

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

**CITY OF DANVILLE, VIRGINIA  
COUNTY OF PITTSYLVANIA, VIRGINIA**

## **AGENDA**

**MONDAY, NOVEMBER 21, 2011**

**12:00 NOON**

**MUNICIPAL BUILDING  
SECOND FLOOR CONFERENCE ROOM  
427 PATTON STREET, DANVILLE, VIRGINIA**

### **COUNTY OF PITTSYLVANIA MEMBERS**

**COY E. HARVILLE, CHAIRMAN  
HENRY A. "HANK" DAVIS, JR.  
FRED M. INGRAM, ALTERNATE**

### **CITY OF DANVILLE MEMBERS**

**SHERMAN M. SAUNDERS, VICE CHAIRMAN  
T. DAVID LUTHER  
FRED O. SHANKS, III, ALTERNATE**

### **STAFF**

**JOSEPH C. KING, CITY MANAGER, DANVILLE  
WILLIAM D. SLEEPER, PITTSYLVANIA COUNTY ADMINISTRATOR  
CLEMENT & WHEATLEY, ATTORNEY FOR AUTHORITY  
SUSAN M. DEMASI, AUTHORITY SECRETARY  
BARBARA A. DAMERON, 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 FOR THE OCTOBER 11, 2011 MEETING
5. NEW BUSINESS

- A. Consideration of a Resolution to approve Change Order No. 003, dated October 18, 2011, to Haymes Brothers, Inc., a Virginia corporation, in the amount of \$96,041.71, for reconciliation of overrun and under run of certain contract items on the project, for the construction of graded pads and sewer line at the Authority's Cane Creek Centre. **[No written resolution. Copy of Change Order attached].**
- B. Consideration of Resolution No. 2011-11-21-5B, authorizing the submission of an application by the Authority to the Tobacco Indemnification and Community Revitalization Commission for a grant of up to \$6,000,000 for site improvement work on Lot 4 at the Authority's Cane Creek Centre project, and authorizing the Danville City Manager and the Pittsylvania County Administrator, subject to the approval by the Chairman or Vice Chairman of the Authority, to execute and to deliver, on behalf of the Authority, all necessary documents pertaining thereto.
- C. Consideration of Resolution No. 2011-11-21-5C, directing the issuance of a request for proposals (RFP) for services for removal of those certain improvements and structures including (i) that certain residence structure known as the Lake Shore House, located in Pittsylvania County, Virginia, at the Cane Creek Centre project (a portion of tax GPINs 2347-46-0892 and 2347-35-9903), and (ii) that certain residence structure commonly known as 1260 South Boston Road, located in Danville, Virginia, at the Cyber Park project (a portion of tax PIN 76441); the acceptance of any proposal or the award of any contract pursuant to the RFP shall be subject to, and dependent on, further action of the Board of Directors of the Authority.
- D. Consideration of Resolution No. 2011-11-21-5D adopting an Amendment to Lease Agreement (the "Amendment") with Axxor N.A., LLC, a Kentucky Limited Liability Company, for (i) the house known as the Lake Shore House and (ii) the apartments, located on a portion of real property in Pittsylvania County, Virginia, at the Authority's Cane Creek site (a portion of GPINs 2347-46-0892 and 2347-35-9903). The Amendment, among other things, will exclude the Lake Shore House from the lease, and will reduce the Base Rent during the term from \$6,500 to \$2,250.
- E. Financial Report as of October 31, 2011 – Barbara A. Dameron, CPA, Authority Treasurer

**DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**

**6. CLOSED SESSION**

- A. As permitted by Section 2.2-3711(A)(29) of the Code of Virginia, 1950, as amended, for discussion of the possible award of a public contract with the Pittsylvania County Service Authority, a political subdivision of the Commonwealth of Virginia, and the City of Eden, a North Carolina municipal corporation, involving the expenditure of public funds and the provision of wastewater treatment services to the Authority's Berry Hill Regional Mega Park Site, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.
- B. Confirmation of Motion and Vote to Reconvene in Open Meeting.
- C. Motion to Certify Closed Meeting.

**7. ACTION ON MATTERS CONSIDERED IN CLOSED MEETING**

**8. COMMUNICATIONS FROM:**

Henry A. "Hank" Davis, Jr.  
Coy E. Harville  
Fred M. Ingram  
T. David Luther  
Sherman M. Saunders  
Fred O. Shanks, III  
Staff

**9. ADJOURN**

**AGENDA  
ITEM NUMBER 4**

# DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

## Minutes October 11, 2011

The Regular Meeting of the Danville Pittsylvania Regional Industrial Facility Authority convened at 12:12 p.m. on the above date in the Conference Room located at the Danville Regional Airport, 424 Airport Drive. Present were City of Danville Members Vice-Chairman Sherman M. Saunders, T. David Luther and alternate Fred O. Shanks, III. Pittsylvania County Members present were Chairman Coy E. Harville and Henry A. "Hank" Davis, Jr.; Alternate Fred Ingram was absent.

City/County staff members attending were: City Manager Joe King, Pittsylvania County Administrator Dan Sleeper, Danville Finance Director/Authority Treasurer Barbara Dameron, Pittsylvania County Finance Director Kim Van der Hyde, Pittsylvania County Attorney J. Vaden Hunt, City of Danville Director of Economic Development Jeremy Stratton, Assistant County Administrator for Planning & Development Gregory Sides, Karen Cross Danville Parks, Recreation & Tourism, City of Danville Senior Accountant Patricia Conner, Clement and Wheatley Attorney Michael Guanzon, and Secretary to the Authority Susan DeMasi.

Also present was Dewberry & Davis project manager Shawn Harden.

Chairman Harville called the Meeting to order.

### **PUBLIC COMMENT PERIOD**

No one desired to be heard.

### **APPROVAL OF SEPTEMBER 12, 2011 MINUTES**

Upon **Motion** by Mr. Luther and **second** by Mr. Davis, Minutes of the September 12, 2011 Meeting were approved, as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

### **VIRGINIA FREEDOM OF INFORMATION ACT TRAINING SESSION PRESENTED BY MARIA J. K. EVERETT, EXECUTIVE DIRECTOR AND SENIOR ATTORNEY, VIRGINIA FREEDOM OF INFORMATION ADVISORY COUNCIL**

Ms. Everett gave a presentation on the Virginia Freedom of Information Act to the RIFA Board and City and County Staff Members.

### **NEW BUSINESS**

#### **A. UPDATE ON TRANSPORTATION PLANS FOR THE AUTHORITY'S MEGA PARK SITE – GREG SIDES, ASSISTANT COUNTY ADMINISTRATOR**

Greg Sides, Assistant County Administrator for Planning & Development gave a brief update on transportation plans. Mr. Sides noted the West Piedmont Planning District Commission is doing a number of corridor studies, one of which is a proposal to realign Route 863. Mr.

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Sides noted there have been two public input meetings, with no decision having been made and no alignment has been identified, as yet.

Mr. Sides then gave a brief update on a Mega Park connector road which would come from Highway 58 at the Oak Ridge Interchange and tie into Berry Hill in the Mega Park. Mr. Sides noted they are about to issue a Request for Proposal for the engineering services. This will be for truck traffic and to have two ways of accessing the Mega Park.

### **B. PRESENTATION OF INFORMATION ON WALKING TRAIL CORRIDOR AT THE AUTHORITY'S CANE CREEK SITE – GREG SIDES, ASSISTANT COUNTY ADMINISTRATOR AND KAREN CROSS DIRECTOR OF OUTDOOR RECREATION, DANVILLE PARKS & RECREATION**

Karen Cross, Director of Outdoor Recreation for Danville Parks, Recreation & Tourism noted that another part of the corridor study was to study a connector trail that would connect the River Walk to the Richmond-Danville Rail Trail. The River Walk is contained within the City of Danville and the Richmond-Danville Rail Trail is within Pittsylvania County. Part of the interest in doing a connection here is to have a contiguous path across Southwest Virginia. Ms. Cross discussed the two possible routes into Cane Creek Park, and noted that she and Greg Sides have both been on the trail connection committee.

After discussion by Board members, Ms. Cross stated she believed that the Board prefers Route A but are still open to discussion. Ms. Cross noted she will bring back some additional plans for the Authority to review.

### **C. CONSIDERATION OF RESOLUTION NO. 2011-10-11-6C – AUTHORIZING ISSUANCE OF REVENUE BONDS – (BERRY HILL PROJECT) – SERIES 2011 - \$13,700,000**

Authority Treasurer Barbara Dameron noted that this Resolution is to issue bonds for the purchase of land at the Mega Park. Ms. Dameron distributed two support agreements, one with the County and one with the City showing minor changes with respect to City officials that work for Council as opposed to employees of the City. Also the date in Section 8.1 has changed to June 21<sup>st</sup> as the latest date, given City Council's scheduled meeting date.

Attorney for the Authority Michael Guanzon noted that those are just small, technical revisions to documents that were already available on the website. These revisions do not impact the Resolution that was in the original packet for the Bond, these are just supporting documents that the Board might use for a basis for their decision.

Ms. Dameron noted that there are about eight documents in the packet that the Authority members are being asked to review.

Mr. Davis **moved** adoption of Resolution No. 2011-10-11-6C, with the scope of the revisions made available, authorizing the issuance of Revenue Bonds (Berry Hill Project), Series 2011

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in a principal amount not to exceed \$13,700,000, authorizing the execution and delivery of all Bond Documents in connection therewith including without limitation the Indenture, the Bonds, the Support Agreements, the Assignment agreement, the Bond Purchase Agreement, the Preliminary Official Statement and the Continuing Disclosure Agreement, and authorizing other matters in connection therewith. – Barbara A. Dameron, CPA, Authority Treasurer, and Joseph Mason, Davenport & Co., LLC.

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

Mr. Saunders questioned whether the Motion was “as is” or “pending final approval of both local government bodies”.

Mr. Harville noted it would be pending final approval of both the County and the City.

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

VOTE: 4-0  
AYE: Davis, Harville, Luther and Saunders (4)  
NAY: None (0).

## **D. FINANCIAL REPORT AS OF SEPTEMBER 30, 2011.**

Barbara Dameron, Authority Treasurer gave a brief financial report as of September 30, 2011. Ms. Dameron noted that this month, the Authority received \$17,566 in rental income from the Institute for Advanced Learning and Research. In terms of operating expenses and other expenses, the Authority incurred \$42,917 in expenses.

Mr. Davis **moved** approval of the financial report as of September 30, 2011. Mr. Saunders **seconded** the motion and the Motion was carried by the following vote:

VOTE: 4-0  
AYE: Davis, Harville, Luther and Saunders (4)  
NAY: None (0).

## **CLOSED MEETING**

7.A. At 1:55 p.m. Mr. Harville requested a Motion to go into Closed Meeting as permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended, for discussion concerning a prospective business where no previous announcement has been made of the business' interest in locating its facilities in the community; and as permitted by Section 2.2-3711(A)(3) of the Code of Virginia, 1950, as amended, for discussion or consideration of leasing to such prospective business, (i) the house known as the Lake House and (ii) the apartments, located on a portion of real property in Pittsylvania County, Virginia, at the Authority's Cane Creek site (a portion of GPINs 2347-46-0892 and 2347-35-9903); and the lease for an initial term of five (5) months, shall be for the purpose of a temporary employee

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dormitory and no other purpose, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

Mr. Guanzon noted that this business has now been announced but the other exception still applies for negotiating. Mr. Guanzon stated that the name of the company is Axxor, N.A.

Mr. Luther noted that Mr. Harville stated the facility was located in the County, which should have been "community". Mr. Guanzon noted the correction could be made with the Motion.

**7.B.** As permitted by Section 2.2-3711(A)(7) of the Code of Virginia, 1950, as amended, for consultation with and briefing by legal counsel pertaining to actual litigation regarding Nancy Barbour Smith, et al. v. Pittsylvania County Board of Supervisors (Case No. CL 10000088-00), where such consultation or briefing in open meeting would adversely affect the litigating posture of the Authority; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel.

Mr. Davis **made** a Motion to go into Closed Meeting. The Motion was **seconded** by Mr. Luther and carried by the following vote:

VOTE: 4-0  
AYE: Davis, Harville, Luther and Saunders (4)  
NAY: None (0).

Upon unanimous vote at 2:09 p.m., the Authority returned to open meeting and Mr. Davis **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 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. Saunders and carried by the following vote:

VOTE: 4-0  
AYE: Davis, Harville, Luther and Saunders (4)

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NAY: None (0).

**8. ACTION ON MATTERS CONSIDERED IN CLOSED SESSION**

**A. CONSIDERATION OF RESOLUTION 2011-10-11-8A**

Mr. Luther **moved** adoption of Resolution No. 2011-10-11-8A a resolution to approve a five month lease to Axxor N.A., LLC, a Kentucky Limited Liability Company of (i) the house known as the Lake House and (ii) the apartments located on a portion of real property in Pittsylvania County, Virginia, at the Authority's Cane Creek site (a portion of GPINs 2347-46-0892 and 2347-35-9903); and the lease shall be for the purpose of a temporary employee dormitory and no other purpose, for the total price of \$6,500. [RESOLUTION 2011-10-11-8A was distributed to the Board after returning to open session].

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

VOTE: 4-0  
AYE: Davis, Harville, Luther and Saunders (4)  
NAY: None (0).

**COMMUNICATIONS**

Joe King noted the end of the lawsuit and the financing; a lot of people worked very hard on those issues and we really appreciate their hard work.

Barbara Dameron distributed a schedule of the bond financing.

Upon **Motion** by Mr. Luther and **second** by Mr. Davis, and by unanimous vote, the meeting was adjourned at 2:14 p.m.

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Chairman

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Clerk to the Authority

**AGENDA  
ITEM NUMBER 5A**



Dewberry & Davis, Inc.  
551 Piney Forest Road  
Danville, VA 24540-3353  
434.797.4497  
434.797.4341 fax  
www.dewberry.com

October 25, 2011

Mr. Otis Hawker  
Assistant County Administrator  
Pittsylvania County  
P.O. Box 426  
Chatham, VA 24531

**RE: Cane Creek Graded Pads and Sewer Lines  
Change Order Number 3 Documentation**

Dear Mr. Hawker:

The bids for the above referenced project included unit cost for certain aspects of construction. During the project, quantities for undercut and rock were recorded and the length of underdrain installed was recorded. The attached change order is being submitted to reconcile the difference between the quantity used on the bid form and the actual quantity moved or installed on site. The change order amount for Change Order 3 is \$96,041.71.

If you should have any further questions or need further documentation for this change order, please feel free to call me at 434.549.8508.

Sincerely,

Dewberry & Davis, Inc.

A handwritten signature in black ink that reads "Shawn R. Harden".

Shawn R. Harden, P.E.  
Manager Civil/Economic Development

SRH/srh

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# CHANGE ORDER REQUEST (PROPOSAL)

Project: Cane Creek Graded Pads & Sewer Line Change Order Request Number: 003  
 From (Contractor): Haymes Brothers, Inc.  
 To: Dewberry Date: 10/18/2011  
 A/E Project Number: \_\_\_\_\_  
 Re: Reconcile Overrun and Under Run Contract For: Graded Pads & Sewer Line

This Change Order Request (C.O.R.) contains an itemized quotation for changes in the Contract Sum or Contract Time in response to proposed modifications to the Contract Documents based on Proposal Request No. 003

### Description of Proposed Change:

There was a \$500.00 error on Pay Application #003, which resulted in a credit to the owner of this amount. Base bid item Part D overrun by 11,302 CY and the unit price in the bid was \$7.50 per CY for a total addition of \$84,765.00. There was an overrun on Change Order #1, Underdrain, of 906 LF at the unit price of \$12.50 per LF for a total addition of \$11,325.00.

In order to reconcile the Contract amount to \$0, this change order will reduce the amount of Rock Excavation in the Base Bid from 5,000 CY to 171 CY.

Attached supporting information from:  Subcontractor  Supplier  \_\_\_\_\_

### Reason for Change:

Does Proposed Change involve a change in Contract Sum?  No  Yes [Increase] [Decrease] \$96,041.71  
 Does Proposed Change involve a change in Contract Time?  No  Yes [Increase] [Decrease] 0 Days

Attached pages:  Proposal Worksheet Summary: \_\_\_\_\_  
 Proposal Worksheet Detail(s): \_\_\_\_\_

Signed by: *Russ Muffel* Date: 10/18/2011

Copies:  Owner  Consultants  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_  File

# Change Order

No. 03

Date of Issuance: \_\_\_\_\_ Effective Date: \_\_\_\_\_

Project: Cane Creek Graded Pads	Owner's Contract No.:01-01-08873
Contract: Cane Creek Graded Pads & Sewer Line	Date of Contract: May 9, 2011
Contractor: Haymes Brothers, Inc.	Engineer's Project No.: 50042387

**The Contract Documents are modified as follows upon execution of this Change Order:**

**Description:**

Reconcile Overrun and under run of Contract items per attached Proposed Change Order

**Attachments (list documents supporting change):**

Contractors Request for Change Order

**CHANGE IN CONTRACT PRICE:**

**CHANGE IN CONTRACT TIMES:**

Original Contract Price:

\$ 1,225,050.00

[Increase] [Decrease] from previously approved Change Orders No. 1 to No. 2:

\$167,375.00

Contract Price prior to this Change Order:

\$ 1,392,425.00

[Increase] [Decrease] of this Change Order:

\$ 96,041.71

Contract Price incorporating this Change Order:

\$ 1,488,466.71

Original Contract Times:  Working days  Calendar days

Substantial completion (days or date): 120 days

Ready for final payment (days or date): 150 days

[Increase] [Decrease] from previously approved Change Orders No. 1 to No. 2:

Substantial completion (days): 0 days

Ready for final payment (days): 0 days

Contract Times prior to this Change Order:

Substantial completion (days or date): 125 days

Ready for final payment (days or date): 155 days

[Increase] [Decrease] of this Change Order:

Substantial completion (days or date): 0 days

Ready for final payment (days or date): 0 days

Contract Times with all approved Change Orders:

Substantial completion (days or date): 135 days

Ready for final payment (days or date): 165 days

RECOMMENDED:

By: [Signature]  
Engineer (Authorized Signature)

Date: 10-25-2011

Approved by Funding Agency (if applicable):

ACCEPTED:

By: \_\_\_\_\_  
Owner (Authorized Signature)

Date: \_\_\_\_\_

ACCEPTED:

By: [Signature]  
Contractor (Authorized Signature)

Date: 10/24/2011

Date: \_\_\_\_\_

# Change Order

## Instructions

### A. GENERAL INFORMATION

This document was developed to provide a uniform format for handling contract changes that affect Contract Price or Contract Times. Changes that have been initiated by a Work Change Directive must be incorporated into a subsequent Change Order if they affect Price or Times.

Changes that affect Contract Price or Contract Times should be promptly covered by a Change Order. The practice of accumulating Change Orders to reduce the administrative burden may lead to unnecessary disputes.

If Milestones have been listed in the Agreement, any effect of a Change Order thereon should be addressed.

For supplemental instructions and minor changes not involving a change in the Contract Price or Contract Times, a Field Order should be used.

### B. COMPLETING THE CHANGE ORDER FORM

Engineer normally initiates the form, including a description of the changes involved and attachments based upon documents and proposals submitted by Contractor, or requests from Owner, or both.

Once Engineer has completed and signed the form, all copies should be sent to Owner or Contractor for approval, depending on whether the Change Order is a true order to the Contractor or the formalization of a negotiated agreement for a previously performed change. After approval by one contracting party, all copies should be sent to the other party for approval. Engineer should make distribution of executed copies after approval by both parties.

If a change only applies to price or to times, cross out the part of the tabulation that does not apply.

**AGENDA  
ITEM NUMBER 5B**

**Resolution No. 2011-11-21-5B**

**A RESOLUTION AUTHORIZING THE SUBMISSION OF AN APPLICATION BY THE AUTHORITY TO THE TOBACCO INDEMNIFICATION AND COMMUNITY REVITALIZATION COMMISSION FOR A GRANT OF UP TO \$6,000,000 FOR SITE IMPROVEMENT WORK ON LOT 4 AT THE AUTHORITY'S CANE CREEK CENTRE PROJECT, AND AUTHORIZING THE DANVILLE CITY MANAGER AND THE PITTSYLVANIA COUNTY ADMINISTRATOR, SUBJECT TO APPROVAL BY THE CHAIRMAN OR VICE CHAIRMAN OF THE AUTHORITY, TO EXECUTE AND TO DELIVER, ON BEHALF OF THE AUTHORITY, ALL NECESSARY DOCUMENTS PERTAINING THERETO.**

**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 Tobacco Indemnification and Community Revitalization Commission (the "**Commission**") has developed an economic development program to help tobacco-reliant localities to change and 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 improvement work on Lot 4 at the Authority's Cane Creek Centre project in the County (the "**Site Work**"); and

**WHEREAS**, the Authority desires to apply for a grant from the Commission for up to Six Million and 00/100 Dollars (\$6,000,000.00) (the "**Grant**") for the costs of the Site Work, in connection with a local match of the County and the City, amount of which is to be approved by the County and the City (the "**Local Match**"); 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, and to apply for the Grant from the Commission, in connection with the Local Match.

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

1. The Authority does hereby authorize the submission of an application (the "**Application**") for the Grant, in connection with the Local Match, to the Commission, upon such terms and together with such amendments, deletions or additions thereto as

may be approved by the Pittsylvania County Administrator and the Danville City Manager as staff members and agents of the Authority, subject to approval by the Chairman or Vice Chairman of the Authority, and hereby authorizes the Pittsylvania County Administrator and the Danville City Manager to execute and deliver, on behalf of the Authority, the Application, including all necessary documents pertaining thereto, such execution of the Application, including all necessary documents pertaining thereto, by the Pittsylvania County Administrator and the Danville City Manager to conclusively establish approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Application, 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, the Pittsylvania County Administrator and the Danville City Manager, its other agents and representatives, in respect of the Application 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 November 14, 2011, 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 21st day of November 2011.

(SEAL)

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

**AGENDA  
ITEM NUMBER 5C**

**Resolution No. 2011-11-21-5C**

**A RESOLUTION DIRECTING THE ISSUANCE OF A REQUEST FOR PROPOSALS (RFP) FOR SERVICES FOR REMOVAL OF THOSE CERTAIN IMPROVEMENTS OR STRUCTURES, INCLUDING THE RESIDENCE KNOWN AS THE LAKE SHORE HOUSE AND THE APARTMENTS, LOCATED IN PITTSYLVANIA COUNTY, VIRGINIA, AT THE CANE CREEK CENTRE PROJECT (A PORTION OF GPINS 2347-46-0892 AND 2347-35-9903), AND THE RESIDENCE KNOWN AS 1260 SOUTH BOSTON ROAD, DANVILLE, VIRGINIA, AT THE CYBER PARK (A PORTION OF TAX PIN 76441); AND THE ACCEPTANCE OF ANY PROPOSAL OR THE AWARD OF ANY CONTRACT PURSUANT TO THE RFP SHALL BE SUBJECT TO, AND DEPENDENT ON, FURTHER ACTION OF THE BOARD OF DIRECTORS OF THE AUTHORITY.**

**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**, in connection with the development of industrial facilities of the Authority, the Authority desires to remove those certain improvements located on certain real property owned by the Authority, including the residence known as the Lake Shore House and the apartments, located in Pittsylvania County, Virginia, at the Cane Creek project (a portion of GPINS 2347-46-0892 and 2347-35-9903), the residence known as 1260 South Boston Road, located in Danville, Virginia, at the Cyber Park project (a portion of tax PIN 76441), and any appurtenant structures, buildings, or improvements (collectively, the "**Improvements**"); and

**WHEREAS**, the Authority desires to issue a request for proposals for services for the removal of the Improvements (the "**Request for Proposals**"), and the acceptance of any proposal or the award of any contract pursuant to the Request for Proposals shall be subject to and dependent on further action of the Board of Directors of the Authority; and

**WHEREAS**, the Authority has determined that issuance of the Request for Proposals serves the purpose of the Authority to enhance the economic base of County of Pittsylvania, Virginia (the "**County**") and the City of Danville, Virginia, (the "**City**") by developing, owning, and operating one or more facilities on a cooperative basis involving the County and the City, and that it is in the best interests of the Authority and of the citizens of the County and the City for the Authority to direct the issuance of the Request for Proposals.

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

1. The Authority does hereby direct the issuance of the Request for Proposals, upon such terms and together with such amendments, deletions or additions thereto as may be approved by the County Administrator and the City Manager as staff

members and agents of the Authority (and the acceptance of any proposal or the award of any contract pursuant to the Request for Proposal shall be subject to and dependent on further action of the Board of Directors of the Authority), and hereby authorizes the County Administrator and the City Manager to execute and deliver the Request for Proposals, including all necessary documents pertaining thereto, on behalf of the Authority, such execution of the Request for Proposals, including all necessary documents pertaining thereto, by the Pittsylvania County Administrator and the Danville City Manager to conclusively establish approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Request for Proposals, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions; provided, however, that the acceptance of any proposal or the award of any contract pursuant to the Request for Proposal shall be subject to further action of the Board of Directors of the Authority.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, the County Administrator and the City Manager, its other agents and representatives, in respect of the Request for Proposals 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 November 14, 2011 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 21st day of November 2011.

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

(SEAL)

**AGENDA  
ITEM NUMBER 5D**

**Resolution No. 2011-11-21-5D**

**A RESOLUTION TO APPROVE AN AMENDMENT TO LEASE AGREEMENT WITH AXXOR N.A., LLC, A KENTUCKY LIMITED LIABILITY COMPANY, FOR (I) THE HOUSE KNOWN AS THE LAKE SHORE HOUSE AND (II) THE APARTMENTS, LOCATED ON A PORTION OF REAL PROPERTY IN PITTSYLVANIA COUNTY, VIRGINIA, AT THE AUTHORITY'S CANE CREEK SITE (A PORTION OF GPINs 2347-46-0892 AND 2347-35-9903). THE AMENDMENT, AMONG OTHER THINGS, WILL EXCLUDE THE LAKE SHORE HOUSE FROM THE LEASE, AND WILL REDUCE THE BASE RENT DURING THE TERM FROM \$6,500 TO \$2,250.**

**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 that certain Lease Agreement (the "**Lease**") by and between the Authority and Axxor N.A., LLC, a Kentucky limited liability company ("**Tenant**"), for the Authority's lease to Tenant of (i) the house known as the Lake Shore House (the "**Lake House**") and (ii) the apartments (the "**Apartments**"), all of which are located on a portion of the real property located in Pittsylvania County, Virginia, at the Authority's Cane Creek site (a portion of GPINs 2347-46-0892 and 2347-35-9903), for the purpose of a temporary employee dormitory for Tenant's personnel and no other purpose, at a total base rent of Six Thousand Five Hundred and 00/100 Dollars (\$6,500.00); and

**WHEREAS**, the Authority and Tenant desire to enter into an amendment to the Lease, which, among other things, will exclude the Lake House from the Lease, and will reduce the total base rent to Two Thousand Two Hundred Fifty and 00/100 Dollars (\$2,250.00); and

**WHEREAS**, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County and the City of Danville, Virginia, for the Authority to amend the Lease; and

**WHEREAS**, the terms of such amendment are set forth in Schedule A, attached hereto and incorporated herein by this reference (the "**Amendment**").

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

1. The Authority hereby approves the Amendment as reviewed at this meeting, together with such amendments, deletions or additions thereto 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 Amendment, along with the Lease, on behalf of the Authority, such execution of the Amendment and the Lease by the Chairman (or Vice Chairman as the case may be) to conclusively establish his approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Amendment and the Lease, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Amendment and the Lease 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 November 21, 2011, 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 21st day of November 2011.

(SEAL)

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

**Schedule A**  
**AMENDMENT TO LEASE AGREEMENT**

**THIS AMENDMENT TO LEASE AGREEMENT** (this "**Amendment**") is made as of the 15th day of November 2011, by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia ("**Landlord**"); and **AXXOR N.A., LLC**, a Kentucky limited liability company ("**Tenant**").

**WITNESSETH:**

That for and in consideration of the mutual promises and covenants contained in this Lease, the parties agree as follows:

Section 1 – Recitals. The parties recite the following facts:

- a. Landlord and Tenant entered into that certain Lease Agreement, dated November 1, 2011 (the "**Lease**") for lease of the Demised Premises.
- b. The parties desire to amend the Lease as set forth herein.

Section 2 – Property Description. The Demised Premises shall exclude that certain house known as the Lake Shore House, and shall include, exclusively, the apartments and so much of the property surrounding the apartments as is reasonably necessary and appropriate for the use and enjoyment of the apartments.

Section 3 - Term. The Term shall commence on November 15, 2011, and end March 31, 2012, unless extended or sooner terminated as provided for in the Lease.

Section 4 - Rent. The Base Rent shall be the sum of Two Thousand Two Hundred Fifty and 00/100 Dollars (\$2,250.00), payable in (i) one (1) initial installment of Seven Hundred Fifty and 00/100 Dollars (\$750.00), in advance on November 15, 2011, and (ii) three (3) equal monthly consecutive installments of Five Hundred and 00/100 Dollars (\$500.00) each, in advance beginning on January 1, 2012, and on the first day of each month thereafter.

Section 5 – Security Deposit. The Security Deposit shall be Five Hundred and 00/100 Dollars (\$500.00).

Section 6 - Entire Agreement. The Lease, as hereby amended by this Amendment, contains the entire agreement and understanding of the parties with respect to the transactions contemplated hereby; and the Lease, as hereby amended by this Amendment, supersedes all prior understandings and agreements of the parties with respect to the subject matter hereof.

Section 7 - Interpretation. All of the terms, covenants and conditions of the Lease shall continue in full force and effect, and the same are hereby reaffirmed, remade and rewritten, except to the extent that any such terms, covenants or conditions have been nullified hereby or conflict or are inconsistent with the terms of this Amendment, in which event the terms of this Amendment shall, in all respects, govern and prevail.

Section 8 - Defined Terms. The capitalized terms of this Amendment that are not defined herein shall be defined as set forth in the Lease.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS the following signatures to this **AMENDMENT TO LEASE AGREEMENT**:

**LANDLORD:**

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

By: \_\_\_\_\_  
Chairman

**TENANT:**

**AXXOR N.A., LLC**, a Kentucky limited liability company

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

**AGENDA  
ITEM NUMBER 5E**

**Danville - Pittsylvania Regional Industrial Facility  
Authority**

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# **Financial Status**

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- A. \$7.3 Million Bonds
- B. General Expenditures for FY 2012
- C. Mega Park
- D. Cane Creek Centre – Lots 3 & 9
- E. Yorktowne Reimbursement
- F. Rent, Interest, and Other Income Realized
- G. Unaudited Financial Statements

**Danville-Pittsylvania Regional Industrial Facility Authority**

\$7.3 million Bonds for Cane Creek Centre - Issued in August 2005

As of October 31, 2011

	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
<i>Funding</i>					
Funds from bond issuance	\$ 7,300,000.00				
Issuance cost	(155,401.33)				
Bank fees	(98.25)				
Interest earned to date	486,470.93				
<b>Cane Creek Parkway <sup>2</sup></b>		\$ 3,804,576.00	\$ 3,724,241.16	\$ -	
<b>Swedwood Drive <sup>2</sup></b>		69,414.00	69,414.00	-	
<b>Cane Creek Centre entrance <sup>2</sup></b>		72,335.00	53,878.70	-	
<b>Financial Advisory Services</b>		7,800.00	7,600.00	-	
<b>Dewberry contracts <sup>1</sup></b>		69,582.50	69,582.50	-	
<b>Dewberry contracts not paid by 1.7 grant <sup>4,5</sup></b>		71,881.00	9,167.12	62,713.88	
<b>Yorktowne Sound Buffer</b>		-	-	-	
<b>Land</b>			2,560,921.67	-	
<b>Demolition services</b>			33,761.62	-	
<b>Legal fees</b>			48,954.23	-	
<b>Other expenditures</b>			9,689.70	-	
<b>Total</b>	\$ 7,830,971.35	\$ 4,095,388.50	\$ 6,587,210.70	\$ 62,713.88	\$ 981,046.77

**notes:**

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

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

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

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

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

<sup>5</sup> The budget amount decreased \$71,279.61 from the September 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.

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

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

**Danville-Pittsylvania Regional Industrial Facility Authority**  
**General Expenditures for Fiscal Year 2012**  
**As of October 31, 2011**

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<b>Funding</b>					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY11	-				
<b>Contingency</b>					
Bank Fees		\$ 4,100.00	\$ 4,071.25	\$ -	\$ -
Arbitrage Rebate Calculation Fees		2,000.00	2,000.00	0.00	
Moody's Investor Service		-	1,100.00	0.00	
J.M. East Painting, Inc.		-	8,500.00	0.00	
Miscellaneous contingency items		15,000.00	44.18	-	-
<b>Total Contingency Budget</b>		<b>21,100.00</b>	<b>13,715.41</b>	<b>-</b>	<b>7,384.59</b>
<b>Legal</b>		90,250.00	17,966.97	-	72,283.03
<b>Accounting</b>		18,750.00	11,500.00	7,250.00	-
<b>Postage &amp; Shipping</b>		100.00	-	-	100.00
<b>Meals</b>		2,800.00	916.92	-	1,883.08
<b>Utilities</b>		10,000.00	804.50	-	9,195.50
<b>Insurance</b>		7,000.00	-	-	7,000.00
<b>Total</b>	<b>\$ 150,000.00</b>	<b>\$ 150,000.00</b>	<b>\$ 44,903.80</b>	<b>\$ 7,250.00</b>	<b>\$ 97,846.20</b>

**Danville-Pittsylvania Regional Industrial Facility Authority**

Mega Park

As of October 31, 2011

	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
<b>Funding</b>					
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property <sup>1</sup>	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
<b>Land</b>					
Klutz property		\$ 8,394,553.50	\$ 8,394,553.50	\$ -	
Canter property <sup>2</sup>		1,200,000.00	1,200,000.00	-	
Adams property		37,308.00	37,308.00	-	
Carter property		5,843.00	5,843.00	-	
Jane Hairston property		1,384,961.08	1,384,961.08	-	
Bill Hairston property		201,148.00	201,148.00	-	
Shoffner Property		1,872,896.25	1,872,896.25	-	
<b>Other</b>					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis <sup>3</sup>		990,850.00	954,595.79	36,254.21	
Consulting Services - McCallum Sweeney		115,000.00	92,130.18	22,869.82	
<b>Total</b>	<b>\$ 14,388,399.83</b>	<b>\$ 14,231,524.83</b>	<b>\$ 14,172,400.80</b>	<b>\$ 59,124.03</b>	<b>\$ 156,875.00</b>

<sup>1</sup> This figure does not include the interest the City is losing from the uninvested funds.

<sup>2</sup> Settlement fees have been charged to general expenditures until a funding source is available

<sup>3</sup> This contract was originally for \$814,500, but has been amended to include a traffic impact analysis, and a cemetery survey. \$740,000 will be covered by the FY09 Tobacco Allocation and \$250,850 will be covered by the FY10 Tobacco Allocation.

**Danville-Pittsylvania Regional Industrial Facility Authority**

Cane Creek Centre - Lots 3 & 9

As of October 31, 2011

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<b>Funding</b>					
EDA Grant Investment	\$ 2,275,030.00				
Tobacco Commission FY10 Reserve Fund Allocation	426,568.00				
Local Match - RIFA <sup>1</sup>	142,190.00				
<b>Expenditures</b>					
Haymes Brothers, Inc. <sup>2</sup>		\$ 1,392,425.00	\$ 1,052,520.87	\$ 339,904.13	
Dewberry & Davis		111,600.00	106,020.00	5,580.00	
Advertisements for bids		-	2,383.00	-	
<b>Total</b>	<b>\$ 2,843,788.00</b>	<b>\$ 1,504,025.00</b>	<b>\$ 1,160,923.87</b>	<b>\$ 345,484.13</b>	<b><u>\$ 1,337,380.00</u></b>

<sup>1</sup> Bond funds are available to cover this local match.

<sup>2</sup> Please note that the expended amount does not include 5% retainage withheld that has not yet been paid by RIFA to Haymes Brothers, Inc.



**Danville-Pittsylvania Regional Industrial Facility Authority**  
 Rent, Interest, and Other Income Realized  
 As of October 31, 2011

<u>Funding</u>	<u>Funding</u>	<u>Expenditures</u>	<u>Unexpended / Unencumbered</u>
<u>Rental Properties</u>			
<u>Lessee</u>	<u>Property</u>	<u>Rent Received</u>	
<i>Cyberpark</i>			
Institute for Advanced Learning and Research (IALR) <sup>1,4</sup> Securitas	Hawkins Research Building at 230 Slayton Ave. Gilbert Building at 1260 South Boston Rd.	\$ 480,160.27 11,300.00	
<i>Cane Creek Centre</i>			
Stephen R. & Susan G. Wilson Douglas C. Agner Richard A. Parker	Hughes House at 390 Cedar Lane Hughes House at 390 Cedar Lane Hughes House at 390 Cedar Lane	2,800.00 6,000.00 2,400.00	
<i>Berry Hill Mega Park</i>			
Guilford Whittail Management Oak Hill Hunt Club Patten Seed Company Browning & Associates, Ltd. <sup>5</sup> Osborne Company of North Carolina, Inc.	Klutz Farm off State Rd. 863 Hairston Farm off State Rd. 863 30 acre tract on Stateline Bridge Rd. 4380 Berry Hill Road House 4380 Berry Hill Road Pastureland	11,000.00 8,000.00 6,500.00 8,750.00 800.00	
<i>Total Rent</i>		<u>\$ 535,710.27</u>	
<u>Interest Received</u> <sup>2</sup>		\$ 23,145.95	
<u>Expenditures</u>			
Disbursement to IALR for SEnTeC project <sup>1</sup> Transfer to General Expenditures budget <sup>3</sup>		\$ 278,812.00 50,000.00	
<b>Total</b>		<u>\$ 558,856.22</u>	<u>\$ 230,044.22</u>

<sup>1</sup> A portion of the rent received from the IALR for the Hawkins Research Building was Board-restricted for the SEnTeC project. RIFA disbursed \$278,812.00 to the IALR to fully satisfy this commitment made by the Board at the June 11, 2008 meeting.

<sup>2</sup> Please note that this is only interest received on RIFA's general money market account.

<sup>3</sup> The RIFA Board approved to transfer \$50,000 from rental income realized to the General Expenditures budget at its March 14, 2011 meeting.

<sup>4</sup> Please note that these rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions

<sup>5</sup> Please note that Browning & Associates has paid a \$1,000 security deposit per the lease agreement that is not included in rental income above.

*Danville-Pittsylvania Regional Industrial Facility Authority*  
*Statement of Net Assets*<sup>1, 2</sup>  
*October 31, 2011\**

	<b>Unaudited FY 2012</b>
<b>Assets</b>	
<i>Current assets</i>	
Cash - checking	\$ 283,417
Cash - money market	389,737
Due from other governments	205,321
<i>Total current assets</i>	878,475
<i>Noncurrent assets</i>	
Restricted cash - project fund	1,046,428
Restricted cash - debt service fund	617,278
Capital assets not being depreciated	24,154,661
Capital assets being depreciated, net	27,244,055
Construction in progress	1,930,750
Unamortized bond issuance costs	108,781
<i>Total noncurrent assets</i>	55,101,953
<b>Total assets</b>	55,980,428
<b>Liabilities</b>	
<i>Current liabilities</i>	
Due to City of Danville	10,479,073
Bonds payable - current portion	285,000
Retainage payable	55,396
Security deposit	1,000
<i>Total current liabilities</i>	10,820,469
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	5,895,000
<i>Total noncurrent liabilities</i>	5,895,000
<b>Total liabilities</b>	16,715,469
<b>Net Assets</b>	
Invested in capital assets - net of related debt	38,334,099
Unrestricted	930,860
<b>Total net assets</b>	\$ 39,264,959

<sup>1</sup> Please note that this balance sheet does not include the Due to/Due from between the County and the City since it nets out and only changes at fiscal year-end.

<sup>2</sup> Please note that 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 that these statements are for the period ended October 31, 2011 as of October 31, 2011, 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 Assets*  
*October 31, 2011\**

	<b>Unaudited FY 2012</b>
<b>Operating revenues</b>	
Virginia Tobacco Commission grants	54,554
Rental income	84,112
Other grants	-
<b>Total operating revenues</b>	<b>138,666</b>
<b>Operating expenses</b> <sup>4</sup>	
Mega Park expenses <sup>3</sup>	21,427
Cane Creek Centre expenses <sup>3,5</sup>	977,006
Cyber Park expenses <sup>3</sup>	2,000
Professional fees	23,675
Insurance	5,729
Other operating expenses	1,766
<b>Total operating expenses</b>	<b>1,031,603</b>
<b>Operating loss</b>	<b>(892,937)</b>
<b>Non-operating revenues (expenses)</b>	
Interest income	195
Interest expense	(3,187)
<b>Total non-operating expenses, net</b>	<b>(2,992)</b>
<b>Net loss before capital contributions</b>	<b>(895,929)</b>
<b>Capital contributions</b>	
Contribution - City of Danville	337,392
Contribution - Pittsylvania County	337,392
<b>Total capital contributions</b>	<b>674,784</b>
<b>Change in net assets</b>	<b>(221,145)</b>
<sup>6</sup> <b>Net assets at July 1,</b>	<b>39,486,104</b>
<b>Net assets at October 31,</b>	<b>\$ 39,264,959</b>

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

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

<sup>5</sup> Please note that this line item includes \$22,314 for fees related to the \$7.3M bonds for Cane Creek.

<sup>6</sup> Please note that this item may change depending on whether there are audit adjustments for FY2011 and the nature of those audit adjustments.

*Danville-Pittsylvania Regional Industrial Facility Authority*  
*Statement of Cash Flows*  
*October 31, 2011\**

	<b>Unaudited FY 2012</b>
<b>Operating activities</b>	
Receipts from grant reimbursement requests	\$ 131,674
Receipts from leases	80,914
Payments to suppliers for goods and services	(1,245,595)
Net cash used in operating activities	(1,033,007)
<b>Capital and related financing activities</b>	
Capital contributions	674,784
Interest paid on bonds	(4,153)
Principal repayments on bonds	-
Net cash provided by capital and related financing activities	670,631
<b>Investing activities</b>	
Interest received	196
Net cash provided by investing activities	196
Net decrease in cash and cash equivalents	(362,180)
Cash and cash equivalents - beginning of year (including restricted cash)	2,699,040
Cash and cash equivalents - through October 31, 2011 (including restricted cash)	\$ 2,336,860
<b>Reconciliation of operating loss before capital contributions to net cash used in operating activities:</b>	
Operating loss	\$ (892,937)
Changes in assets and liabilities:	
Change in prepaids	10,113
Change in due from other governments	77,120
Change in other receivables	3,500
Change in accounts payable	(224,103)
Change in unearned income	(6,700)
Change in security deposit	-
Net cash used in operating activities	\$ (1,033,007)

**Components of cash and cash equivalents at October 31, 2011:**

American National - Checking	\$ 283,417
American National - General money market	389,737
Wachovia - \$7.3M Bonds CCC Debt service fund	617,278
Wachovia - \$7.3M Bonds CCC Project fund	1,046,428
	\$ 2,336,860