

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY  
Minutes  
October 9, 2012

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:10 p.m. on the above date in the Danville Regional Airport Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Chairman Sherman M. Saunders, Fred O. Shanks, III and alternate J. Lee Vogler. Pittsylvania County Members present were Vice Chairman Coy E. Harville, and Alternate Jessie L. Barksdale. James Snead was absent.

City/County staff members attending were: County Administrator Dan Sleeper, Danville Finance Director/Authority Treasurer Barbara Dameron, City of Danville Director of Economic Development Jeremy Stratton, Pittsylvania County Director of Economic Development Ken Bowman, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Project Manager Corrie Teague, City of Danville Senior Accountant Patricia Conner, Clement and Wheatley Attorney Michael Guanzon, and Secretary to the Authority Susan DeMasi.

Also present were Dewberry and Davis Project Manager Shawn Harden.

Chairman Saunders called the Meeting to order.

**PUBLIC COMMENT PERIOD**

No one desired to be heard.

**APPROVAL OF MINUTES and ADDITION TO AGENDA**

Authority Attorney Michael Guanzon noted that there is an additional closed session item: Item 6A.1, as permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended, for discussion concerning the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in expanding its facilities in the Authority's Cyber Park project.

Mr. Harville **moved** to approve the minutes of the September 10, 2012 meeting and approve the Agenda with the added item 6A.1. Draft copies of the minutes had been distributed to Authority Members prior to the Meeting.

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

VOTE: 4-0  
AYE: Harville, Barksdale, Saunders and Shanks (4)  
NAY: None (0)

**NEW BUSINESS**

**5A. CONSIDERATION – RESOLUTION NO. 2012-10-09-5A – AUTHORIZING APPLICATION TO TOBACCO COMMISSION FOR GRANT - \$5,500,000**

Assistant County Administrator for Planning & Development Gregory Sides noted that this represents the next cycle of the Mega Site. An application has been done to grade Lot 4

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY  
Minutes  
October 9, 2012

and the permitting associated with that. The permitting includes sewer impacts associated with this project.

Dewberry and Davis Project Manager Shawn Harden noted that Eden, North Carolina is finishing up the force main that runs down State Route 770 from the City limits to the State line, with the connection into their existing pump station in Eden and then pumps to the sanitary sewer. This application will be for the gravity interceptor on Trotter's Creek to the pump station and a 16" force main. This will provide sewer infrastructure for Lots 3,4,5,6, and 12. Mr. Sides indicated with this project and with the permit to do the grading on Lot 4 RIFA would have a graded site with water and sewer available.

Mr. Shanks **moved** adoption of *Resolution 2012-10-09-5A, authorizing the submission of an application by the Authority to the Tobacco Indemnification and Community Revitalization Commission for a grant of up to \$5,500,000 for constructing (i) a sewer extension from the North Carolina/Virginia line to the Authority's Berry Hill Mega Park Project, in Pittsylvania County, Virginia, to service Lots 4 and 5; (ii) a Trotter's Creek pump station; and (iii) a Trotter's Creek gravity sewer; and authorizing the Danville City Manager and the Pittsylvania County Administrator, subject to approval by the Chairman or Vice Chairman of the Authority, to execute and to deliver, on behalf of the Authority, all necessary documents pertaining thereto.*

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

VOTE: 4-0  
AYE: Harville, Barksdale, Saunders and Shanks (4)  
NAY: None (0)

**5B. UPDATE ON CONSTRUCTION IMPROVEMENTS – NEW LOT 1 – CANE CREEK CENTRE (GPIN 2347-39-1745)**

Robert R. Bennett, CEO of United States Green Energy gave an update to the RIFA Board and noted they have a temporary occupancy permit, with two months to complete the roads. The building is complete, the gravel service road that services the entry bays is complete, and the entrance road has the gravel down ready for paving, and is 50% complete. The parking lot is graded but after all the rain, it will have to be graded again, but will be ready to be paved. The only thing left to be done is to finish the paving, curbs and gutters and sidewalks, which cannot be done until the rain stops. Equipment is installed, running and they are 100% out of the Trade Street location and have hired 10 additional people. On the business side, they have just completed an order for Fort Belvoir, and an order for a company in Richmond and have orders out of West Virginia and Nantucket. Mr. Bennett noted the industry has been very tough but they are fortunate to have introduced a new range of products and recently taken some new orders on those. Mr. Bennett also discussed upcoming private investment in the company at the end of the year, if that money comes in they are planning substantial upgrades in investment and employment. They have 15-16 employees and if they get the cash investment, they will be able to hire between 200 and 300 new employees in 2013.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY  
Minutes  
October 9, 2012

**5C1. CONSIDERATION – RESOLUTION 2012-10-09-5C – RATIFYING DEED OF AMENDMENT DATED SEPTEMBER 28, 2012**

Michael Guanzon noted that at the last meeting, the Board wanted to make sure that the extension for the construction coincided with the next RIFA meeting but did not realize that that meeting day was going to be moved one day. Based on the Resolution that was approved last time, it gave the Chairman or the Vice Chairman the ability to make technical corrections. This one is just to ratify the one-day extension given before this meeting.

Mr. Harville **moved** adoption of *Resolution 2012-10-09-5C, ratifying that certain Deed of Amendment dated September 28, 2012, amending the construction completion date to October 9, 2012, to reflect the fact that the Authority's regular meeting was moved to October 9, 2012, on account of the October 8, 2012 Columbus Day holiday.*

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

VOTE: 4-0  
AYE: Harville, Barksdale, Saunders and Shanks (4)  
NAY: None (0)

**5C2. CONSIDERATION OF RESOLUTION NO. 2012-10-09-5C(2) – EXECUTE AND DELIVER A DEED TO AMENDMENT – EXTEND COMPLETION DEADLINE**

Michael Guanzon noted that this request is that although they have a Temporary Certificate of Occupancy the deed requires a Permanent Certificate of Occupancy. This will extend the deadline to the next RIFA meeting.

Mr. Shanks **moved** adoption of *Resolution No. 2012-10-09-5C(2), to execute and to deliver a Deed of Amendment to extend the Completion Deadline in that certain Deed of Amendment dated September 27, 2012, and recorded in the Clerk's Office of the Circuit Court of Pittsylvania County, Virginia, as Instrument No. 12-05391, at page 01, from October 8, 2012 to November 12, 2012.*

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

VOTE: 4-0  
AYE: Harville, Barksdale, Saunders and Shanks (4)  
NAY: None (0)

**5D. CONSIDERATION – RESOLUTION NO. 2012-10-09-5D – ADOPT AND APPROVE – STANDARD FORM OF AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES**

County Administrator Dan Sleeper noted that this is the engineering contract for the connector road and are asking for the approval of RIFA to get the contract signed.

Mr. Harville **moved** adoption of *Resolution No. 2012-10-09-5D, to adopt and to approve that certain Standard Form of Agreement Between Owner and Engineer for Professional Services and Addendum between the Danville-Pittsylvania Regional Industrial Facility*

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY  
Minutes  
October 9, 2012

*Authority, a political subdivision of the Commonwealth of Virginia, and Dewberry & Davis, Inc., a North Carolina corporation, dated June 21, 2012, (i) for the modification and enhancement of the Connector Road connecting the U.S. Highway 58 and U.S. Highway 311 (Berry Hill Road/VA 863) to serve the Berry Hill Mega Park site; and (ii) for engineering services for the design of the Connector Road, at an estimated aggregate cost of \$1,1781,119.*

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

VOTE: 4-0  
AYE: Harville, Barksdale, Saunders and Shanks (4)  
NAY: None (0)

**5E. CONSIDERATION – RESOLUTION 2012-10-09-5E – NEW RIVER VALLEY ECONOMIC DEVELOPMENT ALLIANCE**

Pittsylvania County Director of Economic Development Ken Bowman explained the New River Valley has an umbrella foreign trade zone that reaches out about 90 miles and has invited the County, and the Mega Park to be included. It will cost \$1,600 to enroll and have that designated as a foreign trade zone. The Pittsylvania County Board of Supervisors has already adopted a Resolution at their last meeting to incorporate the industrial parks within Pittsylvania County under this umbrella also.

Board Members discussrd the City and the County having a joint resolution as this involves RIFA.

Mr. Harville **moved** adoption of Resolution No. 2012-10-09-5E, endorsing and supporting (i) the application of Pittsylvania County, Virginia, to the New River Valley Economic Development Alliance (the "Alliance") for inclusion of the Authority's Mega Park site into the Service Area of Foreign-Trade Zone #238, and (ii) the Alternative Site Framework application of the Alliance to the U.S. Foreign-Trade Zones Board.

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

VOTE: 4-0  
AYE: Harville, Barksdale, Saunders and Shanks (4)  
NAY: None (0)

**5F. FINANCIAL REPORT AS OF SEPTEMBER 30, 2012**

Authority Treasurer Barbara Dameron noted under the Cane Creek Bond Funds, the demolition of the house is finished and \$22,500 was paid to Tony Wilson for that. There is a payment of \$1,800 to ECS Mid-Atlantic for the Phase I environmental site assessment at the Cane Creek Shell Building. Under General Expenditures for FY2012, there is a slight reduction in utilities where Axxor has reimbursed the City \$116.00. Under General Expenditures for FY 2013, there are legal fees of \$7,425.00 and the annual trustee fee for Cane Creek Bonds of \$4,000. There were no changes in Funds Available for Appropriation. Revenue for the month reflects payment from the IALR, which has decreased by about \$5,000 related to the Virginia Tech labs moving. The Financial

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY  
Minutes  
October 9, 2012

Statements reflect \$158,000 that RIFA has been reimbursed from the Tobacco Commission for the engineering at the Mega Park and the Cane Creek Lots 3 and 9.

Mr. Shanks **moved** to approve the Financial Report as of September 20, 2012. The Motion was **seconded** by Mr. Barksdale and approved by the following vote:

VOTE: 4-0  
AYE: Harville, Barksdale, Saunders and Shanks (4)  
NAY: None (0)

**6A. and 6A.1 - CLOSED SESSION**

Chairman Saunders noted that during closed session all matters discussed will involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.

At 12:45 p.m., Mr. Harville **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting as permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended for discussion concerning the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in expanding its facilities in the Authority's Cyber Park project; and as permitted by Section 2.2-3711(A)(7) of the Code of Virginia, 1950, as amended, for consultation with the Authority's legal counsel, Clement & Wheatley, and briefings by the Authority staff or consultants pertaining to probable contract litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the Authority. "Probable litigation" means litigation on which the Authority and its legal counsel have a reasonable basis to believe will be commenced against a known party;

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

VOTE: 4-0  
AYE: Harville, Barksdale, Saunders and Shanks (4)  
NAY: None (0)

Upon **Motion** by Mr. Harville and **second** by Mr. Barksdale, and by unanimous vote at 1:10 p.m., the Authority returned to open meeting.

Mr. Harville **moved** 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;

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY  
Minutes  
October 9, 2012

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. Barksdale and carried by the following vote:

VOTE: 4-0  
AYE: Harville, Barksdale, Saunders and Shanks (4)  
NAY: None (0)

**CONSIDERATION – RESOLUTION NO. 2012-10-09-6A.1 – Distributed at the Meeting.**

Mr. Barksdale **moved** adoption of *Resolution No. 2012-10-09-6A.1, as distributed at this meeting, approving a grant of up to \$150,000 to CBN Technologies Inc., a Florida Corporation, for the reimbursement of expenses associated with the expansion of its facilities located on Lot 7C of the Authority's Cyber Park, bearing the mailing address of 350 Stinson Drive, Danville, Virginia (PIN 78461).*

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

VOTE: 4-0  
AYE: Harville, Barksdale, Saunders and Shanks (4)  
NAY: None (0)

**CONSIDERATION – ADD ITEMS TO AGENDA**

Mr. Shanks **moved** to add items to the Agenda for CBN Secured Technology. The Motion was **seconded** by Mr. Harville and carried by the following vote:

VOTE: 4-0  
AYE: Harville, Barksdale, Saunders and Shanks (4)  
NAY: None (0)

**CONSIDERATION – RESOLUTION NO. 2012-10-09-6A.2**

Tim Clark, Blair Construction explained that in order to move forward in the design and permit process for CBN, the RIFA board has to approve what the building looks like per the covenants of the Park. Mr. Clark reviewed the plans for the expansion which will have the same finishes and windows. The revised site plan allows for truck traffic to come to the back of the building resulting in more site work, but gets trucks out of the road and to the back of the building. The issue is there are two existing entrances and they will have a third entrance to tie it all together; the zoning law say they can only have two entrances. CBN has to go in front of the Board of Zoning Appeals to ask if they can keep the third entrance. CBN is in the process of making that application and that is due the end of next week with a meeting in November in front of the Board of Zoning Appeals. In order to get the building permit, CBN needs to have approval from RIFA on the façade of the building.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY  
Minutes  
October 9, 2012

Mr. Shanks **moved** to approve *Resolution No. 2012-10-09-6A.2 (no written Resolution) to approve the Conceptual Site Plan with regard to the Restrictive Covenants, for CBN Technologies Inc., a Florida Corporation, of its facilities located on Lot 7C of the Authority's Cyber Park, bearing the mailing address of 350 Stinson Drive, Danville, Virginia (PIN 78461) subject to review of the Planning Director of the City of Danville.*

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

VOTE: 4-0  
AYE: Harville, Barksdale, Saunders and Shanks (4)  
NAY: None (0)

**CONSIDERATION – RESOLUTION NO. 2012-10-09-6A.3**

Mr. Shanks **moved** to approve *Resolution No. 2012-10-09-6A.3 (no written Resolution) that the Board of the Danville Pittsylvania Regional Industrial Facility Authority, as owner of the Cyber Park, supports the third entrance proposed on the concept plan for CBN Technologies Inc., a Florida Corporation, of its facilities located on Lot 7C of the Authority's Cyber Park, bearing the mailing address of 350 Stinson Drive, Danville, Virginia (PIN 78461).*

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

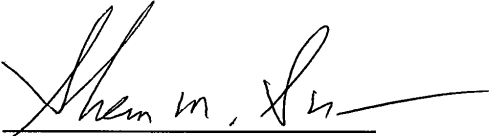
VOTE: 4-0  
AYE: Harville, Barksdale, Saunders and Shanks (4)  
NAY: None (0)

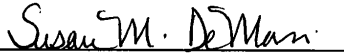
Mr. Shanks clarified that RIFA, as the owner of the Park and the Development to relay to the City Planning Staff that the Board supports this.

**COMMUNICATIONS**

There were no communications from Members or Staff.

MEETING ADJOURNED AT 1:17 P.M.

  
Chairman

  
Secretary to the Authority