

January 5, 2021

A Regular Work Session of the Danville City Council convened on January 5, 2021 at 7:57 p.m. in the Council Chambers located on the Fourth Floor of the Municipal Building. Council Members present were: James B. Buckner, L.G. "Larry" Campbell Jr., Bryant Hood, Mayor Alonzo Jones, Barry P. Mayo, Vice Mayor Gary P. Miller, Sherman M. Saunders, J. Lee Vogler, Jr. and Madison J.R. Whittle (9). *Mayor Jones left the meeting at 8:07 p.m.*

Staff Members present were: City Manager Ken Larking, Deputy City Manager Earl B. Reynolds, Jr., City Attorney W. Clarke Whitfield Jr. and City Clerk Susan M. DeMasi.

Mayor Alonzo L. Jones presided.

MINUTES

Upon **Motion** by Council Member Buckner and second by Council Member Saunders, Minutes of the Regular Work Session held on December 1, 2020 were approved as presented. Draft copies were distributed to Council Members prior to the Meeting.

WORK SESSION ITEMS

CONSIDERATION OF AUTHORIZING THE CITY MANAGER TO ENTER INTO A CAPACITY AGREEMENT FOR BATTERY ENERGY STORAGE

Council Member Saunders stated he looked at the information in the Agenda and noted it would cost the City about \$9M but will save \$48M. Vice Mayor Miller noted this item was very well received by the Utility Commission, and it would be great for the City. He dreads the notifications people receive every year for peak energy use time, either in the winter or summer, which can raise the transmission charges and fees. This was one way to blunt that; when that time comes, the City can turn on the storage capacity, blunt that usage and the charges will not be as much.

Council Member Whittle stated the City's solar power was going into the City's line, will the batteries go back into the line too, and Director of Utilities Jason Grey explained the batteries were a fixed 10 megawatts of energy source. The City would only use it during the high demand periods; it would be charged during off peak times and discharged during peak. Mr. Grey noted it was part of the Virginia Clean Economy Act the Governor passed during the last session. It will allow the City to curtail 10 megawatts of demand during the high peak demand periods, and could be used in the morning or the evening whereas solar was a fixed period. Council Member Buckner questioned the location and Mr. Grey explained they were looking at using their warehouse site on Industrial Avenue, as a very small space was needed, 100 feet by 60 feet. There was a small grassy area not being used right now, they were going to fence it off and use that. In response to Council Member Campbell, Mr. Grey explained that the ten megawatts was a two hour battery system. Typically the summer peak was 4 p.m. to 6 p.m. and winter peak was 7 a.m. to 9 a.m.; that aligns very well to what the City was seeing in the summer and winter.

Council agreed to put this on an upcoming business meeting.

PROGRAM UPDATES

Mr. Larking noted he sent out an email and received responses from several council members regarding a retreat, which would be a one day work session to discuss the outcomes of the Investing in Danville committee work, and to use that as a jumping board for the upcoming budget, and budgets after that. Based on what he has heard so far, it looked like it would be held on

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January 23rd, and requested Council let him know if that date was okay. Council members noted they were available.

ECONOMIC DEVELOPMENT UPDATES

Director of Economic Development Corrie Bobe noted on the Council's Business Agenda on January 19th, staff will be requesting a Moral Obligation for a loan through the IDA. The IDA owns 816 Monument Street which was a warehouse; a portion of it houses a company called UES which was owned by Belk. Quite a few repairs were needed to the building including roof replacement, replacing and repairing damaged gutters, ceiling tiles, etc. The City will be entering into a loan agreement with Movement Mortgage and they were requiring a Moral Obligation from the City. The total amount of the loan was \$470,000 over a twenty year period and the lease with UES more than covers the debt service for this loan.

Mayor Jones left the meeting at 8:07 p.m., and Vice Mayor Miller presided.

CLOSED MEETING

At 8:07 p.m., Council Member Vogler **moved** that this meeting of the City Council of the City of Danville, Virginia be recessed and that Council immediately reconvene in a Closed Meeting for the following purposes: discussion and consideration of the acquisition and disposition of real property, for a public purpose where discussion in an open meeting would adversely impact the bargaining position of the City as permitted by Subsection (A)(3) Section 2.2-3711 of the Code of Virginia, 1950, as amended, and more specifically to consider the discussion regarding the sale of a specific parcel of property for use by a prospective industrial or mixed use project looking to locate to the City; and an economic development discussion and update concerning a prospective business or industry where no previous announcement has been made, and/or the expansion of an existing business or industry where no previous announcement has been made as permitted by Subsection (A)(5) of Section 2.2-3711 of the Code of Virginia, 1950 as amended, and more specifically to consider the update of multiple prospective businesses or mixed used industrial projects considering locating in the City or region; and consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body as permitted by Subsection (A)(7) of Section 2.2-3711 of the Code of Virginia, 1950 as amended; and also discussion or consideration of investment of public funds where bargaining is involved where if made public initially, the financial interest of the governmental unit would be adversely affected as permitted by Subsection (A)(6) of Section 2.2-3711 of the Code of Virginia 1950 as Amended.

The Motion was **seconded** by Council Member Mayo and carried by the following vote:

VOTE: 8-0-1
AYE: Buckner, Campbell, Hood, Mayo,
Miller, Saunders, Vogler and Whittle (8)
NAY: None
ABSENT: Jones (1)

Upon unanimous vote at 9:32 p.m., Council reconvened in open session, and Council Member Vogler **moved** for adoption of the following Resolution:

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CERTIFICATE OF CLOSED MEETING

WHEREAS, the Council 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 2.1-344.1 of the Code of Virginia, 1950, as amended, requires a Certification by the Council that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Council hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements of Virginia Law under Section 2.2-3711 were heard, discussed or considered, and (ii) only such public business matters as were identified in the Motion by which the Closed Meeting was convened were heard, discussed or considered by the Committee.

The Motion was **seconded** by Council Member Buckner and carried by the following vote:

VOTE: 8-0-1
AYE: Buckner, Campbell, Hood, Mayo,
Miller, Saunders, Vogler and Whittle (8)
NAY: None
ABSENT: Jones (1)

Vice Mayor Miller noted the County has requested a non-voting County member be added to the Utility Commission. City Attorney Clarke Whitfield noted it would require amending the City Code to add that member. A straw poll was taken and Council Members noted their agreement.

ADJOURNED: 9:35 P.M.

APPROVED:

s/Alonzo L. Jones
MAYOR

ATTEST:

s/Susan M. DeMasi, CMC
CITY CLERK