

MINUTES
Board Meeting
July 21, 2016

- MEMBERS PRESENT:** Wayne Bowers, Michael Burnette, Thomas Gates, Jill Loope, Gary Larrowe, Melinda Payne, Pete Peters, Barry Thompson (8)
- ALTERNATES PRESENT:** Robert Ledger, David Moorman, Dan O'Donnell, Brian Townsend (4)
- GOVERNMENTS:** Botetourt County, City of Roanoke, City of Salem, Franklin County, Roanoke County, Town of Vinton (6)
- Staff:** Laura Carini, Beth Doughty, Lisa Link,
- Guests:** Paul Jacobson, Sands Anderson; Kyle Laux, Davenport; Dan Siegel, Sands Anderson; Rebecca Owen, Roanoke County, Rosie Jordan, City of Salem, Ken McFadyen, Botetourt County

Vice chairman Gates called the meeting to order in the absence of Chairman Morrill. Link read the roll call and established a quorum was present.

A motion by Boggess to accept the Minutes from the June 21, 2016 meeting was seconded by Bowers and approved unanimously.

REIMBURSEMENT RESOLUTION Paul Jacobson of Sands Anderson presented the reimbursement resolution for vote. Larrowe made a motion to accept the resolution, seconded by Loope and it was adopted by unanimous vote.

AMENDED AND RESTATED ORGANIZATION AGREEMENT Paul Jacobson and Dan Siegel of Sands Anderson explained that the amended and restated authority agreement clarifies the rights and responsibilities of the participating localities. Redline copies have been distributed to each locality's attorney for review. It was recommended that the amended and restated agreement should be adopted no later than the September 2016 meeting. A draft of the participation agreement will be circulated to localities.

FINANCIAL MODELING: Kyle Laux, Davenport, explained the options for funding. Using the total estimated cost of the project estimated at \$20 million, he recommended that the funds be obtained in two phases, with the first phase (\$10 million) due by November for land acquisition. Timetable would ensure debt service does not impact the FY 2017 budget of jurisdictions and that jurisdictions are able to plan for debt service payments during their respective 2018 budgeting processes.

It was his opinion, taxable funding provides the most flexibility. Legal security would be provided through a combination of general obligation and moral obligation commitments. Moral obligations would require collateral.

He noted that the banks indicated that a 20 year loan is viable; but that a 15 year loan is also likely possible with current Interest rates at 2.7 to 3.7 percent. Other options would include a fixed rate for the life of the loan or a fixed rate for a specific period (10 years) and a reset of the rate at the end of the initial period.

Laux outlined the following steps necessary to proceed:

- By end of July - RFP's sent to banks
- By Aug 12 - bid proposals received from banks
- Aug 18 - Present bids at Authority meeting
- Aug 22 - schedule required public hearings necessary for the general obligation pledge as required by the Public Finance Act.
- Sept – Information presented to local governments
- Sept 5-12 – formally approve financial documents
- By Sept 30 – local governments individually take steps to approve (public information meetings, etc.)
- By Oct. 30 – close on bank loan

A motion by Burnette to authorize Davenport to send RFPs to banks was seconded by Bowers and approved.

REPORT FOR OPERATIONS SUBCOMMITTEE Doughty reported that a subcommittee of Bowers and Gates met to discuss the administration of and budget for the WVRIFA. Doughty reported that as she has previously stated, she is concerned that the Roanoke Regional Partnership lacks the expertise to properly manage the Authority. It is the recommendation of the subcommittee that the Authority enter into an agreement with the Roanoke Valley-Alleghany Regional Commission (RVARC) to administer the WVRIFA and Doughty reported the RVARC is agreeable in concept. It was suggested that Doughty remain as executive director at least through the completion of the land acquisition. Gates asked Doughty to draft two memos of understanding, one between the WVRIFA and the RVARC and one between the WVRIFA and RRP.

The subcommittee also presented an operating budget for the WVRIFA; the proposed budget does not cover any project expenses. Doughty noted that the localities will only be billed for half of the proposed amount in FY 2016/17 as the other half was billed through the annual billing of the Roanoke Regional Partnership. (Budget attached).

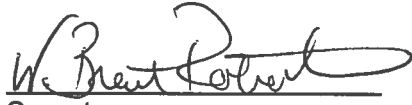
CLOSED SESSION – A communication from Chris Morrill, chairman of the Western Virginia Regional Industrial Facility Authority (WVRIFA) requesting that the Authority convene in a Closed Meeting to discuss the potential acquisition of privately-owned property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to section 2.2-3711(A) (3), Code of Virginia (1950) as amended. A motion by Bowers, to go into closed session per the request was seconded by Loope and was certified.

With respect to the Closed Meeting just concluded Gates moved that each member of the Western Virginia Regional Industrial Authority certify to the best of his or her knowledge that: (1) only public business matters lawfully exempted from open meeting requirements under the Virginia freedom of Information Act; and (2) only such public business matters as were identified in any motion by which any Closed Meeting was convened were heard, discussed, or considered by the Western Virginia Regional Industrial Facility Authority. A motion to certify the

closed session made by Boggess was seconded by Burnette and passed unanimously. Roll was called and the certification was unanimous.

OTHER BUSINESS:

There being no other business, the meeting adjourned.


Secretary


Attest

The next meeting of the Western Virginia Regional Industrial Facility Authority is scheduled for Thursday, August 18, 2016 at 10:30 AM.