

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

September 14, 2020

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:06 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 207, Danville, Virginia. Present were City of Danville Members Vice Chairman J. Lee Vogler, Jr., Sherman M. Saunders and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Chairman Robert W. Warren, Ronald S. Searce, and Alternate Vic Ingram.

City/County staff members attending were: City Manager Ken Larking, Deputy City Manager Earl Reynolds, Pittsylvania County Administrator David Smitherman, City of Danville Director of Economic Development Corrie Bobe, Pittsylvania County Director of Economic Development Matt Rowe, Christian & Barton Attorney Michael C. Guanzon, and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden and Brian Bradner from Dewberry. *City of Danville Director of Finance Michael Adkins, Accountant Henrietta Weaver, and Program Manager Kelvin Perry, Pittsylvania County Project Manager Susan McCullough and Steve Lippman from Christian & Barton, attended the meeting electronically.*

Chairman Robert W. Warren presided.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE AUGUST 10, 2020 MEETING

Upon **Motion** by Mr. Searce and **second** by Mr. Vogler, Minutes of the August 10, 2020 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION NO. 2020-09-14-5A APPROVING A MUTUAL CANCELTION AGREEMENT WITH BGF INDUSTRIES

Pittsylvania County Director of Economic Development Matt Rowe explained in October 2018, BGF announced they would locate their corporate research center and headquarters for the North American operations in the Cyber Park. A big portion of their business was aerospace, and they have taken a big hit with COVID. Their automotive sector has bounced back, and they are anticipating aerospace getting back to normal by the 2022-2023 timeframe. The company noted they want to be good partners to RIFA and do not want to have site control knowing they will not be able to build something for two to three years. If RIFA had someone else who was looking at the site, they wanted to give RIFA the flexibility to locate them there if needed. BGF stated they were also 100% committed to the region and will locate into a temporary location until the aerospace industry rebounds. At that point, they will move forward building a new facility in the Cyber Park.

Mr. Searce **moved** for adoption of *Resolution No. 2020-09-14-5A, approving that certain mutual cancellation agreement with BGF Industries, Inc., a Delaware corporation ("BGF"), under which that certain Local Performance Agreement dated October 16, 2018, among BGF, the Authority, Pittsylvania County, Virginia, and the City of Danville, Virginia, will be cancelled in response to BGF's request to indefinitely suspend BGF's project at the Authority's Cyber*

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Park project located in Danville, Virginia, due to the pandemic (the Authority has not dispersed any incentive funds to BGF).

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

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

Mr. Rowe noted no incentive monies, no funds have been offered or given to BGF in advance.

5B. CONSIDERATION OF RESOLUTION NO. 2020-09-14-5B AUTHORIZING NEGOTIATION OF A BEST MANAGEMENT PRACTICES AGREEMENT WITH THE CITY

Shawn Harden of Dewberry Engineers explained as part of the Center for Advanced Manufacturing site plan the Institute was building, RIFA was required by both the Department of Environmental Quality and the City of Danville to have a Stormwater BMP Maintenance Agreement. Since RIFA will maintain ownership of that property, they will have to sign the BMP Maintenance Agreement. In turn, RIFA will have the Institute sign one, stating they will take over the Maintenance Agreement while they operate their facility there. If they came back and pulled out, RIFA would go back to being required to maintain that BMP facility.

Mr. Vogler **moved** for adoption of *Resolution No. 2020-09-14-5B, authorizing the negotiation, execution and delivery of a Best Management Practices Agreement with the City of Danville, Virginia, related to the construction and maintenance of on-site storm water management facilities on Lot 12B (PIN 76441) of the Authority's Cyber Park project.*

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

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

5C. CONSIDERATION OF RESOLUTION NO. 2020-09-14-5C APPROVING APPLICATIONS FOR STATE TRADEMARK REGISTRATIONS

Legal Counsel to the Authority Michael Guanzon explained the SVM building sign, approved by RIFA earlier this summer, has a logo that was generated. Staff has been tasked to make sure that RIFA will not have a problem with someone else having intellectual property rights. Staff did a preliminary search which came up clear from a statewide perspective; this resolution authorizes the application for state trademark protection. Staff did not add for federal protection; that was a lot more of a process and was quite expensive. The cost for the state was \$30 per application and there will be three categories they will ask for.

Mr. Searce **moved** for adoption of *Resolution No. 2020-09-14-5C, approving the submission of applications to register state trademark registrations being used in connection with the Authority's Southern Virginia Megasite at Berry Hill project, located in Pittsylvania County, Virginia.*

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

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

5D. CONSIDERATION OF RESOLUTION NO. 2020-09-14-5D APPROVING AMENDMENT NO. 30 DATED AUGUST 17, 2020 WITH DEWBERRY

Brian Bradner of Dewberry Engineers explained this item was for the engineering, permitting and construction administration work for the proposed graded pad on Lot 1 and 2. The scope of work was consistent with what they have previously done at the Mega Site, and was required by the regulatory authorities. Mr. Rowe noted in talking with Mr. Feinman, it appears there was flexibility with regard to timing of expenditure of the funds, and would work with RIFA on the timing so the deadline wouldn't be as stringent.

Mr. Searce **moved** for adoption of *Resolution No. 2020-09-14-5D, approving Amendment No. 30, dated August 17, 2020, with Dewberry Engineers Inc., a New York corporation, for engineering services related to the Mega Park Master Plan, to provide grading and construction administration services for Lots 1 and 2 of the Authority's Southern Virginia Megasite at Berry Hill project, located in Pittsylvania County, Virginia, at a lump sum fee of \$290,000.00.*

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

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

5E. CONSIDERATION OF RESOLUTION NO. 2020-09-14-5E APPROVING A STATEMENT OF NON-FINANCIAL SUPPORT FOR VDOT'S CONSTRUCTION OF A CONNECTOR ROAD

Mr. Harden explained that as VDOT goes forward with the production of the road construction plans, they have to cross some streams and wetlands. This was a resolution in support of the Army Corp of Engineers permit application. Mr. Harden noted he made a recommendation to Mr. Rowe when they received the letter from the Army Corp, that RIFA should do this.

Mr. Saunders **moved** for adoption of *Resolution No. 2020-09-14-5E, approving that certain statement of non-financial support for the Virginia Department of Transportation's construction of the "Berry Hill Connector Road" on new alignment from the Oak Ridge Farms Road Interchange at Route 58 to Berry Hill Road in Pittsylvania County, Virginia.*

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

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

5F. FINANCIAL STATUS REPORTS AS OF AUGUST 30, 2020

City of Danville Director of Finance Michael Adkins, gave the Financial Status report as of

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August 31, 2020, beginning with the Cane Creek Bonds which showed no expenditures for the month of August. General Expenditures for FY 2020 show RIFA paid \$625 to Dewberry for Lot 3 survey at Cane Creek and \$35,389 to Christian & Barton for legal fees. For General Expenditures for FY 2021, RIFA paid \$238 for meals and \$31 for monthly utilities. Berry Hill Funding Other than Bonds for the Mega Site shows RIFA paid \$132,280 to Dewberry for Amendment #29 and \$298,500 to AEP related to infrastructure. For Lot 4 Site Development, RIFA expended \$50,839 to Haymes Brothers for Phase 1 Pad Expansion. Lot 8 Site Development showed no activity for August. Water and Sewer shows RIFA expended \$261,293 to Haymes Brothers for Sanitary Sewer Phase 1. Rent, Interest and Other Income for FY 20 shows no changes for August, and for FY 21 shows RIFA received \$25,412 from the Institute related to the Hawkins Building, \$77 in interest, and \$1,057 from Pittsylvania County for the monthly rent for Gefertec. RIFA paid \$25,412 to the Institute for the Hawkins' maintenance, \$868 to Mountain Roofing for roof repairs at the Hawkins Building and paid \$2,115 to the Institute for Gefertec rent.

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

VOTE: 4-0
AYE: Warren, Scarce, Saunders, Vogler (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 12:25 p.m. Mr. Scarce **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; 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

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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.

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

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

Return to Open Session - Reinstatement/Unmuting of Conference Line.

On **Motion** by Mr. Saunders and **second** by Mr. Searce and by unanimous vote at 1:56 p.m., the Authority returned to open meeting.

Mr. Searce **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. Vogler and carried by the following vote:

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

NEW BUSINESS CONTINUED

7A. CONSIDERATION OF RESOLUTION NO. 2020-09-14-7A SELECTION OF LEGAL COUNSEL

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Mr. Vogler **moved** that Agenda Item 7A - *Consideration of Resolution No. 2020-09-14-7A, selection of legal counsel*, be **TABLED.**

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

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

7B. CONSIDERATION OF EXTENDING THE CLOSING DEADLINE AND CONTRACT WITH REALTYLINK

Mr. Vogler **moved** for adoption of *Resolution 2020-09-14-7B, to extend the Closing Deadline in the Contract of Sale with RealtyLink Investments LLC dated November 21, 2019 from September 30, 2020 to December 31, 2020. The Chairman or Vice Chairman shall be authorized to execute and deliver an amendment consistent with this resolution.* [No written resolution]

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

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

COMMUNICATIONS

Mr. Saunders congratulated Matt Rowe for his recognition in *Virginia Business* magazine, it speaks well of Mr. Rowe and for RIFA, and Mr. Vogler noted his congratulations to Mr. Rowe on his new family addition.

Mr. Warren noted his congratulations to Mr. Rowe on both the new family addition and his recognition in *Virginia Business*; he appreciates Mr. Rowe's hard work, and also the hard work of Ms. Bobe. Mr. Warren congratulated Mr. Saunders on the building named after him, it was a well-deserved honor.

Meeting adjourned at 2:04 p.m.

APPROVED:

s/ Robert W. Warren
Chairman

s/ Susan M. DeMasi
Secretary to the Authority