

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 13, 2023

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:09 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 Chairman J. Lee Vogler, Jr., Sherman M. Saunders and Alternate Dr. Gary P. Miller; Pittsylvania County Members present were Vice Chairman William V. Ingram; Alternate Darrell Dalton was absent, *Robert Tucker entered the meeting at 1:16 p.m.*

City/County staff members attending were: City Manager Ken Larking, Assistant County Administrator Dave Arnold, City of Danville Chief Financial Officer and Authority Treasurer Michael Adkins, City of Danville Accountants Meredith Franklin and Jaime Pritchett, Pittsylvania County Director of Finance Kim Van Der Hyde; City of Danville Director of Economic Development Corrie Bobe, Assistant Director of Economic Development Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe, Legal Counsel to the Authority Attorney Michael C. Guanzon and Secretary to the Authority Susan DeMasi. Also present was Brian Bradner, Shawn Harden and Joseph Snead from Dewberry, and City of Danville Director of Utilities Jason Grey. *Linda Green entered the meeting at 1:23 p.m.*

Chairman J. Lee Vogler, Jr., presided.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE OCTOBER 11, 2023, REGULAR MEETING

Upon **Motion** by Mr. Saunders and **second** by Mr. Ingram, Minutes of the October 11, 2023, Regular Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION NO. 2023-11-13-5A APPROVING AN EASEMENT FOR A WATER PUMPING STATION AT THE MEGASITE

City of Danville Director of Utilities Jason Grey explained the water infrastructure work at Berry Hill was progressing. Dewberry has completed the main line water project traveling from Berry Hill Road at the railroad tracks, up parallel to the Transco pipeline. They were also working on taking it back around Lot 3, and working on finalizing the engineering on the storage tank; it will service up to 3M gallons of storage for the park. That and the pumping station were in their final design, and staff needs RIFA's approval for property in the easements for the water main, the pumping station and storage tank in order to provide water service inside Berry Hill. Mr. Grey noted he passed out a layout of all the infrastructure they were looking to install; first was the main water line project that was currently out for bid. The next step was the storage tank; the engineering was completed for that and then to the pumping station. All the water will be coming from the City of Eden, about 6M gallons per day was the total capacity; it will depend on what the industrial demand will be.

Mr. Ingram **moved** for adoption of *Resolution 2023-11-13-5A approving the grant to the City of Danville, Virginia, of a Permanent Easement for water utility facilities to be used as a Water*

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Pumping Station, to contain approximately 0.81 acre of land, located in the Authority's Southern Virginia Megasite Project in Pittsylvania County (GPIN 1356-75-0037).

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

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

5B. CONSIDERATION OF RESOLUTION 2023-11-13-5B APPROVING AN EASEMENT FOR A 20" WATER MAIN PIPELINE AT THE MEGASITE

Mr. Grey noted this was a continuation of what was discussed in the previous item and questioned Mr. Guanzon if these had been listed separately. Mr. Guanzon noted they were, and this item was for the water main pipeline.

Mr. Ingram **moved** to adopt *Resolution 2023-11-13-5B, a Resolution Approving the grant to the City of Danville, Virginia, of a permanent 20-Foot-Wide Easement for water utility facilities to be used as a 20-Inch Water Main Pipeline to run approximately 3.75 miles to follow certain existing rail line, gas line and electric easements, located in the Authority's Southern Virginia Megasite Project in Pittsylvania County (GPIN 1356-75-0037).*

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

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

5C. CONSIDERATION OF RESOLUTION 2023-11-13-5C APPROVING AN EASEMENT TO BE USED FOR WATER TANKS AT THE MEGASITE

Mr. Saunders **moved** for adoption of *Resolution 2023-11-1-5C, a Resolution approving the grant to the City of Danville, Virginia, of a Permanent Easement for water utility facilities to be used as one or more water tanks, to contain approximately 3.75 acres of land, located in the Authority's Southern Virginia Megasite Project in Pittsylvania County (Lot 7, GPIN 1356-75-0037).*

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

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

5D. CONSIDERATION OF RESOLUTION 2023-11-13-5D APPROVING AN EASEMENT FOR A 20" WATER MAIN ALONG OAK HILL ROAD AT THE MEGASITE

Mr. Guanzon noted there was a small change for this item from what was put into the packet. Mr. Grey explained that Dewberry noticed an AEP transmission line was misaligned, and that was corrected. This actually reduced the total acreage for the pumping station from .81 acres down to .49 acres.

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Mr. Guanzon noted that adjustment will need to be noted in the motion, it will change the area to 200 feet by 120 feet parallel to an existing Appalachian Power Easement to be used for a water pumping station. The Easement area now consists of approximately 0.59 acre of land.

Mr. Ingram **moved** for adoption of *Resolution 2023-11-13-5D, a Resolution approving the grant to the City of Danville, Virginia, of a permanent 20-Foot-Wide Easement for water utility facilities to be used as a 20-Inch Water Main Pipeline to run along certain portions of Oak Hill Road, located in the Authority's Southern Virginia Megasite Project in Pittsylvania County (GPINS 1367-30-1931 and 1356-75-0037).*

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

Dr. Miller noted the water was coming from Eden, was that line already there, and Mr. Grey noted it was. Mr. Guanzon stated this concept was approved awhile back, to locate where the easements will be; there was a Memorandum of Agreement between the Pittsylvania County Service Authority, the City of Danville and RIFA.

Mr. Saunders questioned the agreement with Eden, was that an indefinite agreement; for example, if Eden wanted to pull out for whatever reason, can they do that? Mr. Grey explained it was a twenty-year agreement that has mutual renewal for an additional twenty year renewal. They currently have a really large water plant, Berry Hill uses maybe 10% of it; they have a lot of capacity they would like to use and sell to a customer. This benefits them with their own rate revenue, and water quality issues. Mr. Vogler questioned the twenty-year deal, what year were they in, and Mr. Grey explained the contract really hasn't started because RIFA hasn't started purchasing water from them.

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

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

5E. FINANCIAL STATUS REPORT AS OF OCTOBER 31, 2023

Authority Treasurer Michael Adkins gave the Financial Status report as of October 31, 2023, beginning with the \$7.3M Bonds for Cane Creek, which had no activity for October. Under General Expenditures for the current fiscal year, RIFA paid Brown, Edwards' interim billing for the Fiscal 2023 Audit which was underway, of \$10,000; meals were \$420 paid to the Institute, monthly utilities were \$167, and a new line was added for the maintenance agreement with Sellars Brothers. Funding Other than Bonds for Berry Hill had a payment to Dewberry for \$192,815 for work completed under Amendments #33, #34, #35-A and #36. Lot 4 Site Development, Lots 1 and 2, and Water and Sewer showed no expenditures for October. Cyber Park Site Development showed an expenditure to Sellars Brothers for their Payment Application #8 in the amount of \$66,500. Rent, Interest and Other Income for October show RIFA received its regular rent from the Institute for the Hawkins' Building of \$23,342, and also received rent from AEP of \$4,500. There were timber sales from Hopkins Lumber for \$15,683 and RIFA paid the Institute for Hawkins Building Maintenance in the amount of \$23,342.

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

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

6. CLOSED SESSION

At 12:27 p.m. Mr. Ingram **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 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.

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

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

7. RETURN TO OPEN SESSION

On **Motion** by Mr. Saunders and **second** by Mr. Ingram and by unanimous vote at 1:13 p.m., the Authority returned to open meeting.

Mr. Ingram **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. Saunders and carried by the following vote:

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

8. COMMUNICATIONS

Staff

Ms. Bobe noted they have tentatively scheduled December 11th, just after the RIFA meeting, for the ribbon cutting for the shell building; a more formal invitation will be sent out. They were waiting on paving and landscaping; everything else was ready to go.

Mr. Rowe noted regarding the Tank Museum, at the County level, they have been in contact with them. It was something they wanted to look at and see if there was a possibility of another purpose for that property and what it could be. There were some conditions, because of the types of equipment they have in the facility where they have up to a two year timeframe where that equipment would have to be returned to certain owners. Right now, the County was trying to work with them on a definite timeline. If there was a desire from RIFA for the County to consider additional options with it, he would encourage RIFA to send those messages to the County Administrator.

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Mr. Saunders noted several years ago they were looking to move the museum and then they changed their mind; did staff know what caused them to change their mind, and why they want to leave again. Mr. Rowe stated that they had a limited target demographic for the museum, it was probably a challenge for them, not being in a high population center. Ms. Bobe noted based on their conversations with them and the Tourism Division, that was a very near and dear project to the father, who started the museum and perhaps the children do not have that same connection or desire to dedicate to it full time to keeping it running. The City engaged with them multiple times over the years to help them increase their marketing of the museum. What was being seen was the next generation did not have the same passion or drive to continue it on a full-time basis. Mr. Rowe noted many of the items were on loan, had to go back in a certain manner and there were time lines. Mr. Rowe discussed possible uses and value of the property.

Authority Board

Mr. Tucker expressed his gratitude to Danville's Fire and EMS, Pittsylvania County Public Safety and EMS in the stellar job they did yesterday with the fire at Northpointe. He really appreciated everyone working together as a team and thanked everyone.

Mr. Saunders noted he appreciated the relationship with the City and the County as well, with some possible reorganization in a few months. Mr. Saunders noted he was very proud of the staff, they do a good job representing RIFA all over the world. Mr. Saunders stated he was proud of the naval announcement last month and wondered if there was a Plan B for that facility anytime soon or was that it until the building was up. Linda Green stated the plan was for it to open within the next year or year and a half, but no plans for staging anything between then. There was some request at the federal level for some additional admin space. There was also a request for additional bays for the CMA building; all the bays were already full, and as fast as they were built, they were being taken.

Dr. Miller noted he was looking forward to a nice Christmas.

Mr. Vogler thanked everyone in the room who worked together to make up the awesome team they have. Mr. Vogler congratulated their two colleagues on their re-election and looked forward to continuing working with both of them. It was an exciting time for the region and was glad he had the opportunity to work with each of them.

Meeting adjourned at 1:32 p.m.

APPROVED:

s/ J. Lee Vogler, Jr.
Chairman

s/ Susan M. DeMasi
Secretary to the Authority