

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
August 12, 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, County Administrator Dan Sleeper, City of Danville Finance Director/Authority Treasurer Barbara Dameron, City of Danville Director of Economic Development Jeremy Stratton, Project Manager Corrie Teague, 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.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE JULY 8, 2013 MEETING

Upon **Motion** by Mr. Harville and **second** by Mr. Shanks, Minutes of the July 8, 2013 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. DISCUSSION – FISCAL YEAR 2014 TOBACCO COMMISSION MEGA SITE GRANT APPLICATION

Assistant County Administrator for Planning & Development Gregory Sides noted the Mega Site grant applications are due October 18th. The biggest issue with the Mega Site application process is the backup because of permitting issues. The permitting obstacle has created some additional costs and staff is still putting together the proposed next application. Mr. Sides noted he believes it will need to be engineering and permitting to cover the cost beyond what was initially proposed. Staff anticipates having a Resolution for the Board at the September RIFA meeting to approve submitting that application in October. In response to Chairman Saunders, Mr. Sides noted he does not know what the time frame may be with regard to Senators Warner, Kaine and Congressmen Hurt's proposed legislation. Mr. Harville questioned the status of the application with the Sewer line and connecting with Eden and Mr. Sides noted it has been cleared by the Tobacco Commission, it had been delayed while staff did some more work. Mr. Sleeper noted he believes it is going to bid next week and Mr. Harville requested that Eden be updated on the status as well.

5B. UPDATE ON DEVELOPMENT OF THE AUTHORITY'S MEGA PARK PROJECT LOCATED IN PITTSYLVANIA COUNTY, VIRGINIA

City of Danville Director of Public Works Ric Drazenovich noted the permit was submitted on October 17, 2012. The Army Corp of Engineers responded back in May, and after reviewing

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the response, it became evident that they were not likely to approve the permit as submitted. RIFA contracted with Wetland Studies and Solutions, an engineering firm who specializes in resolving these types of wetland and permit issues. They have completed their initial discussions with the regulatory agencies and have come to the conclusion that they do not believe they going to approve what they call a speculative development, meaning RIFA doesn't have an end user for the project. The problem is they cannot assess the Least Damaging Practical Alternative without a user. Economic development agrees RIFA won't attract anybody to the site without having a permit and a pad. Wetlands had meetings with all of them together and believes that the Corp softened a bit and would be willing to consider a more targeted market study. They have outlined what RIFA needs to do in the quantifiable market analysis, which includes a clearer purpose and need, a more defined market area, the target market users and their needs and the demand level of that market. After RIFA gets the market study, Wetland Solutions will sit down with the Corp to see how comfortable they are with proceeding based on that study. Once RIFA is past the speculative issues, it still has to resolve the historical and environmental issues. Board members and staff discussed the historical aspects of the Mega Park, a Phase II study and a more in depth evaluation. Mr. Shanks noted the Counties and the Cities might, through VACO and VML, try to organize against this process and support the legislation.

5C. FINANCIAL STATUS REPORT AS OF JULY 31, 2013

Senior Accountant Patricia Conner gave the Financial Report as of July 31, 2013 noting that July activity under General Expenditures for FY 2013 shows an increase in the available funds of about \$2,700.00 due to a refund of approximately \$3,000.00 received from VML Insurance. That refund was for the Charles Hawkins' Building as the Institute will start carrying that Insurance effective July 1, 2013. There were expenditures of \$232.00 for meals and \$23.00 for Utilities. Under the General Expenditures Budget for FY 2014, there is no activity at this time and the carry forward from the prior FY 2013 is to be decided as there are still some outstanding invoices for that fiscal year. Under Rent, Insurance and Other Income, RIFA carried forward funds from FY2013 and is now showing the cumulative receipts for FY2014. RIFA received \$3,800.00 from the Institute for the Charles Hawkins' Building; \$600 from Securitas for two months' rent due to the timing of the statement preparations and \$2000.00 for the Clodfelter Hunting Lease. RIFA remitted \$3,905.00 to the Institute for the Hawkins' Research Building Property Management Fee.

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

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

6A and B. CLOSED SESSION

Chairman Saunders noted that 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. At 12:47 p.m., Mr. Shanks **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting as permitted by Section 2.2-

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3711(A)(3) of the Code of Virginia, 1950, as amended, for discussion or consideration of the acquisition of real property for a public purpose to develop one of the Authority's projects, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

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

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

B. Mr. Shanks **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 two prospective businesses or industries where no previous announcement has been made of their interest in locating or expanding their respective facilities into one of the Authority's projects.

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

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

On **Motion** by Mr. Snead and **second** by Mr. Shanks, and by unanimous vote at 1:09 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;

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. Shanks and carried by the following vote:

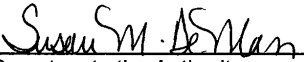
VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

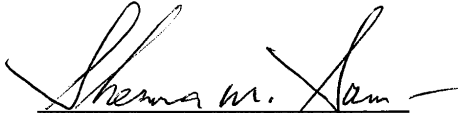
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COMMUNICATIONS

Mr. Harville commended Joe King and Jeremy Stratton on their trip to China.

MEETING ADJOURNED AT 1:15 P.M.


Secretary to the Authority


Chairman