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**BRIGHTER
BOLDER
BUSINESS**

**MINUTES
BOARD OF DIRECTORS MEETING
INDUSTRIAL DEVELOPMENT AUTHORITY OF HALIFAX COUNTY, VIRGINIA
JANUARY 19, 2024**

RE: MEETING:

The Board of Directors of the Industrial Development Authority of Halifax County, Virginia (IDA) held a regular IDA Board meeting on Friday, January 19, 2024, at 8:30 A.M. in the IDA Conference Room.

RE: MEMBERS PRESENT:

Those in attendance at the time the meeting was called to order included Mr. Rick Harrell, Mr. Ryland Clark, Mr. Robert Bates, and Mr. Jeremy Satterfield. Dr. Nettie Simon-Owens participated virtually from a hotel out of town for personal reasons.

RE: MEMBERS ABSENT:

Mrs. Nancy Pool and Mr. Jeremy Catron*

*Mr. Jeremy Catron arrived at 8:32 a.m.

RE: OTHERS PRESENT:

Mrs. Kristy Johnson – IDA Executive Director, Ms. Blair Jeffress – IDA Operations Manager, Mr. Scott Simpson – County Administrator, *Mr. Sam Darby – Glenn, Feldman, Darby, and Goodlatte, *Mr. Mike Graff – McQuire Woods, and Mr. Joshua Fitzwater – Gazette Virginian.

*Denotes virtual participation

RE: MEETING CALLED TO ORDER:

Mr. Rick Harrell called the meeting to order at 8:30 a.m. It was determined that a quorum was present with five members in attendance.

RE: APPROVAL OF AGENDA:

Mr. Jeremy Satterfield made a motion to approve the agenda, seconded by Mr. Robert Bates, and duly carried by the Board.

RE: READING AND APPROVAL OF MINUTES:

Mr. Jeremy Satterfield made a motion to approve the December 15, 2023 meeting minutes with corrections, seconded by Mr. Robert Bates, and duly carried by the Board.

**RE: CONSIDERATION OF PRIVATE ACTIVITY BOND ISSUANCE AND INDUCEMENT
RESOLUTION:**

Mrs. Johnson stated that she has invited Mr. Mike Graff from McQuire Woods to discuss the private activity bond issuance request received by IperionX. She encouraged the IDA Board members to review the request and offer any questions to Mr. Graff.

Mr. Graff introduced himself and explained his involvement with private activity bond issuance. He mentioned that the IperionX project qualifies for federal tax advantage financing. He stated that this gives IperionX the opportunity to borrow funds on a private basis at a lower interest





rate. He also mentioned that this would require the assistance of the IDA to act as a governmental conduit. He mentioned that the IDA has done this in past years and the IDA's attorneys are familiar with private activity bond issuances.

Mr. Graff reviewed the next steps and the timeline of this process. He stated that this meeting is to start to get the ball rolling. He stated that the first phase of financing is not expected until 2025.

Mr. Harrell thanked Mr. Graff for reviewing this project and opened the floor to any questions from the Board members.

Mr. Catron inquired about the County and the IDA being indemnified both financially and legally.

Mr. Graff explained that the County and IDA would be indemnified.

Dr. Simon-Owens inquired about the next steps.

Mr. Graff explained that once the IDA Board chooses to adopt the resolution, IperionX would be approved to use their own funds for reimbursement through revenue bond financing. He reviewed the next steps to include a public hearing with the IDA and approval by the Board of Supervisors which is expected to occur in 2025.

Mr. Simpson clarified that this first step is to capture preauthorized costs ahead of the bond issuance which will not take place until 2025.

Mr. Graff confirmed the statement by Mr. Simpson.

Mrs. Johnson introduced the IDA's attorney Mr. Sam Darby from Glenn, Feldman, Darby, and Goodlatte and stated that he is available for any follow up questions.

Mr. Jeremy Satterfield made a motion to approve the inducement resolution for private activity bond issuance for IperionX Technology, LLC authorizing the chair to execute the resolution, seconded by Mr. Jeremy Catron, and duly carried by the IDA board.

RE: REQUEST TO ENTER INTO CLOSED SESSION:

Motion was made by Mr. Ryland Clark seconded by Mr. Jeremy Satterfield, and duly carried by the Board that the Board go into closed session pursuant to Virginia Code Section 2.2-3711. That the purposes which are to be the subject of said executive or closed meeting shall be as follows:

- To discuss a prospective business or industry, or the expansion of an existing business or industry where no previous announcement has been made of the businesses or industry's interest in locating or expanding facilities in the community, pursuant to Virginia Code Section 2.2-3711.A.5.
- To discuss real estate matters, Virginia Code Section 2.2-3711.A.3.
- To discuss the award of a public contract involving the expenditure of public funds, including interviews of bidder or offerors, and discussion of the terms or scope of such contract, where discussion in open session would adversely affect the bargaining position or negotiating strategy of the Board pursuant to Section 2.2-3711 A. 29. of the Code of Virginia (1950), as amended.



*Mr. Ryland Clark left the meeting at 10:23 a.m. and returned at 10:40 a.m.

RE: REQUEST TO RETURN TO REGULAR SESSION

Upon motion by Mr. Robert Bates seconded by Mr. Jeremy Satterfield then duly carried by the Board, that the body return to regular session.

CERTIFICATION

Upon motion by Mr. Robert Bates and seconded by Mr. Jeremy Satterfield the Board voted to take a roll call certifying that to the best of the member's knowledge (i) only public business matters lawfully exempt from open meeting requirements under the Virginia Freedom of Information Act 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 in the meeting by the public.

- Mr. Harrell, Yes
- Mr. Bates, Yes
- Mr. Clark, Yes
- Dr. Simon-Owens, Yes
- Mr. Catron, Yes
- Mr. Satterfield, Yes

RE: ACTION TAKEN ON ITEMS IN CLOSED MEETING:

None

RE: REPORTS OF STANDING COMMITTEES AND OFFICERS

A. Finance Committee

Current Financials

Mrs. Johnson presented the December 2023 financial statements and the draft FY23 financial audit to the Board. She stated that the IDA staff has reviewed the audit and has submitted questions to the auditors. She stated that the audit is ready for board review and approval.

Mr. Jeremy Satterfield made a motion to approve the December 2023 financial statements and the draft FY23 financial statement audit, seconded by Mr. Jeremy Catron and duly carried by the Board.

B. Prospects & Properties Committee

None

C. Executive Committee

None

D. Executive Director Report

Mrs. Johnson gave an update on activities since the last regular meeting to include a VEDP local economic developer meeting, tourism board meeting, VEDA Legislative Reception, VEDA Day at the General Assembly, and the Board of Supervisors orientation. She stated that the EPA Brownfields project is ongoing and that several other sites have begun this process.



Mrs. Johnson gave an overview the events that are scheduled to take place in the coming weeks to include a visit with the Japanese Embassy, SVHEC Lunch and Learn, P&P committee meeting.

Mrs. Johnson mentioned that the construction projects at 1080 Confroy Drive building and the 1092 Confroy Drive building are progressing well and encouraged the Board to stop by.

RE: Old Business:

None

RE: New Business:

A. Open Comment Period

- Mr. Jeremy Catron: None
- Dr. Nettie Simon-Owens: She thanked the IDA staff for accommodating her for the Board meeting and congratulated Mr. Ryland Clark on his recent award.
- Mr. Jeremy Satterfield: None
- Mr. Robert Bates: None
- Mr. Ryland Clark: He mentioned the improvements underway at Hitachi Energy and stated that there will be new traffic patterns in the parking lot.
- Mr. Rick Harrell: None

RE: PUBLIC COMMENT:

None

RE: NEXT MEETING DATE:

The IDA will hold a regular board meeting on February 16, 2024, at 8:30 A.M. in the Halifax IDA conference room.

RE: ADJOURNMENT:

Mr. Rick Harrell adjourned the meeting, seconded by Mr. Jeremy Catron, and duly carried by the Board.

Respectfully Submitted:

Mrs. Kristy Johnson, IDA Executive Director

Acknowledged:

Mr. Rick Harrell, Chair