

Danville-Pittsylvania Regional Industrial Facility Authority

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

AGENDA

February 12, 2018

12:00 P.M.

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

County of Pittsylvania Members

**Robert W. Warren, Chairman
Ronald S. Scarce
Elton W. Blackstock, Alternate**

City of Danville Members

**Sherman M. Saunders, Vice 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 JANUARY 11, 2018 MEETING

5. NEW BUSINESS

A. Consideration of Resolution No. 2018-02-12-5A, approving Change Order 4 to the site development work by Haymes Brothers, Inc., a Virginia corporation, originally approved under Resolution No. 2017-02-24-4A, including a quantity adjustment to close out the unit cost for silt fence, wetland protection fence and rock excavation and removal of unsuitable soil, increasing the contract price by \$91,401.26 -- Shawn R. Harden, P.E., Project Manager, Dewberry Engineers, Inc.

B. Financial Status Reports as of January 31, 2018 – 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)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) 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 (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) (information relating to the negotiation and award of a specific contract pertaining to the Authority’s Berry Hill Mega Site project where competition or bargaining is involved and where the release of such information would adversely affect the

Danville-Pittsylvania Regional Industrial Facility Authority

bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2-3705.1(8) (appraisals and cost estimates of real property in the Authority's Berry Hill Mega Site project subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); 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:

- Mr. Blackstock
- Mr. Saunders
- Mr. Searce
- Mr. Shanks
- Mr. Vogler
- Mr. Warren

- Staff

8. ADJOURN

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 4
Meeting Date:	02/12/2018
Subject:	Meeting Minutes
From:	Susan M. DeMasi, Authority Secretary

SUMMARY

Attached for the Board's review and approval are the Meeting Minutes from the Thursday, January 11, 2018 meeting.

ATTACHMENTS

Meeting Minutes – 01/11/2018

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

January 11, 2018

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:14 p.m. on the above date in the Danville Regional Airport Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Chairman Sherman M. Saunders, Fred O. Shanks, III and Alternate J. Lee Vogler. Pittsylvania County Members present were Robert Warren, Ronald Searce and Alternate Elton W. Blackstock.

City/County staff members attending were: City Manager Ken Larking, Pittsylvania County Administrator David Smitherman, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Director of Economic Development Telly Tucker, Assistant Director of Economic Development Corrie Teague Bobe, Project Manager Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe, City of Danville Director of Finance Michael Adkins, Senior Accountant Henrietta Weaver, Clement Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden from Dewberry & Davis and Danville City Council Member Madison Whittle.

Chairman Saunders presided and welcomed Mr. Ron Searce to the Board.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF MINUTES FOR THE DECEMBER 11, 2017 MEETING

Upon **Motion** by Mr. Warren and **second** by Mr. Shanks, Minutes of the December 11, 2017 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION – ELECTION AND REAPPOINTMENT OF OFFICERS FOR CALENDAR YEAR 2017

1. Election of Chairman from Pittsylvania County Member Locality. RIFA Attorney Michael Guanzon explained the by-laws and Virginia Code provide that the officer's terms are on a calendar year basis and as part of the by-laws, they rotate between the City and the County. This year, the Board will have to have a Chairman from the County and a Vice Chairman from the City.

Mr. Searce **moved** to appoint Bob Warren Chairman of the Authority; the Motion was **seconded** by Mr. Shanks and carried by the following vote:

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

2. Election of Vice Chairman of the Authority from the Danville Member Locality.

Mr. Shanks **moved** to nominate Sherman Saunders as Vice Chairman of the Authority; the Motion was **seconded** by Mr. Warren and carried by the following vote:

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

January 11, 2018

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

3. Reappointment of Secretary from the Authority's Staff.

Mr. Shanks **moved** for reappointment of Susan M. DeMasi as secretary of the Authority; the Motion was **seconded** by Mr. Searce and carried by the following vote:

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

4. Reappointment of Treasurer from the Authority's Staff

Mr. Warren **moved** to reappoint Michael Adkins as Treasurer of the Authority; the Motion was **seconded** by Mr. Shanks and carried by the following vote:

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

Mr. Saunders handed the meeting over to Mr. Warren.

5B. FINANCIAL STATUS REPORT AS OF DECEMBER 11, 2017

Authority Treasurer Michael Adkins gave the Financial Status report as of December 11, 2017 beginning with the \$7.3M Bonds for Cane Creek which showed no activity for the month of December. General Expenditures shows RIFA finished paying for the Annual Audit by Brown, Edwards which was \$8,400, and spent \$261 on meals. Mega Park Funding Other than Bond Funds showed no activity for the month of December; Berry Hill Lot 4 Site Development shows \$13,600 expended to Dewberry for Amendment #17, and for work on Project #1250. Rent, Interest and Other Income shows RIFA received \$85,000 from Wilmot Properties per the Sales Agreement, rent received of \$21,400 from the Institute for the Hawkins' Building, \$423 in interest, \$500 for Easement and Right of Way with regard to property at the Cyber Park and RIFA paid \$21,400 to the Institute for the maintenance agreement for the Hawkins Building.

Mr. Shanks **moved** to accept the Financial Report as presented; the Motion was **seconded** by Mr. Searce and carried by the following vote:

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

6. CLOSED SESSION

[During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.]

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

January 11, 2018

At 12:22 p.m. Mr. Saunders **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 § 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)(39) 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. Searce and carried by the following vote:

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

D. On **Motion** by Mr. Shanks and **second** by Mr. Searce and by unanimous vote at 1:06 p.m., the Authority returned to open meeting.

E. Mr. Shanks **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. Searce and carried by the following vote:

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

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

January 11, 2018

7. COMMUNICATIONS

Mr. Blackstock noted he looked forward to working another year on RIFA, he enjoyed working on and being a part this Board.

Mr. Saunders thanked Mr. Shanks and the Board for their confidence in him to be the Vice Chairman and looked forward to the continued relationship.

Mr. Scearce stated he looked forward to working with the Board and hopes they get some great things done.

Mr. Shanks thanked Mr. Saunders for serving as Chairman, looks forward to working with the Board and staff, appreciates everything the team is working together on and has done in the past.

Mr. Vogler noted his agreement to everything that has been said, it is a new year, with new opportunities and is excited to work with everyone.

Mr. Warren thanked the Board for the vote of confidence as Chairman and looks forward to serving, thanked staff for the great job they do and their efforts in moving the economic development projects forward, in particular Matt Rowe, Telly Tucker and their staffs. Mr. Warren welcomed Ron Scearce to the Board, he will be a great addition. Mr. Warren noted Mr. Blackstock will also be serving on the Staunton River RIFA and appreciated his service on both boards.

Greg Sides explained staff was successful on their trip to the Tobacco Commission this week. One of the applications for Project Lignum, done as the Authority, was approved for funding in the amount of \$2,624,800 with that equally being split between the allocations of the City and the County. The City of Danville received \$1M for a shell building to be constructed in the Cyber Park and Pittsylvania County received funding for \$1.5M for a shell building in Cane Creek Centre. Pittsylvania County also received funding for \$2.3M for a shell building that will be in the Gretna Industrial Park. Pittsylvania County and Halifax County also received funding for a regional transportation project; the City of Danville is a partner in that as well. Mr. Sides noted the City and County were both successful in that meeting; as a group, staff met with their Tobacco representatives prior to the meetings to share information and make sure everyone understood their grant applications. Mr. Sides noted he thought that paid off for them and it went very well.

The Meeting adjourned at 1:13 p.m.

Chairman

Secretary to the Authority

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5A
Meeting Date:	02/12/2018
Subject:	Resolution 2018-02-12-5A Approving Change Order 4 – Haymes Brothers
From:	Shawn R. Harden, Dewberry

SUMMARY

The Board will be asked to approve Resolution 2018-02-12-5A, approving Change Order Number 4 from Haymes Brothers.

ATTACHMENTS

Resolution 2018-02-12-5A
Change Order Number 4
Final Unit Cost

Resolution No. 2018-02-12-5A

A RESOLUTION APPROVING CHANGE ORDER 4 TO THE SITE DEVELOPMENT WORK BY HAYMES BROTHERS, INC., A VIRGINIA CORPORATION, ORIGINALLY APPROVED UNDER RESOLUTION NO. 2017-02-24-4A, INCLUDING A QUANTITY ADJUSTMENT TO CLOSE OUT THE UNIT COST FOR SILT FENCE, WETLAND PROTECTION FENCE AND ROCK EXCAVATION AND REMOVAL OF UNSUITABLE SOIL, INCREASING THE CONTRACT PRICE BY \$91,401.26

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 4, recommended by the Authority’s engineers, which would include a quantity adjustment to close out the unit cost for silt fence, wetland protection fence and rock excavation and removal of unsuitable soil, increasing the contract price by \$91,401.26 (the “**Change Order 4 Amount**”), as more particularly described in Exhibit A, attached hereto and incorporated herein by this reference (“**Change Order 4**”); and

WHEREAS, the Authority has determined that Change Order 4 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 4.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority does hereby approve the acceptance of Change Order 4, 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 4 and any such other documents in connection with the acceptance of Change Order 4, with such amendments, deletions or additions thereto, so long as the price for Change Order 4 does not exceed five percent (5%) of the Change Order 4 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 4 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

Resolution No. 2018-02-12-5A

things as are contemplated by Change Order 4 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 4 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 February 12, 2018, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 12th day of February 2018.

(SEAL)

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

Resolution No. 2018-02-12-5A

Exhibit A
(Change Order 4)

Date of Issuance: _____ Effective Date: 2-12-18
 Owner: Danville Pittsylvania County Regional Industrial Facility Authority Owner's Contract No.: 50018376
 Contractor: Haymes Brothers, Inc. Contractor's Project No.: _____
 Engineer: Dowberry Engineer's Project No.: 50018376
 Project: Berry Hill Industrial Park Contract Name: Phase I Development

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

Description: Change order number 4 is a quantity adjustment to close out the unit cost for silt fence, wetland protection fence and rock excavation and unsuitable soil.

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>3</u> : <u>\$ 296,579.15</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>\$ 4,072,642.15</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>\$ 91,401.26</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>\$ 4,164,043.41</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>Shawn R. Zander</u>	By: _____	By: _____
Engineer (if required)	Owner (Authorized Signature)	Contractor (Authorized Signature)
Title: <u>Senior Associate</u>	Title _____	Title _____
Date: <u>1-29-18</u>	Date _____	Date _____

Approved by Funding Agency (if applicable)

By: _____ Date: _____
 Title: _____

Berry Hill Industrial Park Unit Cost Reconciliation					
Pad A	Silt Fence Bid LF	Silt Fence Used LF	Difference	Unit Cost	CO Price
	16,200	30,210	14,010	\$1.70	\$23,817.00
	Tree Protection Fence Bid LF	Tree Protection Fence Used LF	Difference	Unit Cost	CO Price
	10709	0	-10709	\$1.38	-\$14,778.42
			Change Order Price Pad A		\$9,038.58
Pad B	Silt Fence Bid LF	Silt Fence Used LF	Difference	Unit Cost	CO Price
	3,270	4,509	1,239	\$1.70	\$2,106.30
	Tree Protection Fence Bid LF	Tree Protection Fence Used LF	Difference	Unit Cost	CO Price
	1210	0	-1210	\$1.38	-\$1,669.80
			Change Order Price Pad B		\$436.50
Pad C	Silt Fence Bid LF	Silt Fence Used LF	Difference	Unit Cost	CO Price
	2,575	5,762	3,187	\$1.70	\$5,417.90
	Tree Protection Fence Bid LF	Tree Protection Fence Used LF	Difference	Unit Cost	CO Price
	1975	0	-1975	\$1.38	-\$2,725.50
			Change Order Price Pad C		\$2,692.40
Pad C	Silt Fence Bid LF	Silt Fence Used LF	Difference	Unit Cost	CO Price
	2,765	5,000	2,235	\$1.70	\$3,799.50
	Tree Protection Fence Bid LF	Tree Protection Fence Used LF	Difference	Unit Cost	CO Price
	1870	0	-1870	\$1.38	-\$2,580.60
			Change Order Price Pad D		\$1,218.90
	Unsuitable Material Bid	Unsuitable material Removed	Difference	Unit Cost	CO Price
	15,000	26,002	11,002	\$8.00	\$88,014.88
	Rock Excavation Bid	Rock Excavation Used	Difference	Unit Cost	CO Price
	10000	0	-10000	\$1.00	-\$10,000.00
			Change Order Price		\$78,014.88
	Total Change Order Pad A+Pad B+Pad C+Pad D+Unsuitable+Rock				\$91,401.26

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5-B
Meeting Date:	February 12, 2018
Subject:	Financial Status Reports – January 31, 2018
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

A review of the financial status reports through January 31, 2018 will be provided at the meeting. The financial status reports as of January 31, 2018 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of January 31, 2018 as presented.

ATTACHMENTS

Financial Status Reports

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 January 31, 2018

<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 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		-	124,519.08	-	
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	\$ 7,396,765.95	\$ 43,169.38	<u>\$ 138,646.79</u>

notes:

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

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

³ Project completed under budget

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

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

⁵ The budget amount decreased \$71,279.61 from the 9/30/2010 reports. This amount represented the remaining budget amount carried from the \$1.7 SP grant upon its expiration for the following contracts: Wetland Delineation, Wetland Bank Plan Rev., Stream Concept Plan, & Stream Attribute Plan. Per Shawn Harden of Dewberry, these contracts are complete and finished under budget. The only contract that remains open is for Wetland Monitoring and the budget, expended, and encumbered amounts included here are only for this contract.

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

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

Road Summary-Cane Creek Parkway:

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

Funding Summary - Cane Creek Parkway

VDOT	\$ 1,467,340.00
Bonds	3,804,576.00
	\$ 5,271,916.00

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2018

As of January 31, 2018

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2017	77,180.29				
Transfer to Mega Park Funding-Other Than Bonds ¹	(20,000.00)				
Contingency					
Miscellaneous contingency items		\$ 98,680.29	\$ 9,403.96	\$ -	\$ 89,276.33
Berry Hill Wilmot Project (Lot 3B)			7,314.00		\$ (7,314.00)
Total Contingency Budget		<u>98,680.29</u>	<u>16,717.96</u>	<u>-</u>	<u>81,962.33</u>
Legal		80,000.00	56,001.90	-	23,998.10
Accounting		20,300.00	20,900.00	(600.00)	-
Annual Bank Fees		600.00	550.00	-	50.00
Postage & Shipping		100.00		-	100.00
Meals		4,000.00	1,305.95	-	2,694.05
Utilities		500.00	153.50	-	346.50
Insurance		3,000.00		-	3,000.00
Total		<u>\$ 207,180.29</u>	<u>\$ 207,180.29</u>	<u>\$ (600.00)</u>	<u>\$ 112,150.98</u>

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 January 31, 2018

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property ^{1,4}	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Tobacco 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 Commission FY10 SSED Allocation, the RIFA Board approved on 1/14/2013 to utilize \$11,854.39 of the 'Funds Available for Appropriation' to cover the funding shortfall for the budgeted Dewberry & Davis contract.

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

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

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 January 31, 2018

Funding	Funding	<u>Budget / Contract</u> Amount	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
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.		2,454,957.24	1,541,812.81	913,144.43	
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	3,953,395.94	119,246.21	
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	\$ 6,751,400.04	\$ 5,654,041.04	\$ 1,097,359.00	<u>\$ 1,148,956.11</u>

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 January 31, 2018

<i>Source of Funds</i>	<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) ¹		Cyberpark	Hawkins Research Bldg.	\$ 21,400.32	\$ 149,802.24
Mountain View Farms of Virginia, L.C.		Berry Hill	30 acre tract on Stateline Bridge Rd.	1,200.00	1,200.00
Capital Outdoor, Inc.		Cane Creek	Lot 6	-	1,800.00
<i>Total Rent</i>				\$ 22,600.32	\$ 152,802.24
<u>Interest Received</u> ²				\$ 437.40	\$ 3,475.61
<u>Miscellaneous Income</u>				\$ -	\$ 85,500.00
Expenditures					
Hawkins Research Bldg. Property Mgmt. Fee					\$ 128,401.92
Totals	\$ 630,797.74	\$ 23,037.72	\$ 241,777.85	\$ 128,401.92	\$ 744,173.67

Restricted ¹ \$ 335,095.38
Unrestricted \$ 409,078.29

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}
January 31, 2018*

	Unaudited FY 2018
Assets	
<i>Current assets</i>	
Cash - checking	\$ 713,711
Cash - money market	792,748
Prepays	231
<i>Total current assets</i>	1,506,690
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	188,316
Restricted cash - debt service fund CCC bonds	32,774
Restricted cash - debt service fund Berry Hill bonds	22
Restricted cash - debt service reserve fund Berry Hill bonds	1,952,604
Capital assets not being depreciated	24,885,889
Capital assets being depreciated, net	23,796,253
Construction in progress	7,226,063
<i>Total noncurrent assets</i>	58,081,921
Total assets	59,588,611
Liabilities	
<i>Current liabilities</i>	
Unearned income	600
Bonds payable - current portion	1,288,450
<i>Total current liabilities</i>	1,289,050
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	3,468,190
<i>Total noncurrent liabilities</i>	3,468,190
Total liabilities	4,757,240
Net Position	
Net investment in capital assets	51,339,881
Restricted - debt reserves	1,985,400
Unrestricted	1,506,090
Total net position	\$ 54,831,371

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 January 31, 2018 as of January 30, 2018, 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
January 31, 2018*

	Unaudited FY 2018
Operating revenues	
Virginia Tobacco Commission Grants	1,434,773
Rental income	153,677
Other Income	85,500
Total operating revenues	1,673,950
Operating expenses ⁴	
Mega Park expenses ³	1,705,363
Cane Creek Centre expenses ³	24,665
Cyber Park expenses ³	134,610
Professional fees	56,645
Insurance	2,199
Other operating expenses	1,830
Total operating expenses	1,925,312
Operating income (loss)	(251,362)
Non-operating revenues (expenses)	
Interest income	12,166
Interest expense	(58,012)
Total non-operating expenses, net	(45,846)
Net income (loss) before capital contributions	(297,208)
Capital contributions	
Contribution - City of Danville	724,694
Contribution - Pittsylvania County	724,694
Total capital contributions	1,449,388
Change in net position	1,152,180
Net position at July 1, 2017	53,679,191
Net position at January 31, 2018	\$ 54,831,371

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
January 31, 2018*

	Unaudited FY 2018
Operating activities	
Receipts from grant reimbursement requests	\$ 2,811,392
Receipts from leases	152,800
Other receipts	85,500
Payments to suppliers for goods and services	(2,926,816)
Net cash used by operating activities	122,876
Capital and related financing activities	
Capital contributions	1,146,222
Interest paid on bonds	(104,564)
Principal repayments on bonds	(1,230,000)
Net cash provided by capital and related financing activities	(188,342)
Investing activities	
Interest received	12,166
Net cash provided by investing activities	12,166
Net increase (decrease) in cash and cash equivalents	(53,300)
Cash and cash equivalents - beginning of year (including restricted cash)	3,733,475
Cash and cash equivalents - through January 31, 2018 (including restricted cash)	\$ 3,680,175
Reconciliation of operating loss before capital contributions to net cash used by operating activities:	
Operating income (loss)	\$ (251,362)
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	(1)
Change in other receivables	1,376,619
Change in accounts payable	(1,001,505)
Change in unearned income	(875)
Net cash used by operating activities	\$ 122,876

Components of cash and cash equivalents at January 31, 2018:

American National - Checking	\$ 713,711
American National - General money market	792,748
Wells Fargo - \$7.3M Bonds CCC Debt service fund	32,774
Wells Fargo - \$7.3M Bonds CCC Project fund	188,316
US Bank - \$11.25M Bonds Berry Hill Debt service fund	22
US Bank - \$11.25M Bonds Berry Hill Debt service reserve fund	1,952,604
	\$ 3,680,175