

Danville-Pittsylvania Regional Industrial Facility Authority

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

AGENDA

December 14, 2020

12:00 P.M.

**Institute for Advanced Learning and Research
150 Slayton Avenue, Room 207
Danville, Virginia**

County of Pittsylvania Members

**Robert W. Warren, Chairman
Ronald S. Searce
Vic Ingram, Alternate**

City of Danville Members

**J. Lee Vogler, Jr., Vice Chairman
Sherman M. Saunders
Dr. Gary P. Miller, Alternate**

Staff

**Ken F. Larking, City Manager, Danville
David M. Smitherman, Pittsylvania County Administrator
Christian & Barton, LLP, 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 NOVEMBER 9, 2020 MEETING

5. NEW BUSINESS

- A. Financial Status Reports as of November 30, 2020 – Michael L. Adkins, CPA, Treasurer of the Authority, and Henrietta Weaver, CPA, City of Danville, Virginia *[via Conference Line: +1 (646) 558-8656 and Meeting ID: 93899495028]*

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; and
- 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 Southern Virginia Megasite at Berry Hill project, Cyber Park project and/or Cane Creek Centre project, where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2-3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority’s projects subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and

Danville-Pittsylvania Regional Industrial Facility Authority

- 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; and

RETURN TO OPEN SESSION

- D. Reinstatement/Unmuting of Conference Line [see Agenda Item 5D above].
- E. Confirmation of Motion and Vote to Reconvene in Open Meeting.
- F. Motion to Certify Closed Meeting.

7. COMMUNICATIONS FROM:

- A. Authority Board Members
- B. Staff

8. ADJOURN

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 4
Meeting Date:	12/14/2020
Subject:	Meeting Minutes
From:	Susan M. DeMasi, Authority Secretary

SUMMARY

Attached for the Board's approval are the Meeting Minutes from the Monday, November 9, 2020 Meeting.

ATTACHMENTS

Meeting Minutes – 11/09/2020

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 9, 2020

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:04 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 207, Danville, Virginia. Present were City of Danville Members Vice Chairman J. Lee Vogler, Jr., Sherman M. Saunders and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Chairman Robert W. Warren, Ronald S. Searce, and Alternate Vic Ingram.

City/County staff members attending were: City Manager Ken Larking, Deputy City Manager Earl Reynolds, Pittsylvania County Administrator David Smitherman, City of Danville Director of Economic Development Corrie Bobe, Pittsylvania County Director of Economic Development Matt Rowe, Christian & Barton Attorney Michael C. Guanzon, and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden and Brian Bradner from Dewberry. *City of Danville Director of Finance Michael Adkins and Accountant Henrietta Weaver, attended the meeting electronically.*

Chairman Robert W. Warren presided.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE OCTOBER 13, 2020 MEETING

Upon **Motion** by Mr. Saunders and **second** by Mr. Searce, Minutes of the October 13, 2020 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION 2020-11-09-5A, APPROVING THE EXECUTION AND DELIVERY OF A TRIPLE NET GROUND LEASE WITH THE INSTITUTE FOR ADVANCED LEARNING AND RESEARCH

Authority Attorney Michael Guanzon explained this item was a follow up from last year regarding the building of the Center for Manufacturing Advancement, to approve the lease which will be a ground lease. The construction of the facility itself will be done at the expense of the Institute, the rent will be \$100 per year while they are the ones who were occupying it, and the set-up was similar to the Sentec building.

Mr. Warren stated RIFA does not have control over who they put in the building, it was such a long time, he guessed they need that to make the ROI on the building. Mr. Guanzon noted that was correct and their counsel indicated they were going to have some of it just be a short term license, they would just be leasing a bay, and they were going to do a different set up to get the tax credits and have ability to assign it. If they have somebody in there in their normal course of dealing, then they will have to pay some type of rent for taxes that they would have had to pay to RIFA. They were going to have a lien on the building because they own the building and are paying for all of it; if that gets foreclosed upon, then the lease term converts to a five year term and RIFA renegotiates the amount of the lease payments.

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Mr. Warren questioned if it stated in the agreements the percentage of rent and Mr. Guanzon explained it would be what the real estate taxes would be paid if the Institute were not tax exempt. The City of Danville did the appraisals and tax assessments and they would break that down; that was what they agreed to in concept. Mr. Guanzon noted if it was empty, they would not pay RIFA anything other than the \$100 per year. As part of the additional rent, they were also paying for the upkeep of the road that would go through the service road. The only thing that needs to be done now was to get the subdivision plat recorded, then when RIFA signs their document, the Institute has their meeting this month and they will approve that.

Mr. Vogler **moved** for adoption of *Resolution 2020-11-09-5A, approving the execution and delivery of a Triple Net Ground Lease with the Institute for Advanced Learning and Research, a political subdivision of the Commonwealth of Virginia, where funding for the construction and management of the Center for Manufacturing Advancement will be provided by either the Virginia Public Building Authority or the Virginia College Building Authority, on Lot 12B of the Authority's Cyber Park Project (part of PIN 76441), located in the City of Danville, Virginia, under which the lessee, at its expense, would cause to be installed an approximately 51,000 square feet building and related parking lot and driveway.*

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

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

5B. CONSIDERATION OF RESOLUTION 2020-11-09-5B, APPROVING CHANGE ORDER 6 TO THE PHASE I SANITARY SEWER PROJECT WORK BY HAYMES BROTHERS, INC.

Brian Bradner of Dewberry explained this item was for Change Order 6 for Haymes to extend the gravity sanitary sewer service up to Lots 1 and 2 at the Megasite; it will also provide service for a portion of Lot 3. The work was designed and permitted with the exception of a few items they will need to take care of once the work was authorized. The contractor was scheduled to complete the work next year; their recommendation was to approve this item.

Mr. Searce noted he was concerned about the regional estimator on this; why was there such a huge difference between the original contract, and then the letter that was sent by Haymes that stated the person who did the initial project was gone. This was a pretty extreme cost, \$1.8M plus, can they justify that and explain where all this was coming from. Mr. Bradner explained part of the delta was in terms of the time when it was originally bid; it was originally bid as part of the overall project when they first started the sewer work about two years ago. Some of the delta was due to product increase and inflation. They have reviewed that with the contractor; their increases were still at or below the costs that were bid from the other contractors at the time that the total work was put out to bid. Based on current pricing they saw in the market today, they feel the pricing was about right.

Mr. Warren noted his agreement with Mr. Searce, it was somewhat alarming after reading their letter where they admit part of the problem comes from the fact that the estimator who did the original work for them was gone; he does not know how that was RIFA's problem and Mr. Bradner noted his agreement. Mr. Warren stated he would like to see RIFA staff, in conjunction with Mr. Guanzon, look at some kind of delta, if RIFA has a change order come

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in at a certain percentage over the project, that RIFA look to bid it out again. This has turned into over \$8M for Haymes Brothers to this point; it was a lot of money and tax money, and they want to be transparent and accountable with those tax dollars. Mr. Saunders questioned when RIFA gets these change orders and needs more work for whatever prospect may come in, does RIFA have local contractors that can do the same things as Haymes Brothers was doing. Mr. Harden noted in terms of larger projects, there was probably not another local one that can move as much dirt as quickly as RIFA needs them to do, as Haymes Brothers.

Mr. Warren noted his agreement with Mr. Saunders, he was happy that RIFA had Haymes Brothers as a local contractor, but he would also like to ask how the \$1.8 M was broken down, was this part of the utilities the City was doing. Mr. Larking noted he believed they were still waiting for the signing of the Memorandum of Understanding between the County and the City, some details needed to be worked out. They were proceeding as if that were already agreed upon; his understanding was, whatever that cost was, it will borne by the City. Mr. Bradner noted Jason Grey, Danville Director of Utilities, has reviewed this as well. Mr. Ingram questioned what would preclude staff from bidding this out again in lieu of the changing of the initial estimate. Mr. Bradner stated there was nothing that prohibits the Authority from putting this out for bid again. Would they get the benefit of the economy of scale with Haymes Brothers still localized, on site, as they continue to do work on the water line to Eden and other work for the Authority at the Megasite. RIFA could put it back out, but he could not predict what the pricing would be. What they were doing was very large scale utility work, there were a finite amount of contractors in the region that have the capability to do that.

Mr. Vogler **moved** for adoption of *Resolution 2020-11-09-5B, approving Change Order 6 to the Phase I Sanitary Sewer Project Work by Haymes Brothers, Inc., a Virginia Corporation, originally approved under Resolution No. 2018-03-12-5A, including completion of the sewer force main along Berry Hill Road, in the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, increasing the contract price by \$1,889,962.00.*

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

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

5C. CONSIDERATION OF RESOLUTION NO. 2020-11-09-5C, SELECTION OF LEGAL COUNSEL (TABLED FROM OCTOBER 13, 2020 MEETING AS AGENDA ITEM 7A) /NO WRITTEN RESOLUTION.]

Mr. Searce **moved** to TABLE Item 5C until after the Closed Session. The Motion was **seconded** by Mr. Vogler and carried by the following vote:

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

5D. FINANCIAL STATUS REPORT AS OF OCTOBER 31, 2020

City of Danville Director of Finance Michael Adkins gave the Financial Status report as of October 31, 2020, beginning with the Cane Creek Bonds which showed no expenditures for

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the month of October. General Expenditures for FY 2021 show RIFA paid \$40,140 to Christian and Barton for legal fees, \$254 for meals and \$31 for monthly utilities. Funding Other than Bonds for Berry Hill, RIFA expended \$68,140 to Dewberry for continued work under Amendment #29. Lot 4 and Lot 8 Site Development showed no activity for October; Water and Sewer show RIFA expended \$46,170 to Dewberry for work on Amendment #28 and \$62,483 to Haymes Brothers for continued work on Sanitary Sewer Phase 1. Mr. Adkins noted the Unexpended/Unencumbered balance on this sheet was \$465,000. That does not include the Change Order that was just approved, nor does it include the funding from Danville Utilities for that; staff will be adding both of those items to the funding sheet going forward. Under Rent, Interest and Other Income, RIFA received \$25,148 from the Institute related to the Hawkins Building rent, and \$1,057 from Pittsylvania County for their share of monthly rent for Gefertec. RIFA paid \$25,148 to the Institute for the Hawkins' maintenance and \$2,115 to the Institute for Gefertec rent.

Mr. Saunders **moved** to accept the Financial Report as presented. The Motion was **seconded** by Mr. Scarce and carried by the following vote:

VOTE: 4-0
AYE: Warren, Scarce, Saunders, 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 12:29 p.m. Mr. Scarce **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purposes:

- 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; and
- 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 (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 Southern Virginia Megasite at Berry Hill project, Cyber Park project and/or Cane Creek Centre project, where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating

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strategy of the Authority) and Virginia Code § 2.2- 3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority's projects 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; and
- D. As permitted by Virginia Code § 2.2-3711(A)(8) for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel.

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

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

RETURN TO OPEN SESSION

On **Motion** by Mr. Vogler and **second** by Mr. Searce and by unanimous vote at 2:35 p.m., the Authority returned to open meeting. (Reinstatement/Unmuting of Conference Line [see Agenda Item 5D above].)

Mr. Searce **moved** for 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. Vogler and carried by the following vote:

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

7. NEW BUSINESS CONTINUED

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

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5C. CONSIDERATION OF RESOLUTION NO. 2020-11-09-5C, SELECTION OF LEGAL COUNSEL (TABLED FROM OCTOBER 13, 2020 MEETING AS AGENDA ITEM 7A) [NO WRITTEN RESOLUTION.]

Mr. Searce **moved** for adoption of Resolution No. 2020-11-09-5C, with the adjustments on the automatic renewal. The Motion was **seconded** by Mr. Saunders and carried by the following vote:

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

7A. CONSIDERATION OF RESOLUTION NO. 2020-11-09-7A SUBMISSION OF THREE APPLICATIONS TO REGISTER FEDERAL TRADEMARK REGISTRATIONS

Mr. Guanzon explained this item was to do and additional Federal trademark application for the name of Southern Virginia Megasite at Berry Hill, to have federal protection in addition to the state applications that have been filed and provisionally approved.

Mr. Vogler **moved** for adoption of Resolution No. 2020-11-09-7A, approving the submission of three applications to register federal trademark registrations being used in connection with the Authority's Southern Virginia Megasite at Berry Hill project, located in Pittsylvania County, Virginia, for a fee of \$225 per application [*no written resolution.*]

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

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

8. COMMUNICATIONS:

Update on Morgan Olsen Way - Matthew Rowe, Pittsylvania County Director of Economic Development - Mr. Rowe noted Morgan Olsen Way has been approved as far as the resolution from the County Board; that was the last step to get that roadway back onto the state system.

Update of MVP – Mr. Rowe - Mr. Rowe noted this has to be recorded in the Clerk's office; that was the last step for that as well.

Meeting adjourned at 2:39 p.m.

APPROVED:

Chairman

Secretary to the Authority

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5A
Meeting Date:	December 14, 2020
Subject:	Financial Status Reports – November 30, 2020
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

A review of the financial status reports through November 30, 2020 will be provided at the meeting. The financial status reports as of November 30, 2020 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of November 30, 2020 as presented.

ATTACHMENTS

Financial Status Reports

Financial Status

Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY2021
- C. SVM at Berry Hill – Funding Other than Bond Funds
- D. SVM at Berry Hill – Lot 4 Site Development
- E. SVM at Berry Hill – Lots 1 & 2 Site Development
- F. SVM at Berry Hill – Water & Sewer
- G. Rent, Interest, and Other Income Realized
- H. Monthly Checks
- I. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

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

As of November 30, 2020

Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funds from bond issuance	\$7,300,000.00			
Issuance cost	(155,401.33)			
Refunding cost ⁷	(52,500.00)			
Bank fees	(98.25)			
Interest earned to date	486,581.70			
Cane Creek Parkway ³	\$3,804,576.00	\$3,724,241.16	\$ -	
Swedwood Drive ²	69,414.00	69,414.00	-	
Cane Creek Centre entrance ³	72,335.00	53,878.70	-	
Financial Advisory Services	9,900.00	9,900.00	-	
Dewberry contracts ¹	69,582.50	69,582.50	-	
Dewberry contracts not paid by 1.7 grant ^{4,5}	76,986.46	50,001.62	26,984.84	
Land	-	2,792,945.57	-	
Demolition services	71,261.62	71,261.62	-	
Legal fees	-	247,837.83	-	
CCC - Lots 3 & 9 project - RIFA Local Share ⁶	142,190.00	112,464.98	-	
Other expenditures	-	347,194.30	-	
Total	\$ 7,578,582.12	\$ 7,548,722.28	\$ 26,984.84	\$ 2,875.00

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 2021

As of November 30, 2020

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
City Contribution	\$ 25,000.00				
County Contribution	25,000.00				
Carryforward from FY2020	(50,019.37)				
Transfer from Unrestricted Fund Balance	200,000.00				
Contingency					
Miscellaneous contingency items		\$ 10,000.00	\$ 2,075.00	\$ -	\$ 7,925.00
Total Contingency Budget		<u>10,000.00</u>	<u>2,075.00</u>	<u>-</u>	<u>7,925.00</u>
Legal		160,080.63	40,213.50	-	119,867.13
Accounting		22,400.00	10,000.00	-	12,400.00
Postage & Shipping		100.00		-	100.00
Meals		4,000.00	1,015.35	-	2,984.65
Utilities		400.00	122.80	-	277.20
Insurance		3,000.00	2,353.00	-	647.00
Total		<u>\$ 199,980.63</u>	<u>\$ 199,980.63</u>	<u>\$ -</u>	<u>\$ 144,200.98</u>

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Funding Other than Bond Funds
As of November 30, 2020

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				
TIC #2264 - Phase II Land and Engineering	3,700,000.00				
VA Economic Development Partnership MEI Grant Funds	577,503.14				
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	-	
401 Buford Road		246,082.96	246,082.96	-	
Off State Road 1055		181,890.19	181,890.19	-	
604 Buford Road		361,896.60	361,896.60	-	
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	-	
Dewberry Engineers (related to #2264)		160,500.00	160,500.00	-	
Dewberry Engineers		405,090.00	388,915.00	16,175.00	
Appalachian Power Company		1,655,000.00	678,500.00	976,500.00	
Banister Bend Farm, LLC		199,064.00	199,064.00	-	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project ⁸		-	11,203.15	-	
Total	\$ 18,509,027.97	\$ 17,441,048.58	\$ 16,445,402.87	\$ 995,645.71	\$ 1,067,979.39

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

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

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

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

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

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

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

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

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Lot 4 Site Development
As of November 30, 2020

Funding	Funding	<u>Budget / Contract Amount</u>	<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				
Transfer to Other Income - Unrestricted Funds	(329.60)				
Expenditures					
Dewberry Engineers Inc.		1,707,562.81	1,707,562.81	-	
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.		77,027.64	77,027.64	-	
Banister Bend Farm, LLC - Wetland and Stream Credits		122,968.00	122,968.00	-	
DEQ - Construction Activity General Permit		11,860.00	11,860.00	-	
Haymes Brothers, Inc. - Construction on Phase 1 Graded Pad		4,243,151.21	4,243,151.21	-	
Haymes Brothers, Inc. - Phase 1 Pad A Extension/Expansion		1,679,616.89	1,679,616.89	-	
Transfers to "General Expenditures Fiscal Year 2015" Contingency ³					
Jones Lang LaSalle - Market Analysis Study		(95,000.00)	(95,000.00)	-	
Jones Lang LaSalle - Economic Analysis		(12,000.00)	(12,000.00)	-	
Total	\$ 7,900,026.55	\$ 7,900,026.55	\$ 7,900,026.55	\$ -	\$ -

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 (\$108,603.35 of expenditures for Dewberry Engineers, Inc. was also transferred from remaining unexpended and unencumbered costs under Amendment #4)

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Lots 1&2 Site Development

As of November 30, 2020

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<i>Funding</i>					
<i>TIC #3358 Site Improvements</i>					
Tobacco Commission Grant	\$ 2,624,800.00				
<i>Expenditures</i>					
Dewberry Engineers Inc.		379,300.00	82,800.00	296,500.00	
<i>Total</i>	\$ 2,624,800.00	\$ 379,300.00	\$ 82,800.00	\$ 296,500.00	<u>\$ 2,245,500.00</u>

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Water & Sewer

As of November 30, 2020

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
TIC #2641 Phase I Sanitary Sewer					
Tobacco Commission Grant 2641	\$ 4,840,977.86				
Local Match for Contractual Services	274,926.43				
Local Match for Property & Imp.	262,960.00				
TIC #3011 Water System Improvements Phase II					
Tobacco Commission Grant 3011	2,241,567.00				
Local Match for Property & Imp.	224,160.00				
City of Danville Utilities	1,949,168.76				
Expenditures					
Dewberry Engineers Inc.		1,019,764.99	736,939.99	282,825.00	
Haymes Brothers, Inc. - Phase I Sanitary Sewer		5,092,668.30	5,092,668.30	-	
Haymes Brothers, Inc. - Phase I Sanitary Sewer (City)		1,335,128.76	501,036.61	834,092.15	
C.W. Cauley & Son - Phase 1 Water		1,843,540.00	950,565.25	892,974.75	
Norfolk Southern Railway Company		22,300.00	22,300.00	-	
Pittsylvania County Service Authority		1,475.00	1,475.00	-	
Treasurer of Virginia		7,900.00	7,900.00	-	
AECOM		5,000.00	5,000.00	-	
BH Media Group, Inc.		296.00	296.00	-	
Danville Register & Bee		600.00	600.00	-	
Total	\$ 9,793,760.05	\$ 9,328,673.05	\$ 7,318,781.15	\$ 2,009,891.90	\$ <u>465,087.00</u>

Danville-Pittsylvania Regional Industrial Facility Authority

Rent, Interest, and Other Income Realized for Fiscal Year 2021

As of November 30, 2020

Source of Funds	Funding		Expenditures FY2021	Unexpended / Unencumbered
	Carryforward from FY2020	Receipts Current Month		
<u>Carryforward</u>	\$ 1,034,570.10			
<u>Current Lessees</u>				
Institute for Advanced Learning and Research (IALR) ¹		\$ 25,147.98	\$ 126,533.46	
Total Rent		\$ 25,147.98	\$ 126,533.46	
<u>Interest Received</u> ²		\$ 201.21	\$ 356.12	
<u>Miscellaneous Income</u>		\$ 1,386.60	\$ 5,614.60	
Expenditures				
Hawkins Research Bldg. Property Mgmt. Fee			\$ 101,385.48	
Hawkins Research Bldg. Repairs & Maintenance			\$ 868.36	
Transfer to General Expenditures budget			\$ 200,000.00	
Disbursements for Gerfertec incentives			\$ 10,573.35	
Totals	\$ 1,034,570.10	\$ 26,735.79	\$ 132,504.18	\$ 312,827.19
			Restricted ¹	\$ 337,974.68
			Unrestricted	\$ 16,928.10
			Committed	\$ 499,344.31

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 Ind. Facility Authority
Check Detail
November 2020

<u>Check Number</u>	<u>Date</u>	<u>Vendor Name</u>	<u>Paid Amount</u>
WIRE	11/20/2020	City of Danville	30.70
2371	11/09/2020	Dewberry Engineers Inc.	48,070.00
2372	11/09/2020	IALR	255.18
2373	11/09/2020	IALR	2,114.67
2374	11/09/2020	IALR	25,147.98
2375	11/09/2020	Christian & Barton, LLP	73.00
2376	11/09/2020	Brown, Edwards & Company	10,000.00

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Position ^{1,2}
November 30, 2020*

	Unaudited FY 2021
Assets	
<i>Current assets</i>	
Cash - checking	\$ 1,159,969
Cash - money market	456,306
Accounts receivable	885,310
<i>Total current assets</i>	2,501,585
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	36,360
Restricted cash - debt service fund CCC bonds	506,281
Capital assets not being depreciated	24,560,850
Capital assets being depreciated, net	22,136,588
Construction in progress	19,115,392
<i>Total noncurrent assets</i>	66,355,471
Total assets	68,857,056
Liabilities	
<i>Current liabilities</i>	
Economic development payable - current portion	184,344
Bonds payable - current portion	445,000
<i>Total current liabilities</i>	629,344
<i>Noncurrent liabilities</i>	
Economic development payable - less current portion	315,000
Bonds payable - less current portion	1,675,000
<i>Total noncurrent liabilities</i>	1,990,000
Total liabilities	2,619,344
Net Position	
Net investment in capital assets	63,729,190
Restricted - debt reserves	506,281
Unrestricted	2,002,241
Total net position	\$ 66,237,712

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.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Position
*November 30, 2020**

	Unaudited FY 2021
Operating revenues	
Virginia Tobacco Commission Grants	1,059,451
Rental income	130,008
Total operating revenues	1,189,459
Operating expenses⁴	
Mega Park expenses ³	914,687
Cane Creek Centre expenses ³	12,436
Cyber Park expenses ³	119,300
Professional fees	29,629
Other operating expenses	4,791
Total operating expenses	1,080,843
Operating income (loss)	108,616
Non-operating revenues (expenses)	
Interest income	356
Total non-operating expenses, net	356
Net income (loss) before capital contributions	108,972
Capital contributions	
Contribution - City of Danville	278,380
Contribution - Pittsylvania County	283,665
Total capital contributions	562,045
Change in net position	671,017
Net position at July 1, 2020	65,566,695
Net position at November 30, 2020	\$ 66,237,712

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

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

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
*November 30, 2020**

	Unaudited FY 2021
Operating activities	
Receipts from grant reimbursement requests	\$ 1,620,691
Receipts from leases	126,533
Other receipts	253,715
Payments to suppliers for goods and services	(2,267,664)
Net cash used by operating activities	(266,725)
Capital and related financing activities	
Capital contributions	562,045
Interest paid on bonds	(37,496)
Net cash provided by capital and related financing activities	524,549
Investing activities	
Interest received	356
Net cash provided by investing activities	356
Net increase (decrease) in cash and cash equivalents	258,180
Cash and cash equivalents - beginning of year (including restricted cash)	1,900,736
Cash and cash equivalents - through November 30, 2020 (including restricted cash)	\$ 2,158,916
Reconciliation of operating loss before capital contributions to net cash used by operating activities:	
Operating income (loss)	\$ 108,616
Changes in assets and liabilities:	
Change in other receivables	814,955
Change in accounts payable	(1,186,821)
Change in unearned income	(3,475)
Net cash used by operating activities	\$ (266,725)

Components of cash and cash equivalents at November 30, 2020:	
American National - Checking	\$ 1,159,969
American National - General money market	456,306
Wells Fargo - \$7.3M Bonds CCC Debt service fund	506,281
Wells Fargo - \$7.3M Bonds CCC Project fund	36,360
	\$ 2,158,916

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.: Item 6ABCDEF

Meeting Date: 12/14/2020

Subject: Closed Session

From: Chairman

- 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; and

- 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 Southern Virginia Megasite at Berry Hill project, Cyber Park project and/or Cane Creek Centre project, where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2-3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority’s projects 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; and

RETURN TO OPEN SESSION

- D. Reinstatement/Unmuting of Conference Line.
- E. Confirmation of Motion and Vote to Reconvene in Open Meeting.
- F. Motion to Certify Closed Meeting.