

Danville-Pittsylvania Regional Industrial Facility Authority

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

AGENDA

June 12, 2017

12:00 P.M.

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

County of Pittsylvania Members

**Jessie L. Barksdale, Vice Chairman
Robert Warren
Elton W. Blackstock, Alternate**

City of Danville Members

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

Staff

**Ken Larking, City Manager, Danville
David M. Smitherman, Pittsylvania County Administrator
Clement Wheatley, Legal Counsel to Authority
Susan M. DeMasi, Authority Secretary
Michael L. Adkins, Authority Treasurer**

AGENDA

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 comments. *[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 MAY 8, 2017 MEETING

5. NEW BUSINESS

- A. Consideration of Resolution No. 2017-06-12-5A, approving site development work at the Authority's Berry Hill Industrial Park project in connection with Resolution Nos. 2017-02-24-4A and 2017-04-10-5A, whereby Danville Utilities would replace and relocate the current single phase distribution line at the lump sum cost of \$34,180.08 – Jason C. Grey, Director, Danville Utilities
- B. Consideration of Resolution No. 2017-06-12-5B, approving that certain proposal dated May 15, 2017, for professional services by Dewberry Engineers Inc., a New York corporation, related to the construction phase of the sewer infrastructure to serve the Authority's Berry Hill Industrial Park project, at (A) an aggregate lump sum of \$140,524 for consolidation of design documents, permit application work, construction administration services and startup services and (B) an estimated fee of \$108,160 (to be billed at \$65 per hour) for resident inspection – Brian Bradner, P.E., Associate Vice President, and Shawn R. Harden, P.E., Associate, Dewberry Engineers Inc.
- C. Consideration of Resolution No. 2017-06-12-5C, approving that certain proposal dated May 15, 2017, for professional services by Dewberry Engineers Inc., a New York corporation, in support of Resolution No. 2017-05-08-5D, for Pre-Closing Work under that certain First Amendment to Agreement to Purchase and Sell Real Estate dated May 8, 2017, between the Authority and Wilmot Properties, LLC, a Delaware limited liability company, at (A) an aggregate lump sum of \$394,320 for project management, wetland permitting, pad grading construction plans and construction administration services; and (B) a budgeted cost of \$195,000 (to be billed at cost plus 15%) for construction testing and inspecting services – Mr. Bradner and Mr. Harden
- D. Consideration of Resolution No. 2017-06-12-5D, approving a waiver of the Authority's land encumbrances under Section 2(c) of that certain 1260 South

Boston Road Cooperation Agreement dated August 24, 2016, with the Industrial Development Authority of Danville, Virginia (the "IDA"), a political subdivision of the Commonwealth of Virginia, in light of the letter of credit and other security provided for that certain Local Performance Agreement dated November 2, 2016, between the City of Danville, Virginia, the IDA and Kyocera SGS Tech Hub, LLC, a Virginia limited liability company – Telly D. Tucker, Director of Economic Development, City of Danville; John C. Selbach, Esq., LeClair Ryan, Counsel to the IDA; and Michael C. Guanzon, Clement Wheatley, Counsel to the Authority

- E. Financial Status Reports as of May 31, 2017 – Michael L. Adkins, CPA, Treasurer of the Authority
- F. Consideration of Resolution No. 2017-06-12-5F, approving the FY2018 Budget – Mr. Adkins and Henrietta Weaver, CPA, City of Danville, Virginia *[No written resolution.]*

6. 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.]

- A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended ("Virginia Code"), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business's interest in locating its facilities in one or more of the Authority's projects located in Pittsylvania County, Virginia, and/or Danville, Virginia;
- B. As permitted by Virginia Code § 2.2-3711(A)(40) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development); and
- C. As permitted by Virginia Code §§ 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

RETURN TO OPEN SESSION

- D. Confirmation of Motion and Vote to Reconvene in Open Meeting
- E. Motion to Certify Closed Meeting
- F. Consideration of Resolution 2017-06-12-6F pertaining to one or more items discussed in closed session *[written material to be provided to the public after return to open session]*

7. COMMUNICATIONS FROM:

Jessie L. Barksdale
Elton Blackstock
Sherman M. Saunders
Fred O. Shanks, III
J. Lee Vogler, Jr.
Robert Warren

Staff

8. ADJOURN

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 4
Meeting Date:	06/12/2017
Subject:	Meeting Minutes
From:	Susan M. DeMasi, Authority Secretary

SUMMARY

Attached for the Board's approval are the Meeting Minutes from the Monday, May 8, 2017 meeting.

ATTACHMENTS

Meeting Minutes – 05/08/2017

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

May 8, 2017

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:12 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 Jessie L. Barksdale, Robert Warren and Alternate Elton W. Blackstock.

City/County staff members attending were: City Manager Ken Larking, County Administrator David Smitherman, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Director of Finance Michael Adkins, Economic Development Project Manager Kelvin Perry, City of Danville Senior Accountant Henrietta Weaver, Clement Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi. Also present was Shawn Harden of Dewberry & Davis.

PUBLIC COMMENT PERIOD

No one desired to be heard.

City Manager Ken Larking introduced Kelvin Perry, a new member of the City's Economic Development team. Mr. Saunders welcomed Mr. Perry.

APPROVAL OF MINUTES FOR THE APRIL 10, 2017 MEETING

Upon **Motion** by Mr. Shanks and **second** by Mr. Barksdale, Minutes of the April 10, 2017 Regular Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION – RESOLUTION 2017-05-08-5A APPROVING THE AUTOMATIC RENEWAL OF THE BILLBOARD LEASE AGREEMENT WITH HARKINS OUTDOOR ADVERTISING CORPORATION IN CANE CREEK CENTRE

Mr. Barksdale **moved** adoption of *Resolution 2017-05-08-5A approving the automatic renewal of that certain Billboard Lease Agreement with Harkins Outdoor Advertising Corporation, a South Carolina corporation, for an existing billboard located on Lot 6 containing approximately 6.78 acres in that portion of the Authority's Cane Creek Centre project located in Danville, Virginia, at a lease rate of \$1,500 per year, with an early termination right by the Authority in the event the Authority actively develops Lot 6. [No Written Resolution]*

The Motion was **seconded** by Mr. Shanks.

Mr. Guanzon explained RIFA has a billboard lease in Cane Creek, which pays RIFA \$1,500 a year. It is scheduled for automatic renewal under the terms of the lease unless RIFA gives at least thirty days notice to terminate. This is to give the Board notice, if they wish to terminate the lease, if the Board does nothing, it will automatically renew.

The **Motion** was carried by the following vote:

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

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VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Shanks (4)
NAY: None (0)

5B. CONSIDERATION – RESOLUTION 2017-05-08-5B – APPROVING A ONE-YEAR RENEWAL OF THE LEASE TO THE OSBORNE COMPANY OF NORTH CAROLINA

Mr. Warren **moved** adoption of *Resolution 2017-05-08-5B, approving a one-year renewal of the Lease to the Osborne Company of North Carolina, Inc., a North Carolina corporation, of approximately 100 acres of pastureland in the Authority's Berry Hill Project (a portion of GPINs 1366-78-4718 and 1367-70-4519), commonly known as 4380 Berry Hill Road, in Pittsylvania County, Virginia; the Lease Term shall be subject to a right of Landlord to show the demised premises upon 24-hours notice and the obligation of Tenant to keep the identity of any prospective business recruits confidential until a public announcement is made, if ever, or as otherwise required by law; the Authority shall have the right to early terminate the Lease with at least thirty (30) days notice; and the Lease shall be for the use of harvesting grass hay and incidental uses acceptable to the Authority, at a total rental fee of \$1,000.*

The Motion was **seconded** by Mr. Barksdale.

Mr. Guanzon explained this Resolution is to renew the Osborne Company sod lease; it is not in the area currently being cleared by Haymes Brothers and it is a total fee of \$1,000 per year. If RIFA does have a potential recruit, RIFA can show the property, Osborne has to keep the identity confidential and RIFA has the ability to terminate upon thirty days' notice. Mr. Warren noted he took the opportunity last week to tour Berry Hill in its entirety and thinks it is important for the public to understand that some of the leases the Board approves are value added because they are keeping the land cleared making it is easier to see.

The **Motion** was carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Shanks (4)
NAY: None (0)

5C. CONSIDERATION – RESOLUTION 2017-05-08-5C – APPROVING THE FORM OF DEED CONVEYING LOT 12A IN THE CYBER PARK TO THE INDUSTRIAL DEVELOPMENT AUTHORITY

Mr. Barksdale **moved** adoption of *Resolution 2017-05-08-5C approving the form of the Deed conveying Lot 12A, containing 10.000 acres, in the Authority's Cyber Park project, located in Danville, Virginia, to the Industrial Development Authority of Danville, Virginia, a political subdivision of the Commonwealth in Virginia, in support of Resolution No. 2016-09-12-6F.*

The **Motion** was seconded by Mr. Shanks.

Mr. Guanzon explained this was a follow up item, to approve the form of the deed showing the new Lot 12A containing ten acres in the Cyberpark; that is what is going to be transferred to the Industrial Development Authority.

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The **Motion** was carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Shanks (4)
NAY: None (0)

5D. CONSIDERATION – RESOLUTION 2017-05-08-5D – APPROVING THAT FIRST AMENDMENT TO AGREEMENT TO PURCHASE AND SELL REAL ESTATE WITH WILMOT PROPERTIES, LLC.

Mr. Guanzon explained this item is a First Amendment to the contract approved with Wilmot Properties and Wilmot went ahead and fixed what the purchase price was going to be. Prior to this Amendment, they were going to have to calculate buildable acreage versus the non-buildable acreage. Now that the acreage is calculated, they went ahead with a hard price of \$2.25M; that was the first change for consideration. Mr. Guanzon reminded the Board there is a due diligence period where the buyer can investigate the property, run tests and business plans and then prior to the end of that, they can terminate and walk away from the transaction. Under the current contract, RIFA is required to do certain site work up to \$6.5M, but that would happen only after closing when they are completely committed to come here. Because of the timing, Wilmot has requested to start some of the site development work now, before closing, at their expense. If they do close, the amount they have spent out of pocket would be credited against the purchase price; if the purchase price is less than the \$6.5M, which is might be, RIFA would reimburse the buyer for that amount. If the transaction does not close, RIFA gets free improvements to the property and does not have to reimburse. There are a few caveats, they can't make changes to the property that would only limit it to a certain use. RIFA would still be in control of what happens; if the buyers are paying for it, they will work with RIFA to determine what needs to be done.

Mr. Shanks questioned the acreage calculations, were they done by RIFA engineers or theirs and Mr. Harden explained Dewberry did the initial planning for them. Mr. Shanks noted they have not done the engineering to come up with this new acreage and Mr. Harden noted no, they are in the process of negotiating a contract for that. Mr. Shanks asked if he was comfortable with that and Mr. Harden noted as RIFA's engineer, yes. The original pad layout was 65 acres, at \$30,000 that is \$4.9M; at \$2.25M, they have accounted for over 70 acres. Mr. Shanks questioned if that was 70 acres out of the 400 and Mr. Harden noted it was. A lot has to do with the way it was laid out, it is off to the side, very steep and unusable for RIFA so it was included to help offset the Stormwater costs. Mr. Shanks asked if this included the Cantor Farm, Mr. Harden noted it did and explained it is wedged between two stream channels which is a limiting factor with the amount of environmental impacts.

Mr. Barksdale **moved** adoption of Resolution 2017-05-08-5D *approving that certain First Amendment to Agreement to Purchase and Sell Real Estate with Wilmot Properties, LLC, a Delaware limited liability company, dated June 13, 2016, to clarify "Buildable Acreage" definition to include small corridors required for access/delivery for certain utilities and to provide for Seller's work, at the expense of Buyer, in advance of closing.*

The Motion was **seconded** by Mr. Shanks and carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Shanks (4)
NAY: None (0)

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5C. FINANCIAL REPORT AS OF APRIL 30, 2017

Authority Treasurer Michael Adkins noted the \$7.3M Bonds for Cane Creek Centre show no activity for the month of April. General Expenditures show RIFA expended \$2,800 to various vendors for the Berry Hill Groundbreaking; the majority was for the rental of the tent. RIFA paid \$200 to the City of Danville for a variance relating to Kyocera, \$20 to Linwood Wright who paid for a plat, \$3,273 to LeClair Ryan for legal services related to the Wilmot Project, \$271 for meals and \$31 for Utilities. Mega Park Funding Other than Bonds shows no activity for April. Berry Hill Mega Park Lot 4 shows \$12,750 paid to Dewberry and \$270,581 to Haymes Brothers for the work completed through the end of March. Rent, Interest and Other Income for the month of April shows RIFA received \$830 of Interest Income for the Month and paid \$21,400 to the Institute for the Hawkins' Building Maintenance Agreement. The offsetting rent was received after the end of April, so it did not show in this month's report. Mr. Adkins noted the balance sheet on page 43 shows at the end of April, RIFA had about \$350,000 in the regular checking and a little over \$1.1M in the Money Market. Mr. Adkins explained he requested the transfer of about \$365,000 between the Money Market account and the regular checking; that was to take care of the timing as RIFA gets involved in paying Haymes Brothers' monthly invoices. Haymes Brothers' expenses are reimbursed by RIFA's grant, but RIFA has to file for the grant funding reimbursement.

Mr. Barksdale **moved** to accept the Financial Report. The Motion was **seconded** by Mr. Shanks and carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Shanks (4)
NAY: None (0)

6. 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. Barksdale **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purpose:

A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended ("Virginia Code"), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business's interest in locating its facilities in one or more of the Authority's projects located in Pittsylvania County, Virginia, and/or Danville, Virginia;

The Motion was **seconded** by Mr. Shanks.

Mr. Shanks **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purpose:

B. As permitted by Virginia Code § 2.2-3711(A)(40) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation those certain confidential proprietary records voluntarily provided by private business pursuant to a

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

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promise of confidentiality from the Authority, and used by the Authority for business and trade development);

The Motion was **seconded** by Mr. Barksdale.

Mr. Barksdale **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purpose:

C. As permitted by Virginia Code §§ 2.2-3711(A)(3) for discussion or consideration of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

The Motion was **seconded** by Mr. Warren.

All **Motions** were carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Shanks (4)
NAY: None (0)

Mr. Shanks left the meeting at 12:48 p.m.

D. On **Motion** by Mr. Barksdale and **second** by Mr. Warren and by unanimous vote at 12:58 p.m., the Authority returned to open meeting.

E. Mr. Barksdale **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 identified in the Motion convening the Closed Meeting were heard, discussed, or considered by the Authority.

The Motion was **seconded** by Mr. Warren and carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Vogler (4)
NAY: None (0)

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7. COMMUNICATIONS

Mr. Barksdale noted he was glad to be at the meeting, thanked Mr. Guanzon for the work he does and Mr. Saunders for his speech at the groundbreaking.

Mr. Blackstock thanked Mr. Guanzon and his firm for representing RIFA, they do an excellent job.

Mr. Vogler agreed with what was said and noted staff does a lot of work in the weeks and months leading up to the meetings, when it comes to the Board, it is all ready to go, and thanked the staff for the time and effort they are putting forward. Mr. Vogler noted RIFA is a model for the state of Virginia, with the relationship between the City and the County and is honored to serve.

Mr. Warren noted his agreement with what was said and Mr. Vogler articulated it well. It was good to be at the meeting today and see that Mr. Tucker and Mr. Rowe were not here but were out meeting prospects. It is the momentum the region has now, RIFA is a part of that with the City and County working together, and it is a pleasure serving on RIFA.

Mr. Smitherman noted he had the opportunity to go to Berry Hill for the first time, and was fascinated by the significance of that parcel. He also saw a few things that RIFA ought to consider and one is controlling access; there were several access points that are ungated right now. Mr. Smitherman noted at a minimum, the Board should put cables up at every access point. Mr. Smitherman noted he was able to get keys because County staff has them and did not know if City staff had keys. There was one access point that Danville has the key but the County does not. RIFA may want to think about getting everything securely locked down and making sure both parties have the same sets of keys. Mr. Harden noted about two years ago that process was done, but people just cut the locks and the cables to get access; it has to be done periodically. Mr. Smitherman noted there was one access point that probably had fifteen tires dumped on it and stated he would be glad to send County workers down to pick that up, but RIFA needs to control it.

Mr. Warren noted there was one access point that was unlocked, the one that runs along the railroad track, the gate is there but it had no lock on it.

Mr. Guanzon noted the pre-RIFA meeting was Monday and he will bring it up and let staff coordinate amongst themselves to take care of this.

Mr. Saunders thanked the board for all they are doing for the region; it is a real partnership and one that he enjoys and respects. The groundbreaking at Kyocera was a very good event.

The Meeting adjourned at 1:06 p.m.

Chairman

Secretary to the Authority

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5A
Meeting Date:	June 12, 2017
Subject:	Approval of Site Development Work
From:	Jason C. Grey, Director, Danville Utilities

SUMMARY

The Board is being asked to consider approving site development work at the Berry Hill Industrial Park whereby Danville Utilities would replace and relocate the current single phase distribution line.

ATTACHMENTS

Resolution No. 2017-06-12-5A

2017-06-12-5A - City Utilities ROW realignment \$34,180.08 - Berry Hill.V2

Resolution No. 2017-06-12-5A

A RESOLUTION APPROVING SITE DEVELOPMENT WORK AT THE AUTHORITY'S BERRY HILL INDUSTRIAL PARK PROJECT IN CONNECTION WITH RESOLUTION NOS. 2017-02-24-4A AND 2017-04-10-5A, WHEREBY DANVILLE UTILITIES WOULD REPLACE AND RELOCATE THE CURRENT SINGLE PHASE DISTRIBUTION LINE AT THE LUMP SUM COST OF \$34,180.08

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 approved certain site development work to the Authority's Berry Hill Industrial Park project ("**Berry Hill**") located in Pittsylvania County, Virginia, under Resolution Nos. 2017-02-24-4A and 2017-04-10-5A, by Haymes Brothers, Inc., a Virginia corporation; and

WHEREAS, Danville Utilities has a single phase distribution line that runs parallel to Oak Hill Road that needs to be moved out of the Phase 1 grading area; and

WHEREAS, the existing alignment is cross country and not visible from the road; and

WHEREAS, Danville Utilities previously requested and the Authority had approved that the new alignment should be made visible from the road to allow for inspection from the road to troubleshoot during outages and that Danville Utilities should survey the route and design the line; and

WHEREAS, in connection with that new alignment, Danville Utilities proposes to replace and relocate the current single phase distribution line at the lump sum cost of \$34,180.08 (the "**Work Order Amount**"), as more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference (the "**1-Phase Overhead Primary Work Order**"); and

WHEREAS, the Authority has determined that the 1-Phase Overhead Primary Work Order is in support of Resolution Nos. 2017-02-24-4A and 2017-04-10-5A, and is reasonable, necessary and proper for the further development of Berry Hill; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County, Virginia, and the City of Danville, Virginia, for the Authority to approve the 1-Phase Overhead Primary Work Order.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority does hereby approve the 1-Phase Overhead Primary Work Order, and hereby authorizes the Chairman or the Vice Chairman of the Authority, either

Resolution No. 2017-06-12-5A

of whom may act independently of the other, to execute and deliver the 1-Phase Overhead Primary Work Order and any such other documents in connection with the acceptance of the 1-Phase Overhead Primary Work Order, with such amendments, deletions or additions thereto, so long as the price for the 1-Phase Overhead Primary Work Order does not exceed five percent (5%) of the Work Order Amount, as may be approved by the Chairman or the Vice Chairman, such execution by the Chairman or the Vice Chairman to conclusively establish his approval of the 1-Phase Overhead Primary Work Order or such other related documents and 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 1-Phase Overhead Primary Work Order 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 1-Phase Overhead Primary Work Order 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 June 12, 2017, 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 12th day of June 2017.

(SEAL)

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

Resolution No. 2017-06-12-5A

Exhibit A
(1-Phase Overhead Primary Work Order)

EXHIBIT A
(1-Phase Overhead Primary Work Order)

Berry Hill Mega Park

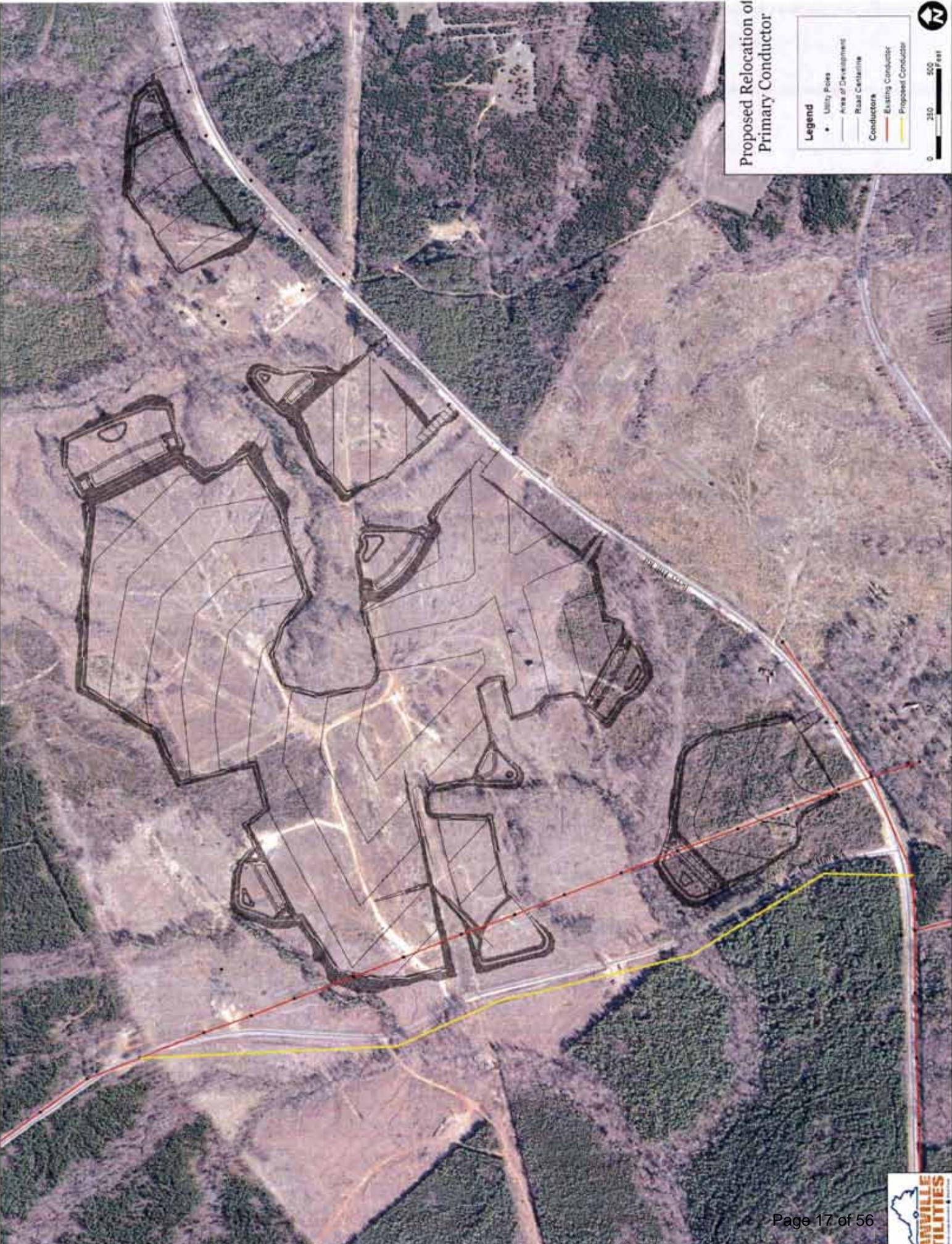
1-Phase Overhead Primary						
Qty	Stock #	Description	Cost	Total		
15	45453	40'5 Poles	@ \$164.52	\$2,467.80		
9800	ft 40210	#1/0 Acsr Conductor	@ \$0.24	\$2,352.00		
8	43706	6" Suspension Insulator	@ \$14.30	\$114.40		
15	43700	Insulator, Spool	@ \$0.83	\$12.45		
15	42700	Rigid Clevis Bracket (158)	@ \$4.38	\$65.70		
8	42540	Deadend Clamp (#1/0 Acsr Primary)	@ \$7.59	\$60.72		
8	42540	Deadend Clamp (#1/0 Acsr Neutral)	@ \$3.09	\$24.72		
60	42310	10" x 1/2" thru Bolt	@ \$1.24	\$74.40		
60	42116	18"x 5/8" D.A. Bolts	@ \$1.36	\$81.60		
60	4123015	10"x 5/8" Oval Eye Bolts	@ \$1.62	\$97.20		
60	42600	Oval Eye Nut	@ \$1.26	\$75.60		
100	42405	2-1/4" Square Curved Washers	@ \$0.53	\$53.00		
100	42400	2-1/4" Square Flat Washers	@ \$0.28	\$28.00		
100	42402	Lockwashers, Double Coil 5/8"	@ \$0.16	\$16.00		
100	42401	Lockwashers, Double Coil 1/2"	@ \$0.16	\$16.00		
100	42403	Lockwashers, Double Coil 3/4"	@ \$0.67	\$67.00		
1500	ft 40514	#4 Copper Ground Wire	@ \$0.67	\$1,005.00		
15	42005	Ground Rod	@ \$8.73	\$130.95		
Guying Materials						
12	42450	Guy Attachment, 2-hole	@ \$5.31	\$63.72		
20	42405	2-1/4" Square Curved Washers	@ \$0.53	\$10.60		
20	42110	10"x 5/8" Thru Bolts	@ \$0.84	\$16.80		
800	ft. 40938	3/8" Guy wire	@ \$0.42	\$336.00		
32	42938	3/8" Strand Vise	@ \$2.30	\$73.60		
8	42010	10" Anchor	@ \$17.20	\$137.60		
8	42040	5/8 x 7 Anchor Rod	@ \$10.01	\$80.08		
				Material Cost =	\$7,460.94	
				Handling Charge =	\$1,119.14	
				Total =	\$8,580.08	
Labor						
80	hrs	Contractor Line Crew & Equipment	@ \$320.00	\$25,600.00		
				Total Construction Cost =	\$34,180.08	

Proposed Relocation of Primary Conductor

Legend

- Utility Poles
- Area of Development
- Road Centerline
- Conductors
- Existing Conductor
- Proposed Conductor

0 250 500 Feet



Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5B
Meeting Date:	June 12, 2017
Subject:	Proposal for Construction of Sewer Infrastructure
From:	Brian Bradner & Shawn Harden, Dewberry Engineers, Inc.

SUMMARY

The Board is being asked to consider a proposal from Dewberry Engineers related to the construction phase of the sewer infrastructure to serve the Authority's Berry Hill Industrial Park Project.

ATTACHMENTS

Resolution No. 2017-06-12-5B

Letter from Dewberry Engineers, Inc.

A RESOLUTION APPROVING THAT CERTAIN PROPOSAL DATED MAY 15, 2017, FOR PROFESSIONAL SERVICES BY DEWBERRY ENGINEERS INC., A NEW YORK CORPORATION, RELATED TO THE CONSTRUCTION PHASE OF THE SEWER INFRASTRUCTURE TO SERVE THE AUTHORITY’S BERRY HILL INDUSTRIAL PARK PROJECT, AT (A) AN AGGREGATE LUMP SUM OF \$140,524 FOR CONSOLIDATION OF DESIGN DOCUMENTS, PERMIT APPLICATION WORK, CONSTRUCTION ADMINISTRATION SERVICES AND STARTUP SERVICES AND (B) AN ESTIMATED FEE OF \$108,160 (TO BE BILLED AT \$65 PER HOUR) FOR RESIDENT INSPECTION

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 finds that as part of the development of the Authority's Berry Hill Industrial Park project (the "**Berry Hill Project**") located in Pittsylvania County, Virginia, certain engineering services related to the construction phase of the sewer infrastructure for this project are required; and

WHEREAS, these engineering services are more particularly described in that certain “Proposal for Professional Services: Berry Hill Industrial Park Sewer – Additional Services for Construction Phase Services”, dated May 15, 2017, from Dewberry Engineers Inc., a New York corporation (the “**Proposal**”), a copy of which is attached as **Exhibit A**, incorporated herein by this reference; and

WHEREAS, under the Proposal, the fees for these engineering services (at an aggregate cost of \$248,684) are itemized as follows: (i) consolidation of design documents for \$13,200 on a lump sum basis; (ii) permit applications (Norfolk Southern Railway and Virginia Department of Environmental Quality) for \$8,000 on a lump sum basis; (iii) construction administration services for \$103,424 on a lump sum basis; (iv) resident inspection for \$108,160 (estimated at an hourly rate of \$65); and startup services for \$15,900 on a lump sum basis; and

WHEREAS, the fiscal agent of the Authority has determined that the funding for the work under the Proposal is available within a line item previously approved by the Authority for contractual services and monetary grants to the Authority for this purpose; and

WHEREAS, the Board of Directors of the Authority has hereby determined, in open session, that the Proposal is reasonable and necessary; that the Proposal, in furtherance of the development of the Berry Hill Project, serves the purpose of the Authority to enhance the economic base of the City of Danville (the “**City**”) and Pittsylvania County (the “**County**”) by developing, owning, and operating the Berry Hill Project on a cooperative basis involving the City and the County; and that it is in the best interests of the Authority and the citizens of the City and the County for the Authority to authorize, approve, execute and adopt in all respects the Proposal.

NOW, THEREFORE, BE IT RESOLVED BY THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, THAT:

1. The Authority hereby authorizes and directs its Chairman and/or Vice Chairman, either of whom may act independently of the other, to execute and deliver, and otherwise pursue, the Proposal, together with such further amendments, deletions or additions to the Proposal, so long as the costs under the Proposal does not exceed five percent (5%) of the amounts set forth in the Proposal, as may be approved by the Chairman or the Vice Chairman, such execution by the Chairman or the Vice Chairman to conclusively establish his approval of the Proposal or such other related documents and any amendments, deletions or additions thereto.

2. The Authority hereby authorizes its Chairman and Vice Chairman, either of whom may act independently of the other, to execute and deliver such other documents in connection with the Proposal, as may be approved by its Chairman or Vice Chairman (as the case may be), such execution by its Chairman or Vice Chairman (as the case may be) to conclusively establish his approval of such other documents.

3. 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 Proposal or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of this Resolution.

4. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Proposal and the matters contemplated in this Resolution.

5. 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 June 12, 2017, 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 as of the 12th day of June 2017.

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

(SEAL)

Exhibit A

[Dewberry Engineers Inc. – 05/15/2017 Proposal Re Sewer Infrastructure]

May 15, 2017

Mr. Sherman Saunders
Chairman
Danville-Pittsylvania Regional Industrial Facility Authority (RIFA)
P.O. Box 3300
Danville, Virginia 24543

Re: Proposal for Professional Services: Berry Hill Industrial Park Sewer -
Additional Services for Construction Phase Services

Dear Mr. Saunders:

We are pleased to present herein our proposal for engineering services related to the construction phase of the sewer infrastructure to serve the Berry Hill Industrial Park.

UNDERSTANDING OF THE PROJECT

The Tobacco Commission Indemnification Fund (TCIF) grants needed to install the Phase 1 sewer infrastructure and the electrical service for the sewer pump stations are set to expire. The grants are set to expire as follows:

- Sewer: \$5,453,600 (TICR Grant #2641 with local match) for the sewer forcemain from the state line to Berry Hill Industrial Park, Trotters Creek pump station, and Trotters Creek gravity sewer. May 23, 2019.
- Electrical Service to Pump Station: \$1,250,000 (TICR Grant #2264) January 11, 2019.

RIFA wishes to proceed with preparing the sewer project for bidding and construction. The completed design plans will need to be repackaged and consolidated to one (1) complete bid package inclusive of all work outlined in the TCIF grants noted above. Applications for required environmental and construction permits will be applied for as a part of the services provided under this proposal.

Construction phase services will require 15 months of Construction Administration Services (CONA) and Inspection Services. The 15 months of CONA and inspection includes construction related to construction of the sanitary sewer forcemain from the Trotters Creek pump station and along Berry Hill Road to the VA/NC state line, Trotters Creek sewer pump station and related electrical service, and gravity sewer along Trotters Creek to serve the Phase 1 graded lot.

SCOPE OF SERVICES

The following Scope of Services are proposed under this Contract Amendment.

1. Consolidation of Design Documents

- 1.1. Contract Drawings; Due to the work being performed under this construction project, work reflected in three separate construction documents will be consolidated into a single more concise and appropriate document set.

- 1.2. Specifications: as with the drawings, a single specification set will be prepared that includes all elements out of the three (3) document sets that are necessary to bid specific work under this project.
2. Permit Applications
 - 2.1. **Dewberry proposes to prepare an “Application for Pipe or Wire Occupancy” with necessary attachments and submit for a permit.** Permit fee (estimated to be \$30,000) will be paid by RIFA directly to Norfolk Southern Railway (NS).
 - 2.2. DEQ General VPDES Permit under the Virginia Stormwater Management Program will be required. Fee for this permit (paid directly by RIFA) is based on total acreage of disturbance.
 - 2.3. A Pre-Construction Notification through the Joint Permit Application for a general Nationwide permit through the US Army Corps. of Engineers will be required for all wetland and stream impacts.
 - 2.4. Dewberry will submit the plans to VDOT for review and respond to comments prior to bidding the project. The contractor will be required to obtain the Land Use Permit for all construction activity in the VDOT right-of-way prior to construction.
 - 2.5. Dewberry will submit the plans to Pittsylvania County for review of the Erosion and Sediment Control Plan and issue a permit for land disturbing activities.
 - 2.6. A Certificate to Construct (CTC) and a Certificate to Operate (CTO) through DEQ will be obtained for the sewer system in Virginia.
3. Construction Administration Services (CONA)
 - 3.1. General – Construction for this work is expected to take 15 months to complete.
 - 3.2. Dewberry proposes to provide related CONA services including the following
 - 3.2.1. Prepare Advertisement (County to make payment to newspaper)
 - 3.2.2. Distribution of Bid Documents (paper and electronic PDF)
 - 3.2.3. Pre-Bid Meeting
 - 3.2.4. Contractor Clarifications
 - 3.2.5. Issue Addendums
 - 3.2.6. Assist in Bid Opening
 - 3.2.7. Issue Notice of Award
 - 3.2.8. Prepare Agreement
 - 3.2.9. Attend Pre-Construction Meeting
 - 3.2.10. Issue Notice to Proceed
 - 3.2.11. Monthly Progress Meetings (15 total)
 - 3.2.12. Review Shop Drawings
 - 3.2.13. Review Monthly Pay Requests
 - 3.2.14. Issue Change Orders
 - 3.2.15. Prepare Record Documents
 - 3.2.16. Issue Final Completion Certification
4. Resident Inspection
 - 4.1. Resident Inspection: It is assumed the Contractor awarded this work will need 30 days to mobilize and have construction materials shipped to the site so that work can begin. Further it is assumed that the last 30 days of construction will comprise of work that will not require regular inspection. Therefore, for the purposes of this contract amendment, inspection will comprise of 13 months of inspection during which an average of 32 hours/week will be required. This

inspection will be provided on an hourly basis at a rate of \$65/hr and will include field observations, inspection report preparation, verification of compliance with construction documents, witness selected testing, and issuance of field directives.

Note: The City of Danville and/or Pittsylvania County can provide resident inspection for the project and not authorize this task.

5. Startup Services

- 5.1. General: Develop a startup work plan, conduct four (4) site visits during preparation for and during startup and commissioning of Trotters Creek Pump Station inclusive of generator, pumps, controls, telemetry and sewer metering station.
- 5.2. Coordinate the development of a startup and testing work plan with each major equipment supplier.
- 5.3. Review and approve final startup work plan.
- 5.4. Conduct a pre-startup meeting to review work plan with General Contractor, vendors and PCSA. The meeting shall include participation from both Dewberry civil process and electrical design staff.
- 5.5. Perform pre-startup inspection to verify all equipment has been properly set up and initial system checkouts completed.
- 5.6. Attend up to two (2) onsite startup visits to witness startup, check conformance with the startup work plan and to document results.
- 5.7. Obtain and review individual startup reports issued by vendors and prepare a consolidated post-startup report for permanent record. This information will also be formatted for incorporation into the pump station O&M manual.

CLARIFICATIONS

- Consolidation of construction documents and construction phase services offered herein are based on award of a single construction contract, and for a construction period lasting 15 months.
- All permit fees will be paid directly by RIFA to the agency with jurisdiction over the permitted activity. The fee included in this proposal is for Dewberry to prepare and submit the applications, as well as coordinate with the agencies and edit plans and specifications as required.
- The railroad pipe occupancy permit fee is estimated to be up to \$30,000, and will be paid by RIFA directly to Norfolk Southern Railway.

FEES

Dewberry proposes to perform the above Scope of Services in accordance with the follow fee schedule:

Paragraph	Description	Fee	Basis of Fee
1.	Consolidation of Design Documents	\$13,200	Lump Sum
2.	Permit Applications (NS and DEQ)	\$8,000	Lump Sum
3.	Construction Administration Services (CONA)	\$103,424	Lump Sum
4.	Resident Inspection (hourly \$65/hour)	\$108,160	Hourly (\$65/hour)
5.	Startup Services	\$15,900	Lump Sum
	TOTAL FEE	\$248,684	

Mr. Sherman Saunders
May 15, 2017

Except as amended in this proposal, all other terms, provisions, and conditions of our current Agreement for Professional Services to develop the Berry Hill property, dated February 9, 2009 shall remain in full force and effect, and the parties ratify and confirm that the Agreement for Professional Services to develop the Berry Hill property, dated February 9, 2009, as amended by this proposal, is and remains in full force and effect.

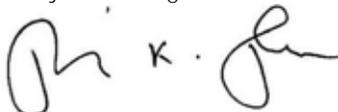
We appreciate the opportunity to submit this Amendment and look forward to continuing to work with you on this important project. The return of an executed copy of this proposal will serve as our authorization to proceed.

Please do not hesitate to call if you have any questions.

Sincerely,



R. Scott Ehrhardt, P.E.
Senior Associate
Project Manager



Brian Bradner, P.E., CPESC
Associate Vice President
Branch Manager

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The foregoing proposal of Dewberry Engineers Inc. is accepted:

Print (Type) Individual, Firm, or Corporate Name

Signature of Authorized Representative Date

Print (Type) Name of Authorized Representative and Title

This proposal includes information that shall not be disclosed outside of the CLIENT and shall not be duplicated, used, or disclosed, in whole or in part, for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of, or in connection with, the submission of this information, CLIENT shall have the right to duplicate, use, or disclose the information to the extent provided in the resulting contract. This restriction does not limit CLIENT's right to use information contained in this information if it is obtained from another source without restriction.

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5C
Meeting Date:	June 12, 2017
Subject:	Proposal for Pre-Closing Work to Purchase and Sell Real Estate
From:	Brian Bradner & Shawn Harden, Dewberry Engineers, Inc.

SUMMARY

The Board is being asked to consider a proposal from Dewberry Engineers related to the purchase and sell of real estate dated May 8, 2017 between the Authority and Wilmot Properties, LLC.

ATTACHMENTS

Resolution No. 2017-06-12-5C

Letter from Dewberry Engineers, Inc.

A RESOLUTION APPROVING THAT CERTAIN PROPOSAL DATED MAY 15, 2017, FOR PROFESSIONAL SERVICES BY DEWBERRY ENGINEERS INC., A NEW YORK CORPORATION, IN SUPPORT OF RESOLUTION NO. 2017-05-08-5D, FOR PRE-CLOSING WORK UNDER THAT CERTAIN FIRST AMENDMENT TO AGREEMENT TO PURCHASE AND SELL REAL ESTATE DATED MAY 8, 2017, BETWEEN THE AUTHORITY AND WILMOT PROPERTIES, LLC, A DELAWARE LIMITED LIABILITY COMPANY, AT (A) AN AGGREGATE LUMP SUM OF \$394,320 FOR PROJECT MANAGEMENT, WETLAND PERMITTING, PAD GRADING CONSTRUCTION PLANS AND CONSTRUCTION ADMINISTRATION SERVICES; AND (B) A BUDGETED COST OF \$195,000 (TO BE BILLED AT COST PLUS 15%) FOR CONSTRUCTION TESTING AND INSPECTING SERVICES

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 passed Resolution No. 2017-05-08-5D, for Pre-Closing Work (as therein defined) to a new Lot 3B in the Authority’s Berry Hill Industrial Park project (the “**Berry Hill Project**”), located in Pittsylvania County, Virginia, under that certain First Amendment to Agreement to Purchase and Sell Real Estate dated May 8, 2017, between the Authority and Wilmot Properties, LLC, a Delaware limited liability company (the “**First Amendment**”); and in support thereof, the Authority finds that certain engineering services related to such Pre-Closing Work are required; and

WHEREAS, these engineering services are more particularly described in that certain “Professional Engineering and Environmental Services for: Southern Power Danville Generating Facility (Project) Berry Hill Industrial Park (Site) Pittsylvania County, Virginia”, dated May 15, 2017, from Dewberry Engineers Inc., a New York corporation (the “**Proposal**”), a copy of which is attached as **Exhibit A**, incorporated herein by this reference; and

WHEREAS, under the Proposal, the fees for these engineering services (at an aggregate cost of \$589,320) are itemized as follows: (i) project management for \$22,320 on a lump sum basis; (ii) wetland permitting for \$41,500 on a lump sum basis; (iii) pad grading construction plans for \$235,500 on a lump sum basis; (iv) construction administration services for \$95,000; and (v) construction testing and inspecting services for \$195,000 on a basis of cost plus 15 percent; and

WHEREAS, the fiscal agent of the Authority has determined that the funding for the work under the Proposal is available within a line item previously approved by the Authority for contractual services and monetary grants to the Authority for this purpose; and that under the terms of the First Amendment and the Proposal, Wilmot Properties, LLC, would be solely responsible for the costs of the Pre-Closing Work thereunder; and

WHEREAS, Wilmot Properties, LLC has evidenced its written consent to the Proposal; and

Resolution No. 2017-06-12-5C

WHEREAS, the Board of Directors of the Authority has hereby determined, in open session, that the Proposal is reasonable and necessary; that the Proposal, in furtherance of the development of the Berry Hill Project, serves the purpose of the Authority to enhance the economic base of the City of Danville (the “**City**”) and Pittsylvania County (the “**County**”) by developing, owning, and operating the Berry Hill Project on a cooperative basis involving the City and the County; and that it is in the best interests of the Authority and the citizens of the City and the County for the Authority to authorize, approve, execute and adopt in all respects the Proposal.

NOW, THEREFORE, BE IT RESOLVED BY THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, THAT:

1. The Authority hereby authorizes and directs its Chairman and/or Vice Chairman, either of whom may act independently of the other, to execute and deliver, and otherwise pursue, the Proposal, together with such further amendments, deletions or additions to the Proposal, so long as the costs under the Proposal does not exceed five percent (5%) of the amounts set forth in the Proposal, as may be approved by the Chairman or the Vice Chairman, such execution by the Chairman or the Vice Chairman to conclusively establish his approval of the Proposal or such other related documents and any amendments, deletions or additions thereto.

2. The Authority hereby authorizes its Chairman and Vice Chairman, either of whom may act independently of the other, to execute and deliver such other documents in connection with the Proposal, as may be approved by its Chairman or Vice Chairman (as the case may be), such execution by its Chairman or Vice Chairman (as the case may be) to conclusively establish his approval of such other documents.

3. 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 Proposal or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of this Resolution.

4. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Proposal and the matters contemplated in this Resolution.

5. 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 June 12, 2017, 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 as of the 12th day of June 2017.

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

(SEAL)

Exhibit A

[Dewberry Engineers Inc. – 05/15/2017 Proposal Re Pre-Closing Site Development Work]

May 18, 2017

Mr. Sherman Saunders
Chairman
Danville-Pittsylvania Regional Industrial Facility Authority (RIFA)
P.O. Box 3300
Danville, Virginia 24543

RE: Professional Engineering and Environmental Services for:
Southern Power Danville Generating Facility (Project)
Berry Hill Industrial Park (Site)
Pittsylvania County, Virginia

Dear Mr. Saunders:

Dewberry Engineers Inc. (Dewberry) has been providing services to the Danville Pittsylvania County Regional Industrial Facility Authority (RIFA) for the planning and development of the Berry Hill Industrial Park (Park) from its inception. Over the past year, Dewberry has been assisting Southern Power with preplanning for the construction of a new natural gas-fired power plant proposed to be located in the Park. Southern Power desires to prepare construction documents and secure permit approvals for a ± 65 acre graded pad and waterline improvements necessary to support the project.

UNDERSTANDING OF THE PROJECT

The ±3500 acre Park is located in Pittsylvania County on Berry Hill Road just west of the City of Danville, VA. Dewberry has prepared master planning for development of the Park and performed surveying, geotechnical and environmental investigations across the entire Park.

In June, 2016, Wilmot Properties, LLC (Wilmot) signed a purchase and sale agreement option with RIFA for 400 acres in an area of the Park previously designated as Lot 3B. An air permit application has been submitted by Southern Power to the Virginia Department of Environmental Quality (DEQ) for review and approval. For the past several months, Dewberry has been assisting RIFA and Southern Power with due diligence efforts. These efforts have included the preparation of preliminary layouts, coordination with regulatory officials, and the evaluation of utility infrastructure needs to support the project.

Pad Construction

From the due diligence efforts, Southern Power determined that a ± 65 acre pad is necessary to support the construction and operation of the proposed power plant as shown on the attached preliminary layout dated February 6, 2017, and included as Attachment A to this proposal. Construction of this pad and proposed utilities to support the power plant are expected to impact Waters of the US (WOUS), previously delineated by Dewberry, which will require approvals from the DEQ and the US Army Corps of Engineers (Corps). RIFA's obligations under the Purchase Agreement, as amended, for "**Pre-Closing Work**" include responsibility for the design, permitting and construction of this ± 65 acre pad although Wilmot is responsible for the schedule and costs. Should closing occur, the expenses and costs paid by Wilmot for Pre-Closing Work will be credited (max of \$6.5 million) against the Purchase Price at Closing.

The cost of the following scope of services was included in project budget used to determine pad grading cost in the purchase agreement.

SCOPE OF SERVICES

Dewberry proposes to provide the following Scope of Services with associated fees:

Item 1 – Project Management

Dewberry will provide project management services for the project which include coordination of the many different services being provided. Services included in this task item are: project team meetings, public/project team presentations, QA/QC review of construction plans and project coordination. Also Dewberry will facilitate project updates with Wilmot, Southern Power and RIFA staff. The duration of this task is estimated to be 18 months with an average of 2 hours per week.

Item 2 – Wetland Permitting

Dewberry will prepare up to four (4) Nationwide Permit 12 Utility Line Activities Permit applications for impacts associated with the pad construction, access road and utility corridors for water, sewer, and gas to support the power plant. Locations of the utility corridors will be provided by Wilmot and Southern Power. Dewberry will attend and coordinate up to three (3) meetings with the regulatory bodies to discuss permitting strategies prior to preparing the permit applications. Once the strategies have been determined, the applications will include general information about the applicant; the amounts and types of waters including wetlands proposed to be impacted; an alternatives analysis detailing the avoidance and minimization efforts made; permit support documentation detailing the need for the project; and site specific information regarding the impacted areas. The permit application packets will include graphics detailing the proposed project and necessary impacts. Dewberry will summarize the results of the impact analysis in both narrative and tabular formats and submit the application package to the appropriate regulatory agencies. Dewberry assumes that all required mitigation, if needed, will be completed by purchasing wetland/stream channel credits from an approved mitigation bank. If requested by the Corps or DEQ, Nationwide permits may be combined. Wetland permitting will be needed for the proposed transmission line as well but is not included in this scope.

Item 3 - Pad Grading Construction Plans

Dewberry will prepare detailed construction documents for the grading of ±65 pad acres as shown on the selected layout referenced above and attached to this proposal. The design will be based upon the preliminary pad elevations shown on the referenced layout. The plans will use existing aerial survey and current wetland delineation, previously prepared, as the base map for the project. In addition, Dewberry will use existing geotechnical recently completed for Southern Power by Terracon to determine maximum cut/fill depth to minimize rock excavation where possible. Plans will include:

- Cover Sheet
- General Notes and Erosion and Sediment Control Notes
- Existing Condition and Demolition Plan
- Phase 1 Overall Erosion and Sediment Control Plan
- Phase 1 Detailed Erosion and Sediment Control Plan (2 Sheets)
- Phase 2 Overall Erosion and Sediment Control Plan
- Phase 2 Detailed Erosion and Sediment Control Plan (2 Sheets)
- Overall Grading Plan
- Detailed Grading Plan (2 sheets)
- Overall Stormwater Management Plan
- Detailed Stormwater Management Plan (2 Ponds)
- Standard Details Sheets (4 Sheets)
- Erosion and Sediment Control (4 Sheets)

The stormwater management program will be designed in general accordance with the 2014-Virginia Department of Environmental Quality General Permit for discharges from construction sites. Stormwater quantity and quality calculations and pond sizes will be based on the impervious areas to be determined by Wilmot and Southern Power.

Once completed, Dewberry will submit the plans and associated calculations to Pittsylvania County, the Virginia Department of Transportation (VDOT) and DEQ for review and approval.

Item 4 – Construction Administration Services

Dewberry will provide Construction Administration Services (CONA) for the pad construction. This scope item will consist of the following:

- Bidding Assistance – Dewberry will provide bidding assistance consisting of the following:
 - Prepare prequalification package.
 - Prepare bidding advertisement for the RIFA to place in appropriate publications.
 - Supply two (2) plan rooms with plans and specifications.
 - Supply thirty (30) sets of plans and specifications for prospective bidders.
 - Conduct a pre-bid/pre-qualification conference for interested contractors and suppliers.
 - Respond to **bidder's** questions during the bidding process.
 - Conduct one (1) public bid-opening meeting.
 - Review and tabulate submitted bids.
 - Review all required bonding, license, and insurance requirements.
 - Make award recommendation to RIFA.
- Contract Negotiation – Dewberry will assist RIFA in negotiating a contract with the selected bidder.
- Construction Administration Services – Dewberry will provide construction administration (CONA) services that will include the following:
 - Review Contractor agreement, bonds, insurance, etc.
 - Attend one (1) pre-construction meeting.
 - Prepare and distribute meeting minutes from all construction meetings (assumes 12 meetings).
 - Monthly progress meetings with contractor until completion (assumes 12 meetings over a 12 month construction time).
 - Review shop drawings.
 - Review monthly pay requests.
 - Review and respond to Contractor Requests for Information (**RFI's**).
 - Attend substantial and final completion inspection (two meetings).
 - Prepare project closeout documentation.

Item 5 – Construction Testing and Inspection Services

Construction Testing and Inspection – Dewberry will subcontract with Froehling & Robertson, Inc. (F&R) for Construction Testing and Inspection Services. These services will include testing and inspections of earthwork for the ± 65 acre pad and storm water management installation. F&R will be onsite as needed to perform required testing and inspections in general accordance with the project documents. F&R will collect and test bulk soil samples and aggregate base material samples for the determination of soil compaction properties. It is anticipated that full time testing and inspection services will be needed for 8 months of the total 12 month construction time period. Dewberry will charge these services at cost plus 15%.

Mr. Sherman Saunders
May 18, 2017

FEE SUMMARY

Below is a summary of fees for the respective services listed above:

Tasks	Lump Sum Fees
Item 1 – Project Management	\$22,320.00
Item 2 – Wetland Permitting	\$41,500.00
Item 3 – Pad Grading Construction Plans	\$235,500.00
Item 4 - Construction Administration Services	\$95,000.00
Lump Sum Fee Total	\$394,320.00
Item 5 – Construction Testing and Inspecting Services	\$195,000.00
	Budget Estimate

PAYMENT OBLIGATIONS FOR PRE-CLOSING WORK

We have reviewed the First Amendment to Agreement to Purchase and Sell Real Estate dated May 2, 2017 (the First Amendment). We agree that the provisions of paragraph 4 (**Seller's Work**) of the First Amendment are incorporated into this proposal by reference, including without limitation that Wilmot will be the sole payor of Pre-Closing Work Costs as set forth in the First Amendment. In the event of an inconsistency or conflict between this proposal and the First Amendment, the First Amendment shall control, and this proposal shall be deemed amended to the extent reasonably necessary to resolve such inconsistency or conflict. Invoices shall be submitted directly to Wilmot and/or Southern Power, with a copy to RIFA.

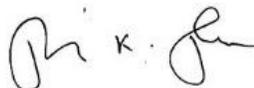
Except as amended in this proposal, all other terms, provisions, and conditions of our current Agreement for Professional Services to develop the Berry Hill property, dated February 9, 2009 shall remain in full force and effect, and the parties ratify and confirm that the Agreement for Professional Services to develop the Berry Hill property, dated February 9, 2009, as amended by this proposal, is and remains in full force and effect.

Again, we appreciate the opportunity to submit this proposal and look forward to continuing to work with you on this project. Please do not hesitate to call if you have questions or wish to discuss the proposal or project further. Dewberry will not begin work under this contract until authorized by RIFA and City/County staff.

Sincerely,



Shawn R. Harden, PE
Associate



Brian K. Bradner, PE, CPESC
Associate Vice President | Branch Manager

Attachment A – Preliminary Layout

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This proposal includes information that shall not be disclosed outside of the CLIENT and shall not be duplicated, used, or disclosed, in whole or in part, for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of, or in connection with, the submission of this information, CLIENT shall have the right to duplicate, use, or disclose the information to the extent provided in the resulting contract. This restriction does not limit CLIENT's right to use information contained in this information if it is obtained from another source without restriction.



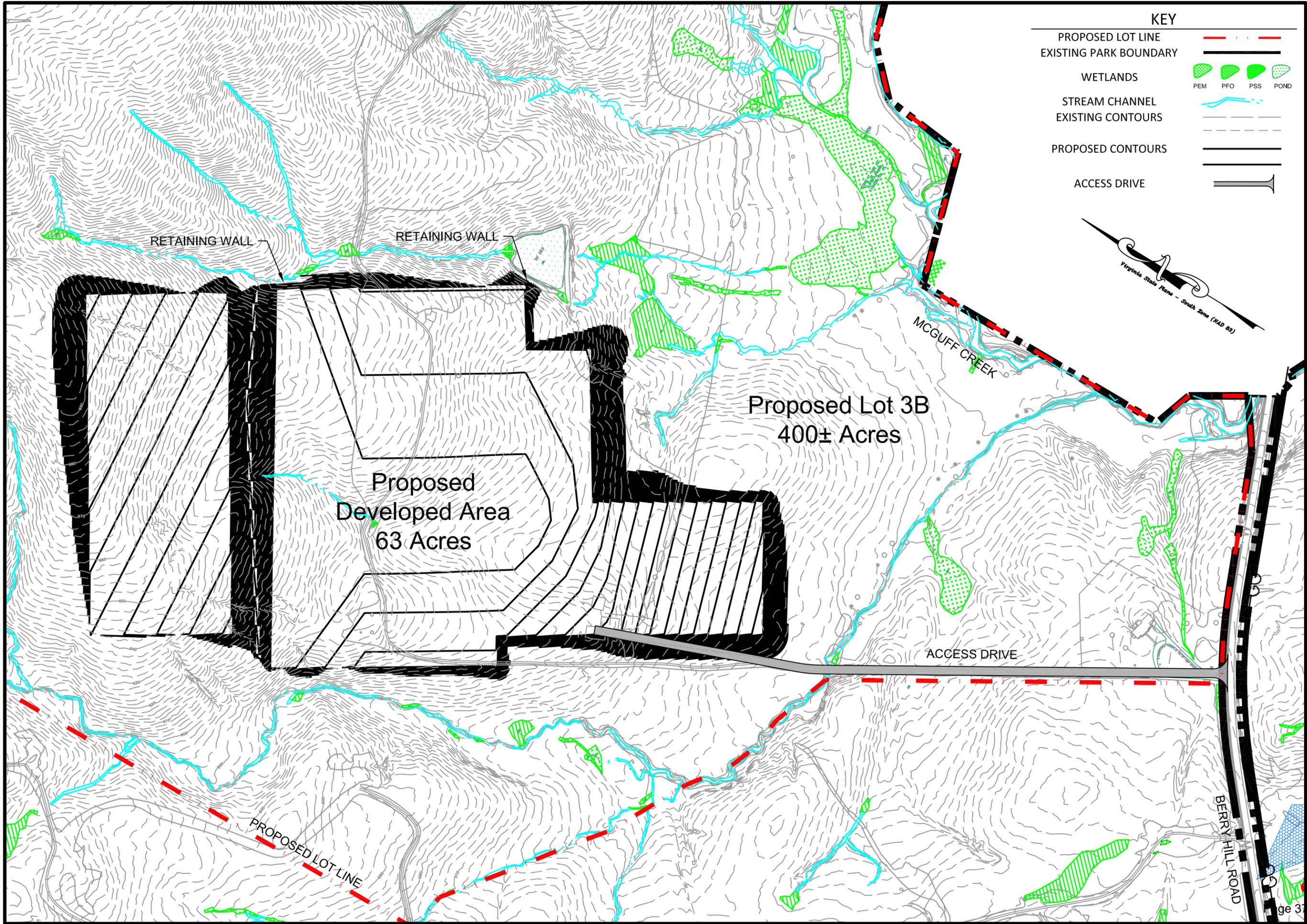
Mr. Sherman Saunders
May 18, 2017

The foregoing proposal of Dewberry Engineers Inc. is accepted:

Print (Type) Individual, Firm, or Corporate Name

Signature of Authorized Representative Date

Print (Type) Name of Authorized Representative and Title



 Dewberry [®] Dewberry Engineers Inc. <small>551 Piney Forest Road Danville, VA 24540 Phone: 434.797.4497 Fax: 434.797.4341</small>	DATE 2/7/2017	SCALE NTS	TITLE Southern Power Company Danville Generating Facility	SHEET NO. Attachment A
	PROJ. NO. 50046462	PROJECT	Preliminary Layout Berry Hill Industrial Park	

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5D
Meeting Date:	June 12, 2017
Subject:	Approval of Land Encumbrances on South Boston Road
From:	Michael C. Guanzon, Legal Counsel to Authority

SUMMARY

The Board is being asked to approve a waiver of land encumbrances at 1260 South Boston Road with the Industrial Development Authority.

ATTACHMENTS

Resolution No. 2017-06-12-5D

A RESOLUTION APPROVING A WAIVER OF LAND ENCUMBRANCES UNDER SECTION 2(C) OF THAT CERTAIN 1260 SOUTH BOSTON ROAD COOPERATION AGREEMENT DATED AUGUST 24, 2016, WITH THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA (THE “IDA”), A POLITICAL SUBDIVISION OF THE COMMONWEALTH OF VIRGINIA, IN LIGHT OF THE LETTER OF CREDIT PROVIDED FOR THAT CERTAIN LOCAL PERFORMANCE AGREEMENT DATED NOVEMBER 2, 2016, BETWEEN THE CITY OF DANVILLE, VIRGINIA, THE IDA AND KYOCERA SGS TECH HUB, LLC, A VIRGINIA LIMITED LIABILITY COMPANY

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, pursuant to Resolution No. 2016-09-12-6F, the Authority entered into that certain 1260 South Boston Road Cooperation Agreement (the “**Cooperation Agreement**”) dated August 24, 2016, under which the Authority agreed to donate and has donated approximately 10 acres of land in the Authority’s Cyber Park project located in Danville, Virginia (the “**Donated Land**”), to the Industrial Development Authority of Danville, Virginia, a political subdivision of the Commonwealth of Virginia (the “**IDA**”), for economic development and recruitment of Kyocera SGS Tech Hub, LLC, a Virginia limited liability company (“**Kyocera SGS**”), to occupy and to operate the Donated Land; and

WHEREAS, Section 2(c) of the Cooperation Agreement requires the IDA to impose upon the Donated Land certain encumbrances as follows:

- c. Conveyance to Recruit. In the event the IDA gives, sells, transfers or otherwise conveys the Land to Recruit (or its designee), *[sic]* the IDA shall cause (i) the deed conveying the Land to Recruit (or its designee) to contain a reverter provision, reasonably satisfactory to legal counsel to RIFA and the IDA, that should Recruit breach its obligations under the Performance Agreement and all applicable cure periods, if any have expired, the Land shall revert to the IDA or (ii) the IDA shall require Recruit to execute and deliver to the IDA for recordation a deed of trust covering the Land and securing Recruit’s performance under the Performance Agreement in the form reasonably satisfactory to legal counsel to RIFA and the IDA. In the event that the Land reverts to the IDA or the deed of trust is foreclosed (as the case may be), such event shall be an additional Buyback Trigger as set forth in Section 2(b) *[of the Cooperation Agreement]* above...[.]

; and

WHEREAS, Kyocera SGS intends to purchase the Donated Land from the IDA, but only on the condition that the Donated Land be free and clear of any encumbrances, including those contemplated in Section 2(c) of the Cooperation Agreement; and the IDA has requested the Authority to waive the requirements of land encumbrances under Section 2(c) of the Cooperation

Resolution 2017-06-12-5D

Agreement as more particularly set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Waiver**”); and

WHEREAS, the provisions of the Cooperation Agreement were intended, in part, to secure performance of Kyocera SGS for the Donated Land under the Performance Agreement (as described in the Cooperation Agreement) between Kyocera SGS and the IDA; and

WHEREAS, the Authority finds that the letter of credit in the amount of \$874,500.00 that Kyocera SGS will provide to the IDA and the City of Danville, Virginia, is reasonable and adequate for securing Kyocera SGS’s performance under the Performance Agreement; and

WHEREAS, the Authority finds that the Waiver and the recruitment of Kyocera SGS to the Authority’s Cyber Park project serve the Authority’s purpose of enhancing the economic base of the City of Danville, Virginia, and Pittsylvania County, Virginia; and

WHEREAS, the Authority finds that the Waiver is necessary, reasonable, and appropriate for the further development of the Authority’s Cyber Park project.

NOW, THEREFORE, BE IT RESOLVED BY THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, THAT:

1. The Authority hereby authorizes and directs its Chairman and/or Vice Chairman, either of whom may act independently of the other, to execute and deliver, and otherwise pursue, the Waiver, together with such further amendments, deletions, or additions to the Waiver as may be approved by its Chairman or Vice Chairman (as the case may be), and such execution of the same by its Chairman or Vice Chairman (as the case may be) to conclusively establish his approval of any further amendments, deletions, or additions thereto.

2. The Authority hereby authorizes its Chairman and/or Vice Chairman, either of whom may act independently of the other, to execute and deliver such other documents, such as a Certificate of Partial Satisfaction, in connection with the Waiver, as may be approved by its Chairman or Vice Chairman (as the case may be), such execution by its Chairman or Vice Chairman (as the case may be) to conclusively establish his approval of such other documents.

3. 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 Waiver or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of this Resolution.

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

5. 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 June 12, 2017, 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 as of the 12th day of June 2017.

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

(SEAL)

Exhibit A

PIN: Part of 76441

WAIVER

THIS WAIVER (this “**Waiver**”) is executed as of the 12th day of June 2017, by **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia (the “**Authority**”).

WHEREAS, pursuant to Resolution No. 2016-09-12-6F, the Authority entered into that certain 1260 South Boston Road Cooperation Agreement (the “**Cooperation Agreement**”) dated August 24, 2016, under which the Authority agreed to donate and has donated approximately 10 acres of land in the Authority’s Cyber Park project located in Danville, Virginia (the “**Donated Land**”), to the Industrial Development Authority of Danville, Virginia, a political subdivision of the Commonwealth of Virginia (the “**IDA**”), for economic development and recruitment of Kyocera SGS Tech Hub, LLC, a Virginia limited liability company (“**Kyocera SGS**”), to occupy and to operate the Donated Land; and

WHEREAS, Section 2(c) of the Cooperation Agreement requires the IDA to impose upon the Donated Land certain encumbrances as follows:

c. Conveyance to Recruit. In the event the IDA gives, sells, transfers or otherwise conveys the Land to Recruit (or its designee), *[sic]* the IDA shall cause (i) the deed conveying the Land to Recruit (or its designee) to contain a reverter provision, reasonably satisfactory to legal counsel to RIFA and the IDA, that should Recruit breach its obligations under the Performance Agreement and all applicable cure periods, if any have expired, the Land shall revert to the IDA or (ii) the IDA shall require Recruit to execute and deliver to the IDA for recordation a deed of trust covering the Land and securing Recruit’s performance under the Performance Agreement in the form reasonably satisfactory to legal counsel to RIFA and the IDA. In the event that the Land reverts to the IDA or the deed of trust is foreclosed (as the case may be), such event shall be an additional Buyback Trigger as set forth in Section 2(b) *[of the Cooperation Agreement]* above...[.]

; and

WHEREAS, Kyocera SGS intends to purchase the Donated Land from the IDA, but only on the condition that the Donated Land be free and clear of any encumbrances, including those contemplated in Section 2(c) of the Cooperation Agreement; and the IDA has requested the Authority to waive the requirements of land encumbrances under Section 2(c) of the Cooperation Agreement.

NOW, THEREFORE, to facilitate the recruitment of Kyocera SGS to the Authority’s Cyber Park project, the Authority hereby waives the requirement that certain encumbrances as set forth in Section 2(c) of the Cooperation Agreement be imposed upon the Donated Land.

Resolution 2017-06-12-5D

WITNESS the following signature to this **WAIVER** as of the date first above written:

The Authority: **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia

By: _____
Sherman M. Saunders, Chairman

**COMMONWEALTH OF VIRGINIA AT LARGE:
CITY OF DANVILLE, to-wit:**

The foregoing instrument was acknowledged before me in my jurisdiction aforesaid, on this _____ day of June 2017, by **SHERMAN M. SAUNDERS**, in his capacity as Chairman of **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia.

My commission expires: _____.

Notary Public
Registration No. _____

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5E
Meeting Date:	June 12, 2017
Subject:	Financial Status Reports – May 31, 2017
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

A review of the financial status reports through May 31, 2017 will be provided at the meeting. The financial status reports as of May 31, 2017 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of May 31, 2017 as presented.

ATTACHMENTS

Financial Status Reports

Financial Status

Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY2017
- 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 May 31, 2017

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	28,554.12	43,326.88	
Land		-	2,792,945.57	-	
Demolition services		71,261.62	71,261.62	-	
Legal fees		-	110,362.08	-	
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	\$ 7,382,451.45	\$ 43,326.88	\$ 152,803.79

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 9/30/2010 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 8/1/2013 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 2017

As of May 31, 2017

	<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 FY2016	101,941.49				
Contingency					
Miscellaneous contingency items		\$ 143,441.49	\$7,154.78	\$ -	\$ 136,286.71
Berry Hill Wilmot Project (Lot 3B)			17,062.00		\$ (17,062.00)
Total Contingency Budget		143,441.49	24,216.78	-	119,224.71
Legal					
		80,000.00	58,621.81	-	21,378.19
Accounting					
		20,300.00	20,300.00	-	-
Annual Bank Fees					
		600.00	550.00	-	50.00
Postage & Shipping					
		100.00		-	100.00
Meals					
		4,000.00	2,681.94	-	1,318.06
Utilities					
		500.00	278.13	-	221.87
Insurance					
		3,000.00		-	3,000.00
Total	\$ 251,941.49	\$ 251,941.49	\$ 106,648.66	\$ -	\$ 145,292.83

Danville-Pittsylvania Regional Industrial Facility Authority
Mega Park - Funding Other than Bond Funds
As of May 31, 2017

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
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	987,879.29	2,970.71	
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	\$ 14,228,554.12	\$ 2,970.71	\$ (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 May 31, 2017

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
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	1,379,775.63	258,210.11	
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	77,027.64	64,968.36	
Banister Bend Farm, LLC - Wetland and Stream Credits		122,968.00	122,968.00	-	
DEQ - Construction Activity General Permit		9,600.00	9,600.00	-	
Haymes Brothers, Inc. - Construction on Phase 1 Graded Pad		3,821,063.00	868,821.63	2,952,241.37	
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	\$ 5,682,849.39	\$ 2,407,429.55	\$ 3,275,419.84	\$ 2,217,506.76

¹ \$300,000 of this was received from each locality 6-2014. \$450,000 received 8-2014. \$450,000 received 9-2014.

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 for Fiscal Year 2017
As of May 31, 2017

<i>Source of Funds</i>	<u>Funding</u>				
	<u>Carryforward from FY2016</u>	<u>Receipts Current Month</u>	<u>Receipts FY2017</u>	<u>Expenditures FY2017</u>	<u>Unexpended / Unencumbered</u>
<u>Carryforward</u>	\$ 548,731.95				
<u>Current Lessees</u>					
	<i>Park</i>	<i>Property</i>			
Institute for Advanced Learning and Research (IALR) ¹	Cyberpark	Hawkins Research Bldg. at 230 Slayton Ave.	\$42,800.64	\$ 223,225.85	
Institute for Advanced Learning and Research (IALR)	Cyberpark	IALR Building at 150 Slayton Ave.			
Securitas	Cyberpark	Gilbert Building at 1260 South Boston Rd.	-	1,200.00	
Mountain View Farms of Virginia, L.C.	Berry Hill	30 acre tract on Stateline Bridge Rd.	-	1,200.00	
Osborne Company of North Carolina, Inc.	Berry Hill	4380 Berry Hill Road Pastureland	1,000.00	1,000.00	
<i>Total Rent</i>			<u>\$43,800.64</u>	<u>\$ 226,625.85</u>	
<u>Interest Received</u> ²			\$ 910.26	\$ 6,416.69	
<u>Yorktowne Repayment</u>			\$ -	\$ 114,598.88	
<u>Expenditures</u>					
Hawkins Research Bldg. Property Mgmt. Fee				\$ 201,825.53	
Disbursement to Blair Construction, Inc. for Hawkins Lab Upfit				\$ 43,696.00	
Totals			<u>\$ 548,731.95</u>	<u>\$ 44,710.90</u>	<u>\$ 347,641.42</u>
				<u>\$ 245,521.53</u>	<u>\$ 650,851.84</u>

Restricted ¹ \$ 335,095.38
Unrestricted \$ 315,756.46

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}
May 31, 2017*

	Unaudited FY 2017
Assets	
<i>Current assets</i>	
Cash - checking	\$ 72,780
Cash - money market	787,927
Prepays	230
<i>Total current assets</i>	860,937
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	202,631
Restricted cash - debt service fund CCC bonds	12,489
Restricted cash - debt service fund Berry Hill bonds	13
Restricted cash - debt service reserve fund Berry Hill bonds	2,004,184
Capital assets not being depreciated	25,071,362
Capital assets being depreciated, net	24,561,601
Construction in progress	4,367,908
<i>Total noncurrent assets</i>	56,220,188
Total assets	57,081,125
Liabilities	
<i>Current liabilities</i>	
Unearned income	1,475
Bonds payable - current portion	478,450
<i>Total current liabilities</i>	479,925
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	5,506,640
<i>Total noncurrent liabilities</i>	5,506,640
Total liabilities	5,986,565
Net Position	
Net investment in capital assets	48,218,412
Restricted - debt reserves	2,016,686
Unrestricted	859,462
Total net position	\$ 51,094,560

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 May 31, 2017 as of May 30, 2017, 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
*May 31, 2017**

	Unaudited FY 2017
Operating revenues	
Reimbursement of incentive grants	114,599
Rental income	228,426
Total operating revenues	343,025
Operating expenses⁴	
Mega Park expenses ³	1,297,361
Cane Creek Centre expenses ³	51,476
Cyber Park expenses ³	250,854
Professional fees	73,713
Insurance	2,140
Other operating expenses	3,785
Total operating expenses	1,679,329
Operating income (loss)	(1,336,304)
Non-operating revenues (expenses)	
Interest income	11,955
Interest expense	(153,425)
Total non-operating expenses, net	(141,470)
Net income (loss) before capital contributions	(1,477,774)
Capital contributions	
Contribution - City of Danville	762,507
Contribution - Pittsylvania County	762,507
Total capital contributions	1,525,014
Change in net position	47,240
Net position at July 1, 2016	51,047,320
Net position at May 31, 2017	\$ 51,094,560

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
*May 31, 2017**

	Unaudited FY 2017
Operating activities	
Receipts from grant reimbursement requests	\$ -
Receipts from reimbursement of incentive grants	114,599
Receipts from leases	226,624
Payments to suppliers for goods and services	(1,806,486)
Net cash used by operating activities	(1,465,263)
Capital and related financing activities	
Capital contributions	1,525,014
Interest paid on bonds	(211,896)
Principal repayments on bonds	(2,075,000)
Net cash provided by capital and related financing activities	(761,882)
Investing activities	
Interest received	11,955
Net cash provided by investing activities	11,955
Net increase (decrease) in cash and cash equivalents	(2,215,190)
Cash and cash equivalents - beginning of year (including restricted cash)	5,295,214
Cash and cash equivalents - through April 30, 2017 (including restricted cash)	\$ 3,080,024
Reconciliation of operating loss before capital contributions to net cash used by operating activities:	
Operating income (loss)	\$ (1,336,304)
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	2,140
Change in due from other governments	-
Change in other receivables	-
Change in accounts payable	(129,299)
Change in unearned income	(1,800)
Net cash used by operating activities	\$ (1,465,263)

Components of cash and cash equivalents at May 31, 2017:	
American National - Checking	\$ 72,780
American National - General money market	787,927
Wells Fargo - \$7.3M Bonds CCC Debt service fund	12,489
Wells Fargo - \$7.3M Bonds CCC Project fund	202,631
US Bank - \$11.25M Bonds Berry Hill Debt service fund	13
US Bank - \$11.25M Bonds Berry Hill Debt service reserve fund	2,004,184
	\$ 3,080,024

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5F
Meeting Date:	June 12, 2017
Subject:	Proposed Fiscal Year 2018 General Expenditures Budget
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

The RIFA Board approves a budget for the general expenditures of RIFA each fiscal year.

BACKGROUND

Attached is the proposed General Expenditures budget for fiscal year 2018. The sheet also displays the fiscal year 2017 General Expenditures data as of May 31, 2017 for comparison purposes.

Staff will review the proposed fiscal year 2018 General Expenditures budget at the meeting.

RECOMMENDATION

Staff recommends the RIFA Board approve the proposed fiscal year 2018 General Expenditures budget.

ATTACHMENTS

Proposed General Expenditures Budget for FY 2018 Compared to FY 2017

Danville-Pittsylvania Regional Industrial Facility Authority
Proposed General Expenditures Budget for Fiscal Year 2018 Compared to Fiscal Year 2017

	<u>FY 2017 (as of 5/31/2017)</u>			<u>FY 2018</u>	
	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Proposed Funding</u>	<u>Proposed Budget</u>
Funding					
City Contribution	\$ 75,000.00			\$ 75,000.00	-
County Contribution	75,000.00			75,000.00	-
Carryforward from prior fiscal year ¹	101,941.49			-	
Contingency					
Miscellaneous contingency items		\$ 143,441.49	\$ 7,154.78		\$ 41,500.00
Berry Hill Wilmot Project (Lot 3B)			17,062.00		
Total Contingency Budget		\$ 143,441.49	\$ 24,216.78		\$ 41,500.00
Legal		80,000.00	58,621.81		80,000.00
Accounting		20,300.00	20,300.00		20,300.00
Annual Bank Fees		600.00	550.00		600.00
Postage & Shipping		100.00			100.00
Meals		4,000.00	2,681.94		4,000.00
Utilities		500.00	278.13		500.00
Insurance		3,000.00	-		3,000.00
Total	\$ 251,941.49	\$ 251,941.49	\$ 106,648.66	\$ 150,000.00	\$ 150,000.00

¹ If there is a carryforward from the prior fiscal year, the funds will be budgeted toward contingency.

See definitions provided for each budget line item on the following page.

Danville-Pittsylvania Regional Industrial Facility Authority
Proposed General Expenditures Budget for Fiscal Year 2018 Compared to Fiscal Year 2017
Budget Definitions

Funding = Represents sources of incoming funds to support general expenditures of RIFA.

Contingency = Represents a provision for expenditures that cannot be predicted with certainty during the budget process. It includes, but is not limited to, project-specific expenditures necessary as a project develops for which there is no other funding source to cover the expenditure.

Legal = Represents expenditures for general legal services provided to RIFA.

Accounting = Represents expenditures for the required annual audit of the RIFA financial statements.

Annual Bank Fees = Represents the annual fees paid to U.S. Bank related to the Berry Hill bonds.

Postage & Shipping = Represents expenditures for mailing documents for RIFA business.

Meals = Represents expenditures for meals provided while conducting RIFA business.

Utilities = Represents expenditures for electric service at RIFA properties.

Insurance = Represents the annual premium paid for RIFA's insurance coverage, currently with VML Insurance Programs.