

# **Danville-Pittsylvania Regional Industrial Facility Authority**

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

## **AGENDA**

**October 10, 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**

## **Danville-Pittsylvania Regional Industrial Facility Authority**

### **1. MEETING CALLED TO ORDER**

### **2. ROLL CALL**

### **3. PUBLIC COMMENT PERIOD**

Members of the public who desire to comment on a specific agenda item will be heard during this period. The Chairman/Vice Chairman of the Authority may restrict the number of speakers. Each speaker shall be limited to a total of three minutes for 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 SEPTEMBER 7, 2017 AND SEPTEMBER 11, 2017 MEETINGS**

### **5. NEW BUSINESS**

- A. Rescheduling of the November meeting of the Authority to Wednesday, November 15, 2017, in light of Virginia Association of Counties Annual Conference – Susan M. DeMasi, Secretary of the Authority *[No written resolution.]*
- B. Consideration of Resolution No. 2017-10-10-5B, approving that certain Memorandum of Understanding Relocation Agreement with Appalachian Power Company (“ApCo”), a unit of American Electric Power, to follow up Resolution 2017-08-14-5C, for the relocation of that certain Corning-Glass-Ridgeway 69kV transmission power line, over Lot 4 or Lot 8 in the Authority’s Berry Hill Industrial Mega Park, in Pittsylvania County, Virginia, under which the Authority would pay an initial payment of \$1.5M, and ApCo would allow the revenue credit from a customer who relocates on that lot or lots and executes a capacity contract with ApCo of at least 3MW by January 1, 2020, for the balance of the cost of relocation -- Corrie M. Teague-Bobe, Assistant Director, Danville Economic Development
- C. Consideration of Resolution No. 2017-10-10-5C, approving Change Order 3 to the site development work by Haymes Brothers, Inc., a Virginia corporation, originally approved under Resolution No. 2017-02-24-4A, including (i) installing gates and fencing to secure the site, (ii) installing additional stormwater controls and (iii) updating the quantity of geotextile fabric for undercut areas, increasing the contract price by \$98,868.75 -- Shawn R. Harden, P.E., Project Manager, Dewberry Engineers, Inc.
- D. Financial Status Reports as of September 30, 2017 – Michael L. Adkins, CPA, Treasurer of the Authority, and/or Henrietta Weaver, CPA, City of Danville, Virginia

### **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

## **Danville-Pittsylvania Regional Industrial Facility Authority**

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

### **7. COMMUNICATIONS FROM:**

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

Staff

- Cane Creek Centre marquis signage for Unison Tube, L.L.C. – Telly D. Tucker, Director of Economic Development, City of Danville
- Virginia Stormwater Management Plan review – Richard Drazenovich, P.E., Director of Public Works, City of Danville

### **8. ADJOURN**

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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<b>Agenda Item No.:</b>	Item 4
<b>Meeting Date:</b>	10/10/2017
<b>Subject:</b>	Meeting Minutes
<b>From:</b>	Susan M. DeMasi, Authority Secretary

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### **SUMMARY**

Attached for the Board's review and approval are the Meeting Minutes from the Thursday, September 7, 2017 Special Called Meeting and the Monday, September 11, 2017 meeting.

### **ATTACHMENTS**

Meeting Minutes – 09/07/2017 and 09/11/2017.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY  
Minutes  
September 7, 2017

A Special Called Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 8:14 a.m. on the above date at the Institute for Advanced Learning and Research, Room 205, 150 Slayton Avenue, Danville, Virginia. Present were City of Danville Members Fred O. Shanks, III and Alternate J. Lee Vogler. Chairman Sherman M. Saunders was absent. Pittsylvania County Members present were Vice Chairman Jessie L. Barksdale and Robert Warren. Alternate Elton W. Blackstock was absent. *Mr. Shanks entered the meeting at 8:25 a.m.*

City/County staff members attending were: Deputy City Manager Earl Reynolds, County Administrator David Smitherman, Pittsylvania County Director of Economic Development Matt Rowe, City of Danville Director of Economic Development Telly Tucker, Clement Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi.

Vice Chairman Barksdale presided.

**PUBLIC COMMENT PERIOD** - No one desired to be heard.

**4. 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 8:15 a.m. Mr. Warren **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 a prospective business or industry where no previous announcement has been made of that business or industry's interest in locating its facilities in the Authority's Cane Creek Centre Industrial Park, located in Pittsylvania County and 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.

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

VOTE: 3-0  
AYE: Barksdale, Warren, and Vogler (3)  
NAY: None (0)

D. On **Motion** by Mr. Warren and **second** by Mr. Vogler and by unanimous vote at 8:50 a.m., the Authority returned to open meeting.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

September 7, 2017

E. Mr. Vogler **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: 3-0-1  
AYE: Barksdale, Warren, and Vogler (3)  
NAY: None (0)  
ABSTAIN: Shanks (1)

**F. CONSIDERATION – RESOLUTION 2017-09-07-4F – APPROVING FORM OF A LOCAL PERFORMANCE AGREEMENT**

Mr. Vogler **moved** adoption of Resolution 2017-09-07-4F, *approving the form of a Local Performance Agreement to be executed by the Authority and others, where no previous public announcement has been made of the business or industry's interest in locating its facility in the Authority's Cane Creek Centre Industrial Park, under which agreement, the Authority would provide an Industrial Enhancement Grant in the amount of \$700,000.00 upon the installation by the business or industry of certain equipment of at least that amount in the facility; would apply for and disburse certain state grants, a state loan and a private grant; and would reimburse the business or industry up to \$36,000.00 in qualified residential housing expenses incurred in Pittsylvania County and/or Danville, Virginia.*

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

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

The Meeting adjourned at 8:53 a.m.

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Chairman

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Secretary to the Authority

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

September 11, 2017

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:15 p.m. on the above date in the Danville Regional Airport Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Fred O. Shanks, III and Alternate J. Lee Vogler. Chairman Sherman M. Saunders was absent. 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, Deputy City Manager Earl Reynolds, County Administrator David Smitherman, Assistant County Administrator for Planning & Development Gregory Sides, Assistant Director of Economic Development Corrie Teague Bobe, Economic Development Project Manager Kelvin Perry, City of Danville Director of Finance Michael Adkins, City of Danville Senior Accountant Henrietta Weaver, City of Danville Utilities Engineering Tech Donald Ricketts, Clement Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi. Also present were Brian Bradner and Shawn Harden of Dewberry & Davis, and City Council Member Madison Whittle.

Vice Chairman Barksdale presided.

**PUBLIC COMMENT PERIOD**

No one desired to be heard.

**APPROVAL OF MINUTES FOR THE AUGUST 14, 2017 MEETING**

Upon **Motion** by Mr. Warren and **second** by Mr. Shanks, Minutes of the August 14, 2017 Regular Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

**OLD BUSINESS**

**5A. CONSIDERATION OF RESOLUTION NO. 2017-08-14-5B APPROVING THE DECLARATION OF PROTECTIVE COVENANTS FOR BERRY HILL INDUSTRIAL PARK**

Authority Attorney Michael Guanzon explained this carryover item is for the Declaration of Protective Covenants for the Berry Hill Park. Staff wanted to allow time to see if anyone had any comments or questions before staff asks for approval. There were no questions from the Board.

Mr. Warren **moved** for adoption of Resolution No. 2017-08-14-5B, *approving that certain Declaration of Protective Covenants for the Authority's Berry Hill Industrial Park project located in Pittsylvania County, Virginia.*

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

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

**5B. DISCUSSION OF RESOLUTION 2017-09-07-4F**

Mr. Guanzon explained this Resolution was the one that was passed at Thursday's Special Meeting of the RIFA Board. Mr. Guanzon noted there hasn't been any movement other than the announcement made by the Governor about Unison LLC coming to the area. At this point, there is no need to have a ratification unless there is some discussion; it is on the agenda as that was part of the requirement in the Resolution that was passed. There were no comments from the Board.

**NEW BUSINESS****6A. CONSIDERATION – RESOLUTION 2017-09-11-6A AUTHORIZING EXECUTION AND DELIVER OF NON-DISCLOSURE AGREEMENTS AND LETTERS OF INTENT**

Mr. Guanzon noted there is a small typographical error at the bottom of the description of the Resolution, it says "those documents", that should be stricken. Mr. Guanzon explained this matter sets forth what the existing practice has been over the years. When there is a potential recruit that comes into the area, they will often share confidential proprietary information with the Authority staff, mostly with the City and the County's Economic Development Directors. From time to time, before it is ready to be disclosed and discussed with the Board members, either in open meeting or closed session, there is a need to enter into a Letter of Intent. A Letter of Intent is a contract, basically setting forth big bullet point items. The only things that are usually binding in a Letter of Intent are Good Faith Negotiations and Exclusive Dealings, also, a Confidentiality Requirement that would say until the negotiations are over and an announcement is made, everything stays confidential. If there was an agreement that has to be binding upon the Authority other than what he has set forth, that would be discussed in open session. This Resolution is giving authorization to the City and County Economic Development Directors to enter into those Letters of Intent and Confidentiality Agreements so long as it doesn't bind the Authority to appropriate any money; that would require approval from Legal Counsel.

Mr. Shanks **moved** adoption of Resolution No. 2017-09-11-6A, *authorizing the Economic Development Director for the City of Danville, Virginia, and the Economic Development Director for the County of Pittsylvania, Virginia, as support staff to the Authority, to execute and to deliver, on behalf of the Authority, such Confidentiality and Non-Disclosure Agreements and Letters of Intent with potential business/industry recruits and other parties reasonably related to such recruitment efforts, after obtaining approval as to form from legal counsel to the Authority, so long as nothing in those documents legally bind the Authority to make appropriations.*

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

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

**6B. CONSIDERATION – RESOLUTION 2017-09-11-6B APPROVING DEED OF EASEMENT FROM THE AUTHORITY TO THE CITY IN THE CYBER PARK**

Mr. Don Ricketts from Danville Power and Light explained Danville Power and Light has electrical infrastructure in the Cyber Park; there are some electrical conduits with Vista Switches which are above ground, the big green boxes that are situated along property lines. With the new company coming in, Kyocera, they have asked the City to go ahead towards getting permanent power. Danville P&L is going to have to come out of one of the Vista Switches and set a separate above ground cabinet. They will be across part of the property that is owned by RIFA., from there, they go onto the IDA's property, enough to actually feed. This is a request for an electrical easement that gives the City the right to maintain and do whatever needs to be done to provide power to that industry. There is already an existing electrical easement there but since P&L is adding an additional cabinet and conduits, they will be just slightly outside of the back edge of that existing easement and so are requesting a new easement for this new line. It is all underground except for the one green cabinet and it will be located adjacent to an existing cabinet.

Mr. Barksdale questioned permanent power, what does that mean, and Mr. Ricketts noted it will be the permanent feed that will feed that industry. Occasionally Danville P&L will be asked to bring in a temporary power source, but once this is done, that will be the end of the excavation; the conduits put in will be used for the permanent connection to the industry.

Mr. Vogler **moved** for adoption of *Resolution No. 2017-09-11-6B, approving that certain Deed of Easement from the Authority to the City of Danville, Virginia, for a permanent ten (10) foot utilities easement over certain land in the Authority's Cyber Park project located in Danville, Virginia, commonly known as Tax PIN 76441, containing 58.64 acres, more or less, being part of Lot 12, fronting on South Boston Road, Riverpoint Drive and Slayton Avenue, in support of the Authority's prior conveyance of Lot 12A to the Industrial Development Authority of Danville, Virginia.*

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

Mr. Blackstock asked Mr. Guanzon if he has reviewed this and if he was satisfied with the easement and Mr. Guanzon noted he was.

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

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

**6C. CONSIDERATION – RESOLUTION 2017-09-11-6C – APPROVING AN EASEMENT AND RIGHT OF WAY FROM THE AUTHORITY TO APPALACHIAN POWER COMPANY**

Mr. Don Ricketts from Danville Power and Light noted they were approached by an engineering firm that was interested in acquiring easements for a communications cable that parallels the existing transmission lines for AEP. Mr. Ricketts explained he was not representing AEP, but told them he would be able to get these easements to the proper people. They explained that there was already power there but since communications have to be separate and apart from power in the utility industry, they are also required to get a

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

September 11, 2017

separate easement. This is for a fiber optics cable that will cross a portion of RIFA property in the industrial park.

Mr. Shanks questioned if this was for someone else's benefit or for RIFA's benefit and Mr. Ricketts stated it was strictly for AEP's benefit because they have to have communications between substations and transmission switches. Since it parallels their existing structure, they assured Mr. Ricketts this is strictly for their own purposes, but since it did occupy property that was owned by RIFA, they are trying to go through the proper channels. Mr. Shanks noted he asked because was there was some financial benefit to any parties other than Appalachian and Mr. Ricketts stated they did offer an opportunity to compensate RIFA in the amount of \$500 for any services they may go through.

Mr. Shanks **moved** for adoption of Resolution No. 2017-09-11-6C, *approving that certain Easement and Right of Way from the Authority to Appalachian Power Company, a Virginia corporation, being a unit of American Electric Power, for a permanent 45-foot wide power distribution easement (3-Way East Danville distribution line) over a portion of certain land along Riverpoint Drive in the Authority's Cyber Park project located in Danville, Virginia, commonly known as Tax PIN 76471, Lot 10-C, containing approximately 27.91 acres, in exchange for \$500.*

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

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

**6D. FINANCIAL REPORT AS OF AUGUST 31, 2017**

Authority Treasurer Michael Adkins noted the bond issuance for Cane Creek did have a small expenditure of \$312 for Clement Wheatley for ongoing legal expenses. Fiscal Year 2017 General Expenditures show payment of \$450 to Pittsylvania County for signage at the Berry Hill Mega Park, \$5,500 to Reynolds, Clark for preliminary grading and Stormwater design for the piece of land adjacent to Kyocera, \$6,307 to LeClair Ryan for ongoing legal expenses regarding the Wilmot Project, and \$12,382 to Clement Wheatley for ongoing legal counsel. Fiscal Year 2018 General Expenditures show the monthly utility bill of \$31. Funding Other than Bonds for the Mega Park shows no expenditures for the month. Lot 4 Site Development shows a payment of \$18,253 for Dewberry related to Amendment #10 and the monthly progress billing from Haymes Brothers for Phase I Grading of \$519,174. Mr. Adkins noted Ms. Weaver has been doing a good job applying for the drawdowns from the Tobacco Commission grant to pay for this.

Rent, Interest and Other Income shows \$21,400 from the Institute for Advanced Learning and Research for the Hawkins' Building, \$759 in Interest Income and RIFA paid the IALR \$21,400 for the Maintenance Agreement related to the Hawkins' Building. Mr. Adkins noted Mr. Shanks asked at the last meeting about RIFA's repayment of money that was fronted by the City prior to the bond issue several years ago. Staff went back and confirmed all of that was calculated and repaid shortly after the bond proceeds were issued.

Mr. Shanks **moved** adoption of the Treasurer's Report, the Motion was **seconded** by Mr. Warren and carried by the following vote:

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY  
Minutes  
September 11, 2017

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

**7. 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 12:35 p.m. Mr. Shanks **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;

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.

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

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

D. On **Motion** by Mr. Warren and **second** by Mr. Shanks and by unanimous vote at 12:47 p.m., the Authority returned to open meeting.

E. Mr. Warren **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

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

September 11, 2017

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. Shanks and carried by the following vote:

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

**8. COMMUNICATIONS**

Mr. Barksdale wished a speedy recovery to Mr. Saunders. Mr. Barksdale noted he was glad to see City Council and the Board of Supervisors represented at the announcement last week and stated he was proud to be able to say what a great partnership RIFA has. The Governor was talking to some people and Mr. Barksdale heard him say that this is not the norm, but in Pittsylvania County and Danville, they are on the leading edge.

The Meeting adjourned at 12:51 p.m.

\_\_\_\_\_  
Chairman

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Secretary to the Authority

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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<b>Agenda Item No.:</b>	Item 5A
<b>Meeting Date:</b>	10/10/2017
<b>Subject:</b>	Rescheduling November RIFA meeting.
<b>From:</b>	Susan M. DeMasi, Authority Secretary

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### **SUMMARY**

The 2017 Annual Conference of the Virginia Association of Counties will be held on November 12-14, 2017, therefore, the RIFA meeting scheduled for November 13, 2017 will need to be rescheduled for Wednesday, November 15, 2017.

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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<b>Agenda Item No.:</b>	Item 5B
<b>Meeting Date:</b>	10/10/2017
<b>Subject:</b>	Resolution 2017-10-10-5B.
<b>From:</b>	Corrie M. Teague-Bobe Assistant Director of Economic Development

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### **SUMMARY**

The Board will be asked to approve Resolution 2017-10-10-5B, approving the Memorandum of Understanding Relocation Agreement with Appalachian Power.

### **ATTACHMENTS**

Resolution 2017-10-10-5B  
Memorandum of Understanding

**Resolution No. 2017-10-10-5B**

**A RESOLUTION APPROVING THAT CERTAIN MEMORANDUM OF UNDERSTANDING RELOCATION AGREEMENT WITH APPALACHIAN POWER COMPANY (“APCo”), A UNIT OF AMERICAN ELECTRIC POWER, TO FOLLOW UP RESOLUTION 2017-08-14-5C, FOR THE RELOCATION OF THAT CERTAIN CORNING-GLASS-RIDGEWAY 69KV TRANSMISSION POWER LINE OVER LOT 4 OR LOT 8 IN THE AUTHORITY’S BERRY HILL INDUSTRIAL MEGA PARK, IN PITTSYLVANIA COUNTY, VIRGINIA, UNDER WHICH THE AUTHORITY WOULD PAY AN INITIAL PAYMENT OF \$1.5M, AND APCo WOULD ALLOW THE REVENUE CREDIT FROM A CUSTOMER WHO RELOCATES ON THAT LOT OR LOTS AND EXECUTES A CAPACITY CONTRACT WITH APCo OF AT LEAST 3MW BY JANUARY 1, 2020, FOR THE BALANCE OF THE COST OF RELOCATION**

**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 adopted Resolution 2017-08-14-5C, under which the Authority executed that certain letter agreement with Appalachian Power Company (“**APCo**”), a unit of American Electric Power, to relocate the Ridgeway-Corning Glass 69KV transmission line from structure 478-122 to structure 478-142 through Berry Hill, in order for the Authority to complete the grading of Berry Hill and to prepare Lot 8 for a potential new recruit; and

**WHEREAS**, in furtherance of that Resolution and such letter agreement, the Authority and APCo wish to enter into that certain Memorandum of Understanding Relocation Agreement with Appalachian Power Company (the “**APCo Relocation Agreement**”), which includes a Supplemental Easement and Right of Way from the Authority to APCo, under which APCo would relocate structure 478-122 through structure 478-142 of the Corning-Glass-Ridgeway 69kV transmission power line over Lot 4 or Lot 8 in the Authority’s Berry Hill Industrial Mega Park, in Pittsylvania County, Virginia; in return, the Authority would pay an initial payment of One Million Five Hundred Thousand Dollars (\$1.5M), and for the balance of the cost of such relocation, ApCo would give credit from revenue from a customer who relocates on that lot or lots and executes a capacity contract with ApCo of at least three mega watts (3MW) by January 1, 2020. A copy of the APCo Relocation Agreement is attached hereto as **Exhibit A**, incorporated herein by this reference;

**WHEREAS**, the Authority has determined that the APCo Relocation Agreement is reasonable, necessary and proper for the further development of Berry Hill, and in support and furtherance of Resolution 2017-08-14-5C; 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 execute and to enter into the APCo Relocation Agreement.

**Resolution No. 2017-10-10-5B**

**NOW, THEREFORE, BE IT RESOLVED,** that

1. The Authority does hereby approve the APCo Relocation Agreement, and hereby authorizes the Chairman or the Vice Chairman of the Authority, either of whom may act independently of the other, to execute and to deliver the APCo Relocation Agreement and any such other documents in connection with the APCo Relocation Agreement, including without limitation a Supplemental Easement and Right of Way, along with such amendments, deletions or additions thereto, 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 APCo Relocation Agreement 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 APCo Relocation Agreement 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 APCo Relocation Agreement 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 October 10, 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 10th day of October 2017.

(SEAL)

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

**Exhibit A**  
(The APCo Relocation Agreement)

## **MEMORANDUM OF UNDERSTANDING RELOCATION AGREEMENT**

**THIS MEMORANDUM OF UNDERSTANDING RELOCATION AGREEMENT** (this "Agreement") made and entered into as of the 10th day of October 2017 by and between **Danville Pittsylvania Regional Industrial Facility Authority**, a political subdivision of the Commonwealth of Virginia (referred to hereinafter as the "Authority") and **Appalachian Power Company, a unit of American Electric Power** (referred to hereinafter as "APCo").

### **WHEREAS:**

The Authority has requested APCo to relocate Structure Numbers 478-122 through 478-142, while also replacing structures 478-121, 478-122, 478-142, and 487-143. These structures support APCo's Corning Glass – Ridgeway 69kV Transmission Power Line, located in Pittsylvania County, VA.

APCo's Easement for the Corning Glass – Ridgeway 69kV Line was signed by May Hairston, et al. dated September 7th, 1967 and recorded in the Circuit Court of Pittsylvania County, Virginia.

APCo's agrees to relocate the said structure and associated line facilities, at the Authority's expense, from the existing location to approximately the location as identified on Exhibit "A" attached and made a part hereof.

The parties hereto desire to memorialize their agreement with respect to the requested engineering and structure relocation to be conducted by APCo.

### **AGREEMENT:**

#### **NOW THEREFORE:**

#### **THE AUTHORITY AGREES TO:**

1. Pay the actual cost, not to exceed \$2,927,990.00, of relocation of Structure Numbers 478-122 through 478-142, and the replacement of structures 478-121, 478-122, 478-142, and 487-143, including all company overheads and expenses associated with said relocation as reasonably incurred and determined by APCo after work is completed. Pay APCo and initial payment of \$1,500,000.00 in advance of any engineering or line relocation work being performed. APCo agrees to provide reasonable supporting documentation to the Authority, which substantiates APCo's final cost. APCo will bill the Authority for the total amount owed to APCo within one hundred twenty (120) days of completion of the relocation, and the Authority will pay such amount to APCo within one hundred twenty (120) days of receipt of such invoice, unless (as discussed below), a customer agrees to locate on Lot 8 or Lot 4 of the Berry Hill Industrial Park who signs a capacity contract of 3MW or higher with APCo by January 1, 2020.
2. Provide proposed layout for Berry Hill Industrial Park and all supporting details, drawings and survey data.
3. Grant APCo the Supplemental Right of Way and Easement for the Transmission Line relocation. Such easement generally encompasses a standard right of way width of hundred feet (100') wide, being fifty feet (50') on either side of the centerline of said Transmission Line; and under the terms and conditions set forth on Exhibit B (APCo's Standard Supplemental Easement), the Supplemental Easement must be executed by the Authority prior to the relocation work by APCo.
4. Be solely responsible for paying the cost of acquiring all easements deemed necessary by APCo, including the cost of all title examinations and surveys. Said easements are to include a standard

right of way width of one hundred feet (100') wide, being fifty feet (50') on either side of the centerline of said transmission line.

5. While recognizing that the Authority is not empowered to make any binding commitment beyond the current fiscal year of the Authority, it is the current intention of the Authority to make sufficient annual appropriations to make payment under this Agreement. Notwithstanding anything in this Agreement to the contrary, the Authority's obligation to make payments under this Agreement are subject to and dependent upon appropriations being made from time to time by or on behalf of the Authority for such purpose.

**APCo AGREES TO:**

1. Complete the relocation of Structure Numbers 478-122 through 478-142, and the replacement of structures 478-121, 478-122, 478-142, and 487-143 based on the completion of the conditions set forth in the Authority's items 1 through 4 above.
2. Not to exceed the preliminary cost estimate as set forth in "Exhibit C" hereto which is similarly contingent upon the completion of the conditions set forth in the Authority's items 1 through 3 above.
3. After the initial payment to APCo of \$1,500,000.00 from the Authority, APCo agrees to allow the revenue credit from a customer who agrees to locate on Lot 8 or Lot 4 of the Berry Hill Industrial Park to be applied against the remaining cost of this relocation work. The customer must agree and sign a capacity contract with APCo of at least 3 MW or higher by January 1, 2020, in order for the revenue credit to be applied.

**APCo AND THE AUTHORITY AGREE THAT:**

1. This Agreement shall be interpreted in accordance with the laws of the Commonwealth of Virginia, without recourse to its conflicts of law provisions.
2. The Parties will comply with all applicable laws, regulations, and codes governing the work associated with the relocation and replacement.
3. [LEFT INTENTIONALLY BLANK.]
4. Except for that certain letter agreement dated July 17, 2017, this Agreement is the sole and only agreement of the Parties relating to the subject matter hereof, and supersedes any prior understandings or written or oral agreements with respect to the subject matter hereof. In the event of a conflict between that letter agreement and this Agreement, this Agreement shall control to the extent reasonably necessary to resolve such conflict.
5. All of the terms, covenants and conditions of the original Easement shall continue in full force and effect, and the same are hereby reaffirmed, remade and rewritten, except to the extent that any such terms, covenants or conditions have been nullified hereby or conflict or are inconsistent with the terms of this Agreement, in which event the terms of this Agreement shall, in all respects, govern and prevail.
6. No amendment, modification or alteration of the terms of this Agreement shall be binding unless it is in writing, dated subsequent to the date of this Agreement, and duly executed by the Parties hereto.
7. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

**[SIGNATURES ON FOLLOWING PAGE.]**

**IN WITNESS WHEREOF**, the Parties have caused this **MEMORANDUM OF UNDERSTANDING RELOCATION AGREEMENT** to be executed by their duly authorized representatives as of the date and year first above written.

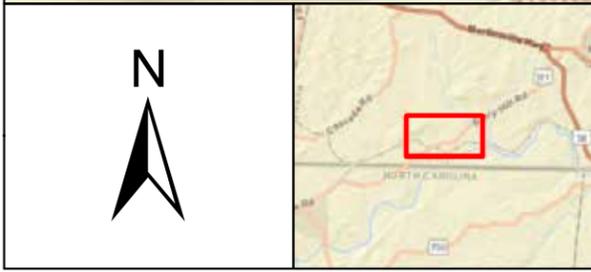
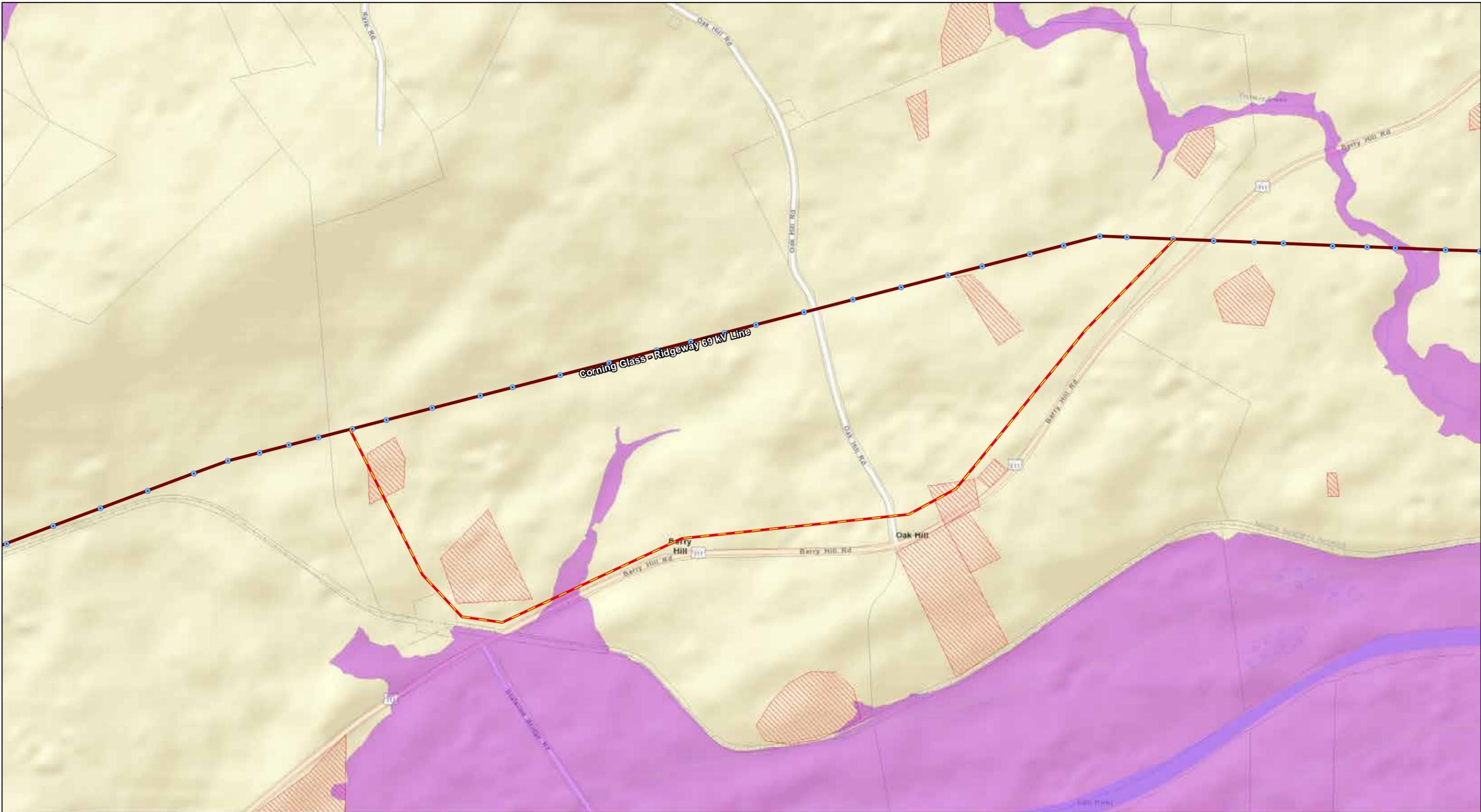
Executed as of the 10th day of October 2017.

**APPALACHIAN POWER COMPANY**

By: \_\_\_\_\_  
Thomas Schaffer Manager,  
Transmission Right of Way  
American Electric Power Service Corporation  
Authorized Signer

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

By: \_\_\_\_\_  
Chairman/Vice Chairman



**Legend**

Preliminary Relocation Route	VA Sink Hole
Existing Transmission Lines	Federal Land
Existing Structure	VA WMA
Flood Risk	Architecture Resource
VOF	Pittsylvania County Parcel

0    500    1,000    2,000 Feet

**Berry Hill Industrial Park  
Proposed Transmission Line Relocation**

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**Transmission Line Siting Group**

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Source: American Electric Power, ESRI  
 Coordinate System: NAD 1983 StatePlane Virginia South FIPS 4502 Feet  
 Comments:

Drawn By: CEP  
 Date: 7/18/2017

21 of 45

This drawing from the Transmission Line Projects Engineering Group of American Electric Power is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure, or distribution is prohibited. If you are not the intended recipient, please contact the sender and destroy all copies of the original document.

**Line Name:**  
**Line No.**                    **Easement No.**  
**Project Name:**

**SUPPLEMENTAL EASEMENT AND RIGHT OF WAY**

**THIS SUPPLEMENTAL EASEMENT AND RIGHT OF WAY** is made by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia, whose address is 427 Patton Street, Danville, Virginia 24541 ("**Grantor**"), whether one or more persons, and **Appalachian Power Company**, a Virginia corporation, being a unit of American Electric Power, whose principal business address is 1 Riverside Plaza, Columbus, Ohio 43215 ("**AEP**").

**WHEREAS, AEP** is the owner of a right of way and easement under the terms of the following agreement recorded in the \_\_\_\_\_ County Circuit Court, Clerk’s Office by and between \_\_\_\_\_ and Appalachian Power Company, a Virginia corporation, a predecessor in title to AEP, dated \_\_\_\_\_, 19\_\_ and recorded \_\_\_\_\_, 19\_\_ in Deed Book \_\_\_\_ Page \_\_\_\_ (the "**Original Easement**"); and

**WHEREAS,** Grantor is the successor in interest to all or part of the lands affected by the Original Easement.

**NOW, THEREFORE,** in consideration of the sum of Ten and NO/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which Grantor hereby acknowledges, the Grantor hereby grants and conveys and warrants to AEP this Supplemental Easement and Right of Way ("**Easement**") for electric transmission, distribution, and communication lines and appurtenant equipment and fixtures (allow for the rebuilding of the line and to modify the Original Easement insofar as it encumbers property of the Grantor situated in the State of Virginia, Pittsylvania County, being the same premises as described in Instrument \_\_\_\_\_ (Tax Map No. \_\_\_\_\_), as follows:

The Easement Area shall be revised to be as more fully described and depicted on Exhibit "A", a copy of which is attached hereto and made a part hereof ("**Easement Area**").

This Instrument was Prepared by Appalachian Power Company, 1 Riverside Plaza, Columbus, Ohio 43215

AEP Legal 952692.1  
10/02/2014 10:50:02

**GRANTOR FURTHER GRANTS AEP THE FOLLOWING RIGHTS**

The right, now and in the future, to construct, reconstruct, operate, maintain, alter, improve, extend, inspect, patrol, protect, repair, remove, replace, upgrade and relocate within the Easement Area, poles, towers, and structures, made of wood, metal, concrete or other materials, and crossarms, guys, anchors, grounding systems, and all other appurtenant equipment and fixtures, and to string conductors, wires and cables ("**Facilities**"); together with the right to add to said Facilities from time to time, and the right to do anything necessary, useful or convenient for the enjoyment.

The right, in AEP's discretion, to cut down, trim, remove, and otherwise control, using herbicides or tree growth regulators or other means any and all trees, overhanging branches, vegetation and brush situated within the Easement Area. AEP shall also have the right to cut down, trim or remove trees situated on lands of Grantor which adjoin the Easement Area when in the opinion of AEP those trees may endanger the safety of, or interfere with the construction, operation or maintenance of Facilities or ingress or egress to, from or along the Easement Area.

The right of unobstructed ingress and egress, at any and all times, over, across and along and upon the Easement Area, and across the adjoining lands of Grantor as may be necessary for access to and from the Easement Area for the above referenced purposes.

**THIS GRANT IS SUBJECT TO THE FOLLOWING CONDITIONS:**

In no event shall Grantor, its heirs, successors, and assigns plant or cultivate any trees or place, construct, install, erect or permit any temporary or permanent building, structure, improvement or obstruction including but not limited to, storage tanks, billboards, sign, sheds, dumpsters, light poles, water impoundments, above ground irrigation systems, swimming pools or wells; however, Grantor shall have the right to conduct minor alterations of the ground surface so long as minimum clearances are maintained between the ground surface and the lowest wire on pole and that no lowering of ground surface can be done within a thirty foot (30') diameter around pole. AEP may, at Grantor's cost to the extent permitted by law, remove any structure or obstruction if placed within the Easement Area, and may re-grade any alterations of the ground elevation that do not meet the requirements above within the Easement Area.

AEP shall also have the right to install guy wires, anchors, and anchoring systems outside the Easement, together with the right to cut and clear any trees and brush, which in AEP's opinion, may endanger or interfere with said guy wires, anchors, and anchoring systems.

"EXHIBIT B"

AEP agrees to repair or pay the Grantor for actual damages sustained by Grantor to crops, fences, gates, irrigation and drainage systems, drives, or lawns that are permitted herein, when such damages arise out of AEP's exercise of the rights herein granted.

The failure of AEP to exercise any of the rights granted herein, or the removal of any Facilities from the Easement Area, shall not be deemed to constitute an abandonment or waiver of the rights granted herein.

Except as supplemented and amended herein, the Original Easement shall remain in full force and effect. The Original Easement, as supplemented and amended herein, contains the complete agreement, express and implied between the parties herein and shall inure to the benefit of and be binding on their respective successors, assigns, heirs, executors, administrators, lessees, tenants, and licensees.

This Easement may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

**NOTICE TO LANDOWNER:** You are conveying rights to a public service corporation. A public service corporation may have the right to obtain some or all of these rights through exercise of eminent domain. To the extent that any of the rights conveyed are not subject to eminent domain, you have the right to choose not to convey those rights and you could not be compelled to do so.

You have the right to negotiate compensation for any rights that you are voluntarily conveying.

This Easement may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

**Any remaining space on this page left intentionally blank. See next page for signatures.**

"EXHIBIT B"

Executed this \_\_\_\_ day of \_\_\_\_\_ 201\_.

**APPALACHIAN POWER COMPANY**

By: \_\_\_\_\_  
Thomas Schaffer  
Manager, Transmission Right of Way  
American Electric Power Service Corporation  
Authorized Signer

STATE OF OHIO )

COUNTY OF FRANKLIN ) SS:

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by Thomas Schaffer, Manager, Transmission Right of Way, American Electric Power Service Corporation, as Authorized Signer for Appalachian Power Company, an \_\_\_\_\_ corporation, a unit of American Electric Power, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Notary Public (Print/Type Name)

My Commission Expires: \_\_\_\_\_

**GRANTOR**

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

STATE OF VIRGINIA )  
COUNTY/CITY OF \_\_\_\_\_ ) SS:

This Instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2017, by \_\_\_\_\_, as chairman/vice chairman of **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia, for and on behalf of the Authority.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Notary Public (Print/Type Name)

My Commission Expires: \_\_\_\_\_

This Instrument Prepared by Kenneth E. McDonough, Assistant General Counsel – Real Estate, American Electric Power Service Corporation, 1 Riverside Plaza, Columbus, OH 43215- for and on behalf of Appalachian Power Company, a unit of American Electric Power.

**When recorded return to: Appalachian Power Company – Transmission Right of Way, P. O. Box 2021, Roanoke, VA 24022**

**EXHIBIT C  
UTILITY COST ESTIMATE FORMAT**

Name of Utility Co. APCO Ut. Co. W.O. # \_\_\_\_\_  
 Project # A17963001 Date 7/27/2017

		Estimate	Final Cost
A.	Engineering		
	1. Salaries	\$ 21,017.00	
	2. Additives _____ %	\$ 13,057.00	
	3. Misc. Expenses _____ %	\$ 118,515.00	
	TOTAL	\$ 152,589.00	\$ -
B.	Right of Way Acquisition		
	1. Salaries		
	2. Additives _____ %		
	3. Misc. Expenses _____ %		
	TOTAL	\$ -	\$ -
C.	Construction (Permanent and Temporary)		
	1. Salaries	\$ 18,546.00	
	2. Additives _____ %	\$ 212,044.00	
	3. Misc. Expenses _____ %		
	4. Contract Labor Cost	\$ 2,132,294.00	
	5. Material Cost	\$ 223,180.00	
	6. Salvage Credit		
	7. Handling Charges, Supply Expenses, etc	\$ 5,935.00	
	8. Equipment		
	9. Other Expenses		
	TOTAL	\$ 2,591,999.00	\$ -
D.	General Engineering, Supervising, Accounting, Legal	\$ 183,402.00	
E.	Total A, B, C, D	\$ 2,927,990.00	\$ -
F.	Less Expired Service Life Credit		
G.	Less Betterment Credit		
H.	Total Non-Betterment Cost	\$ 2,927,990.00	\$ -
I.	Less Utility Company Cost _____ %	\$ -	\$ -
J.	Total Estimated State Cost _____ 100 %	<b>\$ 2,927,990.00</b>	<b>\$ -</b>

Estimate Approved By: Katie Earnest

Signed: Chad Earhart  
 Title: Engineer

Date: 7/27/2017

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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<b>Agenda Item No.:</b>	Item 5C
<b>Meeting Date:</b>	10/10/2017
<b>Subject:</b>	Resolution 2017-10-10-5C.
<b>From:</b>	Shawn R. Harden, PE., Project Manager, Dewberry Engineers, Inc.

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### **SUMMARY**

The Board will be asked to approve Resolution 2017-10-10-5C, approving Change Order Number 3 from Haymes Brothers.

### **ATTACHMENTS**

Resolution 2017-10-10-5C  
Change Order Number 3.

**Resolution No. 2017-10-10-5C**

**A RESOLUTION APPROVING CHANGE ORDER 3 TO THE SITE DEVELOPMENT WORK BY HAYMES BROTHERS, INC., A VIRGINIA CORPORATION, ORIGINALLY APPROVED UNDER RESOLUTION NO. 2017-02-24-4A, INCLUDING (I) INSTALLING GATES AND FENCING TO SECURE THE SITE, (II) INSTALLING ADDITIONAL STORMWATER CONTROLS AND (III) UPDATING THE QUANTITY OF GEOTEXTILE FABRIC FOR UNDERCUT AREAS, INCREASING THE CONTRACT PRICE BY \$98,868.75**

**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 (the “**Original Work**”) to the Authority’s Berry Hill Industrial Mega Park project (“**Berry Hill**”) located in Pittsylvania County, Virginia, under Resolution No. 2017-02-24-4A, by Haymes Brothers, Inc., a Virginia corporation (“**Haymes**”); and

**WHEREAS**, Haymes has submitted Change Order 3 which would include, among other work, (i) installing gates and fencing to secure the site; (ii) installing additional stormwater controls to reduce washing of slopes due to large rain events, and (iii) updating the quantity of geotextile fabric used in undercut areas, increasing the contract price by \$98,868.75 (the “**Change Order 3 Amount**”), as more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference (“**Change Order 3**”); and

**WHEREAS**, the Authority has determined that Change Order 3 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 accept Change Order 3.

**NOW, THEREFORE, BE IT RESOLVED**, that

1. The Authority does hereby approve the acceptance of Change Order 3, and hereby authorizes the Chairman or the Vice Chairman of the Authority, either of whom may act independently of the other, to execute and deliver Change Order 3 and any such other documents in connection with the acceptance of Change Order 3, with such amendments, deletions or additions thereto, so long as the price for Change Order 3 does not exceed five percent (5%) of the Change Order 3 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 Change Order 3 or such other related documents and any amendments, deletions or additions thereto.

**Resolution No. 2017-10-10-5C**

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 Change Order 3 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 Change Order 3 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 October 10, 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 10th day of October 2017.

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

(SEAL)

**Resolution No. 2017-10-10-5C**

**Exhibit A**  
(Change Order 3)

Date of Issuance: \_\_\_\_\_ Effective Date: 7-25-17  
 Owner: Danville Pittsylvania County Regional Industrial Facility Authority Owner's Contract No.: 50018376  
 Contractor: Haymes Brothers, Inc. Contractor's Project No.: \_\_\_\_\_  
 Engineer: Dewberry Engineer's Project No.: 50018376  
 Project: Berry Hill Industrial Park Contract Name: Phase 1 Development

The Contract is modified as follows upon execution of this Change Order:

Description: Change order number 3 includes the installation of gates and fencing to secure the site. In addition, CO 3 includes additional stormwater controls to reduce washing of slopes due to large rain events. CO 3 also updated quantity for Geo Textile fabric used in undercut areas.

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES <i>[note changes in Milestones if applicable]</i>
Original Contract Price: <u>\$ 3,776,063.00</u>	Original Contract Times: Substantial Completion: <u>330</u> Ready for Final Payment: <u>360</u> days or dates
Increase from previously approved Change Orders No. <u>1</u> to No. <u>2</u> : <u>\$ 197,710.40</u>	[Increase] [Decrease] from previously approved Change Orders No. <u>0</u> to No. <u>0</u> : Substantial Completion: <u>0</u> Ready for Final Payment: <u>0</u> days
Contract Price prior to this Change Order: <u>\$ 3,973,773.40</u>	Contract Times prior to this Change Order: Substantial Completion: <u>330</u> Ready for Final Payment: <u>360</u> days or dates
Increase of this Change Order: <u>\$ 98,868.75</u>	[Increase] [Decrease] of this Change Order: Substantial Completion: <u>0</u> Ready for Final Payment: <u>0</u> days or dates
Contract Price incorporating this Change Order: <u>\$ 4,072,642.15</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>330</u> Ready for Final Payment: <u>360</u> days or dates

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: <u><i>Shan T. Hardin</i></u>	By: _____	By: _____
Engineer (if required)	Owner (Authorized Signature)	Contractor (Authorized Signature)
Title: <u>Associate</u>	Title: _____	Title: _____
Date: <u>10-2-17</u>	Date: _____	Date: _____

Approved by Funding Agency (if applicable)

By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Title: \_\_\_\_\_



**Haymes Brothers, Inc.**  
General Contractors

440 Hawkins Road

Chatham, Virginia 24531

Phone (434) 432- 8282

Fax (434) 432-2029

Mr. Shawn Harden  
Dewberry Engineers, Inc.  
551 Piney Forest Road  
Danville, VA 24540

September 22, 2017

**Re: Berry Hill Industrial Park Phase I Graded Pads  
Project Number 99276003  
Project Clean Up Change Order**

Dear Mr. Harden;

As per your request at the Progress Meeting Thursday morning September 21, 2017, we submit the following information in regards to outstanding areas of work that have been performed and needs to be addressed by Change Order.

The total request for Change Order # 3 will be \$98,868.75 and is broken down as follows:

**Pad A:**

- Additional Clearing of 7 Acres for the Waste Area on Pad A. \$7,700.00
- Additional Seeding of the Waste Area on Pad A, 7 Acres: \$8,855.00
- Installation of Type I Check Dams on Pad A at the AEP Stockpile Fill area as an additional E & S measure. The Lump Sum price for these Check Dams will be: \$1,000.00 and is broken down as follows:
  - 9/21/17 installation of 4 Check Dams
- Installation of Slope Drain Pipe at Basin # 5 as directed: \$1,200.00

**Pad B:**

- Installation of V-Ditches on Pad B. The ditches were installed to catch the water flowing across the Pad and direct it into the Rip Rap Ditches. Our Lump Sum price to install these Ditches is \$13,188.00 and includes:
  - Approximately 1,754 LF of Ditches
  - Lined with EC-2 Matting
  - Rip Rap Flumes every 200' to direct the water from the V-Ditch to the Rip Rap Ditches
- Abandonment of Existing Well on Pad B: \$1,200.00

**Pad C:**

- Installation of Type I Check Dams on Pad C as an additional E & S measure. The Lump Sum price for these Check Dams will be: \$1,250.00 and is broken down as follows:
  - 7/28/17 installation of 5 Check Dams
- Installation of V-Ditch on Pad C. The ditch were installed to catch the water flowing across the Pad and direct it into the Rip Rap Ditch. Our Lump Sum price to install this Ditch is \$3,264.00 and includes:



# Haymes Brothers, Inc.

General Contractors

440 Hawkins Road

Chatham, Virginia 24531

Phone (434) 432- 8282

Fax (434) 432-2029

- Approximately 412 LF of Ditches
- Lined with EC-2 Matting
- Rip Rap Flumes every 200' to direct the water from the V-Ditch to the Rip Rap Ditches
- Installation of a Sediment Trap on Pad C due to the grading plan being adjustment because the AEP Power Line had been relocated: The cost for the installation of the added Trap is **\$2,791.75** and includes:
  - Additional Excavation
  - Geo Textile Fabric
  - Class A1 Rip Rap
  - # 3 Ballast Stone

#### Pad D:

- Installation of V-Ditches on Pad D. The ditch was installed to catch the water flowing across the Pad and direct it into the Rip Rap Ditch. Our Lump Sum price to install this Ditch is **\$1,609.00** and includes:
  - Approximately 212 LF of Ditches
  - Lined with EC-2 Matting
  - Rip Rap Flume to direct the water from the V-Ditch to the Rip Rap Ditch

#### Proposed – waiting approval:

- Proposed Installation of Gates and Three Board Rail Fence at access points on the site: **\$21,000.00**

#### Previously approved:

- Geo Textile Fabric placed in the Under Cut Areas on Pad A: 11,937 SY = **\$35,811.00**
  - *This item was previous approved and the material has been paid for but it hasn't been accounted for in the previous Change Orders*

After your review of the above information, should you have questions, need clarification or additional information, please do not hesitate to contact us.

Sincerely,

Timothy D. Worley  
Project Manager



Haymes Brothers, Inc.  
General Contractors

440 Hawkins Road Chatham, Virginia 24531 Phone (434) 432- 8282 Fax (434) 432-2029

Mr. Shawn Harden  
Dewberry Engineers, Inc.  
551 Piney Forest Road  
Danville, VA 24540

September 18, 2017

**Re: Berry Hill Industrial Park Phase I Graded Pads  
Project Number 99276003  
Installation of Gates and Fences**

Dear Mr. Harden;

As requested during our telephone conversation last Thursday, September 14, 2017, we present the following proposal for the installation of Gates and 3 Rail Board Fence at the Berry Hill site to eliminate access, as much as possible, onto the graded pads. We have inspected the site and identified all the locations; entrances, old road beds, power line right of ways and ATV Trails where is we see access could be obtained onto the site.

Our Lump Sum price to install the gates and fence as detailed below would be: **\$21,000.00**

**Our Proposal Includes:**

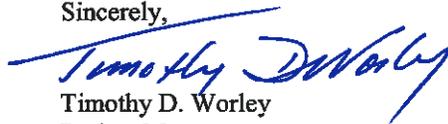
- 1,479 LF of 3 Rail Treated Board Fence
- 12 Twelve Foot Gates
- 4 Sixteen Foot Gates
- Remove of tree limbs / clearing of underbrush / Weed Eating as required

If our proposal is accepted, we would request a meeting onsite with the Engineer to verify and approve the location that the gates and fences would be installed.

This proposal assumes no other work and or supply of materials other than specified above.

After your review of our proposal, please do not hesitate to contact me if you require additional information.

Sincerely,



Timothy D. Worley  
Project Manager

Cc: file

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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<b>Agenda Item No.:</b>	Item 5D
<b>Meeting Date:</b>	October 10, 2017
<b>Subject:</b>	Financial Status Reports – September 30, 2017
<b>From:</b>	Michael L. Adkins, Authority Treasurer

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### **SUMMARY**

A review of the financial status reports through September 30, 2017 will be provided at the meeting. The financial status reports as of September 30, 2017 are attached for the DPRIFA Board's review.

### **RECOMMENDATION**

Staff recommends approving the financial status reports as of September 30, 2017 as presented.

### **ATTACHMENTS**

Financial Status Reports

**Danville - Pittsylvania Regional Industrial Facility  
Authority**

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# **Financial Status**

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## Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY2018
- 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 <sup>7</sup>

As of September 30, 2017

<u>Funding</u>	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funds from bond issuance	\$7,300,000.00				
Issuance cost	(155,401.33)				
Refunding cost <sup>7</sup>	(52,500.00)				
Bank fees	(98.25)				
Interest earned to date	486,581.70				
<b>Cane Creek Parkway <sup>3</sup></b>		\$3,804,576.00	\$3,724,241.16	\$ -	
<b>Swedwood Drive <sup>2</sup></b>		69,414.00	69,414.00	-	
<b>Cane Creek Centre entrance <sup>3</sup></b>		72,335.00	53,878.70	-	
<b>Financial Advisory Services</b>		9,900.00	9,900.00	-	
<b>Dewberry contracts <sup>1</sup></b>		69,582.50	69,582.50	-	
<b>Dewberry contracts not paid by 1.7 grant <sup>4,5</sup></b>		71,881.00	28,711.62	43,169.38	
<b>Land</b>		-	2,792,945.57	-	
<b>Demolition services</b>		71,261.62	71,261.62	-	
<b>Legal fees</b>		-	110,752.08	-	
<b>CCC - Lots 3 &amp; 9 project - RIFA Local Share <sup>6</sup></b>		142,190.00	112,464.98	-	
<b>Other expenditures</b>		-	339,846.72	-	
<b>Total</b>	\$ 7,578,582.12	\$ 4,311,140.12	\$ 7,382,998.95	\$ 43,169.38	<u>\$ 152,413.79</u>

**notes:**

<sup>1</sup> Dewberry Contracts consist of wetland, engineering, surveying and site preparation

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

<sup>3</sup> Project completed under budget

<sup>4</sup> 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.

<sup>4</sup> 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.

<sup>5</sup> 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.

<sup>6</sup> 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.

<sup>7</sup> The \$7.3 million bonds were refunded on 8/1/2013 with the issuance of refunding bonds in the amount of \$5,595,000.

<b>Road Summary-Cane Creek Parkway:</b>	
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
<b>Total Road Contract Allocated to RIFA</b>	<b>\$ 5,271,916.00</b>

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

# Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2018

As of September 30, 2017

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<b>Funding</b>					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2017	77,180.29				
Transfer to Mega Park Funding-Other Than Bonds <sup>1</sup>	(20,000.00)				
<b>Contingency</b>					
Miscellaneous contingency items		\$ 98,680.29		\$ -	\$ 98,680.29
Berry Hill Wilmot Project (Lot 3B)			5,141.00		\$ (5,141.00)
<b>Total Contingency Budget</b>		<u>98,680.29</u>	<u>5,141.00</u>	<u>-</u>	<u>93,539.29</u>
<b>Legal</b>		80,000.00		-	80,000.00
<b>Accounting</b>		20,300.00		20,300.00	-
<b>Annual Bank Fees</b>		600.00		-	600.00
<b>Postage &amp; Shipping</b>		100.00		-	100.00
<b>Meals</b>		4,000.00	261.19	-	3,738.81
<b>Utilities</b>		500.00	61.40	-	438.60
<b>Insurance</b>		3,000.00		-	3,000.00
<b>Total</b>		<u>\$ 207,180.29</u>	<u>\$ 5,463.59</u>	<u>\$ 20,300.00</u>	<u>\$ 181,416.70</u>

<sup>1</sup> - Transfer to Mega Park Fund-Other Funds for \$20,000 to cover contingent liability due to Appalachian Power Company if RIFA cancels the development of Lot 8 at Berry Hill Mega Park or delays completion of the project beyond January 31, 2019. The \$20,000 would cover mobilization and other line relocation costs of Appalachian Power Company. Reference Resolution No. 2017-08-14-5C.(Note Appalachian is a unit of American Electric Power (AEP)).

**Danville-Pittsylvania Regional Industrial Facility Authority**  
**Mega Park - Funding Other than Bond Funds**  
**As of September 30, 2017**

<b>Funding</b>	<b>Funding</b>	<b>Budget / Contract Amount</b>	<b>Expenditures</b>	<b>Encumbered</b>	<b>Unexpended / Unencumbered</b>
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property <sup>1,4</sup>	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Tobacco Comm. FY10 SSED Allocation - Eng. Portion Deobligated	(244,797.00)				
Local Match for TIC FY10 SSED Allocation - Engineering Portion <sup>5</sup>	76,067.61				
Additional funds allocated by RIFA Board on 1/14/2013 <sup>6</sup>	11,854.39				
Contingency funds allocated per Resolution 2017-08-14-5C <sup>9</sup>	20,000.00				
<b>Land</b>					
Klutz property		\$ 8,394,553.50	\$ 8,394,553.50	\$ -	
Canter property <sup>2</sup>		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	-	
<b>Other</b>					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis <sup>3</sup>		990,850.00	987,879.29	2,970.71	
Consulting Services - McCallum Sweeney <sup>7</sup>		115,000.00	103,796.85	-	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project <sup>8</sup>		-	11,203.15	-	
Transfer from General Funds contingency <sup>9</sup>		20,000.00		20,000.00	
<b>Total</b>	<b>\$ 14,251,524.83</b>	<b>\$ 14,251,524.83</b>	<b>\$ 14,228,554.12</b>	<b>\$ 22,970.71</b>	<b>\$ (0.00)</b>

<sup>1</sup> 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.

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

<sup>3</sup> 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.

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

<sup>5</sup> 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.

<sup>6</sup> 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.

<sup>7</sup> Unencumbered the remaining \$11,203.15 due to termination of contract.

<sup>8</sup> As approved by RIFA Board on 10/16/2014

<sup>9</sup> As approved by RIFA Board on 8/14/2017

**Danville-Pittsylvania Regional Industrial Facility Authority**  
**Berry Hill Mega Park - Lot 4 Site Development**  
**As of September 30, 2017**

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<b>Funding</b>					
Tobacco Commission FY12 Megasite Allocation	\$ 6,208,153.00				
Local Match for TIC FY12 Megasite Allocation - County Portion <sup>1</sup>	750,000.00				
Local Match for TIC FY12 Megasite Allocation - City Portion <sup>1</sup>	750,000.00				
Local Match for TIC FY12 Megasite Allocation - RIFA Portion <sup>2</sup>	181,000.00				
Transfer in from "Mega Park - Funding Other than Bond Funds" Budget <sup>3</sup>	11,203.15				
<b>Expenditures</b>					
Dewberry Engineers Inc.		1,637,985.74	1,477,427.52	160,558.22	
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		3,812,235.00	3,101,759.86	710,475.14	
<b>Transfers to "General Expenditures Fiscal Year 2015" Contingency <sup>3</sup></b>					
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)	
<b>Total</b>	<b>\$ 7,900,356.15</b>	<b>\$ 5,674,021.39</b>	<b>\$ 4,738,019.67</b>	<b>\$ 936,001.72</b>	<b>\$ 2,226,334.76</b>

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

<sup>2</sup> 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.

<sup>3</sup> As approved by RIFA Board on 10/16/2014

**Danville-Pittsylvania Regional Industrial Facility Authority**  
**Rent, Interest, and Other Income Realized for Fiscal Year 2018**  
**As of September 30, 2017**

<u>Source of Funds</u>	<u>Funding</u>			<u>Expenditures</u> FY2018	<u>Unexpended /</u> <u>Unencumbered</u>
	<u>Carryforward</u> <u>from FY2017</u>	<u>Receipts</u> <u>Current</u> <u>Month</u>	<u>Receipts</u> <u>FY2018</u>		
<u>Carryforward</u>	\$ 630,797.74				
<u>Current Lessees</u>					
	<u>Park</u>	<u>Property</u>			
Institute for Advanced Learning and Research (IALR) <sup>1</sup>	Cyberpark	Hawkins Research Bldg.	\$ 21,400.32	\$ 64,200.96	
Capital Outdoor, Inc.	Cane Creek	Lot 6	-	1,800.00	
<u>Total Rent</u>			<u>\$ 21,400.32</u>	<u>\$ 66,000.96</u>	
<u>Interest Received</u> <sup>2</sup>			\$ 785.70	\$ 1,544.70	
<u>Expenditures</u>					
Hawkins Research Bldg. Property Mgmt. Fee				\$ 42,800.64	
Disbursement to Blair Construction, Inc. for Hawkins Lab Upfit					
<b>Totals</b>	<u>\$ 630,797.74</u>	<u>\$ 22,186.02</u>	<u>\$ 67,545.66</u>	<u>\$ 42,800.64</u>	<u>\$ 655,542.76</u>

<b>Restricted</b> <sup>1</sup>	\$ 335,095.38
<b>Unrestricted</b>	\$ 320,447.38

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

<sup>2</sup> 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**<sup>1,2</sup>  
**September 30, 2017\***

	<b>Unaudited FY 2018</b>
<b>Assets</b>	
<i>Current assets</i>	
Cash - checking	\$ 458,010
Cash - money market	790,817
Accounts receivable	596,732
<i>Total current assets</i>	1,845,559
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	202,083
Restricted cash - debt service fund CCC bonds	443,168
Restricted cash - debt service fund Berry Hill bonds	13
Restricted cash - debt service reserve fund Berry Hill bonds	1,946,609
Capital assets not being depreciated	24,781,371
Capital assets being depreciated, net	23,796,253
Construction in progress	7,226,063
<i>Total noncurrent assets</i>	58,395,560
<b>Total assets</b>	60,241,119
<b>Liabilities</b>	
<i>Current liabilities</i>	
Bonds payable - current portion	1,673,450
<i>Total current liabilities</i>	1,673,450
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	3,468,190
<i>Total noncurrent liabilities</i>	3,468,190
<b>Total liabilities</b>	5,141,640
<b>Net Position</b>	
Net investment in capital assets	50,864,130
Restricted - debt reserves	2,389,790
Unrestricted	1,845,559
<b>Total net position</b>	\$ 55,099,479

<sup>1</sup> 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.

<sup>2</sup> 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 September 30, 2017 as of September 26, 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**  
**September 30, 2017\***

	<b>Unaudited FY 2018</b>
<b>Operating revenues</b>	
Virginia Tobacco Commission Grants	856,319
Rental income	67,476
<b>Total operating revenues</b>	<b>923,795</b>
<b>Operating expenses</b> <sup>4</sup>	
Mega Park expenses <sup>3</sup>	769,209
Cane Creek Centre expenses <sup>3</sup>	-
Cyber Park expenses <sup>3</sup>	42,801
Professional fees	5,141
Insurance	2,199
Other operating expenses	518
<b>Total operating expenses</b>	<b>819,868</b>
<b>Operating income (loss)</b>	<b>103,927</b>
<b>Non-operating revenues (expenses)</b>	
Interest income	4,217
Interest expense	(32,726)
<b>Total non-operating expenses, net</b>	<b>(28,509)</b>
<b>Net income (loss) before capital contributions</b>	<b>75,418</b>
<b>Capital contributions</b>	
Contribution - City of Danville	724,694
Contribution - Pittsylvania County	724,694
<b>Total capital contributions</b>	<b>1,449,388</b>
<b>Change in net position</b>	<b>1,524,806</b>
<b>Net position at July 1, 2017</b>	<b>53,574,673</b>
<b>Net position at September 30, 2017</b>	<b>\$ 55,099,479</b>

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

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

<sup>5</sup> Please note this statement will change once all FY2018 entries are made and may also change depending on audit adjustments, if any, for FY2018 and the nature of those audit adjustments.

**Danville-Pittsylvania Regional Industrial Facility Authority**  
**Statement of Cash Flows**  
**September 30, 2017\***

	<b>Unaudited FY 2018</b>
<b>Operating activities</b>	
Receipts from grant reimbursement requests	\$ 1,636,206
Receipts from leases	66,000
Payments to suppliers for goods and services	(1,821,142)
<b>Net cash used by operating activities</b>	<b>(118,936)</b>
<b>Capital and related financing activities</b>	
Capital contributions	1,146,222
Interest paid on bonds	(79,279)
Principal repayments on bonds	(845,000)
<b>Net cash provided by capital and related financing activities</b>	<b>221,943</b>
<b>Investing activities</b>	
Interest received	4,218
<b>Net cash provided by investing activities</b>	<b>4,218</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	107,225
<b>Cash and cash equivalents - beginning of year (including restricted cash)</b>	<b>3,733,475</b>
<b>Cash and cash equivalents - through September 30, 2017 (including restricted cash)</b>	<b>\$ 3,840,700</b>
<b>Reconciliation of operating loss before capital contributions to net cash used by operating activities:</b>	
Operating income (loss)	\$ 103,927
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	230
Change in due from other governments	-
Change in other receivables	779,887
Change in accounts payable	(1,001,505)
Change in unearned income	(1,475)
<b>Net cash used by operating activities</b>	<b>\$ (118,936)</b>

<b>Components of cash and cash equivalents at September 30, 2017:</b>	
American National - Checking	\$ 458,010
American National - General money market	790,817
Wells Fargo - \$7.3M Bonds CCC Debt service fund	443,168
Wells Fargo - \$7.3M Bonds CCC Project fund	202,083
US Bank - \$11.25M Bonds Berry Hill Debt service fund	13
US Bank - \$11.25M Bonds Berry Hill Debt service reserve fund	1,946,609
	<b>\$ 3,840,700</b>