No one present desired to be heard.

**APPROVAL OF MINUTES OF THE AUGUST 8, 2022, MEETING**

Upon **Motion** by Mr. Saunders and **second** by Mr. Barksdale, Minutes of the August 8, 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. 2022-09-12-5A, APPROVING A MAINTENANCE AGREEMENT WITH SELLERS BROTHERS INC.**

City of Danville Director of Economic Development Corrie Bobe noted whenever RIFA prepares for a prospect visit, more likely than not, they engage a third party, whether it was the City's Public Works Department or Seller's Brothers, to go out and pick up trash and make the park more presentable for the prospect. Understanding the last minute scheduling which staff has had to do recently, they feel that more regular maintenance of RIFA parks would be necessary. Staff was requesting that RIFA enter into a contract with Sellers Brothers to conduct that activity on a monthly basis. Legal Counsel to the Authority Michael Guanzon noted the proposal was not in the final form; this needs to be negotiated. There was a reference to a Pittsylvania County property that would not be included in this and also negotiation would include a year term with a thirty day earlier termination by RIFA.

Mr. Vogler **moved** for adoption of *Resolution No. 2022-09-12-5A approving the negotiation, execution and delivery of a Maintenance Agreement with Sellers Brothers, Inc., a Virginia corporation, for routine maintenance of the Authority's Southern Virginia Megasite at Berry Hill project, located in Pittsylvania County, Virginia, at a monthly rate equal to \$3,150.00 and the Authority's Cane Creek Centre Industrial Park project, located in Pittsylvania County, Virginia and Danville, Virginia, at a monthly rate equal to \$1,740.00, for a term of one year and the Authority has a 30-day early termination right.*

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

Mr. Ingram noted he was friends with Burt, Peyton and AC Sellers, he has never had any business dealings with them, have just been friends with them for a long time, and does not consider that a conflict of interest; Mr. Guanzon noted his agreement.

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

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

**5B. CONSIDERATION OF RESOLUTION 2022-09-12-5B FURTHER REVISING THE AMENDED AND RESTATED BYLAWS OF THE AUTHORITY**

Mr. Guanzon noted the Freedom of Information Act was amended effective July 1<sup>st</sup>, and part of the requirement was to appoint a FOIA officer; Sue DeMasi has been serving in that unofficial capacity to take care of any FOIA requests. There were also other clean up matters, namely that notices can be distributed to the Board and public at large by electronic means. These changes were noticed one week ahead of the meeting in compliance with the bylaws.

Mr. Barksdale **moved** for adoption of *Resolution No. 2022-09-12-5B, further revising the Amended and Restated Bylaws of the Authority adopted August 13, 2007, and last revised June 13, 2022, by amending Paragraph 5(a) of Article V ("Board of Directors"), designating the Secretary as the Virginia Freedom of Information Act Officer of the Authority, and by amending Paragraph 4 of Article VIII ("Meetings"), updating the form and process for distributing meeting notices.*

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

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

**5C. CONSIDERATION OF RESOLUTION 2022-09-12-5C AUTHORIZING THE INSTALLATION ON LOT 12C OF A PORTION OF A DECOMMISSIONED SUBMARINE**

City Manager Ken Larking noted this was a unique opportunity; the Institute came to RIFA with it, and it would require RIFA's approval. Essentially, a portion of a decommissioned submarine would be put on display in front of an Institute owned property. Staff was working on a potential ground lease for Lot 12C, which would be next to the CMA building, and that would be the location of the portion of the submarine. Staff considers it to be public art, and doesn't believe there would be any issues or violations of the covenants in place for the Cyber Park. Most of staff feel that this could be a unique item to have in the community; it would stand out as it was large and so far inland, and may draw some people to view it. Telly Tucker, President of the Institute for Advanced Learning and Research noted they do have photos available if anyone wanted to view them.

Mr. Ingram stated it was his inclination to Table this because he was going to call for a Special Meeting this Thursday and would like to incorporate this item. Mr. Guanzon noted if he wanted

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to do that then they need to ask for a Motion to Table. Mr. Ingram noted this was part of a further discussion and it would give the Board time to talk about it with Mr. Dalton present. Mr. Ingram stated he would like to get a Motion to Table this until Thursday, September 15<sup>th</sup>.

Mr. Saunders moved to **TABLE** Resolution No. 2022-09-12-5C, *authorizing the installation by the Authority's ultimate tenant on Lot 12C in the Authority's Cyber Park project, located in Danville, Virginia, of a portion of a decommissioned submarine, as presented at the meeting, in front of a to be constructed building on Lot 12C, where such tenant will be responsible for any and all costs of such installation, including but not limited to, installation, maintenance, removal and restoration of the installation site, and subject to certification of compliance with all applicable zoning and restrictive covenants requirements applicable to Lot 12C, and further subject to the execution and delivery of a lease, to be negotiated, approved and executed by the Authority for Lot 12C.*

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

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

**5D. FINANCIAL STATUS REPORTS AS OF AUGUST 31, 2022**

City of Danville Director of Finance Michael Adkins noted before the monthly report, he wanted to talk about internal controls. Staff was getting ready to begin the year end audit, and one thing the Auditors like to ask staff was, have they talked about internal controls with the Board. With respect to the RIFA checking accounts, there were only four authorized signatories and those were the four board members; staff does not have the authorization to sign any checks or wires. With regard to segregation of duties, this was where staff separates duties so there was no chance of fraud or misstatement of transactions. For example, payments that RIFA received were usually sent to the RIFA secretary, they were brought to Finance, the Administrative Assistant in Finance makes the deposit slips, the City Treasurer takes it to the bank, bank reconciliations were performed by a staff accountant in the Finance department and those bank reconciliation reports were brought to the Board for approval. RIFA staff has segregated cash and disbursements as much as possible. Each month, they prepare a packet of invoices and deposits that have been made, those were sent to Kim Van Der Hyde with the County, so the County staff was well informed of the transactions and she can inform Administration if she needs to. Mr. Adkins noted that was their internal control structure and he will be able to let the Auditors know he has discussed this with the RIFA Board.

Mr. Adkins began the Financial Status report as of August 31, 2022, and noted they will be adding a column to each of the statements in the future, showing the current month's expenditures. The \$7.3M Bonds for Cane Creek had no activity during the month of August. General Expenditures for FY22 show a payment to Christian & Barton for \$31,770. Any money left over in the administrative budget for FY 22 will be pulled forward into the new year as part of the contingency budget. General Expenditures for FY 23 show RIFA paid \$1,922.50 to Sellers' Brothers for lawn care at the Industrial Parks, \$83 to the City of Danville for reimbursement for recordation fees, \$48,352.92 to the City, and the same amount to the County, for reimbursement of marketing expenditures. RIFA also paid the Institute \$340 for meals, and paid \$161 in utilities. Berry Hill Funding Other than Bonds had an expenditure of \$7,625 to Dewberry for work completed under Amendment #33. Lot 4 Site Development had

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a payment to Haymes Brothers for \$261,167 for grading of Lot 4. Under Lots 1 and 2 at the Megasite, RIFA paid Dewberry \$44,240 for work under Amendment #30 and #31, and paid Jimmy R. Lynch & Sons \$137,140 for lot grading. Water and Sewer at Berry Hill had no expenditures and Cyber Park Site Development had one expenditure of \$8,975 to Dewberry for grading of Lot 7B. Rent, Interest and Other Income for FY 22 show no changes. Rent, Interest and Other Income for FY 23 show RIFA received income as usual from the Institute of \$43,693 for Rent for July and August, \$1,500 from AEP for their storage rent for September, and interest income of \$92. The only expense was \$21,846.50 paid back to the Institute for the Hawkins' Building Maintenance.

Mr. Barksdale **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: Barksdale, Ingram, Saunders, Vogler (4)  
NAY: None (0)

**6. CLOSED SESSION.** Mr. Ingram noted they were going to forego Closed Session and will have a Special Called Meeting on Thursday, at 3:30 p.m. Mr. Ingram asked for a Motion to dispense with Item 6.

Mr. Vogler **moved** to dispense with Item 6; the Motion was **seconded** by Mr. Saunders and carried by the following vote:

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

**7. NEW BUSINESS CONTINUED**

**7A. CONSIDERATION OF RESOLUTION NO. 2022-09-12-7A, IN MEMORIAM OF COY E. HARVILLE, FORMER CHAIRMAN, VICE CHAIRMAN AND DIRECTOR OF THE AUTHORITY**

Mr. Barksdale **moved** for adoption of a *Resolution in Memoriam of Coy E. Harville, Former Chairman, Vice Chairman and Director of the Authority.*

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

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

**7B. CONSIDERATION OF RESOLUTION NO. 2022-09-12-7B, IN RECOGNITION OF SERVICE OF CLARENCE C. MONDAY TO THE AUTHORITY**

Mr. Vogler **moved** for Adoption of Resolution No. 2022-09-12-7B in Recognition of the Service of Clarence C. Monday to the Authority.

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

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

Mr. Ingram read Resolution 2022-09-12-7B:

**WHEREAS**, the Danville-Pittsylvania Regional Industrial Facility Authority (the “**Authority**”) is a political subdivision of the Commonwealth of Virginia duly created by the cooperation and the joint action of the Danville City Council and the Pittsylvania County Board of Supervisors, pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

**WHEREAS**, the purpose of the Authority is to enhance the economic base for its Member Localities of the City of Danville and Pittsylvania County, Virginia, by developing, owning, and operating one or more facilities on a cooperative basis; and

**WHEREAS**, from July 2014 through January 2017, and again from January 2022 through September 2022, Clarence C. Monday served as the Interim Pittsylvania County Administrator and Staff Member of the Authority, providing the guidance and leadership necessary for the Authority to fulfill its statutory purpose and to move forward in developing the economic future of the Danville-Pittsylvania County Region; and

**WHEREAS**, Clarence C. Monday’s service as the Interim Pittsylvania County Administrator will end on September 20, 2022.

**NOW, THEREFORE, BE IT RESOLVED**, that the Authority’s Board of Directors, on behalf of themselves and the Authority’s support staff, hereby expresses its sincere appreciation for the distinguished service of Clarence C. Monday to the Authority; recognizes his devotion, duty and exemplary leadership to the Authority; and wishes him success in his future endeavors.

**CERTIFICATE**

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted unanimously by the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on September 12, 2022, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

**WITNESS** my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 12th day of September 2022.

**Susan M. DeMasi**, Secretary

Mr. Monday noted he appreciated the Resolution and has always been amazed at the regional spirit, collaboration and cooperation between Danville and Pittsylvania County. As an administrator, that was very important, not only the work that the staff does but also for the success of the community. RIFA has a tremendous staff including Mr. Larking, Ms. Bobe, Mr.

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Rowe, the Finance staff and the rest of the support staff; it was a very good partnership. Mr. Monday noted he looks forward to hearing of the success of Berry Hill and the other RIFA properties. It had been his honor to return home and help the County and this region.

**8. COMMUNICATIONS**

Dr. Miller noted he thanked Mr. Monday for his service. Mr. Saunders noted he wanted to recognize two more special guests, Whitt Clement, who had originally encouraged him to run for City Council, and also Todd Haymore.

Mr. Guanzon noted the October meeting will be held on Tuesday, October 11<sup>th</sup> because of Columbus Day. Under the bylaws, it was automatically moved to the next business day, so no action needs to be taken.

Mr. Ingram thanked Mr. Davenport and Mr. Majors for attending as well.

Mr. Rowe noted he and Ms. Bobe would like direction from the Board on the timbering of the property; their recommendation was to move forward with timbering, but wanted to make sure that was the desire of the Authority. Board Members noted that they wanted to proceed.

Meeting adjourned at 12:28 p.m.

APPROVED:

s/ William V. Ingram  
Chairman

s/ Susan M. DeMasi  
Secretary to the Authority