

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

January 14, 2019

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:05 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Drive, Room 206, 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 Robert W. Warren, Ronald S. Searce and Alternate Elton W. Blackstock. *Mr. Vogler entered the meeting at 12:18 p.m.*

City/County staff members attending were: City Manager Ken Larking, Deputy City Manager Earl Reynolds, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Director of Economic Development Telly Tucker, Assistant Director of Economic Development Corrie Bobe, Project Manager Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe, Project Manager Susan McCullough, City of Danville Director of Finance Michael Adkins, Senior Accountant Henrietta Weaver, Clement Wheatley Attorneys Michael Guanzon and Jennifer Burnette, and Secretary to the Authority Susan DeMasi. Also present were Brian Bradner and Shawn Harden from Dewberry & Davis.

**PUBLIC COMMENT PERIOD**

No one desired to be heard.

**APPROVAL OF MINUTES OF THE DECEMBER 14, 2018 MEETING**

Upon **Motion** by Mr. Saunders and **second** by Mr. Searce, Minutes of the December 14, 2018 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

**NEW BUSINESS**

**5A. ELECTION AND REAPPOINTMENT OF OFFICERS FOR CALENDAR YEAR 2019**

RIFA Attorney Michael Guanzon explained for this calendar year, the Board will have to have a Chairman from the City and a Vice Chairman from the County; these need to be done by separate motions. The Board will also reappoint the Secretary and the Treasurer.

1. Election of Chairman from Danville Member Locality.

Mr. Saunders **nominated** Fred Shanks as Chairman of the Authority; the Motion was **seconded** by Mr. Searce and carried by the following vote:

VOTE: 4-0  
AYE: Warren, Searce, Saunders and Shanks (4)  
NAY: None (0)

Mr. Warren handed the meeting over to Mr. Shanks.

2. Election of Vice Chairman of the Authority from the Pittsylvania County Member Locality.

Mr. Searce **nominated** Robert Warren as Vice Chairman of the Authority; the Motion was **seconded** by Mr. Saunders and carried by the following vote:

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

January 14, 2019

VOTE: 4-0  
AYE: Warren, Searce, Saunders and Shanks (4)  
NAY: None (0)

3. Reappointment of the Secretary from the Authority's Staff.

Mr. Saunders **moved** to reappoint Susan M. DeMasi as secretary of the Authority; the Motion was **seconded** by Mr. Warren and carried by the following vote:

VOTE: 4-0  
AYE: Warren, Searce, Saunders and Shanks (4)  
NAY: None (0)

4. Reappointment of the Treasurer from the Authority's Staff

Mr. Warren **moved** to reappoint Michael Adkins as Treasurer of the Authority; the Motion was **seconded** by Mr. Saunders and carried by the following vote:

VOTE: 4-0  
AYE: Warren, Searce, Saunders and Shanks (4)  
NAY: None (0)

**5B. CONSIDERATION OF RESOLUTION 2019-01-14-5B, APPROVING THE FIRST AMENDMENT TO THE LOCAL PERFORMANCE AGREEMENT WITH BGF INDUSTRIES**

Pittsylvania County Director of Economic Development Matt Rowe explained on October 16, 2018 RIFA announced BGF Industries bringing their corporate research center and corporate headquarters to the Cyber Park. Mr. Rowe noted everything was going very well, almost all the up-fits are complete at their temporary space and all of the people they are moving from Greensboro will be in that space by mid-April; they are looking a groundbreaking this spring. RIFA is supposed to have a Ground Lease with Samet by January 14. Due to the timing, staff is extending this to April 1<sup>st</sup> to allow them to finalize the design.

Mr. Warren **moved** for adoption of *Resolution No. 2019-01-14-5B, approving that certain First Amendment to Local Performance Agreement with BGF Industries, Inc., a Delaware corporation, extending the deadline under Section 3(b) of the Local Performance Agreement to enter into a New Facility Ground Sublease with Samet Corporation, a North Carolina corporation, to April 1, 2019.*

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

VOTE: 4-0  
AYE: Warren, Searce, Saunders and Shanks (4)  
NAY: None (0)

**5C. FINANCIAL STATUS REPORTS AS OF DECEMBER 31, 2018**

Authority Treasurer Michael Adkins gave the Financial Status report as of December 31, 2018 beginning with the Cane Creek Bonds showing two expenditures in December. The first was

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

January 14, 2019

\$900 paid to Dewberry for continued wetland monitoring, and \$2,217 paid to Clement Wheatley for legal fees. General Expenditures for FY 2019 show RIFA paid \$880 for a scanner, \$153 to Communication Access Partners related to the announcement that occurred in the Cyber Park, \$29 to Susan DeMasi for mileage, \$92,157 to Clement Wheatley for legal fees, \$14,525 to Brown, Edwards for the annual audit for FY 2018, \$238 for meals and \$61 for utilities. The Mega Site at Berry Hill showed no expenditures, Lot 4 Site Development had an expenditure of \$2,875 paid to Dewberry for Phase I Pad Expansion, and Lot 8 Site Development shows no expenditures. Water and Sewer at Berry Hill shows \$3,840 expended to Dewberry for Amendment No. 22 and \$600 to the Danville Register & Bee for advertising the water line bid proposals. Rent, Interest and Other Income shows \$22,400 from the Institute for the Hawkins' Building, RIFA paid \$22,400 to the Institute for the maintenance of that building and interest earned was \$426.

Mr. Warren **moved** to accept the Financial Report as presented. The Motion was **seconded** by Mr. Searce and carried by the following vote:

VOTE: 4-0  
AYE: Warren, Searce, Saunders, Shanks (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 12:16 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:

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;

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 Berry Hill Mega Site 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 the Authority's Berry Hill Mega Site project subject to a proposed purchase, sale, or lease, prior to the

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

January 14, 2019

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.

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

VOTE: 4-0  
AYE: Warren, Searce, Saunders, Shanks (4)  
NAY: None (0)

D. On **Motion** by Mr. Warren and **second** by Mr. Saunders and by unanimous vote at 1:40 p.m., the Authority returned to open meeting.

E. Mr. Saunders **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. Searce and carried by the following vote:

VOTE: 4-0  
AYE: Warren, Searce, Saunders, Shanks (4)  
NAY: None (0)

**7. COMMUNICATIONS**

Mr. Warren complimented both Economic Development departments for the great work they do, and Dewberry & Davis, and Clement Wheatley for the outstanding job they do. It was a pleasure to serve as Chairman last year and work with them all.

Mr. Rowe introduced Susan McCullough as the new Project Manager for Pittsylvania County.

Mr. Saunders noted his agreement with Mr. Warren regarding the staff and the good work they do in the region; Mr. Saunders welcomed Mr. Larking back, who has been out with a family matter.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

January 14, 2019

Mr. Vogler noted the staff has done a fantastic job and believes 2019 will be a tremendous year for Danville and Pittsylvania County, congratulated Mr. Shanks as the new chairman and looks forward to working with them all this upcoming year.

Mr. Shanks noted his thanks and looks forward to working with everyone on staff and the Board.

Mr. Harden from Dewberry noted last Wednesday AEP held their first public meeting on the power line; he was there and did not hear a lot of negative comments. He believes they are on their way to figuring out the route for that.

Mr. Tucker showed the Board the proposed logo for Berry Hill. Mr. Tucker noted the majority of staff voted for the new logo, navy blue with the outline of Virginia, SV was moved over to the center, with green Mega Site at Berry Hill at the bottom, and would like to move forward with the Board's approval. Mr. Warren moved to adopt the logo as presented; the motion was seconded by Mr. Saunders and carried unanimously.

Mr. Guanzon noted he wanted to give a quick update on the Staunton River RIFA that has been acknowledged by the Secretary of the Commonwealth effective on the last day of last year. Staff is hoping to get the organizational meeting in February at a time and to be determined in Hurt. There will be an oath taking ceremony for the directors who have been appointed from the respective governing bodies, and at the organizational meeting there will be the formal adoption of the by laws. Mr. Saunders questioned if SR RIFA would be independent of Danville Pittsylvania County RIFA or associated with it, and Mr. Guanzon stated it would independent; it would be its own political subdivision between Altavista, Hurt, Danville and Pittsylvania County. The fiscal responsibilities will be administered by the County as well as the administrative duties. Mr. Guanzon explained Clement Wheatley's contract ends once they form the SR RIFA and it will be up to SR RIFA whether they wish to continue using them for that purpose.

Meeting adjourned at 1:55 p.m.

s/Fred O. Shanks, III  
Chairman

s/ Susan M. DeMasi  
Secretary to the Authority

Approved: February 11, 2019