

Danville-Pittsylvania Regional Industrial Facility Authority

**City of Danville, Virginia
County of Pittsylvania, Virginia**

AGENDA

December 14, 2015

12:00 P.M.

**Danville Regional Airport
Eastern Conference Room
424 Airport Drive, Danville, Virginia**

County of Pittsylvania Members

**Coy E. Harville, Vice Chairman
James H. Snead
Brenda H. Bowman, Alternate**

City of Danville Members

**Sherman M. Saunders, Chairman
Fred O. Shanks, III
J. Lee Vogler, Jr., Alternate**

Staff

**Kenneth Larking, Interim City Manager, Danville
Clarence C. Monday, Pittsylvania County Administrator
Clement Wheatley, Legal Counsel to Authority
Susan M. DeMasi, Authority Secretary
Michael L. Adkins, Authority Treasurer**

Danville-Pittsylvania Regional Industrial Facility Authority

1. MEETING CALLED TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT PERIOD

Members of the public who desire to comment on a specific agenda item will be heard during this period. The Chairman/Vice Chairman of the Authority may restrict the number of speakers. Each speaker shall be limited to a total of three minutes for comment. *[Please note that the public comment period is not a question-and-answer session between the public and the Authority.]*

4. APPROVAL OF MINUTES OF THE OCTOBER 13, 2015 MEETING

5. NEW BUSINESS

- A. Consideration of Resolution No. 2015-12-14-5A in Recognition of the Service of Coy E. Harville to the Authority as a Director, Chairman and Vice Chairman – Sherman M. Saunders, Chairman
- B. Consideration of Resolution No. 2015-12-14-5B in Recognition of the Service of James H. Snead to the Authority as a Director – Sherman M. Saunders, Chairman
- C. Consideration of Resolution No. 2015-12-14-5C in Recognition of the Service of Brenda H. Bowman to the Authority as a Director – Sherman M. Saunders, Chairman
- D. Consideration of Resolution No. 2015-12-14-5D, approving a one-year renewal of the lease with Mountain View Farms of Virginia, L.C., a Virginia limited liability company, as tenant, for that certain real property (GPIN 1356-75-8216) of the Authority, containing approximately 30 acres and fronting on Stateline Bridge Road, in the Authority's Mega Park project, in Pittsylvania County, Virginia, for the purpose of planting and harvesting sod, soybeans, and/or other cover crops, but not tobacco, at a total rental fee of \$1,200; such renewal also includes a 60-day early termination right and right to show the Property to business recruits of the Authority – Coy E. Harville, Vice Chairman
- E. Consideration of Resolution No. 2015-12-14-5E, ratifying the letter to Robert E. Gittler, U.S. Department of Commerce, Economic Development Administration, Philadelphia Regional Office, from Sherman Saunders, which was the subject of Resolution No. 2015-10-13-5B at the October 13, 2015 RIFA Board meeting, in support of previous grant funding for the development of Lots 3 and 9 in the Authority's Berry Hill Industrial Park project, located in Pittsylvania County, Virginia, and future economic development *[No separate written resolution.]* – Sherman M. Saunders, Chairman
- F. Consideration of Resolution No. 2015-12-14-5F, approving the joint permit application for the installation of a monitoring station on the Dan River at the Authority's Berry Hill Industrial Park – Barry T. Dunkley, P.E., Division Director, Water/Wastewater Treatment, City of Danville

Danville-Pittsylvania Regional Industrial Facility Authority

- G. Berry Hill Industrial Park – Updates on permit application – Dewberry Consulting Engineers (Shawn Harden or Brian Bradner)
- H. Financial Report/Audit for Fiscal Year Ended June 30, 2015 – Brown, Edwards & Company, L.L.P., Auditors
- I. Financial Status Report as of November 30, 2015 – Michael L. Adkins, CPA, Authority Treasurer, and Patricia K. Conner, CPA, Assistant Finance Director, City of Danville

6. COMMUNICATIONS FROM:

Brenda H. Bowman
Coy E. Harville
Sherman M. Saunders
Fred O. Shanks, III
James H. Snead
J. Lee Vogler, Jr.

Staff

7. ADJOURN

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 4
Meeting Date:	12/14/15
Subject:	Meeting Minutes
From:	Susan M. DeMasi, Authority Secretary

SUMMARY

Attached for the Board's approval are the Meeting Minutes from the Monday, October 13, 2015 meeting.

ATTACHMENTS

Meeting Minutes – 10/13/15

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

October 13, 2015

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:17 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 A. Snead and Alternate Brenda H. Bowman.

City/County staff members attending were: Pittsylvania County Administrator Clarence Monday, Deputy City Manager Ken Larking, Director of Economic Development Telly Tucker, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Division Director of Planning Ken Gillie, City of Danville Finance Director/Authority Treasurer Michael Adkins, City of Danville Assistant Finance Director Patricia Connor, Clement Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi.

Also present were Shawn Harden and Brian Bradner of Dewberry & Davis and Jerry Gwaltney and Patricia Chatt of the Institute for Advanced Learning and Research.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF MINUTES FOR THE SEPTEMBER 14, 2015 MEETING

Upon **Motion** by Mr. Snead and **second** by Mr. Shanks, Minutes of the September 14, 2015 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

CONSIDERATION – RESOLUTION 2015-10-13-5A – APPROVING SIGNAGE OF STORA ENSO

City of Danville Director of Planning Ken Gillie noted the request was in compliance with City guidelines. Mr. Gwaltney, Executive Director of the Institute for Advanced Learning and Research noted the new sign is replacing the Virdia sign; Virdia was sold approximately sixteen months ago and they are here to ask for RIFA's approval for the new sign.

Mr. Shanks **moved** adoption of Resolution No. 2015-10-13-5A, *approving new replacement signage of Stora Enso, successor by merger with Virdia, Inc., to be affixed in the Authority's CyberPark project located in the City of Danville, Virginia - [No separate written resolution.]*

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)

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

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CONSIDERATION – RESOLUTION 2015-10-13-5B APPROVING A LETTER TO THE U.S. DEPARTMENT OF COMMERCE

City of Danville Director of Economic Development Telly Tucker explained staff was contacted by Leah Manning of the WPPDC and asked if staff would, on RIFA's behalf, put together a letter thanking the EDA for their grant to help with grading of Lots 3 and 9 and to summarize it is being actively marketed and getting some activity. Although RIFA has not successfully landed a prospect, they are confident they will do so and could not have done that without their contribution. Mr. Tucker noted he believed the letter will keep them updated on progress, the type of activity being seen in the Park so should RIFA or any other regional entity need to go back to the Federal EDA for future grant opportunities, RIFA is still in good standing. Mr. Tucker asked the Board to give the Chairman the ability to sign a letter in support to the Federal EDA; staff will bring that back for confirmation at the next RIFA meeting.

In response to Mr. Harville, Mr. Sides noted the County had already sent a letter to the Planning District Commission stating the same things Mr. Tucker mentioned. Ms. Manning wanted a letter from the City, the County and one from RIFA. Mr. Tucker noted the City letter will come from the Economic Development office, staff will circulate that to City Council and will write one on behalf of RIFA which agrees with the contents of both the City and County letters.

Mr. Harville **moved** adoption of Resolution No. 2015-10-13-5B *approving a letter to Robert E. Gittler, U.S. Department of Commerce, Economic Development Administration, Philadelphia Regional Office, in support of previous grant funding for the development of Lots 3 and 9 in the Authority's Berry Hill Industrial Park project, located in Pittsylvania County, Virginia, and future economic development projects. [No separate written resolution.]*

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)

FINANCIAL STATUS REPORT AS OF SEPTEMBER 30, 2015

Mr. Adkins noted the funding sheet for the \$7.3M Bonds for Cane Creek Centre shows two expenditures in September; the first was \$1,750 to Dewberry for Wetland Monitoring and the second was \$3,259 to the City of Danville for Dam removal work performed by the Public Works Department. Under General Expenditures for FY16, the third line under the funding column, staff brought forward unspent money from the previous fiscal year, FY15, a little over \$85,000, as contingency funding for this year's budget. The only expenditure for the month of September was \$266 for meals. Mega Park Funding Other than Bonds showed no activity for the month of September. Berry Hill Mega Park Lot 4 Site Development shows two expenditures, \$22,441 to Dewberry for work according to Amendment 4 for Archeological Investigation and \$1,449 paid to Wetland Studies and Solutions. Rent, Interest and Other Income Received shows \$17,606 received and paid out to the Institute for Advanced Learning and Research and RIFA received \$300 from Securitas for rent. Mr. Adkins noted the audit is underway, most of the field work has been completed and staff is

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now waiting for questions; he and Ms. Connor will address those if there are any. The City and County have both provided funding for the upcoming debt service for Berry Hill. Mr. Shanks questioned the receipt of the funding, is that part of the \$75,000 each locality puts in or is that a separate item. Mr. Adkins explained the \$75,000 is for operational and the debt service funding is separate from that.

Mr. Harville **moved** to accept the Financial Status Report as of September 30, 2015 as presented. 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)

CLOSED SESSION

[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.]

At 12:30 p.m., Mr. Harville **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 a prospective business where no previous announcement has been made of the business' interest in locating its facilities in the Authority's Berry Hill Industrial Park project located in Pittsylvania County.

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)

On **Motion** by Mr. Harville and **second** by Mr. Snead and by unanimous vote at 12:57 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

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identified in the Motion convening the Closed Meeting were heard, discussed, or considered by 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)

COMMUNICATIONS

Mr. Snead questioned if the November RIFA meeting was going to be moved and Mr. Guanzon noted it would be moved to the following Monday to November 16, 2015.

The Meeting adjourned at 1:02 p.m.

Chairman

Secretary to the Authority

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Items 5 A, B and C
Meeting Date:	12/14/15
Subject:	Resolutions in Recognition of Service
From:	Sherman M. Saunders, Chairman

SUMMARY

Resolutions in Recognition of the Service of Coy E. Harville, James H. Snead and Brenda H. Bowman

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5D
Meeting Date:	12/14/15
Subject:	Mountain View Farms Lease
From:	Coy E. Harville, Vice Chairman

SUMMARY

The Board will review a request for a one-year lease renewal with Mountain View Farms for property in the Authority's Mega Park.

ATTACHMENTS

Lease Agreement

Resolution No. 2015-12-14-5D

A RESOLUTION APPROVING A ONE-YEAR RENEWAL OF THE LEASE WITH MOUNTAIN VIEW FARMS OF VIRGINIA, L.C., A VIRGINIA LIMITED LIABILITY COMPANY, AS TENANT, FOR THAT CERTAIN REAL PROPERTY (GPIN 1356-75-8216) OF THE AUTHORITY, CONTAINING APPROXIMATELY 30 ACRES AND FRONTING ON STATELINE BRIDGE ROAD, IN THE AUTHORITY'S MEGA PARK PROJECT, IN PITTSYLVANIA COUNTY, VIRGINIA, FOR THE PURPOSE OF PLANTING AND HARVESTING SOD, SOYBEANS, AND/OR OTHER COVER CROPS, BUT NOT TOBACCO, AT A TOTAL RENTAL FEE OF \$1,200.00; SUCH RENEWAL ALSO INCLUDES A 60-DAY EARLY TERMINATION RIGHT AND RIGHT TO SHOW THE PROPERTY TO BUSINESS RECRUITS OF THE AUTHORITY

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, Mountain View Farms of Virginia, L.C., a Virginia limited liability company ("**Mountain View**"), entered into that certain Lease Agreement with the Authority, dated as of January 15, 2012, as further extended by that certain Lease Renewal Agreement dated as of January 1, 2014 and that certain Lease Renewal Agreement dated as of January 1, 2015 (the "**Current Lease**"), to lease certain real property (GPIN 1356-75-8216) of the Authority, containing approximately thirty (30) acres and fronting on Stateline Bridge Road, in Pittsylvania County, Virginia (the "**Property**"), for the extended period beginning on January 1, 2015 and ending on December 31, 2015, for planting and harvesting sod, soybeans, and/or other cover crops, but not tobacco, and any other purposes approved by the Authority, for a total rental fee of One Thousand Two Hundred and 00/100 Dollars (\$1,200.00); and

WHEREAS, Mountain View desires to renew the Current Lease, which otherwise expires December 31, 2015, for an additional one (1) year term beginning on January 1, 2016 and ending on December 31, 2016; and consistent with similar leases by the Authority, the Authority shall have a 60-day early termination right and the right to show the Property to business recruits, the identities of whom Mountain View would keep confidential until a public announcement is made by the Authority; and

WHEREAS, the Farm Service Agency of the United States Department of Agriculture has determined that fair market value rent for the Property is Forty and 00/100 Dollars (\$40.00) per acre; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County and the City of Danville, Virginia, for the Authority to renew the Current Lease for an additional one (1) year term at a Base Rent of One Thousand Two Hundred and 00/100 Dollars (\$1,200.00), with additional rights of the Authority consistent with its other similar leases, and otherwise on the same terms and conditions as the Current Lease; and

WHEREAS, the terms of the lease renewal are set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the "**Lease Renewal**").

Resolution No. 2015-12-14-5D

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the Lease Renewal as reviewed at this meeting, together with such amendments, deletions or additions thereto as may be approved by the Chairman or the Vice Chairman of the Authority, and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver the Lease Renewal on behalf of the Authority, such execution of the Lease Renewal by the Chairman (or Vice Chairman as the case may be) to conclusively establish his approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Lease Renewal, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Lease Renewal and the matters contemplated therein.

4. This Resolution shall take effect immediately upon its adoption.

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on December 14, 2015, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 14th day of December 2015.

SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial Facility
Authority

(SEAL)

Resolution No. 2015-12-14-5D

Exhibit A
2016 LEASE RENEWAL AGREEMENT

THIS 2016 LEASE RENEWAL AGREEMENT (this “**Lease Renewal**”) is made as of the 1st day of January 2016, by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia (“**Landlord**”); and **MOUNTAIN VIEW FARMS OF VIRGINIA, L.C.**, a Virginia limited liability company (“**Tenant**”).

W I T N E S S E T H :

That for and in consideration of the mutual promises and covenants contained in this Lease Renewal, the parties agree as follows:

Section 1 – Recitals. The parties recite the following: Landlord and Tenant entered into that certain Lease Agreement dated as of January 15, 2012 (the “**Lease**”), as further extended by that certain Lease Renewal Agreement dated as of January 1, 2014 and that certain 2015 Lease Renewal Agreement dated as of January 1, 2015, for lease of the Property, for the extended period beginning January 1, 2015 and ending on December 31, 2015 (the “**Current Extended Term**”). Landlord and Tenant desire to enter into this Lease Renewal to further extend the term of the Lease and to amend the Base Rent.

Section 2 – Renewal Term. Following the end of the Current Extended Term, the term of the Lease shall continue for a term beginning on January 1, 2016 and ending on December 31, 2016 (the “**Renewal Term**”), unless sooner terminated as provided in the Lease. Prior to the end of the Renewal Term set forth herein, Landlord shall have the right to terminate the Lease upon giving at least sixty (60) days prior written notice to Tenant, in which event Landlord shall reimburse Tenant for a pro rata portion of the Base Rent covering the period between the date of termination and December 31, 2016.

Section 3 - Rent Payment. For the Renewal Term, Tenant agrees to pay to Landlord a base rent (“**Base Rent**”) for the Property in the amount of One Thousand Two Hundred and 00/100 Dollars (\$1,200.00), due and payable by Tenant to Landlord on the date this Lease Renewal is executed by Tenant.

Section 4 – Right to Show the Property. At any time during the Renewal Term set forth herein, Landlord shall have the right, upon twenty-four (24) hours’ notice to Tenant (which can be by telephone or by e-mail), to enter upon and to show the Property (as defined in the Lease) to prospective business recruits (the “**Recruits**”). Tenant agrees to keep in strictest confidence the identity of any Recruits until a public announcement is made by Landlord, if ever, or as otherwise required by law.

Section 5 - Entire Agreement. The Lease and this Lease Renewal contain the entire agreement and understanding of the parties with respect to the transactions contemplated hereby; and the Lease and this Lease Renewal supersede all prior understandings and agreements of the parties with respect to the subject matter hereof.

Section 6 - Interpretation. All of the terms, covenants and conditions of the Lease shall continue in full force and effect, and the same are hereby reaffirmed, remade and rewritten, except to the extent that any such terms, covenants or conditions have been nullified hereby or conflict or are inconsistent with the terms of this Lease Renewal, in which event the terms of this Lease Renewal shall, in all respects, govern and prevail.

Section 7 - Defined Terms. The capitalized terms of this Lease Renewal that are not defined herein shall be defined as set forth in the Lease.

[SIGNATURES ON FOLLOWING PAGE.]

Resolution No. 2015-12-14-5D

WITNESS the following signatures to this **2016 LEASE RENEWAL AGREEMENT**:

Landlord:

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, a political subdivision of the Commonwealth of Virginia

EXHIBIT ONLY – DO NOT SIGN

By: _____
Coy E. Harville, Chairman

Tenant:

MOUNTAIN VIEW FARMS OF VIRGINIA, L.C., a Virginia limited liability company

EXHIBIT ONLY – DO NOT SIGN

By: _____
Title: _____

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5E
Meeting Date:	12/14/15
Subject:	Ratifying Letter to Robert E. Gittler, EDA
From:	Sherman M. Saunders, Chairman

SUMMARY

The Board will consider ratifying the letter to Robert E. Gittler, U.S. Department of Commerce, EDA, subject of Resolution 2015-10-13-5B.

ATTACHMENTS

Letter to Robert E. Gittler.



City of Danville and Pittsylvania County
P.O. Box 3300
Danville, VA 24543-3300
Ph: (434) 793-1753 • Fax: (434) 797-9606

October 12, 2015

Mr. Robert E. Gittler
Economic Development Specialist
U.S. Department of Commerce
Economic Development Administration
Philadelphia Regional Office
601 Walnut Street, Suite 140 South
Philadelphia, PA 19106

Dear Mr. Gittler:

The Danville–Pittsylvania Regional Industrial Facility Authority (RIFA) would like to thank the United States Economic Development Administration (EDA) for your continued support of Cane Creek Centre in Pittsylvania County, Virginia. RIFA, created as a result of the Virginia Regional Industrial Facilities Act of 1950, is collaboration between the City of Danville, Virginia and Pittsylvania County. The general purpose of the Authority is to enhance the economic base of the City and the County by developing, owning, and operating regionally owned industrial parks.

In accordance with this mission, RIFA successfully applied for and received federal EDA funding to grade two lots within Cane Creek Centre. Specifically Lots 3 and 9 have been graded, utilities are in place, and preliminary engineering design has been completed which makes these sites extremely valuable to this region. Further, these sites are located on U.S. Route 58, and have immediate access to a 4-lane divided highway which helps add to their marketability. These sites are being marketed by the City of Danville, Pittsylvania County, the Southern Virginia Regional Alliance, and the Virginia Economic Development Partnership and have received increased interest over the last 12-14 months.

To date, RIFA has not successfully attracted an industry to either of these sites due to external factors such as the sluggish U.S. economy and other decision criteria that didn't match the prospects' specifications. However, recent economic growth has stimulated a sizeable increase in prospect activity, and renewed the region's confidence in its ability to attract the right industry that will have a substantial impact on the local economy through jobs and investment. In fact, the park has received approximately ten credible projects that have visited these two sites over the last year. One of these projects could have a potential impact of \$500 million in capital investment and 700 jobs. The successful location of any number of these prospects would positively affect the local, regional, and state economy.

RIFA would like to again take the opportunity to thank the EDA for their assistance in developing Cane Creek Centre. They are truly valuable assets to RIFA and to the Southern Virginia region.

Sincerely,


Sherman Saunders,
Mayor

cc: Leah Manning, West Piedmont Planning District Commission

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5F
Meeting Date:	12/14/15
Subject:	Joint Permit for Monitoring Station
From:	Barry Dunkley, Division Director of Water/Wastewater Treatment, City of Danville

SUMMARY

The Board will review a request for a joint permit application for a monitoring station on the Dan River at the Berry Hill Industrial Park.

ATTACHMENTS

Joint Application
Monitoring Station Design
Dan River Cross Section

Resolution No. 2015-12-14-5F

A RESOLUTION APPROVING THE SUBMISSION OF A JOINT PERMIT APPLICATION BY THE CITY OF DANVILLE, VIRGINIA AND THE AUTHORITY TO THE UNITED STATES ARMY CORPS OF ENGINEERS, THE VIRGINIA MARINE RESOURCES COMMISSION AND THE VIRGINIA DEPARTMENT OF ENVIRONMENTAL QUALITY FOR THE INSTALLATION OF A MONITORING STATION ON THE DAN RIVER AT THE AUTHORITY'S BERRY HILL INDUSTRIAL PARK

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the “**Authority**”) is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County and the City of Danville, Virginia, for the Authority to submit a joint permit application together with the City of Danville, Virginia to the United States Army Corps of Engineers, the Virginia Marine Resources Commission, and the Virginia Department of Environmental Quality, for the installation of a monitoring station on the Dan River at the Authority's Berry Hill Industrial Park; and

WHEREAS, a copy of the joint permit application and related documents are set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Permit Application**”).

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the Permit Application as reviewed at this meeting, together with such amendments, deletions or additions thereto as may be approved by the Chairman or the Vice Chairman of the Authority, and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver the Permit Application on behalf of the Authority, such execution of the Permit Application by the Chairman (or Vice Chairman as the case may be) to conclusively establish his approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Permit Application, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Permit Application and the matters contemplated therein.

4. This Resolution shall take effect immediately upon its adoption.

Resolution No. 2015-12-14-5F

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on December 14, 2015, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 14th day of December 2015.

SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial Facility
Authority

(SEAL)

Resolution No. 2015-12-14-5F

Exhibit A
PERMIT APPLICATION

[See attached.]

STANDARD JOINT PERMIT APPLICATION



United States Army Corps of Engineers (USACE) - Norfolk District
803 Front Street, ATTN: CENAO-WR-R
Norfolk, Virginia 23510-1096
Phone: (757) 201-7652, Fax: (757) 201-7678
Website: <http://www.nao.usace.army.mil/Missions/Regulatory.aspx>



Virginia Marine Resources Commission (VMRC)
Habitat Management Division
2600 Washington Avenue, 3rd Floor
Newport News, Virginia 23607-0756
Phone: (757) 247-2200, Fax: (757) 247-8062
Website: <http://www.mrc.virginia.gov/hmac/hmoverview.shtm>



Virginia Department of Environmental Quality (DEQ)
Virginia Water Protection Program
Post Office Box 1105
Richmond, Virginia 23218
Phone: (804) 698-4000, Fax: (804) 698-4000
Websites: <http://www.deq.virginia.gov/>
<http://www.deq.virginia.gov/Locations.aspx>

The following instructions and information are designed to assist you in applying for permits from Federal, State, and Local regulatory agencies for work in waters and/or wetlands within the Commonwealth of Virginia. The intent is to provide general information on the permit process, not to act as a complete legal and technical reference.

JOINT PERMIT APPLICATION PROCESS

The Joint Permit Application (JPA) process and Standard JPA form are used by the United States Army Corps of Engineers (USACE), the Virginia Marine Resources Commission (VMRC), the Virginia Department of Environmental Quality (DEQ), and the Local Wetlands Boards (LWB) for permitting purposes involving water, wetlands, and dune/beach resources, including, but not limited to, *major* water supply and water withdrawals projects (as defined in DEQ Regulation 9 VAC 25-210).

The Tidewater Joint Permit Application form may be used for most commercial and noncommercial projects in **tidal waters, tidal wetlands, and coastal primary sand dunes and beaches in Virginia** that require the review and/or authorization by local wetlands boards, the Virginia Marine Resources Commission, the Department of Environmental Quality, and/or the U. S. Army Corps of Engineers. The Tidewater JPA may be downloaded from the same web page on which the Standard JPA is located: <http://www.nao.usace.army.mil/Missions/Regulatory/JPA.aspx>. *If using the Tidewater JPA, follow the instructions provided with that form.* Note that the Tidewater JPA form is not intended for noncommercial, riparian shellfish aquaculture projects (i.e., "oyster gardening"); the form for these types of projects may be obtained from <http://www.mrc.virginia.gov/forms/abbrjpa.pdf> or from the VMRC office.

The Standard JPA should not be used for *minor* water supply or water withdrawal projects, defined in DEQ Regulation 9 VAC 25-210 as a surface water withdrawal of less than 90 million gallons per month (mgm), unless filling or flooding of wetlands and streams occurs or if alteration of stream flow occurs. The application form for minor water supply or water withdrawals can be obtained from DEQ's web site. In the case where fill, flooding, or alteration of flow occurs, please use the Standard JPA.

Please note that some health departments and local agencies, such as local building officials and erosion and sediment control authorities, do not use the Joint Permit Application process or forms and may have different informational requirements. The applicant is responsible for contacting these agencies for information regarding those permitting requirements.

REGULATORY AUTHORITIES OF PARTICIPATING AGENCIES:

The USACE regulates activities in waters of the United States, including wetlands, under Section 404 of the Clean Water Act (33 U.S.C. §1344), Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. §403), and Section 103 of the Marine Protection Research and Sanctuaries Act of 1972 (33 U.S.C. §1413).

The VMRC regulates activities on State-owned submerged lands, tidal wetlands, and dunes/beaches under Code of Virginia Title 28.2, Chapters 12, 13, and 14.

The DEQ regulates activities in state waters and wetlands under Section 401 of the Clean Water Act (33 U.S.C. §1341), under State Water Control Law (Code of Virginia Title 62.1), and Virginia Administrative Code Regulations 9VAC25-210 et seq., 9VAC25-660 et seq., 9VAC25-670 et seq., 9VAC25-680 et seq., and 9VAC25-690 et seq.

The LWBs regulate activities in tidal wetlands and dunes/beaches under Code of Virginia Title 28.2, Chapters 13 and 14.

LOCAL WETLANDS BOARD CONTACT INFORMATION:

Links to LWB information on the Web can be found at http://ccrm.vims.edu/permits_web/guidance/local_wetlands_boards.html.

USACE FIELD OFFICE INFORMATION AND DEQ REGIONAL OFFICE INFORMATION:

Answers to technical questions and detailed information about specific aspects of the various permit programs may be obtained from the USACE field office in your project area (please refer to the Contact Information on the Regulatory webpage at: <http://www.nao.usace.army.mil/Missions/Regulatory.aspx> or call 757-201-7652), or from the DEQ regional office in your project area (please refer to <http://www.deq.virginia.gov/Locations.aspx> or call 804-698-4000). Applicants may also seek assistance with completing the informational requirements and/or submittals from private consulting and/or engineering firms for hire.

CHESAPEAKE BAY PRESERVATION ACT INFORMATION: Development within the 84 Counties, Cities, and Towns of “Tidewater Virginia” (as defined in §62.1-44.15:68 of the Code of Virginia) is subject to the requirements of the Chesapeake Bay Preservation Act. If your project is located in a Bay Act locality and will involve land disturbance or removal of vegetation within a designated Resource Protection Area (RPA), these actions will require approval from your local government and completion of Appendix C. The individual localities, not the DEQ, USACE, or Local Wetlands Boards, are responsible for enforcing Bay Act requirements and, therefore, local permits for land disturbance are not issued through this JPA process. Each Tidewater locality has adopted a program based on the Chesapeake Bay Preservation Act and the [Chesapeake Bay Preservation Area Designation & Management Regulations](#).

The Act and regulations recognize local government responsibility for land use decisions and are designed to establish a framework for compliance without dictating precisely what local programs must look like. The regulations address nonpoint source pollution by identifying and protecting certain lands called Chesapeake Bay Preservation Areas. The requirements of the Bay Act may, however, affect the ultimate design and construction of projects. In order to ensure that these requirements are considered early in the permitting process, and to avoid unnecessary and costly delays, applicants should contact their local government as early in the process as possible. Individual localities may request information regarding existing vegetation within the RPA as well as a description and site drawings of any proposed land disturbance or vegetation clearing. Locality staff charged with ensuring compliance with the Bay Act will then evaluate project proposals and advise their Local Wetlands Boards of applicable Bay Act issues.

To determine if your project is located in a Bay Act locality (see map on page 31 or <http://www.deq.virginia.gov/Programs/Water/ChesapeakeBay/ChesapeakeBayPreservationAct/LocalGovernmentOrdinances.aspx>), learn more about Bay Act requirements, or find local government contacts, please visit the Virginia Department of Environmental Quality at <http://www.deq.virginia.gov/Programs/Water/ChesapeakeBay/ChesapeakeBayPreservationAct.aspx>.

HOW TO APPLY

Sections A through D below provide a general list of information and drawings that are required, depending on the type of project being proposed. Prepare all required drawings or sketches as detailed in the lists provided in Appendix D (Drawings) and according to the sample drawings provided in Appendix D.

Application materials should be submitted to VMRC:

1. **If by mail or courier, use the address on page 1.**
2. **If by electronic mail, address the package to: JPA.permits@mrc.virginia.gov . The application must be provided in the .pdf format.**

A. APPLICATIONS FOR PROJECTS INVOLVING IMPACTS TO TIDAL WATERS, WETLANDS, AND DUNES/BEACHES (INCLUDING SHORELINE STABILIZATION, PIERS, MARINAS, BEACH NOURISHMENT, BOATHOUSES, BOAT LIFTS, BREAKWATERS, AQUACULTURE ACTIVITIES, DREDGING, ETC.) SHOULD INCLUDE THE FOLLOWING:

- ❖ All *applicable* portions of Sections 1 through 28 of the JPA, including necessary attachments, information required for projects located in CBPA localities as required in Appendix C (a map of CBPA localities can be found on page 31).
- ❖ Adjacent Property Owner’s Acknowledgement Forms⁽¹⁾, as detailed in Appendix A.
- ❖ For projects with impacts to greater than 1 acre of wetlands, a functional values assessment⁽³⁾.
- ❖ A set of 8 ½ x 11 inch drawings. If you can not include all of your project site on one page at a scale no smaller than 1” = 200’, you **must** submit a set of 8 ½ x 11 inch match-line drawings **and** a set of large-sized drawings at a scale no smaller than 1”= 200’. If oversized drawings are used, attach **five** copies of the oversized drawings to your application.
- ❖ In order for projects requiring LWB authorization to be considered complete, applications must include the following information (per Virginia Code 28.2-1302):
“The permit application shall include the following: the name and address of the applicant; a detailed description of the proposed activities; a map, drawn to an appropriate and uniform scale, showing the area of wetlands directly affected, the location of the proposed work thereon, the area of existing and proposed fill and excavation, the location, width, depth and length of any proposed channel and disposal area, and the location of all existing and proposed structures, sewage collection and treatment facilities, utility installations, roadways, and other related appurtenances of facilities, including those on the adjacent uplands; a description of the type of equipment to be used and the means of access to the activity site; the names and addresses of record of adjacent land and known claimants of water rights in or adjacent to the wetland of whom the applicant has notice; an estimate of cost; the primary purpose of the project; and secondary purpose of the proposed project; a complete description of measures to be taken during and after alteration to reduce detrimental offsite effects; the completion date of the proposed work, project, or structure; and such additional materials and documentation as the wetlands board may require.”

B. APPLICATIONS FOR PROJECTS THAT ARE SUBJECT TO CURRENT STATE PROGRAM GENERAL PERMIT (SPGP) AND INVOLVE IMPACTS TO NONTIDAL WATERS AND/OR WETLANDS:

Programmatic general permits may be issued in situations where a state, regional, or local authority has a regulatory program in place that provides a similar level of review as the U.S. Army Corps of Engineers (Corps). In such cases, the programmatic general permit avoids unnecessary duplication of effort by providing Corps authorization for certain activities provided they obtain the necessary state, regional, or local authorizations. Details may be found at <http://www.nao.usace.army.mil/Missions/Regulatory/RBregional.aspx>.

The following activities will be considered for coverage under the current State Program General Permit:

- RESIDENTIAL, COMMERCIAL, AND INSTITUTIONAL DEVELOPMENT (DEVELOPMENT) ACTIVITIES (including attendant features) that involve the discharge of dredged or fill material causing the loss of not more than one acre of nontidal wetlands or waters, or the loss of not more than 2,000 linear feet of streams, unless otherwise excluded.
 - LINEAR TRANSPORTATION (TRANSPORTATION) ACTIVITIES (including construction, expansion, modification, or improvement) that involve the discharge of dredged or fill material associated with the linear transportation projects not causing the loss of more than 1/3 acre of nontidal waters of the United States, including wetlands, unless otherwise excluded.
- ❖ Mark the “SPGP” checkbox on page 7 of this application.
 - ❖ All *applicable* portions of Sections 1 through 28 of the JPA, including necessary attachments.
 - ❖ A conceptual compensatory mitigation plan⁽²⁾ for 1) Development projects that impact greater than 1/10 of an acre of wetlands and open waters, or greater than 300 linear feet of stream bed, or 2) Transportation projects that impact any wetlands or open water, or greater than 300 linear feet of stream bed.
 - ❖ A copy of the Corps’ confirmed waters and wetlands delineation (including data sheets)
 - ❖ All information required for projects located in CBPA localities as required in Appendix C (a map of CBPA localities can be found on page 31).
 - ❖ A copy of the FEMA flood insurance rate map or FEMA-approved local floodplain map for the project site (not applicable to <0.1 acre and < 300 linear feet projects by either Corps or DEQ).
 - ❖ A set of 8 ½ x 11 inch drawings. If you can not include all of your project site on one page at a scale no smaller than 1” = 200’, you **must** submit a set of 8 ½ x 11 inch match-line drawings **and** a set of large-sized drawings at a scale no smaller than 1”= 200’. If oversized drawings are used, attach **five** copies of the oversized drawings to your application.

C. APPLICATIONS FOR OTHER PROJECTS THAT INVOLVE IMPACTS TO NONTIDAL WATERS AND/OR WETLANDS:

- ❖ All *applicable* portions of Sections 1 through 28 of the JPA, including necessary attachments.
- ❖ A conceptual compensatory mitigation plan⁽²⁾.
- ❖ A copy of the Corps’ confirmed waters and wetlands delineation (including data sheets).
- ❖ All information required for projects located in CBPA localities as required in Appendix C (a map of CBPA localities can be found on page 31), and a copy of the FEMA flood insurance rate map or FEMA-approved local floodplain map for the project site.
- ❖ For projects with impacts to greater than 1 acre of wetlands, a functional values assessment⁽³⁾.
- ❖ A set of 8 ½ x 11 inch drawings. If you can not include all of your project site on one page at a scale no smaller than 1” = 200’, you **must** submit a set of 8 ½ x 11 inch match-line drawings **and** a set of large-sized drawings at a scale no smaller than 1”= 200’. If oversized drawings are used, attach **five** copies of the oversized drawings to your application.

D. WHEN USING THE JPA FORM AS A PRE-CONSTRUCTION NOTIFICATION (PCN) FOR A USACE NATIONWIDE PERMIT:

- ❖ Mark the “PCN” checkbox on page 7 of this application. If you fail to mark this box, the PCN will be deemed incomplete and the USACE 45-day time clock will not start.
- ❖ All *applicable* portions of Sections 1 through 28 of the JPA, including necessary attachments and all information required for projects located in CBPA localities as required in Appendix C (a map of CBPA localities can be found on page 31)
- ❖ A set of 8 ½ x 11 inch drawings. If you can not include all of your project site on one page at a scale no smaller than 1” = 200’, you **must** submit a set of 8 ½ x 11 inch match-line drawings **and** a set of large-sized drawings at a scale no smaller than 1”= 200’. If oversized drawings are used, attach **five** copies of the oversized drawings to your application.

WHAT HAPPENS NEXT

Upon receipt of an application, VMRC will assign a permit application number to the JPA and will then distribute a copy of the application and any original plan copies submitted to the other regulatory agencies that are involved in the JPA process. All agencies will conduct separate but concurrent reviews of your project. Please be aware that each agency must issue a separate permit (or a notification that no permit is required). Therefore, make sure that you have received all necessary authorizations, or documentation that no permit is required, from each agency prior to beginning the proposed work.

During the JPA review process, site inspections may be necessary to evaluate a proposed project. Failure to allow an authorized representative of a regulatory agency to enter the property, or to take photographs of conditions at the project site, may result in either the withdrawal of your permit application or denial of a permit.

For certain Federal and State permit applications, a public notice is published in a newspaper having circulation in the project area, is mailed to adjacent property owners, and/or is posted on the agency’s Web page. The public may comment on the project during a

designated comment period, which varies from agency to agency. Some agencies accept comments upon receipt of the application or during the permit review process, while others only accept comments on draft permits. Comments are evaluated and a decision is made whether to revise a draft permit, issue a final permit, issue a final permit with special conditions, or to deny a permit. When applicable, the project will be heard by the appropriate LWB after a notice of public hearing has been advertised for at least once a week for two consecutive weeks in a local newspaper. VMRC will conduct the hearings for the localities that do not have a wetlands board. You may be responsible for bearing the costs for advertisement of public notices.

Public hearings are held by VMRC at their regularly scheduled monthly commission meetings under the following situations: Protested applications for VMRC permits which can not be resolved; projects costing over \$50,000 involving encroachment over State-owned subaqueous land; and all projects affecting tidal wetlands and dunes/beaches in localities without a LWB. All interested parties will be officially notified regarding the date and time of the hearing and Commission meeting procedures. The Commission will usually make a decision on the project at the meeting unless a decision for continuance is made. If a proposed project is approved, a permit or similar agency correspondence is sent to the applicant. In some cases, notarized signatures, as well as processing fees and royalties, are required before the permit is validated. If the project is denied, the applicant will be notified in writing.

Permits or permit authorizations from some agencies may be provided via electronic mail. If the applicant wishes to receive their permit via electronic mail, please include an e-mail address at the requested place in the application.

PERMIT APPLICATION FEES

Do not send any permit application fees in with the JPA, since VMRC is not responsible for accounting for permit application fees required by other agencies. Fees are subject to change. Please consult agency Websites or contact agencies directly for current fee information.

- ❖ USACE: Permit application fees are required for USACE Individual (Standard) permits. A USACE project manager will contact you regarding the proper fee and submittal requirements.
- ❖ DEQ: Permit application fees required by DEQ for VWP permits are provided on DEQ's Website at <http://www.deq.virginia.gov/Programs/Water/WetlandsStreams/Permits.aspx> or on the Commonwealth of Virginia's Website at <http://leg1.state.va.us/000/reg/TOC09025.HTM#C0020>. A DEQ project manager will contact you regarding the proper fee and submittal requirements after receiving your application package. After being contacted by the DEQ, mail the permit application fee and the Permit Application Fee Form to the address listed on the form. Please make sure that the applicant name and facility (project) name are the same as those reported in your JPA.
- ❖ VMRC: Permit fees are \$25.00 for projects costing \$10,000 or less and \$100 for projects costing more than \$10,000. Royalties may also be required for some projects. The proper fee and any required royalty is paid at the time of permit issuance by VMRC. VMRC staff will send the permittee a letter notifying him/her of the proper fees and submittal requirements.
- ❖ LWB: Permit fees vary. Contact the LWB in your locality or reference locality Websites for fee information and submittal requirements. Contact information for LWB may be found at http://ccrm.vims.edu/permits_web/guidance/local_wetlands_boards.html.

WETLANDS & WATERS DELINEATIONS

Wetlands/waters delineations must be performed using the 1987 Corps of Engineers Wetland Delineation Manual and applicable Regional Supplement to the Corps of Engineers Wetlands Delineation Manual (Atlantic and Gulf Coastal Plain Region (Version 2.0) or Eastern Mountains and Piedmont Region (Version 2.0)). Contact the appropriate USACE District office or field office to obtain a delineation confirmation by referencing the Contact Information on the Regulatory webpage at: <http://www.nao.usace.army.mil/Missions/Regulatory.aspx> or call the Regulatory of the Day (ROD) at 757-201-7652.

INFORMATION REGARDING THREATENED OR ENDANGERED SPECIES

In order to find preliminary information regarding federal or state threatened or endangered species on your project site, you may contact the following agencies:

United States Fish and Wildlife Service
6669 Short Lane
Gloucester, Virginia 23061
Voice: (804) 693-6694
Fax: (804) 693-9032
<http://virginiafieldoffice.fws.gov/>

Project Review Coordinator
Virginia Department of Conservation and Recreation
Natural Heritage Division
217 Governor Street
Richmond, Virginia 23219
Voice: (804) 786-7951
Fax: (804) 371-2674
http://www.dcr.virginia.gov/natural_heritage/index.shtml

INFORMATION REGARDING FEMA-MAPPED FLOODPLAINS

You may obtain "Online Hazard Maps" for FEMA-mapped floodplains by visiting <https://hazards.fema.gov/femaportal/wps/portal> . Local governments also keep paper copies of FEMA maps on hand.

FOOTNOTES:

(1) Adjacent Property Owner Notification: When determining whether to grant or deny any permit for the use of state-owned submerged lands, the VMRC must consider, among other things, effects of a proposed project on adjacent or nearby properties. Discussing the proposed project with these property owners can be done on your own using the forms in Appendix A of this package. LWB must also consider the effects on adjacent properties and notify adjoining property owners of the required public hearings for all applications. The completed forms will assist VMRC and LWB in processing the application. The forms in Appendix A may be photocopied if more copies are needed.

(2) Conceptual mitigation plans, when required, should include all information stipulated by DEQ Regulations 9 VAC 25-210-80 and 9 VAC 25-210-116, or 9 VAC 25-[660-690]-50, -60, and -70, whichever is applicable to your project. Regulations may be obtained from DEQ's web site at <http://www.deq.virginia.gov/Programs/Water/WetlandsStreams.aspx>.

Information on wetland and stream mitigation is available at <http://www.deq.virginia.gov/Programs/Water/WetlandsStreams/Mitigation.aspx>. The final compensatory mitigation plan will be *required prior to commencement of impacts to waters and/or wetlands* on your project site. If no mitigation is planned, submit a detailed statement explaining the reason(s) for no mitigation.

(3) A functions and values assessment consists of a narrative description of the existing functions and values of the wetlands and waters being impacted, the impact that the project will have on these functions and values, and information on the following: surrounding land uses and cover types; nutrient, sediment, and pollutant trapping; flood control and flood storage capacity; erosion control and shoreline stabilization; groundwater recharge and discharge; aquatic and wildlife habitat; and unique or critical habitats. Functional values may also include: water quality, floodflow desynchronization, nutrient import or export, stormwater retention or detention, recreation, education, aesthetics, or other beneficial uses. Also include the assessment methodology that was used.

(4) Wetland and waters boundary delineation map: For DEQ application purposes, this applies to all projects impacting more than 1/10 acre wetlands or open waters, or more than 300 linear feet of stream bed, and may apply in areas under a deed restriction or protective instrument, regardless of the amount of impacts. The information to be submitted includes the wetlands data sheets; the location of impacted and non-impacted wetlands, streams, open water, and the approximate limits of Chesapeake Bay Resource Protection Areas (RPAs); wetland types, noted according to their Cowardin classification or similar terminology; and a copy of the USACE delineation confirmation, or other correspondence from the USACE indicating their approval of the wetland and waters boundaries. If a Corps confirmation is not available at the time of application, it must be submitted as soon as it becomes available during the DEQ permit review.

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PLEASE PRINT OR TYPE ALL ANSWERS. If a question does not apply to your project, please print N/A (not applicable) in the space provided. **If additional space is needed, attach extra 8 ½ x 11 inch sheets of paper.**

<u>CHECK ONE, if applicable:</u>	Pre-Construction Notification (PCN) <input type="checkbox"/> (For Nationwide Permits ONLY)	SPGP <input type="checkbox"/>
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1. PROJECT LOCATION INFORMATION
 (Attach a copy of a detailed map, such as a USGS topographic map or street map showing the site location and project boundary, so that it may be located for inspection. Include an arrow indicating the north direction.)

Street Address	City/County/Zipcode
Subdivision	Lot/Block/Parcel #
Name of water body(ies) within project boundaries and drainage area (acres or square miles)	
Tributary(ies) to: _____ Basin: _____ Subbasin: _____ (Example: Basin: <u>James River</u> Subbasin: <u>Middle James River</u>)	
Special Standards (based on DEQ Water Quality Standards 9VAC25-260 et seq.): _____	
Project type (check one) _____ Single user (private, non-commercial, residential) _____ Multi-user (community, commercial, industrial, government)	
Latitude and longitude at center of project site: ____- ____- ____/ ____- ____- ____	
USGS topographic map name: _____	
8- digit USGS Hydrologic Unit Code (HUC) for your project site (See http://cfpub.epa.gov/surf/locate/index.cfm): _____ If known, indicate the 10-digit and 12-digit USGS HUCs (see http://dswcapps.dcr.virginia.gov/htdocs/maps/HUExplorer.htm): _____	
Name of your project (Example: <i>Water Creek driveway crossing</i>) _____	
Is there an access road to the project? __ Yes __ No. If yes, check all that apply: __ public __ private __ improved __ unimproved	
Provide driving directions to your site, giving distances from the best and nearest visible landmarks or major intersections:	
Does your project site cross boundaries of two or more localities (i.e. cities/counties/towns)? __ Yes __ No If so, name those localities:	

FOR AGENCY USE ONLY

	Notes:
JPA#	

2. APPLICANT, AGENT, PROPERTY OWNER, AND CONTRACTOR INFORMATION

The applicant(s) is/are the legal entity to which the permit may be issued. The applicant(s) can either be the property owner(s) or the person/people/company(ies) that intend(s) to undertake the activity. The agent is the person or company that is representing the applicant(s). If a company, please use the company name that is registered with the State Corporation Commission (SCC), or indicate no registration with the SCC.

Applicant(s) (For a company, use SCC-registered name)			Agent (if applicable) (For a company, use SCC-registered name)		
Mailing address			Mailing address		
City	State	Zip Code	City	State	Zip Code
Phone number w/area code	Fax		Phone number w/area code	Fax	
Mobile/pager	E-mail		Mobile/pager	E-mail	
State Corporation Commission ID number (if applicable)			State Corporation Commission ID number (if applicable)		

Certain permits or permit authorizations may be provided via electronic mail. If the applicant wishes to receive their permit via electronic mail, please provide an e-mail address here: _____

Property owner(s), if different from applicant (For a company, use SCC-registered name)			Contractor, if known (For a company, use SCC-registered name)		
Mailing address			Mailing address		
City	State	Zip code	City	State	Zip code
Phone number w/area code	Fax		Phone number w/area code	Fax	
Mobile/pager	E-mail		Mobile/pager	E-mail	
State Corporation Commission ID number (if applicable)			State Corporation Commission ID number (if applicable)		

3. PROVIDE A DESCRIPTION OF THE PROJECT, PROJECT PRIMARY AND SECONDARY PURPOSES, PROJECT NEED, INTENDED USE, AND ALTERNATIVES CONSIDERED (Attach additional sheets if necessary)

- The purpose must include any new development or expansion of an existing land use and/or proposed future use of residual land
- Describe the physical alteration of surface waters
- Include a description of alternatives considered to avoid or minimize impacts to surface waters, including wetlands, to the maximum extent practicable. Include factors such as, but not limited to, alternative construction technologies, alternative project layout and design, alternative locations, local land use regulations, and existing infrastructure
- For utility crossings, include both alternative routes and alternative construction methodologies considered
- For major surface water withdrawals, public surface water supply withdrawals, or projects that will alter in-stream flows, include the water supply issues that form the basis of the proposed project.

3. PROVIDE A DESCRIPTION OF THE PROJECT (Continued)

Date of proposed commencement of work (MM/DD/YYYY) _____	Date of proposed completion of work (MM/DD/YYYY) _____
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Are you submitting this application at the direction of any State, local, or Federal agency? ____ Yes ____ No	Has any work commenced or has any portion of the project for which you are seeking a permit been completed? ____ Yes ____ No
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If you answered "yes" to either question above, give details stating when the work was completed and/or when it commenced, who performed the work, and which agency (if any) directed you to submit this application. In addition, you will need to clearly differentiate between completed work and proposed work on your project drawings.

Are you aware of any unresolved violations of environmental law or litigation involving the property? ____ Yes ____ No
(If yes, please explain)

4. PREVIOUS SITE VISITS AND/OR PERMITS RELATED TO THE PROPOSED WORK (Include all Federal, State, and Local pre-application coordination or previous permits)

Agency	Activity	Permit/Project number, and explanation of non-reporting Nationwide permits previously used	Action taken ** and Date of Action	If denied, give reason for denial

** Issued, denied, site visit

5. PROJECT COSTS

Approximate cost of the entire project, including materials and labor: \$ _____

Approximate cost of only the portion of the project affecting State waters (below mean low water in tidal areas and below ordinary high water mark in nontidal areas): \$ _____

6. PUBLIC NOTIFICATION (Attach additional sheets if necessary)

- Complete information for all property owners adjacent to the project site and across the waterway, if the waterway is less than 500 feet in width. If your project is located within a cove, you will need to provide names and mailing addresses for all property owners within the cove.
- If you own the adjacent lot, provide the requested information for the first adjacent parcel beyond your property line.

Property owner's name	Mailing address	City	State	Zip code

Name of newspaper having general circulation in the area of the project: _____
Address and phone number (including area code) of newspaper: _____

Have adjacent property owners been notified with forms in Appendix A? Yes No (attach copies of distributed forms)

7. THREATENED AND ENDANGERED SPECIES INFORMATION

Please provide any information concerning the potential for your project to impact state and/or federally threatened and endangered species (listed or proposed). Attach correspondence from agencies and/or reference materials that address potential impacts, such as database search results or your Corps' waters and wetlands delineation confirmation. Contact information for the Virginia Department of Game and Inland Fisheries and the Virginia Department of Conservation and Recreation, Division of Natural Heritage can be found on page 4 of this package.

8. HISTORIC RESOURCES INFORMATION

Note: Historic properties include but are not limited to archeological sites, battlefields, Civil War earthworks, graveyards, buildings, bridges, canals, etc. Prospective permittees should be aware that section 110k of the NHPA (16 U.S.C. 470h-2(k)) prevents the Corps from granting a permit or other assistance to an applicant who, with intent to avoid the requirements of Section 106 of the NHPA, has intentionally significantly adversely affected a historic property to which the permit would relate, or having legal power to prevent it, allowed such significant adverse effect to occur, unless the Corps, after consultation with the Advisory Council on Historic Preservation (ACHP), determines that circumstances justify granting such assistance despite the adverse effect created or permitted by the applicant.

Are any historic properties located within or adjacent to the project site? Yes No Uncertain
If Yes, please provide a map showing the location of the historic property within or adjacent to the project site.

Are there any buildings or structures 50 years old or older located on the project site? Yes No Uncertain
If Yes, please provide a map showing the location of these buildings or structures on the project site.

Is your project located within a historic district? Yes No Uncertain
If Yes, please indicate which district: _____

8. HISTORIC RESOURCES INFORMATION (Continued)

Has a survey to locate archeological sites and/or historic structures been carried out on the property?

Yes No Uncertain

If Yes, please provide the following information: Date of Survey: _____

Name of firm: _____

Is there a report on file with the Virginia Department of Historic Resources? Yes No Uncertain

Title of Cultural Resources Management (CRM) report: _____

Was any historic property located? Yes No Uncertain

9. WETLANDS, WATERS, AND DUNES/BEACHES IMPACT INFORMATION

Report each impact site in a separate column. If needed, attach additional sheets using a similar table format. Please ensure that the associated project drawings clearly depict the location and footprint of each numbered impact site. For dredging, mining, and excavating projects, use Section 18.

	Impact site number 1	Impact site number 2	Impact site number 3
Impact description (use all that apply): F=fill EX=excavation S=Structure T=tidal NT=non-tidal TE=temporary PE=permanent PR=perennial IN=intermittent SB=subaqueous bottom DB=dune/beach IS=hydrologically isolated V=vegetated NV=non-vegetated MC=Mechanized Clearing of PFO (Example: F, NT, PE, V)			
Wetland/waters impact area (square feet)			
Dune/beach impact area (square feet)			
Stream dimensions at impact site (length and average width in linear feet, and area in square feet)			
Volume of fill below Mean High Water or Ordinary High Water (cubic yards)			
Cowardin classification of impacted wetland/water or geomorphological classification of stream <i>Example wetland: PFO;</i> <i>Example stream: wide; bank eroding;</i> <i>braided channel;</i> <i>Example stream: 'C' channel</i>			
Average stream flow at site (flow rate under normal rainfall conditions in cubic feet per second)			
Contributing drainage area (acres or square miles)			

9. WETLANDS/WATERS IMPACT INFORMATION (Continued)

DEQ classification of impacted resource(s): Estuarine Class II Non-tidal waters Class III Mountainous zone waters Class IV Stockable trout waters Class V Natural trout waters Class VI Wetlands Class VII			
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For DEQ permitting purposes, also submit as part of this section a wetland and waters boundary delineation map⁽⁴⁾ – see the Footnotes section in the form instructions.

For DEQ permitting purposes, also submit as part of this section a written disclosure of all wetlands, open water, or streams that are located within the proposed project or compensation areas that are also under a deed restriction, conservation easement, restrictive covenant, or other land-use protective instrument.

10. APPLICANT, AGENT, OWNER, AND CONTRACTOR CERTIFICATIONS

If the Applicant(s), Agent(s), Owner(s), or Contractor(s) is/are a company, please use the company name(s) that is/are registered with the State Corporation Commission (SCC).

READ ALL OF THE FOLLOWING CAREFULLY BEFORE SIGNING

PRIVACY ACT STATEMENT: The Department of the Army permit program is authorized by Section 10 of the Rivers and Harbors Act of 1899, Section 404 of the Clean Water Act, and Section 103 of the Marine Protection Research and Sanctuaries Act of 1972. These laws require that individuals obtain permits that authorize structures and work in or affecting navigable waters of the United States, the discharge of dredged or fill material into waters of the United States, and the transportation of dredged material for the purpose of dumping it into ocean waters prior to undertaking the activity. Information provided in the Joint Permit Application will be used in the permit review process and is a matter of public record once the application is filed. Disclosure of the requested information is voluntary, but it may not be possible to evaluate the permit application or to issue a permit if the information requested is not provided.

CERTIFICATION: I am hereby applying for permits typically issued by the DEQ, VMRC, U.S. Army Corps of Engineers, and/or Local Wetlands Boards for the activities I have described herein. I agree to allow the duly authorized representatives of any regulatory or advisory agency to enter upon the premises of the project site at reasonable times to inspect and photograph site conditions, both in reviewing a proposal to issue a permit and after permit issuance to determine compliance with the permit.

In addition, I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Is/Are the Applicant(s) and Owner(s) the same? ___ Yes ___ No

Applicant's name & title (printed or typed)	Second applicant's name & title, if applicable (printed or typed)
Applicant's signature	Second applicant's signature
Date	Date
<i>(Required for VMRC permit actions only)</i> Property owner's name, if different from Applicant	<i>(Required for VMRC permit actions only)</i> Second property owner's name, if applicable
Owner's signature, if different from Applicant	Second owner's signature
Date	Date

10. APPLICANT, AGENT, OWNER, AND CONTRACTOR CERTIFICATIONS (Continued)

If the Applicant(s), Agent(s), Owner(s), or Contractor(s) is/are a company, please use the company name(s) that is/are registered with the State Corporation Commission (SCC).

CERTIFICATION OF AUTHORIZATION TO ALLOW AGENT(S) TO ACT ON APPLICANT'S(S)' BEHALF (IF APPLICABLE)

I (we), _____ (and) _____ ,
 APPLICANT'S NAME(S) – *complete the second blank if more than one Applicant*

hereby certify that I (we) have authorized _____ (and) _____
 AGENT'S NAME(S) – *complete the second blank if more than one Agent*

to act on my (our) behalf and take all actions necessary to the processing, issuance, and acceptance of this permit and any and all standard and special conditions attached. I (we) hereby certify that the information submitted in this application is true and accurate to the best of my (our) knowledge.

Applicant's signature	Second applicant's signature, if applicable
Date	Date
Agent's signature and title	Second agent's signature and title, if applicable
Date	Date

CONTRACTOR ACKNOWLEDGEMENT (IF APPLICABLE)

I (we), _____ (and) _____ ,
 APPLICANT'S NAME(S) – *complete the second blank if more than one Applicant*

have contracted _____ (and) _____
 CONTRACTOR'S NAME(S) – *complete the second blank if more than one Contractor*

to perform the work described in this Joint Permit Application, signed and dated _____.

I (we) will read and abide by all conditions as set forth in all Federal, State, and Local permits as required for this project. I (we) understand that failure to follow the conditions of the permits may constitute a violation of applicable Federal, State, and Local statutes and that we will be liable for any civil and/or criminal penalties imposed by these statutes.

In addition, I (we) agree to make available a copy of any permit to any regulatory representative visiting the project site to ensure permit compliance. If I (we) fail to provide the applicable permit upon request, I (we) understand that the representative will have the option of stopping our operation until it has been determined that we have a properly signed and executed permit and are in full compliance with all of the terms and conditions.

Contractor's name or name of firm (printed/typed)	Contractor's or firm's mailing address	
Contractor's signature and title	Contractor's license number	Date
Applicant's signature	Second applicant's signature, if applicable	
Date	Date	



END OF GENERAL INFORMATION

The following sections are activity-specific. Fill out only the sections that apply to your particular project.

11. PRIVATE PIERS, MARGINAL WHARVES, AND UNCOVERED BOAT LIFTS

If you plan to construct a private, residential pier, you **may** qualify to work in a non-reporting capacity under the Norfolk District Corps of Engineers' Regional Permit 17 (RP-17).

A copy of RP-17 can be obtained by calling (757) 201-7652 or by visiting the Corps' Website at: <http://www.nao.usace.army.mil/Missions/Regulatory/RBregional.aspx>. A copy of the RP-17 Certificate of Compliance is found in Appendix B of this application package. You should only sign and attach this form to the application if you have completely read and understood the terms and conditions of RP-17. **Although no further written authorization will be required from the Corps, you may require a permit from the Virginia Marine Resources Commission and/or your local wetlands board. Please submit this application as instructed in order to obtain all required state and local permits.**

In cases where the proposed pier will encroach beyond one fourth the waterway width (as determined by measuring mean high water to mean high water or ordinary high water mark to ordinary high water mark), the following information must be included before the application will be considered complete. For an application to be considered complete:

1. The Corps **MAY** require depth soundings across the waterway at increments designated by the Corps project manager. Typically 10-foot increments for waterways less than 200 feet wide and 20-foot increments for waterways greater than 200 feet wide with the date and time the measurements were taken and how they were taken (e.g., tape, range finder, etc.).
2. The applicant **MUST** provide a justification as to purpose if the proposed work would extend a pier greater than one-fourth of the distance across the open water measured from mean high water or the channelward edge of the wetlands.
3. The applicant **MUST** provide justification if the proposed work would involve the construction of a pier greater than five feet wide or less than four feet above any wetland substrate.

Number of vessels to be moored at the pier or wharf: _____

In the spaces provided below, give the type (i.e. sail, power, skiff, etc.), size, and registration number of the vessel(s) to be moored

TYPE	LENGTH	WIDTH	DRAFT	REGISTRATION #

12. BOATHOUSES, GAZEBOS, COVERED BOAT LIFTS, AND OTHER ROOFED STRUCTURES OVER WATERWAYS

No. of vessels to be moored at the proposed structure: _____ Will the sides of the structure be enclosed? ____Yes ____No
Area covered by the roof structure _____ square feet

In the spaces provided below, give the type (i.e. sail, power, skiff, etc.), size, and registration number of the vessel(s) to be moored

TYPE	LENGTH	WIDTH	DRAFT	REGISTRATION #

13. MARINAS AND COMMERCIAL, GOVERNMENTAL, AND COMMUNITY PIERS

Have you obtained the Virginia Department of Health's approval for sanitary facilities? ____Yes ____No
You will need to obtain this authorization or a variance before a VMRC permit will be issued.

Will petroleum products or other hazardous materials be stored or handled at the facility? ____Yes ____No
If your answer is yes, please attach your spill contingency plan.

Will the facility be equipped to off-load sewage from boats? ____Yes ____No

EXISTING: wet slips: _____ dry storage: _____

PROPOSED: wet slips: _____ dry storage: _____

**14. FREE STANDING MOORING PILES, OSPREY NESTING POLES, MOORING BUOYS, AND DOLPHINS
(not associated with piers)**

Number of vessels to be moored: _____	Type and number of mooring(s) proposed: _____ _____
---------------------------------------	--

In the spaces provided below, give the type (i.e. sail, power, skiff, etc.), size, and registration number of the vessel(s) to be moored

TYPE	LENGTH	WIDTH	DRAFT	REGISTRATION #

Give the name and complete mailing address(es) of the owner(s) of the vessel(s) if not owned by applicant (attach extra sheets if needed):

Do you plan to reach the mooring from your own upland property? Yes No
If "no," explain how you intend to access the mooring.

15. BOAT RAMPS

Will excavation be required to construct the boat ramp? Yes No
If "yes," will any of the excavation occur below the plane of the ordinary high water mark/mean high water line or in wetlands?
 Yes No
If "yes," you will need to fill out Section 18 for this excavation. Where will you dispose of the excavated material?

What type of design and materials will be used to construct the ramp (open pile design with salt treated lumber, concrete slab on gravel bedding, etc.)?

Location of nearest public boat ramp	Driving distance to that public ramp _____ miles
--------------------------------------	---

Will other structures be constructed concurrent with the boat ramp installation? Yes No
If "yes," please fill out the appropriate sections of this application associated with those other activities.

16. TIDAL/NONTIDAL SHORELINE STABILIZATION STRUCTURES (INCLUDING BULKHEADS AND ASSOCIATED BACKFILL, RIPRAP REVETMENTS AND ASSOCIATED BACKFILL, MARSH TOE STABILIZATION, GROINS, JETTIES, AND BREAKWATERS, ETC.)

Is any portion of the project maintenance or replacement of an existing and currently serviceable structure? Yes No
If yes, give length of existing structure: _____ linear feet

If your maintenance project entails replacement of a bulkhead, is it possible to construct the replacement bulkhead within 2 feet channelward of the existing bulkhead? Yes No If not, please explain below:

16. TIDAL/NONTIDAL SHORELINE STABILIZATION STRUCTURES (Continued)

Length of proposed structure, including returns: _____ linear feet	
<i>Average</i> channelward encroachment of the structure from Mean high water/ordinary high water mark: _____ feet Mean low water: _____ feet	<i>Maximum</i> channelward encroachment of the structure from Mean high water/ordinary high water mark: _____ feet Mean low water: _____ feet
<i>Maximum</i> channelward encroachment form the back edge of the Dune _____ feet	<i>Maximum</i> channelward encroachment from the back edge of the Beach _____ feet
Describe the type of construction including all materials to be used (including all fittings): 	
Will filter cloth be used? ____ Yes ____ No	
What is the source of the backfill material? _____ What is the composition of the backfill material? _____	
If rock is to be used, give the average volume of material to be used for every linear foot of construction: _____ cubic yards What is the volume of material to be placed below the plane of ordinary high water mark/mean high water? _____ cubic yards	
For projects involving stone: Average weight of core material (bottom layers): _____ pounds per stone (Class _____) Average weight of armor material (top layers): _____ pounds per stone (Class _____)	
Are there similar shoreline stabilization structures in the vicinity of your project site? ____ Yes ____ No If so, describe the type(s) and location(s) of the structure(s): 	
If you are building a groin or jetty, will the channelward end of the structure be marked to show a hazard to navigation? ____ Yes ____ No	Has your project been reviewed by the Shoreline Erosion Advisory Service (SEAS)? ____ Yes ____ No If yes, please attach a copy of their comments.

17. BEACH NOURISHMENT

Source of material: _____	Volume of material: _____ cubic yards
Composition of material (percentage sand, silt, clay):	Mode of transportation of material to the project site (truck, pipeline, etc.):
Describe the type(s) of vegetation proposed for stabilization and the proposed planting plan, including schedule, spacing, monitoring, etc. Attach additional sheets if necessary. 	

18. DREDGING, MINING, AND EXCAVATING

FILL OUT THE FOLLOWING TABLE FOR DREDGING PROJECTS

	NEW dredging				MAINTENANCE dredging			
	Hydraulic		Mechanical (clamshell, dragline, etc.)		Hydraulic		Mechanical (clamshell, dragline, etc.)	
	Cubic yards	Square feet	Cubic yards	Square feet	Cubic yards	Square feet	Cubic yards	Square feet
Vegetated wetlands								
Nonvegetated wetlands								
Subaqueous land								
Totals								
Is this a one-time dredging event? <input type="checkbox"/> Yes <input type="checkbox"/> No If "no", how many dredging cycles are anticipated: _____ (____ initial cycle in cu. yds.) (____ subsequent cycles in cu. yds.)								
Composition of material (percentage sand, silt, clay, rock): Provide documentation (i.e. laboratory results or analytical reports) that <i>dredged</i> material from on-site areas is free of toxics. If not free of toxics, provide documentation of proper disposal (i.e. bill of lading from commercial supplier or disposal site).								
Please include a dredged material management plan that includes specifics on how the dredged material will be handled and retained to prevent its entry into surface waters or wetlands. If on-site dewatering is proposed, please include plan view and cross section drawings of the dewatering area and associated outfall.								
Will the dredged material be used for any commercial purpose or beneficial use? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please explain:								
If this is a maintenance dredging project, what was the date that the dredging was last performed? _____ Permit number of original permit: _____ (It is important that you attach a copy of the original permit.)								
<i>For mining projects:</i> On separate sheets of paper, explain the operation plans, including: 1) the frequency (i.e., every six weeks, for example), duration (i.e., April through September), and volume (in cubic yards) to be removed per operation; 2) the temporary storage and handling methods of mined material, including the dimensions of the containment berm used for upland disposal of dredged material and the need (or no need) for a liner or impermeable material to prevent the leaching of any identified contaminants into ground water; 3) how equipment will access the mine site; and 4) verification that dredging: a) will not occur in water body segments that are currently on the effective Section 303(d) Total Maximum Daily Load (TMDL) priority list or that have an approved TMDL; b) will not exacerbate any impairment; and c) will be consistent with any waste load allocation/limit/conditions imposed by an approved TMDL. Have you applied for a permit from the Virginia Department of Mines, Minerals and Energy? <input type="checkbox"/> Yes <input type="checkbox"/> No								
Contributing drainage area: _____square miles					Average stream flow at site (flow rate under normal rainfall conditions): _____cfs			

19. FILL (not associated with backfilled shoreline structures) AND OTHER STRUCTURES (other than piers and boathouses) IN WETLANDS OR WATERS, OR ON DUNES/BEACHES

Source and composition of fill material (percentage sand, silt, clay, rock): _____

Provide documentation (i.e. laboratory results or analytical reports) that *fill* material from *off-site* locations is free of toxics. If not free of toxics, provide documentation of proper disposal (i.e. bill of lading from commercial supplier or disposal site). Documentation is not necessary for fill material obtained from on-site areas.

Explain the purpose of the filling activity and the type of structure to be constructed over the filled area (if any):

Describe any structure that will be placed in wetlands/waters or on a beach dune and its purpose:

Will the structure be placed on pilings? ____ Yes ____ No

Total area occupied by any structure.
_____ Square Feet

How far will the structure be placed channelward from the back edge of the dune? _____ feet

How far will the structure be placed channelward from the back edge of the beach? _____ feet

20. NONTIDAL STREAM CHANNEL MODIFICATIONS FOR RESTORATION OR ENHANCMENT, or TEMPORARY OR PERMANENT RELOCATIONS

If proposed activities are being conducted for the purposes of compensatory mitigation, please attach separate sheets of paper providing all information required by the most recent version of the stream assessment methodology approved by the Norfolk District of the U.S. Army Corps of Engineers and the Virginia Department of Environmental Quality, in lieu of completing the questions below. Required information outlined by the methodology can be found at: <http://www.nao.usace.army.mil/Missions/Regulatory/UnifiedStreamMethodology.aspx> or <http://www.deq.virginia.gov/Programs/Water/WetlandsStreams/Mitigation.aspx>.

Has the stream restoration project been designed by a local, state, or federal agency? ____ Yes ____ No. If yes, please include the name of the agency here: _____.

Is the agency also providing funding for this project? ____ Yes ____ No

Linear feet of stream impact: _____

Contributing drainage area: _____ acres or _____ square miles

Existing average stream flow at site (flow rate under normal rainfall conditions): _____ cfs

Proposed average stream flow at site after modifications (flow rate under normal rainfall conditions): _____ cfs

Explain, in detail, the method to be used to stabilize the banks:

Explain the composition of the existing stream bed (percent cobble, rock, sand, etc.):

20. NONTIDAL STREAM CHANNEL MODIFICATIONS (Continued)

Will low-flow channels be maintained in the modified stream channel? Yes No.

Describe how:

Will any structure(s) be placed in the stream to create riffles, pools, meanders, etc.? Yes No

If yes, please explain:

21. UTILITY CROSSINGS

Type of crossing: overhead trenched directionally-drilled

Method of clearing corridor of vegetation (check all that apply): mechanized land clearing that disturbs the soil surface
 cutting vegetation above the soil surface

Describe the materials to be used in the installation of the utility line (including gravel bedding for trenched installations, bentonite slurries used during direction-drilling, etc.) and a sequence of events to detail how the installation will be accomplished (including methods used for in-stream and dry crossings).

For overhead crossings over navigable waterways (including all tidal waterways), please indicate the height of other overhead crossings or bridges over the waterway relative to mean high water, mean low water, or ordinary high water mark:

Nominal system voltage, if project involves power lines: _____

Will there be an excess of excavated material? Yes No

If so, describe the method that will be undertaken to dispose of, and transport, the material to its permanent disposal location and give that location:

Will any excess material be stockpiled in wetlands? Yes No

If so, will the stockpiled material be placed on filter fabric or some other type of impervious surface? Yes No

21. UTILITY CROSSINGS (Continued)

Will permanent access roads be placed through wetlands/streams? ____Yes ____No
If yes, will the roads be _____at grade or _____above grade (check one)?

Will the utility line through wetlands/waters be continually maintained (e.g. via mowing or herbicide)? ____Yes ____No
If maintained, what is the maximum width? _____feet

22. ROAD CROSSINGS

Have you conducted hydraulic studies to verify the adequacy of the culverts? ____Yes ____No
If so, please attach a copy of the hydraulic study/report.
Virginia Department of Transportation (VDOT) standards require that the backwater for a 100 year storm not exceed 1 foot for all road, culvert, and bridge projects within FEMA-designated floodplains.

Will the culverts be countersunk below the stream bottom? ____Yes ____No. If no, explain: _____

If the project entails a bridged crossing and there are similar crossings in the area, what is the vertical distance above mean high water, mean low water, or ordinary high water mark of those similar structures? _____feet above _____
For all bridges proposed over navigable waterways (including all tidal water bodies), you will be required to contact the U.S. Coast Guard to determine if a permit is required of their agency.

On separate sheets of paper, describe the materials to be used, the method of construction (including the use of cofferdams), and the sequence of construction events. Include cross sections and profile plans of the culvert crossings including wing walls or rip rap.

23. PRIVATE AND COMMERCIAL AQUACULTURE ACTIVITIES

Please review VMRC regulations related to aquaculture activities if you are completing this section. An abbreviated application is available for certain private oyster gardening activities by a riparian owner. Also, separate information is required by the VMRC Fisheries Management Division for the review of commercial projects that may qualify for the Virginia Marine Resources Commission General Permit #4 FOR TEMPORARY PROTECTIVE ENCLOSURES FOR SHELLFISH. The VMRC aquaculture regulations can be found on the agency web page at: <http://www.mrc.state.va.us/regulations/regindex.shtml>. Please see regulations 4 VAC 20-335-10 et seq., [4 VAC 20-336-10 et seq.](#), and 4 VAC 20-1130-10 et seq.

Briefly describe your proposed aquaculture activity from the time of acquisition (seed, fingerlings, etc.) to time of harvest, and indicate which species you intend to culture. Attach additional sheets if needed.

Source of the animals/plants that you want to culture: _____

Note: VMRC Regulation 4VAC 20-754 et seq. "Pertaining to the Importation of Fish, Shellfish or Crustacea" sets forth the requirements for importing organisms from out of state.

Describe below the number, type, and dimensions of the structures that will be used (e.g., 4' x 2' x 18" floats, 3' x 3' x 1' bottom cages, etc.) and the overall dimensions of the area to be occupied by the aquaculture structures (e.g., two 40-foot by 10-foot bottom plots).

23. PRIVATE AND COMMERCIAL AQUACULTURE ACTIVITIES (Continued)

Will the structures be affixed to an existing structure? ___ Yes ___ No
If so, describe the attachment below.

Will the structures be located on leased oyster planting ground? ___ Yes ___ No
If so, give the following information: _____ lease number _____ plat file number

24. IMPOUNDMENTS, DAMS, AND STORMWATER MANAGEMENT FACILITIES

If the impoundment or dam is a component of a water withdrawal project, also complete Sections 26 through 28.

Will the proposed impoundment, dam, or stormwater management facility be used for agricultural purposes (e.g., in the operation of a farm)? For DEQ permitting purposes, a farm is considered to be a property or operation that produces goods for market.
___ Yes ___ No

What type of materials will be used in the construction (earth, concrete, rock, etc.)? _____

What is the source of these materials? _____

Provide the dimensions of proposed impoundment, dam, or stormwater management facility, including the height and width of all structures.

Storage capacity* of impoundment: _____ acre-feet
*should be given for the normal pool of recreational or farm ponds, or design pool for stormwater management ponds or reservoirs (the elevation the pond will be at for the design storm, e.g., 10-year, 24-hour storm)

Surface area** of impoundment: _____ acres
**should be given for the normal pool of recreational or farm ponds, or design pool for stormwater management ponds or reservoirs (the elevation the pond will be at for the design storm, e.g., 10-year, 24-hour storm)

Is the proposed project excluded from the Virginia Dam Safety Regulations? ___ Yes ___ No ___ Uncertain

If not excluded, does your proposed project comply with the Virginia Dam Safety Regulations? ___ Yes ___ No ___ Uncertain

Does the proposed design include a vegetation management area per §10.1-609.2? ___ Yes ___ No ___ Uncertain

If your answer to these questions is no or uncertain, you should contact the Virginia Department of Conservation and Recreation's Dam Safety Program at (804) 371-6095, or reference the regulations on the Web at http://www.dcr.virginia.gov/dam_safety_and_floodplains/index.shtml

For stormwater management facilities:

Design storm event: _____ year storm

Retention time: _____ hours

Current average flow: _____ cfs

Proposed peak outflow for the design storm provided above: _____ cfs

Has the facility been designed as an Enhanced Extended Detention Basin or an Extended Detention Basin in accordance with the Minimum Standard 3.07 of the Virginia Stormwater Management Handbook, Volume I (published by the Virginia Department of Conservation and Recreation, 1999), or in accordance with the latest version of this handbook? ___ Yes ___ No

Will the impoundment structure be designed to pass a minimum flow at all times? ___ Yes ___ No
If so, please give the minimum rate of flow: _____ cfs

What is the drainage area upstream of the proposed impoundment? _____ square miles

How much of your proposed impoundment structure will be located on the stream bed? _____ square feet

What is the area of vegetated wetlands that will be excavated and/or backflooded by the impoundment? _____ square feet

What is the *area and length* of streambed that will be excavated and/or backflooded by the impoundment? _____ square feet
_____ linear feet

Are fish ladders being proposed to accommodate the passage of fish? ___ Yes ___ No

25. OUTFALLS NOT ASSOCIATED WITH PROPOSED WATER WITHDRAWAL ACTIVITIES

Type and size of pipe(s): _____

Daily rate of discharge: _____mgd

If the discharge will be thermally-altered, provide the maximum temperature: _____

Contributing drainage area: _____square miles

Average daily stream flow at site: _____cfs

Have you received a Virginia Discharge Elimination System (VPDES) permit for the proposed project? ___ Yes ___ No.
 If yes, please provide the VPDES permit number: _____.
 If no, is there a permit action pending? ___ Yes ___ No. If pending, what is the facility name? _____.

The following sections are typically related to surface water withdrawal activities; Federal Energy Regulatory Commission license projects; or impacts likely to require instream flow limits. Examples of such projects include, but are not limited to, reservoirs, irrigation projects, power generation facilities, and public water supply facilities that may or may not have associated features, such as dams, intake pipes, outfall structures, berms, etc.

If completing these sections, enter "N/A" in any section that does not apply to the project.

26. INTAKES, OUTFALLS, AND WATER CONTROL STRUCTURES (INCLUDING ALL PROPOSED WATER WITHDRAWAL ACTIVITIES)

<p>For intakes:</p> <p>Type and size of pipe(s): _____</p> <p>Type and size of pump(s): _____</p> <p>Daily rate of withdrawal: _____mgd</p> <p>Velocity of withdrawal: _____fps</p> <p>Screen mesh size: _____inches / _____mm If other sizing units, please specify: _____</p> <p>Contributing drainage area at withdrawal point(s): _____square miles</p> <p>Average daily stream flow at withdrawal point(s): _____cfs</p> <p>Average annual stream flow at withdrawal point(s): _____cfs</p> <p>Latitude and longitude of withdrawal point(s) (degrees, minutes, seconds): _____</p>	<p>For outfalls:</p> <p>Type and size of pipe(s): _____</p> <p>Daily rate of discharge: _____mgd</p> <p>If the discharge will be thermally-altered, provide the maximum temperature: _____</p> <p>Contributing drainage area at discharge point(s): _____square miles</p> <p>Average daily stream flow at discharge point(s): _____cfs</p> <p>Latitude and longitude of discharge point(s) (degrees, minutes, seconds): _____</p>
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For intakes and dams, use the table below to provide the median monthly stream flows in cubic feet per second (cfs) at the water intake or dam site (not at the stream gage; if there is not a gage at the intake or dam site, you will need to interpolate flows to the intake or dam site based upon the most closely related watershed in which there is an operational stream gage monitored by the United States Geologic Survey (USGS)). Median flow is the value at which half of the measurements are above and half of the measurements are below. Median is also sometimes referred to as the '50% exceedence flow'. The median flow generally must be calculated from USGS historical data. Please do not provide *mean (average)* flow.

Month	Median flow (cfs)	Month	Median flow (cfs)
January		July	
February		August	
March		September	
April		October	
May		November	
June		December	

26. INTAKES, OUTFALLS, AND WATER CONTROL STRUCTURES (Continued)

For interbasin transfer of water resources proposed from either the Chowan River, New River, Potomac River, Roanoke River, Big Sandy River, or Tennessee River basins to another river basin, provide the following information:

For the destination location (discharge point) of the transfer:

8- digit USGS Hydrologic Unit Code (HUC) (See <http://cfpub.epa.gov/surf/locate/index.cfm>): _____

If known, indicate the 10-digit and 12-digit USGS HUCs (see <http://dswcapps.dcr.virginia.gov/htdocs/maps/HUExplorer.htm>):

Latitude and Longitude: _____ - _____ - _____ / _____ - _____ - _____

Describe the stream flow gages used, the type of calculations used (such as drainage area correction factors), and the period of record that was used to calculate the median flows provided in the table above. Generally, the period of record should span a minimum of 30 years.

Provide any available historical low-flows at the intake or dam site.

Describe how the proposed withdrawal at the intake or dam site will impact stream flows in terms of rates, volumes, frequency, etc. (i.e. percent of the flow to be withdrawn, percent of withdrawal returned to the original source, etc.).

Describe how the withdrawal of water will vary over time. For example, will the withdrawal vary by the time of year, by the time of day, or by the time of week? Examples of projects that should describe variable withdrawals include, but are not limited to: power plant cooling withdrawals that increase and decrease seasonally; golf course irrigation; municipal water supply; nurseries; ski resorts that use water for snowmaking; and resorts with weekend or seasonal variations.

Provide the amount of water that will be lost due to consumptive use. For the purpose of this application, consumptive use means the withdrawal of surface waters without recycling of said waters to their source or basin of origin. Examples of consumptive uses are water that is evaporated in cooling towers or by other means in power plants; irrigation water (all types); residential water use that takes place outside of the home; and residential water use both inside and outside of homes for residences served by septic systems. Projects that propose a transfer of water from one river basin to another and/or localities that sell water to other jurisdictions, should document the portion of the withdrawal that is not returned to the originating watershed.

Proposed monthly consumptive volume: _____

Attach a map showing the location of the withdrawal and the location of the return of flow.

26. INTAKES, OUTFALLS, AND WATER CONTROL STRUCTURES (Continued)

For withdrawals proposed on an impoundment, provide a description of flow or release control structures. Include type of structure, size, capacity, and the mechanism used to control release. Provide a description of available water storage facilities. Include the volume, depth, normal pool elevation, unusable storage volume and dimensions. If applicable, stage-storage relationship at the impounding structure and volume or rate of withdrawals from the storage facility.

For withdrawals proposed on an impoundment, provide a description of flow or release control structures. Include type of structure, size, capacity, and the mechanism used to control release.

27. WATER WITHDRAWAL USE, NEED, AND ALTERNATIVES

Describe the proposed use of the water withdrawal.

Provide the following information at the water intake or dam site. Specify the units of measurement (i.e. million gallons per day, gallons per minute, cubic feet per second, etc.).

Proposed maximum instantaneous withdrawal _____

Proposed average daily withdrawal _____

Proposed maximum daily withdrawal _____

Proposed maximum monthly withdrawal _____

Proposed maximum annual withdrawal _____

Describe how the above withdrawals were calculated, including the relevant assumptions made in that calculation and the documentation or resources used to support the calculations, such as population projections, population growth rates, per-capita use, new uses, changes to service areas, and if applicable, evapotranspiration data and irrigation data.

27. WATER WITHDRAWAL USE, NEED AND ALTERNATIVES (Continued)

For major surface water withdrawals, public water supply withdrawals, and projects that will alter instream flows, provide information to establish the local water supply need:

Existing supply sources, yields, and demands: _____

Peak day withdrawal: _____

Average daily withdrawal: _____

Safe yield: _____

Lowest daily flow of record: _____

Types of water uses: _____

Existing water conservation measures and drought response plan, including what conditions trigger implementation: _____

Projected demands over a minimum 30-year planning period: _____

Projected demands in local or regional water supply plan (9 VAC 25-780 et seq.) or demand for the project service area, if that is smaller in area: _____

Statistical population (growth) trends: _____

Projected demands by use type: _____

Projected demands without water conservation measures: _____

Projected demands with long-term water conservation measures: _____

For surface water withdrawals other than public water supply, provide information or documentation that demonstrates alternate sources of water are available for the proposed project during times of reduced instream flow.

Provide information from the water supply plan that covers the area in which the proposed water withdrawal project is located. Include information from the plan that pertains to projected demand, analysis of alternatives, and water conservation measures. Discuss any discrepancies between the water supply plan and the proposed project. For projects that propose a transfer of water resources from the Chowan River, New River, Potomac River, Roanoke River, Big Sandy River, or Tennessee River basins to another river basin, information should be provided from the water supply plans for both the source and receiving basins.

Provide an alternatives analysis for the proposed water withdrawal project, including the required range of alternatives to be analyzed; a narrative outlining the opportunities and status of regional efforts undertaken; and the criteria used to evaluate each alternative. The analysis must address all of the criteria contained in 9 VAC 25-210-115 C 2 and 9 VAC 25-210-115 C 3.

27. WATER WITHDRAWAL USE, NEED AND ALTERNATIVES (Continued)

Describe any existing, flow-dependent beneficial uses along the affected stream reach. Include both instream and offstream uses. Describe the stream flow necessary to protect existing beneficial uses, how the proposed withdrawal will impact existing beneficial uses, and any measures proposed to mitigate any adverse impacts that may arise. For projects that propose a transfer of water resources from the Chowan River, New River, Potomac River, Roanoke River, Big Sandy River, or Tennessee River basins to another river basin, this analysis should include both the source and receiving basins. For the purposes of this application, beneficial instream uses include, but are not limited to: the protection of fish and wildlife habitat; maintenance of waste assimilation; recreation; navigation; and cultural and aesthetic values. Offstream beneficial uses include, but are not limited to: domestic (including public water supply); agriculture; electric power generation; commercial; and industrial.

Describe the aquatic life known to be present along the affected stream reach. Describe aquatic life that may be impacted by the proposed water withdrawal. Include the species' habitat requirements. For projects that propose a transfer of water resources from either the Chowan River, New River, Potomac River, Roanoke River, Big Sandy River, or Tennessee River basins to another river basin, this analysis should include both the source and receiving basins.

28. PUBLIC COMMENTS/ISSUES FOR MAJOR WATER WITHDRAWALS OR INTERBASIN TRANSFERS

For new or expanded major surface water supply projects, use separate sheets of paper to summarize the steps taken to seek public input per 9 VAC 25-210-75, and identify the issues raised during the public information process.

For interbasin transfer of water resources proposed from either the Chowan River, New River, Potomac River, Roanoke River, Big Sandy River, or Tennessee River basins to another river basin, if public input was not required per 9 VAC 25-210-75, summarize on separate sheets of paper any coordination and/or notice provided to the public, local/state government, and interested parties in the affected river basins and identify any issues raised.

APPENDIX A

Adjacent Property Owner's Acknowledgement Form

I, _____, own land next to/ across the water from/ in the same cove
(print adjacent property owner's name)

as the land of _____
(print applicant's name)

I have reviewed the applicant's project drawings dated _____ to be submitted for all
(date of drawings)

necessary Federal, State, and Local permits.

_____ I have no comment regarding the proposal

_____ I do not object to the proposal

_____ I object to the proposal

The applicant has agreed to contact me for additional comments if the proposal changes prior to construction of the project.

(Before signing this form, please be sure that you have checked the appropriate option above)

Adjacent property owner's signature

Date

NOTE: IF YOU OBJECT TO THE PROPOSAL, THE REASON(S) YOU OPPOSE THE PROJECT MUST BE SUBMITTED TO VMRC IN WRITING. AN OBJECTION WILL NOT NECESSARILY RESULT IN A DENIAL OF A PERMIT FOR THE PROPOSED WORK. HOWEVER, VALID COMPLAINTS WILL BE GIVEN FULL CONSIDERATION DURING THE PERMIT REVIEW PROCESS.

APPENDIX A

Adjacent Property Owner's Acknowledgement Form

I, _____, own land next to/ across the water from/ in the same cove
(print adjacent property owner's name)

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I have reviewed the applicant's project drawings dated _____ to be submitted for all
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_____ I object to the proposal

The applicant has agreed to contact me for additional comments if the proposal changes prior to construction of the project.

(Before signing this form, please be sure that you have checked the appropriate option above)

Adjacent property owner's signature

Date

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U.S. Army Corps
Of Engineers
Norfolk District

Regional Permit 17 Certificate of Compliance Form

Please obtain and read a copy of the 13-RP-17 prior to completion of this form. Copies can be obtained by contacting the U.S. Army Corps of Engineers Regulatory Branch (Corps) at (757) 201-7652 or on our website at: <http://www.nao.usace.army.mil/Missions/Regulatory/RBregional.aspx> .

- YES NO Is the proposed pier for private use ONLY?
- YES NO Does the proposed pier extend LESS than ¼ the width of the waterway as measured from MHW to MHW or OHW to OHW (including channelward wetlands) based on the narrowest distance across the waterway regardless of the orientation of the proposed pier (MHW = mean high water line; OHW = ordinary high water line)?
- YES NO Does the proposed pier and/or mooring structure(s) extend LESS than 300 feet from the mean high water line or ordinary high water line?
- YES NO N/A If the proposed structure crosses wetland vegetation, is it of an open-pile design that has a maximum width of five (5) feet and a minimum height of four (4) feet between the decking and the wetland substrate?
- YES NO N/A If the proposed pier is to include an attached open-sided roof designed to provide shelter, is the cumulative roof square footage less than 700 square feet?
- YES NO N/A Is the total number of boat slips on the property less than or equal to two boat slips?
- YES NO Have you confirmed that the proposed construction will not take place in one of the reaches which serve as habitat for federally threatened and endangered species, Federal Navigation Channels, and/or does not meet any of the requirements listed in the "V. NOTIFICATION REQUIREMENTS #1-7" section of this permit?
- YES NO N/A If the proposed work is in portions of any waterways listed in Special Condition 6, have you obtained an easement to cross government property from the Army Corps of Engineers Real Estate Office?

IF YOU HAVE ANSWERED "NO" TO ANY OF THE QUESTIONS ABOVE, THE REGIONAL PERMIT 17 WILL NOT APPLY AND YOU WILL NEED TO SUBMIT A JOINT PERMIT APPLICATION AND OBTAIN A SEPARATE PERMIT FROM THE CORPS BEFORE COMMENCING CONSTRUCTION.

IF YOU HAVE ANSWERED "YES" (OR "N/A", WHERE APPLICABLE) TO ALL OF THE QUESTIONS ABOVE, YOU ARE IN COMPLIANCE WITH THE REGIONAL PERMIT 17. PLEASE SIGN BELOW, ATTACH, AND SUBMIT WITH YOUR COMPLETED JOINT PERMIT APPLICATION. THIS SIGNED CERTIFICATE SERVES AS YOUR LETTER OF AUTHORIZATION FROM THE CORPS. YOU WILL NOT RECEIVE ANY OTHER WRITTEN AUTHORIZATION FROM THE CORPS. HOWEVER, YOU MAY NOT PROCEED WITH CONSTRUCTION UNTIL YOU HAVE OBTAINED ALL OTHER NECESSARY STATE AND LOCAL PERMITS.

I CERTIFY THAT I HAVE READ AND UNDERSTAND ALL CONDITIONS OF THE REGIONAL PERMIT 17 (13-RP-17), DATED AUGUST 14 2013, ISSUED BY THE US ARMY CORPS OF ENGINEERS, NORFOLK DISTRICT REGULATORY BRANCH (CENAO-WR-R), NORFOLK, VIRGINIA.

Signature of Property Owner(s) or Agent

Date

Proposed work to be located at:

APPENDIX C

Chesapeake Bay Preservation Act Information

Please answer the following questions to determine if your project is subject to the requirements of the Bay Act Regulations:

1. Is your project located within Tidewater Virginia? ___Yes ___No (See map on next page) - If the answer is “no”, the Bay Act requirements do not apply; if “yes”, then please continue to question #2.
2. Please indicate if the project proposes to impact any of the following Resource Protection Area (RPA) features:
___ Tidal wetlands,
___ Nontidal wetlands connected by surface flow and contiguous to tidal wetlands or water bodies with perennial flow,
___ Tidal shores,
___ Other lands considered by the local government to meet the provisions of subsection A of § 9VAC 25-830-80 and to be necessary to protect the quality of state waters (contact the local government for specific information),
___ A buffer area not less than 100 feet in width located adjacent to and landward of the components listed above, and along both sides of any water body with perennial flow.

If the answer to question #1 was “yes” and any of the features listed under question #2 will be impacted, compliance with the Chesapeake Bay Preservation Area Designation and Management Regulations is required. **The Chesapeake Bay Preservation Area Designation and Management Regulations** are enforced through locally adopted ordinances based on the Chesapeake Bay Preservation Act (CBPA) program. Compliance with state and local CBPA requirements mandates the submission of a **Water Quality Impact Assessment (WQIA)** for the review and approval of the local government. Contact the appropriate local government office to determine if a WQIA is required for the proposed activity(ies).

The individual localities, not the DEQ, USACE, or the Local Wetlands Boards, are responsible for enforcing the CBPA requirements and, therefore, local permits for land disturbance are not issued through this JPA process. **Approval of this wetlands permit does not constitute compliance with the CBPA regulations nor does it guarantee that the local government will issue land-disturbing permits for this project.**

Notes for all projects in RPAs

Development, construction, land disturbance, or placement of fill within the RPA features listed above *requires a review from the locality and may require an exception or variance from the local Bay Act program or zoning ordinance.* Please contact the appropriate local government to determine the types of development or land uses that are permitted within RPAs.

Pursuant to § 9VAC 25-830-110, *on-site delineation of the RPA is required for all projects in CBPAs.* Because USGS maps are not always indicative of actual “in-field” conditions, they may not be used to determine the site-specific boundaries of the RPA.

Notes for shoreline erosion control projects in RPAs

Re-establishment of woody vegetation in the buffer may be required to mitigate for the removal or disturbance of buffer vegetation associated with your proposed project. Please contact the local government to determine the mitigation requirements for impacts to the 100-foot RPA buffer.

Pursuant to § 9VAC 25-830-140.5.a(4), § 9VAC 25-830-140.1, and § 9VAC 25-830-130 of the Virginia Administrative Code, the locality will use the information provided in this Appendix and in the project drawings, along with other information in this permit application and a WQIA, to make a determination that:

1. Any proposed shoreline erosion control measure is necessary and consistent with the nature of the erosion occurring on the site, and the measures have employed the “best available technical advice”
2. Indigenous vegetation will be preserved to the maximum extent practicable
3. Proposed land disturbance has been minimized
4. Appropriate mitigation plantings will provide the required water quality functions of the buffer (§ 9VAC 25-830-140.3)
5. The project is consistent with the locality’s comprehensive plan
6. Access to the project will be provided with the minimum disturbance necessary.

TIDEWATER VIRGINIA



APPENDIX D

APPENDIX D – Drawings

On the following pages, you will find sample drawings in plan and cross-sectional view that demonstrate the general format necessary for drawings. You should make sure to consult the detailed lists below to ensure that your drawings contain all of the necessary information. Failure to include all necessary information on your drawings may mean that your application is not considered complete by one or more agencies.

All projects will require the submittal of plan view and cross-sectional view drawings. These drawings should be drawn to a scale no smaller than 1 inch = 200 feet. The number of sets of drawings to be submitted is detailed in the HOW TO APPLY section starting on page 2 of this package. Drawings can be computer-generated or hand-drawn. Please be advised that some Local Wetlands Boards (LWB) require you to have a licensed engineer certify the drawings. You should contact your LWB to determine their specific requirements.

Plan view drawings should contain the following general informational items:

- ❖ Name of project
- ❖ North arrow
- ❖ Scale
- ❖ Waterway name, if designated
- ❖ Existing contours
- ❖ Proposed contours (if available)
- ❖ Width of waterway from the mean high water level to the mean high water level (tidal areas), or the ordinary high water mark to the ordinary high water mark (nontidal areas)
- ❖ Direction of flood and ebb (tidal areas), and/or direction of flow in nontidal areas (if applicable)
- ❖ Mean low water level and mean high water level (tidal areas), or ordinary high water mark (nontidal areas)
- ❖ Landward limit of the dune or beach at the site

AND Plan view drawings should also contain the following specific informational items if they apply to the project:

Resource Impact/Protection-Specific Items:

- ❖ Limits: of existing wetlands, open water, or streams, including submerged aquatic vegetation (SAV); of proposed impact areas, such as fill areas (square feet or acres) or dredge areas; of Chesapeake Bay Preservation Act Resource Protection Area(s) (RPA), including the 100-foot buffer; of proposed clearing within the RPA buffer
- ❖ Location and type of existing vegetation within the 100-foot RPA buffer; location of proposed wetland planting areas (as restoration for temporary impacts or mitigation for permanent impacts); locations of existing and proposed stream channel(s), including all proposed riffle/pool complexes, bars, and bank stabilization structures; location of proposed riprap scour protection
- ❖ Historic/cultural resources
- ❖ Threatened/Endangered resources

Structure/Project-Specific Items:

- ❖ Existing and proposed structures, labeled as 'existing' and 'proposed', and their dimensions. These items may include pier(s), including L-heads, T-heads, platforms, and/or decks; roof(s) on roofed structures located over waterways, including boathouses; gasoline storage tanks and/or structures for collecting and handling hazardous material, including settling tanks for travel lift washdown water, paint chips, etc.; return walls; tie-ins to existing bulkhead(s) or riprap; utility line easement(s); utility line/road right(s)-of-way; aerial transmission line structure(s), including towers, poles, platforms, etc.; onsite or offsite dredged material disposal areas, including location of all berms, spillways, erosion and sediment control measures, outfall pipes, and aprons; temporary stockpiles of excavated material; temporary construction access facilities; risers and/or emergency spillways, labeled with their proposed invert elevations; design pool/normal pool for stormwater management ponds/impoundments/reservoirs; intakes and/or outfalls, including splash aprons, relative to mean high water, mean low water, or ordinary high water mark(s); anchoring devices and weights (mooring buoys), including the total swing radius
- ❖ Channelward encroachment of proposed structure(s) from mean high water and mean low water, or from ordinary high water mark
- ❖ For piers that cover $\frac{1}{4}$ or more of the waterway width: depth soundings, taken at the mean low water level (tidal areas) or the ordinary high water mark (nontidal areas)
- ❖ Distance(s) between structure(s) (piers, boathouses, catwalks, etc.) and mooring pile(s)
- ❖ Minimum distance between dredge cut and vegetated wetlands
- ❖ Latitude and longitude of all mooring structures, in degrees, minutes, and seconds
- ❖ End points and turning points along proposed bulkhead(s), labeled as such
- ❖ For bulkheads, measurements from each end point and each turning point along proposed bulkhead(s) to two fixed points of reference (labeled as such)
- ❖ Structure or method used to contain fill (hay bales, silt fences, etc.)
- ❖ Dimensions of impoundment, dam, or stormwater management facility and area of any vegetative management areas

APPENDIX D – Drawings (Continued)

Cross-section view drawings should contain the following *General Informational items*:

- ❖ Name of project
- ❖ North arrow
- ❖ Scale
- ❖ Waterway name
- ❖ Mean low water and mean high water lines (tidal areas), and/or ordinary high water mark (nontidal areas)
- ❖ Direction of flood and ebb (tidal areas), and/or direction of flow in nontidal areas (if applicable)
- ❖ Existing contours of the bottom (depths relative to mean low water or ordinary high water mark) and the bank itself
- ❖ Existing contours of the dune or beach

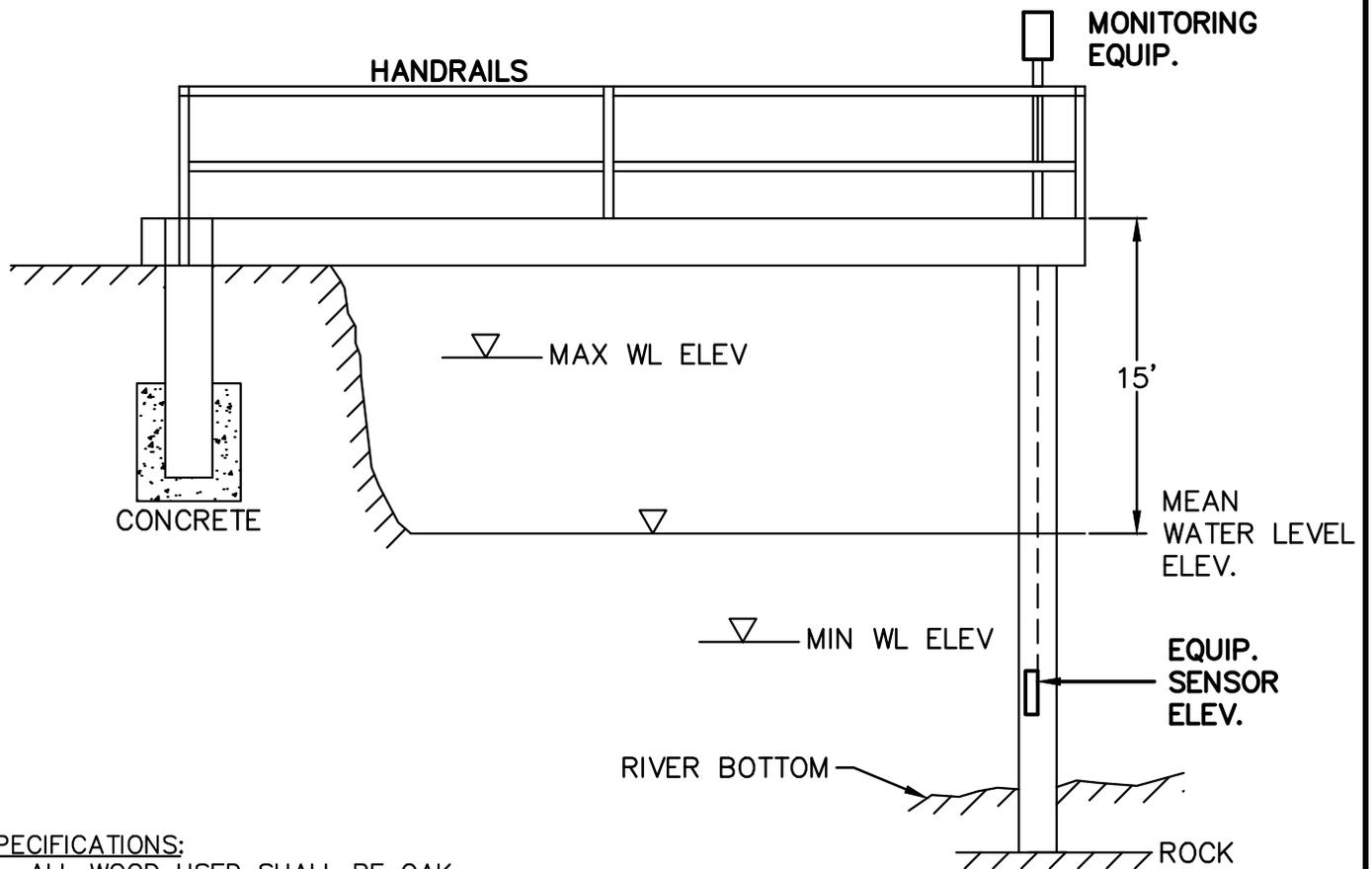
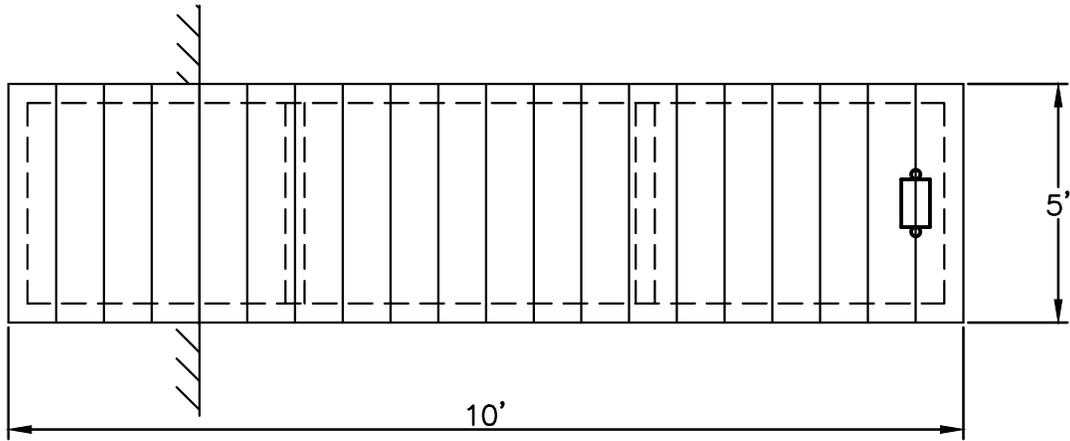
AND Cross-section view drawings should also contain the following *specific informational items if they apply to the project*:

Resource impact/protection-specific Items:

- ❖ Riprap scour protection
- ❖ Proposed wetland planting areas, relative to mean high water and mean low water (tidal areas), or ordinary high water mark (nontidal areas)
- ❖ Depth of buried toe of riprap or marsh toe stabilization
- ❖ Base width, top width, and slope of stone/concrete stabilization structures

Structure/Project-Specific Items:

- ❖ Existing and proposed structures, labeled as 'existing' and 'proposed', and their dimensions. These items may include fill areas, labeled with square footage(s) or acreage(s) over vegetated wetlands and subaqueous bottom; berms, spillways, erosion and sediment control measures, outfall pipes, and aprons at onsite or offsite dredged material disposal area(s); bank grades; deadmen, sheeting, knee braces, etc., as used in the construction of bulkheads; filter cloth; weep holes; intakes and/or outfalls, including splash aprons, relative to mean high water, mean low water, or ordinary high water mark; risers and/or emergency spillways; low-flow channels; culverts, including their proposed invert elevations and diameters; anchoring systems for aquaculture structures; type of chain used to secure mooring buoys to subaqueous bottom
- ❖ For dredge projects, proposed contours of the bottom (depth relative to mean low water or ordinary water level)
- ❖ Bottom width of proposed dredge cut, projected side slope of cut, and estimated top width of cut
- ❖ Ponding depth of onsite or offsite dredged material disposal area
- ❖ Minimum distance between pier decking and vegetated wetland substrate (a.k.a. the "mud line")
- ❖ Water depth below mean low water at the end of proposed boat ramps
- ❖ Depth of penetration of pilings and/or sheeting (bulkheads)
- ❖ Elevation of any proposed fill (including backfill)
- ❖ Structure or method used to contain fill (hay bales, silt fences, etc.)
- ❖ Design pool/normal pool elevation for stormwater management facilities/impoundments/reservoirs
- ❖ Vertical distance from the water surface (relative to mean high water or ordinary high water mark) for all aerial crossings (bridges or overhead utility lines) over navigable water bodies
- ❖ Depth below bottom of water body for submarine utility crossings
- ❖ Dimensions of impoundment, dam, or stormwater management facility through a cross-section of the structure(s); bottom elevation(s) of basin created; depth of pool; and depth(s) to structure(s) on the bottom.



SPECIFICATIONS:

1. ALL WOOD USED SHALL BE OAK.
2. BRACKETS AND BOLTS WITH NUTS AND WASHERS SHALL BE STAINLESS STEEL.
3. HANDRAILS SHALL BE ALUMINUM.
4. THE SUPPORT POSTS SHALL BE 6 INCH DIAMETER AND INSTALLED BY JETTING.
5. DECKING SHALL BE 1"X4" OAK BOARDS. SUPPORT BEAMS SHALL BE 2"X12" OAK.
6. PIER ENTRANCE SHALL HAVE 6 FOOT TALL GATE WITH LOCK. SIGN SHALL BE ATTACHED TO GATE STATING "AUTHORIZED PERSONNEL ONLY."

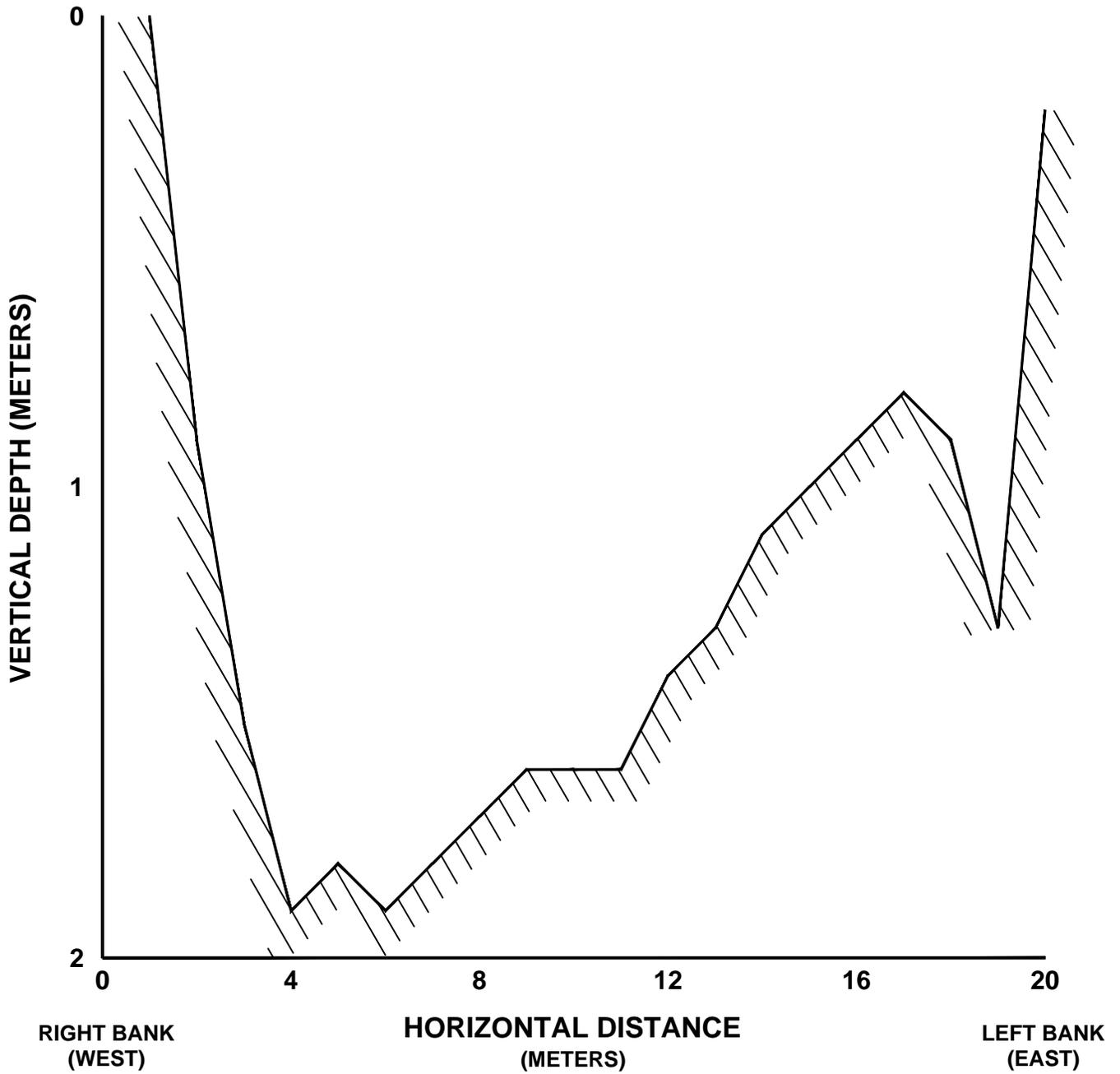


DAN RIVER WATER MONITORING STATION

SCALE: NOT TO SCALE

NOVEMBER 4, 2015

CROSS SECTION INFORMATION PROVIDED BY VADEQ



**DAN RIVER CROSS SECTION
AT STATE LINE BRIDGE**

SCALE: NOT TO SCALE

NOVEMBER 17, 2015

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5G
Meeting Date:	12/14/15
Subject:	Update of Permit Application – Berry Hill Industrial Park
From:	Dewberry Consulting Engineers

SUMMARY

The Board will receive an update on the Permit Application for Berry Hill Industrial Park.

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5H
Meeting Date:	12/14/2015
Subject:	FY2015 Audited Financial Report and Audit Letters
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

Included in the agenda packet is the audited *Financial Report* for fiscal year ending June 30, 2015, as well as the *Comments on Internal Control and Other Suggestions for Your Consideration* and the *Required Communication with Those Charged with Governance* letters for fiscal year 2015 from Brown, Edwards & Company, LLP, the independent auditors for RIFA. The auditors will attend the meeting on December 14, 2015 to discuss the audit and answer any questions regarding the audit.

The letter titled *Comments on Internal Control and Other Suggestions for Your Consideration* does not have any current year comments. The lack of segregation of duties appears as a prior year comment; it is not considered a significant deficiency since RIFA has appropriate controls in place to mitigate the risk associated with areas not ideally segregated. Staff will continue seeking opportunities to strengthen the segregation of duties.

Staff is pleased with the audit and will continue to seek areas for improvement in the upcoming year.

RECOMMENDATION

No action is required. The purpose of this item is for the auditors to communicate audit findings to the RIFA Board.

ATTACHMENTS

Audited Financial Report for fiscal year ending June 30, 2015

Audit Letter - *Comments on Internal Control and Other Suggestions for Your Consideration*

Audit Letter - *Required Communication with Those Charged with Governance*

**DANVILLE-PITTSYLVANIA REGIONAL
INDUSTRIAL FACILITY AUTHORITY**

FINANCIAL REPORT

June 30, 2015

Danville-Pittsylvania Regional Industrial Facility Authority

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Danville-Pittsylvania Regional Industrial Facility Authority
Danville, Virginia

Report on Financial Statements

We have audited the accompanying basic financial statements of the Danville-Pittsylvania Regional Industrial Facility Authority (the "Authority"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Danville-Pittsylvania Regional Industrial Facility Authority, as of June 30, 2015, and the changes in its financial position and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

The prior year comparative information has been derived from the Authority's 2014 financial statements on which, in our report dated October 28, 2014, we expressed an unmodified opinion.

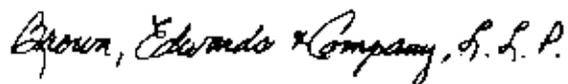
Other Matters

Required Supplementary Information

Management has omitted a management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this omitted information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November, 2015 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS

Lynchburg, Virginia
November 10, 2015

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Position
June 30, 2015

	2015	(For Comparative Purposes Only) 2014
Assets		
<i>Current assets</i>		
Cash and cash equivalents	\$ 2,082,359	\$ 1,817,042
Other receivables	-	2,500
Prepays	2,437	2,624
<i>Total current assets</i>	2,084,796	1,822,166
<i>Noncurrent assets</i>		
Restricted cash and cash equivalents	3,279,661	3,389,958
Due from City of Danville	248,271	254,813
Capital assets not being depreciated	25,071,362	25,055,862
Capital assets being depreciated, net	25,369,730	25,883,079
Construction in progress	4,051,228	3,632,297
<i>Total noncurrent assets</i>	58,020,252	58,216,009
Total assets	60,105,048	60,038,175
Liabilities		
<i>Current liabilities</i>		
Accounts payable - general	34,864	20,860
Accounts payable - construction	-	362,418
Accrued interest payable	68,437	77,384
Unearned revenue	7,850	5,850
Bonds payable - current	1,128,450	1,078,450
<i>Total current liabilities</i>	1,239,601	1,544,962
<i>Noncurrent liabilities</i>		
Due to Pittsylvania County	248,271	254,813
Bonds payable	8,060,090	9,188,540
<i>Total noncurrent liabilities</i>	8,308,361	9,443,353
Total liabilities	9,547,962	10,988,315
Net position		
Net investment in capital assets	45,570,792	44,591,082
Restricted - debt reserves	3,012,649	3,103,125
Unrestricted	1,973,645	1,355,653
Total net position	\$ 50,557,086	\$ 49,049,860

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Position
Year Ended June 30, 2015

	2015	(For Comparative Purposes Only) 2014
Operating revenues		
Virginia Tobacco Commission grants	\$ 57,840	\$ -
Other income	159,492	109,124
Reimbursement of incentive grant	14,425	-
Total operating revenues	<u>231,757</u>	<u>109,124</u>
Operating expenses		
Depreciation and amortization	808,129	955,492
Economic development - Cane Creek Centre	8,495	7,685
Economic development - Mega Park	26,428	144,323
Other operating expenses	240,924	232,889
Total operating expenses	<u>1,083,976</u>	<u>1,340,389</u>
Operating loss	<u>(852,219)</u>	<u>(1,231,265)</u>
Non-operating revenues (expenses)		
Bond issuance costs	-	(52,500)
Interest income	1,441	1,661
Interest expense	(94,628)	(92,908)
Total non-operating expenses	<u>(93,187)</u>	<u>(143,747)</u>
Net loss before capital contributions	<u>(945,406)</u>	<u>(1,375,012)</u>
Capital contributions		
Contribution - City of Danville	1,226,316	1,134,829
Contribution - Pittsylvania County	1,226,316	1,134,829
Total capital contributions	<u>2,452,632</u>	<u>2,269,658</u>
Change in net position	1,507,226	894,646
Net position at July 1	<u>49,049,860</u>	<u>48,155,214</u>
Net position at June 30	<u>\$ 50,557,086</u>	<u>\$ 49,049,860</u>

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
Year Ended June 30, 2015

	2015	(For Comparative Purposes Only) 2014
Operating activities		
Receipts from operating grants and activities	\$ 76,765	\$ 502
Payments to suppliers for goods and services	(20,732)	(156,855)
Other payments	(68,350)	(104,826)
Net cash used in operating activities	<u>(12,317)</u>	<u>(261,179)</u>
Capital and related financing activities		
Purchase of capital assets	(903,442)	(603,228)
Capital contributions	2,439,550	2,230,564
Interest paid on bonds	(290,212)	(304,307)
Proceeds from bond issuance	-	5,595,000
Bond issuance costs paid	-	(52,500)
Principal repayments on bonds	(1,080,000)	(6,640,000)
Net cash provided by capital and related financing activities	<u>165,896</u>	<u>225,529</u>
Investing activities		
Interest received	1,441	1,661
Net cash provided by investing activities	<u>1,441</u>	<u>1,661</u>
Net increase (decrease) in cash and cash equivalents	155,020	(33,989)
Cash and cash equivalents - beginning of year	<u>5,207,000</u>	<u>5,240,989</u>
Cash and cash equivalents - end of year	<u>\$ 5,362,020</u>	<u>\$ 5,207,000</u>
Reconciliation to Statement of Net Position		
Cash and cash equivalents	\$ 2,082,359	\$ 1,817,042
Restricted cash and cash equivalents	3,279,661	3,389,958
	<u>\$ 5,362,020</u>	<u>\$ 5,207,000</u>

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
Year Ended June 30, 2015

	2015	(For Comparative Purposes Only) 2014
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (852,219)	\$ (1,231,265)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	808,129	955,492
Operating in-kind expenses	13,082	18,939
Changes in assets and liabilities:		
Change in prepaids	187	3,640
Change in other receivables	2,500	502
Change in accounts payable - general	14,004	(8,487)
Change in unearned revenue	2,000	-
Net cash used in operating activities	\$ (12,317)	\$ (261,179)
Supplemental cash flow information		
Capitalized interest	\$ 188,187	\$ 212,931
Capital asset additions financed by accounts payable	\$ -	\$ 362,418
Capital asset additions financed by locality contribution	\$ -	\$ 20,155

Danville-Pittsylvania Regional Industrial Facility Authority
Notes to Financial Statements
June 30, 2015

1. Organization and Nature of Activities

The *Danville-Pittsylvania Regional Industrial Facility Authority* (“the Authority”) was created by ordinance of the Board of Supervisors of Pittsylvania County, Virginia, and the City Council of the City of Danville, Virginia, to promote and further the purposes of the *Virginia Regional Industrial Facilities Act*, Chapter 64, Title 15.2 of the *Code of Virginia*, (1950) as amended (Act). The Authority is an entity jointly owned by the City of Danville and Pittsylvania County and is a political subdivision of the Commonwealth of Virginia. The Authority is empowered, among other things, to borrow money to purchase real estate and finance all improvements in industrial parks intended to be occupied by manufacturing, warehousing, distribution, office or other commercial enterprises. In addition, the Authority is authorized under the Act to issue revenue bonds to finance facilities for such enterprises. The Authority has no taxing power. The City of Danville acts as the fiscal agent of the Authority. As fiscal agent, the City provides office space to the Authority at no charge.

2. Summary of Significant Accounting Policies

Basis of Accounting

The Authority utilizes the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recognized when incurred, regardless of the timing of the related cash flow. The Authority follows all applicable Governmental Accounting Standards Board (GASB) pronouncements.

The Authority distinguishes operating revenues and expenses from non-operating items. Operating revenues generally consist of grant income from various state or federal agencies; operating expenses generally consist of economic incentive grants, infrastructure development, depreciation and amortization expense, and other operating expenses which include bank charges, legal fees, accounting fees, meals and other miscellaneous fees. Non-operating items consist of interest income and expense as well as incidental items not directly related to the primary operations of the Authority. Capital contributions consist of subsidies from the City of Danville and Pittsylvania County.

Economic Incentive Grants

One important function of the Authority is to provide incentives for businesses to locate in the industrial parks constructed by the Authority. In some cases, the Authority agrees that if a business reaches certain investment and employment goals, the Authority will transfer capital assets (such as land and improvements) to the business at very favorable terms at the end of a specified period - usually five to ten years. The Authority reports these transfers as expenses when the grantee reaches its initial investment and employment goals and it appears unlikely that the grantee will fail to maintain these goals throughout the specified period.

Non-exchange transactions, in which the Authority either gives or receives value without directly receiving or giving equal value in exchange, include grants and donations. Revenues and expenses from grants and donations are recognized in the fiscal year in which, in management’s judgment, all eligibility requirements have been substantially satisfied.

Cash and Cash Equivalents

Cash and cash equivalents represent checking and savings accounts of the Authority, which are available on demand or within a three-month period.

Danville-Pittsylvania Regional Industrial Facility Authority
Notes to Financial Statements
June 30, 2015

2. Summary of Significant Accounting Policies (Continued)

Due From Other Governments

Due from other governments generally consists of grant reimbursements receivable from the Virginia Tobacco Commission or other grantor agencies. There were no amounts due from other governments at June 30, 2015.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Restricted Resources

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first.

Capital Assets

Property and equipment is recorded at cost and depreciated over the estimated useful lives of the related assets, ranging from 10 to 50 years. Normal maintenance and repairs are charged to operations when incurred. Capital assets that are later transferred to other governments or businesses are capitalized at cost as constructed or purchased, and are later recorded as expenses when transferred to the recipient entity. The expense of capital assets that are transferred as part of economic incentive grants is generally recognized at the time the recipient has met all eligibility requirements and is expected to continue to meet the requirements throughout the period required by the incentive agreement.

Management does not believe the Authority's real estate has declined materially in value below the reported cost; however, no formal appraisals of the Authority's real property have been obtained since it was acquired.

Unearned Revenue

Unearned revenue represents revenue received but not recognized since it has not been earned. Unearned revenue is comprised of rent payments received in advance of the rent period.

Net Position

Net position is the difference between assets and liabilities. Net investment in capital assets represents capital assets less accumulated depreciation less any outstanding debt used for the acquisition or improvement of those assets. Restricted net position consists of reserves the Authority is required to maintain under its bond agreements.

Danville-Pittsylvania Regional Industrial Facility Authority
Notes to Financial Statements
June 30, 2015

2. Summary of Significant Accounting Policies (Continued)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Such estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Income Taxes

The Authority is exempt from all federal, state, and local income taxes.

3. Deposits, Restricted Cash and Investments

Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the "Act") Section 2.2-4400 et seq. of the *Code of Virginia*. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents consist of the following at June 30, 2015:

Bond funds to be used for improvements to Cane Creek Centre	\$ 267,012
Restricted funds for Cane Creek Centre debt service	1,012,482
Restricted funds for Berry Hill Mega Park debt service	<u>2,000,167</u>
	<u>\$ 3,279,661</u>

Investments

Statutes authorize the Authority to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes, banker's acceptances, repurchase agreements and the State Treasurer's Local Government Investment Pool (LGIP). At June 30, 2015, the Authority held no investments.

Danville-Pittsylvania Regional Industrial Facility Authority
Notes to Financial Statements
June 30, 2015

4. Due To/From Member Localities

The Authority is equally funded by the City of Danville and Pittsylvania County. The two localities have signed agreements to share all costs of the Authority equally. At times, one locality may front all costs associated with a transaction, creating an amount owed by the other. The Authority reflects these balances as all transactions associated with the Authority are recorded on the Authority's books. At June 30, 2015, the Authority reflects amounts due to Pittsylvania County of \$248,271 and a corresponding due from the City of Danville for the same amount. This stems from items paid for or contributed by Pittsylvania County in excess of its share. It is not expected that the City of Danville will repay this amount in full in fiscal year 2016, but rather that the balance will be adjusted annually based on contributions made by both localities.

5. Capital Assets

Capital asset activity for the year ended June 30, 2015, was as follows:

	June 30, 2014			June 30, 2015
	Balance	Increases	Decreases	Balance
<i>Capital assets not being depreciated:</i>				
Cyber Park - Land	\$ 5,904,783	\$ -	\$ -	\$ 5,904,783
Cane Creek Centre - Land	6,088,539	15,500	-	6,104,039
Mega Park - Land	13,062,540	-	-	13,062,540
<i>Total capital assets not being depreciated</i>	<u>25,055,862</u>	<u>15,500</u>	<u>-</u>	<u>25,071,362</u>
<i>Capital assets being depreciated:</i>				
Buildings	25,617,874	-	-	25,617,874
Building Improvements	267,000	-	-	267,000
Land Improvements	5,970,458	294,780	-	6,265,238
Infrastructure	2,006,965	-	-	2,006,965
<i>Total capital assets being depreciated</i>	<u>33,862,297</u>	<u>294,780</u>	<u>-</u>	<u>34,157,077</u>
<i>Less accumulated depreciation for:</i>				
Buildings	6,784,157	601,812	-	7,385,969
Building Improvements	56,208	7,026	-	63,234
Land Improvements	857,880	159,152	-	1,017,032
Infrastructure	280,973	40,139	-	321,112
<i>Total accumulated depreciation</i>	<u>7,979,218</u>	<u>808,129</u>	<u>-</u>	<u>8,787,347</u>
<i>Total capital assets being depreciated, net</i>	<u>25,883,079</u>	<u>(513,349)</u>	<u>-</u>	<u>25,369,730</u>
<i>Total capital assets, net</i>	<u>\$ 50,938,941</u>	<u>\$ (497,849)</u>	<u>\$ -</u>	<u>\$ 50,441,092</u>

Danville-Pittsylvania Regional Industrial Facility Authority
Notes to Financial Statements
June 30, 2015

6. Construction in Progress

Construction in progress consisted of the following at June 30:

	<u>June 30, 2014</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2015</u> <u>Balance</u>
Mega Park*	\$ 3,337,517	\$ 713,711	\$ -	\$ 4,051,228
Cane Creek Centre	294,780	-	294,780	-
	<u>\$ 3,632,297</u>	<u>\$ 713,711</u>	<u>\$ 294,780</u>	<u>\$ 4,051,228</u>

* Current year additions include capitalized interest of \$188,187. The construction in progress total for this project includes an accumulated total of \$927,982 capitalized interest at June 30, 2015.

7. Long-Term Debt

The following schedule represents all bonds payable:

<u>Description</u>	<u>Original Issue</u>	<u>Annual Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Outstanding</u> <u>June 30, 2015</u>
2013 Revenue Refunding bonds	\$ 5,595,000	\$ 315,000 – 4,600,000	1.85%	8/1/2016	\$ 4,950,000
2011 Revenue bonds	11,250,000	\$ 780,000 – 5,525,000	2.50 – 4.75%	9/1/2019	4,245,000
	<u>\$ 16,845,000</u>				<u>\$ 9,195,000</u>

In December 2011, the Authority issued \$11,250,000 in revenue bonds. The debt service payments made on March 1, 2012 and September 1, 2012 were funded by a grant from the Virginia Tobacco Commission; debt service payments thereafter are made with funds received from the City of Danville and Pittsylvania County.

In August 2013, the Authority issued \$5,595,000 in revenue refunding bonds to satisfy the outstanding balance of the 2005 revenue bonds. Debt service payments are made with funds received from the City of Danville and Pittsylvania County.

Long-term debt activity for the year ended June 30, 2015 was as follows:

<u>Description</u>	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Revenue bonds	\$ 10,275,000	\$ -	\$ 1,080,000	\$ 9,195,000	\$ 1,130,000
Original issue discount	(8,010)	-	(1,550)	(6,460)	(1,550)
	<u>\$ 10,266,990</u>	<u>\$ -</u>	<u>\$ 1,078,450</u>	<u>\$ 9,188,540</u>	<u>\$ 1,128,450</u>

Danville-Pittsylvania Regional Industrial Facility Authority
Notes to Financial Statements
June 30, 2015

7. Long-Term Debt (Continued)

Debt service on the preceding bonds in future years is as follows:

Debt Maturity Schedule

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 1,130,000	\$ 256,619	\$ 1,386,619
2017	5,410,000	144,766	5,554,766
2018	845,000	102,247	947,247
2019	885,000	63,850	948,850
2020	925,000	21,969	946,969
	<u>\$ 9,195,000</u>	<u>\$ 589,451</u>	<u>\$ 9,784,451</u>

8. Economic Development

In fiscal year 2015, the Authority purchased property totaling one acre surrounding the Cane Creek Centre for approximately \$15,500.

9. Short-Term Operating Leases

The Authority leases land to tenants under lease terms of one year or less. Under the terms of the agreements, the future rental income for the year ending June 30, 2016 is estimated to be \$11,450.

10. Long-Term Operating Leases

In October 2006, the Authority entered into agreements with Swedwood Danville, LLC that provide the Authority will lease 94 acres (valued at \$1,027,947) to Swedwood for 120 months at a rate of \$1 per year. Swedwood has the option to purchase the above-mentioned land for \$1 at the end of the 120-month lease if it meets certain investment and employment criteria. In fiscal year 2008, Swedwood met its initial investment and employment criteria and the Authority recorded the transfer of land to Swedwood. If Swedwood chooses to expand its operations within the terms of the agreement, it also has the right to lease from the Authority certain parcels of land known as lots 7B and/or 7C, consisting of approximately 103 acres and 11 acres, respectively. Swedwood also has the right of first refusal to purchase a certain parcel of land from the Authority known as Lot 6 consisting of 68.8 acres.

The Research Building, which has a carrying value of \$5,673,567 at June 30, 2015 and accumulated depreciation of \$1,362,243, is leased to the Institute for Advanced Learning & Research (IALR) for \$10 per year per square foot occupied. The lease was renewed at the same rent terms on June 1, 2013 for a one-year period and will automatically renew annually thereafter for successive one year periods. The rent for the renewal is set forth in the lease agreement. Insurance costs are the responsibility of the lessee. Maintenance costs are the responsibility of the Authority; however, the lessee is engaged to provide for the maintenance obligations and is compensated for these services in an amount equal to the rent paid by the lessee. For fiscal year 2015, \$146,692 of rental income was received through this lease.

Danville-Pittsylvania Regional Industrial Facility Authority
Notes to Financial Statements
June 30, 2015

10. Long-Term Operating Leases (Continued)

The Institute Building is leased to the IALR for \$1 per year. The lease term is 15 years and began in June 2004. Insurance and maintenance costs are the responsibility of the lessee.

In fiscal year 2011, the Authority entered into a ground lease with the IALR to allow for the construction of the Sustainable Energy Technology Center Building (SEnTeC). The lease term is 240 months and began in September 2010. The property is leased to the IALR at a rate of \$1 per year and the IALR has the option to purchase the premises for \$100 at the end of the lease term, as long as all related grant requirements have been satisfied.

11. Commitments and Contingencies

At June 30, 2015, the Authority had approximately \$2.8 million in outstanding engineering and consulting contracts, of which approximately \$787,000 had not been expended.

12. Subsequent Events

On September 14, 2015, the Authority approved an agreement where a company located in the Cane Creek Centre will repay to the Authority approximately \$77,000 of incentives received for failure to meet certain requirements of the performance agreement.

13. Dissolution of Authority

If dissolution of the Authority should occur, such dissolution shall be made pursuant to *Code of Virginia*, Section 15.2-6415. Pittsylvania County constructed a Multi-Port Access Point (MSAP), at an approximate cost of \$2 million that will benefit areas served by the Authority. Should the Authority ever be dissolved, the MSAP will be considered part of the County's investment in the Authority.

* * * * *

INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Danville-Pittsylvania Regional Industrial Facility Authority
Danville, Virginia

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the Danville-Pittsylvania Regional Industrial Facility Authority (the “Authority”), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements, and have issued our report thereon dated November 10, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. **Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. **The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.**

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crown, Edwards & Company, S. L. P.

CERTIFIED PUBLIC ACCOUNTANTS

Lynchburg, Virginia
November 10, 2015

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

**SUMMARY OF COMPLIANCE MATTERS
Year Ended June 30, 2015**

As more fully described in the **Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***, we performed tests of the Authority's compliance with certain provisions of laws, regulations, contracts, and grants shown below.

STATE COMPLIANCE MATTERS

Code of Virginia

Cash and Investment Laws

Debt Provisions

Procurement Laws

Uniform Disposition of Unclaimed Property Act

**DANVILLE-PITTSYLVANIA REGIONAL
INDUSTRIAL FACILITY AUTHORITY**

**COMMENTS ON INTERNAL CONTROL AND
OTHER SUGGESTIONS FOR YOUR
CONSIDERATION**

June 30, 2015

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INDEPENDENT AUDITOR'S REPORT ON COMMENTS AND SUGGESTIONS

To the Board of Directors of
Danville-Pittsylvania Regional
Industrial Facility Authority
Danville, Virginia

In planning and performing our audit of the financial statements of the Danville-Pittsylvania Regional Industrial Facility Authority (the "Authority") as of and for the year ended June 30, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate for the purpose of expressing our opinion on the financial statements and to comply with *Government Auditing Standards*, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

If material weaknesses or significant deficiencies were identified during our procedures they are appropriately designated as such in this report. Additional information on material weaknesses or significant deficiencies and compliance and other matters is included in the ***Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*** which should be read in conjunction with this report.

Additionally, during our audit, we may have become aware of certain other matters that provide opportunities for improving your financial reporting system and/or operating efficiency. Such comments and suggestions regarding these matters, if any, are included in the attached report, but are not designated as a material weakness or significant deficiency. Since our audit is not designed to include a detailed review of all systems and procedures, these comments should not be considered as being all-inclusive of areas where improvements might be achieved. We also have included information on accounting and other matters that we believe is important enough to merit consideration by management and those charged with governance. It is our hope that these suggestions will be taken in the constructive light in which they are offered.

We have already discussed these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study on these matters, or to assist you in implementing the recommendations.

Gron, Edwards & Company, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Lynchburg, Virginia
November 10, 2015

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

PRIOR YEAR COMMENTS AND SUGGESTIONS

June 30, 2015

SEGREGATION OF DUTIES

One of the more important aspects of any system of internal control is the segregation of duties. In an ideal system of internal controls, no individual would perform more than one duty in connection with any transaction or series of transactions. In particular, no one individual would have access to both physical assets and the related accounting records, since such access may allow errors or irregularities to occur and be undetected or concealed.

Following are some of the areas where duties are not ideally segregated:

- Signed checks are returned to the individual responsible for check preparation for mailing. This can allow payments to be diverted.
- The individual with bank reconciliation responsibilities has limited access to the general ledger that still includes access for the individual to record and change transactions. Ideally, this person would not have any involvement with the recording of or the ability to record transactions.

Complete segregation of all duties is likely not possible without the involvement of additional personnel.

Status: *The items noted above still exist. Management believes there are appropriate mitigating controls in place to address the risk associated with the two areas noted that are not ideally segregated. These mitigation controls consist of monitoring of all cash disbursements by other knowledgeable personnel. Management should continue to identify ways in which controls could be overridden, and should ensure that monitoring controls are applied vigilantly. Management, and those charged with governance, should maintain an attitude of vigilance and appropriate skepticism.*

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

ACCOUNTING AND OTHER MATTERS

June 30, 2015

In this section, we would like to make you aware of certain confirmed and potential changes that are on the horizon that may affect your financial reporting and audit.

GASB STATEMENT NO. 72

GASB Statement No. 72, *Fair Value Measurement and Application* addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

GASB Statement No. 72 will be effective for the year ending June 30, 2016.

GASB STATEMENT NO. 74

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pensions* improves the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement No. 43, and Statement No. 50, *Pension Disclosures*.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities.

The scope of this Statement includes OPEB plans – defined benefit and defined contribution – administered through trusts that meet the following criteria:

- Contributions from employers and nonemployer contributing entities to the OPEB plan and earnings on those contributions are irrevocable.
- OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms.
- OPEB plan assets are legally protected from the creditors of employers, nonemployer contributing entities, and the OPEB plan administrator. If the plan is a defined benefit OPEB plan, plan assets also are legally protected from creditors of the plan members.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

ACCOUNTING AND OTHER MATTERS

June 30, 2015

GASB STATEMENT NO. 74 (Continued)

This Statement also includes requirements to address financial reporting for assets accumulated for purposes of providing defined benefit OPEB through OPEB plans that are not administered through trusts that meet the specified criteria.

GASB Statement No. 74 will be effective for the year ending June 30, 2017.

GASB STATEMENT NO. 75

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB*. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans.

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This Statement also addresses certain circumstances in which a nonemployer entity provides financial support for OPEB of employees of another entity.

In this Statement, distinctions are made regarding the particular requirements depending upon whether the OPEB plans through which the benefits are provided are administered through trusts that meet the following criteria:

- Contributions from employers and nonemployer contributing entities to the OPEB plan and earnings on those contributions are irrevocable.
- OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms.
- OPEB plan assets are legally protected from the creditors of employers, nonemployer contributing entities, the OPEB plan administrator, and the plan members.

GASB Statement No. 75 will be effective for the year ending June 30, 2018.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

ACCOUNTING AND OTHER MATTERS

June 30, 2015

GASB STATEMENT NO. 76

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* identifies – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*.

GASB Statement No. 76 is effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. Earlier application is permitted.

GASB STATEMENT NO. 77

GASB Statement No. 77, *Tax Abatement Disclosures*, requires governments to disclose information about the nature and magnitude of tax abatements granted to a specific taxpayer, typically for the purpose of economic development. This does not cover programs that reduce the tax liabilities of broad classes of taxpayers, such as senior citizens or veterans, and which are not the product of individual agreements with each taxpayer. The Statement does not consider issues related to recognition.

Financial statement users need information about certain limitations on a government’s ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens. Tax abatements are widely used by state and local governments, particularly to encourage economic development. For financial reporting purposes, this Statement defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take specific action that contributes to economic development or otherwise benefits the government or its citizens.

This Statement requires disclosure of tax abatement information about (1) a reporting government’s own tax abatement agreements and (2) those that are entered into by other governments that reduce the reporting government’s tax revenues.

Governments entering into tax abatement agreements are required to disclose the following information about the agreements, organized by major tax abatement program, with the option to include disclosure of individual significant agreements in each program:

- Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients
- The gross dollar amount of taxes abated during the period
- Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

(Continued)

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

ACCOUNTING AND OTHER MATTERS

June 30, 2015

GASB STATEMENT NO. 77 (Continued)

Tax abatement agreements of other governments should be organized by the government that entered into the tax abatement agreement and the specific tax being abated. Governments may disclose information for individual tax abatements of other governments within the specific tax being abated. For those agreements, a reporting government should disclose:

- The names of the governments that entered into the agreements.
- The specific taxes being abated.
- The gross dollar amount of taxes abated during the period.

GASB Statement No. 77 will be effective for the year ending June 30, 2017.

OFFICE OF MANAGEMENT AND BUDGET (OMB) CHANGES TO SINGLE AUDITS

OMB released final guidance related to federal awards in December 2013. The *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) consolidates previous guidance into a streamlined format that aims to improve both its clarity and accessibility, lessen administrative burdens for federal award recipients, and reduce the risk of waste, fraud and abuse (Thomson Reuters “OMB Finalizes Federal Award Changes”). The most significant changes are as follows:

Single audit threshold increase. The audit threshold will be raised from \$500,000 to \$750,000 of federal expenditures. In addition, the Type A program threshold will be increased from \$300,000 to \$750,000. Finally, the percentage coverage of federal expenditures required for testing will be decreased from 50% to 40% for regular auditees and from 25% to 20% for low-risk auditees.

Changes to major determination process. The criteria to be considered a high-risk Type A program will include failure to have an unmodified opinion on the program, a material weakness in internal controls, or questioned costs exceeding 5% of the program’s expenditures. In addition, there will also be a reduction in the number of high-risk Type B programs that must be tested from one-half to at least one-fourth of low-risk Type A programs.

Proposed Reduction of compliance requirements subject to testing. Per Thomas Reuters PPC Update, “OMB’s original proposal included reducing the number of types of compliance requirements from 14 to 6, with several of the compliance requirements combined. The discussion of major policy reforms in the Uniform Guidance notes that because the compliance supplement is published as part of a separate process, no final changes were made at the time the Uniform Guidance was finalized. However, the Council of Financial Assistance Reform (COFAR) has recommended that any future changes made to the compliance supplement be based on available evidence on past findings and the potential impact of noncompliance for each type of compliance requirement. The COFAR further recommended that additional public outreach be conducted prior to making any structural changes to the format of the compliance supplement in order to mitigate an inadvertent increase in administrative burden.”

Nonfederal entities are required to comply with the Uniform Guidance once the new regulations are in effect which is expected by December 2014. Audit requirements would apply to fiscal years beginning on or after December 26, 2014 (fiscal year ending June 30, 2016).

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

ACCOUNTING AND OTHER MATTERS

June 30, 2015

CURRENT GASB PROJECTS

GASB currently has a variety of projects in process. Some of these projects are as follows:

- ***Asset Retirement Obligations.*** The objective of this project would be to improve financial reporting by developing requirements on recognition for asset retirement obligations (ARO), other than landfills. The achievement of this objective would reduce inconsistency in current reporting and, therefore, enhance comparability between governments. The project also will improve the usefulness of information for decisions and analysis of various users of external financial reports of governments by developing disclosure requirements for AROs. An exposure draft document is expected to be issued for public comment in December 2015, with a final statement expected in October 2016.
- ***Blending Requirements for Certain Business-Type Activities.*** The objective of this project is to improve financial reporting by addressing issues related to inconsistent presentation of component units in financial reporting of governments engaged only in business-type activities (BTA). The stated focus of the objective would need to be balanced against the information needs of financial statement users by considering what information is deemed essential to assess accountability, comparability, and transparency in these circumstances. An exposure draft document was issued for public comment in June 2015, with a final statement expected in January 2016.
- ***Comprehensive Implementation Guide Update.*** The objective of this project is to update implementation guidance for the effects of new pronouncements and for additional issues that have come to the attention of the staff. In addition, this project will result in issuance of an annual update to the *Comprehensive Implementation Guide*. An exposure draft document is expected to be issued for public comment in September 2015, with a final statement expected in January 2016.
- ***Conceptual Framework – Recognition.*** The project's objective is to develop recognition criteria for *whether* information should be reported in state and local governmental financial statements and *when* that information should be reported. This project ultimately will lead to a Concepts Statement on recognition of elements of financial statements. Further developments on an Exposure Draft for recognition concepts was put on hold in August 2013 pending research being conducted pursuant to the reexamination of the financial reporting model.
- ***Economic Condition Reporting: Financial Projections.*** The objective of this project is to consider whether guidance or guidelines should be provided for additional information about economic condition, particularly financial projections, as part of general purpose external financial reporting. This project also will include consideration of the information users identified as necessary to assess the risks associated with a government's intergovernmental financial dependencies. The project is currently being deliberated. This project is currently on hold pending resolution of GASB scope.
- ***Fiduciary Responsibilities.*** The primary objective of this project would be to develop guidance regarding the application of the fiduciary responsibility criterion in deciding whether and how governments should report fiduciary activities in their general purpose external financial reports. Other objectives of this project include assessing whether additional guidance should be developed to (1) clarify the difference between a private-purpose trust fund and an agency fund, (2) clarify whether a business-type activity engaging in fiduciary activities should present fiduciary fund financial statements, and (3) consider requiring a combining statement of changes in assets and liabilities for agency funds. An exposure draft document is expected to be issued for public comment in December 2015, with a final statement in October 2016.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

ACCOUNTING AND OTHER MATTERS

June 30, 2015

CURRENT GASB PROJECTS (Continued)

- ***Lease Accounting – Reexamination of NCGA Statement 5 and GASB Statement No. 13.*** The objective of this project is to reexamine issues associated with lease accounting, considering improvements to existing guidance. This project will provide a basis for the Board to consider whether current operating leases meet the definitions of assets or liabilities. This project would provide an opportunity for a fresh look at the existing guidance for any improvements not contemplated by the FASB/IASB project given the unique nature of governmental entities and the complexities of their leasing transactions. An exposure draft document was issued for public comment in January 2015, with a final statement expected in November 2016.



REQUIRED COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Directors of
Danville-Pittsylvania Regional
Industrial Facility Authority
Danville, Virginia

We have audited the financial statements of the Danville-Pittsylvania Regional Industrial Facility Authority (the “Authority”) for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 16, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2015. As described in Note 2, management has accounted for economic incentive grants and agreements with “grantee” industries locating in the area as voluntary non-exchange transactions under Governmental Accounting Standards Board Statement No. 33. Under this method, the Authority reports the expenses associated with these incentives once a grantee has met the initial requirements in its performance agreement with the Authority, and it appears unlikely that the grantee will fail to maintain these requirements throughout the specified performance period or unlikely that the resources granted would be recoverable. We have discussed the accounting for these transactions with management and believe the method selected is appropriate in this circumstance, but accounting for transactions such as these involves significant judgment. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Significant Audit Findings (Continued)

Qualitative Aspects of Accounting Practices (Continued)

The most sensitive estimates affecting the Authority's financial statements were:

- Management's estimate of the useful lives of capital assets, which is based on management's knowledge and judgment, which is based on history.
- Management's estimate of the allocation of costs to land parcels sold, which consists of the allocation of costs of purchases and improvements to useable land acreage.
- Management's judgment that the carrying value of property and improvements is not materially different from market value is largely based on assumptions about the local real estate market.

We evaluated the key factors and assumptions used to develop these estimates in determining that the estimates are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

- The disclosure of the Authority's commitments and contingencies in Note 11 is considered useful to users of the statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit, and greatly appreciate the assistance we received.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no corrected or uncorrected misstatements noted during the June 30, 2015 audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 10, 2015, a copy of which is attached.

Significant Audit Findings (Continued)

Management Consultations with Other Independent Accountants

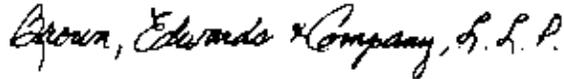
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the governmental unit’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of Danville-Pittsylvania Regional Industrial Facility Authority and is not intended to be, and should not be, used by anyone other than these specified parties.



CERTIFIED PUBLIC ACCOUNTANTS

Lynchburg, Virginia
November 10, 2015

Danville - Pittsylvania Regional Industrial Facility Authority

427 Patton Street, Room 428
Danville, VA 24541
Telephone: 434-799-5185
Facsimile: 434-799-5041

November 10, 2015

Brown, Edwards & Company L.L.P.
2102 Langhorne Road, Suite 200
Lynchburg, Virginia 24501

This representation letter is provided in connection with your audit of the financial statements of the Danville-Pittsylvania Regional Industrial Facility Authority (the "Authority"), which comprise the financial position of the Authority as of June 30, 2015, and the changes in financial position and cash flows for the year then ended, and the notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of November 10, 2015, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 16, 2015, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the entity is contingently liable, if any, have been properly recorded or disclosed.
- 10) We have provided the planning communication letter to all members of those charged with governance as requested.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

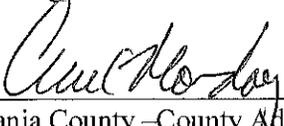
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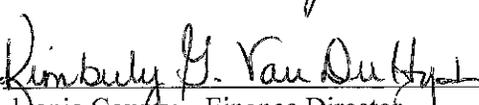
- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have a process to track the status of audit findings and recommendations.
- 21) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 22) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 23) The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 24) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- 25) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 26) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 27) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 28) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 29) The Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 30) The Authority has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 31) Components of net position (net investment in capital assets; restricted; and unrestricted), are properly classified and, if applicable, approved.
- 32) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 33) Provisions for uncollectible receivables have been properly identified and recorded.
- 34) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 35) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.

- 36) Capital assets have been evaluated for potential impairment as a result of significant and unexpected decline in service utility, changes in market value, or the marketability of land.
- 37) We have not completed the process of evaluating the impact that will result from adopting new Governmental Accounting Standards Board (GASB) Statements that are not yet effective, as discussed in the notes to financial statements. The entity is therefore unable to disclose the impact that adopting these Statements will have on its financial position and the results of its operations when the Statements are adopted.
- 38) We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 39) We have reviewed and discussed the balances of the Authority's long-term due to/from accounts related to the City of Danville, Virginia and the County of Pittsylvania, Virginia. It is our conclusion that these balances are materially correct as of June 30, 2015. We are in agreement with the changes in the due to/from account based on the contributions by each locality in FY 2014.
- 40) Expenditures of federal awards were below the \$500,000 threshold in the audit period, and we were not required to have an audit in accordance with OMB Circular A-133.
- 41) We reaffirm the representations made to you in our letter dated October 28, 2014 regarding your audit for the fiscal year ended June 30, 2014.
- 42) There were no noncash transactions in the current year, including transfers of property, economic incentive agreements, or other transactions, which are not reflected in the financial statements. All such transactions have been made known to our financial accounting team and to you.
- 43) There are no contingent liabilities whereby the Authority could be obligated to repay Tobacco Commission or other funds upon the failure of a grantee entity to comply with grant requirements.
- 44) Significant progress on the Berry Hill Mega Park has been substantially halted by permitting issues and requirements that are not under the control of the Authority. We have undertaken wetland studies and other required actions to comply with all requirements to move the permitting process forward.
- 45) We do not believe that the interest costs being capitalized on the Berry Hill Mega Park annually are increasing the cost of the land beyond current fair market value.

Signature: 
 Title: City of Danville – City Manager

Signature: 
 Title: City of Danville – Finance Director

Signature: 
 Title: Pittsylvania County – County Administrator

Signature: 
 Title: Pittsylvania County – Finance Director

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5I
Meeting Date:	12/14/2015
Subject:	Financial Status Reports – November 30, 2015
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

A review of the financial status reports through November 30, 2015 will be provided at the meeting. The financial status reports as of November 30, 2015 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of November 30, 2015 as presented.

ATTACHMENTS

Financial Status Reports

Financial Status

Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY2016
- C. Mega Park – Funding Other than Bond Funds
- D. Berry Hill Mega Park – Lot 4 Site Development
- E. Rent, Interest, and Other Income Realized
- F. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

\$7,300,000 Bonds for Cane Creek Centre - Issued in August 2005 ⁷

As of November 30, 2015

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funds from bond issuance	\$7,300,000.00				
Issuance cost	(155,401.33)				
Refunding cost ⁷	(52,500.00)				
Bank fees	(98.25)				
Interest earned to date	486,581.70				
Cane Creek Parkway ³		\$3,804,576.00	\$3,724,241.16	\$ -	
Swedwood Drive ²		69,414.00	69,414.00	-	
Cane Creek Centre entrance ³		72,335.00	53,878.70	-	
Financial Advisory Services		9,900.00	9,900.00	-	
Dewberry contracts ¹		69,582.50	69,582.50	-	
Dewberry contracts not paid by 1.7 grant ^{4,5}		71,881.00	25,454.12	46,426.88	
Land		-	2,792,945.57	-	
Demolition services		71,261.62	71,261.62	-	
Legal fees		-	57,156.80	-	
CCC - Lots 3 & 9 project - RIFA Local Share ⁶		142,190.00	112,464.98	-	
Other expenditures		-	339,846.72	-	
Total	\$ 7,578,582.12	\$ 4,311,140.12	\$ 7,326,146.17	\$ 46,426.88	\$ 206,009.07

notes:

¹ Dewberry Contracts consist of wetland, engineering, surveying and site preparation

² Funds being used to cover City and County matching contributions for a VDOT grant for Swedwood Drive

³ Project completed under budget

⁴ In September 2008 the outstanding principal balance of \$6,965,000 on the Series 2005 Cane Creek Project Revenue Bonds was tendered and not remarketed. These bonds were converted to bank bonds and are now subject to the Credit and Reimbursement agreement the Authority has with Wachovia Bank. The remarketing agent will continue its attempt to remarket these bonds in order to convert them back to Variable Rate Revenue Bonds. As a result, it is likely that the City and County will have to contribute additional funds in order to make future interest payments on the letter of credit attached to these bonds.

⁴ These contracts were originally to be paid by the \$1.7M Special Projects Grant, this grant has expired and the TIC did not issue an extension. The remaining amounts of the contract will be paid using bond funds.

⁵ The budget amount decreased \$71,279.61 from the September 30, 2010 reports. This amount represented the remaining budget amount carried from the \$1.7 SP grant upon its expiration for the following contracts: Wetland Delineation, Wetland Bank Plan Rev., Stream Concept Plan, & Stream Attribute Plan. Per Shawn Harden of Dewberry, these contracts are complete and finished under budget. The only contract that remains open is for Wetland Monitoring and the budget, expended, and encumbered amounts included here are only for this contract.

⁶ This line item represents the amount of expenditures on the "CCC - Lots 3 & 9" budget sheet that is covered by bond funds. RIFA's local share of 5% of these project costs is being covered by these bond funds. Project finished under original budget.

⁷ The \$7.3 million bonds were refunded on August 1, 2013 with the issuance of refunding bonds in the amount of \$5,595,000.

Road Summary-Cane Creek Parkway:	
English Contract-Construction	\$ 5,363,927.00
Change Orders	165,484.50
Expenditures over contract amount	3,579.50
(Less) County's Portion of Contract	(935,207.00)
(Less) Mobilization Allocated to County	(9,718.00)
Portion of English Contract Allocated to RIFA	4,588,066.00
Dewberry Contract-Engineering	683,850.00
Total Road Contract Allocated to RIFA	\$ 5,271,916.00

Funding Summary - Cane Creek Parkway	
VDOT	\$ 1,467,340.00
Bonds	3,804,576.00
	\$ 5,271,916.00

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2016

As of November 30, 2015

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2015	85,503.42				
Contingency					
Miscellaneous contingency items		\$ 127,003.42	\$ 1,003.82	\$ -	\$ 125,999.60
Total Contingency Budget		127,003.42	1,003.82	-	125,999.60
Legal					
		80,000.00	9,152.50	-	70,847.50
Accounting					
		20,300.00	14,000.00	6,300.00	-
Annual Bank Fees					
		600.00	-	-	600.00
Postage & Shipping					
		100.00	-	-	100.00
Meals					
		4,000.00	1,063.80	-	2,936.20
Utilities					
		500.00	94.75	-	405.25
Insurance					
		3,000.00	-	-	3,000.00
Total	\$ 235,503.42	\$ 235,503.42	\$ 25,314.87	\$ 6,300.00	\$ 203,888.55

Danville-Pittsylvania Regional Industrial Facility Authority

Mega Park - Funding Other than Bond Funds

As of November 30, 2015

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property ^{1,4}	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Tobacco Commission FY10 SSED Allocation - Eng. Portion Deobligated	(244,797.00)				
Local Match for TIC FY10 SSED Allocation - Engineering Portion ⁵	76,067.61				
Additional funds allocated by RIFA Board on 1/14/2013 ⁶	11,854.39				
Land					
Klutz property		\$ 8,394,553.50	\$ 8,394,553.50	\$ -	
Canter property ²		1,200,000.00	1,200,000.00	-	
Adams property		37,308.00	37,308.00	-	
Carter property		5,843.00	5,843.00	-	
Jane Hairston property		1,384,961.08	1,384,961.08	-	
Bill Hairston property		201,148.00	201,148.00	-	
Shoffner Property		1,872,896.25	1,872,896.25	-	
Other					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis ³		990,850.00	973,629.29	17,220.71	
Consulting Services - McCallum Sweeney ⁷		115,000.00	103,796.85	-	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project ⁸		-	11,203.15	-	
Total	\$ 14,231,524.83	\$ 14,231,524.83	\$ 14,214,304.12	\$ 17,220.71	\$ (0.00)

¹ This figure does not include the interest the City lost from the uninvested funds, which was paid to the City 1/3/2012 and totaled \$144,150.41.

² Settlement fees were drawn from bonds issued for the Berry Hill project 12/1/2011.

³ This contract was originally for \$814,500, but has been amended to include a traffic impact analysis, and a cemetery survey. \$740,000 was covered by the FY09 Tobacco Allocation. \$162,928 was covered by the FY10 Tobacco Allocation. \$87,922 will be covered with RIFA Funds.

⁴ RIFA paid the City back for all advances on 1/3/2012.

⁵ The RIFA Board approved to utilize the remaining funds from the Mega Park bond funds and approximately \$65,000 of the 'Funds Available for Appropriation' towards the local match for the engineering portion of Tobacco Commission grant #1916 for the Berry Hill Mega Park.

⁶ Due to the expiration of the Tobacco Commission FY10 SSED Allocation, the RIFA Board approved on 1/14/2013 to utilize \$11,854.39 of the 'Funds Available for Appropriation' to cover the funding shortfall for the budgeted Dewberry & Davis contract.

⁷ Unencumbered the remaining \$11,203.15 due to termination of contract.

⁸ As approved by RIFA Board on 10/16/2014

Danville-Pittsylvania Regional Industrial Facility Authority
Berry Hill Mega Park - Lot 4 Site Development
As of November 30, 2015

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Tobacco Commission FY12 Megasite Allocation	\$ 6,208,153.00				
Local Match for TIC FY12 Megasite Allocation - County Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - City Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - RIFA Portion ²	181,000.00				
Transfer in from "Mega Park - Funding Other than Bond Funds" Budget ³	11,203.15				
Expenditures					
Dewberry Engineers Inc.		1,637,985.74	1,034,195.74	603,790.00	
Jones Lang LaSalle		95,000.00	95,000.00	-	
Jones Lang LaSalle - Economic Analysis		12,000.00	-	12,000.00	
VA Water Protection Permit Fee		57,840.00	57,840.00	-	
Wetlands Studies and Solutions, Inc.		141,996.00	63,909.70	78,086.30	
Transfers to "General Expenditures Fiscal Year 2015" Contingency ³					
Dewberry Engineers Inc.		(108,603.35)	(108,603.35)	-	
Jones Lang LaSalle - Market Analysis Study		(95,000.00)	(95,000.00)	-	
Jones Lang LaSalle - Economic Analysis		(12,000.00)	-	(12,000.00)	
Total	\$ 7,900,356.15	\$ 1,729,218.39	\$ 1,047,342.09	\$ 681,876.30	\$ 6,171,137.76

¹ \$300,000 of this was received from each locality in June 2014. \$450,000 received in August 2014. \$450,000 received in September 2014.

² The RIFA Board approved on 2/11/2013 to transfer the remaining funds of \$175,316.17 from the "Funds Available for Appropriation" budget sheet and funds of \$5,683.83 from the "Rent, Interest, and Other Income Realized" budget sheet to use for the RIFA local match to Tobacco Commission grant #2491 for Berry Hill Mega Park Lot 4 Site Development.

³ As approved by RIFA Board on 10/16/2014

Danville-Pittsylvania Regional Industrial Facility Authority
 Rent, Interest, and Other Income Realized
 As of November 30, 2015

Source of Funds	Funding			Expenditures FY2016	Unexpended / Unencumbered
	Carryforward from FY2015	Current Month	Receipts FY2016		
<u>Carryforward</u>	\$ 460,739.60				
<u>Current Lessees</u>					
Institute for Advanced Learning and Research (IALR) ¹					
Cyberpark					
Hawkins Research Bldg. at 230 Slayton Ave.			\$ 36,482.30	\$ 89,301.71	
Institute for Advanced Learning and Research (IALR)					
Cyberpark			-	-	
IALR Building at 150 Slayton Ave.			600.00	1,500.00	
Securitas					
Cyberpark			-	-	
Gilbert Building at 1260 South Boston Rd.			-	-	
Guilford Whitetail Management					
Berry Hill			-	-	
Klutz Farm off State Rd. 863/U.S. 311			-	-	
Mountain View Farms of Virginia, L.C.					
Berry Hill			-	-	
30 acre tract on Stateline Bridge Rd.			-	-	
Osborne Company of North Carolina, Inc.					
Berry Hill			-	-	
4380 Berry Hill Road Pastureland			-	-	
Clodfelter Hunting Lease					
Berry Hill			-	-	
371.13 acres off State Road 863			-	-	
<u>Total Rent</u>			\$ 37,082.30	\$ 90,801.71	
<u>Interest Received</u> ²			\$ 341.12	\$ 639.24	
<u>Yorktowne Repayment</u>			\$ -	\$ -	
<u>Expenditures</u>					
Hawkins Research Bldg. Property Mgmt. Fee				\$ 70,425.88	
Totals	\$ 460,739.60	\$ 37,423.42	\$ 91,440.95	\$ 70,425.88	\$ 481,754.67

Restricted ¹ \$ 376,266.89
Unrestricted \$ 105,487.78

¹ Please note that rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions

² Please note that this is only interest received on RIFA's general money market account.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Position ^{1,2}
November 30, 2015*

	Unaudited FY 2016
Assets	
<i>Current assets</i>	
Cash - checking	\$ 987,253
Cash - money market	1,143,591
<i>Total current assets</i>	2,130,844
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	258,936
Restricted cash - debt service fund CCC bonds	1,322,664
Restricted cash - debt service fund Berry Hill bonds	220
Restricted cash - debt service reserve fund Berry Hill bonds	2,000,016
Capital assets not being depreciated	25,071,362
Capital assets being depreciated, net	25,369,730
Construction in progress	4,051,228
<i>Total noncurrent assets</i>	58,074,156
Total assets	60,205,000
Liabilities	
<i>Current liabilities</i>	
Bonds payable - current portion	1,158,450
<i>Total current liabilities</i>	1,158,450
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	7,250,090
<i>Total noncurrent liabilities</i>	7,250,090
Total liabilities	8,408,540
Net Position	
Net investment in capital assets	46,342,716
Restricted - debt reserves	3,322,900
Unrestricted	2,130,844
Total net position	\$ 51,796,460

¹ Please note this balance sheet does not include the Due to/Due from between the County and the City since it nets out and only changes at fiscal year-end.

² Please note this balance sheet does not include all general accounts receivable or accounts payable at the month-end date. This is because information regarding accrued receivables/payables is not available at the time of statement preparation.

*Please note these statements are for the period ended November 30, 2015 as of December 2, 2015, the date of preparation. Due to statement preparation occurring in close proximity to month-end, these statements may not include some pending adjustments for the period.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Position
*November 30, 2015**

	Unaudited FY 2016
Operating revenues	
Virginia Tobacco Commission Grants	-
Reimbursement of incentive grants	-
Rental income	98,652
Total operating revenues	98,652
Operating expenses ⁴	
Mega Park expenses ³	70,178
Cane Creek Centre expenses ³	2,318
Cyber Park expenses ³	71,334
Professional fees	21,315
Insurance	2,207
Other operating expenses	1,255
Total operating expenses	168,607
Operating income	(69,955)
Non-operating revenues (expenses)	
Interest income	709
Interest expense	(60,928)
Total non-operating expenses, net	(60,219)
Net loss before capital contributions	(130,174)
Capital contributions	
Contribution - City of Danville	684,774
Contribution - Pittsylvania County	684,774
Total capital contributions	1,369,548
Change in net position	1,239,374
Net position at July 1, 2015	50,557,086
Net position at November 30, 2015	\$ 51,796,460

³ A portion or all of these expenses may be capitalized at fiscal year-end.

⁴ Please note that most non-cash items, such as depreciation and amortization, are not included here until year-end entries are made.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
*November 30, 2015**

	Unaudited FY 2016
Operating activities	
Receipts from grant reimbursement requests	\$ -
Receipts from reimbursement of incentive grants	-
Receipts from leases	90,800
Payments to suppliers for goods and services	(201,032)
Net cash used by operating activities	(110,232)
Capital and related financing activities	
Capital contributions	1,369,547
Interest paid on bonds	(129,364)
Principal repayments on bonds	(780,000)
Net cash provided by capital and related financing activities	460,183
Investing activities	
Interest received	709
Net cash provided by investing activities	709
Net increase in cash and cash equivalents	350,660
Cash and cash equivalents - beginning of year (including restricted cash)	5,362,020
Cash and cash equivalents - through November 30, 2015 (including restricted cash)	\$ 5,712,680
Reconciliation of operating loss before capital contributions to net cash used by operating activities:	
Operating loss	\$ (69,955)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Non-cash operating in-kind expenses	-
Changes in assets and liabilities:	
Change in prepaids	2,437
Change in due from other governments	-
Change in other receivables	-
Change in accounts payable	(34,864)
Change in unearned income	(7,850)
Net cash used by operating activities	\$ (110,232)

Components of cash and cash equivalents at November 30, 2015:	
American National - Checking	\$ 987,253
American National - General money market	1,143,591
Wells Fargo - \$7.3M Bonds CCC Debt service fund	1,322,664
Wells Fargo - \$7.3M Bonds CCC Project fund	258,936
US Bank - \$11.25M Bonds Berry Hill Debt service fund	220
US Bank - \$11.25M Bonds Berry Hill Debt service reserve fund	2,000,016
	\$ 5,712,680