

Town of Hurt, Virginia
Council Meeting Minutes
August 15, 2023

Hurt Town Council held its monthly business meeting Tuesday, August 15, 2023, at the Hurt Volunteer Fire Department. The meeting opened at 6:00 pm by Mayor Gary Hodnett with a quorum present.

Roll Call

Members present: Mr. Gary Poindexter, Mr. Bob Majure, Mr. Jeremiah Knowles, Mr. Pierre Richard and Mr. Glenn Mitchell

Members absent: Mrs. Kathy Keesee

Closed Session

A motion was made to enter closed session to discuss personnel and prospective business as authorized by VA FOIA § 2.2-3711 A (1, 3, 5,).

Motion: Mr. Poindexter

Second: Mr. Mitchell

Passage: Unanimous

Council entered closed session at 6:02 pm and exited closed session at approximately 7:03 pm.

A motion was made to return to open session and to certify that only personnel and prospective business matters were discussed during closed session, as required by VA FOIA § 2.2-3712 (D).

Motion: Mr. Poindexter

Second: Mr. Knowles

Passage: Unanimous

Invocation and Pledge of Allegiance

Mr. Poindexter

Allegiance: led by Mayor Hodnett

Invocation:

Pledge of

Welcome/Opening Remarks

Mayor Hodnett stated please sign up if you wish to speak, we have a public hearing and the public comment period.

Additions to the Agenda

Mayor Hodnett stated as an addition to the agenda, we have with us tonight Matt Rowe, Pittsylvania County Economic Development as well as Staunton River Plastics, Phillip West. They are going to give Council an update on the Staunton River Plastics building. Then we will get right on to the solar farm.

A motion was made to offer employment to Tristan Markins as proposed to us for the start date, September 1, 2023. First as a Town of Hurt employee and then as a full time police officer once he passes the police academy.

Motion: Mr. Majure

Second: Mr. Knowles

Passage: Unanimous

Mayor Hodnett stated to Chief Lovelace, he is good to reach out to him tomorrow.

Opening of Public Hearing Pivot Energy SUP Permit

No comment

Public Comments

Janet Neal stated Thursday night when I was down here and you and I talked about the \$17,000 quote that was quoted at the last council meeting and you said you didn't remember it, and that you would get back with me on it. Do you remember hearing something about Gary wanted a line item on the budget for the rental property for the rent and you said you'd agree with it and that would be fine, but something about \$17,000 before we started putting it in that line item and Gary couldn't remember. Mr. Poindexter replied the only thing I remember specifically \$17,000, that stands out, is a portion of the anticipated rental income from the Stanton Plaza that we put into the income side of the budget. The best I remember about \$17,000 is the line item that I put in that second budget proposal, the revised one. It was a portion of the anticipated revenue from Staunton Plaza to help us balance the budget without having to increase real estate and personal property taxes. That was one of the ways of doing that. Now, of course, we're anticipating quite a bit more than \$17,000 in revenue, but I remember stating that night that was a very conservative, very safe and comfortable number to use at this time for that. Anything over and above that, of course, is rental income that we can put toward whatever it needs using for, but I think the direction is toward improving the property to get it ready for tenants and that's a priority. Mrs. Neal stated the \$17,000 that you and Gary were talking about was anticipated money. Mr. Poindexter replied at the time it was because we had not finalized the acquisition and then the next month we voted to acquire.

Gloria Worley stated Gary, I don't know if you're aware, but there's a post circulating around from Mike John's offering his services for free, the only reason he ever left and didn't get his contract was because of the money situation. I actually felt like we had closed that chapter with Mike Jones. Apparently we have not because he's bound and determined to be involved in our town. Part of the reason he was dismissed was not just money, it had to do with his disrespect for the citizens of this town. Some of you were there the night of the meeting, it was awful. It was quite disturbing and he was very rude, condescending, what have you, so are you aware of his free services? I just have questions, will it be free down the road? We really don't want Mike Jones in the mix of our business. I'm speaking for myself and probably most of the Town of Hurt, but just thought I'd throw it out there, I don't even know who generated it, we had someone send it to us. Is this true, is he trying to get back in here? Mayor Hodnett replied what I read was he was offering his services to the town. I'm assuming that it's a true post. I hadn't called him, but that was one of the things that I was gonna bring up tonight. You know, if this is real, which I think it probably is, is that something that the council would want to entertain. Mrs. Worley replied well I certainly don't want to see Mike Jones in the mix of our business.

Public comment period closed.

Mayor Hodnett stated since Gloria brought that up, we can take that up either now or later, up to council. Is that something you would be interested in or not? Mr. Majure stated I would like a formal statement instead of going off of hearsay because I have not seen the post. Mr. Poindexter stated I want to say something similar to that before there could be any type of arrangement like that at all, before it can even be contemplated. There would need to be some kind of documentation to give it structure and scope. I personally don't think we need to go down that road, but before we would decide whether to accept that or not we need all the cards on the table. Mayor Hodnett replied I will call him tomorrow and we can take it up at the September meeting. Attorney Eller stated he needs to send a letter or what services he is offering to perform. Mr. Knowles replied he is volunteering. Emily Mayhew stated if it is not too late I would like to add something. I really think along with what Gloria said. I think Mike is a

smart man, and I think he did a good job for us, but I also think that he's too condescending, he thinks he's up here, and we're below peons down here. I think that's what's really left a bad taste in so many people's minds, here in Hurt and I think if his attitude was different than his reception by the local people here would be a lot better. Mayor Hodnett replied I will call him tomorrow and find out if he is serious or not and then we can move forward based on that. Mrs. Mayhew replied well if he is going to come back like he did before and cut into the people every time they have a comment or something. If you have ever worked for the public, and y'all all know that, nobody is right all of the time, but you should be willing to listen to each one's opinion and go with the consensus of what the majority thinks and not just one man say well this is the way it is and y'all can like it or not. Mayor Hodnett replied sure, I will find out.

Economic Development

Matt Rowe stated it is great to be before the council, I think I know most of everybody, but I am Matt Rowe the Director for Economic Development for the county. We very much value the partnership with the Town of Hurt. It is a very important location for us. I think, if anything, you're going to see more attention being given to Hurt. I think that everybody understands that there's frankly a lot of investment that needs to be made in this part of the county, to be caught up to the Southern part. You will start to see that, and you'll already see that now. The Mayor knows what is going on with the Brownfield's grant. One thing that we really wanted to bring I guess just to your attention, and just really give an update on is the status of the Staunton River Plastics project. That was in my opinion, the first real concrete investment of significance that has been made in this part of the county, frankly in a long time. I'm not originally from the county, I've been in this position for eight years, but again my wife and I drove through the community when I was first hired and definitely recognized the need to do a substantial investment. With that facility it was a little over a \$11 million facility with 150,000 square feet. It was a build of suit meaning that it was custom made with direct communication with the intent of being Staunton River Plastics, which is a wholly owned subsidiary of Rage Corporation, out of Ohio. Timing is everything in the construction world, we really could not have had worse timing. Right when that project was announced was May of 2020, Covid was just really getting going and I don't think that any of us could have foreseen frankly, the supply chain issues that were going to arise from just Covid in a project like that. I do want to just kind of explain just what it is like to really go and do a project of that size. It's a beautiful facility, so it's one of those things. For example, even the financing, we had all the financing lined up ready to go and with Covid the banks totally changed how they reviewed their financing which caused us having to go back to square one. You couldn't meet with the actual bank lenders themselves because nobody was meeting in person and so it really was, it was incredible to see the cascading effect of Covid. With electricity there is a 52 week lead time or lag time on switch gears, which we all take for granted, but that's what really takes the power and converts it into being able to utilize it for various purposes. We were able to find a solution to get that time from 52 weeks down to 16 to 20 weeks, so that all has been done. Long story short, is with all of that being the case, the building is complete, the building is stabilized. The other part of that transaction I think is very important is that Staunton River Plastics and Rage Plastics are 100% committed to this project. What I mean by that is it's not just where they've signed on the dotted line, they pay 20% of that building cost up front. If they walk away or whatever the case may be, then I have a building that somebody else paid 20% of. The other component of courses is that we're getting substantial rent payment every month for that facility. These large transactions, especially the build of suits, just take time. There's a lot of moving pieces associated with that so where we are right now. Again they are doing everything in their power to be able to move

equipment into the building, manufacturing pieces of equipment. There's so many different elements. Their customer has to certify the pieces of equipment before they can go into the building. Every time you utilize some kind of a medical product, being in a hospital, or wherever the case may be, and I'm not going to say names of the companies, we don't break confidentiality, but those well named fortune 500 brands, there has to be a standardization of process that what you're buying every time or what you're utilizing the hospital is always 100% right. I actually have the plant manager here with Rage Plastic, Staunton River Plastics, who's actually overseeing this journey with us, as well and his name is Philip West. He was describing to me that if anything is off by a micron, which is less than the width of your hair, everything has to stop. That really is what the next issue is, is being able to get folks to come down and certify and qualify the equipment, not only just the equipment but they actually have to go in and look at where that equipment is going to sit, and qualify the space. For example they are in there installing 23 cameras throughout the facility. It's just a tremendous amount of detail that goes into it. I will laugh, you know the rumors run rampant and facts sometimes are a little a few and far between. There's no concern regarding the height of the building. There's no concern regarding the commitment of the company. Again, we just wanted to come directly to the council and just let you know that it is running slower than expected. I've done so many projects and no project ever goes off perfectly without a hitch. No citizen ever truly understands how many things have to go right in the 100 foot to step journey to get an actual shovel in the ground, these things all take time. Each step has to work in conjunction with the others, but at this point in time everything is on track and moving forward.

Phillip West stated I'll try to explain a little bit of it, the qualification process that Matt's talking about. The only thing we're touching on is our existing business, we also have a new business we wanted to claim for this area, but the existing business requires a qualification time, for each machine is between four and six months, we have 12 machines currently in Altavista. To move them it may put you out up to six years, so it is a long drawn out process just on the existing business. We've also got a couple of new line items that we're working on that are very promising that we want to put in today that will expand the facility that will add more jobs. We are working on those, so that is not a done deal yet. As far as I know a lot of people and myself included I like to see it moving. It is stuff going on inside that you don't see, but I'd like to see it moving faster. I already know that it's going to come with time and we're going to be moving too fast. I know it is coming, we are working toward it and we are all dedicated. We are going to get there. Mayor Hodnett replied to Matt and Phillip we really do appreciate you guys coming in and updating everybody of where we are at. Phillip replied I hear the rumors too and they just go everywhere. That's what happens because nobody knows what is going on. Moving our existing business will be long and drawn out and taking a long time, but our new business, we're looking at moving in some plywood manufacturing from India. We have some other projects and hope to expand it in the near future. Mayor Hodnett stated that it is good for us, glad to hear that. Hopefully this will kind of help tap down the rumor mills some. Mr. Majure stated, is there any estimate that you could provide that doesn't have to be accurate, but the most conservative estimate of when it would be fully operational, I heard you say six years, and if that's true then that is true. Phillip replied good machines are four to six months per qualification, and anytime you touch it, move it, or make an adjustment there's 60 to 200 pages of paperwork that has to be turned in on why, how, root and cause analysis. There is a lot more to it than just moving it over there and hook it up. The transition, I can tell you right now, our lease is up in Altavista the next year currently, so hopefully we can get something moving. Since they pulled out four-six years there's going to be a transition going on during that time period. Mrs. Neal asked what was the original start and move in date before Covid? Phillip replied the original plan and the reason behind

Staunton River Plastics, as you know, I work for RAGE Corporation and we typically make bottles. This new business model for this new plan was working under the concept of making pumps for Bath and Body, those little pumps on those lotions. Well the Covid came in and a lot of people know Bed, Bath and Beyond has gone out of business and everybody has been struggling. That model is still there, but everything is on hold. Everybody is saying well let's wait and see if the economy gets better and people will start buying lotions and cosmetics more. While we wait and see, we can transition our existing business, which is extremely strong, and at least get into that facility. Then hopefully we can expand upon that. Mrs. Worley asked so you will be shutting down the Altavista business and moving it here? Phillip replied that is the end result but that is years away. Mrs. Worley stated I am glad to hear this because I just thought there would be bottles there too, I didn't know it had to do anything with pumps. We all just assumed bottles. Phillip replied we actually make pumps for Bath and Body in Ohio. We have two facilities in Ohio. Once we get the okay it has to be signed off on for us to start moving equipment. That is a separate business and we don't know how much of it is going to come to Hurt now. The concept for this back in 2017-2018, the plan was to move 75% of a million square foot facility that they have in China right now here to Hurt. That was the plan and it may still happen but right now we are waiting to see. Mr. Neal asked, so there will be no production over at this plant for five to six years? Phillip replied oh no it will be a transition period. Mr. Neal asked to start making bottles? Phillip replied I am hoping to have some stuff over there maybe start moving at the end of this year. It all depends on my customer signing off, getting all the paperwork, and having someone okay it for us to move. Mrs. Mayhew stated I think what they are saying is that you can go ahead and start over here after you move part of those 12 machines out here, you don't have to get them all moved before you start? Phillip replied right, that is the good part, it will not take years to transition the machines, but we have to get the okay to start the move. That is what we are working on now. Then what we will have to do is put in one or two and get them set up and get them qualified, then there's a four-six month period to run them in, evaluate them, and check all the dimensions, then once they're signed off on we can do a couple more. Mrs. Mayhew asked how many they will employ once everything is up and running? Phillip replied we are still focusing on adding another 100 plus within the next five years. We have 50 employees right now. It all depends on what other business we bring and how much expansion we do along the line. Mayor Hodnett stated thanks guys.

Solar Farm/Key Complex (SUP Permit Pivot Energy)

Buzz Becker stated of course, we're presenting to the town council tonight. I'm going to try to be punctuated on a pivot here and go back and forth about it if we need to engage in any questions in particular, but I really appreciate everyone's time tonight. My name is Buzz Becker, Director of Project Development for Pivot Energy. Georgia stated I am Georgia Decruz. I'm a senior associate project developer, and I'm helping Buzz out with our Virginia project. Buzz stated we have two different projects here tonight, we call Pivot Energy, Virginia Six and Pivot Energy, Virginia 15, or PEVA Six and 15. We're here presenting to get a vote on the special use permit tonight. A few different sections that we think are kind of most germane, certainly our permit application had a lot more information, so happy to touch on anything, we're breaking it up a little bit into sections, so you have you're hearing from different people, but pretty much anything in here, either Georgia and I can speak to. Quickly on the agenda, I'm going to share a little bit about Pivot Energy. I know some of y'all I've met before, when I was here last year talking about another project on the Hurt Partners property, we're going to go through the site plans. Of course, we have them here, but I actually think it's going to be blown up big enough we can talk it through. Certainly there is a revenue analysis that we think is very exciting to the

Town of Hurt not only as the taxing jurisdiction, but also a unique situation where you'd be the landowner receiving those lease payments. Also I want to talk about this as a shared solar project, so it's not just a small kind of DGP project that we sell the power of Dominion, but there are benefits to local Dominion customers if they wish to subscribe to the projects. Of course, we wouldn't come before you without a lot of site diligence and we'll be sharing some more about that at the end to have made sure that we're prompting you, we want you to ask questions about the projects. If there's anything that's just burning a hole in you along the way, and you can't focus on the slides to come, let me know we can stop and take our time with that. Quickly, Pivot Energy, one of the things that's great about these projects, and we'll get into some of the details about size and scope like that, but Pivot Energy does these smaller community solar projects as our wheelhouse so even though we're headquartered in Denver, Georgia, is based here in Virginia. I have been in Virginia for a long time developing projects since 2017, only recently had to move. We do these types of projects, these kinds of 50 acres or less projects that subscribe to local ratepayers for discounts all across the country. Another thing is that we are a B corporation. In our track record for the projects that we do in communities that go above and beyond increased tax revenue or discount to ratepayers. We invest in those communities and say, hey, what are the nonprofits doing the best work, not that we need to reinvent the wheel, but who's already doing the work that we can support in those communities. The big one that I always like to call out especially for an entity like the council tonight that's considering a permit is we're not a developing flip shop. We're not going to get this thing shovel ready, then sell it to the highest bidder. Pivot owns and operates its projects long term so when you think about hey, you know, Buzz and Georgia, great presentation, but how do I know you're going to be good on that decommissioning, or how do I know you're going to make sure you're managing vegetation over the life of the project? Well, it's because it'll be Pivot Energy owning the project long term, you'll come to us if there's any issue for it. We think that's meaningful.

Georgia stated thanks Buzz, I'm going to go through our site plans for both PEVA Six and 15. Again, if you have any questions or anything along the way, please ask Buzz and I. If there's anything specifically, within the engineering part of it, it's a little too complex and out of our engineering wheelhouse, we will go to our engineers and find the answer and bring it back to you. The first thing to note is that these projects are adjacent to each other, so I can toggle back and forth here and you can kind of see PEVA six is right above PEVA 15, so right next to each other. We'll dive into the first site plan for PEVA six, this is a three megawatt project, about 6500 panels will be on this site. It's oriented vertically because of the topography in the area. We looked at the slope and we determined it is pretty flat overall. We're able to put single axis trackers on the site, if it was a little too steep the trackers while they track the sun from east to west, the weight distribution could kind of get a little wonky with the slope being too steep, so better for this area up here, as opposed to PEVA 15 below it. This one will be vertically and then they'll track this on as the day goes along, which is great because it optimizes the amount of solar it gets in that area. PEVA 15 it's a little bit different, it will be horizontally oriented, and it'll be a little bit smaller. It'll be a two megawatt project, about 4500-4600 panels on this one. This one's horizontally oriented because we're going to be doing fixed tilt modules on this one and that's because of the topography in the area. It's a little too steep to have the panel's track the sun, like I said, the balance on it is a little bit wonky, if there's too steep of a grade there. To go back to this one, because we are doing trackers here, we're going to potentially anticipate some grading in the area, just to even out those areas. That way when we track this sun from east to west throughout the day, there aren't any hiccups or anything like that, the weight distribution is all fine. For this one, there will be no grading. That's why we decided to

go with the fixed help to limit the amount of impact we have on the land there, just going to drive piles into the ground and not affect the overall topography in the area. These are south facing panels. They still collect that southern sun all day long, they just don't move with the sun. Down south here towards the bottom, there's a couple little blurbs but here is where the point of interconnection is going to be for both of these projects. Both PEVA 6 and 15 will interconnect into the Dominion distribution lines that are already existing in that area and then we will be using the utility easement along this road to get into that Apex area. Along with the grading, trying to keep that minimal. We're also trying to minimize the impact on needing more easements, needing to build more interconnection areas in our point of interconnection. With that, now we've gone over the site plan, why is it important to you guys and why does the Town of Hurt want it? We'll go through some of our revenue. We went through a tax analysis for both of these projects. Looking at the tax analysis here, we're comparing the newly legislative M&T tax rate with the revenue share rate on here. You guys are familiar with the revenue share rate, I believe in previous projects that you guys have looked at. It's 1400 per megawatt per year for the entire life of the project. A really nice steady rate there and then the M&T revenue tax rate is newer. It was introduced, I think in the last legislation and that applies to projects that are five megawatt and less which is awesome. However, the thing to note about that is that it caps out the local real estate tax rate. It could be really great in a certain county and really not so great in another county or really great in a town and not great in another. It would vary, whereas that revenue share rate does not vary. We have them up here, just comparing the two over the life of the project 40 years. The important thing to note about these two tax rates is that you can kind of go back and forth, pick and choose, so this year there's 10 years on here that M&T revenue is making more money or bringing in more money than the revenue share, you can choose that and then vice versa. The important thing to note is that you cannot choose them simultaneously at the same time, you need to pick one or the other. We've kind of had that laid out here in front of you, so in 39 out of the 40 years that we have out here, revenue share is going to bring in the most dollars for the Town of Hurt here, way more than M&T. For PEVA six, specifically, that's going to bring in about \$240,000, over 40 years, which is a whole lot of money for one project here. That's our three megawatt project. For PEVA 15, pretty much the same thing, 39 out of the 40 years the revenue share is going to bring in more dollars than the M&T tax rate, which this one is \$160,000, the two megawatt project is a little bit smaller, a little bit smaller return there. Together aside for five megawatts, over the course of 40 years, that's \$400,000, that is not going anywhere else and coming straight to the Town of Hurt for you guys to put back into the community and to do with it what matters. Buzz is going to get into specifically for the Town of Hurt, what that lease revenue looks like.

Buzz stated it's a really cool situation. In other counties, where the project is not proposed on these properties owned by the county, we tell a good story with this, we then get into shared solar and whatnot. This is a unique proposition where some of those economic benefits that would go to the landowner, y'all are the landowner, so we get to talk about more economic benefits to you. Of course, as you know, both of these projects are contemplated under a lease option that pivot energy holds with the Town of Hurt on this property originally. It originally originated by our friends at clean footprint, who we do a lot of these projects with. In that lease option term sheet and indicated that the kind of goal or acreage we're shooting for is 42 acres or, and I haven't quoted here from our term sheet, but essentially, or however many acres we can get given the constraints of the grid. If we go in and put in as much as we can for the grid, but there's not enough capacity there, then we'll get as much as we can. If we were to go back to the site plans, and the ones in front of you, you will notice the measurements of this fence site area, the array perimeter there is how we measure those acres, and those are roughly 26 acres

between the two, a little bit shorter than 42 acres. It's in our interest and the Town of Hurt's interest to maximize that as much as possible, but that does represent the full used up capacity of Dominion's transformer in this area. If we were to try to put more into the grid at that point, Dominion would say great, buy us a whole new transformer, we'd say sorry, that cost more than our project and we just can't do it. It's also a little bit of a misalignment there, maybe the local load there. The other thing to consider is that, if we were to go back to the site plans, and actually I might just toggle there real quick. Georgia was talking earlier about some of those slope considerations, why we would go single axis tracker versus fixed hill. If you can make out some of these contour lines here, those of us who know maps know that the tighter the contour, the greater the slope. This being the more spread out of the contour lines, meaning it's a little bit more flat, certainly a little bit of grading we will have to do, but that can handle single axis tracker, whereas this one, a little bit closer together, not infeasible and that's why we're doing fixed tilt there. If we look at some of the areas that we're not proposing any projects, and these are really tiny, these are 10 foot contours really, really tight. That means it's super steep. If we were to try to cut and fill, it would be kind of expensive, causing some really big stormwater ramifications kind of see similar situations down here. There's kind of two things working against us. It's the Dominion's grid capacity and not having enough capacity there to do more projects, and then natural constraints of the land, we're trying to optimize that. That's where we came to our 26 site acres for this five megawatt collective project, but we want to be a good partner. We have loved working with the Town of Hurt, we think that it's been a great relationship for both of us in wanting to do more business together. Let's try to get as close as we can for this 42 acres while keeping these projects financially feasible and so we want to propose to get up to 35 acres in that lease. We are only going to be using 26 for that site area, but recognize, hey, there's probably going to be some stormwater management facilities, there's probably a little bit of acreage that's going to be somewhat isolated between the two arrays, a lot of that will get locked in when we go to actually do the buildable permit plans with Pittsylvania County. That's where we can commit to going up to 35 acres with that lease so under those terms, and we take a look at the lease rate, which and it's funny how this \$1400 figure comes up in multiple places, but that is the rate term that we have that agreement together. It's \$1,400 per acre of the project for the first 20 years, and then increasing 2% annually after that and so assuming 35 acres of that lease over 40 years, we're talking just under \$2.2 million, just for the lease. You combine \$2.2 million from the lease revenue, and you combine the \$400,000 that you would get from the revenue share, so we're talking \$2.6 million over the life of the project to the Town of Hurt, pretty exciting stuff. Again, of course, no fiscal demands from any kind of fire or police. There's other things that economic development opportunities might include, water etc., so a really great thing there. What's great is it's not just the Town of Hurt, and its fiscal reality that's going to get a boost from these projects, but it's the residents of the Town of Hurt that are Dominion customers. Like I said, these are contemplated shared solar projects. If you don't know what shared solar is, it's probably because it's new to Virginia. It's this idea that you're able to sign up for a solar project that exists in Virginia and say, you're still going to have your Dominion bill, you still have your account with Dominion, but I want to say, hey, it's about how much power to use in a given year, I would like to associate or subscribe that much power to a given solar project, especially if it's one in my community. In doing so you agreed and you received a discount on your bill from that. We can't remove demand and suddenly, you become a Pivot Energy electricity customer, unfortunately, that does exist in some states, just not Virginia yet. What it is, is you get a big utility bill credit from subscribing to our solar project at a discount. I have another slide coming up that kind of walks through what that looks like, because it's not the most streamlined or intuitive process. I

can kind of walk you through what that looks like. What's important to call out with regard to the opportunity that this brings is getting the local land use permit is one of the three things a project has to have before it can secure shared solar capacity, and bring that benefit to its community. We are going to have very round numbers here that are probably not going to look like any of our Dominion bills, but should ease in terms of me explaining what's going on here. What I have here is on the left, so without community solar, and we've all kind of gotten into our electricity bills, if you're really wonky and on top of your household finances, you might even look at how the seasonality changes or how your usage changes. Of course, we have fixed fees that are associated with our bills and as we use more, we get charged more by the utility. You got your kind of current status quo situation for folks who are willing to sign up and subscribe to our project to get that discount. What you're saying is Buzz and Georgia let me work with your subscription team and say, this is about how much power we are using in the past 12 months, please give me that much monthly credit going forward because I want to associate my Dominion account with you. They would say great, okay, so you use this much power on average in a given month, you will get that corresponding solar credit that drastically reduces your Dominion bill any given month. How much you owe Dominion will go way, way down. Of course, not everything in life is free, or maybe nothing is and so we have to get some kind of revenue from this project, but the way that you, it's a good deal for local ratepayers is that what we charge you in that invoice for that solar credit that we provide to you on your Dominion bill, we give to you at a discount. These are just kind of illustrative numbers, but say we were to give you a monthly \$90 credit on your Dominion bill, we would only charge you \$80 for that credit, and that net difference at \$10 would be the savings that are incorporated here. They say ok Buzz these are the rough numbers, this is by use of explanation what kind of numbers are we actually talking here? Well, we typically propose a 10% reduction on your solar credits between 10% reduction on your solar credits and or your total bill with Dominion. What I have here is kind of a chart that looks at an average Dominion customer according to Virginia utility data in terms of how much power they use in a given year or electricity. Yours might vary based on the size of your home, how electrified you are, what windows you have etc., but that's on average. The average Dominion bill is around 150 something bucks. We're saying that the people who are going to subscribe to our projects are going to get about \$15 a month savings. For folks who can often get behind on their bills, I'm looking at nearly \$190 per year that they don't have to pay to Dominion that they get to keep in their pocket at no cost to them. They don't have to sign up for a commitment, they don't have to pay anything upfront, they can drop out if they ever want to, I'm not sure why you would, you would just be paying a little bit more to Dominion, but you know, for teaching their own. It is open to anyone. Our goal is that either through working with Council or any other organizations, is that the people closest to the project, who live the closest to the project here in Hurt, and particularly the people who need it the most. It's the most cost burdened people that we want to try to help through this. If we're talking over \$130,000 per year, because of how many households that this project can power, we'll be staying here in Hurt residents pockets not going to Dominion, and over a third of your life. A third of your life, we're talking \$4 million, that stay in Hurt, that don't go to Dominion, particularly trying to get those to stay in the pockets of the folks who need it the most. This is the thing that we're really passionate about, because that is exciting. We have one last section that Georgia is going to touch on. Like I said, you guys probably know your property better than anyone, but we wanted to make sure when we were designing these sites, we did a lot of our work before we came before you guys.

Georgia stated the first piece, we're going to talk about it outside the Cultural Historical pieces, we want to make sure we're not impeding on any of those. We went through the Virginia Cultural Resources

Information System, and three points of cultural or historical significance came up. That closer one toward the project site, this is all within a half mile radius of the project generally. The closest one is about 2000 feet from the closest array. This one pinged as a bridge of significance Buzz and I did a little drive by and looked on maps and everything to see why this bridge is important. Adjacent to the bridge there is a hydroelectric water turbine of sorts that looks like it's probably more significant than the bridge there. We're like, okay, great, well, what is the view ;ook like from this area, we don't want to be impacting that? Tons of trees, definitely not going to be impacting anywhere remotely close and then with that extra 2000 feet in between the closest there is very unlikely that you will ever see it from that area. The second piece that pinged within that half mile radius, is I believe it's Clement Hill historic site, it looks like a private residence so I am not sure what is going on there, but even it looked like the topography was a little bit higher up there, obviously being a hill. I drove by to make sure, there's tons of trees, and tons of greenery going on in that area, and that one is about 2500 feet away from our closest array. Again, with all of the already buffer area that's given right there in the general vicinity, and then the 2500 feet from our closest array is very unlikely you'll see that. Third point up there, I believe across the river that runs through Altavista and Hurt and also 3000 feet from the closest array. Definitely not going to be able to see it from the other side of the river there, which is awesome. We want to make sure that we're again, not impacting views of any importance. We've also done a flood zone analysis with a local third party Tetra Tech. Our general area is the red outline there, if you can see it, but these flood zones are on the outside. Obviously, it's important for us to not be building in a flood zone. That wouldn't be beneficial to us financially and long term. We made sure that our site plan is avoiding those areas at all costs. It's awesome and Buzz kind of talked about the topography earlier, because there is such a steep grade on either side of the project where we're putting them. It's awesome to know that even over a 40 year time life of the project, those flood zones will still not be able to impact our site area. It's so steep in that area, we're up so much higher than where that flood zone would be impacting. Lastly here, got some wetland study back as well, again, our little red area for the site area to be studied, avoiding these areas because it would not be beneficial to be building in an area where there's water for our panels, and then really awesome to have all this wetland analysis and study to know where the water naturally likes to go, where does it naturally like to flow. When we do our civil and stormwater management designs like later, it's important to know what these are because if we don't have to be building sediment basins or anything like that let's not, let's just let the water do what the water naturally likes to do. Again, trying to keep it as untouched as possible and as natural as possible in that area. Buzz is going to go through our DEQ requirements.

Buzz stated certainly, we came before you and had more details in the permit application about some of that diligence. That would not be the last word on any of these topics after the use permit and when we would go before the actual building permit. This would be the state agency requirement where they call the permit by rule for solar projects. That's where all your kind of subject matter experts are often based in Richmond, whether it's department of historic resources, or conservation and recreation, all the folks who say, alright, let me get eyes on this project and see is this going to impact the things that I care about as an agency. They have to bless off on this before we can be issued our construction permit that's issued jointly in conjunction with DEQ. It would be Pittsylvania County for this, who would be issuing that final construction permit. There is still more diligence that would need to be done so that you would not have to be the last veteran of this project from a kind of a site condition standpoint. That's what we have, at least prepped right now. Certainly there are other things we can talk about if there are topics that we didn't discuss, happy to chat. Happy to take any questions from the council.

Mr. Majure asked based on my understanding of your permit, and these maps you presented, it doesn't appear that any homes in that area along Pocket Road will be able to see these panels because of those protected wetlands, you're not going to be able to cut those trees down, is that correct? Buzz replied correct. Mr. Majure replied that it is a great thing to hear. That's one of the major drawbacks people have with solar projects is visibility from homes and with that being said, reflectivity as well wouldn't be visible? Buzz replied no, one of the benefits of being just hundreds of feet away is kind of the mind's eye thinking like how big does a person look at a football field away, we're talking like seven to eight football fields away, like that's a big benefit. Our equipment is treated with anti glare coating so it's in our interest to absorb as much of the sun as possible and to your point, we maintain there is such a good existing buffer there and we are just not going to touch that. That's perfect in terms of being like simulating within the character of the community, it's already established or already hidden. Mayor Hodnett asked no batteries, this is going direct right to Dominion, we don't have to worry about batteries up on that hill? Buzz replied no. Mayor Hodnett stated no leakage into the soil and the locations were near perfect. Buzz replied nothing proposed and nothing in the queue. Mr. Knowles asked, with this being a 40 year project, is there an expected point where you'll have to replace the panel's? Buzz replied potentially the manufacturer warranty, the equipment is usually 30 to 35 years and so that might make sense. It would stay, the nature of our interconnection agreement with the grid is we would be staying at the same size. Even if we are replacing the panels, the overall system generation would stay the same. Mr. Majure asked in the future, wouldn't there be a potential for us to expand the amount produced, say in 40 years, solar panels going to be much more efficient? Buzz replied sure. Mr. Majure replied you're doing 35 acres, but you're only using 23 of those? Buzz replied 26. Mr. Majure asked in 40 years, the Town of Hurt could potentially work with you to craft a new deal for future expansion? Buzz replied we would love that. Mr. Majure stated one thing that goes with photovoltaics is maintenance, what is your expected maintenance program and what can we expect as far as residents? Buzz asked in terms of site visits and things like that? Mr. Majure replied yeah, like mowing, how often would that occur? Buzz replied we have a couple of different options. We can do either just mechanical loads, which that's kind of common. What we're trying to do with more of our sites, especially in more agricultural communities is actually have sheep grazing as a primary vegetative maintenance. Actually, there's a grazer who lives just up in Campbell County that I was on the phone with last week. That would be a great person to introduce you all to, so that would be through say kind of April through October is when you would be keeping the sheep on site. We monitor the production of the panels remotely, so if something damages or happens to be some bad maintenance, otherwise, it's about quarterly and we send a crew out to just check on everything. Mr. Majure stated I know that Altavista's solar farm is doing the sheep grazing. Buzz replied yes that is the guy that does it. Mr. Majure asked if it was Luke Perdieu? Buzz replied I want to say it's John Campbell. I can follow up with you if that's not right. Mr. Majure replied that would be great. I really like the option or the shared solar. Is that something that you will provide instructions for our residents or help them with? Buzz replied absolutely, yeah. We have a team whose dedicated job is to go and seek out and sign people up. That's not us, we're on the development side. It's our own platform where they would be signing up so we would love to work with the town proper, or whoever else would make sense there. Mr. Knowles asked if that would be the residents of Dominion, correct? Buzz replied to any customers that are here. The hope is, and this is not within the scope of this conversation tonight, but the hope is that CO OPS and APPKO that the opportunity is expanded in the future. Charlie Hudson asked if they were an unlimited liability company? Buzz replied the projects are LLC. Charlie replied at the end of the life of the panel, can y'all just walk away and leave

then, do you have to sign a contract that it has to be cleaned up and moved and restored back to like it was before if something happened? Buzz replied thanks for bringing that up, we have to put up before we can put in for our building permit we have to put a decommissioning security or a bond with the Town of Hurt. It's not only that the finances are there, but if something were to happen to Pivot, Hurt can actually call on that bond at our expense. Hurt can say, hey, this project is not working or something is messed up with it, let's get it out of here. Charlie asked if it was a cash bond? Buzz replied I don't know if we have ironed out the details yet. I think there's a couple of different options that we can get at the town's discretion, but we have a provision there that we have to update that amount every five years. Mr. Neal asked to access that piece of property, are you going in by the creek, by the pump station? Buzz replied yeah, let me see if I can pull it up for you. Mr. Neal stated that the whole bottom is a flood zone there and when the river backs up the whole bottom floods down there. Buzz replied we'll have to have multiple routes. What we're trying to point out is, it's probably hard to see, we will have the utility access that kind of comes up this way. There's that access easement that's already there, but this is actually where the Dominion distribution line connects, so we come up this way, and then around up here to the site area. That would be one of the paths that we could take up or the existing Pocket Road there. Mr. Neal stated, going up behind the old Clockman property? Buzz replied yes, behind the Faith Christian Academy there. Mr. Majure asked the panels you are planning to use, do you have any information on those? Buzz replied the ones that would be for this project would not be required for a couple more years. What we usually commit to is saying that they'd be two on panels so at a certain level, that'd be passing all your kind of EPA requirements in terms of safety in the ground. We have certain certificates that ensure an ethical supply chain in terms of human treatment for that. We're happy to provide more information there. I think the long term goal and we're not quite there yet. The long term goal is that everything would be made here in the states. I would say kind of, we were talking to the supply chain earlier with Mr. Rowe. That's not there for all solar projects yet, but that's the goal for sure. Mr. Poindexter asked once the projects are fully complete, operational and online and the mess is cleaned up, do you anticipate a full time person being on site on a regular basis, as needed? I think you mentioned a while ago, most of it will be governed remotely. Would there be a local point of contact on site on a regular basis? Buzz replied certainly within the region, we have one or two kinds of operational maintenance people that would be handling any project in a few county radius. Mayor Hodnett asked if we were ready to move on? Mr. Poindexter replied there are two different projects here, do we have to vote on these separately or can we act on joint? Attorney Eller replied separately. We have 35 acres, that is the total that both will take? Buzz replied collectively, yes, sir. Attorney Eller stated we're going to have two leases? Buzz replied yes sir. Attorney Eller asked so each one is going to have how many acres in them? Buzz replied that is a good question. It might make sense to have them be relative to how big they are right now. What would it be in 2114 given a three megawatt and a two megawatt from breaking down 35 acres, doing math live. Attorney Eller stated but doing the math on the 35 looks like \$49,000. Buzz replied in the first year. Attorney Eller stated it is \$1400 per year so it is \$49,000 a year. When would that be paid, the beginning of the year or over the year spread out? Buzz replied for the administrative ease, if it's okay with the Town of Hurt we like to do it once a year, that typically is administered at the beginning of the year. The initial payment would start upon commencement of construction and then subsequent years that lease payment at the beginning of the year. Attorney Eller asked will there be something that says when construction is going to start so that the town would know when that stream will begin? Buzz replied that's right, we have provisions within our agreement where we would notify upon commencement of construction. Attorney Eller stated you

will notify, but will there be something at the signing of the lease that says on a certain day or after a certain number of years? How will they know to plan that they will be getting this income? Buzz responded we have the nature of our current agreement, as you know, as an option agreement, so it has a development period contemplated. Our goal is to be done with that development period as soon as possible and as we've had a good dialogue with Gary, just keeping you all updated as we're getting through the development steps. Once Dominion gives us the green light and once we get all our building permits from Pittsylvania, then we'll let you know, hey, we're ready to construct this. Attorney Eller asked how long would it be? Buzz replied the goal right now, these projects are not looking to be at the exact same time, unfortunately Dominion studies one at a time. The first one, PEVA 6 we're hoping to begin construction, q3 q4, next year, and then PEVA 15 the two megawatt one would be about 12 months after that. Attorney Eller replied so we're going to have that all in the lease, is that where that's going to be set down or we're going to put that in the conditions in the special use permit, where are we going to put that? Buzz replied that the construction timelines are not typically at that level of specificity within use permits, they're often used for it. Attorney Eller stated right, so will it be in the lease when you are going to start paying the money? Buzz replied our lease right now has those development payments that we already make and what it says is, once we are done with that development payment, then we would get into actually paying the full lease. Attorney Eller replied so we are going to get all of that in the lease? Buzz replied correctly. Attorney Eller stated maybe I misunderstood because we were in the dark, enlighten me. It looks like there's another revenue stream, which is \$1,400 per megawatt. Buzz replied that's the revenue share. Attorney Eller replied okay when does that start and how does that begin? Buzz replied that's also a part of whenever Hurt would have any kind of operating piece of equipment. Whatever your kind of tax schedule or tax implementation would be, that's when that project would pay that revenue share. Attorney Eller stated that is going to be \$7,000 a year. Buzz replied for the first 5 years, that increases 10% every five years. Attorney Eller asked when you have something to be taxed, that's when the tax? Buzz replied when it's operational. Attorney Eller stated so that's after the construction begins, it's after the construction is complete. Buzz replied yeah. Attorney Eller asked what is the time frame on that, from construction to plug in, what's that? Buzz replied roughly 4-6 months, weather depending. Attorney Eller asked you to talk about the customers being able to save 10%, how does that work, how do they get in on that? Buzz replied once we secure capacity within the shared solar program, we have to have the land use permit, we have the site agreement with you all and then we would also get our interconnection agreement complete with Dominion, then we can go out and secure that shared solar capacity with the program. We say hey, we have that kind of program capacity. At that point, even though we can't sign people up yet, we could start to say, hey, who might be interested, like let's get a shortlist of people who might be interested, so that by the time we are operational, we can be enrolling people ahead of that. It's still going to be on that same operational timeline. Attorney Eller stated okay include all of this information in the lease. Where's the shared solar piece come in or where is that written down? Buzz replied it's a great thing that projects offer. I don't know that it makes sense as a real estate lease because it's with parties that are not in the Town of Hurt. Attorney Eller asked where it was written down? Buzz replied we'd be fine with a condition on the permit that says we come back, some kind of validation of secured capacity of shared solar, that makes sense to me. Attorney Eller replied sounds good, it looks like our conditions are probably ought to have some reference to successful negotiation of the lease. We added a decommissioning plan that was just discussed, and the bond would be adjusted every five years, liability insurance, erosion control, that's a concern with that very steep property for sure. Last one is the right to modify or amend the permit on

either part. We can take these and add to it, the shared solar but you'd have to give me some language on that and the reference on the lease. Anything specific that we talked about that anyone would like to put in there? Mr. Poindexter stated I like what you've recommended for pending successful negotiation of appropriate lease agreements. I can't really think of anything beyond that. Mayor Hodnett asked if we want to move forward with the SUP permit? Mr. Poindexter replied this has been a vision of mine for years. Exciting time and prospect.

A motion was made to approve the application for a special use permit for Pivot Energy VA 6 LLC pending successful negotiation of all appropriate lease arrangements.

Motion: Mr. Poindexter

Second: Mr. Knowles

Passage: Unanimous

A motion was made that we move forward with Pivot Energy special use permit on Pivot Energy 15 LLC on the condition of approved leases, as presented to us here.

Motion: Mr. Majure

Second: Mr. Knowles

Passage: Unanimous

Attorney Eller stated in both cases you meant to include the six things I read that were in the other special use permit, correct? Mr. Poindexter and Mr. Majure both replied yes. Attorney Eller stated decommissioning plan, bond, liability insurance, erosion control, right to modify, follow all federal laws, we have to follow all federal laws. Mr. Poindexter stated absolutely, I was resting on the assumption that all of that would be included at appropriate lease arrangements. Mr. Majure stated the six conditions that John has presented to us as well.

Treasurer attending VRSA classes

Mayor Hodnett asked do I hear a motion to allow her to attend. There is no charge for the classes, just for the overnight stay.

A motion was made to authorize the treasurer to attend the VRSA meeting. Motion:

Mr. Knowles

Second: Mr. Mitchell

Passage: Unanimous

Christmas Planning for Sunday Dec. 3rd 4:00pm-6:00pm

Mayor Hodnett stated the girls are proposing the Christmas at Town Hall for December 3rd this year. That is the first Sunday, is that good with everybody? All members agreed.

Increase Mowing Cost

Mayor Hodnett stated since we already have Mark Kidd under contract, he is proposing an additional \$110 to mow the Plaza to keep all that cut during his regular cycles. Pretty good deal I think, and also I talked to him about cleaning up behind the Plaza. There's some trees growing right against the building, a lot of poison oak and the curb line that runs from one end to the other has grown up. He will clean that up and cut straight up the curb line. He said that that would run us \$1,230 to take care of that and haul off the poison oak and get all that taken care of. We need it done. Mr. Poindexter stated seemed like a no brainer to me, are you talking about billing that extra into his existing bill? Mayor Hodnett replied the clean up is going to be a one time, the \$110 will be built into the mowing.

A motion was made to allow for the increased mowing cost for the Staunton River Plaza and also to approve the one time clean up fee for the Plaza.

Motion: Mr. Majure

Second: Mr. Knowles

Passage: Unanimous

Update on the Plaza

Mayor Hodnett stated an update on the Plaza; the Brownfield people are coming in on September 5th-7th

to run the asbestos test, black mold test, and lead and copper. That's no charge, they come in and take care of that, then it would move to phase two for remediation of what they find. We're also working with them on renderings to possibly put in the windows at Winn Dixie, so you as the public could come down and see a full rendering of what it may look like. If you look at the glass, if it's a grocery store, or what it would look like with a bowling alley. I mean it's a lot of different things people requested and we've got six windows so it depends on how much money we can squeeze out of them to do all of that work. We will get as much of it done as we can. We're working with a locksmith to get all the locks taken care of, we know that we're going to have to put some doors in the back of the building. We are waiting to get our grants to come in. Probably the first major project that we will take up will be a roof on the entire building and we're working on getting that squared away right now. Mr. Poindexter asked for an update on the building renovation, I have not had a chance to stop by and look in person. Just for the record, how are we progressing? Mayor Hodnett replied not as fast as we'd like but it could be slower. Bulletproof material is up and sheet rock is coming in probably tomorrow, so they will start on that and of course painting will follow. We are in a cramped up trailer and that is kind of rough, John has been over to see us a couple times, so I think he can attest to that. It's moving forward, we are looking at having the doors in and the windows for the bulletproof material I think about the 3rd week of this month. Mrs. Mayhew asked how much interest is it for the current tenants to remain there? Mayor Hodnett replied 100%, they dare me to try and run them out. Mrs. Mayhew asked and what is our revenue that is coming in from them each month? Mayor Hodnett replied it's about \$56,000 a year. I would encourage you to go down there and just walk in one of those beauty shops. I mean, they are really, really, really nice. Those girls have done a wonderful job. Also, I have shown the Winn Dixie building three times and have shown one of the other suites twice. I had a guy call me today to set up an appointment to come look at another suite. We are showing it weekly and the guy today is out of Lynchburg. I think that once we start getting the roof fixed, getting some maintenance done on it, sprucing it up a little bit, I don't think we're going to have any trouble filling that thing out, not at all. Mrs. Neal asked about a new sign? Mayor Hodnett replied absolutely, we're looking at a digital sign and the tenants really like this, they will have their ads running every so many minutes. Everybody there will get signage on the main road. Interestingly enough, Mr. Warthall, who owns the funeral home, even wants to rent some time on the sign as well. Of course we own the grass on the downward side toward the English side. We're kicking around a farmers market on Saturdays and stuff like that. We're trying to come up with some creative things to do with that property as well. We want people to come down there. I don't think you guys heard, but one of the things that we're working with hopefully going forward is the solar on top of the building that will power the building itself. We will have EV chargers on site, ads in the national registry announcing that you can get your vehicles charged, you can get trucks charged there. We're looking at the superchargers that will do tractor trailers and we'll be advertising out on 29 at the end of Pocket Road. We want people to come in and do some charging and we make revenue off the charging. Mr. Poindexter stated I like to do the farmers market. We've kicked that around, off and on for years. That's something I've worked on and you and I have discussed it. There really isn't much of one close by and that's something that this community would value. Mayor Hodnett replied I think everybody is very happy with it. The Japanese restaurant today, I had to go over and pick up the rent payment so now I've turned into a rent collector as well. She was happy because the Altavista Journal put a picture of her in the paper. She pointed to the sign when they were going through and I think they were the best Japanese restaurant in 2015. We have good tenants, I mean, really, truly we do have good tenants. We're going to take care of them. We want them to stay. We are

trying with Patrick Brown who has the indoor ball thing. We are trying to do some work with him that will create something in his off season that will give children in town a place to go and have games that they can play down there and have a gathering point for kids. He's willing to work with us and help us on that. I mean, everybody's just being really nice. The church is very happy with us getting it as well, stating that we don't know how long they have prayed for this, and I replied buddy probably no longer than I have, so they are really glad that the town got it. Thank you all for coming.

Meeting adjourned at 8:32pm.

Kelsie Anderson

Kelsie Anderson-Clerk

Gary Hodnett

Gary Hodnett-Mayor