Danville-Pittsylvania Regional Industrial Facility Authority

City of Danville, Virginia
County of Pittsylvania, Virginia

AGENDA

November 15, 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 OCTOBER 10, 2017 MEETING

5. NEW BUSINESS

A. Consideration of Resolution No. 2017-11-15-5A, supporting the concept of leasing additional land located in the Authority's Cyber Park project to The Institute for Advanced Learning & Research (IALR), a political subdivision of the Commonwealth of Virginia, for the establishment of a Center for Manufacturing Advancement – Mark Gignac, Executive Director, IALR, and Troy Simpson, Associate Professor of Precision Machining Technology, Danville Community College

B. Consideration of Resolution No. 2017-11-15-5B, approving maintenance work, updates and the addition of Unison Tube, L.L.C. to the existing entrance way directory sign of the Authority's Cane Creek Centre project at a cost of $3,020 to be performed by Power Signs, Inc., a Virginia corporation -- Kelvin G. Perry, Project Manager, Danville Economic Development

C. Consideration of Resolution No. 2017-11-15-5C, ratifying that certain letter agreement dated October 18, 2017, with EPR, P.C., a Virginia professional corporation, for assistance, at a maximum cost of $8,500 with the Authority's submission of a TIGER grant, in support of Resolution 2017-10-10-7, and in accordance with paragraph 2 of Article IV of the Authority's Bylaws -- Corrie M. Teague-Bobe, Assistant Director, Danville Economic Development

D. Consideration of Resolution No. 2017-11-15-5D, approving the expanded role of A. Kent Shelton, P.E., as set forth in Resolution 2017-03-13-5C, to serve as the project monitor and limited inspector for the Phase 1 sewer infrastructure project at the Authority's Berry Hill Mega Park project, at an estimated cost of $39,520 (existing hourly rate of $38 for an estimated 1,040 hours of work) - Richard Drazenovich, P.E., Director of Public Works, City of Danville

E. Consideration of Resolution No. 2017-11-15-5E, authorizing the joint submission of an application by the Authority with the County of Pittsylvania, Virginia, and the City of Danville, Virginia, to the Virginia Tobacco Region Revitalization Commission for a grant to fund proposed site improvements to Lot 8 in the Authority's Berry Hill Industrial Mega Park project, in Pittsylvania County, Virginia, to create a buildable construction pad on such lot to accommodate Project Lignum and to prepare such lot for a rail spur, at an estimated cost of $5,759,600.00 –

Gregory L. Sides, Assistant County Administrator for Planning and Development, Pittsylvania County

F. Financial Status Reports as of October 31, 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 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

8. ADJOURN

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 4
Meeting Date:	11/15/2017
Subject:	Meeting Minutes
From:	Susan M. DeMasi, Authority Secretary

SUMMARY

Attached for the Board's review and approval are the Meeting Minutes from the Tuesday, October 10, 2017 meeting.

ATTACHMENTS

Meeting Minutes – 10/10/2017

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
October 10, 2017

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:17 p.m. on the above date in the Danville Regional Airport Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Chairman Sherman M. Saunders and Alternate J. Lee Vogler. Fred O. Shanks, III was absent. Pittsylvania County Members present were Vice Chairman Jessie L. Barksdale, Robert Warren and Alternate Elton W. Blackstock. (*Mr. Warren entered the meeting at 12:21 p.m.)*

City/County staff members attending were: City Manager Ken Larking, Deputy City Manager Earl Reynolds, Director of Economic Development Telly Tucker, Assistant Director of Economic Development Corrie Teague Bobe, Economic Development Project Manager Kelvin Perry, City of Danville Director of Public Works Ric Drazenovich, City of Danville Director of Finance Michael Adkins, City of Danville Senior Accountant Henrietta Weaver, Clement Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi. Also present were Brian Bradner, Dewberry & Davis, City Council Member Madison Whittle and Ronald Scearce Pittsylvania County Board of Supervisors.

Chairman Saunders presided and thanked everyone for their support, prayers, cards and visits and thanked the Vice Chairman for chairing the meetings. Chairman Saunders noted it is good to be back.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF MINUTES FOR THE SEPTEMBER 7, 2017 AND SEPTEMBER 11, 2017 MEETINGS

Upon **Motion** by Mr. Barksdale and **second** by Mr. Vogler, Minutes of the September 7, 2017 and September 11, 2017 Meetings were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION – RESCHEDULING THE NOVEMBER MEETING OF THE AUTHORITY TO WEDNESDAY, NOVEMBER 15, 2017.

Secretary to the Authority, Susan DeMasi explained because the VACO Conference this year is November 12-14, 2017, and the scheduled RIFA Meeting is Monday, November 13, 2017, the November meeting of RIFA needs to be rescheduled to Wednesday, November 15, 2017. Mr. Barksdale noted his appreciation of the consideration the Board and staff are giving them.

Mr. Vogler **moved** to reschedule the November meeting of the Authority to Wednesday, November 15, 2017, in light of Virginia Association of Counties Annual Conference. [No written Resolution.]

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

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

5B. CONSIDERATION – RESOLUTION 2017-10-10-5B APPROVING THAT MEMORANDUM OF UNDERSTANDING RELOCATION AGREEMENT WITH APPALACHIAN POWER

Mr. Barksdale **moved** for adoption 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.*

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

Assistant Director of Economic Development Corrie Teague Bobe explained this item is a Memorandum of Understanding between RIFA and AEP to relocate the 69kv line that currently runs through Lot 4 and Lot 8 at Berry Hill Industrial Park. The total cost for this project is $3M and they do require half of it up front. Ms. Teague Bobe further explained through Tobacco Commission Grant 2264, the Authority did have $1.7M of that grant allotted towards this relocation, and speaking with Tom Pfohl at the Tobacco Commission, once AEP submits an invoice to RIFA, it can be sent to the Tobacco Commission and they would cover that upfront cost. Authority Attorney Michael Guanzon noted, as a reminder, the total cost is just under $3M and the balance would be paid back through a revenue credit so long as there is a power customer who relocates on one of the lots at Berry Hill, of at least 3 MW by January 1, 2020, then that would be applied against the remaining balance. The form of some of these details are still being worked out with ApCo, but staff wanted to go ahead and get the big portions taken care of now as it is time sensitive.

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

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

5C. CONSIDERATION – RESOLUTION 2017-10-10-5C – APPROVING CHANGE ORDER 3 TO SITE DEVELOPMENT WORK BY HAYMES BROTHERS, INC.

Mr. Barksdale **moved** for adoption 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.*

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

Brian Bradner from Dewberry explained the Change Order includes several erosion control items to help secure and protect the pad for the long term, as far as erosion control. At the three axis points, it includes the construction of gates, basically cattle guards, and fencing to

help discourage the four wheeler traffic on the pad. As far as the contract overall, it is under budget and well ahead of schedule. Mr. Saunders noted this was Change Order 3, and questioned the cumulative amount. Mr. Bradner noted the increase of this change order is $98,868.75, previous to this it was approximately $197,710, so there is a total change order value of approximately $300,000 to date. Mr. Barksdale questioned if there was anything else that might need to be taken care of that could be done now and prevent a Change Order 4. Mr. Bradner noted he believes the work is just about done, they are doing the final punch list, there may be a few clean up items, but relative to budget, RIFA is about $2M under budget for the project.

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

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

6D. FINANCIAL REPORT AS OF SEPTEMBER 30, 2017

Authority Treasurer Michael Adkins noted the funding sheets are as of September 30th and beginning with the $7.3M for Cane Creek, there was no activity. General Expenditures for FY18 show $5,141 to LeClair Ryan for ongoing legal fees related to the Wilmot Project, $261 for meals and $31 for monthly utilities. Mega Park Funding Other than Bonds showed no activity for September. Under Berry Hill Mega Park Lot 4 Site Development, the Authority paid $17,178 to Dewberry for Amendment #10 and $596,732 to Haymes Brothers for Phase I Grading. That sheet shows where RIFA had, as was mentioned, the budget for Site Development at $7.9M and funding, including the encumbrances, not including the last two Change Orders, at $2.2M in unencumbered, unexpended money for that site development. Rent, Interest and Other Income shows $21,400 from the Institute for Advanced Learning and Research for the Hawkins' Building, and also paid the IALR $21,400 for the Maintenance Agreement related to the Hawkins' Building and $786 in Interest Income.

Mr. Vogler **moved** to accept the Treasurer's Report; the Motion was **seconded** by Mr. Barksdale and carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders and Vogler (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 12:28 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;

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, Saunders and Vogler (4)
NAY: None (0)

D. On **Motion** by Mr. Warren and **second** by Mr. Barksdale and by unanimous vote at 1:07 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 and Vogler (4)
NAY: None (0)

7. COMMUNICATIONS

Board Members noted they were glad to have Mr. Saunders back. Mr. Saunders thanked everyone, noting it was good to be back and thanked Mr. Barksdale for chairing the meetings.

Staff Report

City of Danville Director of Economic Development Telly Tucker noted he wanted to make the Board aware that staff plans to proceed in identifying Unison Limited on the marquee entrance into Cane Creek since they have announced they will be locating at 500 Cane Creek Parkway. They will be responsible for any additional signage that goes on the building or on the actual site, but this is the marquee that enters the park from Route 58. The entire marquee design has already been approved per the covenants and zoning in the City.

City of Danville Director of Public Works Ric Drazenovich noted the DEQ acts as the Virginia Stormwater Management Authority for the County and issues the Stormwater environmental permits for projects. The City is its own Authority and issues permits for areas within the City and as such the City has certified plan checkers and inspectors. The City has requested that the DEQ consider entering into an agreement with them to allow the City to do the plan checking and inspections on RIFA projects. Staff feels it would be in the County and City's control and would be more efficient if they need to move quickly on any of these projects. Staff sent a letter requesting that to DEQ last week and should hear back soon. Staff has also spoken with the City Attorney about amending the Virginia VSMP regulations, to add one line. It already says that Authorities can enter into an agreement with neighboring municipalities and other entities, the City Attorney is looking into adding wording that specifically says that DEQ can enter into those agreements.

Ms. Teague Bobe noted in April of last year, RIFA had the opportunity to apply for TIGER funding through the U.S. Department of Transportation; that funding has opened up again. The application is due on Monday, staff is putting things together to reapply and is planning on submitting the same projects for the application. They had a call with the U.S. Department of Transportation who gave guidance on the previous application, on how to improve it for this round of funding; they are focusing on rural projects this time. A Resolution passed by the Board is needed in order to submit the application, just as they did last April. Ms. Teague Bobe noted she has spoken with Michael Guanzon, if the Board is comfortable, they can pass the Resolution today or the Board would need to find a date between now and Monday for a special called meeting. Mr. Guanzon explained because the application is identical to the prior one that was passed by the Board in 2016, as far as the essential business terms for the projects, this would be a limited exception where he would go ahead and do the Resolution and Authorization at this meeting to save another special called meeting. This is just going to authorize staff to resubmit the application with updated information. Ms. Teague Bobe noted that rural applications do not require a match.

Mr. Warren **moved** that the Board approve the staff applying for the grant and preparing a Resolution.

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

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

Mr. Guanzon asked the Chairman to ask for a Resolution to amend the Agenda to include this approval.

Mr. Warren **moved** to Amend the Agenda to include the TIGER Grant Resolution. The Motion was **seconded** by Mr. Vogler and carried by the following vote:

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

The Meeting adjourned at 1:19 p.m.

_____
Chairman

_____
Secretary to the Authority

DRAFT

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5-A
Meeting Date:	11/15/2017
Subject:	Leasing Land to IALR
From:	Marc Gignac, Executive Director, IALR and Troy Simpson, Associate Professor of Precision Machining, DCC

SUMMARY

Attached for the Board's review and approval is Resolution No. 2017-11-15-5A Supporting the Concept of Leasing Additional Land in the Cyber Park to the Institute for Advanced Learning and Research.

ATTACHMENTS

IALR Executive Summary

Dewberry Plans

Resolution 2017-11-15-5A

the INSTITUTE
FOR ADVANCED LEARNING AND RESEARCH

Center for Manufacturing Advancement

in Southern Virginia

Executive Summary

Presented to the Virginia General Assembly
October 2017

Executive Summary

The Institute for Advanced Learning and Research (IALR), in concert with leading industry partners, proposes to establish a *Center for Manufacturing Advancement* on the IALR campus in Danville, Virginia.

The proposed Center will provide vital support services to help new and existing industries more rapidly move from the start-up phase to full production as they establish new business operations in the Commonwealth or expand their existing lines. These services include:

- **Quick-Launch Bays** that will enable new businesses to begin limited operations off-site during what is traditionally the initial down time as new businesses wait for their factory to be constructed and equipped to support full operations;

- **Process Improvement Labs** that will enable new and existing businesses to test and improve their processes off-site, thereby ensuring that plant operations are not impacted;

- **Demonstration Sites** that will enable companies to stage and showcase emerging technologies and new products;

- **An ISO-Certified Inspection Lab** that will provide integrated inspection support for all of the above services.

The Center will feature labs, high bays, offices, and meeting rooms within the 51,000-square-foot facility. The Center will be located on the campus of the IALR, allowing it to leverage resources by drawing its governance, leadership, and administrative support from this institution.

The total cost will be $25.5 million ($18.5M in building costs, $5.1M for equipment, and $1.9M in operating start-up expenses). The program is projected to be self-funding by the completion of Year 4, as revenues from the Center provide for its ongoing operating needs.

The goal of the Center for Manufacturing Advancement is to significantly reduce the traditional "down time" that it takes businesses to become fully operational in a new facility (generally 12 to 24 months), as well as down time during product/process improvement operations. A significant reduction in down time equates to a significant cost savings for companies. These are critical needs that have been identified by both new business prospects as well as many existing businesses in the Commonwealth. With few, if any, other regions currently offering a similar complement of such services, the Center for Manufacturing Advancement will serve as an extremely powerful economic development tool.

It should be noted that the proposed Center is not a stand-alone activity. Rather, it is the vital next phase in the logical progression of the region's well-thought-out, long-term economic recovery plan, the genesis of which was the 2013 expansion of advanced manufacturing programs at Danville Community College (DCC) and the IALR. To date, the advanced manufacturing program expansion has resulted in creation of an additional 266 regional jobs. That number *will* continue to rise, as the ever-increasing pipeline of well-trained machinists continues to attract the attention of advanced manufacturing prospects.

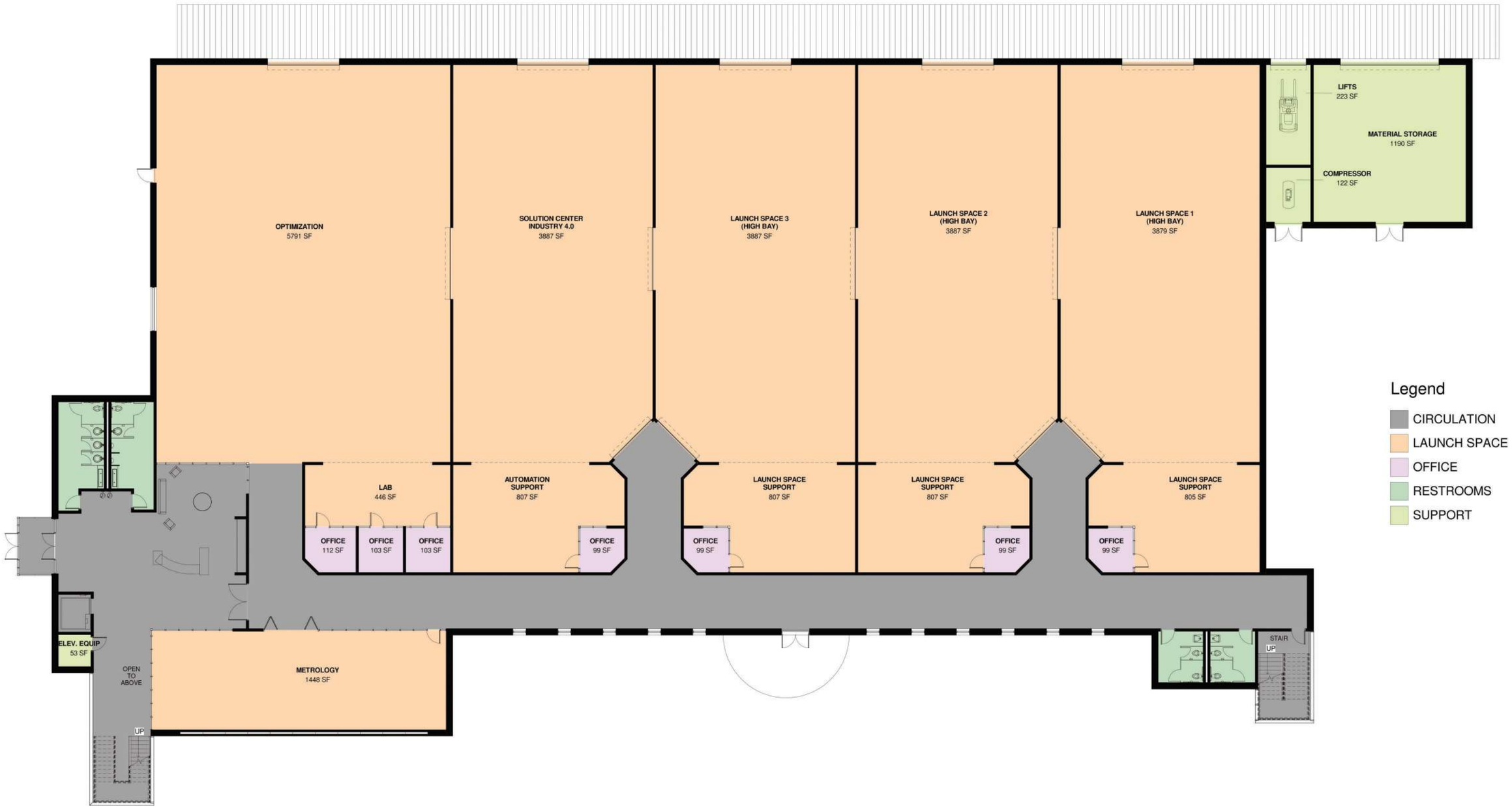
> *"The region's commitment to supporting manufacturing and its demonstrated investments in a world-class workforce pipeline was a key influencer in our decision to locate in this community. The newly proposed Center for Manufacturing Advancement will form an even greater benefit for manufacturers locating into the area as it provides businesses the ability to quickly launch new operations, saving both time and significant cost." --Dale Coates, Vice President, Unison Tube NA*

Building upon the success of the advanced manufacturing program expansion, the Center will take the regional economic development effort to the next level – a level that will ignite a migration of new industries and jobs to the region that will far surpass the numbers generated through just the training program expansion alone. It is projected to attract 17 to 20 new businesses to the region over a 10-year period, creating an estimated 3,600 to 4,200 new jobs.

This proposed Center for Manufacturing Advancement will provide services that continue to remain "missing" in most regions throughout the nation – services that, as offered through the Center for Manufacturing Advancement, will set Southern Virginia and the Commonwealth apart from competing regions. The Center's impact will be transformational as it:

- Becomes a tangible, world-class example of a business friendly environment;
- Builds upon previous investments;
- Significantly increases the number of well-paying jobs;
- Improves the lives of our students, industry partners, and the region and state.

the INSTITUTE
MANUFACTURING ADVANCEMENT CENTER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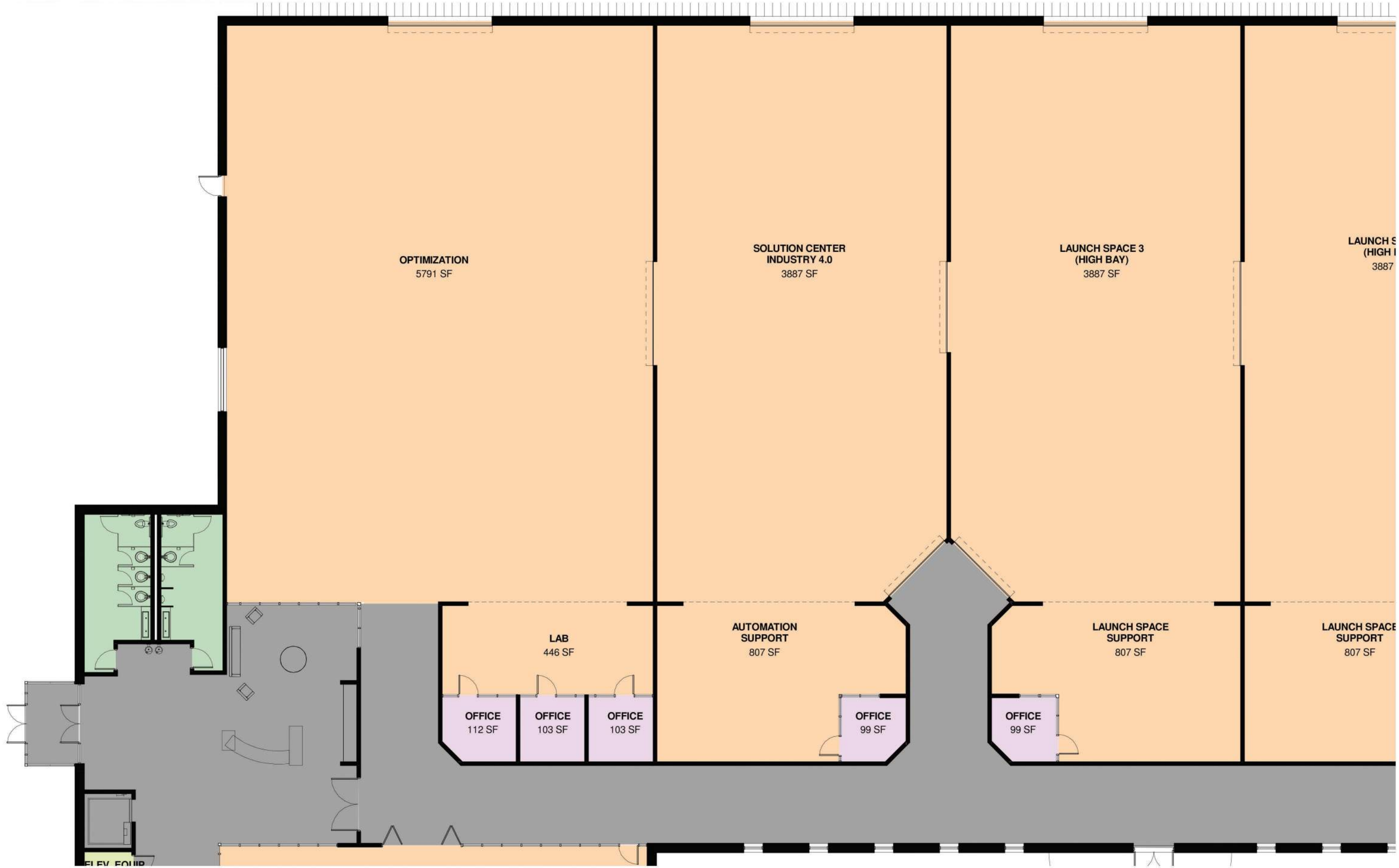
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ROOF BELOW
CONFERENCE
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OBSERVATION
J.C.
73 SF
I.T.
63 SF
TRAINING/
CLASSROOM
923 SF
OFFICE
129 SF
OFFICE SUITE 4
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765 SF
OFFICE SUITE 2
756 SF
OFFICE SUITE 1
739 SF
OFFICE
142 SF
CONFERENCE
218 SF
FLEX
OFFICE
86 SF
CONFERENCE
219 SF
ELEC-
TRICAL
86 SF
A/V CLOSET
48 SF
ELEV. EQUIP
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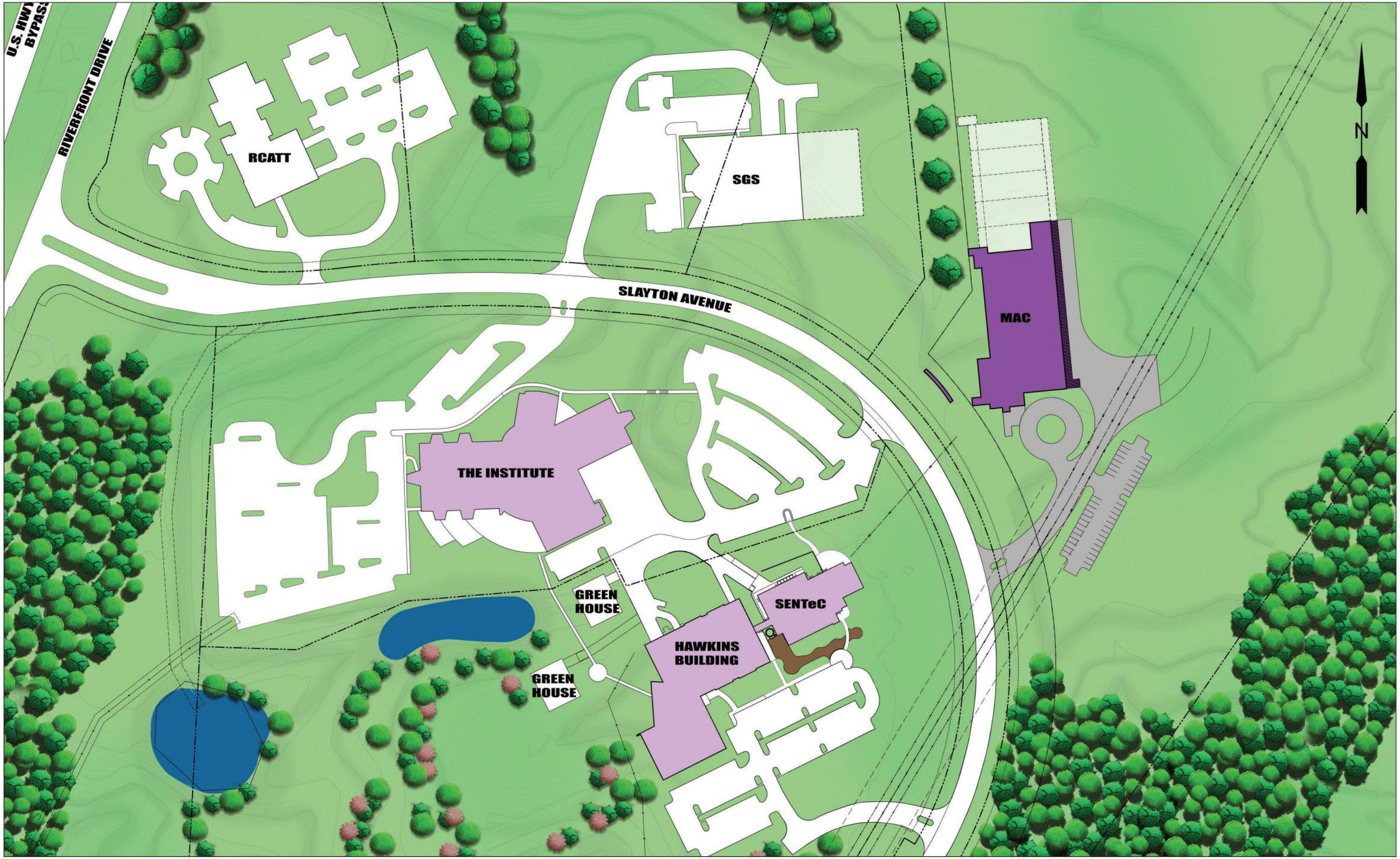
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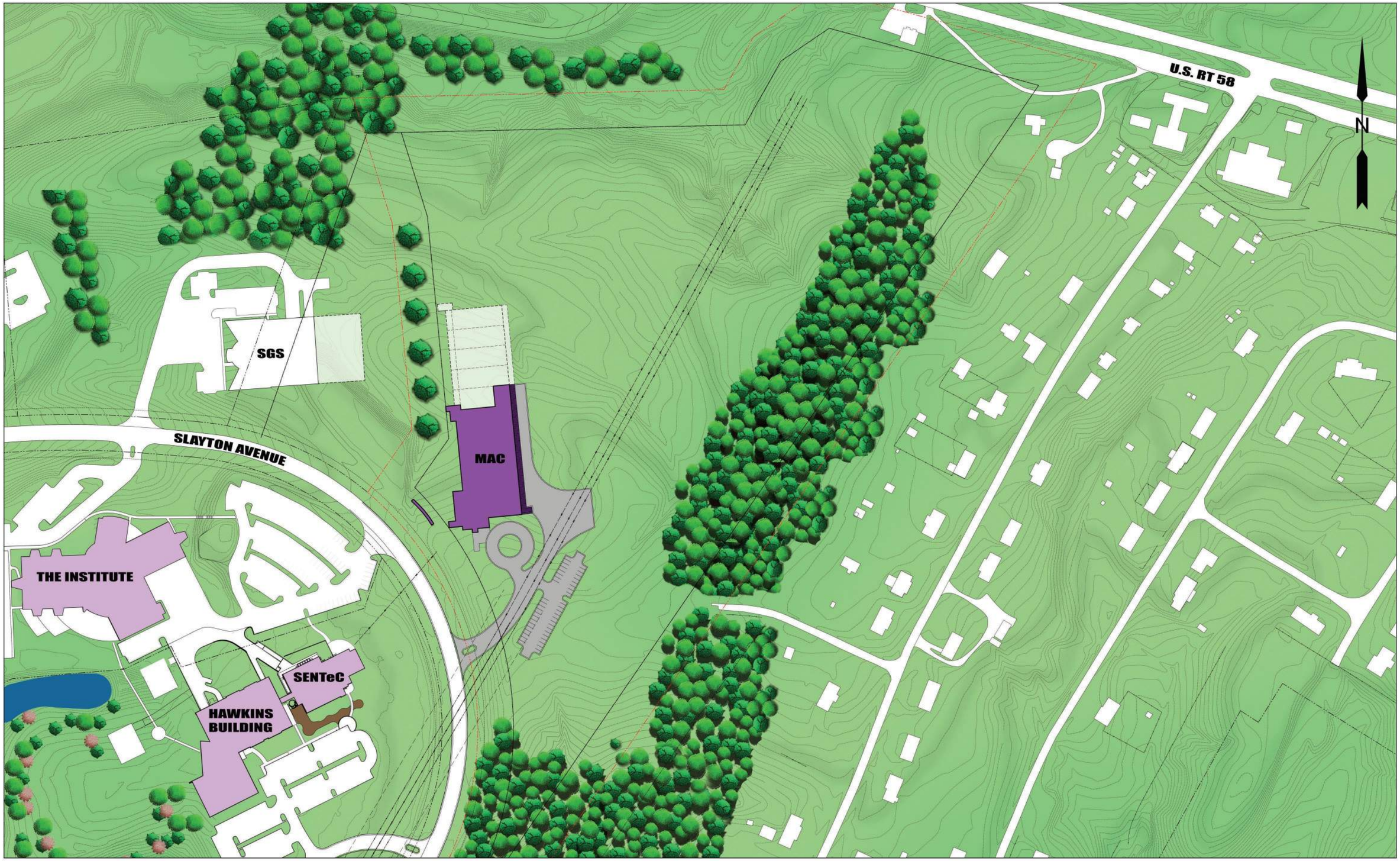
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Resolution No. 2017-11-15-5A

A RESOLUTION SUPPORTING THE CONCEPT OF LEASING ADDITIONAL LAND LOCATED IN THE AUTHORITY'S CYBER PARK PROJECT TO THE INSTITUTE FOR ADVANCED LEARNING & RESEARCH (IALR), A POLITICAL SUBDIVISION OF THE COMMONWEALTH OF VIRGINIA, FOR THE ESTABLISHMENT OF A CENTER FOR MANUFACTURING ADVANCEMENT

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 (Virginia Code §§ 15.2-6400 *et seq.*) as amended; and

WHEREAS, The Institute for Advanced Learning and Research ("**IALR**"), a political subdivision of the Commonwealth of Virginia, leases space in the Authority's Cyber Park Project located in Danville, Virginia; and

WHEREAS, IALR, along with its industry partners, wishes to establish a Center for Manufacturing Advancement (the "**Proposed Center**") on its campus in the Authority's Cyber Park Project; and

WHEREAS, as envisioned by IALR, the Proposed Center would provide vital support services to help new and existing industries more rapidly move from the start-up phase to full production as they establish new business operations in the Commonwealth of Virginia or expand their existing lines. These services would include: (i) Quick-Launch Bays that would enable new businesses to begin limited operations offsite during what is traditionally the initial down time as new businesses wait for their factory to be constructed and equipped to support full operations; (ii) Process Improvement Labs that would enable new and existing businesses to test and to improve their processes off-site, thereby ensuring that plant operations are not impacted; (iii) Demonstration Sites that would enable companies to stage and to showcase emerging technologies and new products; and (iv) an ISO-Certified Inspection Lab that would provide integrated inspection support for the foregoing; and

WHEREAS, the Proposed Center would feature labs, high bays, offices, and meeting rooms within a 51,000-square foot facility. The Proposed Center would be located on the campus of the IALR, allowing it to leverage resources by drawing its governance, leadership, and administrative support; and

WHEREAS, the Authority finds that the concept of the Proposed Center is a promising expansion to the Authority's Cyber Park project.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby supports the concept of leasing additional land located in the Authority's Cyber Park project to IALR for the establishment of the Proposed Center, as presented at this meeting.

2. The Authority hereby directs and authorizes its support staff and other agents to enter into discussions with IALR and its business partners about the feasibility of establishing the Proposed Center at the Authority's Cyber Park project. Nothing in this Resolution shall be construed or deemed to be an authorization by the Authority to lease or to convey any interest in the Authority's Cyber Park or to enter into a legally binding arrangement with IALR or others in connection with the concept of the Proposed Center.

3. 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 November 15, 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 15th day of November 2017.

_____
Susan M. DeMasi, Secretary
Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	5-B
Meeting Date:	11/15/2017
Subject:	Maintenance and Updates to Signage at Cane Creek.
From:	Kelvin G. Perry, Project Manager, Danville Economic Development

SUMMARY

Attached for the Board's review and approval is Resolution No. 2017-11-15-5B approving maintenance work, updates and addition of Unison Tube, LLC to the entrance way directory signage at Cane Creek Centre.

ATTACHMENT

Resolution 2017-11-15-5B.

Resolution No. 2017-11-15-5B

A RESOLUTION APPROVING MAINTENANCE WORK, UPDATES AND THE ADDITION OF UNISON TUBE, L.L.C. TO THE EXISTING ENTRANCE WAY DIRECTORY SIGN OF THE AUTHORITY'S CANE CREEK CENTRE PROJECT AT A COST OF $3,020 TO BE PERFORMED BY POWER SIGNS, INC., A VIRGINIA CORPORATION

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 (Virginia Code §§ 15.2-6400 *et seq.*) as amended; and

WHEREAS, the Authority finds that the existing entrance way directory sign of the Authority's Cane Creek Centre project located in Danville and Pittsylvania County, Virginia, is in need of maintenance, updates and the addition of Unison Tube, L.L.C. (the "**Sign Work**"); and

WHEREAS, Power Signs, Inc., a Virginia corporation, is willing to do the Sign Work at a cost of $3,020 (the "**Proposed Sign Work Cost**"); and

WHEREAS, the Authority finds that the Sign Work and the Proposed Sign Work Cost are reasonable and necessary in support of the development and maintenance of its Cane Creek Centre project.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the Sign Work at the Proposed Sign Work Cost.

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 Sign Work, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions, so long as the cost does not exceed $3,500.

3. The costs under the Sign Work shall constitute an expenditure under the Cane Creek Bonds budget.

4. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect of the Sign Work 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 November 15, 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 15th day of November 2017.

_____
Susan M. DeMasi, Secretary
Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	5-C
Meeting Date:	11/15/2017
Subject:	Ratifying Letter Agreement with EPR, PC for Assistance with submission of a TIGER Grant.
From:	Corrie M. Teague-Bobe, Assistant Director, Danville Economic Development

SUMMARY

Attached for the Board's review and approval is Resolution No. 2017-11-15-5C to ratify a letter agreement with EPR, P.C., for assistance with the Authority's submission of a TIGER Grant in support of Resolution 2017-10-10-7.

ATTACHMENT

Letter from EPR, P.C.
Resolution 2017-11-15-5C.

Resolution No. 2017-11-15-5C

A RESOLUTION RATIFYING THAT CERTAIN LETTER AGREEMENT DATED OCTOBER 18, 2017, WITH EPR, P.C., A VIRGINIA PROFESSIONAL CORPORATION, FOR ASSISTANCE, AT A MAXIMUM COST OF $8,500 WITH THE AUTHORITY'S SUBMISSION OF A TIGER GRANT, IN SUPPORT OF RESOLUTION 2017-10-10-7, AND IN ACCORDANCE WITH PARAGRAPH 2 OF ARTICLE IV OF THE AUTHORITY'S BYLAWS

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 (Virginia Code §§ 15.2-6400 *et seq.*) as amended; and

WHEREAS, the Authority adopted Resolution 2017-10-10-7, reauthorizing an application to the United States Department of Transportation for a Transportation Investment Generating Economic Recovery Grant *[also known as a TIGER Grant]* to secure funding of rail infrastructure and port improvements necessary to handle increased agricultural and other bulk exports from Southern Virginia in support of the development of the Authority's Berry Hill Mega Park Project located in Pittsylvania County, Virginia; and

WHEREAS, Resolution 2017-10-10-7 specifically provided that "The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to assist the Chairman and the Vice Chairman and to take such actions and to do all such things as are contemplated by the 2017 TIGER Grant Application, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions"; and

WHEREAS, the support staff of the Authority determined that it was necessary and reasonable to engage the assistance of an experienced consultant for such application; and that EPR, P.C., a Virginia professional corporation ("**EPR**"), was such a consultant which had been successful in applying for and receiving transportation grants; and

WHEREAS, EPR is willing to provide such assistance at a maximum cost of $8,500, as set forth in that certain Proposal for INFRA 2017 Support Services, dated October 18, 2017, a copy of which is shown in **Exhibit A**, attached hereto and incorporated herein by this reference (the "**Proposal**"); and

WHEREAS, paragraph 2 of Article IV ("**Member Locality Agreement**") of the Authority's Bylaws provide:

> 2. Without limiting the provisions of the Agreement, each Member Locality, through its city manager, county administrator or respective designee, is authorized to incur, on behalf of the Authority, up to an aggregate amount of Ten Thousand Dollars ($10,000.00) in reasonable expenses, related to, or arising out of, (i) developing or testing the Authority's projects for a particular business prospect or (ii) marketing to a particular business prospect. Prior to incurring any such expense under this paragraph, the Member Locality shall consult with the

other Member Locality on such business prospect. Such expenses shall be reported to the Board at its next regular meeting for consideration and ratification.

; and

WHEREAS, pursuant to and in accordance with Resolution 2017-10-10-7 and paragraph 2 of Article IV of the Bylaws, Corrie Teague-Bobe ("**Bobe**"), Assistant Director, Economic Development of the City of Danville, as the designee of the City Manager of the Danville City Member Locality, accepted the Proposal on behalf of the Authority, after having received approval from the county administrator of the Pittsylvania County Member Locality of the Authority; and

WHEREAS, the Authority finds that the Proposal and its ratification are reasonable and necessary in support of Resolution 2017-10-10-7 and are in compliance with the Authority's bylaws.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby ratifies, confirms, approves, and adopts in all respects the Proposal, and any and all actions previously taken by the Authority and by Bobe and the other support staff or agents of the Authority in connection therewith.

2. All other actions of the support staff or agents of the Authority in conformity with the purposes and intent of this Resolution, regardless of whether such actions occurred before or occur after the enactment of this Resolution, are hereby ratified, approved and confirmed.

3. The costs under the Proposal shall constitute a contingency item expenditure under the General Expenditures budget.

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

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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 November 15, 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 15th day of November 2017.

_____
Susan M. DeMasi, Secretary
Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

Exhibit A
(The Proposal)

Danville Pittsylvania Regional Industrial Facility Authority
Attention: Corrie Teague Bobe
Assistant Director, Economic Development
City of Danville
427 Patton Street
PO Box 3300
Danville, VA 24543

October 18, 2017

Subject: Proposal for INFRA 2017 Support Services

Dear Ms. Bobe,

EPR, P.C. is pleased to provide you with this proposal to support the Danville Pittsylvania Regional Industrial Facility Authority in its efforts to submit an INFRA grant application. While a different grant opportunity, this effort will build upon efforts recently completed for "Connecting Virginia's Rural Agriculture Heartland to the Global Marketplace" TIGER 2017 grant narrative and benefit cost analysis (BCA).

SCOPE of WORK

Task 1 – INFRA Notice of Funding Opportunity Review
EPR will review the Notice of Funding Opportunity (NOFO), as provided by USDOT. We will develop a detailed checklist that includes key submittal requirements, and provide that to the City for review and comment.

Task 2 – INFRA Narrative Outline
After completion of Task 1, EPR will coordinate with the City to develop an INFRA narrative outline. Once the outline has been finalized, relevant sections from the TIGER 2017 narrative will be included. From there, any narrative gaps per NOFO, will be determined. The TIGER 2017 BCA will also be reviewed; however, the guidelines are the same for both INFRA and TIGER grants.

Task 3 – INFRA Narrative Support
EPR will support the City with development of the INFRA narrative. Documents for review may include individual sections, spreadsheets, outlines, graphics or the entire application. Given the short timeframe for the final submittal, EPR will primarily offer comments and suggestions relative to the application documents provided by the City; however, will also support grant writing, if needed.

Task 4 – Comments (On-going)
EPR will provide responses to the City, based on Tasks 1 through 3. The responses may be provided via embedded PDF or Word comments, email and/or conference calls. This method will allow for a more iterative and timely review process. Given the short timeframe for the final submittal, no formal letter of response or memorandum is expected.

Task 5 – Narrative Enhancement
Once the final document is ready, EPR will enhance the narrative by providing illustrative support. Using InDesign, or another related program, EPR will enhance the narrative by incorporating illustrative design elements (logos not included). These design elements may include formatting, an enhanced cover page with pictures (provided by the City), border colors, callouts, and/or colored shapes/graphics to highlight key text. EPR will provide the draft final document to the City for review and incorporate one round of comments.

Task 6 – In-person Meeting
EPR will be available for one in-person meeting to review project documents and help coordinate production efforts.

FEE AND SCHEDULE

EPR will provide the above summarized services per Task 1 through Task 6 on an hourly basis, with an upside limit fee of **$8,500**. Given notice to proceed, we will undertake Tasks 1 through 4 and provide support, comments and suggestions within an agreed upon schedule. Tasks 5 and 6, while included in the upside limit fee, will be undertaken up consent from the City.

BILLING AND PAYMENT POLICIES

Invoices will be submitted by EPR, P.C. at the end of each month. Billing is based upon Scope of Services tasks completed during that month; tasks accomplished or in-progress during that timeframe will be itemized in each invoice. Terms are net 20 days from date of invoice.

Services shall be provided on an hourly basis per our current billing rate schedule:

Principal Engineer – $150/hour
Principal Planner – $125/hour
Senior Planner – $100/hour

If needed, EPR will provide an estimate of additional services and will proceed only with written authorization.

WARRANTIES

The analyses and documentation provided per the study will be based on assumptions, information provided by the Client or his designees, and other sources, estimates, and reasonable analytical techniques. Approvals of plans by governmental and regulatory bodies cannot be warranted by EPR, P.C., as they are influenced by unforeseen future events and factors external to work performed under this contract.

CLOSURE

If you concur with the foregoing and wish to direct us to proceed with the aforementioned services, please execute the contract agreement by signing below and returning at your convenience (via scan email or fax 866-233-8801). Receipt of the executed agreement will be our Notice to Proceed.

EPR appreciates this opportunity to be of service to you. If you have any questions regarding this information, please contact me at your earliest convenience at (m) 850-445-8545.

Very truly yours,
EPR, P.C.

Drew Draper, PTP
Principal Planner

Agreed to this _____ day of _____, 2017.

By: _____

CC: Bill Wuensch, P.E., PTOE

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	5-D
Meeting Date:	11/15/2017
Subject:	Approving the Expanded Role of A. Kent Shelton.
From:	Richard Drazenovich, Director of Public Works, City of Danville

SUMMARY

Attached for the Board's review and approval is Resolution No. 2017-11-15-5D approving the expanded role of A. Kent Shelton, to serve as project monitor and limited inspector at Berry Hill.

ATTACHMENT

Resolution 2017-11-15-5D.

Resolution No. 2017-11-15-5D

A RESOLUTION APPROVING THE EXPANDED ROLE OF A. KENT SHELTON, P.E., AS SET FORTH IN RESOLUTION 2017-03-13-5C, TO SERVE AS THE PROJECT MONITOR AND LIMITED INSPECTOR FOR THE PHASE 1 SEWER INFRASTRUCTURE PROJECT AT THE AUTHORITY'S BERRY HILL MEGA PARK PROJECT, AT AN ESTIMATED COST OF $39,520 (EXISTING HOURLY RATE OF $38 FOR AN ESTIMATED 1,040 HOURS OF WORK)

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 (Virginia Code §§ 15.2-6400 *et seq.*) as amended; and

WHEREAS, the Authority adopted Resolution 2017-03-13-5C, approving the assignment of A. Kent Shelton, P.E. ("**Shelton**"), whom the City of Danville, Virginia (the "**City**"), had retained as an independent contractor for professional engineering services for the City, as the project monitor for the Authority's Phase 1 Grading Pads Project at the Berry Hill Mega Park project; and the costs of such services are acknowledged by the Authority as an in-kind service contribution by the City, to be shown on the "due to/due from" balance sheet between the Locality Members of the Authority, at an hourly rate of $38 (estimated to be approximately $23,712 for the duration of the project) plus travel expenses; and

WHEREAS, the Authority's Phase 1 Sewer Infrastructure Project at the Berry Hill Mega Park project also requires the same professional engineering services to monitor and to inspect the project for quality control, permit compliance, testing, meetings with the contractor's superintendent and other items for oversight (collectively, "**Observation Services**"); and

WHEREAS, Shelton is willing (i) to expand the scope of his Observation Services to include the Phase 1 Sewer Infrastructure Project and (ii) to perform limited inspection of the sewer force main in Berry Hill Road from the North Carolina state line to the Berry Hill Mega Park project, and limited inspection of the Trotters Creek gravity sewer (collectively, "**Limited Inspection Services**"), at the same rate of $38 per hour (estimated to be approximately $39,520 for the duration of the project, based on an estimated 1,040 hours of work) plus reimbursement of reasonable travel expenses; and

WHEREAS, the City, as a member locality of the Authority, is agreeable to making an in-kind service contribution of Shelton's expanded Observation Services and Limited Inspection Services to the Authority; and

WHEREAS, the Authority has determined that the proposed in-kind service contribution by the City is necessary and reasonable for furtherance of the Authority's Phase 1 Sewer Infrastructure Project and the advancement of the development of its Berry Hill Mega Park project.

NOW, THEREFORE, BE IT RESOLVED, that

Resolution No. 2017-11-15-5D

1. The Authority hereby approves the assignment of Shelton as the project monitor for the Authority's Phase 1 Sewer Infrastructure Project at the Berry Hill Mega Park project, to provide Observation Services and Limited Inspection Services.

2. The Authority hereby approves that the Observation Services and the Limited Inspection Services provided by Shelton for the Phase 1 Sewer Infrastructure Project at the Berry Hill Mega Park project shall be acknowledged as, and deemed to be, an in-kind service contribution by the City, to be shown on the "Due to/Due From" balance sheet between the locality members of the Authority. The amount of the contribution shall be equal to the payments made by the City to Shelton for the Observation Services and the Limited Inspection Services for the Phase 1 Sewer Infrastructure Project at the Berry Hill Mega Park project at a rate of $38 per hour plus reimbursement of reasonable travel expenses.

3. The Authority hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and to deliver such other documents in connection with the in-kind service contribution by the City pertaining to Observation Services and Limited Inspection Services by Shelton for the Phase 1 Sewer Infrastructure Project at the Berry Hill Mega Park project, as may be approved by the Chairman (or the Vice Chairman as the case may be), such execution by the Chairman (or the Vice Chairman as the case may be) to conclusively establish his approval of such other documents.

4. The Authority hereby authorizes and directs the Treasurer of the Authority to acknowledge the in-kind service contribution by the City pertaining to Observation Services and Limited Inspection Services by Shelton for the Phase 1 Sewer Infrastructure Project at the Berry Hill Mega Park project as set forth in this Resolution.

5. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the in-kind service contribution by the City pertaining to Observation Services and Limited Inspection Services by Shelton for the Phase 1 Sewer Infrastructure Project at the Berry Hill Mega Park project and the matters contemplated in this Resolution.

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

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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 November 15, 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 15th day of November 2017.

_____
Susan M. DeMasi, Secretary
Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	5-E
Meeting Date:	11/15/2017
Subject:	Joint Submission of Application to the Tobacco Commission.
From:	Gregory L. Sides, Assistant County Administrator for Planning and Development – Pittsylvania County

SUMMARY

Attached for the Board's review and approval is Resolution No. 2017-11-15-5E authorizing the joint submission of an application by the Authority, with the County and the City, to the Tobacco Commission.

ATTACHMENT

Resolution 2017-11-15-5E.

Resolution No. 2017-11-15-5E

A RESOLUTION AUTHORIZING THE JOINT SUBMISSION OF AN APPLICATION BY THE AUTHORITY WITH THE COUNTY OF PITTSYLVANIA, VIRGINIA, AND THE CITY OF DANVILLE, VIRGINIA, TO THE VIRGINIA TOBACCO REGION REVITALIZATION COMMISSION FOR A GRANT TO FUND PROPOSED SITE IMPROVEMENTS TO LOT 8 IN THE AUTHORITY'S BERRY HILL INDUSTRIAL MEGA PARK PROJECT, IN PITTSYLVANIA COUNTY, VIRGINIA, TO CREATE A BUILDABLE CONSTRUCTION PAD ON SUCH LOT TO ACCOMMODATE PROJECT LIGNUM AND TO PREPARE SUCH LOT FOR A RAIL SPUR, AT AN ESTIMATED COST OF $5,759,600.00

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 County of Pittsylvania, Virginia (the **"County"**), and the City of Danville, Virginia (the **"City"**), have been impacted by the decline of the tobacco industry causing a negative impact on economic development and growth throughout the region; and

WHEREAS, the Virginia Tobacco Region Revitalization Commission (the **"Commission"**) has developed an economic development program to help tobacco-reliant localities to change and to revitalize their economy, which includes grants to assist the County and the City in transforming their economies to replace the decline in the tobacco agro-business community; and

WHEREAS, the Authority desires to complete certain site improvements to Lot 8 in the Authority's Berry Hill Industrial Mega Park, in Pittsylvania County, Virginia, to create a buildable construction pad on such lot to accommodate Project Lignum and to prepare such lot for a rail spur (collectively, the **"Site Work"**), at an estimated cost of $5,759,60000 (the **"Estimated Cost"**); and

WHEREAS, the Authority desires to apply for a grant from the Commission for the costs of the Site Work (the **"Grant"**); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority and of the citizens of the County and the City for the Authority to complete the Site Work in further development of the Authority's Berry Hill Industrial Mega Park project, and to apply for the Grant from the Commission.

NOW, THEREFORE, BE IT RESOLVED, that

Resolution No. 2017-11-15-5E

1. The Authority does hereby authorize the joint submission with the City and the County to the Commission of an application for the Grant (the **"Application"**), upon such terms and together with such amendments, deletions or additions thereto, consistent with this Resolution, as may be approved by the Chairman or the Vice Chairman of the Authority, and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver the Application on behalf of the Authority, such execution of the Application by the Chairman (or Vice Chairman, as the case may be) to conclusively establish his approval of any amendments, deletions or additions thereto, so long as the aggregate amount of the Grant requested in the Application does not exceed ten percent (10%) of the Estimated Cost.

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 Application, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

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

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

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Resolution No. 2017-11-15-5E

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 November 15, 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 15th day of November 2017.

_____
Susan M. DeMasi, Secretary
Danville-Pittsylvania Regional Industrial
(SEAL) Facility Authority

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5-F
Meeting Date:	November 15, 2017
Subject:	Financial Status Reports – October 31, 2017
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

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

RECOMMENDATION

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

ATTACHMENTS

Financial Status Reports

Danville - Pittsylvania Regional Industrial Facility Authority

Financial Status

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 [7]

As of October 31, 2017

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
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	28,711.62	43,169.38	
Land		-	2,792,945.57	-	
Demolition services		71,261.62	71,261.62	-	
Legal fees		-	113,274.08	-	
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	$ 7,385,520.95	$ 43,169.38	**$ 149,891.79**

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*

[*] *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 2018

As of October 31, 2017

	Funding	Budget	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City Contribution	$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2017	77,180.29				
Transfer to Mega Park Funding-Other Than Bonds [1]	(20,000.00)				
Contingency					
Miscellaneous contingency items		$ 98,680.29	$2,500.00	$ -	$ 96,180.29
Berry Hill Wilmot Project (Lot 3B)			7,155.00		$ (7,155.00)
Total Contingency Budget		98,680.29	9,655.00	-	89,025.29
Legal		80,000.00	7,421.00	-	72,579.00
Accounting		20,300.00	7,500.00	12,800.00	-
Annual Bank Fees		600.00		-	600.00
Postage & Shipping		100.00		-	100.00
Meals		4,000.00	522.38	-	3,477.62
Utilities		500.00	92.10	-	407.90
Insurance		3,000.00		-	3,000.00
Total	$ 207,180.29	$ 207,180.29	$ 25,190.48	$ 12,800.00	**$ 169,189.81**

[1] - 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 October 31, 2017

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City contribution	$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property [1, 4]	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Tobacco Comm. 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				
Contingency funds allocated per Resolution 2017-08-14-5C [9]	20,000.00				
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	-	
Transfer from General Funds contingency [9]		20,000.00		20,000.00	
Total	$ 14,251,524.83	$ 14,251,524.83	$ 14,228,554.12	$ 22,970.71	**$ (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 Comission 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

[9] 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 October 31, 2017

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
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	1,477,427.52	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		4,072,642.15	3,568,659.38	503,982.77	
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	$ 5,934,428.54	$ 5,204,919.19	$ 729,509.35	**$ 1,965,927.61**

[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 2018

As of October 31, 2017

			Funding				
				Receipts			
Source of Funds			**Carryforward from FY2017**	**Current Month**	**Receipts FY2018**	**Expenditures FY2018**	**Unexpended / Unencumbered**
Carryforward			$ 630,797.74				
Current Lessees	*Park*	*Property*					
Institute for Advanced Learning and Research (IALR) [1]	Cyberpark	Hawkins Research Bldg.		$ 21,400.32	$ 85,601.28		
Capital Outdoor, Inc.	Cane Creek	Lot 6		-	1,800.00		
Total Rent				$ 21,400.32	$ 87,401.28		
Interest Received [2]				$ 633.52	$ 2,178.22		
Expenditures							
Hawkins Research Bldg. Property Mgmt. Fee						$ 64,200.96	
Disbursement to Blair Construction, Inc. for Hawkins Lab Upfit							
Totals			$ 630,797.74	$ 22,033.84	$ 89,579.50	$ 64,200.96	$ 656,176.28

Restricted [1]	$ 335,095.38
Unrestricted	$ 321,080.90

[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]
October 31, 2017*

		Unaudited FY 2018
Assets		
Current assets		
Cash - checking	$	568,117
Cash - money market		791,451
Total current assets		1,359,568
Noncurrent assets		
Restricted cash - project fund CCC bonds		199,561
Restricted cash - debt service fund CCC bonds		436,823
Restricted cash - debt service fund Berry Hill bonds		22
Restricted cash - debt service reserve fund Berry Hill bonds		1,948,113
Capital assets not being depreciated		24,885,889
Capital assets being depreciated, net		23,796,253
Construction in progress		7,226,063
Total noncurrent assets		58,492,724
Total assets		59,852,292
Liabilities		
Current liabilities		
Bonds payable - current portion		1,673,450
Total current liabilities		1,673,450
Noncurrent liabilities		
Bonds payable - less current portion		3,468,190
Total noncurrent liabilities		3,468,190
Total liabilities		5,141,640
Net Position		
Net investment in capital assets		50,966,126
Restricted - debt reserves		2,384,958
Unrestricted		1,359,568
Total net position	$	54,710,652

[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 October 31, 2017 as of October 31, 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
*October 31, 2017**

	Unaudited FY 2018
Operating revenues	
Virginia Tobacco Commission Grants	856,319
Rental income	88,876
Total operating revenues	945,195
Operating expenses [4]	
Mega Park expenses [3]	1,242,309
Cane Creek Centre expenses [3]	2,522
Cyber Park expenses [3]	66,227
Professional fees	16,348
Insurance	2,199
Other operating expenses	846
Total operating expenses	1,330,451
Operating income (loss)	(385,256)
Non-operating revenues (expenses)	
Interest income	6,377
Interest expense	(39,048)
Total non-operating expenses, net	(32,671)
Net income (loss) before capital contributions	(417,927)
Capital contributions	
Contribution - City of Danville	724,694
Contribution - Pittsylvania County	724,694
Total capital contributions	1,449,388
Change in net position	1,031,461
Net position at July 1, 2017	53,679,191
Net position at October 31, 2017	$ 54,710,652

[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.

5 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
*October 31, 2017**

		Unaudited FY 2018
Operating activities		
Receipts from grant reimbursement requests	$	2,232,938
Receipts from leases		87,400
Payments to suppliers for goods and services		(2,331,725)
Net cash used by operating activities		(11,387)
Capital and related financing activities		
Capital contributions		1,146,222
Interest paid on bonds		(85,601)
Principal repayments on bonds		(845,000)
Net cash provided by capital and related financing activities		215,621
Investing activities		
Interest received		6,378
Net cash provided by investing activities		6,378
Net increase (decrease) in cash and cash equivalents		210,612
Cash and cash equivalents - beginning of year (including restricted cash)		3,733,475
Cash and cash equivalents - through October 31, 2017 (including restricted cash)	$	3,944,087
Reconciliation of operating loss before capital contributions to net cash used by operating activities:		
Operating income (loss)	$	(385,256)
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 other receivables		1,376,619
Change in accounts payable		(1,001,505)
Change in unearned income		(1,475)
Net cash used by operating activities	$	(11,387)

Components of cash and cash equivalents at October 31, 2017:		
American National - Checking	$	568,117
American National - General money market		791,451
Wells Fargo - $7.3M Bonds CCC Debt service fund		436,823
Wells Fargo - $7.3M Bonds CCC Project fund		199,561
US Bank - $11.25M Bonds Berry Hill Debt service fund		22
US Bank - $11.25M Bonds Berry Hill Debt service reserve fund		1,948,113
	$	3,944,087