

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

December 12, 2022

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:12 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 Darrell Dalton; Alternate Robert Tucker was absent.

City/County staff members attending were: Interim County Administrator J. Vaden Hunt, City of Danville Director of Finance Michael Adkins, City of Danville Accountant Tiffany Swanson-Jones, Pittsylvania County Director of Finance Kim Van Der Hyde, City of Danville Director of Economic Development Corrie Bobe, Pittsylvania County Director of Economic Development Matt Rowe, Pittsylvania County Project Manager Kattie Saunders, Legal Counsel to the Authority Attorney Michael C. Guanzon, and Secretary to the Authority Susan DeMasi. Also present were City of Danville Director of Utilities Jason Gray, and 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 NOVEMBER 14, 2022 REGULAR MEETING

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

NEW BUSINESS

Upon Motion made and duly seconded, a Motion was passed to Amend the Agenda to add New Business Item 5C, Resolution 2022-12-12-5C.

5A. CONSIDERATION OF RESOLUTION 2022-12-12-5A FURTHER REVISING THE AUTHORITY BYLAWS

Legal Counsel to the Authority Michael Guanzon explained this item was to amend the bylaws to give the City Manager Officer and County Administrator Officer an added authorization to enter into limited license agreements. That was used to allow prospective businesses and industries, who RIFA was trying to possibly recruit, to do some due diligence and testing in advance of entering into a local performance agreement. Depending on the size of the project, sometimes the prospect did not want to commit by just taking a staff report, they wanted to do their own reports; this would help to shortcut that process. If RIFA allowed the two officers to do this, the City Manager and the County Administrator, jointly, would have to agree to this, and it was a limited time period. The recruit can be on the property for a period of time not to exceed one year and it would have to be subject to legal review.

Dr. Miller questioned, anything they do would be restored, and Mr. Guanzon noted it would. It was not required in there, but staff will ask them to say they have to share whatever they

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find with RIFA. RIFA might actually get more information they did not have to pay for, because a company, at their expense got the tests done.

Mr. Dalton **moved** for adoption of *Resolution No. 2022-12-12-5A, further revising the Amended and Restated Bylaws of the Authority adopted August 13, 2007, and last revised September 12, 2022, by amending paragraph 6(c) of Article IV (“Officers”), granting the City Manager Officer and the County Administrator Officer the Authority to enter into license agreements for investigations and examinations of real property owned by the Authority, where such term shall be one year or less*

Dr. Miller questioned if a company got information, and they have to share it with RIFA, if they got out of the picture and didn't come, could RIFA share it with another company. Mr. Guanzon noted yes and no; if the company that did it, and sometimes a company that assists, has proprietary information on their business plan that was related to that, that was not shareable. While RIFA has this information and they can keep that and use it internally, no one else can rely on it.

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

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

5B. FINANCIAL STATUS REPORTS AS OF NOVEMBER 30, 2022

City of Danville Director of Finance Michael Adkins gave the Financial Status report as of November 30, 2022, starting with the \$7.3M Bonds for Cane Creek which had no activity. Under General Expenditures for this fiscal year, there was a contingency line item, a check written to Sellars Brothers for \$2,750 for bush hogging and mowing the lawn at Berry Hill; Utilities were \$173.48. Berry Hill Funding Other than Bonds had no expenditures but did have two reimbursements, one from the Danville Regional Foundation for Williams Transco related items of \$40,000 and also a reimbursement from the Tobacco Commission for Grant #2264 of \$979,229.67. Lot 4 Site Development had no expenditures for November. Under Lots 1 and 2 at the Megasite, the City did receive reimbursement from Tobacco Grant #3358; the City requested \$362,356.30 and that was received. RIFA had two expenditures in November, one to Jimmy R. Lynch & Sons of \$205,580.00 for progress billing Number 6 for work on Lots 1 and 2, and also a check for Dewberry Engineers for \$12,500.00. Water and Sewer at Berry Hill had no expenditures for November; Cyber Park Site Development had an expenditure for Sellars Brothers, their third application for payment of \$423,956.50, for Lot 7B. Rent, Interest and Other Income show RIFA received their rent for the Hawkins' Building of \$21,846.50 from the Institute, \$1,500 from AEP for their storage rent for the month of December, the money market earned interest income of \$194.10, and RIFA received several payments from the timber sales at Berry Hill from Hopkins Lumber; those payments totaled \$162,681.05. RIFA also received the City and County's share of the Industrial Enhancement Grant for Morgan Olsen for their Local Performance Agreement, each locality paying \$67,798. The City's share of the Enterprise Zone Grant for Morgan Olsen was received, that amount was \$85,000. There was one expenditure, the Hawkins' Building Maintenance Agreement to the Institute for \$21,846.50.

Mr. Saunders **moved** to accept the Financial Report as presented; the Motion was **seconded**

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by Mr. Vogler and carried by the following vote:

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

5C. CONSIDERATION OF RESOLUTION 2022-12-12-5C (ADDED AT MEETING)

Mr. Ingram noted the conversation about naming part of Berry Hill Road came up recently. He had talked to Mr. Saunders about this, and Bob Warren at their last meeting mentioned naming part of Berry Hill Road after Coy Harville and Sherman Saunders. Mr. Ingram noted he thought that people that had served, like Mr. Harville and Mr. Saunders, needed to be remembered. A lot of times, people were remembered after they were gone. The Board of Supervisors has proposed to introduce a Resolution to the Commonwealth Transportation Board to consider renaming part of the Berry Hill Road. This Resolution today, if the Board adopted it, would encourage and support the Board of Supervisors in renaming the north part of Route 311, Berry Hill Road, from Route 58 down to where the new connector road will come in, the Harville-Saunders, either highway, road or lane. That will leave the connector road open to be renamed after a corporation, which was consistent, and the south part of Route 311, the other part of Berry Hill, leave as it was. Mr. Ingram asked the Board to consider supporting this resolution, and cannot think of anyone more suitable to be honored by renaming a highway, than Sherman Saunders and Coy Harville.

Mr. Vogler **moved** to approve *Resolution 2022-12-12-5C (Added to the Agenda at the Meeting) encouraging and supporting a request by the Pittsylvania County Board of Supervisors to the Virginia Department of Transportation to rename a northern portion of Route 311/Berry Hill Road (Running from Route 58 to the Intersection of the proposed connector road to service the Authority's SVM Project) to "Harville-Saunders Highway", "Lane" or "Road."*

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

Mr. Vogler noted he had spoken to Mr. Warren about this and stated he loved the idea. When he thinks about the two people who were there at the beginning, who did things for the betterment of this region at a time when it wasn't popular to do it. To have the vision and commitment to see it through, he thinks it was more than appropriate to support this resolution, hoped it goes through the proper channels and makes it way into becoming a reality; it was absolutely warranted. Mr. Dalton noted his agreement with Mr. Vogler. They were two great gentlemen, he had worked with Mr. Harville and has known Mr. Saunders for years and thinks it was great. Dr. Miller concurred with everything that has been said, they could not pick two better people to name a highway after.

Mr. Ingram noted he had spoken to Mr. Saunders before this, stating that Mr. Saunders has done so much for not only the City but for RIFA, and the establishment of that park. It was a honor they wanted to bestow upon him. Mr. Ingram noted there was no one else he could think of that was anymore worthy of this and would appreciate their vote and support.

Mr. Saunders stated he was kind of at a loss for words, and very humbled by this consideration; he had no expectation of anything like this. All his life he had done whatever he could for others, but had never asked for anything for himself. He would make this motion

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for people he knows and respects but not for himself. He was born and raised in Pittsylvania County, in Ringgold on a tobacco farm; he came out of the Army at twenty three, his mother was still cooking on the same wood stove that she had used since they were born. Mr. Saunders noted he comes from a very humble beginning and was thankful for the people he met along the way. It was an honor to work with Coy Harville on RIFA, they served on the PEDO board together many years ago, and served together on other events; he was a friend. Mr. Saunders thanked the RIFA board for this consideration, but will abstain on the vote.

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

VOTE: 3-0-1
AYE: Ingram, Dalton, Vogler (3)
NAY: None (0)
ABSTAIN: Saunders (1)

6. CLOSED SESSION

At 12:36 p.m. Mr. Saunders **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 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

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

RETURN TO OPEN SESSION

On **Motion** by Mr. Ingram and **second** by Mr. Dalton and by unanimous vote at 1:10 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. Dalton and carried by the following vote:

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

7. COMMUNICATIONS

Mr. Saunders stated he wanted to thank the Board and all the staff for recognizing him and his family; it was appreciated. He looked forward to working with Mr. Vogler next month, he will do an excellent job. To Mr. Ingram, it has been great working with him; going to these

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meetings all these years, this has been the smoothest twelve months he has experienced ever. This Chairman and this Board, the staff working together, has been very, very humbling and noted his thanks for being a part of this.

Mr. Vogler wished everyone a Merry Christmas.

Mr. Dalton noted he has enjoyed working with this Board for the past year, hoped he will be back and wished everyone a Merry Christmas and Happy New Year.

Mr. Ingram stated this year went by very quickly, it has been a fun year and he appreciated the kind comments Mr. Saunders made. Mr. Ingram noted he does not know what the future holds, if he will be back next year, but this has been a great year and a tremendous honor working with the Board and staff. Mr. Ingram stated he will not forget the work that the staff does for the Board, and thanked Mr. Guanzon for his work.

Dr. Miller noted a Happy Holidays to everyone.

Staff members wished everyone a Happy Holidays and were looking forward to a really exciting New Year for the entire region.

City of Danville Director of Utilities Jason Grey noted there was an electric line through the middle of a pad site at Berry Hill; staff was working to relocate it, but it will come at a cost. They don't want the line to be in the way for a prospect. Staff was asking up to \$100,000 to relocate it, they need to get an easement and a railroad crossing permit; it was going to be a lot of work to get that section on Oak Hill Road removed and re-routed. Mr. Guanzon noted the details will be discussed at the next RIFA meeting as to how that was going to happen. One way was outright payment from RIFA to the City for that work or the typical way potentially would depend on the due to/due from ration between the city and the county. Staff will talk about it and probably have a recommendation at the January meeting.

Meeting adjourned at 1:18 p.m.

APPROVED:

s/ J. Lee Vogler, Jr.
Chairman

s/ Susan M. DeMasi
Secretary to the Authority