

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY  
Minutes  
July 8, 2013

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:15 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, James Snead, and alternate Jessie L. Barksdale.

City/County staff members attending were: City Manager Joe King, Danville Finance Director/Authority Treasurer Barbara Dameron, City of Danville Director of Economic Development Jeremy Stratton, City of Danville Director of Public Works Ric Drazenovich, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Senior Accountant Patricia Conner and Clement & Wheatley Attorney Michael Guanzon. Also present was Dewberry Project Manager Shawn Harden.

Chairman Saunders called the Meeting to order and called for a moment of silence for RIFA's Secretary whose mother passed away.

**PUBLIC COMMENT PERIOD**

No one present desired to be heard.

**APPROVAL OF MINUTES OF THE JUNE 10, 2013 MEETING**

Upon **Motion** by Mr. Harville and **second** by Mr. Snead, Minutes of the June 10, 2013 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

Chairman Saunders thanked all the RIFA members for their work on behalf of the region and extended his thanks to the staff as well.

**OLD BUSINESS**

**5A. CONSIDERATION – RESOLUTION 2013-07-08-5 – APPROVING AMENDMENT AND ADDENDUM TO LEASE AGREEMENT WITH IALR – CHARLES HAWKINS BUILDING**

Authority Attorney Michael Guanzon noted this is a follow up matter. This item had previously been approved, staff had a meeting with the Institute and they wanted some clarifications on the business points. Staff had been under the impression none of the Charles Hawkins Building was being occupied, but there are a few smaller tenants.

Mr. Harville **moved** adoption of *Resolution No. 2013-07-08-5 approving (i) Amendment to Lease Agreement between the Authority (as landlord) and The Institute of Advanced Learning and Research (the "Institute"), a political subdivision of the Commonwealth of Virginia (as tenant), pertaining to the Charles Hawkins Building, located in the Authority's Cyber Park, under which the term would renew for successive periods of one year each unless either party gives the other party notice of its intention not to renew at least 90 days prior to the expiration of the then current Term; the consumer price index would be removed and replaced as the mechanism for determining rent increases; Rent would be \$10.00 per year, per square foot of space for that portion of the Charles Hawkins Building physically occupied by Tenant or any assignee or subtenants of Tenant; and Landlord would be*

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*responsible for certain maintenance and repairs to the Charles Hawkins Building; and (ii) Addendum to Lease Agreement for the same lease under which the Institute would be contracted to perform certain maintenance and repairs to the Charles Hawkins Building at an annual rate of compensation equal to the current Rent payable, subject to annual consideration and adjustment. [Resolution No. 2013-07-08-5 to supersede Resolution No. 2013-06-10-5]*

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

In response to Mr. Snead's question, Mr. Guanzon explained that for the actual portion of the building that they are occupying they will be paying \$10 per square foot, per year. As soon as RIFA receives that payment, RIFA will pay it back to them and they will take care of maintenance and repairs.

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

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

**NEW BUSINESS**

**6A. CONSIDERATION - RESOLUTION NO. 2013-07-08-6A - APPROVING PROFESSIONAL SERVICES AGREEMENT DATED JUNE 13, 2013 WITH WETLAND STUDIES AND SOLUTIONS**

Mr. Snead **moved** adoption of Resolution No. 2013-07-08-6A, *approving that certain Professional Services Agreement dated June 13, 2013, with Wetland Studies and Solutions, Inc., a Virginia corporation, as an independent contractor, for specialized consultant assistance with the Authority's applications for permits from the U.S. Army Corps of Engineers and Virginia Department of Environmental Quality for impacts to Waters of the U.S., associated with the development of the Authority's Mega Park project located in Pittsylvania County, Virginia; with fees charged not to exceed an aggregate of \$150,000, according to a task schedule.*

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

Director of Public Works Ric Drazenovich noted RIFA had 3500 acres of land that had to have delineation and confirmation of all the wetlands, streams and historical properties. That was worked on for well over a year with Dewberry and RIFA's permit was submitted on October 17<sup>th</sup>. The Corps and EPA had multiple questions back and forth, but they finally responded to RIFA in May, and their response leads staff to believe that they may deny the permit because of lack of an end user. Staff believes they need better guidance and some higher connections into the Corps and EPA. This consultant has those connections and has a lot of experience in Northern Virginia where they have been going through this longer than the Southside. Mr. Drazenovich noted he believed they would be a good addition and help guide RIFA through the negotiations with the Corps.

After further discussion, the Motion was **carried** by the following vote:

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

**6B. UPDATE ON CBN SECURE TECHNOLOGIES**

Director of Economic Development Jeremy Stratton noted that Jason Arends at Canadian Bank Note was unavailable this week and hoped to move the update to another month. Mr. Stratton noted CBN may be willing to let the Board tour parts of the facility and he is going to try to set that up in the next 30-60 days.

**6C. UPDATE ON COMPANIES OPERATING IN THE AUTHORITIES PROJECTS AND STATUS OF PERFORMANCE AGREEMENTS**

Director of Economic Development Jeremy Stratton noted that all the companies are compliant and up to date with the Tobacco Commission agreements. EIT just submitted their information, they are holding steady on their employment and have made most of their capital investment. Swedwood has a new plant manager and hopefully she will keep things where they are or improve them. New job numbers are in from Elkay, they are where they need to be and have actually exceeded them. US Green Energy has just closed on their \$50M loan; the money should be flowing here in the next week or two and they can purchase equipment. Once the money comes in, they will start re-hiring people, probably in the next 90 days or sooner. GOK International is doing well, in the process of trying to hire people and are on good footing.

**6D. FINANCIAL STATUS REPORT AS OF MAY 31, 2013**

Authority Treasurer Barbara Dameron noted RIFA expended \$13,639 in the month of June and received \$3,900 in revenue. Under Expenditures, \$1,650 was for the Dewberry Wetland Monitoring Contract. General Expenses total \$11,989, approximately \$6,500 for legal and \$5,244 for Insurance. The reports also show Rental Income of \$3,900 from the Institute.

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

VOTE: 4-0  
AYE: Harville, Snead, Saunders, Vogler (4)  
NAY: None (0)

**COMMUNICATIONS**

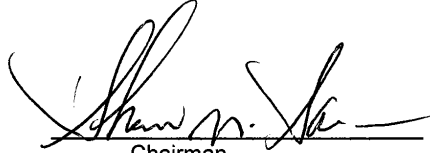
Mr. Harville and Mr. Sides discussed Route 863 and the by-pass and that the new VDOT resident engineer in Lynchburg has offered to come down and meet with RIFA.

Mr. Harville also discussed a problem at the Mega Park some time ago, a group went out in the cornfield, rode out in the field and caused damage. It is a private individual that owns a little corner of the woods. Dewberry has staked it off and Mr. Hawker has gone out, marked the property line clearly and all this has been settled.


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Mayor Saunders noted his special thanks to Ms. Thibodeau for her reporting and keeping the community informed. People in Richmond and Washington read her work, she makes the community look good and that is appreciated. Mr. Saunders again noted this thanks to the RIFA board and staff.

MEETING ADJOURNED AT 12:46 P.M.



Chairman



Secretary to the Authority